COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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

Atty. Barbara Anne C. Migallos Atty. Daneia Isabelle F. Palad

Contact Person

8896-9357 to 59

Telephone Number of the Contact Person

1	2

Fiscal Year

3	1

SEC Form 20- IS Definitive Information Statement

FORM TYPE

Every First Friday of June

Annual Meeting

N/A

Secondary license Type, If Applicable

M	S	R	D

Dept. Requiring this Doc.

n/a

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

NICKEL ASIA CORPORATION
Notice of Annual General Meeting of Stockholders

TO OUR STOCKHOLDERS:

Please be informed that the **Annual General Meeting of the stockholders** of **NICKEL ASIA CORPORATION** (the "Company") will be held **via remote communication** on **Friday, 5 June 2026** at **10:00 A.M.** and will be presided at the Company's principal office address at the 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila (the "2026 AGM" or the "Meeting"). The order of business thereat will be as follows:

1. Call to Order
2. Proof of required notice of the meeting
3. Certification of quorum
4. Reading and approval of the Minutes of the 9 June 2025 annual general meeting of stockholders
5. Presentation of Annual Report and Audited Financial Statements for the year ended December 31, 2025 and action thereon
6. Ratification and approval of the acts of the Board of Directors and Executive Officers during the year 2025
7. Appointment of independent auditors
8. Election of directors, including independent directors
9. Other matters
10. Adjournment

A brief statement of the rationale and explanation for each Agenda item which requires shareholders' approval is contained in Annex "A" of this Notice. The Information Statement accompanying this Notice contains more detail regarding the rationale and explanation for each of such Agenda items.

Stockholders of record at the close of business on 13 March 2026 are entitled to notice of, and to vote at, this year's Meeting. Shareholders may only participate via remote communication.

To register, certificated stockholders who will attend the Meeting should send a scanned copy of one (1) valid government identification card (ID) to nikl-asm2026@nickelasia.com. Indirect shareholders should send scanned copies of their broker's certification and one (1) valid ID to nikl-asm2026@nickelasia.com. Deadline for registration is on 26 May 2026.

The Company is not soliciting proxies. Should you be unable to attend the meeting, you can nevertheless be represented and vote at the AGM by submitting a proxy by email to nikl-asm2026@nickelasia.com, or by sending a physical copy to the Office of the Corporate Secretary at the Company's principal address at 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila. The deadline for submission of proxies is on 26 May 2026.

Inquiries and/or comments limited to the items in the Agenda of the Meeting may be sent to nikl-asm2026@nickelasia.com on or before 26 May 2026. Inquiries and/or comments received after the deadline, or those unrelated to the items in the Agenda of the Meeting shall be referred to the Corporation's proper officer for the appropriate response.

BARBARA ANNE C. MIGALLOS
Corporate Secretary

The Rationale and Explanation for each Agenda item requiring shareholders' approval is attached to this Notice.

The Definitive Information Statement, Management Report, SEC Form 17-A with 2025 Audited Financial Statements, and SEC Form 17-Q, accompany this Notice.

ANNEX "A"

EXPLANATION AND RATIONALE
For each item on the Agenda of the 2026 Annual General Meeting of Stockholders of Nickel Asia Corporation
requiring the vote of stockholders

AGENDA

1. **Call to Order**
   The Chairman will formally open the 2026 Annual General Meeting of Stockholders. The Directors and Officers of the Company will be introduced.

2. **Proof of required notice of the meeting**
   The Corporate Secretary will certify that copies of this Notice and the Information Statement with its accompanying documents have been duly provided in accordance with SEC Rules, within the required periods, to stockholders of record as of 13 March 2026.

3. **Certification of quorum**
   The Corporate Secretary will attest whether a quorum is present for the meeting.

4. **Reading and approval of the Minutes of the 9 June 2025 annual general meeting of stockholders, and action thereon**
   Shareholders may examine the Minutes of the 9 June 2025 annual general meeting of stockholders, in accordance with Sec. 73 of the Revised Corporation Code. The Minutes are also available on the Company's website.

   Resolution to be adopted:
   Shareholders will vote for the adoption of a resolution approving the Minutes of the 9 June 2025 annual general meeting of stockholders.

5. **Presentation of annual report and audited financial statements for the year ended December 31, 2025 and action thereon**
   The annual report and the financial statements of the Company, audited by the Company's external auditors, Sycip Gorres Velayo & Company, will be presented. The report will include the Audited Financial Statements, a copy of which accompanies this Notice and the Information Statement. Copies of the Information Statement and the Audited Financial Statements for 2025 are likewise made available on the Company's website (www.nickelasia.com).

   OPEN FORUM. After the report, inquiries submitted by stockholders on or before May 26, 2026 via email as stated in the Notice will be answered by the appropriate officer. Due to time considerations, questions not addressed at the meeting will be responded to via email.

   Resolution to be adopted:
   Shareholders will vote for the adoption of a resolution approving the annual report and the audited financial statements for the year ended December 31, 2025.

6. **Ratification and approval of the acts of the Board of Directors and Executive Officers during the year 2025**
   Actions by the Board and by the officers are contained in the Information Statement (please see pages 33 to 36 of the Information Statement) or are referred to in the Management Report.

Resolution to be adopted:
The ratification and approval of the acts of the Board of Directors and Officers.

7. Appointment of independent auditors

The Audit and Risk Committee screened the nominees for independent external auditor and endorsed the appointment of Sycip Gorres Velayo and Company ("SGV") as the Company's independent external auditors for the year 2026.

Resolution to be adopted:
Shareholders will vote on a resolution for the appointment of SGV as independent external auditor of the Company for 2026.

8. Election of directors, including independent directors

The Final List of Candidates for election as directors, as prepared by the Nominations Committee in accordance with the Company's By-Laws, the Revised Manual on Corporate Governance, the Securities Regulation Code and its Implementing Rules and Regulations and SEC guidelines for the election of independent directors, is contained in the Information Statement (please see page 14). The Final List will be presented to the shareholders, and the election of directors will be held.

The Voting Procedure is stated in the Information Statement (please see pages 36 to 37).

9. Other matters

Matters that are relevant to and appropriate for the annual general shareholders' meeting may be taken up. No resolution, other than the resolutions explained in the Notice and the Information Statement, will be submitted for voting by the shareholders.

10. Adjournment

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement
   [**X**] Definitive Information Statement

2. Name of Registrant as specified in its charter: **NICKEL ASIA CORPORATION**

3. Province, country or other jurisdiction of incorporation or organization: **Philippines**

4. SEC Identification Number: **CS200811530**

5. BIR Tax Identification Code: **007-085-191-000**

6. **28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila** **1634**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code: **+63 2 8798 7622**

8. Date, time and place of the meeting of security holders:

   Date : June 5, 2026
   Time : 10:00 A.M.
   Place : To be conducted by remote communication. The meeting will be presided at the 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila.

9. Approximate date on which the Information Statement is first to be sent or given to security holders: **May 11, 2026**

10. In case of Proxy Solicitations: **NOT APPLICABLE**

    Name of Person Filing the Statement/Solicitator:
    Address and Telephone Number:

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Common Stock Issued	**13,985,547,094**
Preferred Stock Issued	**720,000,000**
Long-term Debt	**Php 9,360.8 million (as of December 31, 2025)**

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

    Yes **x** No ____

    If so, disclose the name of Exchange: **The Philippine Stock Exchange, Inc.**

PART I.
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Meeting of Security Holders

The Annual General Meeting (the "2026 AGM" or the "Meeting") of the Stockholders of Nickel Asia Corporation, a corporation organized and existing under the laws of the Philippines with principal office address at the 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila (the "Company" or "NAC") will be held on **Friday, June 5, 2026** at **10:00 A.M.** and will be presided at the Company's principal office address provided above. Stockholders may attend the meeting and participate by remote communication only.

The Agenda of the 2026 AGM, as indicated in the accompanying Notice of Annual General Meeting of Stockholders, is as follows:

1. Call to Order
2. Proof of required notice of the meeting
3. Certification of quorum
4. Reading and approval of the Minutes of the June 9, 2025 annual general meeting of stockholders
5. Presentation of Annual Report and Audited Financial Statements for the year ended December 31, 2025 and action thereon
6. Ratification and approval of the acts of the Board of Directors and Executive Officers during the year 2025
7. Appointment of independent auditors
8. Election of directors, including independent directors
9. Other matters
10. Adjournment

Voting procedures are contained in Item 19 (pages 36 to 37) of this Information Statement and will be stated at the start of the 2026 AGM. Cumulative voting is allowed; please refer to Item 4 (pages 3 to 4) for an explanation of cumulative voting.

The Management Report, the Securities Exchange Commission ("SEC") Form 17-A with the Audited Financial Statements for the year ended December 31, 2025, and the 2026 First Quarter Report SEC Form 17-Q, are attached to this Information Statement. Said reports are also uploaded to the Company's website. Upon written request of a shareholder, the Company shall furnish such shareholder with a printed copy of the said reports, as filed with the SEC, free of charge. The contact details for obtaining such copies are on page 39 of this Information Statement. This Information Statement, Proxy Form, and attachments shall be available to security holders on or before May 11, 2026.

Further information and explanation regarding specific agenda items**,** where appropriate, are contained in various sections of this Information Statement. This Information Statement constitutes notice of the resolutions to be adopted at the Meeting.

WE ARE NOT SOLICITING PROXIES. SHAREHOLDERS MAY APPOINT PROXIES IF THEY ARE UNABLE TO ATTEND THE MEETING SO THAT THEIR VOTE MAY BE COUNTED.

Item 2. Dissenters' Right of Appraisal

Title X, Section 80 of the Revised Corporation Code of the Philippines grants in favor of the stockholder the right to dissent and demand payment of the fair value of his shares in certain instances, to wit:

(1) in case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder, 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;

(2) in case of the sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets;

(3) in case of merger or consolidation; or

(4) in case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

None of the proposed corporate actions to be discussed at the forthcoming Stockholders' Meeting qualifies as an instance for the exercise of the appraisal right by any stockholder.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

Apart from election to office, none of the incumbent Directors and Executive Officers of the Company, or any associate of the foregoing have any substantial interest, direct or indirect, by security holding or otherwise, in any matter to be acted upon in the Meeting.

The Company has not received any information from any Director that he/she intends to oppose any matter to be acted upon in the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

As of March 31, 2026, the Company has 13,985,547,094 issued common shares and 13,931,125,094 outstanding common shares. Out of the issued common shares, 54,422,000 are treasury shares. The 720,000,000 issued and outstanding preferred shares are 100% owned by Filipinos.

Out of the 14,651,125,094 outstanding voting shares of the Company as of March 31, 2026, 9,586,836,187 shares (65.43%) are owned by Filipinos, while 5,064,288,907 shares (34.57%) are owned by non-Filipinos.

Cumulative voting may be adopted in the election of directors as allowed by the Revised Corporation Code of the Philippines. On this basis, each registered stockholder as of March 13, 2026, may vote the number of shares registered in his name for each of the nine (9) directors to be elected; or he may multiply the number of shares registered in his name by nine (9), the number of the Company's directors as provided in its Articles of Incorporation, and cast the total of such votes for one (1) director. A stockholder may also distribute his votes among some or all of the nine (9) directors to be elected.

Voting Procedures are stated in pages 36 to 37 of this Information Statement.

All stockholders of record as of the close of business on March 13, 2026 are entitled to notice of, and to vote at, the 2026 AGM. A stockholder entitled to vote at the meeting shall have the right to vote by sending an online form via email, or by proxy.

Security ownership of certain record and beneficial owners (more than 5% of voting securities) as of March 31, 2026:

Title of class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common Stock	Sumitomo Metal Mining Philippine Holdings Corp.[1] 24F Pacific Star Building, Makati Avenue, Makati City	Sumitomo Metal Mining Co., Ltd. (SMM) *See Note 2*	Foreign	3,614,397,887 (Common)	25.94%
Common Stock	Mantra Resources Corporation[2] 30th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig		Filipino	3,555,081,802 (Common)	25.52%
Common Stock	PCD Nominee Corporation (Filipino)	*Various stockholders* *See Notes 1 and 4*	Filipino	2,259,059,865 (Common)	16.22%
Common Stock	Asiasec Equities Inc.[3] 8/F Chatham House, 116 Valero cor. V.A. Rufino Sts. Saledo Village, Makati City	Ni Capital Corporation *See Note 3*	Filipino	1,830,296,491 (Common)	13.14%

[1] Sumitomo Metal Mining Philippine Holdings Corp. is a stockholder of the Company.
[2] Mantra Resources Corporation ("MRC") is a stockholder of the Company. Ms. Maria Patricia Z. Riingen and Mr. Martin Antonio G. Zamora, incumbent Directors of the Company, likewise serve as members of the Board of Directors of MRC. Moreover, Mr. Manuel B. Zamora, Jr. serves as Chairman of the Board of Directors of MRC. Hence, Ms. Maria Patricia Z. Riingen, Mr. Martin Antonio G. Zamora, and Mr. Manuel B. Zamora, Jr. are identified as beneficial owners of MRC.
[3] Asiasec Equities Inc. is a stockholder of the Company.

Common Stock	PCD Nominee Corporation (Non-Filipino)	Various stockholders *See Notes 1 and 4*	Foreign	1,449,236,074 (Common)	10.40%
Common Stock	Nonillion Holding Corporation[4] 3/F Corporate Business Centre, 151 Paseo de Roxas Makati City		Filipino	1,174,000,000 (Common)	8.43%
Preferred Stock	Nickel Asia Holdings, Inc.[5] 28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City		Filipino	720,000,000 (Preferred)	100%

(1) PCD Nominee Corporation ("PCD"), the nominee of the Philippine Depository & Trust Corporation, is the registered owner of the shares in the books of the Company's transfer agent. The beneficial owners of such shares are PCD's participants who hold the shares on their own behalf, or in behalf of their clients.

PCD is a private company organized by the major institutions actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

The shares under PCD includes the 2,781,740 indirect shares beneficially owned by Ni Capital Corporation constituting 0.02%.

(2) Sumitomo Metal Mining Philippine Holdings Corp. is 100%-owned by Sumitomo Metal Mining Co., Ltd., a Japanese company.

(3) Ni Capital Corporation is the beneficial owner of the shares of the Company held by Asiasec Equities, Inc.

(4) Except as stated above, the Company has no knowledge of any person or any group who, directly or indirectly, is the beneficial owner of more than 5% of the Company's outstanding shares or who has a voting power, voting trust or any similar agreement with respect to shares comprising more than 5% of the Company's outstanding common stock.

(5) The beneficial owners of Mantra Resources Corporation are

[4] Nonillion Holding Corporation is a stockholder of the Company. Mr. Leonides Juan Mariano C. Virata, an incumbent Director of the Company, likewise serves as a Director of Nonillion Holding Corporation.
[5] Nickel Asia Holdings, Inc. is a stockholder of the Company. Ms. Maria Patricia Z. Riingen, Mr. Harvey T. Ang, Mr. Martin Antonio G. Zamora, Mr. Leonides Juan Mariano C. Virata, Mr. Shiro Imai, and Mr. Naoki Kawai, incumbent Directors of the Company, likewise serve as members of the Board of Directors of Nickel Asia Holdings, Inc.

Proxies of the foregoing record owners for the Annual General Stockholders' Meeting on June 5, 2026 have not yet been submitted. The deadline set by the Board of Directors for submission of proxies is on May 26, 2026.

(a) Security Ownership of the Directors and Officers as of March 31, 2026:

Name of Beneficial Owner	Citizenship	Title of Class	Amount and Nature of Beneficial Ownership		Total direct & indirect shares	% to Total Outstanding Shares
			Direct	Indirect		
Harvey T. Ang	Filipino	Common	2,000,000	90,000	2,090,000	0.01
James J.K Hung	Taiwanese	Common	1,000	0	1,000	0
Leonides Juan Mariano C. Virata	Filipino	Common	100	0	100	0
Martin Antonio G. Zamora	Filipino	Common	540	5,515,671	5,516,211	0.04
Shiro Imai	Japanese	Common	2,023	0	2,023	0
Maria Patricia Z. Riingen	Filipino	Common	1,000	910,800	911,800	0.01
Florencia G. Tarriela	Filipino	Common	1	46,799	46,800	0
Jose Isidro N. Camacho	Filipino	Common	1,000	0	1,000	0
Naoki Kawai	Japanese	Common	2,023	0	2,023	0
Jose Bayani D. Baylon	Filipino	Common	0	125,200	125,200	0
Koichi Ishihara	Japanese	Common	0	31,000	31,000	0
Georgina Carolina Y. Martinez	Filipino	Common	0	87,000	87,000	0
Barbara Anne C. Migallos	Filipino	Common	0	0	0	0
Ma. Angela G. Villamor	Filipino	Common	0	1,047,554	1,047,554	0.01
Romeo T. Tanalgo	Filipino	Common	0	730,435	730,435	0.01
Jeffrey B. Escoto	Filipino	Common	0	499,999	499,999	0
Marnelle A. Jalandoon	Filipino	Common	0	0	0	0
Ryan Rene C. Jornada	Filipino	Common	0	763,500	763,500	0.01
Patrick S. Garcia	Filipino	Common	0	612,419	612,419	0
Bimbo T. Almonte	Filipino	Common	0	0	0	0
Remedios C. Camo	Filipino	Common	0	42,000	42,000	0
Ma. Fatima C. Mijares	Filipino	Common	0	0	0	0
Reynaldo M. Dela Rosa	Filipino	Common	0	0	0	0
Christine Joanne C. Navarro	Filipino	Common	0	0	0	0
Teody A. Pascual	Filipino	Common	0	40,000	40,000	0
Jessie A. Payuyo	Filipino	Common	0	121,600	121,600	0
Kristine Grace C. Victoria	Filipino	Common	0	0	0	0
Charito R. Villena-Co	Filipino	Common	0	0	0	0
Jessie N. Pagaran	Filipino	Common	0	0	0	0
Andre Mikael L. Dy	Filipino	Common	0	0	0	0
Edwin P. Nerva	Filipino	Common	0	50,000	50,000	0
Reynaldo DG. Mata II	Filipino	Common	0	0	0	0
Fernando P. Cruz	Filipino	Common	0	4,000	4,000	0
Christian Jae R. Gascon	Filipino	Common	0	0	0	0
Edwin R. Casiano	Filipino	Common	0	0	0	0

Irene R. Ramos-Salvacion	Filipino	Common	0	0	0	0
Cynthia E. Rosero	Filipino	Common	0	2,642,972	2,642,972	0.02
Philipp D. Ines	Filipino	Common	0	100,000	100,000	0
Melchor C. Mananes	Filipino	Common	0	0	0	0
Abraham A. Agamata	Filipino	Common	0	0	0	0
Joselito G. Calpito	Filipino	Common	0	0	0	0
Iryan Jean U. Padillo	Filipino	Common	0	4,500	4,500	0
Total			**2,007,687**	**13,465,449**	**15,473,136**	**0.11**

(b) The aggregate indirect and direct shareholdings of directors and officers is 15,473,136.

(c) The Corporation has no stockholder of record holding more than 5% of the Corporation's common stock under a voting trust agreement.

(d) There are no arrangements which may result in a change in control of the Corporation.

Item 5. Directors and Executive Officers

(a) List of Directors and Executive Officers of Issuer

The names of the incumbent directors of the Company as of March 31, 2026, their respective ages, citizenship, and period of service are as follows:

Name	Age	Citizenship	Position	Date First Elected	Date Last Elected	No. of Years served as Director
Jose Isidro N. Camacho	70	Philippine National	Non-executive Director, Chairman of the Board of Directors	June 7, 2024	June 9, 2025	1 year and 10 months
Martin Antonio G. Zamora	53	Philippine National	Executive Director, President and Chief Executive Officer (CEO)	June 16, 2010	June 9, 2025	15 years and 10 months
Maria Patricia Z. Riingen	60	Philippine National	Non-executive Director, Vice Chairman of the Board of Directors	May 20, 2019	June 9, 2025	6 years and 11 months
Harvey T. Ang	52	Philippine National	Non-Executive Director	June 3, 2022	June 9, 2025	3 years and 10 months
Shiro Imai	53	Japanese National	Non-Executive Director	June 28, 2022	June 9, 2025	3 years and 10 months
Naoki Kawai	58	Japanese National	Non-Executive Director	June 11, 2025	-	10 months
Leonides Juan Mariano C. Virata	45	Philippine National	Non-Executive Director	June 28, 2022	June 9, 2025	3 years and 10 months

James J.K. Hung	79	Taiwanese National	Independent Director	June 7, 2024	June 9, 2025	1 year and 10 months
Florencia G. Tarriela	79	Philippine National	Independent Director	August 4, 2022	June 9, 2025	3 years and 8 months

1) JOSE ISIDRO N. CAMACHO is the Chairman of the Company and serves as Chairman of the Board's Finance Committee and Corporate Governance Committee. He is currently the Chairman of the University of the Arts Singapore, Diniwid Beach Corp., and Bangko ng Kabuhayan, and Co-Chairman of Jin Chan Invest Pte Ltd. He is a Director of Advintel Inc. and Singapore Tyler Print Institute and an Independent Director of Trans Diversified Group Inc. and Citadel Pacific Limited. He is a Senior Adviser to TPG Capital (Singapore), Neurocredit (Singapore), Golden Ridge Ventures (Singapore), and SICPA (Switzerland) and a Founding Member of Asia Peace and Reconciliation Council (Thailand).

Prior to joining the government, Mr. Camacho served as Managing Director and Chief Country Officer for the Philippines at Deutsche Bank AG in Manila. Before joining Deutsche Bank, he spent over 20 years with Bankers Trust Company, holding various positions across New York, Japan, Hong Kong, the Philippines, and Singapore, and ultimately serving as Head of Investment Banking for Southeast Asia and Chief Executive Officer for Singapore.

He was appointed Secretary of Finance of the Philippines in 2001 and served until November 2003, where he led the country's economic team and supervised the fiscal and financial sectors. Prior to this, he served as Secretary of Energy and was instrumental in the passage of key power sector reform legislation. He also chaired several government institutions, including Land Bank of the Philippines, the Philippine Deposit Insurance Corporation, Trade Development and Investment Corporation (PhilExim), Home Guaranty Corporation, National Power Corporation, Power Sector Asset and Liability Management Corporation, and the National Transmission Corporation (TransCo).

Following his government service, Mr. Camacho joined Credit Suisse in March 2005 and served as Chief Executive Officer of Credit Suisse Singapore from 2007 to 2016, and later as Vice Chairman for Credit Suisse Asia Pacific. He has held various board and advisory roles, including as a member of the boards of the National Gallery Singapore (2013–2021), the National Heritage Board of Singapore (2007–2013), Sun Life Malaysia Takaful Berhad (2013–2019), and Sun Life Malaysia Assurance Berhad (2013–2022). He also served as a member of the Securities Industry Council of Singapore (2010–2017), the Securities Commission of Malaysia's International Advisory Group (2008–2010), and the ASEAN Capital Markets Forum's Group of Experts (2008–2012).

Mr. Camacho is a Founding Member of the Asia Peace and Reconciliation Council (Thailand) and currently serves as an Independent Director of Citadel Pacific Limited and Trans Diversified Group Inc., and is affiliated with SICPA (Switzerland). He previously served as Chairman of Sun Life of Canada (Philippines), Inc.

He obtained his Bachelor's degree in Mathematics (cum laude) from De La Salle University in 1975 and his Master of Business Administration, with a concentration in Finance, from Harvard University in 1979. In 2017, he was conferred an Honorary Doctorate in Business Administration by Eastern Asia University in Thailand, and in 2021, he was awarded Singapore's Public Service Medal (Pingat Bakti Masyarakat). In 2025, he participated in

training on Mining and Renewable Energy Business, Regulatory, Sustainability, and Risk Management.

Listed companies of which Mr. Camacho is presently a director:

Philippines

1. Nickel Asia Corporation

2) MARIA PATRICIA Z. RIINGEN is the Vice Chairman of the Company and a member of the Board's Corporate Governance Committee. She serves as Chairman of CDTN Services Company Inc. (CDTN), Cagdianao Mining Corporation (CMC), Dinapigue Mining Corporation (DMC), La Costa Shipping and Lighterage Corporation (LCSLC), Nickel Asia Holdings, Inc. (NAHI), Samar Nickel Mining Resources Corporation (SNMRC), Greenlight Renewables Holdings, Inc (GRHI), Casilagan Solar Power Corporation (CSPC), San Antonio Solar Power Corp. (SASPC), Sta. Maria Solar Power Corporation (SMSPC), SanJuan Solar Power Corporation (SSPC), and Tuy Solar and Wind Power Corp. (TSWPC). She is also Vice Chairman and Director of Rio Tuba Nickel Mining Corporation (RTN), Taganito Mining Corporation (TMC), and Hinatuan Mining Corporation (HMC), and a Director of Cordillera Exploration Co., Inc. (CEXCI), Newminco Pacific Mining Corporation (Newminco), Emerging Power, Inc. (EPI), Jobin-SQM Inc. (JSI), Biliran Holdings Inc. (BHI), Mindoro Geothermal Power Corporation (MGPC), National Palawan Power Generation Corporation (NPPGC), Emerging Energy Resources 1 Inc. (EER 1), Emerging Energy Resources 2 Inc. (EER 2), Emerging Energy Resources 3 Inc. (EER 3), and Emerging Energy Saver Corporation (EESC). In addition, she is a Trustee of NAC Foundation, Inc. (NACFI).

Ms. Riingen is the President of Manta Equities Inc. (Manta), Manta Foundation, Inc., and Mantra Resources Corp. She currently serves as Chairperson of the Young Presidents' Organization Gold Philippines Chapter.

Prior to these roles, she held various leadership positions at The Western Union Company, where she served as Senior Vice President and Regional Head for Asia Pacific. Her earlier experience includes serving as Executive Director and member of the Board of Directors of the Asian Development Bank, Vice President at Citibank, N.A., and Brand Manager at Procter & Gamble.

She has received several recognitions, including being named among Asia's Top 20 People in Cash Management by FinanceAsia in 2011, in recognition of her influence and leadership in the industry. In 2013, she was included in the list of the 100 Most Influential Filipinas in the World and received the Pinnacle Group CSR Award for her initiatives promoting greater access to financial services in the Philippines.

Ms. Riingen obtained her Bachelor of Science in Business Administration, major in Marketing, magna cum laude, from the University of the Philippines. She also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, crisis management, risk management, among others. In 2025, she participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, Exploring the Future, Elite Performance Intensive, Turbocharge your Efficiency with Artificial Intelligence, and she also attended the YPO Global Leadership Conference.

Listed companies of which Ms. Riingen is presently a director:

Philippines:

1. Nickel Asia Corporation

3) MARTIN ANTONIO G. ZAMORA is the President and Chief Executive Officer (CEO) of the Company. He is the President of all the Company's mining subsidiaries. He serves as the Chairman and President and CEO of EPI, as well as the Chairman of EPI's subsidiaries. He is also Chairman of the Board's Sustainability Committee and Nominations Committee, and a member of the Finance Committee and the Board Risk Oversight Committee. He is also Chairman of NACFI and RTN Foundation, Inc. (RTNFI).

Prior to joining the Company in 2007, Mr. Zamora was the Philippine Country Manager and a Director of UPC Renewables, a global developer, owner, and operator of wind and solar energy projects. Prior to this, he worked for ten (10) years in finance and investment banking, including with CLSA, Robert Fleming & Co. (UK), Jardine Fleming, and SGV & Co.

Mr. Zamora obtained his Bachelor of Science in Management from Ateneo de Manila University, his Master of Business Administration from London Business School, and his Master in Organizational Psychology from INSEAD. He also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, crisis management, risk management, among others. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, and Exploring the Future.

Listed companies of which Mr. Zamora is presently a director:

Philippines:

1. Nickel Asia Corporation

4) HARVEY T. ANG is a Director of the Company and a member of its Finance Committee. He also serves as a Director of EPI, RTN, TMC, CDTN, CMC, DMC, HMC, SNMRC, LCSLC, CEXCI, and Newminco, and is Vice Chairman of NAHI and President of Yeeloofa Development Corporation.

Previously, he held management roles at Exchange Properties Resources Corporation and Solid Mills, Inc. Mr. Ang brings experience across the real estate, textile, logistics, retail, and marketing sectors. He holds a Bachelor of Science in Management from Ateneo de Manila University. He also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, risk management, among others. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, and Exploring the Future.

Listed Companies of which Mr. Ang is presently a director:

Philippines:

1. Nickel Asia Corporation

5) SHIRO IMAI is a Director of the Company. He currently serves as General Manager of the Nickel Sales and Raw Materials Department of Sumitomo Metal Mining Co., Ltd. (SMM). He also serves as a Director of Taganito HPAL Nickel Corporation (THNC), Coral Bay Nickel

Corporation (CBNC), PT Vale Indonesia Tbk, Hyuga Smelting Co., Ltd., Vale Japan Limited, and Figesbal S.A.

Prior to his current role, Mr. Imai served as President of Sumitomo Metal Mining Philippine Holdings Corp. (SMMPH), CBNC, and THNC from June 2022 to June 2025. He has been with SMM since 1995, holding various roles across its sales and materials divisions. He was assigned to the Sales and Marketing Section of the Electronics Division from April 1995 to January 2001, and subsequently to the Sales and Marketing Section of the Advanced Materials Division from February 2001 to October 2009.

In November 2009, he joined the Nickel Sales and Raw Materials Department of the Non-Ferrous Metals Division, where he served until June 2014, after which he was appointed as SMM's Chief Representative in its London Office. He later served as Manager of the Copper and Precious Raw Materials Department from June 2016 to September 2019.

Mr. Imai obtained his Bachelor's degree in Economics from Tohoku University in Miyagi, Japan. He also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, risk management, among others. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, and Exploring the Future.

Listed companies of which Mr. Imai is presently a director:

Philippines:

1. Nickel Asia Corporation

Indonesia:

1. PT Vale Indonesia Tbk

6) NAOKI KAWAI is a Director of the Company and serves as Chairman of the Related Party Transactions Committee, and as a member of the Audit Committee and the Nominations Committee. He is the Chairman and President of SMMPH, CBNC, and THNC, effective June 26, 2025. He is also a Qualified Executive of SMM.

Mr. Kawai has been with SMM since 1992 and has held various roles across its operations. His assignments include the Copper and Precious Metals Sales Department (October 2001 to February 2003) and the Nickel Sales and Raw Materials Department (February 2003 to February 2008), both under the Non-Ferrous Metals Division; SMM's London Office (February 2008 to March 2010); and a secondment to MS Zinc Co., Ltd. (March 2010 to October 2015).

Prior to his current roles, he served as Executive Officer and Senior Deputy General Manager of the Non-Ferrous Metals Division from June 2024 until June 26, 2025. He was also General Manager of the Copper and Precious Metals Sales Department from November 2017 to June 2024, and Manager of the Copper Section of the same department from October 2015 to November 2017.

Mr. Kawai graduated from the School of Education of Waseda University in 1992. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, and Exploring the Future, and he also attended training on Mining and Renewable Energy Business, Regulatory, Sustainability, and Risk Management.

Listed companies of which Mr. Kawai is presently a director:

Philippines:

1. Nickel Asia Corporation

7) LEONIDES JUAN MARIANO C. VIRATA is a Director of the Company and a member of the Sustainability Committee. He is the Chief Executive Officer of Cavitex Holdings, Inc. and the Managing Director of MTV Investment Properties.

Prior to these roles, Mr. Virata was part of the Broking Research team of Platinum Securities from 2006 to 2010. He is a member of the Makati Business Club.

Mr. Virata obtained his Bachelor of Arts, major in Philosophy of Religions, from the University of Pennsylvania. He also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, risk management, among others. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, and Exploring the Future.

Listed companies of which Mr. Virata is presently a director:

Philippines:

1. Nickel Asia Corporation

8) FLORENCIA G. TARRIELA is the Lead Independent Director of the Company, Chair of the Audit Committee, and a member of the Board Risk Oversight, Related Party Transactions, and Corporate Governance Committees.

Ms. Tarriela currently serves as Board Advisor to Philippine National Bank and LT Group, Inc., and a Director of Gozon Development Corporation. She is also a Trustee of Tulay sa Pag-unlad, Inc. and Philippine Bible Society. She is also a GoNegosyo mentor and a member of the Filipina CEO Circle and the Women Business Council Philippines.

She previously served as Chair and Independent Director of PNB for 15 years, as well as Undersecretary of the Department of Finance. Earlier in her career, she became the first Filipina Vice President of Citibank, N.A., and also served as President of the Bankers Institute of the Philippines and Director of the Bankers Association of the Philippines.

Ms. Tarriela has co-authored and compiled several books on ethics, mentorship, and gardening, among other topics, and continues to be a regular columnist for the Manila Bulletin and BusinessWorld.

She obtained her Bachelor of Science in Business Administration, major in Economics, from the University of the Philippines, and her Master's degree in Economics from the University of California, Los Angeles. She also participates in extensive trainings on corporate governance, sustainability, ethics and compliance, risk management, among others. In 2025, she participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, Exploring the Future, and other training on Artificial Intelligence.

Listed companies of which Ms. Tarriela is presently a director:

Philippines:

1. Nickel Asia Corporation (Independent)

9) JAMES J.K. HUNG is an Independent Director of the Company and serves as Chairman of the Board Risk Oversight Committee, and as a member of the Audit Committee, Nominations Committee, Related Party Transactions Committee, and Sustainability Committee.

Mr. Hung is the Chairman of Asia Securities Global Group in Hong King since 1993 and ASG Inspiration Laboratory (Singapore) Pte, Ltd. He previously served as Chairman of Asia Securities in Taiwan and as an Independent Director of Security Bank. He has also served as a Director of Franklin Templeton Investment Fund in Luxembourg, Franklin Sealand Fund Management Co. Ltd. in Shanghai, and other international funds.

Mr. Hung obtained his Master's degree in Business Administration, major in Finance, from Babson College in Massachusetts. In 2025, he participated in corporate governance training on Board Responsibilities and Artificial Intelligence, Embracing the Future of Work, Exploring the Future, and AI-Intelligent, Innovation, Symbiosis.

Listed Companies of which Mr. Hung is presently a director:

Philippines:

1. Nickel Asia Corporation (Independent)

None of the foregoing directors has resigned or declined to stand for re-election to the Board of Directors since the 2025 Annual General Meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices. No director has furnished the Company with a letter describing such disagreement and requesting that the matter be disclosed.

Process and Criteria for Selection of Nominees for Directors

The Board of Directors set April 6, 2026 as the deadline for the submission of nominations for election to the Board of Directors.

The Nominations Committee composed of Messrs. Martin Antonio G. Zamora (Chairman), James J.K. Hung, and Naoki Kawai, screened the nominees for election to the Board of Directors in accordance with the Company's Revised Manual on Corporate Governance. The Committee assessed the candidates' background, educational qualifications, work experience, expertise and stature as would enable them to effectively participate in the deliberations of the Board.

In the case of the independent directors, the Committee reviewed their business relationships and activities to ensure that they have all the qualifications and none of the disqualifications for independent directors as set forth in the Company's Revised Manual of Corporate Governance, the Securities Regulation Code ("SRC"), and the SRC Implementing Rules and Regulations.

Nominees for Election at Annual Stockholders' Meeting on June 5, 2026.

The Nominations Committee met on April 16, 2026 and screened the nominees to determine whether they have all of the qualifications and none of the disqualifications for election to the Company's Board of Directors. The Final List of Candidates for election to the Board of Directors are as follows:

1. Maria Patricia Z. Riingen
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Naoki Kawai
7. Leonides Juan Mariano C. Virata
8. James J.K. Hung (Independent Director)
9. Florencia G. Tarriela (Independent Director)

The nominees are all incumbent Directors.

The Company complied with the guidelines on the nomination and election of independent directors prescribed in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code. Mr. James J.K. Hung was nominated by Mr. Martin Antonio G. Zamora and Ms. Florencia G. Tarriela was nominated by Ms. Maria Patricia Z. Riingen. Both nominees have accepted their nominations in writing. There are no relationships between the foregoing nominees for independent director and the persons who nominated them.

The following table sets forth information regarding the Company's Executive Officers:

Name	Age	Citizenship	Position as of March 31, 2026
Jose Bayani D. Baylon	63	Philippine National	Senior Vice President - Sustainability, Risk Management and Corporate Affairs, Chief Sustainability Officer, and Chief Risk Officer
Koichi Ishihara	52	Japanese National	Senior Vice President – Chief Commercial Officer
Georgina Carolina Y. Martinez	59	Philippine National	Senior Vice President, Compliance and Corporate Support Services (CCSS), Chief Compliance Officer, Chief Governance Officer, and Assistant Corporate Secretary; Concurrent with: Head, CCSS Shared Services
Romeo T. Tanalgo	64	Philippine National	Senior Vice President - Chief Security and Aviation Officer
Maria Angela G. Villamor	60	Philippine National	Senior Vice President - Finance, Chief Financial Officer, and Treasurer
Joselito G. Calpito	37	Philippine National	Vice President, Technology Management and Transformation
Andre Mikael L. Dy	43	Philippine National	Vice President – Finance and Corporate Planning; Deputy Chief Financial Officer
Jeffrey B. Escoto	50	Philippine National	Vice President - Supply Chain Management and Technical Services

Patrick S. Garcia	51	Philippine National	Vice President – Internal Audit, and Chief Audit Executive
Ryan Rene C. Jornada	47	Philippine National	Vice President – External Affairs, Regulatory and Community Relations
Reynold DG. Mata II	46	Philippine National	Vice President – Mining Business Support Services
Ma. Fatima C. Mijares	58	Philippine National	Vice President, People Transformation and Workplace; Concurrent with: Head, HR Shared Services and Head, Workplace Services
Irene R. Ramos-Salvacion	49	Philippine National	Vice President – Compliance and Legal; Data Protection Officer
Cynthia E. Rosero	57	Philippine National	Vice President - Mining Center of Excellence Technical Operations
Abraham A. Agamata	46	Philippine National	Assistant Vice President - External Affairs
Bimbo T. Almonte	44	Philippine National	Assistant Vice President, Health Strategy & Governance; Concurrent with: Head, Health Services
Edwin R. Casiano	53	Philippine National	Assistant Vice President - Mining Business
Remedios M. Collado-Camo	40	Philippine National	Assistant Vice President – Mining Compliance
Fernando P. Cruz	59	Philippine National	Assistant Vice President - Mining Comptroller
Reynaldo M. Dela Rosa	53	Philippine National	Assistant Vice President - Community Relations
Christian Jae R. Gascon	38	Philippine National	Assistant Vice President - Mining Business
Philipp D. Ines	59	Philippine National	Assistant Vice President - Mining Business
Marnelle A. Jalandoon	54	Philippine National	Assistant Vice President – Information Technology Services
Melchor C. Mananes	40	Philippine National	Assistant Vice President - Financial Planning and Analysis
Christine Joanne C. Navarro	45	Philippine National	Assistant Vice President, Legal Services
Edwin P. Nerva	50	Philippine National	Assistant Vice President - Sustainability
Iryan Jean U. Padillo	44	Philippine National	Assistant Vice President – Financial, Tax and External Reporting
Jessie N. Pagaran	62	Philippine National	Assistant Vice President - Employee, Labor, and Industrial Relations
Teody A. Pascual	61	Philippine National	Assistant Vice President – Procurement
Jessie A. Payuyo	50	Philippine National	Assistant Vice President – Mining Comptrollership; Concurrent with: Mining Comptroller (Rio Tuba Nickel Mining Corporation, Cordillera Exploration Co. Inc., Dinapigue Mining Corporation, and Cagdianao Mining Corporation)
Kristine Grace C. Victoria	38	Philippine National	Assistant Vice President - Geology

Charito R. Villena-Co	48	Philippine National	Assistant Vice President - Tax Compliance and Advisory
Barbara Anne C. Migallos	70	Philippine National	Corporate Secretary

Information on the business and working experience of the foregoing Executive Officers is set out below:

JOSE BAYANI D. BAYLON is the Senior Vice President - Sustainability, Risk Management, and Corporate Affairs, Chief Sustainability Officer, and Chief Risk Officer of the Company. He is the President of RTNFI and NACFI. He is likewise a Director of CDTN, CMC, DMC, LCSLC, SNMRC, EPI, Jobin-SQM Inc. (JSI), MGPC, NPPGC, BHI, EER 1, EER 2, EER 3, and EESC. Mr. Baylon has over 3 decades of experience in the field of corporate communications and public affairs. Before joining NAC, he was Vice President and Director for Public Affairs and Communications of The Coca-Cola Export Corporation for 14 years, and prior to that, was executive assistant and speechwriter to Mr. Enrique Zobel at E. Zobel Inc. for 9 years. He was a public affairs commentator at Radio Station DWWW 774 KhZ from 2001 to 2011 and has been contributing opinion pieces to the newspaper Malaya Business Insight since 2001. Mr. Baylon obtained his Bachelor of Arts in Political Science from the University of the Philippines

KOICHI ISHIHARA is the Senior Vice President - Chief Commercial Officer. He was the Vice President, Officer-in-Charge (OIC), Chief Commercial Officer - Mining Business of the Company from January 1, 2023 until December 31, 2023. He was the Vice President - Mine Services Center from March 10, 2022 until December 31, 2022. He was also the Vice President, Head of the Sales Sector and the Supply Chain and Management Sector from January 1, 2021 until March 9, 2022. Prior to joining NAC in 2011, he was a Manager and Philippine Representative of Pacific Metals Co. Ltd. (PAMCO), handling nickel and stainless market analysis and update in Asian countries. He has also supported establishing a Hydro Metallurgical Processing Plant. Mr. Ishihara received his Bachelor in English Language from Kanda University of International Studies, Japan.

GEORGINA CAROLINA Y. MARTINEZ is the Senior Vice President, Compliance and Corporate Support Services (CCSS), Chief Compliance Officer, Chief Governance Officer, and Assistant Corporate Secretary; Concurrent with: Head, CCSS Shared Services. She is in charge of the compliance function and is responsible for the Company's corporate support services, namely, legal, human resources, technology and transformation, and facilities and administration concerns. Atty. Martinez is the Executive Vice President, Corporate Services of EPI and is the Corporate Secretary of CDTN, CMC, DMC, HMC, RTN, TMC, LCSLC, SNMRC, NAHI, EPI and the following subsidiaries of EPI namely, JSI, MGPC, NPPGC, BHI, EER 1, EER 2, EER 3, EESC, NSPC, GRHI and its subsidiaries. She is the Corporate Secretary of NACFI and RTNFI and is the Assistant Corporate Secretary of CEXCI and Newminco. Prior to joining the Company, Atty. Martinez was the Senior Vice President for Legal, Human Resources, and Administration of EPI. She obtained her Juris Doctor from Ateneo de Manila University and is a member of the Philippine Bar. Atty. Martinez has over 30 years of experience in the field of commercial and corporate law.

ROMEO T. TANALGO is the Senior Vice President - Chief Security and Aviation Officer. He is a Trustee of NACFI. He was the Vice President - Internal Security, and Chief Security Adviser until December 31, 2023. He was the consultant of the Company for security matters from May 1, 2019 until his appointment as Vice President on August 6, 2019. He was

the Chief of the Armed Forces of the Philippines, North Luzon Command from March 10, 2016 until his retirement on September 4, 2017. Prior thereto, he was appointed as Vice Chief of Staff at Armed Forces of the Philippines on October 20, 2015. He also served as Commandant, Philippine Marine Corps from April 2013 to December 2015. Gen. Tanalgo is a member of the Philippine Military Academy "Matikas" Class of 1983 and obtained his Master in Development Management from the Asian Institute of Management and his Master in Maritime Studies from the University of Wollonong in Australia.

MARIA ANGELA G. VILLAMOR is the Senior Vice President - Finance, Chief Financial Officer, and Treasurer of the Company. She is a Director and the Treasurer of CMC, DMC, HMC, CDTN, SNMRC, LCSLC, NAHI, EPI, JSI, BHI, EER 1, EER 2, EER 3, EESC, MGPC, NPPGC, and NSPC. She is the Treasurer of RTN, TMC, CEXCI, Newminco, and BGI. She is a Trustee and the Treasurer of NACFI and RTNFI. She oversees the preparation and management of the Group's operating budgets and is responsible for financial reporting activities. She was the Vice President for Group Comptrollership from May 1 to December 31, 2020 and the Vice President for Internal Audit and the Chief Audit Executive from 2011 to April 30, 2020. Prior to joining NAC in 2011, she was a Senior Director in the Assurance Division of SGV & Co. She also worked as Senior Manager in KPMG UAE. Ms. Villamor obtained her Bachelor of Science in Commerce from the University of San Carlos. She completed the Management Development Program of the Asian Institute of Management.

JOSELITO G. CALPITO is the Vice President, Technology Management and Transformation of the Company. He brings over 17 years of experience in enterprise modernization, IT/OT convergence, and data- and AI-enabled transformation across mining, energy, telecommunications, banking, and global services. Prior to joining the Company, he served as Senior Assistant Vice President at Aboitiz Power Corporation, where he led enterprise and smart powerplant transformation initiatives for thermal generation. He also completed his Management Development Program at the Asian Institute of Management, earned his MBA under the Top Executive Program of Pamantasan ng Lungsod ng Maynila, and holds a Bachelor of Science in Computer Science from STI College Global City. He also holds certifications in Six Sigma Blackbelt, Professional Scrum Master, IT Infrastructure Library, and Business Process Management.

ANDRE MIKAEL L. DY is the Vice President – Finance and Corporate Planning and Deputy Chief Financial Officer of the Company. He has over 16 years of experience in finance and banking roles, having held various roles in equity sales, banking, venture capital fund management, financial advisory, treasury and investor relations. He was Associate Director Salesperson of CLSA Philippines since 2017 and was recognized as Philippines' Best Salesperson for Asiamoney for 2019 to 2021 and for Institutional Investor magazine's 2021 broker polls. He was instrumental in the distribution of up to US$1.4 billion for various Initial Public Offerings while with CLSA. He was instrumental in ensuring the success of the Philippines' first energy transition mechanism transaction to help accelerate the retirement of coal plants in the Philippines. Prior to joining CLSA, he worked for Citibank N.A. as a product manager for various bank products and marketing programs after graduating from Citi's Management Associate Program.

JEFFREY B. ESCOTO is the Vice President for Supply Chain Management and Technical Services of the Company and concurrently is CDTN's Chief Operating Officer and the Head of Operations for NAC Diesel Power Plant and LCSLC. Prior thereto, he was Assistant Vice President for Technical Services Sector from September 1, 2019 up to March 15, 2023. Also, he was the Technical Services Division Manager of HMC from 2013 to 2019 and was the Technical Services Group Manager of CMC from 2009 to 2013. He also served

as Site Manager of Maxima Machineries, Inc. (Komatsu Equipment Exclusive Distributor) on various mining project sites managing an on-site branch support team in Filminera's Masbate Gold Project from 2008 to 2009, Oceana Gold's Didipio Gold Copper Mining Project in 2008 and in Rapu Rapu Polymetallic Mine Project of Lafayette Mining in Albay from 2005 to 2008. Engr. Escoto obtained his Bachelor's Degree in Mechanical Engineering from the University of Nueva Caceres in Naga City.

PATRICK S. GARCIA is the Vice President - Internal Audit and Chief Audit Executive of the Company. He was the Assistant Vice President - Internal Audit and the Chief Audit Executive of the Company from May 1, 2020 until December 31, 2022. He is responsible for reviewing the Company's organizational and operational controls, risk management policies, and governance. He was previously the Assistant Vice President - Finance of CMC, DMC, and SNMRC. Mr. Garcia joined the Company in March 2007 as Finance Manager and was promoted to Assistant Vice President - Finance in March 2009. Mr. Garcia obtained his Bachelor of Science in Accountancy from the University of Santo Tomas and is a Certified Public Accountant.

RYAN RENE C. JORNADA is the Vice President – External Affairs, Regulatory and Community Relations of the Company. He is the Vice President of RTN and TMC. He is a Director of NSPC and a Director of Nihao, representing NAC to the Board of Nihao. His previous roles in the Company include Head of Public Affairs, Head of Government Relations and Head of Regulatory and Claims Management. Mr. Jornada also served as Assistant Corporate Secretary and Corporate Secretary of the operating companies of NAC. Mr. Jornada is a lawyer by profession. Before joining NAC in 2011, Mr. Jornada was an associate lawyer at Belo Gozon Elma Parel Asuncion and Lucila Law Offices and an Election Assistant of the Commission on Elections. He took up his law degree from the University of Santo Tomas Faculty of Civil Law and his Bachelor's Degree in Political Science from the University of the Philippines in Diliman.

REYNOLD DG. MATA II is the Vice President – Mining Business Support Services of the Company. He was the Assistant Vice President - Legal and Business Development, and Chief Compliance Officer of EPI from March 10, 2022 to December 31, 2022. He is a lawyer and a Certified Public Accountant with over 25 years of professional experience in the fields of taxation, litigation, corporate, financial audit, budgeting, and in the power, logistics, and mining industries. He is also a Reservist in the Armed Forces of the Philippines, Reserve Command, Judge Advocate General Services, with the rank of Captain. A member of the Philippine Bar, Mr. Mata obtained his Bachelor of Laws degree from San Beda University and his Bachelor of Science in Accountancy from the same university.

MA. FATIMA C. MIJARES, Vice President, People Transformation and Workplace; Concurrent with: Head, HR Shared Services and Head, Workplace Services, is a seasoned Human Resource (HR) executive with over 30 years of progressive leadership experience, with deep expertise in organizational development, leadership and succession, learning and development, rewards and performance management, employee engagement, internal communications, manpower planning, and talent acquisition. Her experience spans multinational corporations, leading Philippine conglomerates, and advocacy-driven organizations across consumer goods, retail, real estate, banking, business process outsourcing, direct selling, mining, renewable energy, and corporate foundations, including her role as Senior Director and Chief HR Officer of Ayala Foundation (2016–2021) and senior HR leadership positions with SM Retail and SM Mart, Genpact, Bank of the Philippine Islands, Ayala Land, Colgate-Palmolive Philippines, Avon Cosmetics, and the Mercury Group of Companies, where she is recognized for building HR and learning systems during start-up,

turnaround, and transformation phases and for leading large- scale culture and leadership initiatives. She holds a Bachelor's Degree in Psychology from the University of Santo Tomas and completed the Leadership Excellence Acceleration Program at Harvard University, and continues to champion people-centered, future-ready HR strategies aligned with organizational purpose and enterprise transformation.

IRENE R. RAMOS-SALVACION is the Vice President – Compliance and Legal and the Data Protection Officer of the Company. She is the Assistant Corporate Secretary and the Data Protection Officer of CDTN, CMC, DMC, HMC, RTN, TMC, LCSLC, SNMRC, NAHI, and NACFI. She is likewise the Assistant Corporate Secretary of RTNFI, EPI and its subsidiaries, and the Data Protection Officer of CEXCI and Newminco. She has over 20 years of experience as a practicing lawyer and, prior to joining the Company, held various roles as country, regional, and global lead legal counsel handling compliance, corporate governance, contract negotiation, cross-border transactions, data privacy, cybersecurity, labor, and litigation in multinational companies operating in the Philippines and the Asia Pacific. She is a member of the Philippine Bar and obtained her Juris Doctor and Bachelor of Science in Economics, Magna Cum Laude, from the University of the Philippines, Diliman.

CYNTHIA E. ROSERO is the Vice President - Mining Center of Excellence Technical Operations of the Company. She has over 30 years of experience in the mining industry. She was with RTN for almost 30 years where she started as a Junior Mining Engineer and rose from the ranks until she was appointed as Resident Mine Manager in 2019. She is the Philippines' First Woman Resident Mine Manager in the mining industry and was hailed as the "Most Empowered Woman in Mining" by the MGB - MIMAROPA Region in 2019. She obtained her Bachelor of Science in Mining Engineering from the Cebu Institute of Technology. She also has a Diploma in Metallurgical Engineering Technology (Major in Quality Control) from Mindanao State University - Iligan Institute of Technology.

ABRAHAM A. AGAMATA is the Assistant Vice President - External Affairs of the Company effective on October 16, 2025. Atty. Agamata has over 20 years of legal experience and has held various roles in corporate legal departments, law firms, government and academe. Prior to joining the company, Atty. Agamata held the position of Labor and HR Head at Filinvest Development Corporation. Atty. Agamata obtained both his Bachelor of Arts major in Art Studies and Bachelor of Laws from the University of the Philippines in Diliman.

BIMBO T. ALMONTE is the Assistant Vice President, Health Strategy & Governance; Concurrent with: Head, Health Services. He was the Assistant Vice President - Occupational Health Sector until December 31, 2023. He served as the Occupational Health Physician, Internal Medicine Specialist and Medical Director of RTNFI Hospital and Occupational Health Physician of RTN, CBNC and affiliated contractors before assuming his current position. He began his career in RTNFI in 2002 as a Medical Technologist Reliever. He is a licensed Medical Technologist and Physician. He obtained his Bachelor of Medical Technology from Far Eastern University - Dr. Nicanor Reyes Memorial Foundation and Doctor of Medicine from Our Lady of Fatima University. He received his specialization in Internal Medicine from St. Luke's Medical Center Global City, Master in Management in Hospital Administration from Philippine Christian University, and Executive Master in Disaster Risk and Crisis Management from Asian Institute of Management.

EDWIN R. CASIANO is the Assistant Vice President - Mining Business of the Company. He is also the Resident Mine Manager of DMC. Prior thereto, he served as Mine Operations Manager of HMC for 4 years and Mine Production Manager for 2 years. He started

his career with TMC as a Junior Mining Engineer in 1998. He was awarded the Best of the Best Shift Boss Award by the Philippine Mine Safety and Environment Association during FY 1999-2000. Mr. Casiano completed his 107th Management Development Online Training by the Asian Institute of Management last March 2022. He obtained his Bachelor of Science in Mining Engineering from Adamson University.

REMEDIOS M. COLLADO-CAMO is the Assistant Vice President – Mining Compliance of the Company. She is the Compliance Officer of CMC, DMC, HMC, TMC, RTN, and CDTN. She was the Assistant Vice President - Safety, Health, and Environment until December 31 2023. She previously served the Company as OIC - Industrial Safety Sector Head prior to her promotion. She served RTN in various capacities, including MESH Division Manager, Safety Manager, and IMS Project-in-Charge. Prior thereto, she was employed as a Safety and Health Department Head of Carrascal Nickel Corporation. She is a licensed Mining Engineer. She earned her Bachelor of Science in Mining Engineering from University of the Philippines - Diliman.

FERNANDO P. CRUZ is the Assistant Vice President - Mining Comptroller of the Company, TMC, HMC-Taganaan, and HMC-Manicani. He has over 36 years of professional experience in accounting and finance. He began his career as an Accounting Clerk in RTN and eventually became an Accounting Manager. A Certified Public Accountant, Mr. Cruz obtained his Bachelor of Science in Accountancy from St. Joseph College, Maasin, Southern Leyte.

REYNALDO M. DELA ROSA is the Assistant Vice President - Community Relations of the Company and Executive Director of NACFI and RTNFI. Prior thereto, he was the Senior Development Communications Specialist/Information, Education and Communication Officer of TMC from March 2010 to July 2012. Mr. Dela Rosa obtained his Bachelor of Arts Major in Philosophy Minor in Social Science from Saint Vincent Ferrer Seminary and his Master of Arts in Public Administration in Palawan State University. He also specialized in Community Relations, Information, Education, and Communication Program and Community Development and is a licensed Career Service Professional.

CHRISTIAN JAE R. GASCON is the Assistant Vice President - Mining Business of the Company. He is the Resident Mine Manager of CMC. Prior thereto, he was the OIC, Resident Mine Manager of CMC and was CMC's Mine Operations Manager. He started his career as Cadet Engineer of HMC in 2010. Mr. Gascon obtained his Bachelor of Science in Mining Engineering degree from the University of the Philippines Diliman. He is also a licensed Environmental Planner.

PHILIPP D. INES is the Assistant Vice President - Mining Business of the Company. He is the Vice President and Resident Mine Manager of HMC - Manicani. Mr. Ines has over 36 years of experience in the mining industry. He is a Consultant of PAMCO since 2019. Prior to that, he was with the Company's subsidiary, RTN, for 27 years where he started as a Junior Mining Engineer and became its Resident Mine Manager. During his term as Resident Mine Manager, RTN won 2 Presidential Awards at the PMIEA-ANSEC (2015 and 2018) and also won the ASEAN Mineral Awards in 2017. RTN was also able to obtain ISO 14001, ISO 45001, and ISO 19001 certifications under his leadership. Mr. Ines obtained his Bachelor of Science in Mining Engineering degree from Mapua Institute of Technology.

MARNELLE A. JALANDOON is the Assistant Vice President – Information Technology Services of the Company. He was the Assistant Vice President - Business

Applications Division of the Company until December 31, 2023. Prior to joining NAC in 2008, Mr. Jalandoon was the Technical Operations Director of Concentrix Technologies, Inc, driving both the Technical Department and the Application Development Teams. He has held various IT positions with Grand International Airways, First Internet Alliance, WebScape, I-Next Internet and PSINET Philippines, garnering more than 20 years' experience in IT Infrastructure and Communications. Mr. Jalandoon obtained his Bachelor of Science in Computer Science degree from the Philippine Christian University.

MELCHOR C. MANANES is the Assistant Vice President - Financial Planning and Analysis of the Company. He was the Senior Manager for Comptrollership until December 31, 2023. Prior thereto, he was a Finance Manager of the Company's subsidiary, CMC, since October 2012. He was also an accounting officer in various SM companies and was an audit associate of SGV & Co. Mr. Mananes is a Certificate Public Accountant. He obtained his Master of Business Administration from the Ateneo Graduate School of Business.

CHRISTINE JOANNE C. NAVARRO is the Assistant Vice President, Legal Services of the Company. She was the Group Manager for General Legal Services of the Company from 2018 to March 10, 2022. Prior to joining the Company, she worked as legal counsel of MediaQuest Holdings, Inc. and TV5 Network Inc. She obtained her Bachelor of Arts in European Studies from the Ateneo De Manila University and Bachelor of Laws from University of the Philippines - College of Law. She is also a member of the Integrated Bar of the Philippines.

EDWIN P. NERVA is the Assistant Vice President and Head of the Company's Sustainability Center, a role he has held since 2024. He has been with the Company since 2018, including a 2-year stint as Executive Director of RTNFI. Mr. Nerva is currently completing his Master of Science in Environmental Science at the University of the Philippines Los Baños. He holds a Diploma in Community Development from St. Francis Xavier University in Nova Scotia, Canada, and a Diploma in Urban and Regional Planning from the University of the Philippines Diliman. He is certified by the International Society of Sustainability Professionals (ISSP) and the International Financial Reporting Standards (IFRS) Foundation. He is also an active member of the ISSP, the IFRS Sustainability Alliance, and the Pan-Asia Risk & Insurance Management Association.

IRYAN JEAN U. PADILLO is the Assistant Vice President – Financial, Tax and External Reporting of the Company. She is responsible for the Company's financial reporting and direct supervision of accounting and financial functions. Ms. Padillo is a Certified Public Accountant. Prior to joining the Group in May 2012 as Senior Finance Manager, she was an Associate Director in the Assurance Group and worked as part of the Finance Group of SGV & Co. She obtained her Bachelor of Science in Accountancy from the University of the East.

JESSIE N. PAGARAN is the Assistant Vice President - Employee, Labor and Industrial Relations Division of the Company. He was the Employee Relations Group Manager of the Company from July 1, 2019 until his promotion. He was also HR Manager of CMC from October 2017 to June 2019 and served as Consultant on Permitting and Government Relations, Community Relations, and Labor Relations for several corporations from 2009 to 2017; and served in various capacities in Associated Labor Unions - Trade Union Congress of the Philippines from 1991 to 2015. Mr. Pagaran obtained his Bachelor of Science in Commerce, Major in Accounting from San Beda College and his Bachelor of Laws from Manuel L. Quezon University.

TEODY A. PASCUAL is the Assistant Vice President – Procurement of the Company. He was the Purchasing Manager of the Company prior to his promotion. He has over 11 years of experience in the field of purchasing as a manager overseeing the purchasing of materials and services to support various operating companies of the Group. Before joining the Company, he was employed as a Production Head of Batong Angono Aggregates Corporation. He is a licensed Electronics and Communications Engineer. He obtained his Bachelor of Science in Electronics and Communications Engineering from University of Santo Tomas.

JESSIE A. PAYUYO is the Assistant Vice President – Mining Comptrollership; Concurrent with: Mining Comptroller (Rio Tuba Nickel Mining Corporation, Cordillera Exploration Co. Inc., Dinapigue Mining Corporation, and Cagdianao Mining Corporation). He also served as the Assistant Vice President - Finance of CEXCI and Newminco. He was a Senior Finance Manager of the Company until his promotion. Prior to joining the Group in 2021, he was the Finance Controller of Yara Fertilizer Inc. He has over 20 years' experience in the fields of audit, corporate accounting and controllership. He is a licensed Certified Public Accountant. Mr. Payuyo earned his Bachelor of Science in Accountancy from Central Luzon State University.

KRISTINE GRACE C. VICTORIA is the Assistant Vice President - Geology of the Company. She was the Assistant Vice President - Geology and Quality Assurance of the Company until December 31, 2023. She also served as a Resource Geologist in HMC. Prior thereto, she was employed as the Exploration Geologist of FSMRC/Consolidated Mines Inc. She placed eighth in Geology Licensure Examination and is an Accredited Competent Person for Exploration and Mineral Reporting of Nickel Laterite Deposits with over 15 years of experience in the mineral industry. She is currently serving as the Vice Head of the Geological Society of the Philippines Mineral Reporting Code Committee Secretariat. She obtained her Bachelor of Science in Geology, Cum Laude, from University of the Philippines and Management Development Program from Asian Institute of Management.

CHARITO R. VILLENA-CO is Assistant Vice President - Tax Compliance and Advisory Services of the Company. She is a CPA-Lawyer and has been a tax management professional for over 15 years. Prior to joining the Company, she was Assistant Vice President and Group Tax Head for SM Markets from November 2017 to May 2022. She was also former Country Tax and PEZA Head of Accenture Inc. (Philippines), Head of Tax of Philex Mining Corporation and a Tax Management Executive of PLDT, Inc. She obtained her Bachelor of Science in Business Administration and Accountancy, Cum Laude, and Juris Doctor from the University of the Philippines.

BARBARA ANNE C. MIGALLOS is the Corporate Secretary of the Company and its subsidiary CEXCI. She is the Managing Partner of Migallos and Luna Law Offices, and she was a Senior Partner of Roco Kapunan Migallos and Luna from 1986 to 2006. A practicing lawyer since 1980, Ms. Migallos focuses principally on corporate law, mergers and acquisitions, and securities law. She is a Director and the Corporate Secretary of Philex Mining Corporation and a Director of Mabuhay Vinyl Corporation, both publicly listed companies. She is also the Corporate Secretary of PXP Energy Corporation, a listed company. She is a Director of Philippine Resins Industries, Inc. and other corporations, and the Corporate Secretary of Eastern Telecommunications Philippines, Inc. Atty. Migallos is a professional lecturer at the De La Salle University College of Law.

No director or senior officer of the Company is or has been in the past two years, a former employee or partner of the current external auditor.

Also, the Company discloses the transactions of its directors and officers as required by applicable laws and regulations.

(b) Significant Employees

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to the overall success of the Company's performance.

(c) Family Relationships

Aside from Mr. Martin Antonio G. Zamora and Ms. Maria Patricia Z. Riingen being siblings, Mr. Harvey T. Ang being the third civil degree relative by affinity of Mr. Martin Antonio G. Zamora, and Mr. Ryan Rene C. Jornada being a fourth civil degree relative by affinity of Mr. Martin Antonio G. Zamora and Ms. Patricia Z. Riingen, none of the Company's Executive Officers are related to each other or to its Directors and substantial Shareholders.

(d) Involvement in Certain Legal Proceedings

None of the directors, nominees for election as a director, executive officers or control persons of the Company have been involved in any legal proceeding during the past five (5) years, including without limitation being the subject of any:

a. 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 (2) years prior to that time;

b. 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. 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. order or judgment of a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization finding him/her to have violated a securities or commodities law or regulation,

(e) ***Certain Relationships and Related Transactions***

The Company's significant related party transactions, which are under terms that are no less favorable than those arranged with third parties, and all sales and purchases from related parties are made at prevailing market prices:

Nickel Ore Sale Agreements with PAMCO

The Group supplies saprolite ore to PAMCO. PAMCO is a stockholder of the Company, RTN and TMC. All sales made to PAMCO are transacted at prevailing market prices which are benchmarked to China prices on the basis of a negotiated price per wet metric ton (WMT) of ore. PAMCO shall pay the Group 80% to 90% of the provisional invoice amount upon receipt

of the required documents and pay the final payment of each shipment after the final dry weight and applicable assay have been determined.

Nickel Ore Sale Agreement with PAMCO and Sojitz Corporation (Sojitz)
RTN supplies saprolite ore to PAMCO, wherein PAMCO appointed Sojitz as agent, under a sale agreement. RTN and PAMCO shall jointly assess whether the commercial production of ore at the mine is still possible. Unless commercial production becomes impossible due to the exhaustion of ore reserves in the mine, RTN, PAMCO and Sojitz shall renew the agreement with a 5-year term. Currently, the agreement is valid until December 31, 2026. PAMCO owns 36% and Sojitz owns 4% of the outstanding capital stock of RTN.

TMC also entered into an agreement with PAMCO covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on London Metal Exchange (LME). Effective April 2014, ore sales to PAMCO are benchmarked to China prices on the basis of a negotiated price per WMT of ore. The agreement with PAMCO is valid until December 31, 2026.

Nickel Ore Supply Agreement with CBNC
RTN entered into an agreement with CBNC to supply all the limonite ore requirements for the Coral Bay High-Pressure Acid Leach (HPAL) facility until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. RTN has also entered into an agreement with CBNC to supply limestone. CBNC is the owner of the Coral Bay HPAL facility.

CMC and DMC also entered into separate agreements with CBNC covering the sale of its ore products with a fixed tonnage at specific nickel grade and iron content.

Nickel Ore Supply Agreement with THNC
TMC entered into an agreement with THNC covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on the LME.

Materials Handling and Other Service Agreements with CBNC
CDTN entered into materials handling and various service agreements with CBNC to provide ancillary services to the Coral Bay HPAL facility. Under the agreement, CDTN will render services related to the handling, loading, unloading, hauling of certain materials, and provide necessary equipment and services needed for the operation of CBNC's hydrometallurgical processing plant in Rio Tuba, Bataraza, Palawan.

Materials Handling Agreement with THNC
On October 7, 2013, TMC and THNC executed an agreement wherein TMC will render services related to the handling, hauling and transport of cargo for THNC. THNC shall compensate TMC based on the prices stipulated in the agreement which are determined on the basis of the weight of the cargo. Payment is collected within 15 days from receipt of TMC's billing.

Power Supply Agreements with Shell Energy Philippines Inc. (SEPI)

Jobin-SQM Inc.

JSI entered into several Power Supply Agreements (PSA) with SEPI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share from the total energy deliveries of the plant on a take and pay basis, for a certain period.

In February 2025, JSI entered into a short-term PSA with SEPI for the supply of replacement power to San Isidro Solar Power Corp. (SISPC). Under the agreement, JSI committed to sell and deliver a pro rata share totaling 57.5MW starting February 28, 2025 from the Sta. Rita Solar Power Project and the Subic New PV Power Plant Project. The contracted capacity was reduced to 52.5MW effective June 26, 2025. Deliveries will continue until the energization of the San Isidro Solar Power Plant.

As at December 31, 2025, the total contracted capacity with SEPI was 62MW. The PSAs with SEPI are valid until June 26, 2026.

San Isidro Solar Power Corp.
On January 2, 2024, SISPC entered a PSA with SEPI. Under the terms of the agreement, SISPC is committed to sell and deliver 100% of SISPC's capacity for Phase 1 of the San Isidro Solar Power Project which is nominally 120MW direct current subject for update by SISPC in accordance with the capacity certification of National Grid Corporation of the Philippines (NGCP) and /or Energy Regulatory Commission (ERC). The PSA has a term of 15 years from the start date, which is the earlier of February 28, 2025 or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid. The PSA also provides that SISPC shall have the option to deliver replacement power by procuring and utilizing the generation from its or its affiliates' other generation facilities other than the project to fully or partially cover any generation loss from the project.

SISPC achieved its practical completion on October 25, 2025, upon the receipt of Provisional Certificate of Approval to Connect from NGCP, and as duly notified to SEPI.

On March 3, 2025, SISPC entered a separate PSA with SEPI for the sale and delivery of 100% of the capacity of Phase 2 of the San Isidro Solar Power Project which is nominally 120MW subject for update by SISPC in accordance with the capacity certification of NGCP and/or ERC. The PSA has a term of 15 years from the start date, which is the earlier of August 26, 2026, or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Provisional Certificate of Approval to Connect or Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid.

Service Agreement with SEPI
On July 1, 2023, GRHI entered into a service agreement with SEPI wherein SEPI will provide advisory services as an independent contractor, such as business development, health, safety, security, and environment and technical advises, as may be permitted by applicable law and subject to adjustment by the parties.

Throughput Agreement with THNC
On October 4, 2010, TMC and THNC executed a Throughput Agreement wherein TMC will construct the pier facilities within the Taganito Special Economic Zone (TSEZ) pursuant to its

role as Developer. The TSEZ is located within the Surigao Mineral Reservation, an area declared for mineral development pursuant to Proclamation 391, under the supervision of the DENR that issued an "Order to Use Offshore Area" dated September 20, 2010 to TMC for the use of such portion of the Surigao Mineral Reservation for the construction of the pier facilities. In relation to this, THNC entered into a Registration Agreement with PEZA to construct and operate a mineral processing plant within the TSEZ as an Ecozone Export Enterprise.

Under the agreement, TMC will make available the pier facilities and provide certain services to THNC in consideration for usage fees and service fees to be paid by the latter starting April 2011 until 2031, unless terminated earlier. The usage fee of US$1.3 million is payable in semi-annual period on or before April 10 and October 10.

THNC also agrees to pay the service fee that will be agreed upon by both parties, which shall be billed monthly.

Memorandum of Understanding

SMM
On September 14, 2009, the Company and TMC entered into a Memorandum of Understanding (MOU) with SMM. Pursuant to the terms thereof, the Company and SMM will move ahead on a joint venture basis to build a nickel-cobalt processing plant (the Project) using the HPAL technology to be located within the TMC's mine in Surigao del Norte, while TMC will supply low-grade nickel ore to the plant over the life of the Project.

The Agreement also sets forth the respective rights and obligations of the Company, SMM and Mitsui and Co., Ltd. (Mitsui), including their responsibilities in respect of financing the project investment undertaken by THNC.

Also, under the Agreement, the Company, SMM and Mitsui agreed to make loans to THNC or guarantee the repayment of THNC's obligations in accordance with the financial requirements of THNC and in proportion to their shareholding ratio in THNC of 10%, 75% and 15%, respectively.

The Agreement shall terminate upon the dissolution of THNC.

SEPI
On February 23, 2022, EPI and SEPI signed an MOU to create a strategic partnership for the purpose of developing a platform for onshore power projects and the resulting power supply business in the Philippines and to set forth certain basic terms of the understanding reached to date and to serve as a basis for further discussions and negotiations with respect to the project.

Through the above MOU, GRHI was incorporated and registered with the Securities and Exchange Commission (SEC) on August 18, 2022. GRHI is 60% owned by EPI and 40% owned by Shell.

THNC Stockholder's Agreement
On September 15, 2010, NAC, SMM and Mitsui executed a Stockholder's Agreement, pursuant to which the parties formed a joint venture company, THNC, to build and operate a plant in Barangay Taganito, Claver, Surigao del Norte for the purpose of producing and

selling nickel-cobalt mixed sulfide to be used in the production of electrolytic nickel and electrolytic cobalt.

Pursuant to the Stockholder's Agreement, SMM granted THNC a non-exclusive license of technology owned by SMM to produce the products and has undertaken to provide technical assistance to THNC. The Company has undertaken to cause TMC to supply THNC with nickel ore and limestone and to further cause TMC to make available to THNC the land and infrastructure necessary to produce the products while Mitsui shall assist THNC in procuring materials and equipment necessary for the mine's operations. The Stockholder's Agreement shall terminate upon the dissolution of THNC.

NAC, along with the other stockholders of THNC, also agreed to make loans to THNC or guarantee the repayment of THNC's loan obligations in accordance with the financial requirements of THNC, in proportion to their shareholding ratio in THNC.

In a separate agreement, SMM agreed to assume the Company's obligation to make loans to or guarantee the repayment of THNC's loan obligations. The Company, in consideration of this agreement, pays SMM an annual guarantee fee of 0.60% of THNC's outstanding loan obligations.

Loan Guarantee/Substitution Agreement

Under a loan guarantee/substitution agreement between the Company and SMM, the latter agreed to substitute for the Company to make loans or guarantee the repayment of THNC's obligation pursuant to the Stockholders Agreement dated September 15, 2010.

In consideration of the loans and guarantee made by SMM, the Company shall pay to SMM an annual fee equal to 0.60% of the relevant outstanding amount, which is payable every February 21, March 21, August 21 and September 21 of each year.

In case of default, such loan guarantee/substitution agreements will be terminated, and the Company shall provide loans to THNC or guarantee the repayment of THNC's loans payable. Failure to provide such loans or guarantee shall be considered a default under the Stockholders' Agreement.

Loan Agreement

THNC

On October 4, 2010, TMC entered into an Omnibus Agreement with THNC, wherein the latter granted the former an unsecured loan facility amounting to a total of US$35.0 million at a prevailing 180-day British Banker Association London Inter-Bank Offered Rate (LIBOR) plus 2% spread, to exclusively finance the construction of the pier facilities within the TSEZ. In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to Term Secured Overnight Financing Rate plus an adjustment of 0.43%.

The interest on the loan is payable semi-annually, on October 10 and April 10. The total principal is payable in semi-annual installments of US$0.9 million starting on October 10, 2011 up to April 10, 2031.

Lease Agreements

THNC

On October 31, 2013, TMC and THNC executed a lease agreement wherein TMC will lease the land within the TSEZ to THNC. The TSEZ leased area of approximately 675 hectares is located at Barangays Taganito and Hayanggabon, Claver, Surigao del Norte. The duration of the lease agreement shall be for a period of 20 years starting January 1, 2013; however, rental rate shall be annually agreed by both parties.

Manta
On March 18, 2013, the Group entered into a lease agreement with Manta for its office and parking spaces. The lease agreement is for a period of 5 years starting May 15, 2013, and is renewable subject to negotiation of the terms and conditions and mutual agreement of both parties. The existing lease agreements with Manta are valid until May 14, 2028 and June 30, 2028, and are subject to 5% annual escalation beginning on the second year of the lease.

In July 2025, CEXCI signed another lease agreement with Manta for its office space under similar terms and conditions. The new lease agreement is effective from August 1, 2025 to July 31, 2030.

Memorandum of Agreement (MOA) with SMM

The Company and SMM entered a MOA to formalize the agreements reached on December 26, 2024 which include:

a. The Company, through RTN and/or other subsidiaries of the Company, shall continue to comply with the obligations set forth in the Stockholder's Agreement by and among SMM, Mitsui, Nissho Iwai Corporation (subsequently merged into Sojitz) and RTN dated July 1, 2002, amended on January 26, 2007 and April 1, 2013, on the establishment and operation of CBNC.
b. All existing contracts between the Company, RTN or any subsidiaries of the Company, and CBNC, including, but not limited to, Infrastructure Agreements, Lease Agreements, and Ore Supply Agreements, shall remain valid and enforceable in their terms even after the sale of CBNC shares.
c. Before April 1, 2025, RTN shall enter into an Addendum to the Ore Supply Agreement with CBNC, covering the period April 1, 2025 to March 31, 2028 based on ore price of US$12 per WMT, including oversized ore; provided, that the LME price is US$13 per pound or less.
d. To handle or resolve matters that are mutually beneficial to them, or that promote cooperation in the conduct of their respective businesses including, but not limited to, decommissioning and removal of CBNC equipment, stable supply of limestone, and future plan of joint projects among others.

The terms of the MOA took effect after the execution of the SPA and will remain valid unless amended or terminated upon mutual agreement of the parties.

On February 10, 2025, the Company and SMM executed a Deed of Absolute Sale of Shares where the Company offered SMM its 91,796,875 common shares in CBNC for a total consideration of Php 1,855.0 million.

Notes 13, 30 and 36 of the Notes to Consolidated Financial Statements of the Exhibits in Part IV is incorporated hereto by reference.

Directors Disclosures on Self-Dealing and Related Party Transactions

No transaction, without proper disclosure, was undertaken by the Corporation in which any director, executive officer, or any nominee for election as director was involved or had a direct or indirect material interest.

Directors, officers and employees of the Corporation are required to promptly disclose any business or family-related transactions with the Corporation to ensure that potential conflicts of interest are surfaced and brought to the attention of the management.

Item 6. Compensation of Directors and Executive Officers

Compensation of Directors

Each Director is entitled to a director's fee for each meeting attended. In addition, the directors who serve in the committees of the BOD are each entitled to a fee for each committee meeting attended. The table below shows the net compensation of the Company's Directors for each meeting:

Type	Board/ Stock-holders' Meeting	Audit Committee Meeting	Board Risk Oversight	Related Party	Sustainability Committee	Corporate Governance/ Nominations	Finance Committee
Executive Director	₱25,000	₱-	₱15,000	₱-	₱25,000	₱25,000	₱15,000
Non-executive Director	100,000 to 350,000	25,000	-	50,000	25,000	25,000 to 200,000	25,000 to 200,000
Independent Director	150,000	50,000 to 100,000	50,000 to 100,000	50,000	50,000	50,000	-

Currently, there are no arrangements for additional compensation of directors.

The total compensation of each of the Directors on a per diem basis for 2025, is as follows:

Name	Total Compensation (per diem) for 2025 (P)
Jose Isidro N. Camacho	3,900,000
James J.K Hung	2,000,000
Florencia G. Tarriela	1,950,000
Maria Patricia Z. Riingen	1,050,000
Harvey T. Ang	750,000
Shiro Imai	600,000
Leonides Juan Mariano C. Virata	575,000
Martin Antonio G. Zamora	425,000
Naoki Kawai	350,000
Total	11,600,000

Executive Compensation

The following table identifies the Chief Executive Officer ("CEO") and four most highly compensated executive officers (the "named executive officers") and summarizes their aggregate compensation in 2024 and 2025 and their estimated compensation for 2026:

NAMED EXECUTIVE OFFICERS

Year	Total Officers' Salary	Bonus	Total
2026 (estimated)[6]	₱53,647	₱30,701	₱84,348
2025[6]	51,133	42,102	93,235
2024[7]	48,711	35,597	84,308

ALL OTHER DIRECTORS & OFFICERS AS A GROUP

Year	Salary	Bonus	Total
2026 (estimated)	₱124,270	₱50,898	₱175,168
2025	114,455	73,539	187,994
2024	114,115	54,227	168,342

Employment Contracts

There are no special employment contracts between the Company and its named executive officers.

Item 7. Independent Public Accountants

The appointment, approval or ratification of the Company's independent public accountant will be submitted to the shareholders for approval at the Annual Stockholders' Meeting on June 5, 2026.

The Audit and Risk Committee has recommended, and the Board of Directors has approved, the reappointment of the accounting firm of SGV & Co. SGV & Co. has been the Company's independent auditor since its incorporation in July 2008.

The Company's certifying partner, Eleanore A. Layug**,** signed the Company's Audited Financial Statements for 2025, a copy of which is attached to this Information Statement. The certifying partner of the Company's independent external auditor is rotated at least once every five (5) years, with a two (2) year cooling off period as applicable, in accordance with SEC Rule 68, Part 3(b)(iv)(ix).

The Corporation has been advised that the SGV auditors assigned to render audit-related services have no shareholdings in the Company, or a right, whether legally enforceable or not, to nominate persons or to subscribe to the securities of the Company, consistent with

[6] *The named executive officers for the year 2025 and 2026 are: Martin Antonio G. Zamora (President and CEO), Georgina Carolina Y. Martinez (Senior Vice President - Compliance and Corporate Support Services), Jose Bayani D. Baylon (Senior Vice President - Sustainability, Risk Management and Corporate Affairs), Koichi Ishihara (Senior Vice President - Chief Commercial Officer) and Maria Angela G. Villamor (Senior Vice President - Finance).*

[7] *The named executive officers for the year 2024 are: Martin Antonio G. Zamora (President and CEO), Georgina Carolina Y. Martinez (Senior Vice President - Compliance and Corporate Support Services), Jose Bayani D. Baylon (Senior Vice President - Sustainability, Risk Management and Corporate Affairs), Koichi Ishihara (Senior Vice President - Chief Commercial Officer) and Rolando R. Cruz (Vice President - Nickel Mining Business).*

the professional standards on independence set by the Board of Accountancy and the Professional Regulation Commission.

Representatives of SGV & Co. will be present at the scheduled stockholders meeting. They will have the opportunity to make a statement should they desire to do so and will be available to respond to appropriate questions.

External Audit Fees and Services

Audit and Audit-Related Fees

For 2025, 2024, and 2023, SGV & Co. was engaged to express an opinion on the financial statements of the Company and its subsidiaries.

A regular audit was carried out in accordance with Philippine Financial Reporting Standards. The audit fees for these services were Php 19.957 million for 2025, Php 18.900 million for 2024, and Php 17.685 million for 2023.

The non-audit fees were Php 642 thousand in 2025, Php 630 thousand for 2024, and Php 1.845 million for 2023. Fees for audit and non-audit work are subject to approval of the Audit Committee before the start of the engagement.

Tax Fees

There were no tax-related services rendered by the independent auditors other than the review of the income tax returns which formed part of the regular audit engagement.

All Other Fees

Aside from the limited review, transfer pricing study, and tax seminar fees, there were no other professional services rendered by the independent auditors.

Audit Committees' Approval Policies and Procedures

Prior to the commencement of audit work, the independent auditors make a presentation of their audit program and schedule to the Company's Audit Committee, which includes a discussion of anticipated issues. The Group's audited consolidated financial statements for the year are presented by the external auditors to the Audit Committee for their endorsement to the Board and the Board's final approval. Prior to endorsement by the Audit Committee, the independent auditors present a comprehensive report discussing the work carried out, areas of interest and their key findings and observations.

The independent auditors also provide limited review to the Group's quarterly financial reports. This, together with the financial reports, is then presented to the Audit Committee for their endorsement to the Board of Directors for final approval and subsequent filing with the Securities and Exchange Commission.

All of the above were done and complied with in respect of the Company's consolidated audited financial statements for the year ended December 31, 2025.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

Ms. Eleanore A. Layug is the current audit partner. There have been no disagreements with the said independent accountants.

Item 8. Compensation Plans

No action shall be taken at this year's Annual Stockholders' Meeting with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

There are no authorization or issuance of securities other than for exchange for outstanding securities for the registrant.

Item 10. Modification or Exchange of Securities

No action is to be taken by the Company with respect to the modification of any class of securities of the Company 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. Finance and Other information

Copies of the Management Report, the Audited Financial Statements for the year ended December 31, 2025 are attached hereto.

The Management's Discussion and Analysis of Financial Condition and Results of Operations can also be found in the attached Management Report. The notes to the Consolidated Financial Statements are incorporated hereto by reference.

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

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

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

No transaction is to be taken by the Company with respect to any transaction involving mergers, consolidations, acquisitions and similar matters.

Item 13. Acquisition or Disposition of Property

No transaction is to be taken by the Company with respect to the acquisition or disposition of any Property.

Item 14. Restatement of Accounts

No actions are to be taken with respect to the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

1. Minutes of the 9 June 2025 Annual General Meeting of Stockholders

The Minutes of the Annual General Stockholder Meeting held on 9 June 2025 will be submitted for shareholder approval at the 2026 AGM.

The Minutes of the Annual Stockholders' Meeting held on 9 June 2025 is available for inspection by stockholders at the principal offices of the Company. Copies of said Minutes are also posted on the Company's website. Copies of said minutes will also be made available upon request at the venue of the next annual stockholders' meeting.

Matters taken up during the 2025 Stockholders' Meeting were the: (i) Reading and approval of the Minutes of the June 7, 2024 annual stockholders' meeting and action thereon; (ii) Presentation of Annual Report and Audited Financial Statements for the year ended December 31, 2024 and action thereon; (iii) Ratification and approval of the acts of the Board of Directors and Executive Officers for the year ended December 31, 2024; (iv) Appointment of independent auditors; and (v) Election of directors, including independent directors.

2. Management Reports

The Company's Management Report which includes the Audited Financial Statements for the year ended December 31, 2025, and the Annual Report, will be submitted to shareholders of the Company for approval, ratification and confirmation, at the 2026 AGM.

A copy of the Management Report is attached to this Information Statement. Upon written request, shareholders shall be provided with a copy of the Company's Annual Report on SEC Form 17-A free of charge (please see page 38).

Item 17. Amendment of Charter

There are no proposed amendment to the Articles of Incorporation or By-Laws of the Corporation that will be submitted to the stockholders for approval.

Item 18. Other Proposed Action

Action is to be taken on the ratification and approval of the acts of the Board of Directors and executive officers for the corporate year 2025. The resolution to be adopted will be the ratification and approval of the acts of the Board of Directors and executive officers for the year 2025.

Meetings of the Board of Directors were held on the following dates:

30 January 2025	Special Board Meeting
27 February 2025	Regular Board Meeting

8 May 2025	Regular Board Meeting
9 June 2025	Organizational Board Meeting
11 July 2025	Special Board Meeting
6 August 2025	Regular Board Meeting
11 September 2025	Special Board Meeting
11 November 2025	Regular Board Meeting

At these meetings, principal matters discussed include the presentation of detailed operations and financial reports. Operations reports included market information and metal prices, volume of production and sales, and business development updates. Financial reports included consolidated and per segment figures on revenue, costs and expenses, other income and charges, income or loss before tax, net income or loss, balance sheet and statements of cash flows. In addition to these regular reports, the Board approved various matters, as covered by the appropriate resolutions duly adopted during Board meetings and/or disclosed to the SEC and the PSE, and posted on the Company's website.

Special Board Meeting held on 30 January 2025

The Board approved the engagement of third-party consultant to provide advisory services for the development of the Company's goals and strategies, and authorized the President and CEO or the SVP – Compliance and Corporate Support Services Group to execute all documents necessary for such engagement.

Regular Board Meeting held on 27 February 2025

The Board was presented with investor relations and treasury updates and approved Treasury-related matters, including the authority of the Finance Committee to adjust hedging thresholds and the approval of transaction limits for hedging contracts.

The Board also approved the declaration of special cash dividends at the rate of PhP0.044 per common share and regular cash dividends at the rate of PhP0.066 per common share, both payable on March 26, 2025 to shareholders of record as of March 13, 2025.

The Board approved the additional deposits for future stock subscription and/or equity infusion in the aggregate amount of Two Billion Five Hundred Thirty-Four Million Pesos (Php2,534,000,000.00) to its renewable energy subsidiary, EPI. The additional equity infusion shall be used by EPI to pay off its loan with Security Bank Corporation and to fund its budget requirements for the year 2025.

The Board also approved the grant by the Company of bridge loans to:

(i) GRHI, a subsidiary of EPI, in the amount of Nine Hundred Million Pesos (Php900,000,000.00) to finance GRHI's operating expenses, general administrative expenses, and pre-development costs for its projects; and

(ii) SISPC, a subsidiary of GRHI, in the amount of Nine Hundred Million Pesos (Php900,000,000.00) to finance the requirements of the 240MWp San Isidro solar power project.

The Board likewise approved the schedule of the Annual Stockholders' Meeting, which was set on 9 June 2025 at 10:00 A.M., by means of remote communication;

Finally, the Board approved the authorization for the Company to secure permits and licenses for its Surigao Liaison Office and designated authorized representatives for such purpose, as well as the designation of the President and CEO or the Chief Financial Officer as proxy of the Company at the annual stockholders' meeting of Jobin-SQM, Inc.

Regular Board Meeting held on 8 May 2025

The Board approved the Company's subscription to Two Billion Five Hundred Thirty-Four Million Pesos (PhP2,534,000,000.00) worth of EPI common shares at PhP1.90 per share, or equivalent to 1,333,684,211 common shares, upon approval of the increase in the authorized capital stock of EPI.

The Board likewise approved the unaudited financial statements for the period January to March 2025.

Finally, the Board approved the designation of the President and CEO or the Chief Financial Officer as proxy of the Company in the annual stockholders' meetings of its subsidiaries and affiliates.

Organizational Board Meeting held on 9 June 2025

The Board appointed the officers of the Company, the Lead Independent Director, the members of the different Board Committees, and the Board Advisors of NAC.

Special Board Meeting held on 11 July 2025

The Board approved the election of Mr. Naoki Kawai as Director of the Company *vice* Mr. Yusuke Niwa.

Regular Board Meeting held on 6 August 2025

The Board approved the unaudited financial and operating results for the six-month period ended June 30, 2025, with net income of Php 3.028 billion, of which Php 2.098 billion is attributable to equity holders, representing an 88% increase from the same period last year. Earnings per share stood at Php 0.15, likewise up 88% from Php 0.08 in 2024.

The Board approved the Company's advances of up to Seven Hundred Ten Million Pesos (PhP710,000,000.00) to its renewable energy subsidiary, EPI, for additional funding of the Cawag Solar Power Project of EPI's subsidiary, NPPGC.

The Board further approved the Company's incorporation of a new wholly-owned subsidiary to engage in real estate business which shall have an authorized capital stock of One Billion Pesos (PhP1,000,000,000.00). The Company will initially subscribe to Two Hundred Fifty Million Pesos (PhP250,000,000.00) worth of shares in this new subsidiary.

Special Board Meeting held on 11 September 2025

The Board approved the appointment of Atty. Agamata as Assistant Vice President - External Affairs of the Company.

Regular Board Meeting held on 11 November 2025

The Board approved the unaudited financial statements for the nine-month period ended September 2025, as endorsed by the Audit Committee.

The Board also approved the declaration of special cash dividend of PhpP0.07 per share, payable on December 15, 2025 to shareholders of record as of November 28, 2025.

The Board likewise approved the 2026 Budget of the NAC Group, subject to the incorporation of revisions discussed during the meeting, including adjustments to cash flow and certain profit and loss items.

The Board was presented with the 2026 Table of Organization to support the Corporation's strategic direction and organizational transformation. As part of personnel movements, the Board approved the promotion of Mr. Reynaldo DG. Mata II to Vice President – Mining Business Support Services effective January 1, 2026, and noted the corresponding role expansions, changes in title, and scope of certain officers in line with the approved organizational structure.

The Board also approved various corporate matters, including the designation of additional bank signatory and updates to the Corporation's authorized representatives to transact with relevant government agencies.

Item 19. Voting Procedures

Under the Company's policy for the effective participation by shareholders in shareholders' meetings of the Company and the exercise of shareholders' right to vote:

1. To vote, a stockholder must first register online. Certificated stockholders should send a scanned copy of one (1) valid government identification card (ID) to nikl-asm2026@nickelasia.com. Indirect shareholders should send scanned copies of their broker's certification and one (1) valid ID to nikl-asm2026@nickelasia.com. Deadline for registration is on May 26, 2026. Once the Company successfully verifies the stockholder's status, the Company will reply to each stockholder with an online ballot for voting purposes.

2. Only items reflected on the Agenda and the Information Statement will be voted upon. No resolution that is not in the Agenda will be voted on.

3. Votes may be casted online by sending the filled up online ballot form to nikl-asm2026@nickelasia.com.

4. If a shareholder is unable to attend the meeting, he/she may still be represented at the meeting by submitting proxies either online, or by sending a physical copy to the Office of the Corporate Secretary at the Company's principal address at 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila. The deadline for submission of proxies is on May 26, 2026.

5. Cumulative voting may be adopted in the election of directors as allowed by the Revised Corporation Code of the Philippines. On this basis, each registered stockholder as of March 13, 2026 may vote the number of shares registered in his name for each of the nine (9) directors to be elected; or he may multiply the number of shares registered in his name by nine (9), the number of the Company's directors as provided in its Articles of Incorporation, and cast the total of such votes for one (1)

director. A stockholder may also distribute his votes among some or all of the nine (9) directors to be elected.

6. Validation of online ballots and proxies shall be undertaken by a special committee designated by the Board for the validation of proxies. For the 2026 AGM, of SGV & Co., the Company's independent external auditor shall work with the special committee, in reviewing the tabulation proxies.

7. Voting results for each item on the agenda shall be announced during the meeting and shall be made publicly available immediately.

8. Inquiries and/or comments limited to the items in the Agenda of the Meeting may be sent to nikl-asm2026@nickelasia.com on or before May 26, 2025. Inquiries and/or comments received after the deadline, or those unrelated to the items in the Agenda of the Meeting, shall be referred to the Corporation's proper officer for the appropriate response.

Stockholders as of March 13, 2026 may vote at the Annual General Stockholders' Meeting on June 5, 2026. Stockholders have the right to vote in person or by proxy.

In the election of directors, cumulative voting may be adopted. On this basis, each stockholder as of March 13, 2026 may vote the number of shares registered in his name for each of the nine (9) directors to be elected, or he may multiply the number of shares registered in his name by nine (9) and cast the total of such votes for one (1) director, or he may distribute his votes among some or all of the nine (9) directors to be elected. The nine (9) nominees with the greatest number of votes will be elected directors.

PART II.

(PLEASE SEE SEPARATE PROXY FORM)

PART III.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on May 11, 2026.

By:

BARBARA ANNE C. MIGALLOS
Corporate Secretary

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY UNDERTAKES TO FURNISH SAID STOCKHOLDER A COPY OF THE COMPANY'S ANNUAL REPORT ON SEC FORM 17-A, AND 2026 FIRST QUARTER REPORT SEC FORM 17-Q, FREE OF CHARGE. SUCH WRITTEN REQUEST SHOULD BE ADDRESSED TO:

ATTY. BARBARA ANNE C. MIGALLOS
Corporate Secretary

NICKEL ASIA CORPORATION
28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila

NIKL 2026 AGM Definitive Information Statement fin/kjs48

PROXY

The undersigned stockholder of **NICKEL ASIA CORPORATION** (the "Company") hereby appoints _____ or in his absence, the Chairman of the meeting, as attorney-in-fact or proxy, with power of substitution, to represent and vote all shares registered in his/her name as proxy of the undersigned stockholder, at the **Annual General Meeting of Stockholders** of the Company to be held online on **Friday, 5 June 2026, at 10:00 A.M**. and presided at the Company's principal office address and at 28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City, Metro Manila, and any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of minutes of the annual stockholders' meeting held on 9 June 2025
   ☐ Yes ☐ No ☐ Abstain

2. Approval of annual reports and Audited Financial Statements for the year ending 31 December 2025
   ☐ Yes ☐ No ☐ Abstain

3. Ratification and approval of the acts of the Board of Directors and Executive Officers
   ☐ Yes ☐ No ☐ Abstain

4. Appointment of Sycip, Gorres, Velayo & Co. as independent auditors
   ☐ Yes ☐ No ☐ Abstain

5. Election of Directors
   ☐ Vote for all nominees listed below:

Martin Antonio G. Zamora	Shiro Imai
Maria Patricia Z. Riingen	Naoki Kawai
Harvey T. Ang	Florencia G. Tarriela (Independent)
Jose Isidro N. Camacho	James J.K. Hung (Independent)
Leonides Juan Mariano C. Virata	

   ☐ Withhold authority for all nominees listed above

   ☐ Withhold authority to vote for the nominees listed below:

   _____ _____
   _____ _____

6. At their discretion, the proxies named above are authorized to vote upon such other matters as may properly come before the meeting.

_____ _____
Date Printed Name of Stockholder

_____
Signature of Stockholder/ Authorized Signatory

This proxy should be received by the Corporate Secretary on or before **26 May 2026**, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). 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 proxy submitted by a corporation should be accompanied by a Corporate Secretary's Certificate quoting the board resolution designating a corporate officer to execute the proxy. Proxies executed by brokers must be accompanied by a certification under oath stating that the broker has obtained the written consent of the account holder.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy is also considered revoked if the stockholder attends the meeting in person and expresses his intention to vote in person. This proxy shall be valid for five (5) years from the date hereof unless otherwise indicated in the box herein provided. ☐

No director or executive officer, nominee for election as director, or associate of such director, executive officer of nominee of the Company, at any time since the beginning of the last fiscal year, has any substantial interest, direct or indirect by security holdings or otherwise, in any of the matters to be acted upon in the meeting, other than election to office.

REPORT ACCOMPANYING THE INFORMATION STATEMENT

MANAGEMENT REPORT

I. Financial Statements

The audited consolidated financial statements of the Company and its subsidiaries (the Group) for the year ended 31 December 2025 in compliance with SRC Rule 68, as amended, is attached to the Information Statement and is incorporated by reference.

II. Information on Independent Accountants and other Related Matters

The Company's consolidated financial statements for the year ended 31 December 2025 have been audited by SyCip Gorres Velayo & Co. (SGV & Co.), a member practice of Ernst & Young Global Limited, independent auditors, as stated in their reports appearing herein.

Ms. Eleanore A. Layug is the Company's current audit partner. We have not had any disagreements on accounting and financial disclosures with our current external auditors for the same periods or any subsequent interim period.

There were no disagreements with SGV & Co. on any matter of accounting and financial disclosure.

The following table sets out the aggregate fees incurred for the years 2025 and 2024 for professional services rendered by SGV & Co.:

	2025	2024
	(In Thousands)	
Audit and Audit-Related Services	₱19,957	₱18,900
Non-Audit Services	642	630
Total	₱20,599	₱19,530

* Exclusive of out-of-pocket expenses and Value Added Tax (VAT)

Non-audit services fees pertain to fees paid to SGV & Co. for the transfer pricing study and seminar fees.

III. Management's Discussion and Analysis of Financial Position and Results of Operations

Full Fiscal Years

The following discussion and analysis are based on the audited consolidated financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023, prepared in conformity with Philippine Financial Reporting Standards Accounting Standards and accompanying Notes to the Consolidated Financial Statements and should be read in conjunction with the audited consolidated financial statements.

The Group has not, in the past five (5) years and since its incorporation, revised its financial statements for reasons other than changes in accounting policies.

Summary Financial Information

The Consolidated Financial Statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023 are hereto attached.

The following tables set forth the summary financial information for the three (3) years ended December 31, 2025, 2024 and 2023 and as at December 31, 2025, 2024, and 2023:

Summary of Consolidated Statements of Income

	For the Years Ended December 31			Horizontal Analysis			
	2025	2024	2023	Increase (Decrease)		Increase (Decrease)	
	(In Thousand Pesos)			2025 vs 2024	%	2024 vs 2023	%
Revenues	₱29,617,073	₱22,325,428	₱24,700,467	₱7,291,645	33%	(₱2,375,039)	-10%
Costs	(11,041,037)	(9,822,152)	(10,030,801)	1,218,885	12%	(208,649)	-2%
Operating expenses	(7,089,094)	(5,701,094)	(5,708,770)	1,388,000	24%	(7,676)	0%
Finance income	580,995	695,893	524,065	(114,898)	-17%	171,828	33%
Finance expenses	(482,198)	(482,786)	(446,701)	(588)	0%	36,085	8%
Equity in net loss of associates	(249,463)	(897,927)	(1,037,821)	(648,464)	-72%	(139,894)	-13%
Other income (charges) - net	879,323	(1,556,511)	21,492	2,435,834	156%	(1,578,003)	-7,342%
Provision for income tax - net	(3,367,904)	(1,638,389)	(2,227,996)	1,729,515	106%	(589,607)	-26%
Net income	₱8,847,695	₱2,922,462	₱5,793,935	₱5,925,233	203%	(₱2,871,473)	-50%
Net income attributable to:							
Equity holders of the Parent	₱6,268,929	₱1,521,458	₱3,749,656	₱4,747,471	312%	(₱2,228,198)	-59%
Non-controlling interests	2,578,766	1,401,004	2,044,279	1,177,762	84%	(643,275)	-31%
	₱8,847,695	₱2,922,462	₱5,793,935	₱5,925,233	203%	(₱2,871,473)	-50%

Summary of Consolidated Statements of Financial Position

				Horizontal Analysis			
	2025	2024	2023	Increase (Decrease)		Increase (Decrease)	
	(In Thousand Pesos)			2025 vs 2024	%	2024 vs 2023	%
Current assets	₱25,607,469	₱23,835,707	₱23,488,558	₱1,771,762	7%	₱347,149	1%
Noncurrent assets	44,560,542	37,815,094	34,438,251	6,745,448	18%	3,376,843	10%
Total assets	₱70,168,011	₱61,650,801	₱57,926,809	₱8,517,210	14%	₱3,723,992	6%
Current liabilities	₱10,897,107	₱12,752,199	₱9,990,199	(₱1,855,092)	-15%	₱2,762,000	28%
Noncurrent liabilities	11,442,298	4,485,380	4,831,624	6,956,918	155%	(346,244)	-7%
Non-controlling interests	8,109,751	7,786,697	6,846,207	323,054	4%	940,490	14%
Equity attributable to equity holders of the Parent	39,718,855	36,626,525	36,258,779	3,092,330	8%	367,746	1%
Total liabilities and equity	₱70,168,011	₱61,650,801	₱57,926,809	₱8,517,210	14%	₱3,723,992	6%

	For the Years Ended December 31		
	2025	2024	2023
	(In Thousand Pesos)		
Net cash flows from (used in):			
Operating activities	₱10,137,667	₱7,346,553	₱8,186,957
Investing activities	(4,957,262)	(8,260,512)	(5,388,416)
Financing activities	(542,446)	(1,874,594)	1,867,561
Net increase (decrease) in cash and cash equivalents	4,637,959	(2,788,553)	4,666,102
Cash and cash equivalents, beginning	12,935,272	15,482,465	10,809,026
Effect of exchange rate changes in cash and cash equivalents	1,137	241,360	7,337
Cash and cash equivalents, end	₱17,574,368	₱12,935,272	₱15,482,465

RESULTS OF OPERATIONS

Calendar year ended December 31, 2025 compared with calendar year ended December 31, 2024

Revenues
In 2025, the Group reported total revenues of ₱29,617.1 million, which represents an increase of ₱7,291.6 million or 33% compared to ₱22,325.4 million in 2024. This increase was primarily driven by higher nickel ore prices.

Sale of Ore
Revenues from the sale of ore increased by 39% due to a significant rise in saprolite ore export prices. The Group's operating mines sold a total of 18.6 million wet metric tonnes (WMT) of nickel ore in 2025, a 9% increase from last year's sales of 17.0 million WMT. The weighted average sales price of nickel ore in 2025 grew by 28% to $25.66/WMT, compared to $20.04/WMT the previous year. The Group's operating mines realized an average exchange rate of P57.22/US$ from these nickel ore sales, a slight decline from P57.36/US$ the previous year.

In 2025, the Group exported 10.9 million WMT of saprolite and limonite ore at an average price of $36.14/WMT. This is an increase compared to the 9.6 million WMT exported in the previous year, which sold at an average price of $27.34/WMT. Additionally, the Group delivered 7.6 million WMT of limonite ore to the Coral Bay and Taganito High-Pressure Acid Leach (HPAL) plants in 2025, with prices linked to the London Metal Exchange (LME). The average price for these deliveries was $6.86 per pound of payable nickel in 2025, down from $7.65 per pound for 7.4 million WMT in 2024.

Breaking it down by mine, the Group's Taganito mine was the largest contributor, accounting for 48% of total ore sales in 2025. It exported 3.9 million WMT of saprolite and limonite ore and delivered 4.9 million WMT of limonite ore to the Taganito processing plant. In 2024, the Taganito mine exported 4.1 million WMT of saprolite and limonite ore and delivered 4.5 million WMT of limonite ore to the processing plant.

The Rio Tuba mine, which contributed 29% of total ore sales in 2025, exported 2.8 million WMT of saprolite ore and delivered 2.5 million WMT of limonite ore to the Coral Bay processing plant. In the previous year, the mine sold 1.8 million WMT of saprolite ore and 2.4 million WMT of limonite ore to the Coral Bay processing plant.

The Group's mines in Hinatuan, Cagdianao, and Dinapigue exported 1.9 million WMT, 2.0 million WMT, and 0.3 million WMT of saprolite and limonite ore, respectively, in 2025. In comparison, the previous year's exports were 1.7 million WMT, 1.5 million WMT, and 0.5 million WMT, respectively. Additionally, the Cagdianao mine delivered 0.2 million WMT of limonite ore to the Coral Bay processing plant in 2025. In 2024, the combined delivery from the Cagdianao and Dinapigue mines totaled 0.5 million WMT.

Sale of Limestone
Limestone deliveries to Coral Bay Nickel Corporation (CBNC) decreased by 35% in 2025, resulting in a corresponding decline in revenue from limestone sales, which totaled ₱126.7 million compared to ₱194.7 million in 2024.

Sale of Power
Revenue from power sales in 2025 decreased by 4%, dropping to ₱1,291.1 million from ₱1,342.1 million the previous year. This decline was primarily due to a lower average effective price. Notably, the price of solar energy sold through the electricity market operator saw a significant drop of 56%, falling from ₱5.96/kilowatt-hour (kWh) to ₱2.65/kWh. Similarly, the

price of solar energy delivered under Power Sales Agreements decreased from ₱4.78/kWh to ₱4.67/kWh. Additionally, the overall average price of energy sourced from diesel dropped by 3%, from ₱22.52/kWh to ₱21.91/kWh.

Services
Service revenue, which mainly consists of payments for hauling, manpower, and ancillary services provided by CDTN Services Company Inc. (CDTN) and Taganito Mining Corporation (TMC) to CBNC, Taganito HPAL Nickel Corporation (THNC), and other third parties, and usage fee charged by TMC to THNC for the use of its pier facility, experienced a decline of ₱277.2 million. Consequently, total revenue in 2025 was ₱952.1 million, down from ₱1,229.3 million in the previous year. This decrease is primarily attributed to the completion of activities related to CBNC's Tailing Storage Facility (TSF)-3 project, which was extended until the end of the first half of 2024.

Costs
Overall costs increased by 12%, amounting to ₱1,218.9 million, rising from ₱9,822.2 million to ₱11,041.0 million.

Cost of Sales
The cost of sales rose to ₱9,890.5 million in 2025, up from ₱8,591.0 million in 2024. This increase was mainly due to rising production costs during the year, which were caused by unexpected adverse weather conditions that hindered mobility and affected site conditions, ultimately impacting operational efficiency. Longer hauling distances, resulting from a shift in ore sourcing from locations near the pier to more distant sites, along with higher road and pit maintenance costs in the new area of Rio Tuba and increased manpower and equipment utilization, particularly for the Manicani operations, contributed to the overall cost increase. Additionally, the volume of ore shipped and delivered in 2025 was 9% higher than the previous year.

Cost of Power Generation
The cost of power generation increased by 15%, rising from ₱603.0 million to ₱694.3 million. This increase was driven by the increase in capacity resulting from the completion of the Phase 4A Subic project in February 2024, which led to the cessation of capitalizing interest and the start of depreciation of the related assets.

Cost of Services
Costs associated with services decreased by 27%, dropping from ₱628.2 million to ₱456.2 million. This reduction followed the completion of additional activities carried out by CDTN for CBNC's TSF-3 project at the end of the first half of 2024. Most of the work was performed by contractors, which had contributed to higher costs in 2024.

Operating Expenses
The Group's operating expenses rose by 24%, increasing to ₱7,089.1 million in 2025 from ₱5,701.1 million in 2024.

Shipping and Loading Costs
Shipping and loading costs increased by 23%. This rise was influenced by a 13% increase in ore export volume and the hiring of additional Landing Craft Transport (LCT) and tugboats to support loading operations and ensure the timely transfer of ore into vessels. However, demurrage charges were incurred due to loading delays caused by unexpected adverse weather conditions at the site.

Excise Taxes and Royalties
Excise taxes and royalties rose by 38%, from ₱1,707.3 million to ₱2,347.9 million. This increase was primarily driven by higher revenue from nickel ore and limestone sales, influenced by more favorable nickel ore prices in 2025.

General and Administrative
General and administrative expenses increased by 13%, rising from ₱1,618.2 million to ₱1,832.3 million. This rise was primarily due to annual merit increases, incentives, retirement or severance payouts, and payments to project consultants and professionals.

Marketing
Marketing costs, which include commissions based on a percentage of revenue, increased by 20% during the current year. The commission is calculated solely on the revenue of Cagdianao Mining Corporation (CMC). Notably, the commission rose by 40%, reflecting the same percentage increase in ore sales for CMC.

Finance Income
Finance income decreased by 17%, falling to ₱581.0 million from ₱695.9 million. This decline is attributed to lower short-term cash investment rates, which averaged around 3.70% in 2025, down from approximately 4.46% the previous year. Additionally, the average cash placements in 2025 decreased by 4% compared to the prior year.

Finance Expenses
Finance expenses remained relatively unchanged from last year, totaling ₱482.2 million, with no significant changes due to interest rate repricing.

Equity in Net Loss of Associates
The Parent Company reported a loss of ₱249.5 million from its equity interests in THNC in 2025. This reflects a significant improvement compared to the combined loss of ₱897.9 million from the two HPAL plants in the previous year. This improvement is primarily attributed to the sale of the investment in CBNC, which was completed in February 2025.

Other Income (Charges) - Net
In 2025, the Group's net other income stood at ₱879.3 million, a marked increase compared to the net other charges of ₱1,556.5 million from the previous year. This increase was primarily due to the reclassification of cumulative translation adjustments related to the investment in CBNC, amounting to ₱800.5 million, which was previously recorded in other comprehensive income. Additionally, the impairment losses on assets in 2025 were significantly lower at ₱490.1 million, compared to ₱2,083.3 million in 2024.

Provision for Income Tax
As a result of the factors mentioned above, particularly the increase in revenue, taxable income rose in 2025. Furthermore, there were reversals of deferred income tax assets during the year. Consequently, the net provision for income tax increased by 106%.

Net Income
As a result, the consolidated net income in 2025 reached ₱8,847.7 million, compared to ₱2,922.5 million the previous year. After accounting for non-controlling interests, the net income attributable to the equity holders of the parent company amounted to ₱6,268.9 million, an increase from ₱1,521.5 million in the prior year.

Calendar year ended December 31, 2024 compared with calendar year ended December 31, 2023

Revenues
In 2024, the Group reported total revenues of ₱22,325.4 million, representing a decrease of ₱2,375.0 million or 10% compared to ₱24,700.5 million in 2023. This decline was primarily driven by lower nickel ore prices, as a result of an oversupply in the nickel market.

Sale of Ore
The Group's operating mines sold a total of 17.0 million WMT of nickel ore in 2024, reflecting a modest increase of 3% from 16.5 million WMT in the previous year.

Breaking down the ore sales, the Group exported 9.6 million WMT of saprolite and limonite ore in 2024, achieving an average price of $27.34 per WMT, down from $30.59 per WMT for 8.9 million WMT in 2023. Additionally, the Group delivered 7.4 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants in 2024, with prices linked to the LME. The average price realized was $7.65 per pound of payable nickel in 2024 compared to $9.89 per pound of payable nickel for 7.6 million WMT in 2023. When expressed in US$ per WMT, the average prices for these deliveries were $10.50 and $14.66 in 2024 and 2023, respectively.

On a per mine basis, the Group's Taganito mine was the largest contributor, accounting for 50% of total ore sales in 2024, with combined shipments and deliveries totaling 8.6 million WMT (4.1 million WMT of saprolite and/or limonite ore exports and 4.5 million WMT of limonite ore deliveries to the Taganito HPAL plant). This was an increase from 8.2 million WMT in 2023 (3.7 million WMT of saprolite ore exports and 4.5 million WMT of limonite ore deliveries to the Taganito HPAL plant).

The Rio Tuba mine contributed 25% of total ore sales in 2024, comprising 4.2 million WMT (1.8 million WMT of saprolite ore exports and 2.4 million WMT of limonite ore deliveries to the Coral Bay HPAL plant), which was almost the same in 2023 at 1.6 million WMT ore exports and 2.6 million WMT deliveries to the Coral Bay HPAL plant or a total of 4.2 million WMT.

The Hinatuan, Cagdianao, and Dinapigue mines exported 1.7 million WMT, 1.5 million WMT, and 0.5 million WMT of saprolite and limonite ore, respectively, in 2024, compared to 1.6 million WMT, 1.7 million WMT, and 0.3 million WMT, respectively, in 2023. The Cagdianao and Dinapigue mines also delivered 0.5 million WMT of limonite ore to the Coral Bay processing plant in both years.

The realized Peso/US$ exchange rate for ore sales was ₱57.36 in 2024, up 3% from ₱55.78 in 2023.

Sale of Limestone
Rio Tuba's revenue from the sale of limestone increased to ₱194.7 million in 2024, up from ₱175.0 million in 2023. This growth is attributable to an 11% rise in limestone deliveries to CBNC.

Sale of Power
Revenue from power sales experienced substantial growth, reaching ₱1,342.1 million, a 52% increase from ₱881.5 million in 2023. Although the year-on-year average effective price decreased by 2% from Php5.40/ kWh to Php5.30/kWh, generation volume from the Group's solar and diesel power plants more than doubled, increasing by 109%, or 119.0 million kWh, due to a significant increase in overall capacity.

Services and Others
The Group's revenue from services and others fell by 46%, to ₱1,229.3 million from ₱2,265.1 million. This decline primarily resulted from reduced equipment rental income associated with the completion of CBNC's TSF-3 project in December 2023.

Costs
The Group's total costs decreased slightly by 2%, or ₱208.6 million, from ₱10,030.8 million to ₱9,822.2 million.

Cost of Sales
The cost of sales increased to ₱8,591.0 million in 2024 from ₱7,964.5 million in 2023, driven by a 3% rise in sales volume. Factors influencing cost movements included: 1) longer hauling distances particularly in Taganito and Rio Tuba; 2) a 13% increase in fuel consumption (partially offset by a 2% decline in fuel prices); and 3) higher volume handled by third-party contractors.

Cost of Power Generation
Cost in power generation rose by 17%, from ₱515.5 million in 2023 to ₱603.0 million in 2024, as a direct consequence of the 109% increase in generation volume.

Cost of Services
Cost related to services dropped by 59%, from ₱1,550.8 million to ₱628.2 million, following the completion of CBNC's TSF-3 project, resulting in a 44% reduction in the volume of materials handled.

Operating Expenses
The Group's operating expenses remained relatively stable, amounting to ₱5,701.1 million in 2024, slightly decreasing from ₱5,708.8 million in 2023, reflecting a decrease of ₱7.7 million.

Shipping and Loading Costs
Shipping and loading costs increased by 4%, largely due to an 8% increase in ore export volumes. Contributing factors included the: 1) completion of the causeway construction in Dinapigue and the depreciation of the 2 LCTs acquired for Dinapigue in July 2023; 2) a prolonged loading season due to adverse weather; and 3) direct loading activities in Rio Tuba caused by stock unavailability at the pier.

Excise Taxes and Royalties
Excise taxes and royalties decreased by 9%, from ₱1,873.8 million to ₱1,707.3 million, predominantly due to a 3% decline in revenues from nickel ore and limestone sales attributed to lower nickel ore prices.

General and Administrative
General and administrative expenses increased by 5%, rising from ₱1,542.8 million to ₱1,618.2 million. This increase was primarily driven by the: 1) increased personnel costs due to annual merit raises, the hiring of new employees and retirement or severance payments; 2) additional contributions to the NAC Foundation Inc. for health and community programs; and 3) increase in outsourced services particularly software program developers.

Marketing
Marketing expenses, which includes commission, decreased by 9% in 2024, reflecting a 5% decline in CMC's revenue from ore sales and adjustment in marketing fee rate, which dropped from 3.5% to 2.5% beginning January 2024.

Finance Income
Finance income surged by 33% to ₱695.9 million from ₱524.1 million, primarily due to improved net yields from time deposit placements averaging 4.46% in 2024 as against 4.10% in 2023.

Finance Expenses
Finance expenses rose by 8%, reaching ₱482.8 million, up from ₱446.7 million. This increase was attributed to the new loans from Industrial and Commercial Bank of China (ICBC), Security Bank Corporation (SBC) and Rizal Commercial Banking Corporation (RCBC), as well as a rise in the average foreign exchange rate from ₱55.63/US$1 to P57.28/US$1.

Equity in Net Loss of Associates
The Parent Company reported a reduced loss from its equity interests in the two HPAL plants, with a combined loss of ₱897.9 million in 2024 compared to ₱1,037.8 million in 2023, or a 13% improvement. The net losses were driven by lower metal prices for nickel and cobalt year-on-year.

Other Income (Charges) - Net
In 2024, the Group has net other charges of ₱1,556.5 million, a contrast to net other income of ₱21.5 million in 2023. The primary drivers were an impairment loss of ₱1,912.3 million on Mindoro Geothermal Power Corporation's (MGPC) geothermal exploration and evaluation assets and a total of ₱202.6 million in input VAT impairments and write-offs. This loss was partially offset by net foreign exchange gains from the Group's US$ denominated net financial assets amounting to ₱411.3 million, a significant recovery from a loss of ₱79.4 million in 2023.

Provision for Income Tax - Net
The Group's net provision for income tax decreased by 26%, even as net income fell by 50%. The smaller reduction can be attributed to higher nondeductible expenses stemming from increased provisions for impairment losses.

Net Income
As a result of the foregoing, the Group reported a consolidated net income of ₱2,922.5 million in 2024, down from ₱5,793.9 million in 2023. After accounting for non-controlling interests, the attributable net income stood at ₱1,521.5 million in 2024, which was 59% lower than ₱3,749.7 million in 2023.

Calendar year ended December 31, 2023 compared with calendar year ended December 31, 2022

Revenues
The Group's total revenues in 2023 was ₱24,700.5 million, lower by ₱3,302.7 million or 12% compared to ₱28,003.1 million in 2022 because of lower nickel ore prices caused by the growth in Indonesian nickel production.

Sale of Ore
The Group's operating mines sold a combined 16.5 million WMT of nickel ore in 2023, or 3% higher than last year's 15.9 million WMT.

Breaking down the ore sales, the Group exported 8.9 million WMT of saprolite and limonite ore to customers at the average price of $30.59 per WMT in 2023 from 8.1 million WMT at $39.39 per WMT in 2022. Likewise, the Group delivered 7.6 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants, the prices of which are linked to the LME, and realized an average price of $9.89 per pound of payable nickel in 2023. This compares to 7.8 million WMT at $11.64 per pound of payable nickel in 2022. Expressed in US$ per WMT, the average

price for the deliveries to the 2 HPAL plants were $14.66 and $18.72 in 2023 and 2022, respectively.

On a per mine basis, the Group's Taganito mine accounted for 50% of the total WMT of ore sold in 2023. The mine shipped 3.7 million WMT of saprolite ore and delivered 4.5 million WMT of limonite ore to the Taganito HPAL plant, or a combined shipment and delivery of 8.2 million WMT. The comparable figures for 2022 were 3.2 million WMT of saprolite ore and 4.7 million WMT of limonite ore to the Taganito HPAL plant, or a combined shipment and delivery of 7.9 million WMT.

The Rio Tuba mine accounted for 25% of the total ore sold in 2023, consisting of 1.6 million WMT of saprolite ore and 2.6 million WMT of limonite ore delivered to the Coral Bay HPAL plant or a total of 4.2 million WMT. The comparable figures for 2022 were 1.5 million WMT and 2.7 million WMT or a total of 4.2 million WMT.

The Group's Hinatuan, Cagdianao, and Dinapigue mines exported saprolite and limonite ore of 1.6 million WMT, 1.7 million WMT, and 0.3 million WMT, respectively, in 2023, and 1.4 million WMT, 1.8 million WMT, and 0.2 million WMT, respectively, in 2022. Aside from the limonite ore deliveries from the Rio Tuba mine, the Group's Cagdianao and Dinapigue mines also delivered limonite ore to the Coral Bay processing plant for a total of 0.5 million WMT and 0.4 million WMT in 2023 and 2022, respectively.

The realized Peso/US$ exchange rate for ore sales was ₱55.78 in 2023, a 2% increase from ₱54.90 in 2022.

Sale of Limestone
Rio Tuba's revenue from sale of limestone went down to ₱175.0 million in 2023 from ₱215.60 million in 2022 because of the 17% decrease in volume delivered to customers.

Sale of Power
Revenue from the sale of power in 2023 amounted to ₱881.5 million, or 14% higher than last year's ₱773.4 million. Despite the 8% decrease in the year-on-year average effective price, from Php5.55/kWh to Php5.09/kWh, the generation volume of the Group's solar and diesel power plant was higher by 27%, or by 32 megawatts (MW), owing to higher demand, compared to the year prior. A portion of the energy generated was attributable to the completion and energization of Phase 3B, which contributed 38MW starting in the third quarter of 2022.

Services and Others
The Group's revenue from services and others improved by 52% to ₱2,265.1 million from ₱1,490.7 million mainly because of the increase in the volume of materials handled, particularly for CBNC's TSF-3 Project.

Costs
The Group's costs went up by 9% or ₱793.7 million, from ₱9,237.1 million to ₱10,030.8 million.

Cost of Sales
The 3% increase in sales volume led to the slight increase in cost of sales from ₱7,931.0 million in 2022 to ₱7,964.5 million in 2023. The movements in the cost of sales were driven by 1) higher fuel consumption by 11%, however, this was partially offset by an average 10% decline in fuel prices; 2) compared to last year, when the mines were still recovering from the impact of typhoon Odette, wherein the Surigao mines experienced almost a month without power due to damaged powerlines caused by typhoon Odette, the Group is operating normally during 2023; and 3) aside from the slight increase in the contractor's rate, the contracted tonnage was also higher in 2023.

Cost of Power Generation
Cost of power generation went up by 28% to ₱515.5 million in 2023 from ₱403.9 million in 2022 because of higher generation volume, which increased by 27% compared in the year prior, following the completion and energization of Phase 3B in June 2022, which also led to increase in depreciation by 16%.

Cost of Services
Cost of services rose by 72% to ₱1,550.8 million from ₱902.2 million following the increase in payments made to subcontractors for CBNC's TSF-3 project. Aside from this, the volume of materials handled in 2023 was higher by 26% than last year.

Operating Expenses
The Group's operating expenses amounted to ₱5,708.8 million in 2023 compared to ₱6,126.6 million in 2022, a decrease of ₱417.8 million, or 7%.

Shipping and Loading Costs
Shipping and loading costs were up by 1% since loading started early for some of the mines in 2023 compared to last year, when shipment started late due to inclement weather conditions. Aside from this, the volume of ore export sales increased by 9%.

Excise Taxes and Royalties
Excise taxes and royalties slid by 25% to ₱1,873.8 million from ₱2,486.3 million, mainly on account of the 16% decline in revenue from the sale of nickel ore and limestone as a result of lower nickel ore prices in 2023, and due to the reduction in the royalty rate of CMC to its claim owner, from 8.75% to 2.50%.

General and Administrative
General and administrative expenses increased by 18% from ₱1,306.3 million to ₱1,542.8 million on account of higher taxes due to the settlement of the prior year's deficiency taxes, increase in travel related expenses particularly to/from sites, additional office space rented in line with ongoing renovations and boost in publicity promotions and advertisements. Aside from this, additional expenses were incurred for the risk conference held in Cebu and Manila, for Nickel Asia Corporation's (Company, Parent Company or NAC) first sustainability-run event and various employee engagement activities to promote health and wellness.

Marketing
The marketing cost, which includes commission, was lower by 31% in 2023. The commission is based on CMC's revenue only, and CMC's revenue from the sale of ore was 27% lower in 2023 compared to last year. Further, shipments subjected to a marketing fee in 2023 were lower by 45% compared to last year.

Finance Income
Finance income significantly improved by 178% to ₱524.1 million from ₱188.6 million because of the improvements in the net yield of time deposit placements, which averages to 4.10% in 2023, compared to an average of 1.45% in 2022.

Finance Expenses
The Group's finance expenses rose by 46%, to ₱446.7 million from ₱306.8 million, following the increase in the domestic borrowing rate, from a range of 5.25% to 7.50% to a range of 6.59% to 8.19% and additional loans obtained from ICBC, SBC and RCBC. Aside from this, a jump in the foreign exchange rate from an average of P54.50/US$1 to P55.63/US$1 also contributed to the increase.

Equity in Net Loss (Income) of Associates
The Parent Company registered a loss from its equity interests in the two HPAL plants in the combined amount of ₱1,037.8 million in 2023 against a profit of ₱942.1 million the year prior, or a 210% decrease. The net loss incurred by the HPAL plants was due to lower metal prices for nickel and cobalt year-on-year.

Other Income - Net
The Group's other income - net was at ₱21.5 million in 2023, compared to ₱841.6 million in 2022. The Group recognized net foreign exchange losses from its US$ denominated net financial assets in the amount of ₱79.4 million in 2023, a significant turnaround from foreign exchange gains of ₱1,215.2 million in 2022. However, the decrease in foreign exchange gains was partially offset by the increase in the valuation gains of investments in 2023 by ₱720.2 million. Impairment losses were also recognized in 2023 due to rescissions of operating contracts.

Provision for Income Tax - Net
The Group's net provision for income tax was 35% lower due to lower taxable income base on account of higher deductible expenses from actual exercise of employee stock option shares in 2023.

Net Income
As a result of the foregoing, the Group's consolidated net income was ₱5,793.9 million in 2023 compared to ₱10,876.1 million in 2022. Net of non-controlling interests, our net income was ₱3,749.7 million in 2023, or 53% lower compared to ₱7,931.1 million in 2022.

FINANCIAL POSITION

Calendar year as at December 31, 2025 and 2024

As of December 31, 2025, total assets reached ₱70,168.0 million, up from ₱61,650.8 million as of December 31, 2024. Current assets increased by 7%, growing from ₱23,835.7 million to ₱25,607.5 million, while noncurrent assets rose by 18%, from ₱37,815.1 million to ₱44,560.5 million. The rise in current assets was mainly due to higher and improved collections from operations. In contrast, the increase in noncurrent assets was driven by the construction of the 240MW San Isidro Solar Power Project and Phase 1 - 70MW Cawag Solar Power Project.

Current liabilities decreased to ₱10,897.1 million, down from ₱12,752.2 million. This decline was primarily due to payments on short-term loans to SBC, totaling ₱2,015.3 million, after accounting for any loan availments or drawdowns during the year.

Noncurrent liabilities surged by 155%, climbing to ₱11,442.3 million from ₱4,485.4 million. This increase reflects net proceeds from bank loans used to finance the construction of the San Isidro Solar Power Project and the Cawag Solar Power Project. Additionally, there was an adjustment to lease liabilities resulting from lease modifications and a new long-term lease entered into during the year.

Equity, net of non-controlling interests, increased to ₱39,718.9 million, influenced by this year's earnings, dividend payments, and a reduction in cumulative translation adjustments.

Calendar year as at December 31, 2024 and 2023

As of December 31, 2024, the Group's total assets increased by 6%, rising to ₱61,650.8 million from ₱57,926.8 million at the end of 2023.

Current assets at the close of 2024 recorded a modest rise of 1%, amounting to ₱23,835.7 million compared to ₱23,488.6 million as of the end of 2023. The increase is primarily attributed to the reclassification of an investment in CBNC from noncurrent to current under “Asset held for sale”.

Noncurrent assets exhibited a significant improvement of 10%, climbing from ₱34,438.3 million to ₱37,815.1 million. This positive trend is largely due to strategic investments in property and equipment for renewable energy initiatives and the expansion of mining operations, particularly involving new mines.

Current liabilities surged by 28%, escalating from ₱9,990.2 million to ₱12,752.2 million. This rise was driven by new short-term loans secured by Emerging Power, Inc. (EPI) from RCBC, specifically intended to finance the San Isidro Solar Power Corp.’s (SISPC) 240MW San Isidro Solar Power Project and Northern Palawan Power Generation Corporation’s (NPPGC) 140MW Cawag Solar Power Project.

On the other hand, noncurrent liabilities decreased by 7%, falling to ₱4,485.4 million from ₱4,831.6 million due to repayments of long-term debts and a reduction in pension liabilities, supported by additional contributions made to pension funds in 2024.

The Group’s equity, net of non-controlling interests, improved by 1% to ₱36,626.5 million as of December 31, 2024. This growth reflects the Group’s sustained profitable operations and increases in translation adjustments affecting the balances of the associates.

Calendar year as at December 31, 2023 and 2022

As at December 31, 2023, the Group’s total assets increased by 16% to ₱57,926.8 million from ₱49,759.0 million as of the end of 2022.

Current assets as of the end of 2023 was higher by 12% at ₱23,488.6 million compared to ₱20,955.2 million as of the end of 2022 mainly due to collections of receivables, and disposal of offshore investments.

Noncurrent assets improved by 20% from ₱28,803.9 million to ₱34,438.3 million which was attributable mainly to the acquisitions of property and equipment, including the advances and downpayments made to suppliers, intended for the renewable energy projects and in preparation for the mine operations, particularly of the new mines.

Current liabilities were higher by 109%, from ₱4,772.9 million to ₱9,990.2 million, due to additional short-term loans obtained by EPI from SBC and RCBC to finance the construction of Jobin-SQM Inc.’s (JSI) Phase 4A - 72MW Solar Power Project and the Cawag Solar Power Project.

Noncurrent liabilities rose by 8% to ₱4,831.6 million from ₱4,455.3 million due to the additional bank loans obtained by JSI, to finance its Phase 3 solar project and to refinance the shareholder’s loan used for Phase 3 expansions, and by Dinapigue Mining Corporation (DMC), to finance the construction of its permanent causeway. Further, the long-term lease agreement for the use of office space and parking in the head office was renewed and new long-term lease agreements were signed, which led to the recognition of ₱236.3 million lease liabilities for the right-of-use. There were also adjustments in the provision for mine rehabilitation and decommissioning which further increased the liability by ₱86.8 million as of end of 2023.

The Group’s equity net of non-controlling interests as at December 31, 2023 improved by 2% to ₱36,258.8 million due to the Group’s continued profitable operations and the issuance of

shares upon exercise of stock options, less the impact of the translation adjustments on the balances of the associates and cash dividends paid.

CASH FLOWS

Calendar years ended December 31, 2025, 2024 and 2023

In 2025, net cash generated from operating activities reached ₱10,137.7 million, an increase from ₱7,346.6 million in 2024 and ₱8,187.0 million in 2023. This improvement was primarily due to higher collections resulting from more favorable ore prices.

Regarding investment activities, the Group allocated significant resources to capital expenditures, which included project development costs and advances to suppliers for its nickel mining operations and solar projects. Net capital expenditures in 2025 were ₱8,011.5 million, a decrease from ₱8,702.7 million in 2024 but significantly higher than the ₱6,327.7 million spent in 2023. Additionally, proceeds of ₱1,853.4 million from the sale of investments in CBNC partially offset and reduced the total investment spending in 2025.

In terms of financing activities for 2025, the Group paid cash dividends amounting to ₱5,278.1 million, an increase from ₱3,206.6 million in 2024 and ₱4,891.0 million in 2023. However, this dividend payment was partially offset by net proceeds from new loans, primarily intended for the Cawag Solar Power and San Isidro Solar Power Projects, which totaled ₱4,253.9 million. This was up from ₱158.9 million in 2024 but slightly lower than ₱4,521.7 million in 2023. Moreover, the equity contribution from noncontrolling interests decreased in 2025, amounting to ₱383.9 million, compared to ₱1,071.7 million in 2024 and ₱1,597.2 million in 2023.

As of December 31, 2025, 2024 and 2023, cash and cash equivalents stood at ₱17,574.4 million, ₱12,935.3 million and ₱15,482.5 million, respectively.

TOP FIVE KEY PERFORMANCE INDICATORS

1) SALES VOLUME

The volume of saprolite ore that the Group sells largely depends on the grade of saprolite ore that it mines. The volume of limonite ore that it sells to China and Indonesia largely depend on the demand for nickel pig-iron (NPI) and carbon steel in China. Pacific Metals Co., Ltd. (PAMCO) purchases high-grade saprolite ore that the Group can extract and ship at any given time. With respect to low-grade saprolite and limonite ore, in periods when the Group can extract more ore than it is able to ship, it generally continues its mining operations and stockpiles such ore for sale when demand improves or when prices rise to more attractive levels. As stated above, the volume of the Group's low-grade saprolite and limonite ore sales to Chinese and Indonesian customers are roughly correlated with the LME nickel price, with volume increasing as nickel prices rise. In addition to sales of nickel ore to PAMCO and customers in China and Indonesia, the Group sells limonite ore from its Rio Tuba, Cagdianao and Dinapigue mines to the Coral Bay HPAL facility, and from Taganito mine to the Taganito HPAL facility, in which the Parent Company holds a 10% equity interest. CBNC purchases an amount of limonite ore from the Group sufficient to meet its ore requirements. Currently, the annual capacity of Coral Bay HPAL facility was 24,000 tonnes as a result of the facility's expansion in 2009. The Taganito HPAL facility has an annual capacity of 30,000 tonnes of mixed nickel-cobalt sulfide over an estimated 30-year project life.

Type and Grade of Ore that the Group Mines

The Group realizes higher sales prices for saprolite ore than for limonite ore. Accordingly, the type and grade (which is a factor of nickel content) of the ore that the Group mines affect its revenues from year to year. The quantity of saprolite ore that it mines annually depends on the customer demand and the availability of such ore at its mine sites. The mix between high-and low-grade saprolite ore at the Group's mine sites coupled with its long-term mining plan determines the quantities of each that it extracts on an annual basis. The quantity of limonite ore that it mines on an annual basis depends on the amount of such ore that needs to be removed to extract the saprolite ore, as well as market demand.

In 2025 and 2024, the Group sold an aggregate of 18.6 million WMT and 17.0 million WMT, respectively.

2) TOTAL COST PER VOLUME SOLD

The total cost per volume of ore sold provides a cost profile for each operating mine and allows the Group to measure and compare operating performance as well as changes in per unit costs from year to year.

The total cost includes cost of sale of ore, shipping and loading costs, excise taxes and royalties, general and administrative expenses and marketing incurred by the Group.

The average total cost per volume sold in 2025 is ₱880 per WMT based on aggregate costs of ₱16,332.0 million and a total sales volume of 18.6 million WMT of ore. This compares to ₱810 per WMT in 2024 based on aggregate costs of ₱13,783.7 million and a total sales volume of 17.0 million WMT of ore.

3) ATTRIBUTABLE NET INCOME

Attributable net income represents the portion of consolidated profit for the year, net of income taxes, which is attributable to the Parent Company. This is a relevant and transparent metric of the information contained in the consolidated financial statements. The net income attributable to equity holders of the Parent Company is ₱6,268.9 million in 2025 compared to ₱1,521.5 million in 2024.

4) NUMBER OF HECTARES OF OPEN AREA PER MILLION WMT SOLD

The Group adheres to the principles and practices of sustainable development. The Group is committed to complying and following environmental regulations by implementing best practices in managing environmental impacts of its operations. In 2018, the Department of Environment and Natural Resources (DENR), through the issuance of DENR Administrative Order (DAO) 2018-19, prescribes Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines and provides limits of maximum disturbed areas for nickel mines depending on the scale of their mining operations. The DAO also requires that temporary revegetation be immediately implemented in the disturbed areas. All NAC operating companies are well within the norm of the DENR which is 26 hectares per million WMT sold. In 2025 and 2024, the open hectares per million WMT sold were 19.93 and 16.47, respectively.

5) FREQUENCY RATE

Health and safety are integral parts of the Group's personnel policies. Its comprehensive safety program is designed to minimize risks to health arising out of work activities and to assure compliance with occupational health and safety standards and rules and regulations that apply to its operations. The Group measures its safety effectiveness through the Frequency Rate which is the ratio of lost-time accidents to total man-hours worked for the year. In 2025 and 2024, the Group's frequency rate is nil in both years.

OFF-BALANCE SHEET ARRANGEMENTS

Under the Suretyship Agreement executed by and between the Parent Company and SBC on August 4, 2015, the Parent Company, solidarily with EPI and DMC, guarantees and warrants to SBC, its assigns and successors-in-interest, prompt and full payment and performance of EPI's and DMC's obligations to SBC.

On August 2, 2021, JSI entered into an Omnibus Loan and Security Agreement (OLSA) to document the syndicated loan with 2 banks as lenders, i.e., ICBC and SBC, with the Parent Company forming part of the Share Collateral Security Grantors and Sponsors together with EPI and TBEA International Engineering Co., Ltd. (TBEA).

On December 26, 2024, NPPGC entered an OLSA to document the loan with RCBC, with EPI as Sponsor and Security Grantor. Under the applicable provisions of the OLSA, the Parent Company is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the Subic Bay Metropolitan Authority (SBMA) Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However, the obligations of the Parent Company shall be automatically terminated once NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the Project.

On December 16, 2025, SISPC entered an OLSA to document the loan with SBC and China Banking Corporation (CBC), with Greenlight Renewables Holdings, Inc. (GRHI) as the Security Grantor.

Other than those mentioned above, the Company has not entered into any off-balance sheet transactions or obligations (including contingent obligations), or other relationships with unconsolidated entities or other persons.

MATERIAL COMMITMENTS FOR CAPITAL EXPENDITURES

SISPC entered into contracts with Xinte Energy Co., Ltd. (Xinte) and TBEA Subic Inc. for the San Isidro Solar Power Project Phases 1 and 2. The contract with Xinte covers the design, execution, completion, and remedying defects, while the agreement with TBEA Subic Inc. involves the installation, completion, commissioning, and defect remediation of the project. The contract prices for both agreements will be paid based on specific milestones.

NPPGC also entered into contracts with Xinte and TBEA Subic Inc. for the Cawag Solar Power Project. The agreement with Xinte covers design, execution, completion, and remedying defects, while the contract with TBEA Subic Inc. involves installation, completion, commissioning, and defect remediation. The contract prices for both agreements will be paid in percentages identified by a certain milestone.

Interim Periods

The following discussion and analysis are based on the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026 and 2025, prepared in conformity with Philippine Accounting Standards 34, *Interim Financial Reporting* and included herein, and should be read in conjunction with those unaudited interim condensed consolidated financial statements.

Summary Financial Information

The Unaudited Interim Condensed Consolidated Financial Statements as at March 31, 2026 (with Comparative Audited Statement of Financial Position as at December 31, 2025) and for the three-month period ended March 31, 2026 and 2025 are hereto attached.

The following tables set forth the summary financial information for the three-month period ended March 31, 2026 and 2025 and as at March 31, 2026 and December 31, 2025:

Summary Consolidated Statements of Income

	For the Three Months Ended March 31		Increase (Decrease)	Percent Inc (Dec)
	2026	2025		
	(In Thousand Pesos)			
Revenues	₱3,155,049	₱2,926,043	₱229,006	8%
Costs	(1,544,581)	(1,765,322)	(220,741)	-13%
Operating expenses	(829,310)	(704,574)	124,736	18%
Finance income	100,905	135,281	(34,376)	-25%
Finance expenses	(93,162)	(116,243)	(23,081)	-20%
Equity in net loss of an associate	(109,281)	(91,908)	17,373	19%
Other income - net	203,179	714,024	(510,845)	-72%
Provision for income tax	(232,107)	(424,265)	(192,158)	-45%
Net income	₱650,692	₱673,036	(₱22,344)	-3%
Net income attributable to:				
Equity holders of the parent	₱371,765	₱501,032	(₱129,267)	-26%
Non-controlling interests	278,927	172,004	106,923	62%
	₱650,692	₱673,036	(₱22,344)	-3%

Summary Consolidated Statements of Financial Position

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	Increase (Decrease)	Percent Inc (Dec)
	(In Thousand Pesos)			
Current assets	₱19,385,436	₱25,607,469	(₱6,336,073)	-25%
Noncurrent assets	46,267,151	44,560,542	1,820,649	4%
Total assets	₱65,652,587	₱70,168,011	(₱4,515,424)	-6%
Current liabilities	₱8,277,547	₱10,897,107	(₱2,619,560)	-24%
Noncurrent liabilities	11,406,415	11,442,298	(35,883)	0%
Equity attributable to equity holders of the parent	38,202,954	39,718,855	(1,515,901)	-4%
Non-controlling interests	7,765,671	8,109,751	(344,080)	-4%
Total liabilities and equity	₱65,652,587	₱70,168,011	(₱4,515,424)	-6%

Summary Consolidated Statements of Cash Flows

	For the Three Months Ended March 31		Increase (Decrease)	Percent Inc (Dec)
	2026	2025		
	(In Thousand Pesos)			
Net cash flows from (used in):				
Operating activities	₱587,053	(₱1,594,960)	₱2,296,053	144%
Investing activities	(461,133)	534,627	(1,109,800)	-208%
Financing activities	(5,785,470)	(762,240)	(5,023,230)	-659%
Net decrease in cash and cash equivalents	(5,659,550)	(1,822,573)	(3,836,977)	-211%
Cash and cash equivalents, beginning	17,574,368	12,935,272	4,639,096	36%
Cash and cash equivalents, end	₱11,914,818	₱11,112,699	₱802,119	7%

RESULTS OF OPERATIONS

Three months ended March 31, 2026 compared with three months ended March 31, 2025

Revenues

	2026	2025
	(In Thousands)	
Sale of ore and limestone	₱2,459,808	₱2,394,233
Sale of power	485,664	296,827
Services	209,751	234,983
	₱3,155,223	₱2,926,043

Revenues during the first quarter of 2026 reached ₱3,155.2 million, an increase of ₱229.2 million, or 8%, compared to ₱2,926.0 million during the same period last year.

Sale of Ore
Revenues from ore sales increased by 3%, due to a slight rise in nickel ore prices and a notable depreciation of the Philippine peso against the US dollar.

The Group's operating mines sold a total of 2.27 million WMT of nickel ore in the first quarter of 2026, representing a 9% decrease from last year's sales of 2.48 million WMT. However, the weighted average sales price of nickel ore increased by 10%, rising to $18.03/WMT from $16.40/WMT in the same quarter of the previous year. Additionally, the Group realized ₱59.19/US$ from these nickel ore sales, marking a 2% increase from ₱57.85/US$ last year.

In the first quarter of 2026, the Group exported 0.56 million WMT of saprolite ore at an average price of $35.63/WMT. This was a decrease from 0.66 million WMT exported during the same period last year, which sold at an average price of $36.60/WMT. Additionally, the Group delivered 1.71 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants in the first quarter of 2026, compared to 1.82 million WMT during the same period in 2025. The average price for these deliveries was $7.87 per pound of payable nickel, up from $7.05 per pound in 2025. Expressed in US$ per WMT, deliveries to the two HPAL plants generated $12.29 and $9.10 in the first quarters of 2026 and 2025, respectively.

Breaking down sales by mine, the Rio Tuba mine exported 0.51 million WMT of saprolite ore and delivered 0.67 million WMT of limonite ore to the Coral Bay processing plant during the first quarter of 2026. In the same period last year, the mine sold 0.66 million WMT of saprolite ore and 0.72 million WMT of limonite ore to the Coral Bay processing plant.

Meanwhile, the Taganito mine exported 0.05 million WMT of saprolite ore and delivered 1.03 million WMT of limonite ore to the Taganito processing plant in the first quarter of 2026. This reflects a decrease compared to the same period last year, which recorded a delivery of 1.10 million WMT of limonite ore to the Taganito processing plant.

Additionally, the Cagdianao mine delivered 0.01 million WMT of limonite ore to the Coral Bay processing plant during the first quarter of 2026, whereas no deliveries were made in the comparable period from last year.

Sale of Limestone
Limestone deliveries to CBNC decreased by 5% in the first quarter of 2026. Consequently, revenue from limestone sales also fell by the same percentage, totaling ₱35.2 million, compared to ₱37.0 million during the corresponding period last year.

Sale of Power
Revenue from power sales during the first quarter of 2026 surged by 64%, climbing to ₱485.7 million from ₱296.8 million the previous year. This impressive growth was primarily driven by a notable increase in generation volume, particularly from the Group's solar power plants, which jumped from 58.16 million kWh to 95.83 million kWh. This increase followed the completion and energization of San Isidro Solar Power Project (SISP Project) in October 2025. Furthermore, there was a slight improvement in the year-on-year average effective price from renewable sources, which increased by 5%, rising from ₱4.31/kWh to ₱4.52/kWh.

Services
Service revenue, which includes payments for hauling, manpower, and ancillary services provided by CDTN Services Company Inc. and TMC to CBNC, THNC, and other third parties, decreased by ₱25.2 million. As a result, total service revenue for the first quarter of 2026 was ₱209.8 million, down from ₱235.0 million during the same period last year. This decline can

be primarily attributed to an 8% decrease in the volume of materials handled by the Group.

Costs

Costs went down by 13%, or ₱220.7 million, from ₱1,765.3 million to ₱1,544.6 million.

	2026	2025
	(In Thousands)	
Cost of sales	₱1,259,480	₱1,508,419
Power generation	198,220	151,491
Services	86,881	105,412
	₱1,544,581	₱1,765,322

Cost of Sales

Despite some increased costs, such as fuel rising from an average of ₱50.20 per liter to ₱55.68 per liter and local business taxes increasing due to a higher tax base in 2026 compared to 2025, the Group's production volume in the first quarter of 2026 doubled to 2.25 million WMT from 1.06 million WMT in the same period last year. Aside from the 9% decline in volume of ore sold, the cost of sales in the first quarter of 2026 was lower due to a decrease in production costs per WMT.

Cost of Power Generation

The cost of power generation increased by 31%, rising from ₱151.5 million to ₱198.2 million. This increase was driven by enhanced capacity resulting from the completion of the SISP Project in October 2025. Additionally, the receipt of the Provisional Authority to Operate for Phase 4A - 72MW of JSI Solar Power Project led to the start of depreciation on the plant's construction costs beginning in July 2025.

Cost of Services

Costs associated with services decreased by 18%, from ₱105.4 million to ₱86.9 million, following an 8% decrease in the volume of materials handled.

Operating Expenses

	2026	2025
	(In Thousands)	
General and administrative	₱385,857	₱335,920
Shipping and loading costs	276,565	222,068
Excise taxes and royalties	166,470	146,586
Marketing	418	–
	₱829,310	₱704,574

General and Administrative

General and administrative expenses increased by 15%, rising from ₱335.9 million during the first quarter of last year to ₱385.9 million. This increase was mainly attributed to annual merit increases, benefits provisions, higher local business taxes, tax assessments, and payments to project consultants hired from August to December 2025. Additionally, there was growth in sponsorships, particularly those related to sports and student activities, along with an increase in the cost of software licenses due to early renewals compared to the previous year.

Shipping and Loading Costs

Shipping and loading costs rose by 25%, primarily due to higher LCT or loading costs since operations at some mines began as early as March 2026. Contributing factors included an 11% increase in fuel costs per liter, additional service fees for underwater inspections, and

increased depreciation arising from new assets and the completion of DMC's causeway repairs in September 2025.

Excise Taxes and Royalties
Excise taxes and royalties rose by 14%, rising from ₱146.6 million to ₱166.5 million. This increase was primarily driven by higher revenue from nickel ore sales, particularly from the Taganito and Cagdianao mines. These two (2) mines also pay a 5% royalty to the government because their contract areas are located within the Surigao Mineral Reservation.

Marketing
Marketing costs consist of commissions calculated solely as a percentage of CMC's revenue. In the first quarter of 2026, CMC delivered and sold ore to the CBNC plant, resulting in an incurred commission.

Finance Income
Despite a 19% increase in average cash placements in the current period, finance income decreased by 25%, falling to ₱100.9 million from ₱135.3 million. This decline is attributed to lower short-term cash investment rates, which averaged around 3.11% during this period, down from approximately 3.92% in the same period last year.

Finance Expenses
Finance expenses decreased by 20% in the first quarter of 2026 primarily due to the full repayment of EPI loans from SBC.

Equity in Net Loss of an Associate
In the first quarter of 2026, the Parent Company reported a loss of ₱109.3 million from its equity interests in an associate, with reporting currency in US dollar. This loss was greater than the ₱91.9 million loss reported in the previous year, primarily due to the depreciation of the peso.

Other Income - Net
Other income - net for the current period amounted to ₱203.2 million, significantly lower than the ₱714.0 million from the same period last year. This decrease was mainly due to the reversal of cumulative translation adjustments related to the investment in CBNC, which resulted in ₱800.5 million in income recognized in the first quarter of 2025. Excluding this one-off transaction, other income - net for the current period was higher, driven by the impact of foreign exchange. The foreign exchange situation significantly improved, swinging from a loss of ₱105.9 million in the first quarter of 2025 to a gain of ₱162.5 million in the current period. The notable depreciation of the Philippine peso against the US dollar in early 2026, which reached historic lows, was influenced by geopolitical tensions in the Middle East.

Provision for Income Tax
Due to the factors mentioned above, particularly the increase in revenue, taxable income rose slightly in the current period compared to the same period last year. Additionally, there were reversals of deferred income tax assets during the previous period. As a result, the net provision for income tax decreased by 45%.

Net Income
Consequently, the consolidated net income for the first quarter of 2026 reached ₱650.7 million, compared to ₱673.0 million for the same period last year. After accounting for non-controlling interests, the net income attributable to the equity holders of the parent company amounted to ₱371.8 million, down from ₱501.0 million in the previous year.

STATEMENT OF FINANCIAL POSITION

As of March 31, 2026, total assets amounted to ₱65,652.6 million, a decrease from ₱70,168.0 million as of December 31, 2025. Current assets fell by 24%, decreasing from ₱25,607.5 million to ₱19,385.4 million, while noncurrent assets rose by 4%, increasing from ₱44,560.5 million to ₱46,267.2 million. The decline in current assets was primarily due to payments of cash dividends and repayments of EPI's bank loans. On the other hand, the increase in noncurrent assets was driven by the construction costs for the 240MW SISP Project and Phase 1 - 70MW of the Cawag Solar Power (CSP) Project.

Current liabilities were reported at ₱8,277.5 million, a decrease from ₱10,897.1 million, mainly due to the full payment of EPI loans from SBC, totaling ₱1,500.0 million, and a partial repayment of EPI's loans from RCBC amounting to ₱1,400.0 million.

Noncurrent liabilities saw a slight decrease, falling from ₱11,442.3 million to ₱11,406.4 million due to loan amortization payments for JSI and DMC.

Equity, net of non-controlling interests, decline slightly to ₱38,203.0 million, reflecting the net effect of current-period earnings and dividend payments.

STATEMENT OF CASH FLOWS

In the first quarter of 2026, net cash flows from operating activities reached ₱587.1 million, showing a significant improvement compared to the ₱1,595.0 million used in the same period the previous year. This change was primarily due to an increase in the collection of trade receivables, while the prior year experienced higher payments to creditors and increased tax remittances.

Regarding investment activities, the Group made substantial capital expenditures in the first quarter of 2026, amounting to ₱1,794.9 million, which included project development costs. This was partially offset by proceeds of ₱1,513.2 million from the sale of offshore investments in debt securities. This capital expenditure represents a rise compared to ₱1,088.5 million during the same period last year. Notably, in the first quarter of 2025, the Group had a positive cash position from investment activities, driven by proceeds of ₱1,853.4 million from the sale of its investment in CBNC.

For financing activities in the first quarter of 2026, the Group paid cash dividends totaling ₱2,565.4 million and repaid loans, including interest and debt issuance costs, amounting to ₱3,232.4 million. Both figures were higher than those from the same period last year. Further, in prior year, these payments were partly offset by proceeds from new loans, primarily allocated for the CSP and SISP Projects, totaling ₱2,491.7 million. Additionally, last year, GRHI received equity contributions of ₱383.9 million, while there were no such contributions in the current period.

As of March 31, 2026, cash and cash equivalents stood at ₱11,914.8 million, compared to ₱11,112.7 million as of March 31, 2025.

KEY PERFORMANCE INDICATORS

1) TOTAL COST PER VOLUME SOLD

The total cost per volume of ore sold provides a cost profile for each operating mine and allows us to measure and compare operating performance as well as changes in per unit costs from period to period.

The total cost includes the cost of sale of ore, general and administrative, shipping and loading costs, excise taxes and royalties, and marketing incurred by the Group.

The average cost per volume of nickel ore sold for the first quarter of 2026 was ₱835/WMT based on aggregate costs of ₱1,897.0 million and total sales volume of 2.27 million WMT of ore. This compares to ₱823/WMT during the first quarter of 2025 based on aggregate costs of ₱2,045.6 million and total sales volume of 2.48 million WMT of ore.

2) ATTRIBUTABLE NET INCOME

Attributable net income represents the portion of consolidated profit or loss for the period, net of income taxes, which is attributable to the Parent Company. This is a relevant and transparent metric of the information contained in the consolidated financial statements. The income attributable to equity holders of the Parent Company for the first quarter of 2026 was ₱371.8 million compared to ₱501.0 million in the same period last year.

3) NUMBER OF HECTARES OF OPEN AREA PER MILLION WMT SOLD

The Group adheres to the principles and practices of sustainable development. The Group is committed to complying with and following environmental regulations by implementing best practices in managing the environmental impact of its operations. In 2018, the DENR, through the issuance of DAO No. 2018-20, prescribes Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines and provides limits of maximum disturbed areas for nickel mines depending on the scale of their mining operations. The DAO also requires that temporary revegetation be immediately implemented in the disturbed areas. During the first quarters of 2026 and 2025, there were around 164 and 132 open hectares per million WMT sold, respectively.

4) FREQUENCY RATE

Health and safety are integral parts of the Group's personnel policies. Its comprehensive safety program is designed to minimize risks to health arising out of work activities and to assure compliance with occupational health and safety standards and rules and regulations that apply to its operations. The Group measures our safety effectiveness through the Frequency Rate which is the ratio of lost-time accidents to total million man-hours worked for the period. For the first quarters of 2026 and 2025, the Group's frequency rate was 0.68 and nil, respectively.

OFF-BALANCE SHEET ARRANGEMENTS

- Under the Suretyship Agreement executed with SBC, the Parent Company, solidarily with DMC, guarantees and warrants to SBC, its assigns and successors-in-interest, prompt and full payment and performance of DMC's obligations to SBC.
- On August 2, 2021, JSI entered into an OLSA to document the syndicated loan with 2 banks as lenders, i.e., ICBC and SBC, with the Parent Company forming part of the Share Collateral Security Grantors and Sponsors together with EPI and TBEA.
- On December 26, 2024, NPPGC entered an OLSA to document the loan with RCBC, with EPI as Sponsor and Security Grantor. Under the applicable provisions of the OLSA, the Parent Company is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the SBMA Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However, the obligations of the Parent Company shall be automatically terminated once

NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the Project.
- On December 16, 2025, SISPC entered an OLSA to document the loan with SBC and CBC, with GRHI as the Security Grantor.

Known Trends, Events, or Uncertainties

Planned Cessation of Operations of Hydrometallurgical Processing Plant in Palawan of CBNC
On June 2, 2025, the Parent Company was notified by CBNC of its planned cessation of the operations of CBNC's hydrometallurgical processing plant (HPP) in Palawan once the HPP's current TSF-3 becomes fully utilized and reaches its maximum capacity around 2028. CBNC is a key customer of Rio Tuba Nickel Mining Corporation (RTN) and together with RTN, has joint corporate social responsibility projects and programs for the community of Bataraza, Palawan. CBNC and RTN will work together to ensure a smooth transition to minimize disruptions to operations and to the community. At this stage, the planned cessation of the operations of the HPP has no material impact on RTN's business or operations.

As at March 31, 2026, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:
- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity except for the capital expenditures related to CSP, SISP and other renewable energy projects and DMC's causeway repair;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations except for the impact of forward currency contracts on sale of ore, if any;
- Significant elements of income or loss that did not arise from the Group's continuing operations;
- Seasonal aspects that had a material impact on the Group's results of operations; and
- Material changes in the financial statements of the Group for the periods ended March 31, 2026 and December 31, 2025;
- Known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation that has not been booked, although the Group could be contingently liable for lawsuits and claims arising from the ordinary course of business, which contingencies are not presently determinable.

IV. Brief Description of the General Nature and Scope of the Business of Nickel Asia Corporation and Subsidiaries

A. Corporate Profile

NAC was incorporated on July 24, 2008 with the Philippine Securities and Exchange Commission (SEC) and was listed with the Philippine Stock Exchange (PSE) on November 22, 2010.

The Company has the following subsidiaries:

Hinatuan Mining Corporation (HMC)
HMC was incorporated on October 9, 1979. NAC owns 100% of HMC, which owns and operates the Tagana-an mine. HMC's authority to mine the Tagana-an mine is pursuant to Mineral Production Sharing Agreement (MPSA) No. 246-2007-XII-SMR approved in 2007, which replaced 3 mining lease contracts that ran for 25 years from 1980. The Tagana-an MPSA area covers 774 hectares and will expire in 2032. HMC has been mining in Tagana-an since 1980. HMC is also the holder of MPSA No. 012-92-VIII covering 1,165 hectares in Manicani Island, Guiuan, Eastern Samar.

Cagdianao Mining Corporation
CMC was incorporated on July 25, 1997. NAC owns 100% of CMC, which operates the Cagdianao mine. The authority to mine the area of the Cagdianao mine is derived from an MPSA issued to East Coast Mineral Resources Co., Inc. (East Coast) in 1997. The MPSA No. 078-97-XIII-SMR covers an area of 697 hectares in Valencia, Cagdianao, Province of Dinagat Islands and expires on November 19, 2022. In 1998, CMC signed a Mine Operating Agreement with East Coast which was renewed in 2007 and expired in 2022. The Operating Agreement entitles CMC to mine the MPSA area in return for the payment of royalties to East Coast. The Operating Agreement was amended by the parties and provided for an automatic renewal of such agreement until 2047.

The MPSA of East Coast was renewed on March 2, 2022 for another 25 years from expiration of the first 25-year term on November 19, 2022. CMC was also granted 8 foreshore lease agreements covering the area where the port facility is located, 7 of which will expire in 2037 and 1 will expire in 2036.

CMC started development works at the Cagdianao mine site in 1997 and commenced mining operations in 2001.

Dinapigue Mining Corporation
DMC was incorporated on October 9, 1998, and is primarily engaged in the exploration, exploitation, and mining of metallic and non-metallic minerals, including, but not limited to, nickel, iron, cobalt, chromite, and other associated mineral deposits in Dinapigue, Isabela. DMC, which mines the mineral property within the area subject of MPSA No. 258-2007-II, was acquired by the Company in August 2015. DMC started its commercial operation in 2022.

Samar Nickel Mining Resources Corporation (SNMRC)
SNMRC was incorporated on March 11, 2010, and is primarily engaged in the exploration, mining and exporting of mineral ores. SNMRC has not yet started commercial operations.

CDTN Services Company Inc.
CDTN was incorporated on December 21, 2020 to engage in general engineering construction. It is also engaged in the handling of materials in connection with construction or manufacturing, warehousing, distribution or disposal activities, or other similar activities.

Coral Pearl Developments Limited (CPDL)
CPDL was incorporated on June 18, 2019 in the British Virgin Islands (BVI) under the BVI Business Companies Act 2004 and is primarily engaged in the leasing of aircraft. In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

La Costa Shipping and Lighterage Corporation (LCSLC)
LCSLC was incorporated on October 23, 1992, and is primarily engaged in the chartering out of LCT and providing complete marine services. LCSLC was acquired by HMC in April 2010. In May 2014, LCSLC sold all its LCTs to HMC. In April 2024, LCSLC acquired a fast craft.

Falck Exp Inc. (FEI)
FEI was incorporated on November 22, 2005, and is primarily engaged in the business of exploring, prospecting and operating mines and quarries of all kinds of ores and minerals, metallic and non-metallic. FEI is currently undergoing dissolution and waiting for SEC approval.

Cordillera Exploration Co., Inc. (CEXCI)
CEXCI was incorporated on October 19, 1994 primarily to engage in the business of large-scale exploration, development and utilization of mineral resources. CEXCI has a number of mining properties at various stages of exploration. It is currently not engaged in any development or commercial production activities.

Newminco Pacific Mining Corporation (Newminco)
Newminco was incorporated on October 9, 2006 and is primarily engaged in the exploration, mining, development, utilization, extraction, beneficiation and marketing of minerals and mineral resources. Newminco was acquired by CEXCI in December 2015. It is currently not engaged in any development or commercial production activities.

Taganito Mining Corporation
TMC was incorporated on March 4, 1987, and is primarily engaged in the mining and exporting of nickel saprolite and limonite ore, and exploration activities. The first commercial shipment from the Taganito mine was made in 1989. TMC's mining authority derives from an MPSA No. 266-2008-XIII-SMR (Amended) executed in 2009, which replaced an Operating Contract entered into with the Government in 1989. The MPSA covers an area of 4,863 hectares located in the Municipality of Claver, Province of Surigao del Norte. The MPSA is valid until 2034. TMC also provides services to THNC which involves the handling, hauling and transportation of materials required in the processing operations of THNC.

Rio Tuba Nickel Mining Corporation
RTN was incorporated on July 15, 1969 to develop the nickel ore deposits discovered at the Rio Tuba mine site in 1967. It was granted rights over the Rio Tuba property in 1970 and commenced mining in 1975. RTN made its first commercial shipment in 1977. RTN's mining authority at Rio Tuba derives from an MPSA No. 114-98-IV Amended initially covering an area of 990 hectares for the first 25-year term. The MPSA was then amended on October 28, 2019, to include an area covered by a separate MPSA application, thereby increasing the area to an aggregate of 4,538 hectares. On December 2, 2021, the MPSA renewal application of Rio Tuba was approved by the Mines and Geosciences Bureau (MGB) and a fresh 25-year MPSA term, commencing on October 8, 2021. The National Commission for Indigenous Peoples issued a Certification Precondition on April 11, 2024 for the MPSA.

Emerging Power, Inc.
EPI was incorporated on October 16, 2007, and is primarily engaged in the renewable energy business. EPI was acquired by the Company by way of loan conversion into equity in July 2015. EPI was the holder of Geothermal Renewable Energy Service Contract (GRESC) No. 2010-02-013. On February 16, 2016, the Department of Energy (DOE) approved EPI's application to assign its rights and obligations under the GRESC to MGPC under Certificate of Registration No. 2016-02-060.

Mindoro Geothermal Power Corporation
MGPC was incorporated on May 7, 2014, and is primarily engaged in the renewable energy business. MGPC project is estimated to supply 40MW of power over 25 years. MGPC is now the holder of GRESC No. 2010-02-013 upon the approval of application made by EPI to assign its rights and obligation under the GRESC to MGPC, as discussed in the previous paragraph.

However, in October 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013.

Biliran Holdings Inc. (BHI)
BHI was incorporated on July 31, 2015, and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of infrastructure, power generation, real estate, manufacturing, trading and agribusiness and to pay other evidence of indebtedness or securities of this or any other corporation.

Northern Palawan Power Generation Corporation
NPPGC was registered with the SEC on July 5, 2017 and is primarily engaged in the renewable energy business and in producing and generating electricity, as well as engaging in agrovoltaic business to utilize viable areas of land, and processing fuels alternative for power generation and processing alternative fuels for power generation.

NPPGC is the developer and owner of the Cawag Solar Power Project located in Subic, Zambales and covered by the Solar Energy Operating Contract (SEOC) No. 2023-10-715. The Cawag Solar Power Project is in the development and construction stage.

Emerging Energy Resources 1, Inc. (EER 1)
EER 1, Inc. was incorporated on February 12, 2024, and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected.

Emerging Energy Resources 2, Inc. (EER 2)
EER 2 was incorporated on February 12, 2024, and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. EER 2 is the developer and owner of the following ground-mounted solar photovoltaic (PV) farm projects: 1) Cabcaben Solar Power Project located in Mariveles, Bataan and covered by the SEOC No. 2024-04-851; and 2) Sinawal Solar Power Project located in General Santos City and covered by the SEOC No. 2024-05-866 with the DOE. On September 16, 2025 and May 7, 2025, EER 2 voluntarily surrendered to the DOE the Sinawal Solar Power Project, due to project related risk, particularly concerning grid connection and land ownership, and the Cabcaben Solar Power Project, due to the remaining unresolve issues and the project viability is dependent on securing the land right, respectively. As at December 31, 2025, EER 2 is still awaiting the approval of the DOE.

Emerging Energy Resources 3, Inc. (EER 3)
EER 3, Inc. was incorporated on February 12, 2024 and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected.

Emerging Energy Saver Corporation (EESC)
Emerging Energy Saver Corporation was incorporated on February 2, 2024, and is primarily engaged in the energy business and carry on the business of producing, generating and storing electricity and processing fuel alternative for power generation.

Jobin-SQM Inc.
JSI was incorporated on January 6, 2010, and is primarily engaged in power business, including but not limited to power generation, power trading and supply to retail customers and end users. JSI is the holder of Solar Energy Service Contract (SESC) No. 2013-10-039 and SEOC No. 2021-01-577 which covers an area in the municipalities of Morong and Hermosa, Bataan. JSI was acquired by EPI in September 2015 and commenced operations in May 2016. Currently, JSI has a total capacity of 172MW in commercial operation.

Greenlight Renewables Holdings, Inc.
GRHI was incorporated on August 18, 2022, and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. GRHI is the joint venture company of EPI and Shell Overseas Investments B.V. (Shell).

San Isidro Solar Power Corp.
SISPC, a wholly owned subsidiary of GRHI, was incorporated on February 28, 2022, and is primarily engaged in harnessing solar energy and producing and generating electricity from solar energy and other renewable energy sources. SISPC is the developer and owner of the San Isidro Solar Power Project, a ground-mounted solar PV farm located in San Isidro, Leyte and covered under a SESC No. 2018-11-491 with the DOE. SISPC was acquired by GRHI on June 30, 2023. In October 2025, the construction of Phase 1 - 120MW of the San Isidro Solar Power Project has been completed and delivering power to the grid under testing and commissioning.

Casilagan Solar Power Corporation (CSPC)
CSPC, a wholly owned subsidiary of GRHI, was incorporated on May 9, 2023, and is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. CSPC is the developer and owner of the following ground-mounted solar PV farm projects: 1) San Antonio Solar Power Project located in San Antonio, Zambales and covered by SEOC No. 2023-12-789; 2) San Juan Solar Power Project located in Botolan, Zambales and covered by SEOC No. 2023-12-790; 3) Tuy Solar Power Project located in Tuy and Nasugbu, Batangas and covered by SEOC No. 2023-12-795; and 4) Libag Sur Solar Power Project located in Tuguegarao, Cagayan and covered by SEOC No. 2024-07-903. In addition, CSPC is also the developer and owner of Tuy Wind Power Project located in Tuy and Nasugbu, Batangas and covered by Wind Energy Service Contract No. 2024-02-379. On November 28, 2024, January 20, 2025 and March 3, 2025, CSPC voluntarily surrendered to the DOE the San Antonio Solar Power Project, Tuy Solar Power Project and Tuy Wind Power Project, respectively. The DOE approved the surrender of these service contracts in 2025. The remaining solar power projects under CSPC are in the pre-development stage.

SanJuan Solar Power Corporation (SSPC)
SSPC, another wholly owned subsidiary of GRHI, was incorporated on July 26, 2023, and is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SSPC is in pre-operating stage.

Sta. Maria Solar Power Corporation (SMSPC)
SMSPC, also a wholly owned subsidiary of GRHI, was incorporated on July 26, 2023, and is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SMSPC is in pre-operating stage.

Tuy Solar and Wind Power Corp. (TSWPC)
TSWPC, also a wholly owned subsidiary of GRHI, was incorporated on September 13, 2023, and is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. TSWPC is in pre-operating stage.

San Antonio Solar Power Corp. (SASPC)
SASPC, a wholly owned subsidiary of GRHI, was incorporated on September 14, 2023, and is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SASPC is in pre-operating stage.

Nazareno Solar Power Corp. (NSPC)
NSPC was incorporated on May 31, 2018. EPI acquired 60% ownership in NSPC from Manta Equities Inc. in November 2024. On January 8, 2025, the SEC approved the change in NSPC's corporate name (formerly Manta Baguio Properties Corp.) and purpose of business.

On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan. The Nazareno Solar Power Project is in the development stage.

B. Business Overview

The Group has six operating mines: the Rio Tuba mine in Bataraza, Palawan operated by RTN; the Taganito mine in Claver, Surigao del Norte operated by TMC; the Tagana-an mine in Tagana-an, Surigao del Norte and Manicani mine in Manicani Island, Guiuan, Eastern Samar operated by HMC; the Cagdianao mine in Cagdianao, Dinagat Islands operated by CMC; and the Dinapigue mine in Dinapigue, Isabela operated by DMC. At each of its operating mines, the Group is able to employ a low-cost surface mining method without the need for explosives, chemicals or complex waste handling, to extract two types of nickel ore: limonite and saprolite ore. Apart from the six operating mines, the Group also has other properties in various stages of exploration for nickel ore while continuing to seek opportunities in copper and gold through its subsidiary CEXCI.

The Group produces 2 types of saprolite ore (i.e., high-grade, and mid-grade) and 2 types of limonite ore, which it supplies to various customers. The Group's high-iron limonite ore is sold to Chinese customers and mid-grade saprolite ore is sold to Chinese and Japanese customers, some of which use the material as feed for blast furnaces for production of low-grade NPI. Most of the Group's mid-high grade saprolite ore are sold to the Chinese smelters that use the material as feed for electric furnaces to produce high and medium-grade NPI. And there are a few allocations for the Japanese company PAMCO, which uses the material as feed for its ferronickel smelters. The Group's low-grade limonite ore is utilized as feed for the Coral Bay and Taganito HPAL hydrometallurgical nickel processing plants. Coral Bay plant is owned by CBNC, where NAC previously held 15.62%

equity interest until the sale of this equity interest to Sumitomo Metal Mining Co., Ltd. (SMM) in February 2025. CBNC became operational in 2005 and currently operates at a capacity of 24,000 tonnes of contained nickel and 2,000 tonnes of contained cobalt per year in the form of a mixed nickel-cobalt sulfide. It has proven to be the world's most efficient facility using the HPAL process. NAC also has a 10% equity interest in THNC which operates the country's second hydrometallurgical nickel processing plant. THNC's HPAL plant currently operates at a capacity of 30,000 tonnes of contained nickel and 2,500 tonnes of contained cobalt per year in the form of a mixed nickel-cobalt sulfide. The Taganito mine of the Company's subsidiary, TMC, supplies all the limonite ore for the plant.

In November 2010, the Group concluded the purchase of CEXCI from Anglo American Exploration (Philippines), Inc., with 4 properties in the Central Cordillera of northern Luzon that are prospective for gold and copper. The purchase marks the Company's first step in its vision to become a diversified mineral resource company. In November 2011, SMM acquired 25% equity in CEXCI with an option to purchase additional shares to increase its total equity to 40%.

In 2015, CEXCI identified a new property in the province of Zambales for exploration and development under Newminco, which is also prospective for gold and copper. In relation to this, SMM put in an additional investment of US$2.8 million to increase its ownership in CEXCI from 25% to 40%. Newminco is the holder of an Exploration Permit (EP) application for areas located in Zambales. In 2019, CEXCI acquired from Marian Mineral Exploration Co., Inc. (Marian) and Olympus Mineral Exploration Co., Inc. (Olympus) the right to apply for the conversion of the Application for Mineral Production Sharing Agreement (APSA) No. 000021-II issued in favor of Marian and Olympus into an EP Application, EP and/or Mineral Agreement, and any mode of mineral agreement that may be applied for in the 6,325 hectare area located in Cordon, Isabela and Diadi, Nueva Vizcaya subject of the APSA. CEXCI applied for the conversion of APSA No. 000021-II into an EP. In January 2020, the MGB Region 2 office approved the conversion of APSA No. 000021-II into an EP in favor of CEXCI.

In August 2015, the Parent Company also concluded the purchase from Nihao Mineral Resources International (Nihao) of 100% equity interest in DMC (formerly, Geogen Corporation), which is the successor-in-interest of Platinum Group Metals Corporation, the claim owner of the Isabela Nickel Project in Dinapigue, Isabela. In consideration of the termination of the Operating Agreement between Nihao and DMC dated July 13, 2012 over the Isabela Nickel Project, DMC agreed in August 2015 to issue 10,000,000 non-voting, non-redeemable, non-participating shares at a par value of ₱0.01 which have preference in the declaration and payment of dividends (preferred shares). Dividends on the preferred shares are computed on an annual basis and is equivalent to 20% of mine operating income less income tax and only accumulate if (i) the Isabela Nickel Project is operated and generates income; and (ii) if DMC has sufficient level of unrestricted retained earnings. DMC started its commercial operation in 2022.

In 2018, the Group expanded into power generation with the completion and commencement of operations of a 10MW diesel power plant which sells power to the Surigao del Norte Electric Cooperative, Inc. under a Power Supply Agreement and to Independent Electricity Market Operator of the Philippines, Inc., which are traded through Philippine Wholesale Electricity Spot Market. In 2015, the Group expanded into the renewable power business through equity investments in EPI, whose mission is to engage in power generation exclusively from renewable sources. As of December 31, 2025, EPI and its subsidiaries have 7 renewable energy service contracts signed with the DOE: 2 100MW solar service contracts under JSI, located in the Subic Bay Freeport Zone (SBFZ); 1 solar service contract under SISPC located in San Isidro, Leyte; 1 solar service

contracts under NPPGC located in Subic, Zambales; 1 solar service contract under NSPC located in Hermosa, Bataan; and 2 solar service contracts under CSPC with 1 located in Botolan, Zambales and 1 located in Tuguegarao, Cagayan. NPPGC is a wholly owned subsidiary of EPI while NSPC is 60% owned by EPI. SISPC and CSPC are wholly owned subsidiaries of GRHI. GRHI is 60%-owned by EPI wherein the Company holds a 91.03% equity interest.

On March 29, 2021, NAC made a direct investment in JSI through a debt-to-equity swap with EPI, pursuant to which NAC acquired 647,386,140 of EPI's shares in JSI as partial repayment by EPI of its indebtedness to NAC. NAC's direct investment in 38% of JSI enabled JSI to comply with the requirement of the Energy Regulatory Commission (ERC) that at least 15% of its total issued and outstanding common shares must be publicly owned. Under existing regulations, the ownership of a publicly listed company such as NAC of at least 25% of a power generation company's common share shall be deemed as compliance with the public ownership requirement of the ERC for such companies.

On July 1, 2022, EPI entered a joint venture with Shell to jointly develop, own, operate, and maintain onshore renewable energy projects in the Philippines. EPI and Shell established an investment company, GRHI, which was incorporated on August 18, 2022. EPI and Shell shall have equity ownership of 60% and 40%, respectively, in GRHI.

In January 2019, JSI received the Certificate of Compliance (COC) from the ERC for Phases 1 and 2 - 32MW of the Solar Project. The COC was issued after the authorization granted by the ERC to JSI to develop and own a dedicated point-to-point limited facility to connect the 100MW Solar Project to the Luzon Grid of the National Grid Corporation of the Philippines (NGCP) via a direct connection at NGCP's Subic Substation in December 2018.

In June 2021, the ERC granted a Provisional Authority to Operate (PAO) for JSI's Phase 3A - 30MW. In June 2022, JSI completed the Phase 3B - 38MW of the Solar Project and it applied for a provisional certificate of approval to connect. The PAO for JSI's Phase 3B - 38MW was granted in November 2022.

On January 4, 2024, ERC issued a consolidated PAO for JSI's 100MW Sta. Rita Solar Power Plant with 0.048 MW-peak / 0.038 MW-hour (MWh) auxiliary solar PV - Battery energy storage system for an additional 0.016 megawatt direct current/0.064 MWh Auxiliary Flywheel Energy Storage System valid until June 15, 2024.

On June 13, 2024, the ERC issued JSI's first extension of PAO, as per the Revised COC Rules, valid from June 13, 2024 until June 12, 2025. On June 4, 2025, ERC issued JSI's COC No. 25-06-M-00168L for the operation and generation of the 100MW Sta. Rita Solar Power Plant. The COC shall be effective from the date of issuance and shall remain valid unless otherwise suspended, revoke or annulled by the ERC after due notice and hearing.

On May 13, 2022, the DENR granted the request of JSI to increase its capacity, from 150MW to 200MW, and area, from 800 hectares to 815 hectares, located at Mt. Sta. Rita, SBFZ.

In relation to this, under a new service contract, the construction of Phase 4A - 72MW of the Solar Project started in November 2022 and started testing and commissioning in February 2024. Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.

On February 28, 2024, JSI received the Provisional Certificate of Approval to Connect - Subic New PV Phase 4A (KAP-CAD-RRA-2024-02-482) from NGCP subject certain

conditions. On June 2, 2025, JSI received the PAO No. 25-06-02-M-PAO-N-0457L for the 72MW Subic New PV Power Plant Project (Phase 4A), valid for a period of 1 year effective from June 2, 2025 to June 1, 2026 and shall remain valid, unless otherwise suspended, revoked or annulled by the ERC after due notice and hearing.

In the Mindoro project, 2 geothermal wells drilled in 2016 were found to have temperatures in the range of 140-165°C. MGPC considered various options on how to proceed with the development of the project including drilling the northern portion of the geothermal field. The northern portion of MGPC's exclusive service contract area has undergone a more detailed assessment by GeothermEx - a leading American geothermal advisory firm in 2017. They have also confirmed that the existing wells in the southern portion can net out at least 3.5MW of power. EPI has been in discussions with groups familiar with geothermal investments to strategize how to further minimize drilling risk. With a strategic partner, MGPC is preparing a development plan guided in general by the GeothermEx report and other technical analyses.

In 2020, MGPC decided to conduct an assessment of the best technique to flow the 2 geothermal wells. As part of the well testing program submitted by MGPC to DOE, downhole measurements will be conducted to confirm the temperature and the suitability of the wells for flow testing. Thereafter, MGPC will implement the flow test to update the resource assessment and plan the development drilling. In 2021, MGPC entered into a Memorandum of Agreement with Symba Renewable Energy EHF (SRE) on the conduct of flow test and resource assessment to demonstrate the commercial viability of the drilled production wells in the Montelago Geothermal Field.

On May 7, 2024, MGPC received from the DOE a termination letter of GRESC No. 2010-02-013 covering the Montelago Geothermal Power Project, to which MGPC responded requesting reconsideration to reinstate. On July 5, 2024, the DOE granted the reinstatement of the GRESC and approved the proposed 5-Year Work Program of MGPC.

In relation to the reinstatement of MGPC's GRESC, MGPC has re-evaluated the Mindoro Geothermal Power Project with the assistance of a third-party expert by conducting field examinations and evaluation of previous technical reports and studies. As a result of the re-evaluation done, technical findings indicated that the mass flow rate of each existing well is approximately 18 tons/hour which is below the minimum flow rate required for a typical organic rankine cycle power generation unit which indicates that the Mindoro Geothermal Power Project may not be economically viable due to low mass flow and the power generation potential is very limited. Relative to this, in 2024, the Group recognized provision for impairment losses on the "Geothermal exploration and evaluation assets".

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.

With respect to Biliran geothermal project, where 8 wells have been drilled by EPI's 40% partner, Biliran Geothermal Holdings, Inc., fluid management studies have been completed on 1 particular well, with positive results with respect to acid control. In July 2021, Biliran Geothermal Incorporated (BGI) and SRE signed a Project Funding, Build and Transfer Agreement for SRE to (i) finance, design, construct, install and transfer to BGI a geothermal powerplant in phases, using the existing geothermal wells and (ii) finance, design, construct, rehabilitate and upgrade the existing 13.2 kiloVolt distribution lines of Biliran Electric Cooperative, Inc. for the purpose of evacuating power from the geothermal facility to the grid. BGI has continued to conduct activities for maintenance of the existing wells and secure the necessary permits and licenses related to the project.

In 2017, BGI successfully split its existing GRESC into 2. The previous GRESC almost covered the entire island province of Biliran, but in the new setup it delineates the southern portion as Biliran 1 and the northern portion as Biliran 2. Biliran 1 covers the existing developed infrastructure (i.e., 4 well pads, 8 standard deep wells, roads, etc.) and has a Probability-90 Assessment that confirms a 100MW capacity. Biliran 2 is the yet-to-be-developed area save for surface studies and a Probability-50 Assessment of some 170MW capacity. This delineation allows BGI to focus on the more immediately executable Biliran 1 and gives BGI more time to develop Biliran 2. Biliran 1 continued its facility maintenance while making plans for a phased power generation development.

On February 16, 2024, BGI secured the updated Provisional Certificate of Approval to Connect from Biliran Electric Cooperative (BILECO) and a Clearance to Energize from the NGCP. On June 13 and 14, 2024, BGI conducted the Grid Compliance Testing activities of BGI's geothermal plant and obtained the Final Certificate of Approval to Connect to BILECO on July 15, 2024.

On January 23, 2025, BGI terminated the contract of SRE for the Project Funding, Build and Transfer Agreement due to various material contract violations and abandonment of the Biliran Project as of November 14, 2024.

On June 4, 2025, BGI requested the ERC to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project. On January 9, 2026, the ERC acknowledges the request of BGI. As at December 31, 2025, the Biliran Geothermal Plant is ongoing resource study.

With its foray into the area of renewable energy, the Group is slowly becoming a group more focused on harnessing the potential of its natural resources to benefit the communities where the Group operates and the country in general.

Fundamental to the way the Group does business as a responsible corporate citizen is its commitment to operate in a sustainable manner, protecting the environment, nurturing active communities and ensuring the safety and well-being of everyone involved in its operations. For this, the Group has been consistently recognized by the Government, the industry and by other award-giving bodies.

As an evolving natural resources company, the Group is committed to responsible mining and to the highest standards in everything that it does.

V. The Market Price and Dividends

Market Information

The stock prices for the Company's common equity for the last three (3) years, after the effect of stock dividends, are as follows:

	High	Low
2023		
1st Quarter	₱7.70	₱6.19
2nd Quarter	₱7.07	₱5.72
3rd Quarter	₱6.35	₱5.01
4th Quarter	₱6.48	₱5.00
2024		
1st Quarter	₱5.20	₱3.88
2nd Quarter	₱4.46	₱3.71
3rd Quarter	₱3.80	₱3.09
4th Quarter	₱4.08	₱2.97
2025		
1st Quarter	₱3.34	₱2.25
2nd Quarter	₱2.65	₱2.02
3rd Quarter	₱3.50	₱2.20
4th Quarter	₱4.02	₱3.26
2026		
1st Quarter	₱5.64	₱4.02

The share price of the Company's stocks was at ₱5.14 per share as of May 8, 2026.

Holders

The top 20 stockholders of the Company as of March 31, 2026 are:

STOCKHOLDERS' NAME	NUMBER OF SHARES	% OF OWNERSHIP
Sumitomo Metal Mining Philippine Holdings Corporation	3,614,397,887	25.94%
Mantra Resources Corp.	3,555,081,802	25.52%
PCD Nominee Corporation (Filipino)	2,259,059,865	16.22%
Asiasec Equities Inc.	1,830,296,491	13.14%
PCD Nominee Corporation (Non-Filipino)	1,449,236,074	10.40%
Nonillion Holding Corp.	1,174,000,000	8.43%
Luis Juan L. Virata	17,000,720	0.12%
William T. Enrile &/or William R. Enrile II &/or Nelly R. Enrile	12,880,000	0.09%
Ricardo Sy Po or Angelita Tan Po or Leonardo Arthur Tan Po	3,781,501	0.03%
William T. Enrile or Nelly R. Enrile or Edwin R. Enrile or William R, Enrile II	3,000,000	0.02%
Megastar Agri-Farming Corporation	2,340,000	0.02%
Harvey T. Ang	2,000,000	0.01%

STOCKHOLDERS' NAME	NUMBER OF SHARES	% OF OWNERSHIP
Koh Teng Ong Chong	1,967,040	0.01%
CHS Capital Holdings Corp.	750,000	0.01%
Eva Policar-Bautista	658,123	0.00%
Rolando R. Cruz	614,952	0.00%
Yee Men Siao or Charlene Sarte Yee or Dixie Jill Sarte Yee	600,000	0.00%
Jose B. Anievas	573,750	0.00%
Josephine Chua Lim	457,200	0.00%
RMJ Development Corporation	405,000	0.00%

As of March 31, 2026, the Company has 101 stockholders.

Dividends

The following table shows the cash dividends declared and paid to common shareholders for the period ended March 31, 2026 and for the years ended December 31, 2025, 2024 and 2023:

Year	Date			Dividend Per Share	Amount Declared (in millions)
	Declaration	Record	Payment		
Regular					
2026	February 25, 2026	March 12, 2026	March 25, 2026	₱0.14	₱1,950.4
2025	February 27, 2025	March 13, 2025	March 26, 2025	0.07	975.2
2024	March 13, 2024	March 27, 2024	April 12, 2024	0.08	1,114.5
2023	March 14, 2023	March 29, 2023	April 12, 2023	0.17	2,317.2
Special					
2025	November 11, 2025	November 28, 2025	December 15, 2025	₱0.07	₱975.2
2025	February 27, 2025	March 13, 2025	March 26, 2025	0.04	557.2
2024	March 13, 2024	March 27, 2024	April 12, 2024	0.05	696.6
2023	November 9, 2023	November 24, 2023	December 7, 2023	0.07	973.3

The Company declares dividends to shareholders of record, which are paid from its unrestricted retained earnings. The Company's dividend policy entitles holders of shares to receive annual cash dividends of up to 30% of the prior year's recurring attributable net income based on the recommendation of its Board of Directors (BOD). Such recommendations will take into consideration factors such as dividend income from subsidiaries, debt service requirements, the implementation of business plans, operating expenses, budgets, funding for new investments and acquisitions, appropriate reserves and working capital, among others. Although the cash dividend policy may be changed by the BOD at any time, the Company's current intention is to pay holders of its shares annual cash dividends at this ratio. Additionally, in the event that new investments, acquisitions or other capital expenditure plans do not materialize, the BOD plans to review the dividend policy and consider increasing the dividend ratio above 30% of the prior year's recurring net income.

The Company's subsidiaries pay dividends subject to the requirements of applicable laws and regulations and availability of unrestricted retained earnings, without any restriction imposed by the terms of contractual agreements. Notwithstanding the foregoing, the declaration and payment of such dividends depend upon the respective subsidiary's results of operations and future projects, earnings, cash flow and financial condition, capital investment requirements and other factors.

Cash dividends are paid to all shareholders at the same time and within 30 calendar days from the declaration date. Stock dividends are also issued to all shareholders at the same time but subject to shareholders' approval.

Related Party Transactions

The discussion on related party transactions of NAC and its subsidiaries and affiliates on pages 86 to 90 of its Annual Report on SEC Form 17-A are incorporated herein by reference.

VI. Compliance with Leading Practices on Corporate Governance

The Company is committed to the principles of sound corporate governance and believes that it is a necessary component of what constitutes sound strategic business investment. The Manual has institutionalized the principles of good corporate governance within the Company and embodies the framework of rules, systems and processes that governs the performance by the Board of Directors ("Board") and Management of their respective duties and responsibilities to the shareholders.

The Company adopted its Manual on Corporate Governance (the "CG Manual") on June 16, 2010 and the amendments thereto on March 25, 2011, so as to incorporate certain mandatory provisions of the Revised Code of Corporate Governance. The amended CG Manual was submitted to the SEC on March 31, 2011. On July 30, 2014, the Company further amended the CG Manual to incorporate the provisions mandated under SEC Memorandum Circular No. 9, series of 2014.

On May 29, 2017, the Company's Board of Directors approved and adopted an updated CG Manual in compliance with SEC Memorandum Circular No. 19, Series of 2016. The updated CG Manual incorporates the Company's Policy on Board Nominations and Election of Directors, Policy and System Governing Related Party Transactions, Internal Audit Charter and Charter of the Board of Directors. Each of the Committees of the Board of Directors, namely, the Audit Committee, the Corporate Governance Committee, the Nominations Committee, the Board Risk Oversight Committee and the Related Party Transactions Committee, have their own charters which form integral parts of the updated CG Manual. Updates thereto are substantially aligned with international corporate governance ("CG") best practices espoused in the ASEAN Corporate Governance Scorecard ("ACGS"), established by the ASEAN Capital Markets Forum ("ACMF") in partnership with the Asian Development Bank ("ADB"). The CG Manual covers the Board's governance responsibilities, communication and information within the Issuer and with the stakeholders, internal control system and risk management framework, cultivating a synergic relationship with shareholders, and duties to stakeholders, among others. The Group's Charter of the Board, different Board Committee Charters and other company policies also undergo regular review and updates as necessary, to ensure these remain aligned with the CG standards and principles adopted by the Issuer.

Also in May 2017, the Board approved and adopted the Code of Business Ethics in furtherance of its commitment to good and effective corporate governance. The Code of Business Ethics applies to Directors, Officers and employees of the Group, who are all expected to maintain high ethical standards of conduct and to comply fully with applicable laws and governmental regulations. It is designed to ensure consistency in how they conduct themselves within the Company, and outside of the Company in their dealings with all stakeholders.

On 6 August 2019, the Board approved and adopted a Revised Policy and System on Related Party Transactions, in compliance with the Philippine SEC's Memorandum Circular No. 10, Series of 2019.

On 4 August 2022, the Board created a Sustainability Committee and approved its charter. The Sustainability Committee shall be composed of three Directors, including the President and at least one independent director. The Sustainability Committee shall be responsible for the identification and assessment of significant economic, environmental, ethical and social impact of the business and operations of the Group and its effects on the Group's long-term objectives to be a responsible and sustainable business and a contributor to national development. The position of the Chief Sustainability Officer was also created. The Chief Sustainability Officer will spearhead the development, establishment, and review of the Group's ESG roadmap and sustainability framework, policies and initiatives. Consistent with its core values of integrity and honesty, the Board also approved the Company's anti-bribery policy as part of the Group's commitment to adhere to the highest norms of ethical conduct, conduct its business honestly, equitably and fairly. strive for consistency in its actions, and comply with all laws and regulations applicable to its business activities in all communities it operates in.

On 02 June 2023, the Company adopted its Policy on Diversity, Inclusivity and Equality. This policy amplifies the Company's core value of Respect, which includes respect for diversity and inclusivity across the Company and all of its subsidiaries. It also affirms the Company's commitment to the achievement of gender equality (UN Sustainable Development Goal, or SDG, 5), decent work and economic growth (SDG 8), and reduction of inequality (SDG 10).

On March 13, 2024, the Company adopted its Human Rights Policy, which affirms its commitment to upholding and promoting human rights in all aspects of its business and operations, in alignment with the 1987 Constitution and in consonance with the relevant principles outlined in the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact and UN Declaration on the Rights of Indigenous People, and the labor standards set by the International Labor Organization, which have been ratified by the Philippine Government. This Policy aims to foster a workplace and business environment that respects and protects the fundamental rights and dignity of every individual, irrespective of their race, color, religion, gender, sexual orientation, disability, or any other characteristic protected by applicable laws and regulations.

On the same date, recognizing that information is one of the most significant assets that any person or entity possesses, the Company and its subsidiaries adopted the Information Security Policy to protect and secure information owned and processed by the NAC Group, as well as to address risks and threats and prevent unauthorized access, disclosure, and changes to data that the NAC Group owns, collects, processes, transmits, and retains.

On November 13, 2024, the Board approved the creation of the Finance Committee, adoption of its Charter, and appointment of its members. The Finance Committee shall have a minimum of three (3) members, and majority of the members thereof shall be Non-Executive Directors of the Company, including the Chairman. The primary purpose of the Committee is to oversee the Company's capital structure, financial policies and strategies, and investment activities, including, but not limited to, capital raising, capital adequacy and capital planning process, dividend policy, acquisitions, mergers, and divestments, treasury management and activities, and financing proposals, that may be brought to the Board for approval and to take such action and make such reports and recommendations to the Board as it deems advisable.

The Group recognizes the importance of good governance in realizing its vision, carrying out its mission, and living out its values to create sustainable value for all its stakeholders. The impact of global conditions and challenges further underscores the need to uphold the Group's high standards of CG to strengthen its structures and processes. The Board, together with management, fully understands that the CG proactive culture begins with the leaders of the Group. As strong advocates of fairness, accountability, transparency, integrity and sustainability in all aspects of the business, the Board, the management, officers, and

employees of the Group commit themselves to the principles and best practices of CG in the attainment of corporate goals aligned with the Group's strategic direction.

The CG Manual, the Code, and the Company's policies on Insider Trading; Conflict of Interest; Procurement Governance; Gifts, Hospitality and Entertainment; Related Party Transactions, Anti-Bribery and Anti-Corruption, Whistleblowing; Human Rights Policy in the Workplace; as well as salient details on its policies on Cash Dividends; Sustainability; Policy on Remuneration, Third Party Advisors, Customer Welfare; Policy and Data Related to Health, Safety and Welfare; Diversity, Inclusivity, and Equality; and Environmental, and other information relating to the Company's compliance with corporate governance principles are available on the Company's website at https://nickelasia.com/corporate-governance/policies-processes-and-practices

Board of Directors

The Board is primarily responsible for the governance of the Company and shall provide the policies for the accomplishment of corporate objectives, including the means by which to effectively monitor Management's performance. It is the Board's responsibility to foster the long-term success of the Company and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interest of its stockholders.

The Company's Board is composed of nine (9) Directors, two (2) of whom are Independent Directors. The Company's CG Manual provides for qualifications of Directors, which allows shareholders to freely choose/nominate Directors coming from diverse professional backgrounds. Every shareholder, regardless of the number of stocks held, has the right to nominate candidates for election to the Board of Directors.

All Directors of the Company are required to have a practical understanding of the business of the Company as provided in the Company's CG Manual.

The members of the Board are elected during the Annual Meeting of the Stockholders based on the list of nominees prepared by the Nominations Committee and sent to the shareholders through the notice of meeting. A majority vote of the shareholders is required for the election of a Director.

Definition of Independence & Independent Directors

The Company adopts the definition of "independence" under the Securities Regulations Code.

The Company considers as an Independent Director one who, except for his Director's fees and shareholdings, is independent of Management and free from any business or other relationships, which could reasonably be perceived to interfere with his exercise of independent judgment in carrying out his responsibilities as an Independent Director.

The Company follows the Term Limits for Independent Directors as provided under SEC Memorandum Circular No. 4, Series of 2017.

Board Attendance, Appraisal and Training

The Company's Board has a pre-determined schedule of meetings at the beginning of each calendar year. The Board may also hold special meetings if needed. As necessary, attendance at the Board meetings may be through electronic medium or telecommunications.

Position	Name	Date of Election	Number of Meetings Held during this year	Number of Meetings Attended	%	Directorship in Other Publicly-Listed Companies
Chairman	Jose Isidro N. Camacho	09 June 2025	5	5	100%	None
Vice Chairman	Maria Patricia Z. Riingen	09 June 2025	5	5	100%	None
Director	Martin Antonio G. Zamora	09 June 2025	5	5	100%	None
Director	Harvey T. Ang	09 June 2025	5	5	100%	None
Director	Shiro Imai	09 June 2025	5	5	100%	PT Vale Indonesia Tbk
Director	Yusuke Niwa[1]	09 June 2025	2	2	100%	None
Director	Naoki Kawai[2]	11 July 2025	3	3	100%	None
Director	Leonides Juan Mariano C. Virata	09 June 2025	5	4	80%	None
Lead Independent Director	Florencia G. Tarriela	09 June 2025	5	5	100%	None
Independent Director	James J.K. Hung	09 June 2025	5	5	100%	None

On a yearly basis, the Company's Board undertakes a performance self-assessment as a body, and as individual committees, and assesses if it possesses the right mix of experience and backgrounds. It also conducts a performance assessment of the CEO to evaluate performance and overall compliance with laws, regulations and best practices.

The Charter of the Board of Directors and the CG Manual include a policy on the training of Directors, including an orientation program for first-time Directors and relevant annual continuing training for all Directors.

Shareholders' Rights

The Company recognizes that all shareholders of the Company have the right to participate in all scheduled shareholders' meetings of the Company and to exercise their right to vote.

Shareholders' Meeting

During the annual meeting, all shareholders are given the opportunity to exercise their right to elect Directors, to replace and remove Directors, and to approve certain corporate acts in accordance with the Corporation Code. The annual meeting also serves as a venue for all shareholders to be updated on the condition of the Company, its plans and programs, and to raise questions or concerns.

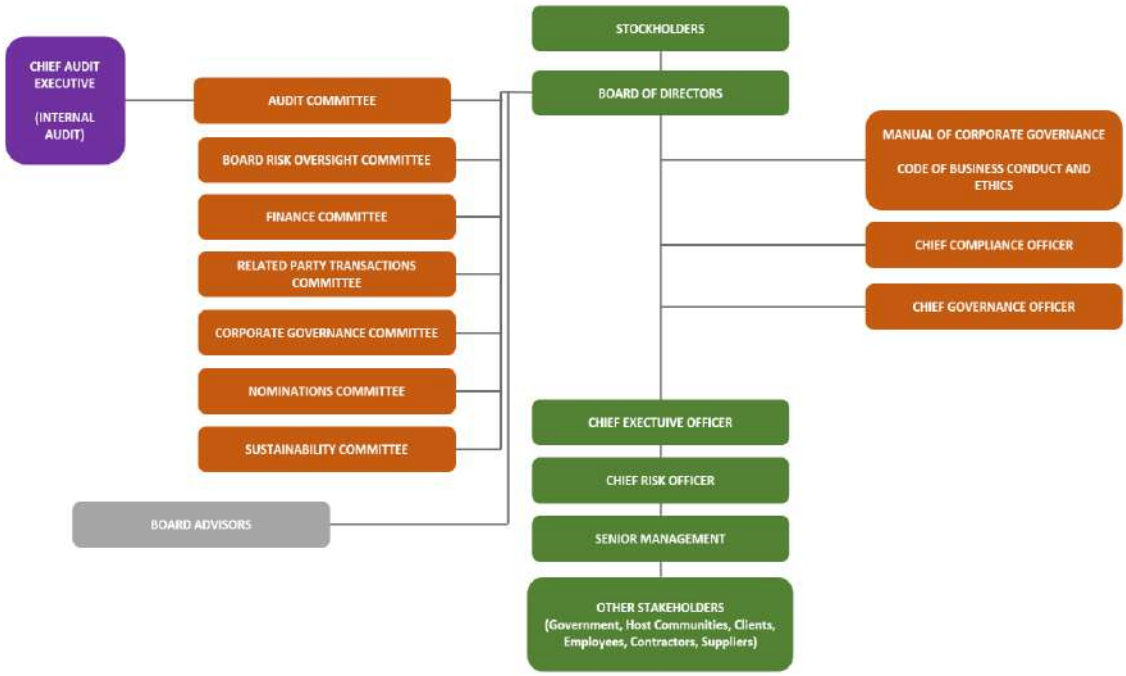
[1] Ceased to be a Director effective on July 11, 2025.
[2] Elected as a Director effective on July 11, 2025.

Notice and Procedures

The Company sends timely notice of meetings to shareholders. A notice stating the date, time and place of the annual meeting is announced at least 28 days prior to the scheduled annual meeting. Materials for the meeting, including the agenda, the rationale and explanation for each of the items on the agenda, the Information Statement, profiles of candidates seeking election to the Board and proxy forms and documents required to enable a shareholder to appoint a proxy to vote on his behalf shall be disseminated to all shareholders within the periods prescribed by the SEC.

On March 13, 2023, the Securities and Exchange Commission issued a Notice entitled "Alternative Mode for Distributing and Providing Copies of the Notice of Meeting, Information Statement, and Other Documents in Connection with the Holding of Annual Stockholders' Meeting for 2023" that allowed publicly listed companies to publish the Notice of Annual Stockholders' Meeting, Information Statement, Management Report, Audited Financial Statement, Annual Report on SEC Form 17-A and Quarterly Report on SEC Form 17-Q on their company websites and through PSE EDGE at least 21 days before the date of the annual stockholders' meeting. The Company published its Notice of Annual Stockholders' Meeting Information Statement, Management Report, Audited Financial Statement, Annual Report on SEC Form 17-A on May 9, 2025, 31 days before its Annual Stockholders' Meeting on June 9, 2025.

CORPORATE GOVERNANCE STRUCTURE



BOARD COMMITTEES

Audit Committee

The Audit Committee is composed of Ms. Florencia G. Tarriela (Independent Director) as Chairperson, and Mr. James J.K. Hung (Independent Director) and Mr. Naoki Kawai as members. The Audit Committee reports to the Board and is required to meet at least once every three (3) months. Aside from overseeing the internal and external auditors of the Company, the Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to the Management and shareholders of the continuous improvement of the risk management system, business operations, and the proper safeguarding and use of Company resources and assets. The Audit Committee provides a general evaluation and assistance in the overall improvement of the risk management, control, and governance processes. Mr. Patrick S. Garcia is the Company's Chief Audit Executive and Vice President for Internal Audit.

The table below shows the attendance of the members of the Audit Committee at its meetings held in 2025:

Position	Name	No. of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Florencia G. Tarriela	4	4	100%
Member	James J.K. Hung	4	4	100%
Member	Shiro Imai[3]	2	2	100%
Member	Naoki Kawai[4]	2	2	100%

Board Risk Oversight Committee

The Board Risk Oversight Committee is composed of Mr. James J.K. Hung (Independent Director) as Chairperson, and Mr. Martin Antonio G. Zamora and Ms. Florencia G. Tarriela (Independent Director) as members. The Board Risk Oversight Committee assists the Board in its oversight responsibility for the Company's Enterprise Risk Management and shall review the effectiveness of the risk management system. The Board Risk Oversight Committee reports to the Board and is required to meet at least once every three months.

The table below shows the attendance of the members of the Board Risk Oversight Committee during its meetings held in 2025:

Position	Name	No. of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	James J.K. Hung	4	4	100%
Member	Martin Antonio G. Zamora	4	4	100%
Member	Florencia G. Tarriela	4	4	100%

[3] Ceased to be a Member of the Audit Committee effective on July 11, 2025.
[4] Appointed as Member of the Audit Committee effective on July 11, 2025.

Corporate Governance Committee

The Corporate Governance Committee is composed of Mr. Jose Isidro N. Camacho as Chairperson, and Ms. Maria Patricia Z. Riingen and Ms. Florencia G. Tarriela (Independent Director) as members. The Corporate Governance Committee is responsible for ensuring compliance with and proper observance of corporate governance principles and practices. It also oversees the implementation and periodic review of the Company's corporate governance framework to ensure that it remains responsive to the Company's size, complexity, and business strategy. Further, the Corporate Governance Committee conducts an annual evaluation of the Board, its Committees, and the Management of the Company; and develops and implements action plans and programs to improve the performance of the Board, Committees, Directors, and Management of the Company. The Corporate Governance Committee also functions as the Compensation and Remuneration Committee. The Corporate Governance Committee is tasked to establish and maintain a formal and transparent procedure for developing policy on remuneration of the Directors and officers to ensure that their compensation is consistent with the Company's culture, strategy, and the business environment in which it operates. It is also responsible for administering the Company's stock option policies and plans and for approving bonuses to all employees of the Company and its subsidiaries.

The table below shows the attendance of the members of the Corporate Governance Committee during its meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Jose Isidro N. Camacho	3	3	100%
Member	Florencia G. Tarriela	3	3	100%
Member	Maria Patricia Z. Riingen	3	3	100%

Related Party Transactions Committee

The Related Party Transactions Committee is composed of Mr. Naoki Kawai as Chairperson and Ms. Florencia G. Tarriela (Independent Director) and Mr. James J.K. Hung (Independent Director) as members. The Related Party Transactions Committee is tasked with reviewing all material and related party transactions of the Company to ensure that such transactions are conducted on terms which are no more favorable than the terms of similar transactions with non-related parties under similar circumstances, and that no corporate or business resources of the Company are misappropriated or misapplied. It is also responsible for identifying potential or actual conflicts of interest and reputational risk issues that may arise from such related party transactions. It further ensures that transactions between and among related parties are properly identified, monitored, and reflected in reports to the Board and relevant regulatory authorities. The Related Party Transactions Committee is required to meet at least once a year.

The table below shows the attendance of the members of the Related Party Transactions Committee during its meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Shiro Imai[5]	2	2	100%
Chairperson	Naoki Kawai[6]	2	2	100%
Member	James J.K. Hung	4	4	100%
Member	Florencia G. Tarriela	4	4	100%

Nominations Committee

The Nominations Committee is composed of Mr. Martin Antonio G. Zamora as Chairperson, and Messrs. Naoki Kawai and James J.K. Hung (Independent Director) as members. The Nominations Committee is responsible for setting qualification standards to facilitate the selection of potential nominees to Board seats and of all nominees to other positions in the Company requiring appointments by the Board, to provide shareholders with an independent and objective evaluation of, and assurance that, the members of its Board and the officers appointed by the Board are competent and will foster the Company's long-term success and secure its competitiveness.

The Nominations Committee assists the Board in the review and evaluation of the qualifications of all persons nominated to be a Director of the Company and of all nominees to other positions in the Company requiring appointments by the Board.

The Nominations Committee held two (2) meetings in 2025, wherein all members were present.

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Martin Antonio G. Zamora	2	2	100%
Member	James J.K. Hung	2	2	100%
Member	Shiro Imai[7]	2	2	100%

Sustainability Committee

President and CEO, Mr. Martin Antonio G. Zamora, is the Chairman of the Sustainability Committee, with Mr. James J.K. Hung (Independent Director) and Mr. Leonides Juan Mariano C. Virata as members. The Sustainability Committee's determining role is as support to the Board in conducting an in-depth analysis of the company's sustainability issues, presenting insights and findings to the Board to ensure that all initiatives are aligned with the Company's sustainability goals. The Sustainability Committee is responsible for the identification and assessment of significant economic, environmental, ethical, and social impact of the business and operations of the Company and its subsidiaries. The Sustainability Committee stands as guide to the NAC Group in the crafting and improvements of ESG strategies based on updates in global sustainability trends, regulations, benchmarks, and best practices. Progress is

[5] Ceased to be Chairperson of the Related Party Transactions Committee effective on July 11, 2025.
[6]Appointed as Chairperson of the Related Party Transactions Committee effective on July 11, 2025.

[7] Ceased to be a Member of the Nominations Committee effective on July 11, 2025.

tracked, monitored, and reported during regular meetings of the Sustainability Committee held every quarter.

To promote effective Board and management performance and continuing qualification of the Directors and officers, there is an annual continuing training program for Directors and officers to make certain they are continuously informed of the developments in the business and the regulatory environment, including emerging risks relevant to the Company.

Under the Manual of Corporate Governance, the Company shall ensure that the material and reportable non-financial and sustainability issues are disclosed. The Board shall have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. The Company shall adopt a globally recognized standard/framework in reporting sustainability and non-financial issues.
The table below shows the attendance of the members of the Sustainability Committee during its meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Martin Antonio G. Zamora	4	4	100%
Member	James J.K. Hung	4	4	100%
Member	Leonides Juan Mariano C. Virata	4	4	100%

Finance Committee

The primary purpose of the Finance Committee is to oversee the Company's capital structure, financial policies and strategies, and investment activities, including, but not limited to, capital raising, capital adequacy and capital planning processes, dividend policy, acquisitions, mergers, and divestments, treasury management and activities, and financing proposals, that may be brought to the Board for approval and to take such action and make such reports and recommendations to the Board as it deems advisable.

The table below shows the attendance of the members of the Sustainability Committee during its meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairperson	Jose Isidro N. Camacho	6	6	100%
Member	Martin Antonio G. Zamora	6	6	100%
Member	Harvey T. Ang	6	6	100%

Board Advisors

The Company's Board has three (3) Advisors: Mr. Manuel B. Zamora, Jr., Mr. Frederick Y. Dy, and Mr. Philip T. Ang.

The Board Advisors (1) attend Board of Directors' meetings and meetings of Board Committees as necessary, (2) provide guidance and suggestions, as may be necessary, on matters deliberated upon during Board and Committee meetings, and (3) provide recommendations and/or key information and materials regarding specific matters being considered by the Board and referred to the Board Advisors.

EXECUTIVE IMPLEMENTATION

Chairman

Mr. Jose Isidro N. Camacho is the Chairman of the Board of Directors of the Company. The Chairman is responsible for the leadership of the Board. He ensures the effective operation of the Board and its committees in conformity with the highest standards of corporate governance. He is accountable to the Board. The Chairman ensures that the Board sets an agenda that is focused on strategy, performance, and accountability taking into consideration the recommendations of the Directors and management. He assures the availability of training opportunities to all Directors, including an orientation program for first time Directors. He ensures that the Board's performance is evaluated at least once a year. Mr. Camacho works with the President and Chief Executive Officer (CEO) to develop the strategy for the Company's future growth, including identifying opportunities for value-enhancing initiatives, such as acquisitions and joint ventures, as may be deemed beneficial for the long-term interest of the Company.

President and CEO

Mr. Martin Antonio G. Zamora is the President and CEO of the Company. The President provides the leadership for Management to develop and implement sound business strategies, plans, budgets, and a system of internal controls. He ensures that the overall business and affairs of the Company are managed in a sound and prudent manner in accordance with the Company's strategic plan. He also guarantees that business risks are identified and properly addressed. He also ensures that operational, financial, and internal controls are adequate and effective in order to generate sound and reliable financial and operational information, to maximize the effectiveness and efficiency of operations, to safeguard Company assets and resources, and to comply with all laws, rules, regulations, and contracts.

As CEO, he acts as a direct liaison between the Board and the Management of the Company.

The President and CEO, together with the Management, have the responsibility to provide the Board with a balanced, understandable, and accurate account of the Company's performance, financial condition, results of operations, and prospects on a regular basis. The President also serves as the link between internal operations and external stakeholders.

Chief Risk Officer

Mr. Jose Bayani D. Baylon, Senior Vice President of Sustainability, Risk, Corporate Affairs, and Communication, and Chief Sustainability Officer, also serves as the Chief Risk Officer of the Company. The Chief Risk Officer supervises the Company's Enterprise Risk Management System and spearheads its implementation, review, and continuous improvement. He leads the identification of key risks and exposure relating to economic, environmental, social, and

governance factors that may affect the achievement of the Company's strategic objectives, as well as the development of risk mitigation plans. He communicates the top risks and the status of implementation of the Company's risk management strategies and action plans to the Board Risk Oversight Committee and works with the President and CEO in updating and making recommendations to the Board Risk Oversight Committee.

Chief Governance Officer

Ms. Georgina Carolina Y. Martinez, Senior Vice President, Compliance and Corporate Support Services, is the Company's Chief Governance Officer. The Chief Governance Officer is tasked with ensuring that corporate governance policies are disseminated, adopted throughout the organization, and become an integral part of the Company's culture. In addition, she also ensures that the necessary systems are in place to monitor compliance.

Chief Compliance Officer

Ms. Georgina Carolina Y. Martinez also serves as the Chief Compliance Officer of the Company. She ensures the Company's strict adherence to all laws, regulations, guidelines, and specifications relevant to the business.

Corporate Secretary

Atty. Barbara Anne C. Migallos is the Corporate Secretary of the Company. The Corporate Secretary ensures that all Board procedures, rules, and regulations are strictly followed. She is a lawyer with years of experience in corporate law practice, including corporate secretarial work. She is also a professional lecturer in mercantile law.

AUDITORS

Chief Audit Executive

Mr. Patrick S. Garcia is the Company's Chief Audit Executive. The Chief Audit Executive is primarily tasked with evaluating the adequacy and effectiveness of the Company's governance and operations, the reliability and integrity of financial information, the safeguarding of assets, and compliance with laws, rules, and regulations.

External Auditor

The external auditor is appointed by the shareholders upon the recommendation of the Audit Committee, which reviews its qualifications, performance, and independence. To ensure objectivity in the performance of its duties, the external auditor is subject to the rules on rotation and change (every five years for the engagement partner); general prohibitions on hiring of staff of the external auditor; and full and appropriate disclosure and prior approval by the Audit Committee of all audit and non-audit services and related fees. Approval of non-audit work by the external auditor is principally tested against the standard of whether such work will conflict with its role as an external auditor or would compromise its objectivity or independence as such.

INVESTOR RELATIONS PROGRAM

The Company is committed to making timely, full, and accurate disclosures and distributing other corporate communication materials in accordance with the disclosure rules of the Philippine Stock Exchange.

External communications are handled by the External Affairs, the Compliance and Corporate Services, and the Investor Relations sectors of the Company. Major company announcements are reviewed and approved by the Vice President – Finance and Corporate Planning, the Senior Vice President – Sustainability, Risk Management and Corporate Affairs, the Senior Vice President, Compliance and Corporate Support Services, the Chief Financial Officer, and the President and CEO.

The policy is subject to regular review by senior management and the Board of Directors to ensure its effectiveness. Updates and amendments (as appropriate) will be made to reflect current best practices in our communication with the investment community.

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S

CERTIFICATION

I, **BARBARA ANNE C . MIGALLOS**, of legal age, Filipino, and with office address at 5th Floor, King's Court Building 2, 2129 Chino Roces Avenue, Legazpi Village, Makati City, being the duly elected and qualified Corporate Secretary of **NICKEL ASIA CORPORATION** (the "Corporation"), a corporation duly organized and existing under Philippine law, after having been duly sworn in accordance with law, hereby certify that:

1. On 23 April 2026, the Corporation submitted its Preliminary Information Statement ("PIS") to the Securities and Exchange Commission ("SEC") and thereafter received comments/findings from the Markets and Securities Regulation Department ("MSRD") in connection with its review thereof.

2. In connection with the submission of the Corporation's Definitive Information Statement ("DIS"), I hereby certify that no changes or revisions have been made to the Information Statement, except those arising from or made in response to the comments and/or findings of the MSRD upon its review of the PIS.

BARBARA ANNE C. MIGALLOS
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 11th day of May 2026, affiant exhibiting to me her Passport No. P7148981A issued on 1 May 2018 at DFA NCR South, expiring on 10 May 2028 bearing her photograph and signature, in accordance with Rule I, Section 12 and Rule VI Section 2 (b) of the 2004 Rules on Notarial Practice.

Doc. No. 515;
Page No. 104;
Book No. I;
Series of 2026.



DAWN CHRISTELLE D. PASCUAL
NOTARY PUBLIC FOR AND IN THE CITY OF MAKATI
APPOINTMENT NO. M-395 (2025-2026)
COMMISSION EXPIRES ON DECEMBER 31, 2026
5th Floor King's Court Building 2, 2129 Chino Roces Avenue
Legazpi Village, Makati City 1230
PTR No. 10765623; Makati City; 1/5/2026
IBP S.I. No. 580543; Laguna; 12/31/2025
TIN 499-447-391
Attorney's Roll No. 93040
Admitted to the Philippine Bar: 24 January 2025

MINUTES OF THE
ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS OF NICKEL ASIA CORPORATION

Held on 09 June 2025, at 10:00 a.m.
via remote communication
presided from 28F NAC Tower 32nd Street,
Bonifacio Global City, Taguig, 1634 Metro Manila

Shareholder Attendance:
80.11% of the Company's total outstanding capital stock *(See **Annex "A"**)*

Directors present at the Company's principal office:
Mr. Jose Isidro N. Camacho, *Director, Chairman of the Board of Directors, Finance Committee, and Corporate Governance Committee*
Mr. Martin Antonio G. Zamora, *Director, President and CEO, Chairman of the Sustainability Committee and Nominations Committee*
Ms. Maria Patricia Z. Riingen, *Director, Vice Chairman*
Mr. Leonides Juan Mariano C. Virata, *Director*
Ms. Florencia G. Tarriela, *Lead Independent Director, Chairman of the Audit Committee*

Directors present via remote communication:
Mr. Shiro Imai, *Director, Chairman of the Related Party Transactions Committee*
Mr. Yusuke Niwa, *Director*
Mr. James J.K. Hung, *Independent Director, Chairman of the Board Risk Oversight Committee*
Mr. Harvey T. Ang, *Director*

Officers present at the Company's principal office:
Ms. Maria Angela G. Villamor, *Senior Vice President – Finance, Chief Financial Officer, and Treasurer*
Atty. Barbara Anne C. Migallos, *Corporate Secretary*
Atty. Georgina Carolina Y. Martinez, Senior Vice President – *Compliance and Corporate Support Services, Chief Compliance Officer, Chief Governance Officer, and Assistant Corporate Secretary*

Others present via remote communication:
SyCip Gorres Velayo & Company, External Auditors (represented by Ms. Sonia D. Segovia, Ms. Maria Lourdes B. Siapno, Mr. Chris Yoroniel D. Ong, Ms. Hesed T. Manzanares, Mr. William R. Bacsa, and Mr. Jose Pepito E. Zabat)

I. CALL TO ORDER

The Chairman, Mr. Jose Isidro N. Camacho, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Barbara Anne C. Migallos, recorded the minutes of the proceedings.

The Chairman welcomed the stockholders to the 2025 Annual General Meeting of the Stockholders (the "Meeting") of Nickel Asia Corporation (the "Company"), held via remote communication. He then proceeded to introduce the incumbent Directors of the Company who are attending by remote communication: Mr. Shiro Imai, Chairman of the Related Party Transactions Committee; Mr. Yusuke Niwa; Mr. James J.K. Hung, Independent Director and Chairman of the Board Risk Oversight Committee; and Mr. Harvey T. Ang.

The Chairman proceeded to introduce Mr. Martin Antonio G. Zamora, President and CEO, and Chairman of the Sustainability Committee and Nominations Committee; Ms. Maria Patricia Z. Riingen, Vice Chairman; Mr. Leonides Juan Mariano C. Virata; Ms. Florencia G. Tarriela, Lead Independent Director and Chairman of the Audit Committee; Ms. Maria Angela G. Villamor, Senior Vice President – Finance, Chief Financial Officer, and Treasurer, and Atty. Barbara Anne C. Migallos, Corporate Secretary, who were present at the Company's principal office where the meeting was presided from.

The Chairman also acknowledged the representatives of the Company's independent external auditors, SyCip Gorres Velayo & Company ("SGV & Co.") who attended the meeting remotely.

II. PROOF OF REQUIRED NOTICE OF THE MEETING

The Chairman then inquired whether the Notices of the Meeting were properly sent to stockholders. The Corporate Secretary certified that in accordance with the rules of the Securities and Exchange Commission ("SEC"), the Notice with the Agenda, together with the Definitive Information Statement approved by the SEC was posted on the website of the Corporation on 9 May 2025. The Notice and Agenda was also published in print and online in The Manila Standard and Business Mirror for two (2) consecutive days, on May 15 and 16, 2025.

III. CERTIFICATION OF QUORUM AND EXPLANATION OF VOTING PROCEDURE

The Corporate Secretary certified that there were present via remote communication, or represented by proxy, 80.11% of the total outstanding capital stock of the Company. Accordingly, there was a quorum for purposes of the meeting.

The Corporate Secretary explained that as indicated in the Notice of the Meeting, stockholders may participate and attend the meeting only by remote communication. A dedicated email address was disclosed consistent with SEC rules so that stockholders would be able to register or to submit proxies on or before 28 May 2025. Shareholders who did so were considered present at the Meeting.

Voting Procedure and General Protocol

At the request of the Chairman, the Corporate Secretary explained the protocol and voting procedure for the meeting.

1. The required quorum for an annual stockholders' meeting is the presence in person or by proxy of stockholders representing a majority of the outstanding capital stock. As earlier stated, there was a quorum for the Meeting.

2. Only the items on the Agenda and in the Definitive Information Statement will be voted upon. As stated in both the Notice and Definitive Information Statement, stockholders may cast their votes through an online ballot which must be submitted on or before 28 May 2025 to the dedicated email address. Voting instructions were provided in the Definitive Information Statement.

   Proxy forms, which contain each item on the Agenda that requires shareholders' vote, were also made available in the Company website, for use by the shareholders for the Meeting.

3. In the election of directors, cumulative voting may be adopted. The nine (9) nominees with the greatest number of votes will be elected directors.

   The names of each of the nominees are stated in the online voting form, and in the proxy. The shareholder may vote for all of the nominees, or withhold a vote for all or for certain nominees. Votes are cast and counted in accordance with the shareholders' instructions, as reflected in the proxies.

4. The Company's stock transfer agent, Stock Transfer Service, Inc., tabulated the votes. As necessary, such tabulation is subject to the review by SGV & Co., the Company's independent external auditor.

5. The results of the voting on each item will be announced when the particular item is taken up. A tabulation of results will be posted on the Company's website after the Meeting.

6. Stockholders were requested to submit their questions on or before 28 May 2025, through the dedicated email address that was provided to shareholders. Management will endeavor to answer all the questions. If, due to time constraints, the Company is not able to answer all the questions, responses to remaining questions will be sent via email.

IV. APPROVAL OF MINUTES OF PREVIOUS MEETING

The Chairman announced that the first item on the Agenda was the reading and approval of the Minutes of the Annual General Stockholders' Meeting held on 7 June 2024 (the "2024 AGM"). The Minutes of the 2024 AGM were posted on the Company's website five (5) business days after that meeting. At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

> *"**RESOLVED**, that the reading of the Minutes of the Annual Meeting of Stockholders held on 7 June 2024 be as it is hereby dispensed with, and that said Minutes are hereby approved."*

According to the Corporate Secretary, based on the tabulation of votes, stockholders representing 80.11% of the Company's outstanding capital stock voted in favor of the proposed resolution.

The Chairman declared the motion carried and announced that the Minutes of the Stockholders' Meeting held on 7 June 2024 were hereby approved.

V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2024

The next item on the Agenda was the approval of the Annual Report and of the Company's Audited Financial Statements and the Notes thereto for the year ended 31 December 2024. Copies of the report and the audited financial statements were previously distributed to the shareholders in accordance with pertinent SEC rules.

The President and Chief Executive Officer, Mr. Martin Antonio G. Zamora, presented the highlights of the Annual Report, followed by the Senior Vice President - Finance, Chief Financial Officer, and Treasurer, Ms. Maria Angela G. Villamor, who presented the financial and operating highlights.

The President's Report

The Company marked its 16th year with a steadfast commitment to value creation through responsible growth. In 2024, this commitment was underscored by transformative initiatives that challenged conventional boundaries and reflected a deep-seated aspiration to making a positive impact.

Amid prevailing headwinds from a bearish nickel market, the Company posted an attributable net income of Php3.07 billion, before the Php1.55 billion provision related to its geothermal investment in Naujan, Oriental Mindoro. Nickel ore shipments totaled 17 million wet metric tons across six (6) active mines, surpassing the previous year's volume of 16.45 million wet metric tons. In the renewable energy sector, the Company expanded its operational capacity from 100 megawatts to 172 megawatts, a substantial step forward in advancing its clean energy agenda.

Demonstrating financial resilience, the Company declared both regular and special cash dividends amounting to Php1.53 billion, or equivalent to a 50% payout ratio based on net income before the provision, enabled by disciplined cost management and continued operational efficiencies across its mines and plants.

The Company's mining business achieved several significant milestones. The forthcoming opening of the South Upper Guintalunan mine in Palawan, the resumption of mining operations in Manicani, Guiuan, Eastern Samar, and the ramp-up of shipments from Dinapigue, Isabela marked an exceptional year for its nickel mining portfolio. Notably, the Company exported nickel ore to Indonesia for the first time, highlighting the increasing international demand and enhanced competitiveness of its product in the global market.

In line with its strategic realignment, the Company completed the divestment of its 15.625% equity interest in Coral Bay Nickel Corporation, allowing a sharper focus on its core upstream mining and renewable energy pursuits. Progress was likewise made in gold and copper exploration projects through Cordillera Exploration Company Inc. (CEXCI), with preparatory work underway for the establishment of a full-scale operating mine in Cordon, Isabela.

The Company's renewable energy arm, Emerging Power Inc., continued to build momentum with the development of new solar projects in Zambales and Leyte. The San Isidro project in Leyte notably became the first under Greenlight Renewables Holdings Inc. These projects are expected to contribute to the Company's goal of achieving an attributable renewable energy capacity of 652 megawatts by 2026.

The Company's commitment to purpose-driven performance is reflected in its achievements, having received numerous and consistent recognitions over the years. The Company likewise strengthened its role as a partner in nation-building. In Guiuan, Eastern Samar, the Company supported the enrollment of all municipal residents in the government's health pension fund. Collaborations with St. Luke's Medical Center Foundation facilitated the delivery of healthcare training and services across Eastern Samar, Surigao del Norte, Palawan, and Isabela. In addition, the Company donated Php50 million to the National Institutes of Health for the design plan of the country's first high-rise research laboratory facility.

Sustainability remains deeply woven into the fabric of the Company's strategy. As it enters the fourth year since formalizing its sustainability framework, the Company continues to unify its operations under the common goal of becoming a premier ESG investment in the country. The Company remains an industry pioneer.

Through a partnership with the University of the Philippines Los Baños, the Company became the first mining firm to complete a carbon emissions inventory based on land use change. It also became a CDP discloser and completed the S&P Global Corporate Sustainability Assessment—milestones that underscore the Company's alignment with globally recognized environmental, social, and governance frameworks.

In support of its evolving organizational culture, the Company refined its core values—People First, Integrity, and Excellence—and introduced the SINAG immersion program to instill these values more deeply across all levels of the organization.

The year also marked a transition in leadership. With the retirement of Mr. Gerard H. Brimo, the Chairmanship was assumed by former Energy and Finance Secretary Jose Isidro N. Camacho. The Board also welcomed Independent Directors Florencia G. Tarriela and James J.K. Hung, whose breadth of global experience strengthens the Company's governance and strategic direction.

With these meaningful developments in strategy, operations, and leadership, the Company stands well-positioned to chart new pathways for growth and assume an even more vital role in the global transition to a sustainable and inclusive green economy.

Financial and Operating Highlights

The Company achieved solid operating results in 2024, notwithstanding the continued pressure from soft metal prices. Its six (6) operating mines delivered a total of 17.02 million wet metric tons of nickel ore, representing a 3% increase from 2023 and a 6% improvement over 2022. However, the global nickel oversupply led to a decline in average selling prices by US$3.26 per wet metric ton.

In the renewable energy business, the completion of the 72-megawatt Phase 4 Solar Project contributed to a 30% increase in electricity generation, with total energy revenues reaching Php1.1 billion. Combined, the Company's mining and energy operations generated consolidated revenues of Php22.3 billion. Cost and efficiency measures undertaken by the Company enabled it to maintain total expenses at par with 2023 levels.

The cost per wet metric ton remained flat year-on-year and 5% lower than in 2022. Despite the soft metal prices, the Company recorded an operating income of Php6.8 billion, translating to an operating margin of 30%. Other income and expenses included a Php1.5 billion non-cash provision relating to geothermal exploration activities of a subsidiary.

Weaker nickel and cobalt prices also impacted downstream investments, with the Company recognizing approximately Php900 million in equity losses. Consequently, consolidated net income for the year stood at Php2.9 billion, of which Php1.5 billion was attributable to equity holders, equivalent to earnings per share of Php0.11.

The Company's balance sheet remained robust, with total assets to Php61.6 billion, rising by 6% compared to the previous year. Cash and cash equivalents totaled Php12.9 billion, comprising 21% of total assets, while current assets amounted to Php23.8 billion, or 39% of total assets, reflecting a healthy working capital ratio.

Investments in clean energy reached Php7.1 billion, representing a 122% increase in CapEx of the renewable energy segment of the Company from 2023. Major projects included the completion of the 72-megawatt solar project in Subic and the 120-megawatt Phase 1 project in Leyte.

During the year, the Company's power subsidiary obtained a Php1.1 billion loan to partly finance its different projects, slightly increasing the group's total liabilities-to-equity ratio to 0.39, up from 0.34 in 2023. Total equity, on the other hand, increased to Php44.4 billion.

Cash flow from operations amounted to Php7.7 billion, enabling significant reinvestments across the Company's mining and energy businesses. In 2024, the six (6) operating mines collectively remitted Php4 billion in income taxes, royalties, and regulatory fees to national and local government units and relevant agencies, demonstrating the Company's continued contribution to public revenue and development.

Combined capital expenditures for the year reached Php8.8 billion. To support the expansion of its energy portfolio, the Company's power subsidiary secured a Php1.1 billion bank loan, matched by an additional Php1.1 billion equity infusion. Dividend payments to shareholders totaled Php3.2 billion. The Company ended the year with a robust cash position of Php12.9 billion.

Open Forum

The Chairman then asked the Corporate Secretary to inform the stockholders of any questions received. The Corporate Secretary confirmed that there were no questions received from the stockholders.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

> *"**RESOLVED**, that the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended 31 December 2024, be as they are hereby approved."*

The Corporate Secretary stated that based on the tabulation of votes, stockholders owning a total of 80.11% of the Company's outstanding capital stock voted in favor of the approval of the proposed resolution.

The Chairman then declared that the motion was carried. The Company's Annual Report and the Audited Financial Statements and the notes thereto for the year ended 31 December 2024 were approved, ratified and confirmed.

DRAFT

VI. RATIFICATION AND APPROVAL OF ACTS OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The Chairman said that the next item on the Agenda is the ratification and approval of the acts of the Board of Directors and executive officers during the year 2024. The Corporate Secretary presented the resolution for approval:

> *"**RESOLVED**, that all acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors, and Executive Officers and management of the Corporation during the past year and up to today's meeting, as set forth in the Minutes of the Meetings of the Board of Directors, and/or all acts and proceedings performed or taken pursuant thereto, be as they are hereby, approved, ratified and confirmed."*

At the Chairman's request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 80.11% of the Company's outstanding capital stock, have voted in favor of the approval and ratification of the acts of the Board of Directors and Officers of the Company during the past year.

The Chairman declared the motion carried. The resolution to ratify and approve all of the acts of the Board of Directors and/or Officers of the Corporation during the past year was approved.

DRAFT

VII. APPOINTMENT OF INDEPENDENT AUDITORS

The Chairman said that the next item on the Agenda is the appointment of the Company's independent external auditors. He said that the Audit Committee recommended the appointment of SyCip Gorres Velayo & Company as independent auditors of the Company for 2025, and the Board of Directors approved and accepted the recommendation. The Corporate Secretary presented the resolution for approval:

> *"**RESOLVED,** that the accounting firm of SyCip Gorres Velayo & Company, as recommended by the Audit Committee and the Board of Directors, be appointed as the external auditor of the Corporation for the year 2025 and until its successor is duly appointed."*

At the Chairman's request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 80.11% of the outstanding capital stock, voted in favor of the appointment of SyCip Gorres Velayo & Company as the independent external auditors of the Company for 2025.

The Chairman declared the motion carried. The appointment of SyCip Gorres Velayo & Company as independent external auditors of the Company for 2025 was approved.

VIII. ELECTION OF DIRECTORS

The Chairman said that the next item on the Agenda is the election of directors for the ensuing year, at least two (2) of whom must be independent directors.

The Corporate Secretary reported that there were nine (9) nominees for the nine (9) seats on the Company's Board of Directors for election at this Meeting. The Nominations Committee screened the nine (9) nominees, including the nominees for independent directors, and thereafter prepared a Final List of qualified candidates, which was incorporated in the Information Statement for this Meeting. The following are the nominees:

1. Maria Patricia Z. Riingen
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Yusuke Niwa
7. Leonides Juan Mariano C. Virata
8. James J.K. Hung (Independent Director)
9. Florencia G. Tarriela (Independent Director)

The Chairman asked the Corporate Secretary to inform the body of the votes cast for each of the nine (9) nominees to the nine (9) seats on the Company's Board of Directors.

The Corporate Secretary reported that all nine (9) nominees for the nine (9) seats on the Board received sufficient votes to elect them as Director of the Company. According to the Corporate Secretary, the tabulation of votes showing the exact numbers of votes received will be posted on the Company's website after the Meeting.

The Chairman then declared that the following have been elected as Directors of the Company:

1. Maria Patricia Z. Riingen
2. Martin Antonio G. Zamora
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Yusuke Niwa
7. Leonides Juan Mariano C. Virata
8. James J.K. Hung (Independent Director)
9. Florencia G. Tarriela (Independent Director)

IX. OTHER MATTERS

The Chairman asked if there were any other matters or business that the shareholders wished to raise. The Corporate Secretary confirmed that none of the shareholders came forward with questions or concerns.

X. ADJOURNMENT

There being no other matters to discuss, on motion made and duly seconded, the Meeting was thereupon adjourned.

Prepared by:

BARBARA ANNE C. MIGALLOS
Corporate Secretary

Attest:

JOSE ISIDRO N. CAMACHO
Chairman

DRAFT

Nickel Asia Corporation
Minutes of the Annual Stockholders' Meeting
Held on 09 June 2025[1]

[1] The minutes are subject to the approval of the stockholders at the next annual meeting.

ANNEX "A"

LIST OF STOCKHOLDERS PRESENT AT THE MEETING

Name of Stockholder	Type of Shares	No. of Shares
Sumitomo Metal Mining Philippine Holdings Corporation	Common	3,614,397,887
Gerard H. Brimo	Common	17,057,784
COL Financial: Edward Yao	Common	5,000
Asiasec Equities Inc.: Antonio Manuel A. Zamora	Common	15,840
Asiasec Equities Inc.: Martin Antonio G. Zamora	Common	5,500,090
Nonillion Holding Corp.	Common	1,174,000,000
IGC Securities Inc: Sysmart Corporation	Common	20,333,430
Deutsche Bank	Common	15,074,703
Citibank N.A. Philippine Branch	Common	548,450,700
Asiasec Equities Inc.: Philip Ang or Jean Cua or Harvey Ang	Common	6,149,395
Asiasec Equities Inc.: Ni Capital Corporation	Common	1,833,078,231
Asiasec Equities Inc.: Philip Ang or Jean Cua or Harvey Ang	Common	2,750,000
COL Financial	Common	457,980
Standard Chartered Bank: Various Non-Resident Foreign Corp.	Common	8,362,720
HSBC10	Common	30,552,662
Asiasec Equities Inc.: Tanalgo	Common	730,435
Maybank Securites, Inc.: PAMCO	Common	146,075,188
Mantra Resources Corporation	Common	3,555,081,802
Asiasec Equities Inc.: Manuel Zamora Jr. &/or Teresita Zamora	Common	27,372,649
Asiasec Equities Inc.: Manuel Zamora Jr. &/or Teresita Zamora	Common	9,396,000
Nickel Asia Holdings, Inc.	Preferred	720,000,000
Sub-Total (Proxy)		**11,734,842,496**
Martin Antonio G. Zamora	Common	540
Philip T. Ang	Common	100
Jose Isidro N. Camacho	Common	1,000
James J.K Hung	Common	1,000
Florencia G. Tarriela	Common	1
Maria Patricia Z. Riingen	Common	1,000
Yusuke Niwa	Common	2,023
Shiro Imai	Common	2,023
Harvey T. Ang	Common	2,000,000
Leonides Juan Mariano C. Virata	Common	100
Sub-Total (By Remote Communication)		**2,007,787**
Total		**11,736,850,283**

NICKEL ASIA CORPORATION
ANNUAL GENERAL MEETING OF STOCKHOLDERS

OUTSTANDING COMMON SHARES – 13,931,125,094
PREFERRED SHARES – 720,000,000
SHARES IN ATTENDANCE - 11,736,850,283 (80.11%)

AGENDA ITEM	IN FAVOR		AGAINST		ABSTAIN	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Approval of minutes of the Annual Stockholders' Meeting held on 7 June 2024	11,736,392,303	80.11%	0	0.00%	457,980	0.00%
Approval of Annual Report and Audited Financial Statements for the year ended 31 December 2024	11,736,392,303	80.11%	0	0.00%	457,980	0.00%
Ratification and approval of the acts of the Board Directors and Executive Officers during the year 2024	11,736,392,303	80.11%	0	0.00%	457,980	0.00%
Appointment of SyCip Gorres Velayo & Co. as independent auditor	11,736,254,103	80.11%	138,200	0.00%	457,980	0.00%

Election of Directors	IN FAVOR	
	No. of Shares	%
1) Martin Antonio G. Zamora	11,290,258,469	77.06%
2) Maria Patricia Z. Riingen	11,653,560,218	79.54%
3) Harvey T. Ang	11,653,626,018	79.54%
4) Jose Isidro N. Camacho	11,646,330,218	79.49%
5) Leonides Juan Mariano C. Virata	11,653,626,018	79.54%
6) Shiro Imai	11,653,560,218	79.54%
7) Yusuke Niwa	11,653,626,018	79.54%
8) Florencia G. Tarriela *(Independent Director)*	11,729,355,303	80.06%
9) James J.K. Hung *(Independent Director)*	11,736,326,503	80.11%

REPUBLIC OF THE PHILIPPINES)
) S.S
TAGUIG CITY

CERTIFICATE OF INDEPENDENT DIRECTOR

I, **JAMES J.K. HUNG**, Taiwanese, of legal age, with address at No. 4 Park Road 2704 Hong Kong S.A.R., hereby declare that:

1. I am nominated for re-election as Independent Director of **NICKEL ASIA CORPORATION** (the "**Company**"), a corporation duly organized and existing under Philippine law, with principal office at 28/F NAC Tower 32nd Street, Bonifacio Global City, Taguig,1634 Metro Manila, at the Company's 2026 Annual Stockholders' Meeting to be held on 05 June 2026. I have been an Independent Director of the Company since 07 June 2024.

2. I am affiliated with the following companies or organizations:

Name of Corporation/ Organization	Position/s Held	Period of Service
Asia Securities Global Group (Hong Kong)	Chairman	1993 to present
ASG Inspiration Laboratory (Singapore) Pte, Ltd.	Chairman	2023 to present

3. I possess all of the qualifications and none of the disqualifications to serve as Independent Director of the Company, as provided for in Section 38 of the Securities Regulation Code ("SRC"), the 2015 Implementing Rules and Regulations of the SRC (the "SRC Rules"), and other issuances of the Securities and Exchange Commission ("SEC").

4. I am not related to any director, officer, or substantial shareholder of the Company, any of its related companies, or any of its substantial shareholders under Rule 38.2.3 of the SRC Rules, or otherwise.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I am not connected with any government agency or instrumentality.

7. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the SRC, SRC Rules, the Code of Corporate Governance for Publicly Listed Companies, and other SEC issuances.

8. I shall inform the Corporate Secretary of any changes in the abovementioned information within five (5) days from its occurrence.

Done this 28 APR 2026 day of _____ at TAGUIG CITY

JAMES J.K. HUNG
Independent Director

SUBSCRIBED AND SWORN to before me this 28 APR 2026, affiant exhibiting to me his Competent Evidence of Identity consisting of his Republic of China Passport No. 360494192 issued by the Ministry of Foreign Affairs on 18 May 2022 valid until 18 May 2032 bearing his photograph and signature, in accordance with Rule 11, Section 12 and Rule IV Section 2 (b) of the 2004 Rules on Notarial Practice.

Doc No. 420;
Page No. 84;
Book No. 4;
Series of 2026.

CHARLENE MAE C. DACARA
Appointment No. 32 (2026-2027)
Notary Public for and in the City of Taguig City
Until December 31, 2027
Roll No. 74631
PTR No. A-6681718 13 January 2026/Taguig City
MCLE Compliance No. VIII-0032850, Until 14 April 2028
28th Floor NAC Tower, 32nd Street, BGC, Taguig City

REPUBLIC OF THE PHILIPPINES)
) S.S
TAGUIG CITY

CERTIFICATE OF INDEPENDENT DIRECTOR

I, **FLORENCIA G. TARRIELA**, Filipino, of legal age, with address at 32 Jasmin St., Valle Verde 2, Barangay Ugong, Pasig City, Metro Manila, hereby declare that:

1. I am nominated for re-election as Independent Director of **NICKEL ASIA CORPORATION** (the "Company"), a corporation duly organized and existing under Philippine law, with principal office at 28/F NAC Tower 32nd Street, Bonifacio Global City, Taguig,1634 Metro Manila, at the Company's 2026 Annual Meeting of the Stockholders to be held on 05 June 2026. I have been an Independent Director of the Company since 04 August 2022.

2. I am affiliated with the following companies or organizations:

Name of Corporation/ Organization	Position/s Held	Period of Service
Philippine National Bank	Board Advisor	2021 to present
LT Group Inc.	Board Advisor	2024 to present
Gozon Development Corporation	Director	1982 to present
Tulay sa Pag-unlad Inc.	Trustee	2003 to present
Philippine Bible Society	Trustee	2024 to present

3. I possess all of the qualifications and none of the disqualifications to serve as Independent Director of the Company, as provided for in Section 38 of the Securities Regulation Code ("SRC"), the 2015 Implementing Rules and Regulations of the SRC (the "SRC Rules"), and other issuances of the Securities and Exchange Commission ("SEC").

4. I am not related to any director, officer, or substantial shareholder of the Company, any of its related companies, or any of its substantial shareholders under Rule 38.2.3 of the SRC Rules, or otherwise.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I am not connected with any government agency or instrumentality.

7. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the SRC, SRC Rules, the Code of Corporate Governance for Publicly Listed Companies, and other SEC issuances.

8. I shall inform the Corporate Secretary of any changes in the abovementioned information within five (5) days from its occurrence.

Done this 21 APR 2026 day of _____ at TAGUIG CITY

FLORENCIA G. TARRIELA
Independent Director

21 APR 2026

SUBSCRIBED AND SWORN to before me this ___ day of _____, affiant exhibiting to me her Competent Evidence of Identity consisting of her Philippine Passport No. _____ issued by the Department of Foreign Affairs NCR East on 30 July 2022, bearing her photograph and signature, in accordance with Rule 11, Section 12 and Rule IV Section 2 (b) of the 2004 Rules on Notarial Practice.

Doc No. 424;
Page No. 86;
Book No. A;
Series of 2026.

CHARLENE MAE C. DACARA
Appointment No. 32 (2026-2027)
Notary Public for and in the City of Taguig City
Until December 31, 2027
Roll No. 74631
PTR No. A-6681718 13 January 2026 Taguig City
MCLE Compliance No. VIII-0032850, Until 14 April 2028
28th Floor NAC Tower, 32nd Street, BGC, Taguig City

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) S.S

CERTIFICATION

I, **BARBARA ANNE C . MIGALLOS,** of legal age, Filipino, with office address at the 5th Floor, King's Court Building 2, 2129 Chino Roces Avenue, Legazpi Village, Makati City, being the duly elected and incumbent Corporate Secretary of **NICKEL ASIA CORPORATION** (the "Company"), a corporation duly organized and existing under Philippine law, after having been duly sworn in accordance with law, hereby depose and state that the following nominees for election as Directors of the Company are not connected with any government agency or instrumentality:

1. Martin Antonio G. Zamora
2. Maria Patricia Z. Riingen
3. Harvey T. Ang
4. Jose Isidro N. Camacho
5. Shiro Imai
6. Naoki Kawai
7. Leonides Juan Mariano C. Virata
8. Florencia G. Tarriela (Independent)
9. James J.K. Hung (Independent)

BARBARA ANNE C. MIGALLOS
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 23rd day of April 2026, affiant exhibiting to me her Passport No. P7148981A issued on 1 May 2018 at DFA NCR South, expiring on 10 May 2028 bearing her photograph and signature, in accordance with Rule I, Section 12 and Rule VI Section 2 (b) of the 2004 Rules on Notarial Practice.

Doc. No. 452;
Page No. 92;
Book No. I;
Series of 2026.



BAI SHARIA L. TAMBUANG
NOTARY PUBLIC FOR AND IN THE CITY OF MAKATI
APPOINTMENT NO. M-440 (2025-2026)
COMMISSION EXPIRES ON DECEMBER 31, 2026
5/F King's Court 2, 2129 Chino Roces Avenue,
Legazpi Village, Makati City 1230
PTR No. 10785624; Makati City; 1/5/2026
IBP S.I. No. 580801; Davao Oriental; 12/31/2025
TIN 709-162-495-000
Attorney's Roll No. 90348
MCLE Compliance No. VIII - 0028970
Certificate Issued on 21 April 2025

COVERSHEET

C	S	2	0	0	8	1	1	5	3	0

SEC Registration Number

N	I	C	K	E	L		A	S	I	A		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																										

(Company's Full Name)

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C	i	t	y																														

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

Iryan Jean U. Padillo

(Contact Person)

(632) 7777-7622

(Company Telephone Number)

1	2	3	1

Month *Day*

(Fiscal Year)

1	7	-	A	

(Form Type)

0	6	1st Friday

Month *Day*

(Annual Meeting)

Not Applicable

(Secondary License Type, If Applicable)

CRM

Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

101

Total No. of Stockholders

Total Amount of Borrowings

₱14,409.0 million	₱–
Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

S.E.C. Number **CS200811530**
File Number_____

NICKEL ASIA CORPORATION

(Company's Full Name)

28th Floor NAC Tower, 32nd Street,
Bonifacio Global City, Taguig City
(Company's Address)

+63 2 8892 6669 / +63 2 7777 7622
(Telephone Numbers)

December 31
(Fiscal Year Ending)
(month & day)

SEC FORM 17-A Annual Report
Form Type

_____
Amendment Delegation (If applicable)

December 31, 2025
Period Ended Date

_____
(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended: **DECEMBER 31, 2025**
2. SEC Identification Number: **CS200811530**
3. BIR Tax Identification No.: **007-085-191-000**
4. Exact name of issuer as specified in its charter **NICKEL ASIA CORPORATION**
5. Province, Country or other jurisdiction of incorporation or organization: **PHILIPPINES**
6. Industry Classification Code: [ ] (SEC Use Only)

7. Address of principal office — Postal Code
   28TH FLOOR NAC TOWER, 32ND STREET, BONIFACIO GLOBAL CITY, TAGUIG CITY — **1634**
8. Issuer's telephone number, including area code**: +63 2 8892 6669 / +63 2 7777 7622**
9. Former name, former address, and former fiscal year, if changed since last report.
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON STOCK	**13,931,125,094 SHARES**
SHORT-TERM AND LONG-TERM DEBTS	**₱14,409.0 MILLION**

11. Are any or all of these securities listed on a Stock Exchange.
    Yes [**X**] No [ ]

    If yes, state the name of such stock exchange and the classes of securities listed therein:
    PHILIPPINE STOCK EXCHANGE — **COMMON STOCK**

12. Check whether the issuer:
    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

    Yes [**X**] No [ ]

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

    Yes [**X**] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

    As at December 31, 2025, 3,739,097,038 shares with a market price of ₱3.89 or an aggregate amount of ₱14,545,087,478 were held by non-affiliates.

February 25, 2026

Atty. Johanne Daniel M. Negre
Officer-in-Charge, Disclosure Department
Philippine Stock Exchange Tower,
5th Avenue corner 28th Street, BGC Taguig City

Mr. Vicente Graciano P. Felizmenio, Jr.
Director - Markets and Securities Regulation Department
Securities and Exchange Commission
7907 Makati Avenue, Salcedo Village
Bel-Air, Makati City, 1209

RE : 2025 SEC Form 17-A Annual Report
x ========== x

Gentlemen:

In accordance with the Securities Regulation Code, we are submitting herewith a copy of our Company's SEC Form 17-A Annual Report as at and for the year ended December 31, 2025.

We trust everything is in order.

Very truly yours,

Maria Angela G. Villamor
SVP - Finance and Chief Financial Officer



NICKEL ASIA CORPORATION
17-A ANNUAL REPORT 2025

TABLE OF CONTENTS **Page No.**

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business 1
- A. Overview
- B. Corporate Objective
- C. Product Mix
- D. Subsidiaries
- E. Recent Developments
- F. Our Strategy
- G. Key Strength
- H. Percentages of Revenues for 3 Years
- I. Sources of Raw Materials and Supplies
- J. Government Regulations and Approvals
- K. Competition
- L. Nickel Ore Trade and Outlook
- M. Exploration and Development
- N. Environment and Rehabilitation
- O. Social Responsibility
- P. Employees
- Q. Risks Related to Our Business and Industry
- R. Sustainability

Item 2. Properties 43
- A. Mining Properties and Permits
- B. Mineral Resources and Reserves
- C. Processing Facilities
- D. Real Properties
- E. Service Contracts
- F. Liens and Encumbrances

Item 3. Legal Proceedings 54

Item 4. Submission of Matters to a Vote of Security Holders 57

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters 58
- A. Market Information
- B. Holders
- C. Dividends
- D. Recent Sales of Unregistered or Exempt Securities

Item 6. Management's Discussion and Analysis of Financial Position and Results of Operations 60

Item 7. Financial Statements 72

Item 8. Information on Independent Accountants and other Related Matters 72

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer..... 73
- A. List of Directors and Executive Officers and Committees of the Issuer
- B. Significant Employees/Executive Officers
- C. Family Relationship

TABLE OF CONTENTS **Page No.**

D. Involvement in Certain Legal Proceedings

Item 10. Executive Compensation and Stock Option Plan 83

Item 11. Security Ownership of Certain Beneficial Owners and Management 84

A. Security Ownership of Certain Record and Beneficial Owners
B. Security Ownership of Management
C. Voting Trust Holders of 5% or More
D. Changes in Control

Item 12. Certain Relationship and Related Transactions 86

PART IV – EXHIBITS AND SCHEDULES

Item 13. Exhibits and Reports on SEC Form 17-C 91

1. Exhibits
2. Reports on SEC Form 17-C

SIGNATURES

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. BUSINESS

A. OVERVIEW

Nickel Asia Corporation (the Company, Parent Company, or NAC) was incorporated on July 24, 2008 with the Philippine Securities and Exchange Commission (SEC) and was listed with the Philippine Stock Exchange (PSE) on November 22, 2010.

NAC and its subsidiaries (the Group) has 6 operating mines: the Rio Tuba mine in Bataraza, Palawan operated by Rio Tuba Nickel Mining Corporation (RTN); the Taganito mine in Claver, Surigao del Norte operated by Taganito Mining Corporation (TMC); the Tagana-an mine in Tagana-an, Surigao del Norte and Manicani mine in Guiuan, Eastern Samar operated by Hinatuan Mining Corporation (HMC); the Cagdianao mine in Cagdianao, Dinagat Islands operated by Cagdianao Mining Corporation (CMC); and the Dinapigue mine in Dinapigue, Isabela operated by Dinapigue Mining Corporation (DMC). At each of its operating mines, the Group employs a low-cost surface mining method without the need for explosives, chemicals or complex waste handling, to extract 2 types of nickel ore: limonite and saprolite ore. Apart from the 6 operating mines, the Group also has other properties in various stages of exploration for nickel ore while continuing to seek opportunities in copper and gold through its subsidiary, Cordillera Exploration Co., Inc. (CEXCI).

The Group produces 2 types of saprolite ore (i.e., high-grade, and mid-grade) and 2 types of limonite ore, which it supplies to various customers. The Group's high-iron limonite ore is sold to Chinese customers and mid-grade saprolite ore is sold to Chinese and Japanese customers, some of which use the material as feed for blast furnaces for production of low-grade nickel pig-iron (NPI). Most of the Group's mid-high grade saprolite ore are sold to the Chinese smelters that use the material as feed for electric furnaces to produce high and medium-grade NPI. And there are a few allocations for the Japanese company Pacific Metals Co., Ltd. (PAMCO), which uses the material as feed for its ferronickel smelters. The Group's low-grade limonite ore is utilized as feed for the Coral Bay and Taganito high-pressure acid leach (HPAL) hydrometallurgical nickel processing plants. Coral Bay plant is owned by Coral Bay Nickel Corporation (CBNC), where NAC previously held 15.62% equity interest until the sale of this equity interest to Sumitomo Metal Mining Co., Ltd. (SMM) in February 2025. CBNC became operational in 2005 and currently operates at a capacity of 24,000 tonnes of contained nickel and 2,000 tonnes of contained cobalt per year in the form of a mixed nickel-cobalt sulfide. It has proven to be the world's most efficient facility using the HPAL process. NAC also has a 10% equity interest in Taganito HPAL Nickel Corporation (THNC) which operates the country's second hydrometallurgical nickel processing plant. THNC's HPAL plant currently operates at a capacity of 30,000 tonnes of contained nickel and 2,500 tonnes of contained cobalt per year in the form of a mixed nickel-cobalt sulfide. The Taganito mine of the Company's subsidiary, TMC, supplies all the limonite ore for the plant.

In November 2010, the Group concluded the purchase of CEXCI from Anglo American Exploration (Philippines), Inc., with 4 properties in the Central Cordillera of northern Luzon that are prospective for gold and copper. The purchase marks the Company's first step in its vision to become a diversified mineral resource company. In November 2011, SMM acquired 25% equity in CEXCI with an option to purchase additional shares to increase its total equity to 40%.

In 2015, CEXCI identified a new property in the province of Zambales for exploration and development under Newminco Pacific Mining Corporation (Newminco), which is also prospective for gold and copper. In relation to this, SMM put in an additional investment of US$2.8 million to increase its ownership in CEXCI from 25% to 40%. Newminco is the holder of an Exploration Permit (EP) application for areas located in Zambales. In 2019, CEXCI acquired from Marian Mineral Exploration Co., Inc. (Marian) and Olympus Mineral Exploration Co., Inc. (Olympus) the right to apply for the conversion of the Application for Mineral Production Sharing Agreement (APSA) No. 000021-II issued in favor of Marian and Olympus into an EP Application, EP and/or Mineral Agreement, and any mode of mineral agreement that may be applied for in the 6,325 hectare area located in Cordon, Isabela and Diadi, Nueva Vizcaya subject of the APSA. CEXCI

applied for the conversion of APSA No. 000021-II into an EP. In January 2020, the Mines and Geosciences Bureau (MGB) Region 2 office approved the conversion of APSA No. 000021-II into an EP in favor of CEXCI. In August 2015, the Company also concluded the purchase from Nihao Mineral Resources International (Nihao) of 100% equity interest in DMC (formerly, Geogen Corporation), which is the successor-in-interest of Platinum Group Metals Corporation (PGMC), the claim owner of the Isabela Nickel Project in Dinapigue, Isabela. In consideration of the termination of the Operating Agreement between Nihao and DMC dated July 13, 2012 over the Isabela Nickel Project, DMC agreed in August 2015 to issue 10,000,000 non-voting, non-redeemable, non-participating shares at a par value of ₱0.01 which have preference in the declaration and payment of dividends (preferred shares). Dividends on the preferred shares are computed on an annual basis and are equivalent to 20% of mine operating income less income tax and only accumulate if (i) the Isabela Nickel Project is operated and generates income; and (ii) if DMC has sufficient level of unrestricted retained earnings. DMC started its commercial operation in 2022.

In 2018, the Group expanded into power generation with the completion and commencement of operations of a 10-megawatt (MW) diesel power plant which sells power to Surigao del Norte Electric Cooperative, Inc. (SURNECO) under a Power Supply Agreement (PSA) and to Independent Electricity Market Operator of the Philippines, Inc. (IEMOP), which are traded through Philippine Wholesale Electricity Spot Market (WESM). In 2015, the Group expanded into the renewable power business through equity investments in Emerging Power, Inc. (EPI), whose mission is to engage in power generation exclusively from renewable sources. As of December 31, 2025, EPI and its subsidiaries have 7 renewable energy (RE) service contracts signed with the Department of Energy (DOE): 2 100MW solar service contracts under Jobin-SQM Inc. (JSI), located in the Subic Bay Freeport Zone (SBFZ); 1 solar service contract under San Isidro Solar Power Corp. (SISPC) located in San Isidro, Leyte; 1 solar service contract under Northern Palawan Power Generation Corporation (NPPGC) located in Subic, Zambales; 1 solar service contract under Nazareno Solar Power Corp. (NSPC) located in Hermosa, Bataan; and 2 solar service contracts under Casilagan Solar Power Corporation (CSPC) with 1 located in Botolan, Zambales and 1 located in Tuguegarao, Cagayan. NPPGC is a wholly owned subsidiary of EPI, while NSPC is 60% owned by EPI. SISPC and CSPC are wholly owned subsidiaries of Greenlight Renewables Holdings, Inc. (GRHI). GRHI is 60%-owned by EPI wherein the Company holds a 91.03% equity interest.

On March 29, 2021, NAC made a direct investment in JSI through a debt-to-equity swap with EPI, pursuant to which NAC acquired 647,386,140 of EPI's shares in JSI as partial repayment by EPI of its indebtedness to NAC. NAC's direct investment in 38% of JSI enabled JSI to comply with the requirement of the Energy Regulatory Commission (ERC) that at least 15% of its total issued and outstanding common shares must be publicly owned. Under existing regulations, the ownership of a publicly listed company such as NAC of at least 25% of a power generation company's common share shall be deemed as compliance with the public ownership requirement of the ERC for such companies.

On July 1, 2022, EPI entered a joint venture with Shell Overseas Investments B.V. (Shell) to jointly develop, own, operate, and maintain onshore renewable energy projects in the Philippines. EPI and Shell established an investment company, GRHI, which was incorporated on August 18, 2022. EPI and Shell shall have equity ownership of 60% and 40%, respectively, in GRHI.

In January 2019, JSI received the Certificate of Compliance (COC) from the ERC for Phases 1 and 2 - 32MW Solar Project. The COC was issued after the authorization granted by the ERC to JSI to develop and own a dedicated point-to-point limited facility to connect the 100MW Solar Project to the Luzon Grid of the National Grid Corporation of the Philippines (NGCP) via a direct connection at NGCP's Subic Substation in December 2018.

In June 2021, the ERC granted a Provisional Authority to Operate (PAO) for JSI's Phase 3A - 30MW. In June 2022, JSI completed Phase 3B - 38MW of the Solar Project and applied for a provisional certificate of approval to connect. The PAO for JSI's Phase 3B - 38MW was granted in November 2022.

On January 4, 2024, ERC issued a consolidated PAO for JSI's 100 MW Sta. Rita Solar Power Plant with 0.048 MWp / 0.038 MWh auxiliary solar photovoltaic (PV) - Battery energy storage system for an additional 0.016 MWdc/0.064 MWh Auxiliary Flywheel Energy Storage System valid until June 15, 2024.

On June 13, 2024, the ERC issued JSI's first extension of PAO, as per the Revised COC Rules, valid from June 13, 2024 until June 12, 2025. On June 4, 2025, ERC issued JSI's COC No. 25-06-M-00168L for the operation and generation of the 100 MW Sta. Rita Solar Power Plant. The COC shall be effective from the date of issuance and shall remain valid unless otherwise suspended, revoke or annulled by the ERC after due notice and hearing.

On May 13, 2022, the Department of Environment and Natural Resources (DENR) granted the request of JSI to increase its capacity, from 150MW to 200MW, and area, from 800 hectares to 815 hectares, located at Mt. Sta. Rita, SBFZ.

In relation to this, under a new service contract, the construction of Phase 4A - 72MW Solar Project started in November 2022 and started testing and commissioning in February 2024. Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.

On February 28, 2024, JSI received the Provisional Certificate of Approval to Connect - Subic New PV Phase 4A from NGCP subject to certain conditions. On June 2, 2025, JSI received the PAO No. 25-06-02-M-PAO-N-0457L for the 72MW Subic New PV Power Plant Project (Phase 4A), valid for a period of 1 year effective from June 2, 2025 to June 1, 2026 and shall remain valid, unless otherwise suspended, revoked or annulled by the ERC after due notice and hearing.

In the Mindoro project, 2 geothermal wells drilled in 2016 were found to have temperatures in the range of 140-165°C. Mindoro Geothermal Power Corporation (MGPC) considered various options on how to proceed with the development of the project including drilling the northern portion of the geothermal field. The northern portion of MGPC's exclusive service contract area has undergone a more detailed assessment by GeothermEx - a leading American geothermal advisory firm in 2017. They have also confirmed that the existing wells in the southern portion can net out at least 3.5MW of power. EPI has been in discussions with groups familiar with geothermal investments to strategize how to further minimize drilling risk. With a strategic partner, MGPC is preparing a development plan guided in general by the GeothermEx report and other technical analyses.

In 2020, MGPC decided to conduct an assessment of the best technique to flow the 2 geothermal wells. As part of the well testing program submitted by MGPC to the DOE, downhole measurements will be conducted to confirm the temperature and the suitability of the wells for flow testing. Thereafter, MGPC will implement the flow test to update the resource assessment and plan the development drilling. In 2021, MGPC entered into a Memorandum of Agreement (MOA) with Symba Renewable Energy EHF (SRE) on the conduct of flow test and resource assessment to demonstrate the commercial viability of the drilled production wells in the Montelago Geothermal Field.

On May 7, 2024, MGPC received from the DOE a termination letter of GRESC No. 2010-02-013 covering the Montelago Geothermal Power Project, to which MGPC responded requesting reconsideration to reinstate. On July 5, 2024, the DOE granted the reinstatement of the GRESC and approved the proposed 5-Year Work Program of MGPC.

In relation to the reinstatement of MGPC's GRESC, MGPC has re-evaluated the MGP Project with the assistance of a third-party expert by conducting field examinations and evaluation of previous technical reports and studies. As a result of the re-evaluation done, technical findings indicated that the mass flow rate of each existing well is approximately 18 tons/hour which is below the minimum flow rate required for a typical organic rankine cycle power generation unit which indicates that the MGP Project may not be economically viable due to low mass flow and the power generation potential is very limited. Relative to this, in 2024, the Group recognized provision for impairment losses on the "Geothermal exploration and evaluation assets".

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.

With respect to Biliran geothermal project, where 8 wells have been drilled by EPI's 40% partner, Biliran Geothermal Holdings, Inc., fluid management studies have been completed on 1 particular well, with positive results with respect to acid control. In July 2021, Biliran Geothermal Incorporated (BGI) and SRE signed a Project Funding, Build and Transfer Agreement for SRE to (i) finance, design, construct, install and transfer to BGI a geothermal powerplant in phases, using the existing geothermal wells and (ii) finance, design, construct, rehabilitate and upgrade the existing 13.2kV distribution lines of Biliran Electric Cooperative, Inc. for the purpose of evacuating power from the geothermal facility to the grid. BGI has continued to conduct activities for maintenance of the existing wells and secure the necessary permits and licenses related to the project.

In 2017, BGI successfully split its existing GRESC into 2. The previous GRESC almost covered the entire island province of Biliran, but in the new setup it delineates the southern portion as Biliran 1 and the northern portion as Biliran 2. Biliran 1 covers the existing developed infrastructure (i.e., 4 well pads, 8 standard deep wells, roads, etc.) and has a Probability-90 Assessment that confirms a 100MW capacity. Biliran 2 is the yet-to-be-developed area save for surface studies and a Probability-50 Assessment of some 170MW capacity. This delineation allows BGI to focus on the more immediately executable Biliran 1 and gives BGI more time to develop Biliran 2. Biliran 1 continued its facility maintenance while making plans for a phased power generation development.

On February 16, 2024, BGI secured the updated Provisional Certificate of Approval to Connect from Biliran Electric Cooperative (BILECO) and a Clearance to Energize from the NGCP. On June 13 and 14, 2024, BGI conducted the Grid Compliance Testing activities of BGI's geothermal plant and obtained the Final Certificate of Approval to Connect to BILECO on July 15, 2024.

On January 23, 2025, BGI terminated the contract of SRE for the Project Funding, Build and Transfer Agreement due to various material contract violations and abandonment of the Biliran Project as of November 14, 2024.

On June 4, 2025, BGI requested the ERC to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project. On January 9, 2026, the ERC acknowledges the request of BGI. As at December 31, 2025, the Biliran Geothermal Plant is ongoing resource study.

With its foray into the area of renewable energy, the Group is slowly becoming a group more focused on harnessing the potential of its natural resources to benefit the communities where the Group operates and the country in general.

Fundamental to the way the Group does business as a responsible corporate citizen is its commitment to operate in a sustainable manner, protecting the environment, nurturing active communities and ensuring the safety and well-being of everyone involved in its operations. For this, the Group has been consistently recognized by the government, the industry and by other award-giving bodies.

As an evolving natural resources company, the Group is committed to responsible mining and to the highest standards in everything that it does.

B. CORPORATE OBJECTIVE

The Group strives to contribute to sustainable national development by adopting its Environmental, Social, and Governance (ESG) Roadmap to achieve the highest standards in the responsible utilization of the country's natural resources. At the same time, the Group takes its responsibilities toward safety, environmental protection, community relations and development seriously. The Group believes that sustainable development is the only way forward for any mining operation and it exerts great effort to live by its principles. The Group is committed to responsible mining and to running every facet of its operations in a world-class manner.

The Group is also committed to provide the present and future generations a better life with clean and renewable energy which is cost effective, reliable, sustainable, and environmentally friendly.

C. PRODUCT MIX

The Group produces 2 types of nickel ore, namely saprolite and limonite. Saprolite ore is nickel ore with iron content of less than 20% and limonite ore is nickel ore with iron content of 20% or higher.

The Group ships out saprolite ore with a nickel content of between 1.3% to 1.5%. Most of the Group's saprolite ore are sold to Chinese clients that use the material as feed for electric furnaces to produce high and medium-grade NPI. A portion of the saprolite ore is also sold to PAMCO in Japan, which uses the material as feed for its ferronickel smelters.

The Group sells 2 types of limonite ore: high-iron and low-grade. High iron limonite ore has a nickel content of less than 1% and an iron content of 48% to 50%. Low-grade limonite ore has a nickel content of 1% to 1.2% and an iron content of at least 30%.

The Group's high-iron limonite ore are sold to Chinese customers who use the material as feed for blast furnaces to produce low-grade NPI. Finally, low-grade limonite ore is utilized as feed for the Taganito and Coral Bay HPAL facilities. The Group expects the continuous demand for electric vehicles (EV) to result in an increase in demand for the Group's products since the ores produced by the Group are processed into nickel sulfide, which is an important component for EV batteries.

D. SUBSIDIARIES

The Parent Company and its subsidiaries were separately incorporated and registered with the SEC. Below are the Parent Company's ownership interests in its subsidiaries:

	Effective Ownership	
	2025	2024
Subsidiaries		
Hinatuan Mining Corporation	**100.00%**	100.00%
Cagdianao Mining Corporation	**100.00%**	100.00%
Dinapigue Mining Corporation	**100.00%**	100.00%
Samar Nickel Mining Resources Corporation (SNMRC)	**100.00%**	100.00%
CDTN Services Company Inc. (CDTN)	**100.00%**	100.00%
Coral Pearl Developments Limited (CPDL)	**100.00%**	100.00%
La Costa Shipping and Lighterage Corporation (LCSLC) [(a)]	**100.00%**	100.00%
Emerging Power, Inc.	**91.03%**	91.03%
Mindoro Geothermal Power Corporation [(b)]	**91.03%**	91.03%
Biliran Holdings Inc. (BHI) [(b)]	**91.03%**	91.03%
Northern Palawan Power Generation Corporation [(b)]	**91.03%**	91.03%
Emerging Energy Resources 1, Inc. (EER 1) [(b)]	**91.03%**	91.03%
Emerging Energy Resources 2, Inc. (EER 2) [(b)]	**91.03%**	91.03%
Emerging Energy Resources 3, Inc. (EER 3) [(b)]	**91.03%**	91.03%
Emerging Energy Saver Corporation (EESC) [(b)]	**91.03%**	91.03%
Falck Exp Inc. (FEI) [(c)]	**88.00%**	88.00%
Jobin-SQM Inc. [(b, d)]	**85.34%**	85.34%
Cordillera Exploration Co., Inc.	**71.25%**	71.25%
Newminco Pacific Mining Corporation [(e)]	**71.25%**	71.25%
Taganito Mining Corporation	**65.00%**	65.00%
Rio Tuba Nickel Mining Corporation	**60.00%**	60.00%
Greenlight Renewables Holdings, Inc. [(b, f)]	**54.62%**	54.62%
San Isidro Solar Power Corp. [(b)]	**54.62%**	54.62%
Casilagan Solar Power Corporation [(b)]	**54.62%**	54.62%
SanJuan Solar Power Corporation (SSPC) [(b)]	**54.62%**	54.62%
Sta. Maria Solar Power Corporation (SMSPC) [(b)]	**54.62%**	54.62%
Tuy Solar and Wind Power Corp. (TSWPC) [(b)]	**54.62%**	54.62%
San Antonio Solar Power Corp. (SASPC) [(b)]	**54.62%**	54.62%

	Effective Ownership	
	2025	2024
Nazareno Solar Power Corp. (formerly Manta Baguio Properties Corp.) [b,g]	**54.62%**	54.62%

(a) Indirect ownership through HMC
(b) Indirect ownership through EPI
(c) Indirect ownership through HMC, CMC and TMC
(d) Direct ownership of 38% and indirect ownership through EPI of 47.34%
(e) Indirect ownership through CEXCI
(f) A joint venture of EPI and Shell
(g) Acquired by EPI in November 2024 at 60% ownership

Hinatuan Mining Corporation
HMC was incorporated on October 9, 1979. NAC owns 100% of HMC, which owns and operates the Tagana-an and Manicani mines. HMC's authority to mine the Tagana-an mine derives from Mineral Production Sharing Agreement (MPSA) No. 246-2007-XII-SMR approved in 2007, which replaced 3 mining lease contracts that ran for 25 years from 1980. The MPSA area covers 774 hectares and will expire in 2032. HMC has been mining in Tagana-an since 1980.

HMC also holds the authority to mine the Manicani mine in Manicani Island, Guiuan, Eastern Samar, under MPSA No. 012-92-VIII. The MPSA area covers 1,165 hectares and will expire in 2037.

Cagdianao Mining Corporation
CMC was incorporated on July 25, 1997. NAC owns 100% of CMC, which operates the Cagdianao mine. The authority to mine the area of the Cagdianao mine derives from an MPSA issued to East Coast Mineral Resources Co., Inc. (East Coast) in 1997. The MPSA No. 078-97-XIII-SMR covers an area of 697 hectares in Valencia, Cagdianao, Province of Dinagat Islands and expired on November 19, 2022. In 1998, CMC signed a Mine Operating Agreement with East Coast which was renewed in 2007 and expired in 2022. The Operating Agreement entitles CMC to mine the MPSA area in return for the payment of royalties to East Coast. The Operating Agreement was amended by the parties and provided for an automatic renewal of such agreement until 2047.

The MPSA of East Coast was renewed on March 2, 2022 for another 25 years from expiration of the first 25-year term on November 19, 2022. CMC was also granted 8 foreshore lease agreements covering the area where the port facility is located, 7 of which will expire in 2037 and 1 will expire in 2036.

CMC started development works at the Cagdianao mine site in 1997 and commenced mining operations in 2001.

Dinapigue Mining Corporation
DMC was incorporated on October 9, 1998. NAC owns 100% of DMC, which operates the Dinapigue mine in Isabela. DMC, which mines the mineral property within the area subject of MPSA No. 258-2007-II, was acquired by the Parent Company in August 2015. DMC started its commercial operation in 2022.

Samar Nickel Mining Resources Corporation
SNMRC was incorporated on March 11, 2010, and is primarily engaged in the exploration, mining and exporting of mineral ores. SNMRC has not yet started commercial operations.

CDTN Services Company Inc.
CDTN was incorporated on December 21, 2020, and is engaged in general engineering construction. It is also engaged in the handling of materials in connection with construction or manufacturing, warehousing, distribution or disposal activities, or other similar activities.

Coral Pearl Developments Limited

CPDL was incorporated on June 18, 2019 in the British Virgin Islands (BVI) under the BVI Business Companies Act 2004, and is primarily engaged in the leasing of aircraft. In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

La Costa Shipping and Lighterage Corporation

LCSLC was incorporated on October 23, 1992, and is primarily engaged in the chartering out of Landing Craft Transport (LCT) and providing complete marine services. LCSLC was acquired by HMC in April 2010. In May 2014, LCSLC sold all its LCTs to HMC. In April 2024, LCSLC acquired a fast craft.

Falck Exp Inc.

FEI was incorporated on November 22, 2005, and is primarily engaged in the business of exploring, prospecting and operating mines and quarries of all kinds of ores and minerals, metallic and non-metallic. FEI is currently undergoing dissolution and waiting for SEC approval.

Cordillera Exploration Co., Inc.

CEXCI was incorporated on October 19, 1994 primarily to engage in the business of large-scale exploration, development and utilization of mineral resources. CEXCI has a number of mining properties at various stages of exploration. It is currently not engaged in any development or commercial production activities.

Newminco Pacific Mining Corporation

Newminco was incorporated on October 9, 2006 and is primarily engaged in the exploration, mining, development, utilization, extraction, beneficiation and marketing of minerals and mineral resources. Newminco was acquired by CEXCI in December 2015. It is currently not engaged in any development or commercial production activities.

Taganito Mining Corporation

TMC was incorporated on March 4, 1987. The first commercial shipment from the Taganito mine was made in 1989. TMC's mining authority derives from an MPSA No. 266-2008-XIII-SMR (Amended) executed in 2009, which replaced an Operating Contract entered with the government in 1989. The MPSA covers an area of 4,863 hectares located in the Municipality of Claver, Province of Surigao del Norte. The MPSA is valid for 25 years from the date of approval until 2034. TMC also provides services to THNC which involves the handling, hauling and transportation of materials required in the processing operations of THNC.

Rio Tuba Nickel Mining Corporation

RTN was incorporated on July 15, 1969 to develop the nickel ore deposits discovered at the Rio Tuba mine site in 1967. It was granted rights over the Rio Tuba property in 1970 and commenced mining in 1975. RTN made its first commercial shipment in 1977. RTN's mining authority at Rio Tuba derives from an MPSA No. 114-98-IV Amended initially covering an area of 990 hectares for the first 25-year term. The MPSA was then amended on October 28, 2019, to include an area covered by a separate MPSA application, thereby increasing the area to an aggregate of 4,538 hectares. On December 2, 2021, the MPSA renewal application of Rio Tuba was approved by the MGB and a fresh 25-year MPSA term, commencing on October 8, 2021. The National Commission for Indigenous Peoples (NCIP) issued a Certification Precondition (CP) on April 11, 2024 for the MPSA.

Emerging Power Inc.

EPI was incorporated on October 16, 2007, and is primarily engaged in the renewable energy business. EPI was acquired by the Parent Company by way of loan conversion into equity in July 2015. EPI was the holder of GRESC No. 2010-02-013. On February 16, 2016, the DOE approved EPI's application to assign its rights and obligations under the GRESC to MGPC under Certificate of Registration No. 2016-02-060.

Mindoro Geothermal Power Corporation

MGPC was incorporated on May 7, 2014, and is primarily engaged in the renewable energy business. MGPC project is estimated to supply 40MW of power over 25 years. MGPC is now the holder of GRESC No. 2010-02-013 upon the approval of an application made by EPI to assign its rights and obligation under the GRESC to MGPC, as discussed in the previous paragraph.

However, in October 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013.

Biliran Holdings Inc.
BHI was incorporated on July 31, 2015, and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of infrastructure, power generation, real estate, manufacturing, trading and agribusiness and to pay other evidence of indebtedness or securities of this or any other corporation.

Northern Palawan Power Generation Corporation
NPPGC was registered with the SEC on July 5, 2017. NPPGC is the developer and owner of Cawag Solar Power Project located in Subic, Zambales and covered by the Solar Energy Operating Contract (SEOC) No. 2023-10-715. As at December 31, 2025, the Cawag Solar Power Project is in the development and construction stage.

Emerging Energy Resources 1, Inc. (EER 1)
EER 1 was incorporated on February 12, 2024, and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. EER 1 is in the pre-operating stage.

Emerging Energy Resources 2, Inc. (EER 2)
EER 2 was incorporated on February 12, 2024, and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. EER 2 is the developer and owner of the following ground-mounted solar PV farm projects: 1) Cabcaben Solar Power Project located in Mariveles, Bataan and covered by the SEOC No. 2024-04-851; and 2) Sinawal Solar Power Project located in General Santos City, South Cotabato and covered by the SEOC No. 2024-05-866 with the DOE. On September 16, 2025 and May 7, 2025, EER 2 voluntarily surrendered to the DOE the Sinawal Solar Power Project, due to project related risk, particularly concerning grid connection and land ownership, and the Cabcaben Solar Power Project, due to the remaining unresolve issues and the project viability is dependent on securing the land right, respectively. As at December 31, 2025, EER 2 is still awaiting the approval of the DOE.

Emerging Energy Resources 3, Inc. (EER 3)
EER 3 was incorporated on February 12, 2024, and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. EER 3 is in the pre-operating stage.

Emerging Energy Saver Corporation (EESC)
EESC was incorporated on February 2, 2024, and is primarily engaged in the energy business and carry on the business of producing, generating and storing electricity and processing fuel alternative for power generation. EESC is in the pre-operating stage.

Jobin-SQM Inc.
JSI was incorporated on January 6, 2010, and is primarily engaged in power business, including but not limited to power generation, power trading and supply to retail customers and end users. JSI is the holder of Solar Energy Service Contract (SESC) No. 2013-10-039 and SEOC No. 2021-01-577 which covers an area in Morong and Hermosa, Bataan. JSI was acquired by EPI in September 2015. As at December 31, 2025, JSI has a total capacity of 172MW in commercial operation.

Greenlight Renewables Holdings, Inc.
GRHI was incorporated on August 18, 2022, and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. GRHI is the joint venture of EPI and Shell.

San Isidro Solar Power Corp.
SISPC was incorporated on February 28, 2022, and is primarily engaged in harnessing solar energy and producing and generating electricity from solar energy and other renewable energy sources. SISPC is the developer and owner of the San Isidro Solar Power Project, a ground-mounted solar PV farm located in San Isidro, Leyte and covered under a SESC No. 2018-11-491 with the DOE. SISPC was acquired by GRHI on June 30, 2023. In October 2025, the construction of Phase 1 - 120MW of the San Isidro Solar Power Project has been completed and delivering power to the grid under testing and commissioning.

Casilagan Solar Power Corporation
CSPC was incorporated on May 9, 2023, and is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. CSPC is the developer and owner of the following ground-mounted solar PV farm projects: 1) San Antonio Solar Power Project located in San Antonio, Zambales and covered by SEOC No. 2023-12-789; 2) San Juan Solar Power Project located in Botolan, Zambales and covered by SEOC No. 2023-12-790; 3) Tuy Solar Power Project located in Tuy and Nasugbu, Batangas and covered by SEOC No. 2023-12-795; and 4) Libag Sur Solar Power Project located in Tuguegarao, Cagayan and covered by SEOC No. 2024-07-903. In addition, CSPC is also the developer and owner of Tuy Wind Power Project located in Tuy and Nasugbu, Batangas and covered by Wind Energy Service Contract (WESC) No. 2024-02-379. On November 28, 2024, January 20, 2025 and March 3, 2025, CSPC voluntarily surrendered to the DOE the San Antonio Solar Power Project, Tuy Solar Power Project and Tuy Wind Power Project, respectively. The DOE approved the surrender of these service contracts in 2025. As at December 31, 2025, the remaining solar power projects under CSPC are in the pre-development stage.

SanJuan Solar Power Corporation
SSPC was incorporated on July 26, 2023, and is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SSPC is in pre-operating stage.

Sta. Maria Solar Power Corporation
SMSPC was incorporated on July 26, 2023, and is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SMSPC is in pre-operating stage.

Tuy Solar and Wind Power Corp.
TSWPC was incorporated on September 13, 2023, and is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. TWSPC is in pre-operating stage.

San Antonio Solar Power Corp.
SASPC was incorporated on September 14, 2023, and is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. SASPC is in pre-operating stage.

Nazareno Solar Power Corp.
NSPC was incorporated on May 31, 2018. EPI acquired 60% ownership in NSPC from Manta Equities Inc. (Manta) in November 2024. On January 8, 2025, the SEC approved the change in NSPC's corporate name (formerly Manta Baguio Properties Corp.) and purpose of business.

On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan. As at December 31, 2025, the Nazareno Solar Power Project is in the development stage.

E. RECENT DEVELOPMENTS

Power

- On January 8, 2025, the SEC approved the change in corporate name of Manta Baguio Properties Corp. to NSPC, including its primary and secondary purpose of business.
- On February 10, 2025, the Parent Company completed the sale of its investment in CBNC for a total consideration of ₱1,855.0 million.
- CSPC voluntarily surrendered to the DOE the following: 1) SEOC No. 2023-12-789 for the San Antonio Solar Power Project on November 28, 2024; 2) SEOC No. 2023-12-795 for the Tuy Solar Power Project on January 20, 2025; and 3) WESC No. 2024-02-379 for the Tuy Wind Power Project on March 3, 2025.
- On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan.
- EER 2 voluntarily surrendered to the DOE the following: 1) SEOC No. 2024 04-851 for the Cabcaben Solar Power Project on May 8, 2025; and 2) SEOC No. 2024-05-866 for the Sinawal Solar Power Project on September 16, 2025.
- On June 4, 2025, the ERC issued the COC for JSI's 100MW Sta. Rita Solar Power Plant.
- On June 4, 2025, BGI requested the ERC to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project. The request was approved by the ERC on January 9, 2026.
- On October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 covering the MGP Project.
- In October 2025, SISPC began the testing and commissioning of Phase 1 - 120MW San Isidro Solar Power Project.
- Construction of NPPGC's 145MW Cawag Solar Power Project is still ongoing with target energization of Phase 1 - 70MW by second quarter of 2027.

Services

- In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

F. OUR STRATEGY

NAC's ESG Roadmap embraces the 3 pillars of the global effort to achieve sustainability and impacts everything that NAC does. Under the Environment pillar, NAC is committed to achieve carbon sink status, contribute positively to biodiversity and attain net positive water impact in its operations. For the Social pillar, NAC puts a premium on the good health and well-being of its employees, equal opportunity at all levels and across all backgrounds, and fostering sustainable communities. For the Governance pillar, it practices inclusive leadership and management, a strong organizational culture, and a robust and comprehensive risk management system.

Inspired by its ESG Roadmap, NAC's Vision is anchored on 3 focus areas: Results, Resources and Relationships. For Result (Profit), NAC aims to deliver on its promises to its shareholders through efficiency and effectiveness. For Resources (People and Product), NAC will manage its resource utilization while exploring to expand its business, relying on its people who always strive to be the best in their respective fields. For Relationships (Process and Planet), it will work seamlessly as a company as it maintains a healthy collaborative partnership with its stakeholders to protect its social license to operate.

G. KEY STRENGTHS

The Group believes in its key strengths, which are:

Established leading producer of lateritic nickel ore in the Philippines and worldwide

The Group is the largest nickel mining company in the Philippines. Most of the Group's saprolite ore is sold to Chinese customers, which use the material as feed for electric furnaces to produce high and middle grade NPI. The Group's limonite ore is sold mainly for use as feed for the Coral Bay and Taganito HPAL

hydrometallurgical nickel processing plants. The Group has substantial nickel reserves and resources which are complemented by its long history of mining lateritic nickel ore and of acquiring, developing and operating multi-mine facilities. The Group commenced its first mine, Rio Tuba, in 1977 and it has since expanded to 6 operating mines and several nickel development and exploration properties in the pipeline.

The Philippines is a resilient economy and supportive of mining and clean energy policies

The Philippine economy is one of the most dynamic economies in Southeast Asia. The country achieved an average gross domestic product (GDP) growth of 6.6% from 2012 to 2019, but saw disruption brought about by the unprecedented Corona Virus Disease (COVID-19) pandemic in 2020, resulting in a 9.5% GDP contraction that year. However, because of the country's strong economic fundamentals, the Philippine economy recovered to a 5.4% GDP growth rate for 2025 and registered a GDP growth rate of 7.6% for 2022, primarily due to the reopening of offices and establishments despite the Omicron variant-induced COVID-19 cases surge in January 2022. The government recently announced a specific target of sustaining an annual GDP growth rate of between 6.5% and 8.0% by 2028. According to the World Bank, key economic drivers of the Philippine economy include solid fundamentals, a competitive workforce, a stable job market, steady remittances and investment in construction and infrastructure. The Bangko Sentral ng Pilipinas has also recognized the risks posed by a weakening Philippine Peso on the country's inflation rate, both directly via imported inflation and via inflation expectation, especially in the food and energy sectors.

The Philippines has been recovering from its initial impact. In 2021, the country's economic recovery was boosted by the government's policy reforms led by the Bayanihan to Heal as One Act (Republic Act (RA) No. 11469), Bayanihan to Recover as One Act (RA No. 11494), and other expansionary fiscal programs.

Particularly with respect to mining, the government has also signaled its interest in laying down supportive policies that would enable the private sector to maintain long-term stable investment.

In addition, the government issued its Philippine Energy Plan (2020-2040) which reaffirms the country's commitment to renewable energy and illustrates the growth potential within the sector. Under the government's "Clean Energy Scenario", the country's total renewable energy installed capacity is expected to increase to 81.5 gigawatts (GW) by 2040, of which solar energy is expected to contribute 46.1 GW, while wind energy is forecasted to contribute up to 11.8 GW.

While the Renewable Energy Act of 2008 served as an anchor as the Philippines' transition to clean energy, in 2020 the government issued and communicated several policies that accelerated the Philippines' pivot to clean energy such as a coal moratorium, a green energy tariff and auction program, the green energy option and the start of compliance with renewable portfolio standards, which targets to increase the contribution of renewable energy generation to total energy generation in the Philippines to 35% by the end of 2030 from 2.01% as of year-end 2020. These policies aid renewable energy developers and generators in mitigating market exposure and risks related to renewable projects.

Profitable and stable mining business, underpinned by strategic project selection, operational efficiency and competitive cost structure

The Group has maintained a stable nickel ore output of 16 to 18 million wet metric tonnes (WMT) per annum over the last 3 years. To continuously augment its reserves in the medium term, the Group's Dinapigue mine entered the production stage in 2022 and its Manicani and South Upper Guintalunan mines in 2024. The foregoing, combined with low-cost surface mining methods, operational efficiencies and substantial resources and reserves, has led to stable revenue generation and a deep economic moat for the Group's mining business.

Well-positioned to capitalize on structurally favorable supply/demand dynamics underpinning the nickel market

The Group's mining operations produce lateritic nickel ore (further categorized into saprolite and limonite ore) which are mainly exported to Japan for processing into ferronickel and to China and Indonesia for processing into NPI. As of December 31, 2025, the Group is the largest producer of lateritic nickel ore in the Philippines and one of the largest in the world.

In addition to exporting lateritic nickel ore, the Group participates in the global supply chain for EV battery components. RTN and TMC supply low grade limonite ore to the Philippines' only nickel processing plants, Coral Bay HPAL facility and the Taganito HPAL facility which are owned by CBNC and THNC, respectively, and whose customers include electronics conglomerate Panasonic, a main supplier of EV batteries to Tesla. Both the Coral Bay HPAL facility and the Taganito HPAL facility are hydrometallurgical processing plants with capacity to produce nickel and cobalt, materials used in solar cells, super capacitors, and electrode materials.

Sustainability is in the Group's DNA

ESG has been embedded in the Group's corporate culture since its founding 50 years ago. The Group takes pride that long before the term ESG was coined, the Group was already practicing many of the values that are now fundamental in the global march towards Sustainability - from environmental stewardship to professional labor relations and corporate governance practices that meet and exceed the requirements of applicable law. The Group operates according to its Sustainability Roadmap to drive significant and meaningful impact for its stakeholders. Its Sustainability Roadmap is focused on the 5 pillars of Good Governance, Employee Welfare, Safe Workplace, Environmental Protection, and Community Empowerment, which is aligned with the United Nations Sustainable Development Goals (UN SDG).

After the adoption in November 2021 of its new corporate Vision, which is to contribute to sustainable national development by adopting a Sustainability Roadmap to achieve the highest standards in the responsible utilization of the Philippines' natural resources, the Group's senior management jointly mapped out commitments for the year 2025 under each of the 3 pillars of ESG. It began to establish baselines for these commitments, with the aim of presenting to the Board of Directors (BOD or Board) a clear picture of where the whole organization is and what investments need to be made to achieve the Vision. The Group also intends to pursue a renewable energy portfolio in line with its goals of becoming the premier ESG investment in the Philippines and to be among the Top 25 PSE-listed companies in terms of market capitalization.

The Group's operating mines have consistently merited the necessary International Organization for Standardization (ISO) certifications as required under Philippine law. It also complies with the Towards Sustainable Mining standards of the Chamber of Mines of the Philippines, adapted from the standards of the Canadian mining association. Its 4 older operating mines (Rio Tuba, Taganito, Cagdianao and Hinatuan) have won multiple times at the Presidential Mineral Industry Environment Awards, the highest award given by the Philippine government annually in recognition of best practices in the mining industry. These awards were established under a Presidential Executive Order (EO) issued in 1997, pursuant to which all mines and exploration companies must undergo an evaluation process by a selection committee headed by the Secretary of the DENR.

The Group's labor relations are not only compliant with Philippine labor laws but have received official recognition from the Department of Labor and Employment (DOLE) many times as examples of best practices.

The Group's approach to Sustainability. Under the first pillar, Environment, the Group is committed to be part of the global effort to achieve sustainability through achieving net zero carbon, a net positive biodiversity impact and a net positive water impact.

Under the Social pillar, the Group is committed to ensuring the good health and well-being of its employees, to providing equal opportunity at all levels and across all backgrounds, and to establishing sustainable communities after mine conversion. Mine conversion itself is a NAC-inspired progression from the mine closure concept of post-mining rehabilitation and the turn-over of a mined-out area back to the government. Under mine conversion, the Group explores new options of land use, thereby helping mining area communities transition to new sources of sustainable livelihood.

Finally, under the Governance pillar, the Group has chosen to commit to inclusive leadership and management, to establish a strong organizational culture and to institute a robust and comprehensive risk management system.

Aligned with the UN SDGs. The Group's environment, social, and governance initiatives work in consonance with its overall objective to support the UN SDGs. Focused on the 3 ESG pillars to drive significant and meaningful impact for its stakeholders, NAC's Sustainability Roadmap effectively aligns its various efforts towards the world's shared goal of enabling long-term positive change.

- *Environmental Stewardship*
  As stewards of the environment in areas where they operate, NAC operating mining companies recognize the responsibility to create value for the shareholders while minimizing the ecological footprint of their operations.

  The Environment Pillar helps contribute to achieving UN SDGs 6, 7, 11, 12, 13, 14, and 15.

- *Creating Shared Value*
  The Company recognizes that its employees are its chief resource and thus strives to ensure a work culture that values their health, safety, and professional growth. Being conscious of its role in creating a positive impact in the communities where it operates, the Company ensures social development as part of its mandate to create resilient and self sustaining communities.

  The Social Pillar contributes to the achievement of UN SDGs 3, 4, 5, 8, 9, 10, 11, and 12.

- *Good Governance*
  The Corporate Governance Manual and the Code of Business Conduct and Ethics are the foundation of the governance principles, structures and process of the NAC Group. The Corporate Governance Manual institutionalizes the principles of good corporate governance across the organization by setting a clear framework of rules, systems and process that govern the Board and Management in their duties and responsibilities to shareholders and other stakeholders. The Code is designed to ensure consistency in how employees conduct themselves, both within and outside the organization. The NAC Group publicly discloses confirmed breaches of the Code, including cases of corruption and discrimination.

  To maintain alignment with regulatory requirements and international standards, the BOD with Company officers and, when necessary, consultants, periodically reviews the mission, vision, core values and governance policies.

  The Governance Pillar contributes to achieving UN SDGs 5, 9, 11 and 16.

Relations with communities and regulators are top of mind

The Group works with the mining industry, its host and nearby communities, and government agencies and regulators, toward building resilient and sustainable communities. Over the years, the Group spent on Social Development and Management Program (SDMP) and Corporate Social Responsibility (CSR) programs spanning across indigenous people's rights, education, livelihood, and health, among others.

The Group keeps open the lines of communication with the regulators as this is critical in maintaining a business-friendly environment. The Group has a dedicated team formed by its officers responsible for liaising with key regulatory agencies on a regular basis. One benefit of this regular engagement is that any potential issues are flagged and addressed early, which is important in risk management for any operation, especially in the natural resource development sphere.

As a point of principle, the Group respects and follows all pertinent rules and requirements for responsible mining operations, making sure it is resolutely environmentally compliant. The Group regularly reports its activities through disclosures to the PSE and the Philippine SEC through its Annual and Integrated Reports, and it adheres to the policies and laws prescribed by the DENR and the attached agencies. The Group has a dedicated team that constantly monitors compliance with environmental laws and regulations, and over the years, it has gained the reputation of being the beacon for responsible and sustainable mining in the Philippines.

Growing renewable energy business provides opportunity to diversify revenue streams and capture substantive investment opportunity in Philippines renewable energy market

The Group, through its subsidiary EPI, is an early mover in utility-scale solar in the Philippines. Leveraging on EPI's solid track record in project development, investment, execution, and management in heavily regulated and socially impactful industries in the Philippines, the Group believes it is well-positioned to tackle a large and profitable renewable energy market.

The dual growth strategy in mining and clean energy supports the Group's twin goals to grow its income and diversify the Group's operations. Further, the pivot to renewable energy is an essential element of the Group's ESG strategy and is complementary to the government's goals of achieving energy self-sufficiency and reducing greenhouse gases (GHG) emissions.

Long-standing strategic relationships with key industry players, underpinned by time-tested supply agreements and customer contracts

The Group has cultivated long-term strategic relationships with key industry players in Japan, China and now in Indonesia, with a large proportion of its sales volumes covered by sales agreements and/or long-term contracts. In 2025, the total ore exports to China are approximately 39% and 20% to Indonesia and other customers, with the remaining 41% being domestic sales to HPAL facilities. Two of its key shareholders, SMM and PAMCO, are also its customers.

The Group began selling nickel ore to the China market in 2005 through several trading companies. It has subsequently rationalized its selling efforts, concentrating on developing strong and mutually beneficial relationships with 3 key Chinese sales agents, namely Ningbo Lygend Wisdom Co. Ltd., Union Wave Holding Pte. Ltd. and Big Wave Resources Co., Limited. With a wide network of customers, these sales agents distribute the Group's nickel ore to the largest NPI companies in China. The Group believes that its Chinese customers particularly value it as a credible supplier because of its reliability and expertise, backed by considerable years of continuous operations that enables it to continuously meet their ore grade requirements in a timely manner. Over the years, the Group has been able to maintain a good reputation with its customers regardless of the sales agents it uses.

TBEA International Engineering Co., Ltd. (TBEA), an international service provider of system solutions for the global energy industry, is a 10% shareholder in EPI's solar energy subsidiary, JSI. TBEA is part of one of the largest and most successful fully integrated power conglomerates in China that manufacture and install power and transmission assets and invest in and operate power plants. TBEA is also one of the top 3 suppliers of silica to tier 1 solar panel manufacturers in China. Under turnkey Engineering, Procurement, and Construction (EPC) contracts, TBEA managed 2 recent builds for JSI in the SBFZ.

Strong balance sheet and prudent financial management support future growth expansion

The Group has built up a strong balance sheet and a disciplined capital expenditure program with access to various funding sources. Its current primary sources of funding include retained earnings and bank loans. Its total debt, including short-term debts, long-term debts, fixed payment obligations such as lease liabilities and pension payments, to total assets has remained low over the last 3 years.

The Group implements prudent financial policies and a sound internal control system covering capital management, investment management, risk management and debt management systems, each of which can be further illustrated from the following aspects:

- For capital management, it has sufficient cash flow and liquidity and adopted a centralized capital management system to coordinate its overall financing needs and to prudently optimize financing costs. It also boosted capital utilization efficiency;
- For investment management, it has established a set of internal standards in terms of investment review and management procedures. In deciding on an investment project, it considers its investment return, resource acquisition, consolidation and coordination with current businesses, ESG considerations and risk control;
- For risk management, it puts in place a sound risk management and internal control system and a prudent decision-making mechanism for matters with significant risks; and
- For debt management, it has a healthy level of indebtedness alongside business expansion.

Reputable and experienced board and management team

Given the Group's long operating history, it has developed a Board and management team with many years of experience in every aspect of its operations, including experienced mining engineers, geologists and key mechanics who have been exposed to other types of mining operations, such as complex gold and copper operations.

H. PERCENTAGES OF REVENUES FOR 3 YEARS

The following table summarizes percentages of the Group's revenues from sale of ore by year and region for the past three fiscal years:

	Philippines (CBNC and THNC)			China			Indonesia and Others			Total		
Year	A	B	Total	A	B	Total	A	B	Total	A	B	Total
2025	-	17%	17%	50%	4%	54%	28%	1%	29%	78%	22%	100%
2024	-	23%	23%	41%	9%	50%	27%	-	27%	68%	32%	100%
2023	-	29%	29%	63%	6%	69%	2%	-	2%	65%	35%	100%

A - Saprolite
B - Limonite

I. SOURCES OF RAW MATERIALS AND SUPPLIES

The main supplies that the Group requires to operate its business include diesel fuel, tires and spare parts for its mining equipment. The Group buys diesel and aviation fuel and lubricants from Petron Corporation (Petron), Phoenix Petroleum Philippines, Inc. (Phoenix) and /or Shell Pilipinas Corporation (Shell Pilipinas) and heavy mining equipment, such as trucks and excavators, from 4 manufacturers, namely, Volvo, Komatsu, Sinotruck and Caterpillar, through their Philippine distributors Civic Merchandising Inc., Maxima Machineries Inc, Howotruck (Phils.) Corp and Monark Equipment Corp, respectively. In addition, the Group leases LCTs for use at its mine sites during the shipping season. The Group believes that there are a number of alternative suppliers for all of its requirements.

The Group's existing supply contract with Petron, Phoenix and/or Shell Pilipinas provides that they will supply the entire actual requirement of the operating companies of the group for diesel and lubricants of the highest quality and based on the typical properties agreed in the contract.

NAC's subsidiaries, JSI and SISPC, harnesses the sun for its solar energy power generation. For its operations and maintenance, JSI buys spare parts from local and imported manufacturers and buys fuel from a gas station inside SBFZ or near the power plant for its vehicles and standby genset. For its power projects, TBEA Subic Inc., TBEA, Xinte Energy Co., Ltd. and JAMJLE Properties (Subic) and Development Corp. are their main contractors.

J. GOVERNMENT REGULATIONS AND APPROVALS

In the Group's mining operations, it is guided by clear and stringent parameters set forth by the country's national and local laws accordingly implemented by national, regional, and local agencies, namely: the DENR, the MGB, the Environment Management Bureau (EMB), the Protected Areas and Wildlife Bureau, and the Local Government Units (LGUs).

The more significant regulations affecting our operations include the following:

<u>RA No. 7942 (Philippine Mining Act of 1995)</u>

- Section 57 - requires the mining contractor to assist in the development of its mining community, promote the general welfare of the community's inhabitants, and the development of science and mining technology; Section 136 of the Implementing Rules and Regulations of RA No. 7942 requires mining contractors to prepare and implement a 5-year SDMP in consultation and in partnership with the mining contractor's host and neighboring communities

- Section 63 - requires strict compliance with all mines safety rules and regulations that may be promulgated by the DENR Secretary concerning the safe and sanitary upkeep of mining operations and achievement of waste-free and efficient mine development
- Section 69 - requires an annual Environmental Protection and Enhancement Program (EPEP) for the rehabilitation, regeneration, revegetation, and reforestation of mineralized areas, slope stabilization of mined-out areas, aquaculture, watershed development and water conservation, and socioeconomic development
- Section 71 - requires mine rehabilitation for mined-out areas to the condition of environmental safety, and the creation of a Mine Rehabilitation Fund

Consolidated DENR Administrative Order (CDAO) 2010-21 (CDAO for Implementing Rules and Regulation of RA No. 7942)

- Section 171 - requires an Annual EPEP (based on the approved EPEP)
- Section 173 - requires the organization of a Mine Environmental Protection and Enhancement Officer to be incorporated into the organization structure
- Section 185 - deputizes the Multipartite Monitoring Team to serve as monitoring arm, with the team composed of representatives from DENR Regional Office, Department Regional Office, EMB Regional Office, Contractor/Permit Holder, affected community/ies, affected Indigenous Cultural Community/ies and environmental non-governmental organization (NGO)
- Section 187 - requires a Final Mine Rehabilitation/Decommissioning Plan, including financial requirements up to post-decommissioning

EO No. 26 (National Greening Program) - mandatory reforestation activities outside of mining contract/permit/lease/tenement areas

RA 9003 (Ecological Solid Waste Management Program) - requires waste segregation, promotes recycling, and sets guidelines for Materials Recovery Facility

RA 6969 and DAO 2013-22 - guidelines on proper handling and monitoring of toxic and hazardous waste material

RA 8749 (Philippine Clean Air Act of 1999) - framework for air quality management program

RA 9275 (Philippine Clean Water Act of 2004) - framework for comprehensive water quality management

RA 9371 (Indigenous Peoples' Rights Act) - recognition, protection, and promotion of the rights of the Indigenous Cultural Communities (ICC)/Indigenous Peoples (IP)

RA 9729 (Climate Change Act of 2009) - comprehensive framework for systematically integrating the concept of climate change, in synergy with disaster risk reduction, in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques

DAO 2004-52 - Tree cutting permit

DAO 2015-07 - mandating Mining Contractors to Secure ISO 14001 Certification
Pursuant to the Administrative Order, NAC's operating subsidiaries, TMC, RTN, CMC, and HMC, underwent a yearlong process to identify all environmental impacts, address such impacts, document an Environmental Management Systems (EMS) that comply with the standards, and cascade down the EMS to all employees for their full appreciation and compliance. Following 2 audits conducted by the certifying body, TÜV Rheinland, the 5 operating subsidiaries received their ISO 14001 Certification.

DAO 2016-1 - prescribing for an audit of metallic mining companies by the DENR
All of the Group's mining companies also abide by commitments stipulated in their Environmental Compliance Certificate (ECC) and specified in their approved Contractor's Plan of Mining Operation.

DAO 2018-20 - prescribes Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines, provides for the limits of maximum disturbed areas for nickel mines depending on the scale of their mining operations. For mines which produce 9 million WMT per year, the maximum disturbed area shall be 100 hectares. For nickel mining projects with a processing plant or with long-term supply agreements for a processing plant, the maximum disturbed area for extraction shall be 162 hectares or 2 meridional blocks. This DAO requires that temporary revegetation be immediately implemented in the disturbed areas. The Group is compliant with the maximum limits prescribed in this DAO.

Presidential Decree (PD) 1586 - establishing an Environmental Impact Statement (EIS) System including other environmental management related measures and for other purposes

DAO 2003-30 - prescribes guidelines for Implementing Rules and Regulations for the Philippine EIS System consistent with the principles of sustainable development, it is the policy of the DENR to implement a systems-oriented and integrated approach to the EIS system to ensure rational balance between socio-economic development and environmental protection for the benefit of present and future generations.

Electric Power Industry Reform Act (EPIRA)

This EPIRA of 2001 brought about the "Unbundling of the System". Whereas previously, all aspects of the power industry were owned by the Philippine government under the National Power Corporation (NPC), the EPIRA brought about privatization of the generation, transmission, and distribution of electricity. NPC's mandate was significantly reduced to provide electricity to more difficult to reach and off-grid areas of the country.

- The EPIRA sought to bring about:
  - Competitive Generation
  - Regulated Transmission and Distribution
  - Competitive Retail Electricity Providers
- The EPIRA established the WESM, unbundled the electricity tariff for greater transparency, and seeks to provide open access to transmission and distribution lines for all industry players.
- The EPIRA created the ERC as a purely independent regulatory body performing the combined quasi-judicial, quasi-legislative and administrative functions in the power industry. ERC is tasked to promote competition, encourage market development, ensure customer choice and penalize abuse of market power in the power industry. In addition to its traditional rate and service regulation functions, ERC focuses on consumer education and protection, and promotion of competitive operations in the power market.

Renewable Energy Law

The Renewable Energy Act of 2008 encompasses policies that relate to renewable energy and legislative instruments that further encourage its growth - i.e. economic incentives.

- Section 13 states the government share in all renewable energy revenues: 1.5% for geothermal energy and 1% for the rest.
- Section 15 outlines the general incentives: Income Tax Holiday (7 years), Duty-free importation, Special Realty Tax Rates (1.5%), Corporate Tax Rate (10%), Accelerated Depreciation, 0% Value Added Tax (VAT) Rate, Additional Cash Incentive for Off-grid Generation Facilities, etc.

Pending Approval

CEXCI

CEXCI's application for Exploration Permit (EXPA) of the Mankayan area denominated as EXPA-116-CAR, which lies within the Municipalities of Mankayan and Bakun, was converted from the Application for Financial or Technical Assistance Agreement (AFTA)-008 property. The Consensus Building and Decision Meeting has been postponed and CEXCI has deferred the Free, Prior, and Informed Consent (FPIC) process and will resume after the completion of the FPIC of the other applicants. In the Bakun Ancestral Domain (AD), continuous engagements are being made in relation to the MOA negotiation.

The Cervantes property known as EXPA-116-I is also undergoing the FPIC process. Pre-MOA activities have been conducted, and steps are being taken to start the MOA negotiations.

The Aluling EXPA was officially converted from AFTA-008 in April 2022 and denominated as EXPA-123-I. It is currently put on hold until after the resumption of the MOA negotiations in Cervantes. The remaining areas of AFTA-008 were also withdrawn after the conversion.

JSI
On May 11, 2022, the NCIP has approved JSI's request to amend the MOA to incorporate the additional powerplant capacity in view of the new 100MW SEOC awarded by the DOE under certain conditions. On February 5, 2024, the supplemental MOA was executed and signed by JSI and Tribong Ayta Ambala ng Pastolan Indigenous. For other areas where other IPs has claims, JSI is still waiting for the NCIP decision as at December 31, 2025.

K. COMPETITION

The Group's mining business competes with both domestic Philippine nickel ore suppliers and foreign nickel ore suppliers (primarily from Indonesia) in world nickel ore markets. Domestic competitors include Carrascal Nickel Corporation, CTP Construction & Mining, PGMC, Global Ferronickel Holdings, Inc. and DMCI Mining Corporation while foreign competitors mainly include PT Aneka Tambang and PT Vale Indonesia Tbk.

On the power business, the implementation of the EPIRA has paved the way for a more independent and market-driven Philippine power industry. This has allowed for competition, not limited by location, and driven by market forces. The sale of power and the dispatch of power plants depend on the ability to offer competitively priced power supply to the market. However, as a registered renewable energy generating unit with intermittent renewable energy resources, JSI's solar power plant is considered "must dispatch" based on available energy and enjoys the benefit of priority dispatch to the grid and the WESM. The Group's power projects which are still either in the exploration or development stage will face competition in the development of new power generation facilities as well as in the financing for these activities.

L. NICKEL ORE TRADE AND OUTLOOK

Nickel Ore Trade
Nickel ore produced domestically is primarily exported to China, Indonesia, and Japan. In 2025, primary nickel consumption in China was estimated at 2.2 million tonnes, accounting for approximately 63% of global nickel demand. Indonesia and Japan represented an estimated 11% and 4% of global consumption, respectively.

China's nickel production in 2025 was estimated at 1.1 million tonnes, including approximately 0.3 million tonnes derived from NPI. Based on the Company's research, nickel ore exports from the Philippines to China were estimated at 33.6 million WMT in 2025, compared with 36.4 million WMT in 2024.

Demand for Philippine nickel ore in China increased during the period, while nickel prices remained resilient, supported in part by Indonesia's continued purchases of Philippine nickel ore.

Outlook for Nickel
Global nickel supply in 2025 was estimated at 3.8 million tonnes, while total consumption reached approximately 3.5 million tonnes, resulting in a surplus of 0.3 million tonnes. This surplus was largely attributable to oversupply in the stainless-steel sector, primarily driven by Indonesia.

Approximately 66% of global nickel supply is consumed in stainless-steel production, making it the principal driver of nickel demand. Growth in stainless-steel output continues to shape the overall outlook for nickel, while increasing usage in EV batteries playing a secondary but growing role. Global stainless-steel production in 2025 was estimated at 65.4 million tonnes, up 2% from the previous year, while China produced approximately 23.3 million tonnes, representing an increase of about 2%.

Nickel demand from the EV sector is expected to double by 2035.

M. EXPLORATION AND DEVELOPMENT

Nickel

The Group covers a wide area of exploration properties and an exploration program encompassing:

1. Brownfield exploration - consisting of work at its existing operations to extend resources and to upgrade resources to reserves; and
2. Greenfield exploration - which involves exploring and delineating nickel lateritic deposits in areas with no prior mineral resource definition, within the Group's tenements.

The Group operates more than 100 drilling units specifically designed for near-surface laterite drilling, enabling efficient and cost-effective execution of exploration programs. These activities are supported by a pool of experienced geologists and on-site laboratories at each mine for sample preparation and analysis, as required.

Summary of Exploration and Development Properties

a. Upper Guintalunan (South, Central, and North)

Total Area: 3,604 hectares
Location: Palawan Island
Ownership: RTN

Mining operations are ongoing in the South Upper Guintalunan area, with certain peripheral zones still undergoing development drilling to support mine planning and resource confidence. Exploration and confirmatory drilling activities are planned for the Central and North Upper Guintalunan areas in the coming years, in accordance with the Group's approved 3-Year Work Program submitted to the MGB.

b. South Upper Guintalunan

In 2025, RTN's drilling program focused on the development of areas adjacent to ongoing mining operations. A total of 923 drill holes were completed, corresponding to 10,836.71 meters of drilled meterage.

Based on the results of the drilling program and subsequent updates to the mineral resource models, an estimated 4.7 million WMT of saprolite resources were upgraded to the Indicated and Measured resource categories.

c. Resource Extension and Brownfield Drilling Activities (TMC)

As of December 31, 2025, a total of 110 drill holes were completed, with an average depth of 10.08 meters and a cumulative drilled meterage of 1,109 meters. Drilling was conducted in areas adjacent to and outside the existing resource boundaries, covering approximately 31.03 hectares, to evaluate the potential for extensions of known mineralization.

Results indicate that the limonite zone has an average thickness of 2.23 meters, with average grades of 1.09% Ni and 48.18% Fe, while the saprolite zone averages 2.13 meters in thickness, with grades of 1.40% Ni and 15.19% Fe.

Gold and Copper

Cordillera Exploration Company, Inc.

CEXCI has been active in the mineral exploration sector since its acquisition by NAC in November 2010. Over the years, CEXCI has expanded its exploration portfolio by acquiring new projects. CEXCI's activities are focused within the provinces of Benguet, Ilocos Sur, Zambales, and Isabela, where the company holds several EPs and EXPAs.

In 2025, CEXCI continues to evaluate copper–gold mineralization at its Cordon Project, where a total of 34 drillholes with an aggregate meterage of 10,800.30 meters have been completed to date. The project has undergone extensive geophysical coverage, including 1,096.49 line-kilometers of radiometric surveys, 524.88 line-kilometers of magnetic surveys across both the northern and southern portions of the tenement, and an IP survey covering approximately 420 hectares over the QGVM prospect. Exploration results indicate the presence of epithermal vein-type and porphyry copper–gold style mineralization.

In North Luzon, CEXCI sustained ongoing engagement with indigenous communities within the Mankayan, Bakun, and Cervantes project areas, reinforcing its commitment to responsible exploration and stakeholder collaboration. At the Zambales Project, withdrawal of the project has been issued.

Zambales
CEXCI acquired Newminco in December 2015. The project is located within the municipalities of Cabangan, San Felipe, and San Marcelino. Exploration activities commenced in 2016 and initially focused on geological mapping and surface investigations. These programs identified several prospective areas, including the Malabeg prospect, which was subsequently tested through diamond core drilling. A total of 3,800 meters of drilling confirmed the presence of gold mineralization at Malabeg; however, further evaluation indicated that the mineralization was not economically viable under prevailing conditions. Environmental rehabilitation activities were implemented and successfully completed in all drilled areas. In 2017, a soil sampling program covering the entire project area was undertaken to delineate additional exploration targets.

The project's initial EP expired in July 2017 and was renewed in September 2020. By mid-2021, more detailed sampling and geological studies had substantially refined the exploration model. In 2022, a drone-based magnetic survey was completed over the Takipan–Malabeg–Mabibituin Corridor, identifying potential intrusive bodies considered prospective for further exploration.

By 2023, results from geological mapping and soil sampling indicated the potential presence of gold and copper mineralization, particularly in the Dingin area. In 2024, a drone survey over the Southern Dingin area was initiated; however, completion was delayed due to typhoon-related disruptions and the program was extended through March 2025. Documentation for EP renewal was submitted during the year. On December 16, 2025, the Zambales Project was formally withdrawn and transitioned into a care and maintenance phase. Throughout the reporting period, CEXCI remained committed to responsible environmental management and community development initiatives.

Isabela and Nueva Vizcaya
The Cordon Project, situated in Isabela and Nueva Vizcaya, was acquired in April 2019 through a Deed of Assignment with Royalty Agreement. Initially designated as APSA-000021-II, the property encompassed 6,325 hectares and exhibited porphyry copper outcrops and a historical gold deposit mined during the 1970s and 1980s. Recognizing the significant mineralization potential, CEXCI initiated the conversion of the APSA into an EXPA in July 2019. This application was subsequently approved in December 2022 and registered as EP-000026-11 in January 2023, encompassing a revised area of 5,544 hectares.

Early exploration activities at the Cordon Project focused on geological and surface studies, which successfully identified areas for mineralization. By 2023, a comprehensive geophysical survey was implemented to further refine the geological understanding of the project's area. The 2024 scout drilling program strategically integrated various data to generate drill targets within the Marian tenement. In 2025, CEXCI is advancing exploration at its Cordon Project, completing 34 drillholes totaling 10,800.3 meter and extensive geophysical surveys (radiometric, magnetic, and IP).

EXPA 116 - CAR Mankayan
The Mankayan Project, carved out of the original Financial or Technical Assistance Agreement (application AFTA-008, is in the Province of Benguet. The project was converted into an EXPA designated as EXPA-116-CAR, covering approximately 2,419 hectares. Following its conversion, the project underwent the mandatory Field-Based Investigation (FBI) conducted by the NCIP as part of the FPIC process.

Progress of the FPIC process experienced delays due to local elections and disruptions caused by the COVID-19 pandemic. These factors culminated in the issuance of a Resolution of Non-Consent by the Mankayan AD in 2022. In response, CEXCI filed a Motion for Reconsideration and continued to engage with local communities to promote dialogue and build broader understanding of the project.

In 2025, CEXCI's activities at the Mankayan Project were centered on sustained community engagement in preparation for the potential resumption of the FPIC process. The Company remains committed to building constructive, collaborative relationships with stakeholders and to advancing outcomes that support long-term, mutually beneficial development for the ancestral domain and its communities.

EP-010-2022 - Bakun
The Bakun Project, which was carved out of AFTA-008, achieved a significant milestone in March 2022 with the successful completion of the FPIC process, leading to the commencement of MOA negotiations with the Bakun AD following a series of community assemblies. Subsequent MOA negotiations experienced temporary delays due to unresolved FPIC-related concerns. Notwithstanding these challenges, CEXCI continued to engage constructively with the local community and relevant regulatory agencies to address outstanding issues. The project has been granted a conditional EP, designated as EP-010-2022-CAR, by the MGB.

In 2025, CEXCI, in collaboration with NAC, facilitate dialogues with stakeholders to assist in the resumption of the MOA discussion. Throughout the year, CEXCI continued engagements that are intended to promote constructive collaboration and support the long-term development of the project and surrounding communities.

EXPA 116-I - Cervantes
The Cervantes Project, covering approximately 6,012 hectares in Ilocos Sur, was initially part of AFTA-008 and was subsequently converted into an EXPA. Early project activities focused on community engagement with ICCs through the FPIC process. Prior to the commencement of community consultations, the NCIP conducted an FBI.

In March 2017, 6 of the 9 barangays within the project area voted in favor of the proposed exploration program. Progress thereafter was affected by written protests and petitions submitted by certain community members. Throughout this period, CEXCI continued to engage with all relevant stakeholders, including securing consent from agrarian reform beneficiaries. Project activities continued during the COVID-19 pandemic, albeit at a reduced scale. The FPIC process resumed in May 2022.

Despite challenges encountered during the process, including the withdrawal of support from certain Indigenous Peoples Mandatory Representatives, CEXCI maintained its engagement with the community and continued to support various local initiatives. The NCIP subsequently undertook additional validation activities to document and assess prevailing community positions regarding the proposed exploration project.

CEXCI has consistently maintained open and constructive engagement with local stakeholders, and remains committed to supporting community development initiatives, fostering constructive partnerships, and maintaining a positive presence in the project area. These efforts are expected to support the eventual resumption of MOA negotiations and the issuance of a CP, a prerequisite for the grant of an EP by the MGB.

EXPA-123-I Aluling
The remaining portion of AFTA-008, covering approximately 3,869 hectares in the Municipality of Cervantes, Province of Ilocos Sur, was officially relinquished in April 2022. The other remaining area, comprising approximately 2,835 hectares in Barangay Aluling, was converted into an EXPA and designated as EXPA-123-I. CEXCI has yet to request for the endorsement of the EXPA to the NCIP for the CP application as it is waiting for the MOA negotiations to be concluded first in EXPA-116-I (Cervantes EXPA).

N. ENVIRONMENT AND REHABILITATION

Environmental Responsibility

The Group adheres to the principles and practices of sustainable development. The Group is committed to complying with and following environmental regulations by implementing best practices in managing environmental impacts of its operations. Mining is a temporary land use and once mining operations in its sites have ended, the Group plans to restore these properties to at least as close as possible to their pre-mining condition or to develop alternative productive land uses for the benefit of the surrounding communities. It is also committed to investing in programs and technologies to mitigate the anticipated impacts of mining activities. To manage environmental impacts, the Group's subsidiaries have an EPEP. This refers to the comprehensive and strategic environmental management plan for the life of mining projects to achieve the environmental management objectives, criteria and commitments including protection and rehabilitation of the affected environment.

It is the operational link between the environmental protection and enhancement commitments under CDAO 2010-21, consolidated implementing rules and regulations of RA No. 7942, as well as those stipulated in the ECC under PD 1586 and the contractor's plan of mining operation.

Activities undertaken through the Annual EPEP include, among others:

- Rehabilitation of mine disturbed areas
- Reforestation
- Construction and/or maintenance of environmental facilities
- Solid waste management
- Hazardous waste management
- Air quality monitoring and water quality monitoring
- Preservation of downstream water quality

The Group also complies with the ECC conditions and the performance of commitments through the Annual EPEP. This program is monitored and evaluated by the Multipartite Monitoring Team - a multi-sector group headed by a representative from the Regional MGB and representatives of LGUs, other government agencies, NGOs, people's organizations, the church sector and the Group. In 2025, the Group spent approximately ₱467.1 million on its EPEP.

Rehabilitation

In line with its commitment to maintain a sustainable environment in its areas of operation and to abide by the Philippine Mining Act of 1995, the Group regularly conducts onsite environmental assessments to ensure that all its subsidiaries are strictly implementing progressive rehabilitation within standards set by regulatory agencies.

The process begins with re-contouring, backfilling, and leveling the land. After this, the area is covered with topsoil and other soil amelioration strategies to provide fertile ground for planting.

The Group follows the "Sequential Planting Method", wherein fast-growing species are first planted, then provided with a vegetative cover within 12 to 18 months to enable the planting of other species. Another successful method used is by utilizing large planting materials which resulted in more than 90% survival and high growth rate.

Creating a biodiversity area with varied species of vegetation including native fruit bearings trees will eventually be a source of food for a variety of wildlife species that will aid in rehabilitating mine affected areas by way of succession and regeneration. The rehabilitation effort is managed by the Group's expert foresters with the help from IPs from the locality, and the Group has successfully demonstrated that a totally mined out area can be significantly re-vegetated in just 12 to 18 months.

The result is a sustainably managed forest far better than the stunted vegetation before, because of the mineralized nature of the soil.

As a means of restoring the disturbed areas from mining operations, the Group requires each mine site to create a decommissioning/closure plan. The closure plan includes the process in which mined-out areas will be rehabilitated and monitored, until the rehabilitation criteria set by MGB are successfully satisfied. The program for final rehabilitation and decommissioning includes social package which includes livelihood components for the host communities and the affected employees of our companies. The 6 operating subsidiaries have already developed their respective plans for review and approval of the MGB.

Mine Rehabilitation, a requirement under the Philippine Mining Act of 1995, is part of sustainable development. It forms part of the best practices of the Company's subsidiaries. Following the "Sequential Planting Method" used by the Group, fast growing species or Pioneer Species such as Batino, Acacia mangium, Acacia auriculiformis and others - all grown and nurtured in the Group's nurseries - are planted first. These species provide vegetative cover within 3 years to enable the planting of "Climax Species" like Apitong, Ipil, Narra, Almaciga, Agoho, Kamagong and others which need tree shade to grow. They form the core of the new forest stands. Native fruit-bearing trees are also planted to provide a source of food for wild animals that will eventually populate the forest. To ensure the survival of all these trees, the Company's subsidiaries manage the rehabilitation program through their forestry teams. Composed mostly of indigenous people from the surrounding areas, each forestry team conducts a maintenance program that includes watering the trees during summer, ring weeding cultivation around seedlings, application of compost and other related activities. The work of the forestry teams has resulted in a survival rate of 85%-95% for the trees. As of December 31, 2025, the Group recognized a provision for mine rehabilitation and decommissioning of ₱944.5 million. Funds for mine rehabilitation and other environmental guarantee funds are established and deposited in trust funds, as required by the Philippine Mining Act. The Group has ₱1,000.2 million maintained in such trust funds as of December 31, 2025. This amount complies with the minimum requirement under the law.

In 2025 and 2024, the Group planted seedlings of about 3,204,079 and 296,890, respectively.

O. SOCIAL RESPONSIBILITY

Mining

The Group endeavors to be a valuable partner for economic and social progress. As a corporate citizen, it recognizes the great privilege of sharing the opportunities and the responsibilities afforded by doing business in the country. The principles of sustainable development clearly identify for the Group its obligation to make every effort and ensure that the benefits of development reach every stakeholder.

Social development programs are created and implemented in all the mines. The focus areas of these programs are designed to address the needs of communities around the mine sites. These programs are carried out through the SDMPs and CSR activities of the Group. The main difference between the 2 programs is that the SDMP is required by the government, while CSR is voluntary on the part of the Group.

The Group engages with residents, LGUs, government agencies, local NGOs, international agencies and other interested groups to understand concerns, identify needs and design projects that will facilitate long-term and beneficial resource development. Each of the operating mines manages their social expenditures through its respective SDMPs. These are 5-year programs that contain a list of priority projects identified and approved for implementation, in consultation with the host communities. Each site has a community relations team that is in charge of identifying and implementing SDMPs and maintaining strong relationships with communities. Annually, the Group sets aside a budget for SDMP projects that focus on health, education, livelihood, public utilities, and socio-cultural preservation. The implementation of the programs is monitored, audited, and evaluated by the MGB.

The Group also recognizes the rights of the IPs and ICC and in compliance with the Indigenous Peoples Rights Act, its subsidiaries entered into agreements for royalty payments and other assistance for their socio-economic well-being.

The Group respects and values each of our employees and observes the fundamental tenets of human rights, occupational safety, and non-discrimination in the workplace. The Group implements a Safety and Health Program in all its operating mines and provides the equipment, training and resources necessary to enable its employees to perform their work safely and without risk to their health. The Group has committees and labor management groups that monitor its health and safety programs. The Group believes that security goes hand in hand with safety in the workplace and has adopted security policies and systems founded on the protection of basic human rights and respect for people.

Beyond the mandatory SDMP programs, the Group carries out its own CSR programs. The details of the Group's Social Responsibility initiatives are set forth in the Integrated Report attached to and made an integral part of this Annual Report.

P. EMPLOYEES

As of December 31, 2025, we had a total of 2,337 regular employees. Of these, 1,987 are employed in mining operations and projects, 273 head office employees and 77 are employed in power plant operations.

The tables below show the distribution of our workforce (full time regular employees only):

Head Office

	NAC	CMC	HMC	TMC	RTN	CEXCI	DMC	CDTN	EPI	JSI	MGPC	GRHI	SISPC	Total
Senior Management	35	-	-	-	-	3	-	-	8	-	-	2	-	**48**
Managers	44	-	1	1	2	2	-	-	14	-	-	8	2	**74**
Supervisors	30	1	3	2	4	2	-	-	9	4	-	9	1	**65**
Rank & File	37	5	2	5	5	7	1	-	12	1	-	9	2	**86**
Total	**146**	**6**	**6**	**8**	**11**	**14**	**1**	**-**	**43**	**5**	**-**	**28**	**5**	**273**

Minesite/Project Field Office

	NAC	CMC	HMC	TMC	RTN	CEXCI	DMC	CDTN	EPI	JSI	MGPC	GRHI	SISPC	Total
Senior Management	-	-	1	1	1	-	-	-	-	-	1	-	-	**4**
Managers	2	13	26	40	31	-	15	3	-	6	-	-	1	**137**
Supervisors	6	17	35	151	66	-	56	9	-	5	1	-	2	**348**
Rank & File	16	191	211	487	391	-	61	172	-	35	3	-	8	**1,575**
Total	**24**	**221**	**273**	**679**	**489**	**-**	**132**	**184**	**-**	**46**	**5**	**-**	**11**	**2,064**

Each mine site and project field office also provide work opportunities for the communities. The tables below show a breakdown of the workforce (full time, contractual, probationary, and casual) hired from the local communities in each area of operation:

Minesite	Manpower from local community*	Indigenous People
Regular	1,251	74
Probationary	12	-
Project-based/Seasonal	789	120
Total	**2,052**	**194**

* Includes IPs residing in the local community

Plant site	Manpower from local community	Indigenous People
Regular	57	6
Probationary	8	1
Project-based	1	-
Total	**66**	**7**

The Group complies with all government standards on the wages and labor regulations in the Philippine mining and renewable energy industries. We also ensure that we are aligned with the specific regulations from the respective DOLE regional offices. In the case of unions, employment conditions for rank-and-file

employees are provided by Collective Bargaining Agreements (CBA) which are negotiated at the mine level. Generally, these CBAs have terms of 5 years (with a provision for wage renegotiation after 3 years).

RTN, HMC Taganaan, and TMC are the three (3) operating companies with 2 unions.

Two new collective bargaining units were formed for the regular seasonal workers in TMC and HMC Taganaan. Taganito Workers Union and TMC signed their CBA on August 29, 2025 while Hinatuan Organized Regular Seasonal Employees Union and HMC Taganaan signed their CBA on October 27, 2025. Both CBAs also adopted the NAC-wide wage system of a two-tiered salary increase scheme wherein the daily wage increases are divided into 2 - an across-the-board increase and a productivity-based increase.

Rio Tuba Nickel Workers' Union signed its CBA covering the years 2021-2025 on December 9, 2021. The negotiations for the fourth- and fifth-year supplement to the CBA, which tackled changes to the economic terms for the years 2024 and 2025, was concluded on February 22, 2025. RTN Supervisors Union signed its CBA covering the years 2023-2028 on December 9, 2024. Both CBAs adopt a two-tiered salary increase scheme wherein the daily wage increases are divided into 2 - an across-the-board increase, and a productivity-based increase. The CBA of the rank-and-file union expired on December 31, 2025 and the CBA of the supervisory union will expire on June 5, 2026. Both CBAs are due for negotiations in 2026.

A renewed CBA between HMC and Hinatuan Mining Labor Union (rank-and-file) was signed on October 26, 2023. The new CBA adopted the NAC-wide two-tiered wage increase with 60% as performance-based and 40% as fixed or guaranteed increase for the next 3 years. The renewed CBA expired on December 31, 2025 and is due for negotiation in 2026.

The last 2 years of the 5-year term between Taganito Labor Union (rank-and-file) and TMC expired last January 31, 2023. The re-negotiation was completed after 3 sessions in December 2022 and concluded in March 2023. The CBA Supplemental Agreement was signed last March 24, 2023 and subsequently renewed and signed on March 14, 2025.

For Cagdianao Mining Workers Union (rank-and-file) and CMC, the first 3 years of their 5-year term CBA expired on December 31, 2023. The renegotiation for the last 2 years of the CBA was concluded and signed on May 16, 2024. The renegotiated CBA expired on December 31, 2025 and is due for renegotiation in 2026.

The latest addition to the unionized rank-and-file employees, CDTN Company Workers Union, and CDTN also agreed to adopt the two-tiered wage increases in their first CBA. The first 3 years of the CBA took effect on May 21, 2022 until May 23, 2025. The renewed CBA was recently renegotiated and signed on September 4, 2025.

The compensation of the Group is among the best in the Philippine mining industry and its relations with employees and unions are very productive. We have received awards for Union and Management partnering programs. The Group continues to forge and sustain productive partnerships with our unions and their federations.

Pension Costs

The Group provides its regular employees with a retirement benefit as part of its employment benefits. The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries. The assumptions include among others, discount rates and future salary increase rates.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Re-measurements of net defined benefit liability or asset

These amounts are calculated periodically by independent qualified actuaries.

Q. RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Risks Related to the Group's Mining Business and Industry

The Group's business is sensitive to the volatility of London Metal Exchange (LME) nickel prices

The Group's revenue is largely dependent on the world market price of nickel as the sales price of nickel ore is correlated with the world market price of nickel.

Nickel prices are subject to volatile price movements over time and are affected by numerous factors that are beyond the Group's control. These factors include global supply and demand; expectations for the future rate of inflation; the level of interest rates; the strength of, and confidence in, the U.S. dollar; market speculative activities; and global or regional political and economic events, including changes in the global economy. A growing world nickel market and increased demand for nickel worldwide have attracted new entrants to the nickel industry, spurred the development of new mines and expansion of existing mines in various regions, including Australia, Indonesia, and New Caledonia, and resulted in added production capacity throughout the industry worldwide. An increasing trend in nickel prices since early 2003 has encouraged new or existing international nickel producers to expand their production capacity. An increased rate of expansion and an oversupply of nickel in world nickel markets in the future could reduce future nickel prices and the prices the Group receives under the Group's nickel ore supply agreements. For example, due to the implementation of Indonesia's ore export ban effective January 2020 and strong growth of the Chinese stainless-steel sector in 2021, China's demand for nickel ore from the Philippines and the price at which such nickel ore was sold increased in 2021, and such a trend continued in 2022. In 2023, Indonesia produced an estimated 40.2% of the world's nickel in 2023, according to S&P Global Market Intelligence Data. With a lot of supply coming from Indonesia at lower operating cost, it allows the Indonesian nickel producers to weather lower nickel prices as other nickel producers struggle and cut down production and the surplus in the market pushed the nickel prices to go down. Analysts projected a nickel surplus through 2028 and forecast a 26.1% drop in the 3-month nickel price in 2024, following a 44.7% decline in 2023. The Group also believes that the continued growth of stainless-steel production (and in particular by China) and the increase in demand for EV worldwide will sustain higher LME nickel prices. Just recently, the US government signed into law the Inflation Reduction Act which includes, among other climate change programs, tax credits on EV purchases which is expected to drive greater access to and demand for EV.

If the sales price of the Group's nickel ore falls below the Group's production costs, the Group will sustain losses and, if those losses continue, the Group may curtail or suspend some or all the Group's mining and exploration activities. The Group would also have to assess the economic impact of any sustained lower nickel prices on recoverability and, therefore, the cut-off grade and level of the Group's nickel reserves and resources. These factors could have an adverse impact on the Group's business, results of operations and financial condition.

There is currently no spot market for nickel ore and as a result, the Group's failure to source purchasers of the Group's nickel ore would materially and adversely affect the Group's business, results of operations and financial condition

The Group's mining operations business primarily involves the production and sale of nickel ore. Nickel ore is not a finished metal product and there is no established spot market where the Group's product can be sold. The Group must sell the Group's nickel ore through negotiated contractual arrangements with third parties. Accordingly, the Group's failure to source purchasers for the Group's nickel ore would have a material adverse effect on the Group's business, results of operations and financial condition.

Changes in Chinese demand may negatively impact world nickel demand and prices and could have an adverse effect on the Group's business, results of operations and financial condition.

Approximately 75% of the Group's revenue in 2025 was derived from sale of nickel ore to Chinese customers. While this increase represents a significant business opportunity, the Group's exposure to China's economy and economic policies has increased. The Group's exposure to the Chinese market and its short-term supply agreements with Chinese customers have resulted in increased volatility in its

business. In addition, increased Chinese demand for commodities has led to high volatility in the freight rates for shipping the Group's nickel ore. High freight rates can discourage customers outside the Philippines from entering into long-term supply agreements with the Group due to the unpredictability of future shipping costs and can also affect the price Chinese customers are willing to pay for its nickel ore.

China, in response to its increased demand for commodities, is increasingly seeking self-sufficiency in key commodities, including nickel, through investments in nickel mining operations in other countries. In addition, nickel ore is used in the production of stainless steel and a slowdown in the stainless-steel industry in China, or China's economic growth in general, could result in lower Chinese demand for the Group's products and therefore reduce its revenue. In the event that the demand for the Group's nickel ore from the Group's Chinese customers materially decreases and the Group is unable to find new customers to replace these customers, the Group's business, results of operations and financial condition could be materially and adversely affected.

More than a quarter of China's GDP comes from its real estate industry. If the current issues affecting China's real estate industry persists, experts believe that other industries may get affected. These include the engineering and construction industry and other small scale steel producers. Consequently, the country's demand for nickel ore may slow down.

The Group's reserves may not be replaced, and failure to identify, acquire and develop additional reserves could have an adverse impact on its business, results of operations and financial condition

The Group's sources of nickel ore are currently limited to the Rio Tuba, Taganito, Cagdianao, Tagana-an, Manicani and Dinapigue mines. The Group's profitability depends substantially on its ability to mine, in a cost-effective manner, nickel ore that possesses the quality characteristics desired by its customers. Because the Group's reserves decline as it mines its nickel ore, its future success and growth depend upon its ability to identify and acquire additional nickel ore resources that are economically recoverable. Currently, the Group continuously explores possible mining opportunities in the Philippines and if it fails to define additional reserves on any of its existing or future properties, its existing reserves will eventually be depleted.

A failure to discover new nickel resources and define reserves on such resources, enhance the Group's existing reserves or develop new operations to maintain or grow the Group's reserves would materially and adversely affect the Group's business, results of operations and financial condition.

If the Group is unable to supply customers with nickel ore in the agreed volume or with the agreed characteristics, the Group's business, results of operations and financial condition would be adversely affected

Sales of the Group's nickel ore are made through contractual arrangements with third parties. These ore supply agreements typically contain provisions requiring the Group to deliver nickel ore with certain specified characteristics, such as nickel content, iron content and moisture content. Failure to meet any of these specifications or other quality thresholds could result in economic penalties, including price adjustments, rejection of deliveries or termination of such agreements. In addition, the Group may not be able to deliver the agreed quantities of nickel ore to the Group's customers under the Group's agreements with them because of adverse weather, which could affect the Group's ability to mine the nickel ore or to load the Group's nickel ore onto barges and LCTs, equipment and machinery failures and operational difficulties, difficulties in acquiring essential machinery, equipment and spare parts or disputes with the Group's employees or contractors. If the Group is unable to supply the Group's customers with nickel ore in the agreed volume or with the agreed characteristics in the future, the Group's business, results of operations and financial condition would be adversely affected.

The Group's reserve and resource estimates may not accurately reflect the Group's nickel deposits, and inaccuracies or future reductions in the Group's reserve or resource estimates could have an adverse impact on the Group's business, results of operations and financial condition

Reserve and resource figures are estimates and no assurances can be given that the indicated levels of nickel ore will be produced or that the Group will receive the price assumed in determining the Group's reserves. These estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change

when new information becomes available. While the Group believes that the reserve and resource estimates are well established, by their nature reserve and resource estimates depend, to a certain extent, upon statistical inferences which may ultimately prove inaccurate and require adjustment.

Furthermore, fluctuations in the market price of nickel, increased capital or production costs or reduced recovery rates, change to life of mine plans and changes in applicable laws and regulations, including environmental laws and regulations, may render ore reserves uneconomic and may ultimately result in a reduction of reserves. The extent to which resources may ultimately be reclassified as proved or probable reserves is dependent upon the determination of their profitable recovery, which determination may change over time based on economic and technological factors. Accordingly, no assurances can be given that any reserve estimates will not be reduced in the future or that any resource estimates will ultimately be reclassified as proved or probable reserves.

If the Group's reserve or resource figures are reduced in the future, this could have an adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group's actual production may not meet the Group's estimates, which could have an adverse impact on the Group's business, results of operations and financial condition

The Group prepares estimates of future production and future production costs for particular operations. No assurance can be given that production estimates will be achieved. The accuracy of these production estimates is based on, among other things, the following factors: reserve estimates; assumptions regarding ground conditions and physical characteristics of ore materials, such as the presence or absence of particular metallurgical characteristics; estimated rates and costs of mining; and weather condition assumptions.

Actual production may vary from estimates for a variety of reasons, including actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to the nickel ore reserves, such as the need for sequential development of nickel ore bodies and the processing of new or different nickel ore grades; risk and hazards associated with mining; natural phenomena, such as inclement weather conditions, earthquakes, landslides and erosion; and unexpected inability to obtain spare parts, labor shortages or strikes.

Failure to achieve production estimates could have an adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group's future exploration and development activities may not be successful, and, even if the Group makes economic discoveries of nickel ore deposits, unexpected problems during the start-up phase of any new operations could have an adverse impact on the Group's business, results of operations and financial condition

Exploration for and development of nickel properties involve financial risks which may not be eliminated even with a combination of careful evaluation, experience, and knowledge. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into productive mines. The Group can provide no assurance that the Group's current exploration and development programs will result in profitable commercial mining operations or will replace production at the Group's existing mining operations. Also, the Group may incur expenses on exploration projects that are subsequently abandoned due to poor exploration results or the inability to define reserves that can be mined economically. In addition, the Group may compete with other mining companies to acquire rights to exploit attractive mining properties.

The economic feasibility of development projects is based upon many factors, including the accuracy of reserve estimates; capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental protection; and nickel prices, which are highly volatile. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing.

Development projects have no operating history upon which to base estimates of future cash flow. Estimates of proved and probable reserves and cash operating costs are largely based upon detailed geological and engineering analysis. The Group also conducts feasibility studies which derive estimates of capital and operating costs based upon many factors, including anticipated tonnage and grades of nickel ore to be mined, the configuration of the mine, ground and mining conditions and anticipated environmental and regulatory compliance costs.

It is possible that actual costs and economic returns of current and new mining operations may differ materially from the Group's best estimates. It is not unusual for new mining operations to experience unexpected problems during the start-up phase and to require more capital than anticipated. These additional costs could have an adverse impact on the Group's business, results of operations and financial condition. If the Group's exploration program is not successful, the Group's business, financial condition, results of operations and prospects would be adversely affected.

The Group plan to undertake the exploration of gold and copper and the resources applied to any such undertakings may not necessarily generate revenues in the future

The Group's growth strategy involves the exploration for gold and copper through CEXCI. The Group's gold and copper exploration strategy will depend on, among other things, the Group's ability to assess these and other potential mining properties, the Group's ability to secure the rights to mine such properties upon discovery of commercially viable deposits, and the Group's ability to successfully finance the development of such properties. Although a number of the Group's managers and technical staff have experience in gold and copper mining, the Group's expertise is open pit mining of nickel ore, and the Group may not be successful in the Group's gold and copper exploration strategy.

Whether any mineral deposits to which the Group acquires mining rights will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade, metallurgy and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may result in the Group not receiving an adequate return on invested capital.

If the Group discovers a viable gold or copper deposit, it usually takes several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change. Moreover, the Group will use the evaluation work of professional geologists, geophysicists, and engineers for estimates in determining whether to commence or continue mining. These estimates generally rely on scientific and economic assumptions, which in some instances may not be correct, and could result in the expenditure of substantial amounts of money on a deposit before it can be determined whether or not the deposit contains economically recoverable mineralization. There is no certainty that any expenditures made by the Group towards the search and evaluation of gold or copper deposits will result in discoveries of commercial quantities of ore. To the extent that the Group identifies gold or copper resources on the Group's exploration properties, the Group intends to estimate any gold or copper resources and reserves in accordance with the Philippine Mineral Reporting Code 2020.

The Group faces competition in selling nickel ore

The Group competes with both domestic Philippine nickel ore suppliers and foreign nickel ore suppliers in world nickel ore markets. Notable domestic competitors include Carrascal Nickel Corporation, CTP Construction & Mining, PGMC, Global Ferronickel Holdings, Inc. and DMCI Mining Corporation, while foreign competitors mainly include PT Aneka Tambang and PT Vale Indonesia Tbk. The Group competes with other nickel ore suppliers primarily based on ore quality, price, transportation cost and reliability of supply. The Group's inability to maintain the Group's competitive position based on these or other factors could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

Fluctuations in transportation costs and disruptions in transportation could result in significant changes in nickel ore prices

Transportation costs, which can represent a significant portion of the total cost of nickel ore purchased by the Group's customers, are an important factor in their purchasing decisions. Transportation costs can vary for a number of reasons, including changes in global demand for commodities, the size of the global shipping fleet and fuel costs. Under the terms of the Group's ore supply agreements, the customer is responsible for paying transportation costs. Any future increases in freight costs could make it uneconomical for the Group's customers to purchase and ship the Group's nickel ore and could result in a significant decrease in the volume of nickel ore that the Group sells to customers outside the Philippines.

The Group depends upon ships to deliver nickel ore to the Group's international customers. While these customers typically arrange and pay for transportation of nickel ore from transshipment areas to the point of use, disruptions to these transportation services because of weather-related problems, distribution problems, labor disputes or other events could temporarily restrict the ability to supply nickel ore to customers or could result in demurrage claims by ship-owners for loading delays. Any of the foregoing events could materially and adversely affect the Group's business, results of operations and financial condition.

Failure to obtain, sustain or renew the Group's mineral agreements, operating agreements and other permits and licenses necessary for the Group's business could have an adverse effect on the Group's business, results of operations and financial condition

The Group relies on permits, licenses (including MPSAs), operating agreements with third-party claim owners and land access agreements to conduct the Group's mining operations. Specifically, the issuance of EO No. 79 led to a moratorium on the issuance of new permits pending legislation rationalizing the existing revenue sharing schemes and mechanism. However, this moratorium on new permits was lifted by EO No. 130 issued on April 14, 2021. Moreover, the MPSAs and operating agreement with respect to its operating mines expire at different times between 2017 and 2047 and require renewal upon expiration. The Group believes that its subsidiaries and affiliates currently hold or have applied for all necessary licenses, permits, operating agreements and land access agreements to carry on the activities that it is currently conducting under applicable laws and regulations, licenses, permits, operating agreements and land access agreements. The Group may be required to prepare and present to government authorities data pertaining to the impact that any proposed exploration or production of ore may have on the environment, as well as efficient resource utilization and other factors that its operations may influence. The process of obtaining environmental approvals, including the completion of any necessary environmental impact assessments, can be lengthy, subject to public input and expensive. Regulatory authorities can exercise considerable discretion in the terms and the timing of permit issuance or whether a permit may be issued at all. Accordingly, the approvals needed for the Group's mining operations may not be issued or renewed or, if issued or renewed, may not be issued in a timely fashion, or may involve requirements that may be changed or interpreted in a manner which restricts its ability to conduct its mining operations profitably.

Furthermore, new laws or regulations, or changes in the enforcement or interpretation of existing laws or regulations, may require substantial increases in the Group's equipment and operating costs to obtain approvals required by, or to otherwise comply with the conditions imposed by, such new or revised laws and regulations. The need to obtain such new or revised approvals or to comply with additional conditions may also cause material delays or interruptions of one or more of the Group's current or planned operations or developments or, to the extent such approvals or conditions cannot be obtained or met on an economical basis, the curtailment or termination of such operations or developments.

In addition, the local governments where the Group's mines or exploration properties are located may impose additional restrictions on its operations. For example, on March 30, 2020, as a preemptive measure against the spread of the COVID-19 virus, the Provincial Government of Surigao del Norte issued an EO temporary suspension of mining operations in the province and prohibiting foreign vessels other than those carrying basic goods and necessities from entering the province. The delays that would have affected the mine production schedules of TMC and HMC as a result of the said EO was mitigated by the adjustments made by TMC and HMC on their production schedules and the subsequent lifting of the suspension by the Provincial Government on April 30, 2020. The Group expends significant financial and

managerial resources to comply with a complex set of environmental, health and safety laws, regulations, guidelines, and laws drawn from a number of different jurisdictions. The Group's facilities operate under various operating and environmental permits, licenses, and approvals to satisfy these conditions. Failure to meet these conditions could result in interruption or closure of exploration, development or mining operations or material fines or penalties.

Changes in, or more aggressive enforcement of, laws and regulations could adversely impact the Group's mining business

Mining operations and exploration activities are subject to extensive laws and regulations. These relate to production, development, exploration, exports, imports, taxes and royalties, labor standards, occupational health, waste disposal, protection, and remediation of the environment, mine decommissioning and rehabilitation, mine safety, toxic substances, transportation safety and emergency response and other matters.

Compliance with these laws and regulations involve substantial costs. It is possible that the costs, delays, and other effects associated with these laws and regulations may impact the Group's decision as to whether to continue to operate existing mines, refining and other facilities or whether to proceed with exploration or development of properties. Since legal requirements change from time to time, are subject to interpretation and may be enforced to varying degrees in practice, the Group is unable to predict the ultimate cost of compliance with these requirements or their effect on operations. Furthermore, changes in governments, regulations and policies and practices could have an adverse impact on the Group's business, results of operations and financial condition.

Nickel mining is subject to a number of inherent risks that are beyond the Group's control. The occurrence of any of these risks could have an adverse impact on the Group's business, results of operations and financial condition

The Group's mining operations are influenced by changing conditions that can affect production levels and costs for varying periods and as a result can diminish the Group's revenues and profitability. Inclement or hazardous weather conditions, the inability to obtain equipment necessary to conduct the Group's operations, increases in replacement or repair costs, prices for fuel and other supplies and unexpected geological conditions could have a significant impact on the productivity of the Group's mines and its operating results. Prolonged disruption of production at the Group's mines, transportation of its nickel ore to customers would result in an increase in the Group's costs and a decrease in the Group's revenues and profitability, which could have a material adverse effect on the Group's business, results of operations and financial condition.

Social acceptance of mining activities is necessary to enable the Group to conduct mining activities in the areas where it operates

The acceptance by host communities and neighboring communities of the conduct of the Group's mining activities is considered by regulatory agencies such as DENR and MGB in evaluating whether permits applied for by an operating company should be granted, deferred, or denied. Further, the area where mining and mining-related activities are to be conducted is located within the AD of a group or group of IPs, the relevant operating company of the Group needs to obtain the IPs' FPIC, and contracts among the operating company, the IPs and the NCIP are executed regarding their agreements on, among others, the operating company's access to the ancestral lands of the IPs, royalties and other benefits to be given to the IPs by the operating company, and the aspects of collaboration between the operating company and the IPs. Opposition by such host communities, neighboring communities, and IPs to proposed or ongoing mining activities could result in suspensions or delays in mining operations.

The Group's operations are prone to local insurgents' attacks from time to time

While TMC experienced an attack in 2011, it has since enhanced its security measures in close coordination with the Philippine National Police and the Armed Forces of the Philippines. However, there are still some minor risks to local insurgent's attacks from time to time given the location of the mine sites and the prevailing socio-economic conditions in these areas.

Failure to accurately estimate the decommissioning and rehabilitation costs the Group faces could have an adverse effect on the Group's business, results of operations and financial condition

Under the terms of the Group's MPSAs with the Government, as well as the Group's operating agreements with the various holders of MPSAs which cover some of the Group's mines, the Group is required to establish a decommissioning and rehabilitation plan at each of the Group's mine sites. The costs of performing the decommissioning and rehabilitation can be significant and are subject to change. These costs increase as the Group's mining sites expand. The Group cannot predict what level of decommissioning and rehabilitation may be required in the future by regulators. If the Group is required to comply with significant additional regulations or if the actual cost of future decommissioning and rehabilitation is significantly higher than current estimates, this could have an adverse impact on the Group's business, results of operations and financial condition.

The Group is exposed to exchange rate fluctuations. In particular, fluctuations in the exchange rate between the peso and the U.S. dollar could have an adverse effect on the Group's results of operations and financial condition

The Group's nickel ore sales are denominated in U.S. dollar while most of the Group's costs are incurred in Philippine peso. The appreciation of the Philippine peso against the U.S. dollar reduces the Group's revenue in peso terms. Moreover, the appreciation of the Philippine peso relative to the U.S. dollar could result in a translation loss on the Group's U.S. dollar-denominated assets. Accordingly, fluctuation in exchange rates can have an impact on the Group's financial results. Additionally, in the past the Group have invested in derivative instruments that increased in value as the Philippine peso appreciated relative to the U.S. dollar, and vice versa. The Group also manages its foreign currency risk by hedging transactions that are expected to occur within 1 year for hedges of forecasted revenue from sale of ore. In 2025, the Group hedged around 60% of its annual revenue from sale of ore. Those hedged revenue were highly probable at the end of the financial reporting period. This foreign currency risk is hedged by using foreign currency forward contracts.

The Group relies to some degree on third-party contractors and failure of any such contractor to comply with its contractual obligations or the unplanned loss of any such contractor's services could increase the Group's costs or disrupt the Group's operations

Contractual disputes with the Group's contractors, the inability of any of the Group's contractors to comply with their contractual obligations or their failure to renew their contracts with the Group on acceptable terms or at all could increase the Group's costs and disrupt the Group's operations and the Group's ability to service the Group's customers in a timely manner. In addition, failure by the Group's contractors to comply with applicable laws could adversely affect the Group's reputation.

Climate change, could significantly increase the Group's operating costs and adversely affect its operations

The Group operates 6 lateritic nickel mines through its subsidiaries: the Rio Tuba mine in Bataraza, Palawan operated by RTN; the Taganito mine in Claver, Surigao del Norte operated by TMC; the Tagana-an mine in Tagana-an, Surigao del Norte and Manicani mine in Guiuan, Eastern Samar operated by HMC, the Cagdianao mine in Cagdianao, Dinagat Islands operated by CMC, and the Dinapigue mine in Isabela operated by DMC. The Group is therefore subject to the local climate patterns of these regions. Exploration, mining production and transportation activities may be susceptible to risks and hazards resulting from sustained precipitation or other weather conditions. An intensification of extreme weather events and longer-term changes in weather patterns may impact operations, resulting in more frequent production delays, increased costs, and increased liabilities.

Regulatory and industry response to climate change could significantly increase the Group's operating costs and adversely affect its operations

Regulatory and industry response to climate change, restrictions, caps, taxes, or other controls on emissions of GHG, including on emissions from the combustion of carbon-based fuels, controls on effluents and restrictions on the use of certain substances or materials, could significantly increase the Group's operating costs. A number of governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change. For example, the Philippines and many other nations are signatories to international agreements related to climate change including the 1992 United Nations Framework Convention on Climate Change, which is intended to limit or capture emissions

of greenhouse gas, such as carbon dioxide, the 1997 Kyoto Protocol, which established a potentially binding set of emissions targets for developed nations and, most recently, the 2016 Paris Agreement, which extended the potentially binding set of emissions targets to all nations. The Climate Change Act (RA No. 9729) and its Implementing Rules and Regulations (Administrative Order No. 2010-01) provide for a framework for integrating the concept of climate change, in synergy with disaster risk reduction, with policy formulation, development plans, poverty reduction strategies and other development tools and techniques. RA No. 10174 amended the Climate Change Act and established the People's Survival Fund to provide long term finance streams to enable the Government to combat the effects of climate change. The enactment of comprehensive legislation focusing on GHG emissions could adversely affect the Group due to the energy usage involved in the mining process, which can make it uncompetitive in regions with high energy prices.

Although this has not yet presented a significant challenge for the Group's operations, any changes in laws and policies, including in relation to carbon pricing, GHG emissions, energy efficiency or restricting the Group's access to or use of diesel as an energy source, could adversely affect the Group. Further, its compliance with any new environmental laws or regulations, particularly relating to GHG emissions, may require significant capital expenditure or result in the incurrence of fees and other penalties in the event of noncompliance. Shifts in commodity demand may also arise in response to climate risks and opportunities, including a potential decrease in demand for NPI and nickel. It should be noted however that with the Board approval of the Company's ESG Roadmap in November 2021 and subsequently the creation of Sustainability Committee of the BOD and appointment of a Chief Sustainability Officer in August 2022, it has taken steps to account for its GHG emissions and to set science-based reduction targets.

There can be no assurance that future legislative, regulatory, international law, industry, trade, or other developments will not negatively impact its operations and the demand for the NPI that the Group sells. In addition, the Group may be subject to activism from environmental groups and organizations campaigning against its mining and NPI processing activities, which could affect its reputation and disrupt the Group's operations. If any of the foregoing were to occur, the Group's business, financial condition and results of operations may be adversely affected.

The Group's operations are prone to other incidents and risks due to the location of its mine sites

Other factors affecting the production and sale of the Group's nickel ore that could result in increases in the Group's costs and decreases in the Group's revenues and profitability include:

- equipment failures and unexpected maintenance problems;
- interruption of critical supplies, including spare parts and fuel;
- inclement weather conditions;
- earthquakes or landslides;
- environmental hazards;
- industrial accidents;
- increased or unexpected rehabilitation costs;
- work stoppages or other labor difficulties; and
- changes in laws or regulations, including permitting requirements, the imposition of additional taxes and fees and changes in the manner of enforcement of existing laws and regulations.

The realization of any of these risks could result in damages to the Group's mining properties, nickel ore production, nickel ore transportation facilities, personal injury or death, environmental damage to the Group's properties, the properties of others or the land or marine environments, delays in mining ore, in the transportation of ore, monetary losses and potential legal liability. Particularly, surface mining and related activities present risks of injury to personnel and damage to equipment. The occurrence of any of these risks, conditions or events could have a significant impact on the Group's business, results of operations and financial condition.

Risks Related to the Group's Power Business and Industry

The Group's power generation businesses are exposed to the risks inherent in the Philippines energy market

The Group's prospects and results of operations are highly dependent on the success of the Philippine energy market. Many factors contribute to the fluctuations in demand and prices of energy in the Philippines, including the general demand and supply of energy, season and weather conditions, transmission capacities and upgrades, generation mix, increase and decrease in the economic activity, inflationary pressures, government policies with respect to the procurement of renewable energy and tax incentives.

There can be no assurance that the Philippine energy market will stabilize or continue to expand. Reduced levels of economic growth, adverse changes in the country's political or security conditions, or weaker performance of or slowdown in industrial activities may adversely affect the demand for, and price of, energy generated by the Group's power plants. In particular, the global economic downturn resulting from the COVID-19 pandemic has resulted in an economic slowdown and negative business sentiment, which may continue to affect the outlook on the Philippine energy market, which could materially and adversely affect the Group's results of operations.

The operations of the Group's power projects are subject to significant government regulations, and the Group's margins and results of operations could be adversely affected by changes in the law or regulatory schemes

Power operations and activities are subject to extensive laws and regulations. These relate to development, labor standards, occupational health, protection and remediation of the environment, power safety and other matters. Power companies are required to comply with regulations relevant to the power industry as implemented by agencies like the DOE, ERC, Board of Investments, DOLE, DENR, Department of Agrarian Reform, NCIP, Bureau of Internal Revenue, NGCP, IEMOP, Philippine Electricity Market Corporation, distribution utilities/electric cooperatives, SEC and LGUs. The Group has been able to satisfactorily comply on time with regulatory requirements and considers these activities and the commensurate risks for non-compliance as manageable and will not result in a material adverse impact on the Group's business, results of operations and financial condition. The Group's inability to predict, influence or respond appropriately to changes in law or regulatory schemes, or any inability or delay in obtaining or renewing permits for any facilities, could adversely impact its results of operations and cash flow. Furthermore, changes in laws or regulations or changes in the application or interpretation of laws or regulations in jurisdictions where power projects are located, could adversely affect the Group's business, including, but not limited to:

- adverse changes in tax law;
- change in existing subsidies and other changes in the regulatory determinations under the relevant concessions;
- other changes related to licensing or permitting which increase capital or operating costs or otherwise affect the ability to conduct business; or
- other changes that have retroactive effect and/or take account of revenues previously received and expose power projects to additional compliance costs or interfere with its existing financial and business planning.

Any of the above events may result in lower margins for the affected businesses, which could adversely affect the Group's results of operations.

The Group's uncontracted energy output is currently subject to electricity spot market prices as a price taker in the solar energy business, which can result in fluctuations in the Group's net income

The implementation of the EPIRA has paved the way for a more independent and market-driven Philippine power industry. This has allowed for competition, not limited by location, and driven by market forces. The sale of power and the dispatch of power plants depend on the ability to offer competitively priced power supply to the market. However, as a registered renewable energy generating unit with intermittent renewable energy resources, JSI's and SISPC's solar power plant is classified as "must dispatch" based on available energy and enjoys the benefit of priority dispatch to the grid and WESM. Thus, in the sale of uncontracted solar energy in the spot market, JSI and SISPC are a price taker and must accept the prevailing

price in the market in exchange for electricity. JSI's and SISPC's WESM sales are based on the spot market's 5-minute trading intervals and subject to varying prices. However, the majority of the solar energy output of JSI and SISPC are contracted via multiple Retail Electricity Suppliers (RES) and is not subject to such changes and provide for a steady and predictable net income. The contracted capacities sold to the RES are negotiated with fixed tariffs. Only a portion of energy output is sold via WESM.

The Group may not be able to complete the construction or expansion of power projects as planned and the operations of its existing and planned power plant facilities could be adversely impacted

EPC arrangements with third-party contractors, which require substantial capital expenditures prior to and during the construction period, and the Group may take many months or several years before it generates positive cash flow through power generation for these projects. As a result, cash outflows due to land acquisition, construction costs and capital expenditure may not be recuperated for a long period of time. Meanwhile, the construction and development of such projects, as well as the time and costs required to do so, may be adversely affected by various factors, including, but not limited to:

- short term or extended delays in obtaining necessary zoning, land use, building, development and other required governmental and regulatory licences, permits and approvals;
- short term or extended delays due to relevant transmission line upgrade delays by the NGCP;
- construction risks, which may include delays in construction and cost overruns, whether from variation to original design plans or any other reason, infrastructure failures or latent design flaws;
- quality control issues;
- shortages or increase in the cost of construction and building materials, equipment as a result of rising commodity prices or inflation or otherwise;
- shortages of contractors and skilled labor;
- disputes with consultants or contractors over the quality of work and general performance and the need to take any remedial action so as to ensure the Group's projects are delivered to specification and consultants or contractors experiencing financial or other difficulties causing delay in performance of their work in relation to the Group's projects;
- disputes between general contractors and subcontractors, leading to a delay in their work performance on the Group's project;
- natural catastrophes;
- inclement weather conditions;
- unforeseen engineering, environmental or geological problems;
- defective materials or building methods; and
- financial difficulties by counterparties to a construction or construction-related contract.

The Group's strategy in developing, executing, and operating solar plants contains the following to mitigate potential risks:

- Development of projects to go through gated decisions wherein each step meets minimum technical and commercial requirements to ensure limited and manageable risks going forward especially those concerning land possessory rights, power interconnections, project technical and commercial feasibility, and permits/licenses.
- Work with best-in-class contractors in a manner that is practicable and responsive to market challenges, for development, EPC, and Operations and Maintenance (O&M) needs.
- Enter into turnkey EPCs with contractors that have dependable track records, have designed using best applicable technologies, have sourced Tier 1 components at competitive prices, have the industry presence and statement of financial position to protect the Group's interests against supply chain constraints and disruptions.
- Each project shall have full-time personnel to oversee the construction works from beginning to end and ensure safety, schedule, cost, and risk mitigation targets are met.
- Each power facility shall have full-time personnel to handle the day-to-day operations, maintenance and administration including regulatory compliance and stakeholder relations. O&M activities to include preventive, predictive and corrective actions to ensure continuous safe operations of the facilities.

The Government may amend, revoke, reduce or eliminate subsidies and economic incentives for renewable energy projects, which could impact the profitability of the Group's solar plants and geothermal power plants

Because the power generation business of the Group includes solar energy generating projects, the Group's future profitability is affected by the support of the government for the renewable energy sector. Under RA No. 9513 or the Renewable Energy Act of 2008, the National Renewable Energy Board is mandated to formulate and promulgate feed-in tariff system rules, which cover, among others, the following:

- priority connections to the grid for electricity generated from emerging renewable energy resources within the Philippines; and
- priority purchase and transmission of, and payment for, such electricity by the grid system operators.

The revocation, reduction, modification or elimination of government mandates and economic incentives could materially and adversely affect the growth of the renewable energy industry or result in increased price competition, either of which could cause the Group's revenues to decline and materially and adversely affect the Group's results of operations.

While the Group believes that solar power projects may continue to offer attractive internal rates of return, any changes that increase effective income tax rates may cause considerable downward pressure on the value of the Group's solar power plants. The Group believes that it can manage the foregoing risks as the development of new solar energy technologies for instance has resulted and will continue to result in higher capacity factor and lower capital expenditure for the development of solar power projects and will reduce the importance of government incentives and subsidies in making solar power projects attractive and viable investments in the future. However, there is no assurance that such technologies will continue to be developed, or that the Group will be able to take advantage of such technologies in the future without having to incur significant capital expenditure or at all. The Group also believes that any action by the Government to revoke any incentives will require a significant shift in policy, involving both executive and legislative branches of the Government, and extensive discussions with stakeholders in the renewable energy industry and the financial sector.

A decrease in the cost-competitiveness of solar energy, the development of new technologies to generate solar power and changes to government laws and applicable rules and regulations may expose the Group to stranded-asset risk

As the Group's power generation business includes the operation of solar power plants, the Group is subject to risks inherent in the solar power generation industry. These risks include the reduction or removal of subsidies and economic incentives for solar energy, the loss of tax exemptions and incentives, new technological innovations, and changes to societal attitudes about existing solar energy generation technologies. There can be no assurance that reduced Government support of the solar energy industry, the adoption of new technologies, changes to environmental laws and regulations or other developments in the future will not result in the Group having to incur additional capital expenditures or operating expenses to upgrade, supplement or relocate their solar energy generation projects. In particular, developments in the downstream energy sector, such as in residential solar photo-voltaic technologies and electricity storage, could materially and adversely affect the growth of those renewable energy companies and consequently materially and adversely affect the Group's results of operations. Thus, a significant portion of the captive market may shift away from solar power plants utilizing existing solar power generation technologies towards those relying on other types of renewable energy technologies or even non-renewable energy sources, which may expose the Group's solar power generating assets to stranded-asset risk (i.e., the hazard of an asset suffering from an unanticipated write-down, devaluation, or conversion to liability).

The Group's power plants are exposed to unscheduled, unplanned and prolonged internal and external outages resulting in potential loss in revenues

Unscheduled or unplanned internal plant outages refer to unexpected breakdown of major equipment resulting in substantial or total power plant shutdown until such equipment is replaced or restored. On the other hand, unscheduled external outages refer to electricity grid outages at the regional or national level that disrupt the transmission of electricity and could result in curtailment of energy offtake below expected levels. For example, there could be failures in the transmission towers, power conductors or

insulators of distribution utilities. The occurrence of any prolonged unscheduled internal or external outages would reduce the revenue of the Group's power plants, which could result in a material adverse effect on the Group's business, prospects, financial condition, results of operations and cash flows.

Each power plant has and shall have full-time personnel to handle the day-to-day operations and maintenance activities, including preventive, predictive and corrective actions to ensure continuous safe operations of the facilities. Furthermore, spare parts for critical equipment are on-hand at the site and agreements with Original Equipment Manufacturers to keep the same parts in stock are in place to ensure quick return to service from unplanned internal outages.

The Group's power generation business may be unable to maintain sufficient operating cash for maintenance and other similar costs of power plants, and such businesses' operating cash may be insufficient to cover necessary costs of the Group's power plants

The Group expects to keep its power plants in good working order. Accordingly, the Group may from time to time expend funds to complete routine maintenance, as well as extraordinary maintenance, in the event of damage from weather disturbances such as typhoons, earthquakes, floods or from other unforeseen events.

However, there can be no guarantee that the Group will be able to maintain operating cash at the desired level or that the Group's operating cash will be sufficient to cover maintenance and other similar costs in the event of an extraordinary occurrence. Insufficient operating cash may have an adverse effect on the Group's business, prospects, financial condition, and results of operations.

The loss of the Group's key customers could have an adverse effect on the Group's financial condition and results of operations

The Group's diesel power plant has 1 bilateral agreement only and it's with SURNECO. Although the revenues of the Group would be reduced should SURNECO become bankrupt or insolvent or should there be any other material disruption to SURNECO's business, such reduction in revenue is not expected to have any material effect on the Group's revenues. In addition, if a key customer decides not to renew its PSA or to terminate its PSA before it expires, the financial condition and results of operations of the Group may be adversely affected.

JSI's and SISPC's operations are affected by seasonal weather changes

JSI's and SISPC's revenues are directly correlated to the amount of electricity generated and sold by its solar power plant, which in turn is dependent upon irradiance and weather conditions generally. Irradiance and weather conditions have natural variations from season to season and from year to year and may also change permanently because of climate change or other factors.

Risks and delays relating to the development of greenfield power projects could have a material adverse effect on the Group's operations and financial performance

The development of greenfield power projects involves substantial risks that could give rise to delays, cost overruns, unsatisfactory construction, or development in the projects. Such risks include the inability to secure adequate financing, inability to negotiate acceptable offtake agreements, and unforeseen engineering and environmental problems, among others. Any such delays, cost overruns, unsatisfactory construction or development could have a material adverse effect on the business, financial condition, results of operation and future growth prospects of the Group.

For the Group's power projects under development, the estimated time frame and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the date of commercial operations of the projects or result in cost overruns. For example, due to the impact of COVID-19 and related travel and movement restrictions in the Philippines, construction of certain renewable energy projects in the country, including the Group's projects, were interrupted, resulting in a delay in commercial operations date.

The Group is expanding its power generation operations and there are projects in its energy portfolio under construction. These projects involve environmental, engineering, construction, and commission risks, which may result in cost overruns, delays or performance that is below expected levels of output or

efficiency. In addition, projects under construction may be affected by the timing of the issuance of permits and licenses by government agencies, any litigation or disputes, inclement weather, natural disasters, accidents or unforeseen circumstances, manufacturing and delivery schedules for key equipment, defect in design or construction, and supply and cost of equipment and materials. Further, project delays or cancelations or adjustments to the scope of work may occur from time to time due to incidents of force majeure or legal impediments.

Depending on the severity and duration of the relevant events or circumstances, these risks may significantly delay the commencement of new projects, reduce the economic benefit from such projects, including higher capital expenditure requirements and loss of revenues, which in turn could have a material adverse effect on the Group's business, prospects, financial condition, results of operations and cash flows.

Grid curtailments may limit the generation capacity of power projects
From time-to-time, national grid operators curtail the energy generation for a number of reasons, including to match demand with supply and for technical maintenance reasons, including as a result of grid infrastructure that is not up to international standards. In such circumstances, a power project's access to the grid and thus its generation capacity can be reduced. Such reductions result in a corresponding decrease in revenue, which if prolonged or occur frequently could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group is reliant on existing power transmission infrastructure operated by NGCP
The Group is reliant on existing power transmission infrastructure operated by NGCP. Generally, in respect of the distribution of electricity from a power plant to the customer in the Philippines, the governing law is EPIRA which segregates and privatized generation, transmission, and distribution. The generator declares its available capacity and bids "blocks" of energy generation to the grid which is operated by NGCP as transmission system operator. The WESM, through a price stacking mechanism, determines the required energy volume (by stacking demand from distribution utilities and directly connected loads) gives a dispatch signal to all plants. The energy is transmitted via high voltage lines to distribution utilities and electric cooperatives which through lower voltage lines and transformers, transmit electricity to consumers.

The Group is exposed to exchange rate fluctuations.
As a Group operating in the renewable energy sector, we are exposed to risks associated with foreign exchange fluctuations. These risks can have a significant impact on our financial performance and overall business operations. Our operations may involve transactions in multiple currencies, including the purchase of equipment, materials, and services from foreign suppliers. Fluctuations in exchange rates can affect the costs of these transactions, leading to higher project costs and capital expenditures, reduced profit margins, and ultimately affecting project profitability.

Risks Related to the Group

The interests of joint venture partners for the Group's various projects may differ from the Group's
A joint venture involves special risks where the joint venture partner may have economic or business interests or goals inconsistent with or different from the Group's. The joint venture partner may also take actions contrary to the Group's instructions or requests, or in direct opposition to the Group's policies or objectives with respect to the Group's investments, or the joint venture partner may not meet its obligations under the joint venture arrangements. Disputes between the Group and its joint venture partners could arise after significant capital investments in a project have been made, which could result in the loss of some or all the Group's investment in the project. The Group's reliance on joint venture arrangements could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

The Group may experience reduced liquidity and difficulty in obtaining future financing
The further development and exploration of mineral properties in which the Group holds interests or which the Group acquires may depend upon the Group's ability to obtain financing through joint ventures, debt financing, equity financing or other means. For instance, the Group may seek a joint venture partner

in connection with the exploration of the Group's gold and copper exploration properties. There is no assurance that the Group will be successful in obtaining required financing as and when needed. Volatile nickel markets may make it difficult or impossible for the Group to obtain debt financing or equity financing on favorable terms or at all. The Group's principal operations are located in, and its strategic focus is on, the Philippines, a country that has experienced past economic and political difficulties and may be perceived as unstable. This may make it more difficult for the Group to obtain debt or equity financing. Failure to obtain additional financing on a timely basis may cause the Group to postpone development plans, forfeit rights in the Group's properties or joint ventures or reduce or terminate the Group's operations. Reduced liquidity or difficulty in obtaining future financing could have an adverse impact on the Group's business, financial condition, results of operations and prospects.

The Group's strategic acquisitions may be unable to realize the anticipated benefits of such acquisitions, and the Group's growth strategy may not be achieved

Historically, the Group has expanded the Group's business through selective, complementary acquisitions, and the Group intends to continue to evaluate acquisition opportunities with complementary mining operations or exploration and development prospects as they arise. Acquisitions involve several risks, including misevaluation of acquired assets, especially with respect to the quantity and quality of ore reserves and resources, diversion of management's attention, failure to retain key acquired personnel and clients, unanticipated events or circumstances, legal liabilities and amortization of acquired intangible assets, some or all of which could harm the Group's results of operations and financial condition.

Continued compliance with safety, health and environmental laws and regulations may adversely affect the Group's business, results of operations and financial condition

The Group expends significant financial and managerial resources to comply with a complex set of environmental, health and safety laws, regulations, guidelines and permitting requirements drawn from a number of different jurisdictions. The Group anticipate that it will be required to continue to do so in the future as the recent trend towards stricter environmental laws is likely to continue. The possibility of more stringent laws or more rigorous enforcement or new judicial interpretation of existing laws exists in the areas of worker health and safety, the disposition of waste, the decommissioning and rehabilitation of mining sites and other environmental matters, each of which could have a material adverse effect on the Group's exploration, operations or the cost or the viability of a particular project.

The Group's facilities operate under various operating and environmental permits, licenses and approvals that contain conditions that must be met and the Group's right to continue operating the Group's facilities is, in several instances, dependent upon compliance with these conditions. Failure to meet certain of these conditions could result in interruption or closure of exploration, development or mining operations or material fines or penalties, all of which could have an adverse impact on the Group's business, results of operations and financial condition.

Cost pressure and inaccessibility of raw materials and supplies, including natural gas, diesel fuel, electric power, water, tires or other key inputs, could negatively impact the Group's operating margins

The Group's operations are resource intensive and, as a result, its costs and operating margins could be materially and adversely affected by the lack of availability or increased cost of energy (including electric power), water, fuel (including natural gas and diesel fuel), or other key inputs. The Group buys diesel fuel from Petron, Phoenix and Shell, and heavy mining equipment such as trucks and excavators from four manufacturers, Volvo, Komatsu, Sinotruck and Caterpillar, through their Philippine distributors. In addition, the Company leases LCTs for use at its mine sites during the shipping season. The Company believes that there are a number of alternative suppliers for all of its requirements. For its operations and maintenance, JSI and SISPC buys spare parts from local and imported manufacturers and buys fuel from a gas station inside SBFZ or near the power plant for its vehicles and standby generator.

The Group may experience interruptions to the supply or increases in prices of electric power, water, diesel fuel or natural or compressed natural gas due to a variety of factors beyond the Group's control, including fluctuations in climate, inadequate infrastructure capacity, interruptions in supply due to effects of the COVID-19 pandemic, equipment failure or other causes and the inability to extend contracts with the Group's suppliers on acceptable terms or at all. As the prices for global seaborne iron ore are determined by the global commodity markets in which the Group operates, it does not generally have the ability to

offset any increase in cost pressure through corresponding price increases on the iron ore sold by the Group. The inability to reduce costs sufficiently or expeditiously, or to obtain alternative inputs, could have a material adverse impact on the Group's operating margins for an extended period.

The Group's insurance coverage may not be sufficient to fully cover the risks related to the Group's operations and losses

The Group is not fully insured against all potential hazards incident to the Group's business and if any or all of the Group's mining facilities are damaged and the Group's operations are interrupted for a sustained period, there can be no assurance that the Group's insurance policies would be adequate to cover any or all of the losses that may be incurred as a result of such interruptions or the costs of repairing or replacing the damaged facilities.

The Group's property insurance does not cover acts of terrorism, and, in the event of a terrorist attack, the Group's facilities could be damaged or destroyed and the Group's operations curtailed. In recent years, most insurers have created exclusions for losses from terrorism from "all risk" property insurance policies. In the event of a terrorist attack, explosion or other accident impacting one or more of the Group's facilities, the Group could lose sales from the facilities and the facilities themselves. The Group does not carry business interruption insurance. Losses incurred or associated liabilities not covered by the Group's insurance policies could have a material and adverse effect on the Group's business, results of operations and financial condition.

The Group's success depends on the Group's ability to attract and retain qualified personnel and to maintain satisfactory labor relations

Recruiting and retaining qualified personnel is critical to the Group's success. Nickel mining is a labor-intensive industry, and the number of persons skilled in the acquisition, exploration, and development of mining properties in the Philippines is limited and competition for such personnel is intense both from within and outside the Philippines. Moreover, efficient management and operations are vital to ensuring that the renewable energy production potential of the Group's power plant is effectively harnessed, optimized, efficiently and fully delivered. To achieve this, the Group has and will continue to require the services of seasoned power plant operations and maintenance managers and their respective teams of qualified personnel. Most of the members of the Group's senior management team have been involved in the Group's business operations for many years and the loss of key executives could adversely impact the Group's business. As the Group's business grows, it will require additional key financial, administrative, and mining personnel as well as additional operations staff.

Employees from CMC, HMC, RTN, TMC and CDTN have labor unions. Employees from the Group's renewable energy companies do not have labor unions. While the Group believe that the Group has, in general, good relations with the Group's employees and unions, the Group is subject to union demands for pay rises and increased benefits from time to time. There can be no assurance that work stoppages or other labor-related disputes, demands for increased wages or other terms or other developments will not occur in the future. Any significant labor dispute or labor action that the Group experiences could have a material adverse effect on the Group's business, results of operations and financial condition.

R. SUSTAINABILITY

Key Business Activities

The Group's primary business activities are mining and power generation. For mining, the Group's key market is China, followed by Indonesia. The Group also supplies ore and limestone to local market, particularly for CBNC and THNC. For power generation, the Group's key market is the local/domestic consumers.

The Group's key business activities, geographical locations of those activities and contribution to revenue per activity in 2025 are summarized in the table below:

Business Activities	Geographical Locations	% of Total Revenue
Mining* • Exploration • Assessment, evaluation and planning • Extraction • Transportation • Rehabilitation and reforestation	Surigao del Norte Palawan Isabela Eastern Samar	93%
Power generation*	Subic Bay Freeport Zone	4%
Services	Surigao del Norte Palawan	3%

* The revenues from the mining and power generation are vulnerable to climate-related physical risks.

Other Activities

The Group also leases the aircraft and LCT's of its subsidiaries under operating leases and provides general engineering construction. These operations are not core to the Group's business strategy.

Strategy and Sustainability Related Goals

The Group has aggressively driven its business strategies with sustainability goals aligned with the UN SDGs. Some are the following:

- Cutting down of GHG emissions
- Restoring biodiversity
- Green energy and efficient energy consumption management technologies
- Water management
- Building sustainable communities and focus on people
- A robust risk management system

Value Chain

For the Group to provide goods and services, the Group depends on several other entities, people and resources - this includes key suppliers of materials, supplies and property and equipment for the mining and power businesses, and customers who purchase the Group's goods and services.

	Description	Geographical Location
Key suppliers	Mining equipment, fuel, tires and spare parts and LCTs for mining operations. Solar panels, inverters, transmission assets and spare parts for power generation.	Sourced from local and/or foreign suppliers
Customers	Importers of nickel ore	China, Indonesia, Japan
	Deliveries of nickel ore and limestone	Palawan and Surigao del Norte
	Power sales to customers with bilateral agreements	Philippines
	Power sales through WESM	Philippines

The Group has other business relationships, primarily through its investments in associates and joint ventures, that are part of the Group's value chain.

Reporting Boundary

The Group has operational control across its subsidiaries, because it has authority to introduce and implement operational policies across them.

As for its associate, the Group does not have any operational control because all decisions, including decisions over operational policies, are made by unanimous consent.

For leased assets for which the Group is a lessee, the Group has operational control over the assets during the lease term. These assets include LCTs, equipment, vehicles and office spaces.

Materiality Assessment

In 2025, NAC conducted a comprehensive materiality assessment and stakeholder engagement to identify the sustainability issues most significant to its stakeholders and most consequential to the Group's long-term strategy, operational resilience, and value creation. The assessment applied the principles of double materiality, consistent with leading frameworks such as Global Reporting Initiative, Sustainability Accounting Standards Board Standards, International Financial Reporting Standards S1 & S2, and the AccountAbility Stakeholder Engagement Standard (AA1000SES). Alongside the determination of the companies' material topics, a Stakeholder Engagement was likewise conducted, which involved nearly 1,000 stakeholders across all operating companies and key external groups, including host and neighboring communities, IPs, LGUs, NGOs/People's Organizations, regulators, suppliers, media, investors, and downstream partners.

Impact Materiality

Impact materiality was assessed across NAC's operating sites through a combination of on-site, paper-based engagements and online survey modalities to ensure broad and inclusive participation. This approach enabled NAC to gather insights from stakeholders who directly experience the social and environmental effects of mining activities, including employees, communities, and local institutions. The evaluation followed established international criteria to determine the significance of impacts by examining their scale, scope, likelihood, and persistence across the company's operations and value chain.

Financial Materiality

Financial materiality examined how sustainability-related risks and opportunities could influence NAC's financial performance and long-term enterprise value. This included assessing how environmental and social conditions, regulatory developments, and governance practices may affect operational costs, business continuity, capital access, and stakeholder confidence. By applying this lens, NAC ensures that sustainability considerations with potential financial consequences are integrated into strategic planning, risk management systems, and investment decisions.

Interaction with Material Information in the Consolidated Financial Statements

Sustainability reporting includes within its scope the effects of risks which might not yet be captured in the consolidated financial statements. As a result, the Group might conclude that certain information is material in the context of sustainability reporting, even if such information would not be material to the consolidated financial statements, mainly due to risks and opportunities arising in the value chain and the future-looking nature of sustainability disclosures. For example, the Group has made a commitment to be net zero by 2050, which does not meet the definition of a provision for financial reporting and is therefore not recognized in the Group's consolidated financial statements.

Climate-Related Matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions under pinning several items in the financial statements.

The Group has identified a range of climate-related risks and opportunities over the short, medium, and long term. Leveraging data and analysis provided by S&P Global Sustainable1, the Group conducted forward-looking climate risk assessments under various climate scenarios, enabling the company to make informed strategic decisions. These assessments are continuously monitored and updated to ensure ongoing responsiveness to evolving climate conditions. In the short term, the Group is primarily exposed to physical risks, including potential damage to mining and energy infrastructure arising from extreme weather events. Over the medium term, the company anticipates transition-related risks, such as increased regulatory costs and the possible erosion of market share as climate policies tighten and

customer expectations shift. In the long term, the Group recognizes more structural risks, including reduced demand for carbon intensive products and potentially significant adaptation costs as the global economy advances toward decarbonization.

The Group is closely monitoring relevant changes and developments. The items and considerations that are most directly impacted by climate-related matters are:

- *Useful life of property and equipment*. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- *Impairment of non-financial assets*. The value-in-use may be impacted in several different ways by transition risk, such as climate-related legislation and regulations and changes in demand for the Group's products. Even though the Group has concluded that no single climate-related assumption is a key assumption, the Group considered expectations for increased costs of emissions and cost increases due to stricter recycling requirements in the cash flow forecasts in assessing value-in-use amounts.
- *Fair value measurement*. For investment property, the Group considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The Group believes it is not currently exposed to severe physical risks, but believes that investors, to some extent, would consider impacts of transition risks in their valuation.
- *Provision for mine rehabilitation and decommissioning*. The impact of climate-related legislation and regulations is considered in estimating the timing and future costs of rehabilitation of the Group's mines and decommissioning of power plant operations.

Item 2. PROPERTIES

A. MINING PROPERTIES AND PERMITS

Below is a summary of the Group's mineral agreements and permits, mineral resources and reserves and processing facilities with respect to its mining operations.

RIO TUBA NICKEL MINING CORPORATION

Rio Tuba Mine

MPSA No. 114-98-IV- Amended I - RTN's nickel laterite deposit covering 4,538 hectares, was renewed for another 25 years on December 2, 2021, subject to the conditionality on the issuance of the CP from the NCIP. The consent process culminated to MOAs on August 29, 2021 and March 19, 2023 between RTN, the NCIP, and the ICCs/IPs of the Municipality of Bataraza and Rizal, respectively. Furthermore, planned activities within the areas covered by the MOAs were allowed to commence.

MPSA No. 213-2005-IVB for RTN's Limestone Quarry - The MPSA was issued on April 28, 2005 with a validity of 25 years covering 85 hectares. This MPSA covers the Sitio Gotok limestone quarry, whereby limestones are being sold to CBNC and other customers. It has an ongoing application to expand its 13-hectare ECC by another 47 hectares, all within the approved MPSA.

HINATUAN MINING CORPORATION

A. Tagana-an Mine

MPSA 246-2007-XIII - On July 25, 2007, HMC was granted an MPSA covering 774 hectares of mineral land in Hinatuan Island, Barangay Talavera, Tagana-an, Surigao del Norte within Parcel II of the Surigao Mineral Reservation for a period of 25 years renewable for another 25 years subject to mutually agreed upon terms and conditions.

Based on the revised life-of-mine plan, the mine life of the Tagana-an mine is expected to last until 2026.

B. Manicani Mine

MPSA No. 012-92-VIII - The Manicani mine is subject to MPSA No. 012-92-VIII granted on August 13, 1992 for 1,165 hectares. It has a term of 25 years and is renewable for another term not exceeding 25 years subject to mutually agreed upon terms and conditions.

On May 1, 2002, the DENR ordered the suspension of mining operations in Manicani pending a conduct of investigation in view of the complaints of the Roman Catholic Bishop. In a decision dated August 2, 2004, an arbitral panel of the Mines Adjudication Board, MGB Region 8, the MPSA was ordered cancelled. The basis for the decision of the Board was the alleged violation of the ECC. As a result, mining operations in Manicani remain suspended. The mining operations were found by the Board to be causing pollution of the seawater of Manicani Island. A Memorandum of Appeal dated December 23, 2004 was filed by HMC and its MPSA was upheld by the Mines Adjudication Board on September 4, 2009. Incidentally, a Letter of Authority to Dispose Nickel Stockpile was issued by MGB on July 1, 2014. From May to August of 2016, 5 shipments were realized for the disposal of said stockpiles, after which, shipments were suspended by MGB. This left behind almost 900,000 WMT of stockpiles which were already approved for disposal.

On May 23, 2016, HMC applied for the renewal of its MPSA in Manicani which expired on October 28, 2017. On March 2, 2022, the DENR approved the renewal of the MPSA extending the first 25-year term for another 15 years from the date of approval.

On September 26, 2023, HMC received the approval of its Environmental Protection and Rehabilitation Program, which was granted on August 4, 2023. HMC was reminded to allocate ₱22.8 million for the rehabilitation of the stockpile area and deposit an additional ₱12.0 million to its rehabilitation cash fund.

On January 16, 2024, the MGB approved HMC's Manicani nickel project feasibility under MPSA No. 012-92-VIII, allowing the extraction and commercial distribution of nickel and other minerals, subject to compliance with specified conditions.

On March 12, 2024, HMC's Manicani nickel project transitioned from care and maintenance to commercial mining operations. Following this, HMC's Manicani operation shipped 231,698 WMT in 2024.

Further, the Project is covered by ECC No. ECC-CO-2408-0013 issued on February 18, 2025, allowing the increase in production rate from 250,000 MT to 3,000,000 MT of nickel ores per annum. Following the approval of the ECC, an amendment of the Project's Feasibility Study was submitted to cover the increase in production rate. A memorandum dated July 29, 2025 of the Technical Committee on Mining Project Feasibility Studies shows that the amended feasibility study has undergone evaluation and was found to be technically and economically feasible after consideration of the environmental, social, and fiscal costs prescribed under the Philippine Mining Act of 1995 and its Revised Implementing Rules and Regulations.

TAGANITO MINING CORPORATION

Taganito Mine

MPSA No. 266-2008-XIII SMR Amended - TMC was granted an MPSA on June 18, 2009 for a period of 25 years subject to renewal as may be mutually agreed upon. The MPSA covers an area of 4,863 hectares located at the Barangays of Hayanggabon, Urbiztondo, Taganito and Cagdianao, Municipality of Claver, Province of Surigao del Norte.

On May 23, 2025, the ECC amendment (ECC-CO-2408-0012) was approved. This ECC supersedes the following documents: ECC CO-1304-0013 issued on August 5, 2013; DENR Letter dated October 20, 2017; ECC-R13-1607-0023 issued on October 6, 2016; and ECC-R13-1305-0073 issued on June 21, 2013 and amended on February 9, 2023. The ECC covers the 5,059-hectare project area of TMC, which includes:

1. Existing surface nickel mining operation with a maximum annual extraction of 12.0 million WMT of ores and mine waste, and a maximum annual production of 11.0 million WMT of ore (saprolite and limonite) in the 588-hectare mining area within the MPSA;
2. Existing wharf operations for loading ore and unloading raw materials and supplies at the wharf areas covered by 197-hectare Foreshore Lease Contracts (FLCs), denominated as FLC-13-000004-D, FLC-13-000009-D, and FLC-13-000014-D; and
3. Proposed quarrying operation with a maximum annual extraction of 2.0 million WMT of quarry materials in a 61-hectare area within the MPSA for the sole purpose of supplying the materials needed for the final stage construction of the dam embankment of the Tailings Storage Facility of THNC.

CAGDIANAO MINING CORPORATION

Cagdianao Mine

MPSA No. 078- 97- XIII - On November 19, 1997, East Coast was granted an MPSA for a period of 25 years and renewable upon such terms and conditions as may be mutually agreed upon. The MPSA covers an area of 697 hectares situated at Barangay Valencia, Municipality of Cagdianao, Province of Dinagat Islands, Surigao del Norte.

On the same date, a MOA was executed between CMC, as Operator, and East Coast for a period of 10 years from the effectivity of the MOA whereby East Coast grants CMC the exclusive right to explore, develop and utilize the mineral property covered by the MPSA. On November 19, 2007, the MOA was renewed for 15 years, covering the remaining term of the MPSA. On December 18, 2015, a Supplemental Agreement was executed by CMC and East Coast, providing for, among others, an automatic renewal of the MOA for another 25 years, or from 2022 to 2047.

On March 2, 2022, the DENR approved the renewal of the MPSA No. 078-97-XIII (SMR) for another 25-year term commencing from November 19, 2022 subject to the same terms and conditions provided in the initial 25-year term of the MPSA.

DINAPIGUE MINING CORPORATION

On July 30, 2007, PGMC and the government entered into an MPSA, which allows PGMC to explore, develop and mine nickel ore within the contract area covering 2,392 hectares in the Municipality of Dinapigue, Province of Isabela.

On January 6, 2009, PGMC and DMC executed a Deed of Assignment transferring to DMC all the rights, title and interest in and into the MPSA over the contract area.

Under the MPSA, DMC shall pay the government a 4% excise tax. The MPSA is valid for 25 years from issuance and renewable at the option of DMC, with approval from the government.

CORDILLERA EXPLORATION CO., INC.

A. Cordon

The project area originally covered 6,325 hectares located in Cordon, Isabela, and Diadi, Nueva Vizcaya. The tenement was converted from APSA-000021-II following the execution of a Deed of Assignment with Royalty Agreement between Marian and Olympus and CEXCI. The application was subsequently re-denominated as EXPA-000166-II and was approved in December 2022, covering a reduced area of 5,544 hectares. The tenement was formally registered in January 2023 and designated as EP-000026-II.

Exploration activities commenced in March 2023, following the presentation of the project to the Provincial Board of Nueva Vizcaya and the execution of a MOA with the DENR covering portions of the experimental forest within the tenement area. Initial work included an environmental baseline survey, followed by field and detailed geological mapping which were carried out continuously throughout the year. The scout drilling program commenced in 2024 and has continuously been implemented in 2025. Geophysical surveys were also conducted that year to delineate additional targets.

As of the reporting period, the tenement is undergoing its first renewal.

B. Mankayan

The exploration application, denominated as EXPA-116-CAR, is in the Municipalities of Mankayan and Bakun, Province of Benguet, and covers a total area of 5,157 hectares. The tenement was divided into two areas to reflect differences in the progress of the FPIC process within the respective ADs.

In Mankayan, CEXCI previously pursued a Motion for Reconsideration following the AD-wide Decision-Making process in December 2021, which resulted in a Resolution of Non-Consent. Subsequently, CEXCI deferred its FPIC process in Mankayan to allow the completion of FPIC processes for other applicants within the area. The FPIC process in Mankayan is expected to resume upon completion of these parallel FPIC applications. In the interim, CEXCI continues to engage with stakeholders in Mankayan to strengthen community understanding and support for the project.

In Bakun, the AD community granted its consent to the proposed exploration project during the Consensus Building and Decision-Making Meeting in March 2022. Negotiations for the MOA commenced thereafter but were suspended after two meetings due to FPIC-related concerns raised by certain community members. CEXCI continues to engage with the affected communities and the NCIP to facilitate the resumption of the MOA negotiations. Ongoing engagement through community facilitators ensures that stakeholders remain informed that the exploration application continues to be actively pursued.

C. Cervantes

The exploration area, denominated as EXPA-116-I, covers 6,012 hectares and is located in Cervantes, Ilocos Sur. Negotiations for the MOA and the Strategic Agricultural and Fisheries Development Zones survey were postponed upon the advice of the LGU of Cervantes. CEXCI continues to engage with relevant stakeholders to keep them informed of the status of the application.

CEXCI, in coordination with NAC, will facilitate meetings with key personnels to assist in moving the FPIC process forward.

D. Aluling

The exploration area is in Cervantes, Ilocos Sur and covers approximately 2,835 hectares. Its conversion to EXPA has been approved by MGB Region I and the tenement has been designated as EXPA-123-I. CEXCI has deferred its request for endorsement of the EXPA to the NCIP for CP processing pending the conclusion of the MOA negotiations related to EXPA-116-I, which is also located in Cervantes.

NEWMINCO PACIFIC MINING CORPORATION

Newminco, which was acquired by CEXCI in December 2015, holds an EP for copper, gold, and related base and precious metals denominated as EP 001-2015-III. It covers an area located in Cabangan, San Felipe, and San Marcelino in the province of Zambales. The decision to acquire Newminco was made following the discovery of outcropping quartz veins, the sampling of which in part returned good assays for gold.

The second year of EP-001-2015-III from first renewal until its expiry was spent on the review of data for the different prospects within the tenement. The second renewal of EP 001-2015-III was registered last February 2023. The third renewal was filed early 2025, however, during the December 16, 2025,

management committee meeting, the project was withdrawn and the area will undergo a care and maintenance phase until all project items are closed.

B. MINERAL RESOURCES AND RESERVES

As of December 31, 2025, the Group's Total Ore Reserves and Mineral Resources are as follows:

*Ore Reserves**						
Ore	**Classification**	**Tonnes (Mwmt)**	**Tonnes (Mdmt)**	**% Ni**	**% Fe**	**Contained Ni (kt)**
TMC						
Saprolite	Proved and	76.29	52.31	1.44	11.75	756
Limonite	Probable	47.16	31.24	1.02	48.32	319
CMC						
Saprolite	Proved and	1.49	0.97	1.32	19.22	12.86
Limonite	Probable	1.41	0.94	1.34	30.34	12.55
DMC						
Saprolite	Proved and	37.2	22.14	1.37	20.02	304
Limonite	Probable	81.50	48.15	1.00	42.54	479
HMC - Tagana-an						
Saprolite	Proved and	1.3	0.88	1.47	16.63	13
Limonite	Probable	0.33	0.23	1.03	49.01	2
HMC - Manicani						
Saprolite	Proved and	40.86	27.78	1.53	18.09	425
Limonite	Probable	12.22	8.31	1.09	49.06	90
RTN						
Saprolite	Proved and	37.01	25.33	1.48	17.34	377
Limonite	Probable	26.04	18.16	1.12	37.45	203

*Mineral Resources***						
Mineral Resources	**Classification**	**Tonnes (Mwmt)**	**Tonnes (Mdmt)**	**% Ni**	**% Fe**	**Contained Ni (kt)**
TMC						
Saprolite	Measured and	68.4	47.2	1.31	16.64	618
Limonite	Indicated	76.7	51.3	0.85	46.88	438
CMC						
Saprolite	Measured and	5.1	3.3	1.20	19.86	40.07
Limonite	Indicated	14.7	9.6	0.83	40.30	79.21
DMC						
Saprolite	Measured and	48.9	29.1	1.39	19.92	404
Limonite	Indicated	105.8	62.5	0.99	42.95	622
HMC - Tagana-an						
Saprolite	Measured and	9.5	6.1	1.29	22.06	79
Limonite	Indicated	3.0	1.9	0.93	48.62	18
HMC - Manicani						
Saprolite	Measured and	57.9	39.4	1.48	19.07	583
Limonite	Indicated	23.3	15.8	1.08	48.07	170
RTN						
Saprolite	Measured and	35.2	21.7	1.53	13.46	333
Limonite	Indicated	33.1	23.0	1.24	36.65	285

** The ore reserves estimates were prepared by Engr. Artemio E. Valeroso, Senior Vice President and Resident Mine Manager - TMC, with Professional Regulation Commission (PRC) number 2641; Engr. Christian Jae R. Gascon, Assistant Vice President and Resident Mine Manager - CMC, with PRC number 2873; Engr. Franciso J. Arañes Jr., Senior Vice President and Resident Mine Manager - DMC and HMC Tagana-an, with PRC number 2305; and Engr. Ronelbert*

A. Suguitan, Vice President and Resident Mine Manager - RTN, with PRC number 2534. They have sufficient experience as to the type of deposit and mineralization. They have given their consent to the attachment of their certifications to the 17-A 2025 Annual Report concerning Ore Reserve Estimation.

*** The mineral resources estimates were prepared by Kristine Grace C. Victoria, Assistant Vice President - Geology, with PRC number 1721, for TMC, and HMC - Taganaan Nickel Project; Angilhiza Marie B. Francisco, Geologist, with PRC number 2252, for CMC and HMC - Manicani Nickel Project; John Paul P. Rangasa, Geologist, with PRC number 2279, for DMC; and by Michael Angelo C. Tan, Geologist, with PRC number 1958, for RTN. They are an Accredited Competent Person and a member of the Geological Society of the Philippines. They have sufficient experience as to the type of deposit and mineralization. They have given their consent to the attachment of their certifications to the 17-A 2025 Annual Report concerning Mineral Resources Estimation.*

As of December 31, 2024, the Group's Total Ore Reserves and Mineral Resources are as follows:

Ore Reserves*						
Ore	**Classification**	**Tonnes (Mwmt)**	**Tonnes (Mdmt)**	**% Ni**	**% Fe**	**Contained Ni (kt)**
TMC						
Saprolite	Proved and	80.38	55.38	1.45	12.04	801
Limonite	Probable	52.95	35.51	1.01	47.33	359
CMC						
Saprolite	Proved and	4.10	2.66	1.44	23.60	38
Limonite	Probable	0.46	0.30	1.12	43.78	3
DMC						
Saprolite	Proved and	33.47	19.90	1.36	19.15	270
Limonite	Probable	73.83	43.62	0.99	42.90	432
HMC – Tagana-an						
Saprolite	Proved and	2.63	1.79	1.39	17.46	25
Limonite	Probable	0.83	0.56	1.00	48.79	6
HMC - Manicani						
Saprolite	Proved and	41.36	28.12	1.53	18.16	430
Limonite	Probable	12.32	8.38	1.09	49.01	91
RTN						
Saprolite	Proved and	35.03	23.85	1.49	18.09	354
Limonite	Probable	33.07	23.32	1.07	35.95	252

Mineral Resources*						
Mineral Resources	**Classification**	**Tonnes (Mwmt)**	**Tonnes (Mdmt)**	**% Ni**	**% Fe**	**Contained Ni (kt)**
TMC						
Saprolite	Measured and	75.9	52.3	1.32	14.04	691
Limonite	Indicated	84.0	56.2	0.88	45.80	494
CMC						
Saprolite	Measured and	7.5	4.9	1.23	20.27	60
Limonite	Indicated	13.0	8.4	0.85	38.61	72
DMC						
Saprolite	Measured and	44.01	26.19	1.38	19.10	360
Limonite	Indicated	95.6	56.5	0.99	43.44	561
HMC - Taganaan Nickel Project						
Saprolite	Measured and	10.0	6.5	1.29	21.44	84
Limonite	Indicated	3.4	2.2	0.95	47.34	21
HMC - Manicani Nickel Project						
Saprolite	Measured and	49.5	33.6	1.51	18.06	507
Limonite	Indicated	13.3	9.1	1.13	48.94	102
RTN						
Saprolite	Measured and	31.7	19.4	1.50	13.85	291
Limonite	Indicated	41.5	28.7	1.20	35.21	344

** The ore reserves estimates were prepared by Engr. Artemio E. Valeroso, Vice President and Resident Mine Manager - TMC, with Professional Regulation Commission number 2641; Engr. Christian Jae R. Gascon, Assistant Vice President and Resident Mine Manager - CMC, with PRC number 2873; Engr. Franciso J. Arañes Jr., Vice President and Resident Mine Manager - HMC Tagana-an, with PRC number 2305; and Engr. Ronelbert A. Suguitan, Vice President and Resident Mine Manager - RTN, with PRC number 2534. They have sufficient experience as to the type of deposit and mineralization.*

*** The mineral resources estimates were prepared by Kristine Grace C. Victoria, Assistant Vice President - Geology, with PRC number 1721, for TMC, DMC and HMC - Taganaan and Manicani Nickel Project; Angilhiza Marie B. Francisco, Geologist, with PRC number 2252, for CMC; and by Michael Angelo C. Tan, Geologist, with PRC number 1958, for RTN. They are an Accredited Competent Person and a member of the Geological Society of the Philippines. They have sufficient experience as to the type of deposit and mineralization.*

C. PROCESSING FACILITIES

CBNC

Facility	Coral Bay HPAL nickel processing plant
Location	In a Special Economic Zone adjacent to Rio Tuba mine
Ownership	NAC (15.62%; until September 30, 2024) SMM (84.38% until September 30, 2024 and 100% starting October 1, 2024)
Operations	Commissioned in 2005 with design capacity of 10,000 tonnes per year of contained nickel. Capacity doubled to 20,000 tonnes per year of contained nickel in June 2009 and attained annual capacity of 24,000 tonnes in 2010 due to facility expansion.
Technology	HPAL process
Source of ore	Rio Tuba mine, Cagdianao mine and Dinapigue mine
Product	Nickel-cobalt sulfide sold exclusively to SMM

The plant was constructed adjacent to the Rio Tuba mine in an area designated as a Special Economic Zone by the Philippine Export Zone Authority (PEZA). As such, CBNC enjoys tax incentives, including a tax holiday. Most of the limonite ore required by the plant is supplied by RTN from its extensive stockpile and from newly mined ore. RTN also supplies limestone. The plant produces a nickel sulfide precipitate containing approximately 57% nickel and 4% cobalt, which is sold exclusively to SMM for refining at its Nihama refinery. The facility uses proprietary SMM technology under a non-exclusive license.

The Company acquired its 10% equity interest in CBNC, the Philippine's first HPAL nickel processing plant, by way of property dividend distributed by RTN in March 2014. In 2022, the Company purchased additional common shares of CBNC from SMM thereby increasing its equity ownership to 15.62%. SMM holds the remaining 84.38% equity interest. In December 2024, the Company's BOD approved to sell its 15.62% ownership in CBNC to SMM at the projected book value of investment in CBNC as of end of September 2024. Consequently, CBNC ceases to be an associate and the Company's investment in CBNC was reclassified as "Asset held for sale" and no equity gains or losses was recognized starting October 1, 2024. On January 31, 2025, the Share Purchase Agreement (SPA) was signed by the Company and SMM. The sale of investment, which was paid in cash, was completed on February 10, 2025

THNC

Facility	Taganito HPAL nickel processing plant
Location	In a Special Economic Zone adjacent to the Taganito mine
Ownership	NAC (10%) SMM (75%) Mitsui and Co., Ltd. (Mitsui; 15%)
Operations	Commenced commercial operations at full capacity in October 2013; with annual capacity of approximately 30,000 tonnes of mixed nickel-cobalt sulfide over an estimated thirty (30) year project life
Technology	HPAL process
Source of ore	Taganito mine
Product	Nickel-cobalt sulfide sold exclusively to SMM

Following the success of the Coral Bay HPAL facility and considering the stockpile and reserves of limonite ore owned by TMC, SMM conducted a feasibility study in September 2009 on a 30,000 tonnes-per-year HPAL plant to be located adjacent to the TMC mine site. The completion of the study led to the signing of a Memorandum of Understanding (MOU) in September 2009 between NAC, TMC, and SMM to proceed with the project. The Company expects that the plant will use technology similar to that used at the Coral Bay HPAL facility but will be triple the original size of the Coral Bay plant. TMC is expected to supply all the limonite ore required for the plant and the nickel-cobalt sulfide product will be sold exclusively to SMM for refining in Japan.

Pursuant to the Taganito HPAL Stockholders Agreement that NAC entered into on September 15, 2010, the project will be undertaken by THNC, a company that will be jointly owned by NAC (as to 22.5%), SMM (as to 62.5%) and Mitsui (as to 15%). The agreement contains a term sheet with principal terms of an offtake agreement to be entered into between THNC and TMC for the supply of limonite ore. Similar to the Coral Bay HPAL facility, the plant is located in a Special Economic Zone approved by the PEZA and enjoy tax incentives. The operation of the facility provides an additional dedicated customer for limonite ore from our Taganito mine which allows us to benefit from the higher percentage of payable nickel available further downstream in the nickel value chain.

The estimated total project cost is US$1.7 billion, which includes capital expenditures of US$1.6 billion for the plant, working capital and US$100.0 million of interest accrued during the construction phase. Under the terms of the Stockholders Agreement, NAC will be required to guarantee a portion of such debt financing equal to NAC's 22.5% equity interest in THNC. On September 15, 2010, NAC entered into an agreement with SMM whereby SMM will guarantee our pro-rata portion of THNC's loan obligation in exchange for the payment of an annual guarantee service fee to SMM of 1% of our pro-rata share of the outstanding loan obligation.

In 2016, the Company made a strategic decision to reduce its ownership in the Taganito HPAL plant from 22.5% to 10%, the same equity level that the Company have then in the Coral Bay plant. The reduction in the Company's equity was achieved by a sale of shares to the majority owner of the plant and one of the major shareholders, SMM. In line with NAC's equity reduction in THNC, NAC and SMM also agreed to reduce the guarantee service fee rate from 1% to 0.60%.

D. REAL PROPERTIES

TMC owns the following parcels of land located in Surigao City:

1) a parcel of land with a total area of 43,237 square meters in Barangay Rizal and with Transfer Certificate of Title (TCT) No. 162-2011000392; and
2) a parcel of land with a total area of 88,640 square meters in Barangay Ipil and with TCT No. 162-2012000481, which is intended for leasing to THNC in the future

Likewise, HMC owns a parcel of land with a total area of 3,500 square meters located in Barangay Luna, Surigao del Norte under TCT No. 162-2013000096. HMC constructed a building on the said land which is currently being used as a liaison office of the Group's mining companies in Surigao. HMC Manicani owns three (3) parcels of land, with a total area of 11.1422 hectares located in the Island of Manicani, Guiuan, Eastern Samar.

NAC owns a parcel of land with a total area of more or less 20,000 square meters which is located in Barangay Quezon, Surigao del Norte. NAC constructed its diesel power plant on the said land.

MGPC has purchased some 48 hectares of its geothermal project site in Naujan, Oriental Mindoro.

SISPC purchased 200 hectares land for the project site of its solar power generation facilities in San Isidro, Leyte.

CSPC purchased 10 hectares land where a portion of its solar power plant facilities in Botolan, Zambales will be developed.

E. SERVICE CONTRACTS

The Group's renewable energy companies hold the following service contracts:

Solar Energy Service Contract No. 2013-10-039
On October 31, 2013, JSI entered into a SESC with the DOE. The SESC covers an area of approximately 2,997 hectares in the municipalities of Morong and Hermosa, in the province of Bataan. The SESC is for a period of 25 years, inclusive of a 2-year pre-development stage, and renewable for another 25 years. The government share under the SESC shall be 1% of the gross income from the sale of electricity generated from the solar energy operations.

On January 20, 2021, the DOE issued the Amended Confirmation of Commerciality No. SCC-2015-09-021-B to develop, operate and maintain the 100MW Solar Power Project (Phase 1 - 7MW; Phase 2 - 25MW; Phase 3A - 30MW and Phase 3B - 38MW).

The COC for JSI's 100MW Solar Power Project was issued by the ERC on June 4, 2025.

Solar Energy Operating Contract No. 2021-01-577
On February 3, 2021, JSI entered into a SEOC with the DOE covering an area of 351 hectares, a portion of the area in SESC No. 2013-10-039, also located in Morong and Hermosa, Bataan. JSI secured from the DOE a Certificate of Registration as RE Developer of 100MW / 86MW Subic New PV Power Plant Project.

JSI's PAO for its 72MW Solar Power Project is valid until June 1, 2026.

Geothermal Renewable Energy Service Contract No. 2016-02-060
GRESC No. 2010-02-013, which covers an approximate area of 3,914 hectares in the 3 barangays of Montelago, Montemayor and Melgar-B in Oriental Mindoro, involves the development of geothermal well clusters and a power plant. The steam extracted from the geothermal wells will power a geothermal power station with an output capacity of at least 20MW.

On November 24, 2014, EPI and MGPC entered into a Deed of Assignment for the assignment of EPI's rights and obligations under the GRESC to MGPC. On December 5, 2014, EPI applied with the DOE to transfer the GRESC to MGPC. The DOE approved EPI's application on February 16, 2016 under Certificate of Registration No. 2016-02-060.

The Project is expected to have an operating capacity of 40MW. The geothermal plant will supply electricity to Oriental Mindoro and Occidental Mindoro at 20MW capacity each.

On May 7, 2024, MGPC received from the DOE a termination letter of the GRESC covering the Montelago Geothermal Power Project to which MGPC responded through a letter of request for reconsideration to reinstate. MGPC's request for reinstatement was granted by the DOE on July 5, 2024.

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.

Solar Energy Service Contract No. 2018-11-491
On November 6, 2019, Total Power Inc. (TPI) and DOE signed SESC No. 2018-11-491 whereby the DOE granted TPI the exclusive right to explore, develop and utilize solar energy resources within 810 hectares of land located in San Isidro and Calubian, Leyte.

The SESC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued Certificate of Registration to TPI as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513 otherwise known as the Renewable Energy Act of 2008.

On December 7, 2022, the DOE approved the transition of the SESC from pre-development to development stage with a capacity of 280MW / 227 MW and issued the Certificate of Confirmation of Commerciality No. SCC-2022-22-117 for the Project located in San Isidro, Leyte.

On May 10, 2023, the DOE approved the assignment/transfer of all rights and obligations under the SESC from TPI to SISPC and issued a new Certificate of Registration under the name of SISPC.

Solar Energy Operating Contract No. 2023-10-715
On November 10, 2023, NPPGC and DOE signed SEOC No. 2023-10-715 whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 280 hectares of land located in Subic, Zambales.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Solar Energy Operating Contract No. 2023-12-804
On January 22, 2024, NPPGC and DOE signed SEOC No. 2023-12-804 for NSPC whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 53 hectares of land located in Hermosa, Bataan.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan.

Solar Energy Operating Contract No. 2023-12-789
On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-789 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 102 hectares of land located in San Antonio, Zambales.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On November 28, 2024, CSPC filed a formal request to surrender this SEOC with the DOE. On January 28, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2023-12-790
On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-790 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 30 hectares of land located in Botolan, Zambales.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Solar Energy Operating Contract No. 2023-12-795
On January 22, 2024, CSPC and DOE signed SEOC No. 2023-12-795 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On January 20, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On May 7, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2024-07-903
On July 23, 2024, CSPC and DOE signed SEOC No. 2024-07-903 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 597 hectares of land located in Tuguegarao, Cagayan.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Wind Energy Service Contract 2024-02-379
On March 15, 2024, CSPC and DOE signed WESC No. 2024-02-379 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize wind energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The WESC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On March 3, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On April 22, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2024-04-851
On May 9, 2024, EER 2 and DOE signed SEOC No. 2024-04-851 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 106 hectares of land located in Mariveles, Bataan.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On May 7, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

Solar Energy Operating Contract 2024-05-866
On June 26, 2024, EER 2 and DOE signed SEOC No. 2024-05-866 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 408 hectares of land located in General Santos City.

The SEOC has a term of 25 years which may be extended to another 25 years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On September 16, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

F. LIENS AND ENCUMBRANCES

Except for the property and equipment pledged as collateral for the following loans, there were no other property and equipment pledged as collateral for the Group's borrowings as at December 31, 2025.

1) Loans of JSI with Industrial and Commercial Bank of China (ICBC) and Security Bank Corporation (SBC);
2) Loans of NPPGC with Rizal Commercial Banking Corporation (RCBC); and
3) Loans of SISPC with SBC and China Banking Corporation (CBC).

Item 3. LEGAL PROCEEDINGS

In the ordinary course of the Group's business, its subsidiaries and affiliates are a party to various legal actions that are mainly labor cases that it believes are routine and incidental to the operation of its business.

Asiacrest Marketing Corporation (Asiacrest) - First Integrated Bonding and Insurance Co. (FIBIC) Case
On May 30, 2016, JSI filed a complaint against Asiacrest and FIBIC before the Construction Industry Arbitration Commission (CIAC), docketed as CIAC Case No. 23-2016, for Asiacrest's breach of its EPC Contract for the 100MW solar power plant in Subic. JSI sought to hold Asiacrest liable for amounts not to exceed ₱1,458.0 million. JSI sought to hold FIBIC, being the surety, which secured Asiacrest's performance of its obligation, jointly and severally liable to the extent of the value of the performance bond of ₱727.5 million. On March 10, 2017, the Arbitral Tribunal rendered a final award in JSI's favor. On March 29, 2017, JSI moved for the issuance of a writ of execution with the CIAC.

On March 23, 2017, FIBIC filed a Petition for Review with application for the issuance of a Temporary Restraining Order (TRO) with the Court of Appeals (CA) which was granted on April 10, 2017, conditioned upon FIBIC posting a bond equivalent to the award adjudged against it in the Final Award of CIAC. On April 18, 2017, FIBIC moved to reduce the injunction bond to 1% of the amounts adjudged against it under the Final Award, which was opposed by JSI on May 2, 2017.

In the meantime, the CIAC ordered the issuance of a writ of execution against Asiacrest on May 8, 2017, and against FIBIC on June 13, 2017. On July 10, 2017, the CA granted the Motion of FIBIC to reduce the bond and thereafter, August 10, 2017, issued a TRO to enjoin the execution of the Final Award. The TRO expired on October 9, 2017. On November 29, 2017, the CA denied FIBIC's application for a writ of preliminary injunction.

On December 29, 2017, JSI received FIBIC's Petition for Certiorari with the Supreme Court (SC). FIBIC contests the resolution of the CA denying its application for a writ of preliminary injunction. This Petition for Certiorari was denied by the SC for failure of FIBIC to show any reversible error in the CA Resolution. On June 6, 2018, the SC's resolution became final and executory and recorded in the Book of Entries of Judgments. The CA subsequently issued a Joint Decision on the merits of the Petition for Review of Asiacrest and FIBIC. The Joint Decision dismissing the said Petition for Review and affirmed the Final Award with some modifications (CA Decision). FIBIC filed a Petition for Certiorari in the SC assailing the CA Decision.

As of February 8, 2019, there is no court-issued TRO or writ of preliminary injunction which would serve to enjoin the execution of the Final Award, whether against Asiacrest or FIBIC. However, the Insurance Commission (IC) has placed FIBIC under conservatorship and on July 24, 2018, issued a Notice of Stay Order suspending all payment of claims against FIBIC effective August 3, 2018, except on prior approval by the IC or until further notice. Also, on January 21, 2019, CIAC issued an Order staying the execution of the CIAC Final Award against FIBIC during the effectivity of the Stay Order issued by the IC.

On June 26, 2019, EPI and JSI signed a Deed of Assignment, wherein JSI assigns, transfers, and conveys to EPI, on a non-recourse basis, all its rights, title and interest in and to Asiacrest and FIBIC in partial payment of EPI's advances to JSI, to the extent of ₱514.7 million. As a result of the increased credit risk associated to Asiacrest, EPI provided an allowance for impairment losses on advances to a contractor amounting to ₱514.7 million as at December 31, 2025.

On September 19, 2019, JSI received a copy of the Entry of Judgment issued by the SC. While there is no court-issued TRO or writ of preliminary injunction to stop the execution of a Final Award against either Asiacrest or FIBIC, the IC issued a Notice of Stay Order on July 24, 2018, suspending all payment of claims against FIBIC from August 3, 2018, except on prior approval by the Insurance Commissioner or until further notice. Eventually, the IC placed FIBIC under liquidation and appointed Atty. Lozada-Marquez as FIBIC's appointed liquidator.

On November 27, 2020, EPI submitted its formal claim against FIBIC to the appointed liquidator in the amount of ₱736.2 million. EPI also appealed to the liquidator and the IC to run after the reinsurance companies for the amounts they respectively insured in favor of FIBIC.

On January 17, 2024, Atty. Jose Barcelon replaced the previous appointed liquidator, Atty. Lozada-Marquez, and all the case files relating to JSI's action against FIBIC have been turned over to him for proper action. To this date, JSI's formal claim remains pending.

Petition for Declaration of Nullity of Provincial Ordinance No. 01-2017 Imposing Real Property Tax on Mining Area Covered by MPSA No. 266-2008-XIII-SMR

This is a Petition for Declaration of Nullity of Provincial Ordinance No. 01-2017 enacted by the Province of Surigao del Norte filed by TMC. In particular, TMC is questioning the assessment of real property tax on public land forming part of its mining area covered by MPSA No. 266-2008-XIII-SMR. These are lands of the public domain owned by the State the beneficial use of which has not been ceded to TMC being a mere mining contractor.

The Provincial Government of Surigao del Norte is demanding from TMC the payment of real property tax on the mining area covered by its MPSA.

In a Decision dated October 21, 2024, the Regional Trial Court (RTC) denied the Petition of TMC and upheld the validity of Provincial Ordinance No. 01-2017 but did not rule on the issue of the tax exemption of TMC's mining area. TMC filed a Motion for Reconsideration of said Decision which is still pending resolution.

Petition for Declaration of Nullity of Municipal Ordinance No. 2017-27 Increasing the Business Tax Imposed on Mining Companies from 1% of Gross Receipts to 2% of Gross Receipts

The Petition was filed by TMC to declare the nullity of Claver Municipal Ordinance No. 2017-27 which increased the local business tax imposed on mining companies from 1% to 2% of the gross receipts for being violative of Sections 130 and 191 of the Local Government Code. Section 191 expressly limits any increase in business tax rate to a maximum of 10% of the current tax rate every 5 years. The total business taxes paid under protest by TMC is at ₱535.9 million collectively paid from 2018 to 2025.

At the Pre-Trial Conference held on April 21, 2022, considering the issues are purely legal in nature, the parties moved jointly to file simultaneous Memoranda instead of going through a full-blown trial. The RTC granted the same. TMC timely filed its Memorandum via registered mail on May 23, 2022. On the other hand, the Respondent Municipality of Claver filed a Motion to Admit Memorandum w/ the Memorandum attached thereto 5 months after the deadline set by the RTC, TMC received a copy of the same on October 19, 2022 via electronic mail. As such, TMC filed an Opposition to the Motion to Admit Memorandum on October 27, 2022.

The Respondent Municipality of Claver filed an Urgent Motion to Admit Memorandum without further arguments dated January 27, 2023. On February 2, 2023 hearing, external counsel manifested that an Opposition was filed.

Prior to the filing of the instant Petition to declare Municipal Ordinance No. 2017-27 null and void, TMC filed an appeal of the legality of the said ordinance with the Secretary of Justice of the Department of Justice. The Secretary of Justice did not rule on the appeal within the period required by the rules; hence, the instant Petition was filed with the RTC. Notwithstanding the foregoing, the Secretary of Justice eventually issued a Resolution on the appeal of TMC on March 13, 2022 declaring that Municipal Ordinance No. 2017-27 was null and void. As such, TMC filed a Manifestation with the court on April 20, 2023 stating that a Resolution had been issued by the Secretary of Justice declaring the ordinance as null and void. The RTC has yet to resolve the same.

In its Joint Resolution dated August 29, 2024, the RTC granted the Petition of TMC and declared Claver Municipal Ordinance No. 2017-27 as Null and Void for being ultra vires and in contravention of Section 191 of the Local Government Code. Respondent Municipality of Claver filed a Joint Motion for Reconsideration on August 14, 2025. In a Joint Resolution dated December 17, 2025, the RTC denied the

Joint Motion for Reconsideration of the Municipality of Claver and affirmed in toto its August 29, 2024 Joint Resolution declaring Municipal Ordinance No. 2017-27 Null and Void. A copy of the Joint Resolution denying the Motion for Reconsideration was received by the Parties on January 5, 2026.

Petition to Recall Strategic Environmental Plan (SEP) Clearance

On December 14, 2014, the Palawan Council for Sustainable Development (PCSD) issued a SEP Clearance in favor of RTN. However, sometime in July 2019, the Environmental Legal Assistance Center, Inc. filed the instant Petition to cancel the SEP Clearance with the PCSD, alleging, among others, that issuance of the SEP Clearance violated the SEP Law, EO 23 and EO 79, and that the South Upper Guintalunan Project of RTN has adverse impacts on the environment. RTN maintains that the SEP Clearance was issued in accordance with the SEP Law and the application for the same went through the stringent evaluation and validation processes of the PCSD. The PCSD has yet to rule upon the same.

Action for Declaration of Nullity of Dinagat Island Provincial Ordinance No. 08-058 Imposing Soil Depletion Tax

This is an action for declaration of nullity of Dinagat Islands Provincial Ordinance No. 08-058 imposing a Soil Depletion Tax (SDT) on mining companies operating in Dinagat Islands equivalent to 1% of the gross receipts filed by CMC. CMC's position is that the SDT is invalid as it is beyond the authority of the provincial government or any LGU to impose being in the nature of an excise tax. This is a limitation on the taxing powers of LGUs expressly provided under Section 133 (h) of the Local Government Code.

On February 12, 2016, CMC filed a Motion to Declare the Respondent in Default because the province failed to file its Answer. The case was archived pursuant to the Order from the RTC dated May 16, 2019. On May 31, 2024, CMC filed a Motion to Reactivate Case With Prayer for Issuance of a TRO and Writ of Preliminary Injunction, seeking to enjoin the province from collecting the SDT from CMC, initiating any action to levy/distraint any of its assets, and/or stopping the operation of CMC for non-payment of the SDT. During the hearing on August 15, 2024, counsel for the province undertook to submit an Affidavit of Undertaking from the Provincial Governor that the province will not initiate or commence any action to stop the operations of CMC. The Affidavit of Undertaking dated August 29, 2024 was filed with the RTC, where the Provincial Governor undertook to desist from doing any act which disallows the CMC's shipping of minerals from and to the Province of Dinagat Islands while the case between CMC and the Province of Dinagat Islands (Civil Action No. 653 for Declaration of Nullity of Ordinance No. 08-058) is pending resolution before the RTC Branch 32 Dinagat Islands. On the same date, the province filed its Answer and Pre-Trial Brief and the RTC issued the following Orders:

a. Status quo ante order
b. Declared the resolution of the prayer for issuance of restraining order moot
c. Admitted the Answer of the Province, and
d. Considered the Motion for Declaration of Default withdrawn.

CMC filed its Pre-Trial Brief dated October 17, 2024. During the pre-trial held on November 14, 2024, the parties were directed to file their respective memoranda. The province filed its Memorandum dated December 12, 2024.

In an Order of Inhibition dated February 24, 2025, Judge Mario P. Menil, the newly appointed judge of RTC Branch 32 where the case is pending, inhibited himself from the case being the author of the assailed Ordinance at the time when he was still a Member of the Sangguniang Panlalawigan of the Province of Dinagat Islands. CMC has yet to receive a notice on the transfer of the case to another court.

The RTC has not yet issued any decision.

Collection for Sum of Money for Payment of SDT under Dinagat Island Provincial Ordinance No. 08-058

This is a collection for sum of money case filed by the Province of Dinagat Islands against CMC for payment of the SDT under Provincial Ordinance No. 08-58 for the years 2009 to 2024 in the aggregate amount of ₱725.0 million. CMC is contesting the above assessment on the ground that Ordinance No. 08-58 is null and void for being an ultra vires act of the Province of Dinagat Islands as it does not have the authority to impose the same in breach of the limitation of its revenue raising power under Section 133(h) of the Local Government Code.

The case is presently archived, and the parties have yet to move on whether it will be reactivated.

In Re: Joint Assessment Conducted at Taganito Mining Corporation, et al.
On September 16, 2016 the DOLE CARAGA Regional Office conducted an assessment at TMC's mine site to ensure its compliance with labor laws, rules, and regulations, which was prompted by a complaint for regularization. On the same date, the Regional Office issued a Notice of Results which noted some deficiencies but did not find TMC to be engaged in labor-only contracting. TMC and all its contractors complied with the required submissions and attended all mandatory conferences, wherein there was neither any question on the legitimacy of its contractors nor a finding of labor-only contracting.

On April 26, 2019, the Regional Office issued the Order finding that TMC is engaged labor-only contracting and required it to regularize 133 workers. TMC filed its Memorandum of Appeal dated May 9, 2019 with the Secretary of Labor (SOLE). On July 2, 2024, the SOLE issued a Resolution upholding the Order of the Regional Office. TMC filed its Motion for Reconsideration arguing, among other things, that the SOLE arbitrarily disregarded the presumption of legitimacy which arises from the registration of contractors with the DOLE and that the findings of the Order of the Regional Office are not supported by evidence on record. On September 19, 2024, SOLE denied TMC's Motion for Reconsideration.

TMC filed a Petition for Certiorari with the CA on December 13, 2024 on the following grounds:
a. The SOLE improperly applied the concept of presumptions
b. The SOLE's findings are not supported by evidence on record
c. There is nothing on record which would show that TMC controls the means and methods by which its contractors perform the services for which they were engaged. Neither did TMC hire, discipline, bad/or fire any of its contractors' employees

The Petition has yet to be decided on by the CA.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters covered under this item submitted in 2025 to the security holders for a vote.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

A. MARKET INFORMATION

The stock prices for the Parent Company's common equity for the last 3 years, after the effect of stock dividends, are as follows:

	High	Low
2023		
1st Quarter	₱7.70	₱6.19
2nd Quarter	₱7.07	₱5.72
3rd Quarter	₱6.35	₱5.01
4th Quarter	₱6.48	₱5.00
2024		
1st Quarter	₱5.20	₱3.88
2nd Quarter	₱4.46	₱3.71
3rd Quarter	₱3.80	₱3.09
4th Quarter	₱4.08	₱2.97
2025		
1st Quarter	₱3.34	₱2.25
2nd Quarter	₱2.65	₱2.02
3rd Quarter	₱3.50	₱2.20
4th Quarter	₱4.02	₱3.26

The share price of the Parent Company's stocks was at ₱5.35 per share as of February 24, 2026.

B. HOLDERS

The Company has 101 shareholders as of December 31, 2025, with outstanding common shares of 13,931,125,094. The top 20 stockholders of the Company's outstanding shares as of December 31, 2025 are as follows:

Name	Citizenship	Shares	% of Ownership
Sumitomo Metal Mining Philippine Holdings Corp. (SMMPHC)	Filipino	3,614,397,887	25.94%
Mantra Resources Corp. (Mantra)	Filipino	3,555,081,802	25.52%
PCD Nominee Corporation (Filipino)	Filipino	2,335,603,762	16.77%
Asiasec Equities Inc.	Filipino	1,830,296,491	13.14%
PCD Nominee Corporation (Non-Filipino)	Foreign	1,353,338,793	9.71%
Nonillion Holding Corp.	Filipino	1,174,000,000	8.43%
Gerard H. Brimo	Filipino	17,057,784	0.12%
Luis Juan L. Virata	Filipino	17,000,720	0.12%
William T. Enrile &/or William R. Enrile II &/or Nelly R. Enrile	Filipino	12,880,000	0.09%
Ricardo Sy Po or Angelita Tan Po or Leonardo Arthur Tan Po	Filipino	3,781,501	0.03%
William T. Enrile or Nelly R. Enrile or Edwin R. Enrile or William R. Enrile II	Filipino	3,000,000	0.02%
Ronaldo B. Zamora	Filipino	2,340,403	0.02%
Megastar Agri-Farming Corporation	Filipino	2,340,000	0.02%
Harvey T. Ang	Filipino	2,000,000	0.01%
Koh Teng Ong Chong	Filipino	1,967,040	0.01%
CHS Capital Holdings Corp.	Filipino	750,000	0.01%
Eva Policar-Bautista	Filipino	658,123	0.00%

Name	Citizenship	Shares	% of Ownership
Rolando R. Cruz	Filipino	614,952	0.00%
Yee Men Siao or Charlene Sarte Yee or Dixie Jill Sarte Yee	Filipino	600,000	0.00%
Jose B. Anievas	Filipino	573,750	0.00%

C. DIVIDENDS

The following table shows the cash dividends declared and paid to common shareholders for the years ended December 31, 2025, 2024 and 2023:

Year	***Date***			***Dividend Per Share***	***Amount Declared (in millions)***
	Declaration	***Record***	***Payment***		
Regular					
2025	February 27, 2025	March 13, 2025	March 26, 2025	₱0.07	₱975.2
2024	March 13, 2024	March 27, 2024	April 12, 2024	0.08	1,114.5
2023	March 14, 2023	March 29, 2023	April 12, 2023	0.17	2,317.2
Special					
2025	November 11, 2025	November 28, 2025	December 15, 2025	₱0.07	₱975.2
2025	February 27, 2025	March 13, 2025	March 26, 2025	0.04	557.2
2024	March 13, 2024	March 27, 2024	April 12, 2024	0.05	696.6
2023	November 9, 2023	November 24, 2023	December 7, 2023	0.07	973.3

NAC declares dividends to shareholders of record, which are paid from its unrestricted retained earnings. The Company's dividend policy entitles holders of shares to receive annual cash dividends of up to 30% of the prior year's recurring attributable net income based on the recommendation of its BOD. Such recommendations will take into consideration factors such as dividend income from subsidiaries, debt service requirements, the implementation of business plans, operating expenses, budgets, funding for new investments and acquisitions, appropriate reserves and working capital, among others. Although the cash dividend policy may be changed by the BOD at any time, the Company's current intention is to pay holders of its shares annual cash dividends at this ratio. Additionally, in the event that new investments, acquisitions or other capital expenditure plans do not materialize, the BOD plans to review the dividend policy and consider increasing the dividend ratio above 30% of the prior year's recurring net income.

NAC's subsidiaries pay dividends subject to the requirements of applicable laws and regulations and availability of unrestricted retained earnings, without any restriction imposed by the terms of contractual agreements. Notwithstanding the foregoing, the declaration and payment of such dividends depend upon the respective subsidiary's results of operations and future projects, earnings, cash flow and financial condition, capital investment requirements and other factors.

Cash dividends are paid to all shareholders at the same time and within 30 calendar days from the declaration date. Stock dividends are also issued to all shareholders at the same time but subject to shareholders' approval.

D. RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES

No unregistered securities were sold in 2025.

Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussions and analysis are based on the audited consolidated financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023, prepared in conformity with Philippine Financial Reporting Standards and accompanying Notes to the Consolidated Financial Statements and should be read in conjunction with the audited consolidated financial statements.

The Group has not, in the past 5 years and since its incorporation, revised its financial statements for reasons other than changes in accounting policies.

Summary Financial Information

The Consolidated Financial Statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 are hereto attached.

The following tables set forth the summary financial information for the 3 years ended December 31, 2025, 2024 and 2023 and as at December 31, 2025, 2024 and 2023:

Summary of Consolidated Statements of Income

	For the Years Ended December 31			Horizontal Analysis			
	2025	2024	2023	Increase (Decrease)		Increase (Decrease)	
	(In Thousand Pesos)			2025 vs 2024	%	2024 vs 2023	%
Revenues	₱29,617,073	₱22,325,428	₱24,700,467	₱7,291,645	33%	(₱2,375,039)	-10%
Costs	(11,041,037)	(9,822,152)	(10,030,801)	1,218,885	12%	(208,649)	-2%
Operating expenses	(7,089,094)	(5,701,094)	(5,708,770)	1,388,000	24%	(7,676)	0%
Finance income	580,995	695,893	524,065	(114,898)	-17%	171,828	33%
Finance expenses	(482,198)	(482,786)	(446,701)	(588)	0%	36,085	8%
Equity in net loss of associates	(249,463)	(897,927)	(1,037,821)	(648,464)	-72%	(139,894)	-13%
Other income (charges) - net	879,323	(1,556,511)	21,492	2,435,834	156%	(1,578,003)	-7,342%
Provision for income tax - net	(3,367,904)	(1,638,389)	(2,227,996)	1,729,515	106%	(589,607)	-26%
Net income	₱8,847,695	₱2,922,462	₱5,793,935	₱5,925,233	203%	(₱2,871,473)	-50%
Net income attributable to:							
Equity holders of the Parent	₱6,268,929	₱1,521,458	₱3,749,656	₱4,747,471	312%	(₱2,228,198)	-59%
Non-controlling interests	2,578,766	1,401,004	2,044,279	1,177,762	84%	(643,275)	-31%
	₱8,847,695	₱2,922,462	₱5,793,935	₱5,925,233	203%	(₱2,871,473)	-50%

Summary of Consolidated Statements of Financial Position

				Horizontal Analysis			
	2025	2024	2023	Increase (Decrease)		Increase (Decrease)	
	(In Thousand Pesos)			2025 vs 2024	%	2024 vs 2023	%
Current assets	₱25,607,469	₱23,835,707	₱23,488,558	₱1,771,762	7%	₱347,149	1%
Noncurrent assets	44,560,542	37,815,094	34,438,251	6,745,448	18%	3,376,843	10%
Total assets	₱70,168,011	₱61,650,801	₱57,926,809	₱8,517,210	14%	₱3,723,992	6%
Current liabilities	₱10,897,107	₱12,752,199	₱9,990,199	(₱1,855,092)	-15%	₱2,762,000	28%
Noncurrent liabilities	11,442,298	4,485,380	4,831,624	6,956,918	155%	(346,244)	-7%
Non-controlling interests	8,109,751	7,786,697	6,846,207	323,054	4%	940,490	14%
Equity attributable to equity holders of the Parent	39,718,855	36,626,525	36,258,779	3,092,330	8%	367,746	1%
Total liabilities and equity	₱70,168,011	₱61,650,801	₱57,926,809	₱8,517,210	14%	₱3,723,992	6%

	For the Years Ended December 31		
	2025	2024	2023
	(In Thousand Pesos)		
Net cash flows from (used in):			
Operating activities	₱10,137,667	₱7,346,553	₱8,186,957
Investing activities	(4,957,262)	(8,260,512)	(5,388,416)
Financing activities	(542,446)	(1,874,594)	1,867,561
Net increase (decrease) in cash and cash equivalents	4,637,959	(2,788,553)	4,666,102
Cash and cash equivalents, beginning	12,935,272	15,482,465	10,809,026
Effect of exchange rate changes in cash and cash equivalents	1,137	241,360	7,337
Cash and cash equivalents, end	₱17,574,368	₱12,935,272	₱15,482,465

RESULTS OF OPERATIONS

Calendar year ended December 31, 2025 compared with calendar year ended December 31, 2024

Revenues
In 2025, the Group reported total revenues of ₱29,617.1 million, which represents an increase of ₱7,291.6 million or 33% compared to ₱22,325.4 million in 2024. This increase was primarily driven by higher nickel ore prices.

Sale of Ore
Revenues from the sale of ore increased by 39% due to a significant rise in saprolite ore export prices. The Group's operating mines sold a total of 18.6 million WMT of nickel ore in 2025, a 9% increase from last year's sales of 17.0 million WMT. The weighted average sales price of nickel ore in 2025 grew by 28% to $25.66/WMT, compared to $20.04/WMT the previous year. The Group's operating mines realized an average exchange rate of ₱57.22/US$ from these nickel ore sales, a slight decline from ₱57.36/US$ the previous year.

In 2025, the Group exported 10.9 million WMT of saprolite and limonite ore at an average price of $36.14/WMT. This is an increase compared to the 9.6 million WMT exported in the previous year, which sold at an average price of $27.34/WMT. Additionally, the Group delivered 7.6 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants in 2025, with prices linked to the LME. The average price for these deliveries was $6.86 per pound of payable nickel in 2025, down from $7.65 per pound for 7.4 million WMT in 2024.

Breaking it down by mine, the Group's Taganito mine was the largest contributor, accounting for 48% of total ore sales in 2025. It exported 3.9 million WMT of saprolite and limonite ore and delivered 4.9 million WMT of limonite ore to the Taganito processing plant. In 2024, the Taganito mine exported 4.1 million WMT of saprolite and limonite ore and delivered 4.5 million WMT of limonite ore to the processing plant.

The Rio Tuba mine, which contributed 29% of total ore sales in 2025, exported 2.8 million WMT of saprolite ore and delivered 2.5 million WMT of limonite ore to the Coral Bay processing plant. In the previous year, the mine sold 1.8 million WMT of saprolite ore and 2.4 million WMT of limonite ore to the Coral Bay processing plant.

The Group's mines in Hinatuan, Cagdianao, and Dinapigue exported 1.9 million WMT, 2.0 million WMT, and 0.3 million WMT of saprolite and limonite ore, respectively, in 2025. In comparison, the previous year's exports were 1.7 million WMT, 1.5 million WMT, and 0.5 million WMT, respectively. Additionally, the Cagdianao mine delivered 0.2 million WMT of limonite ore to the Coral Bay processing plant in 2025. In 2024, the combined delivery from the Cagdianao and Dinapigue mines totaled 0.5 million WMT.

Sale of Limestone
Limestone deliveries to CBNC decreased by 35% in 2025, resulting in a corresponding decline in revenue from limestone sales, which totaled ₱126.7 million compared to ₱194.7 million in 2024.

Sale of Power
Revenue from power sales in 2025 decreased by 4%, dropping to ₱1,291.1 million from ₱1,342.1 million the previous year. This decline was primarily due to a lower average effective price. Notably, the price of solar energy sold through the electricity market operator saw a significant drop of 56%, falling from ₱5.96/kilowatt-hour (kWh) to ₱2.65/kWh. Similarly, the price of solar energy delivered under Power Sales Agreements decreased from ₱4.78/kWh to ₱4.67/kWh. Additionally, the overall average price of energy sourced from diesel dropped by 3%, from ₱22.52/kWh to ₱21.91/kWh.

Services
Service revenue, which mainly consists of payments for hauling, manpower, and ancillary services provided by CDTN and TMC to CBNC, THNC, and other third parties, and usage fee charged by TMC to THNC for the use of its pier facility, experienced a decline of ₱277.2 million. Consequently, total revenue in 2025 was ₱952.1 million, down from ₱1,229.3 million in the previous year. This decrease is primarily attributed to the completion of activities related to CBNC's Tailing Storage Facility (TSF)-3 project, which was extended until the end of the first half of 2024.

Costs
Overall costs increased by 12%, amounting to ₱1,218.9 million, rising from ₱9,822.2 million to ₱11,041.0 million.

Cost of Sales
The cost of sales rose to ₱9,890.5 million in 2025, up from ₱8,591.0 million in 2024. This increase was mainly due to rising production costs during the year, which were caused by unexpected adverse weather conditions that hindered mobility and affected site conditions, ultimately impacting operational efficiency. Longer hauling distances, resulting from a shift in ore sourcing from locations near the pier to more distant sites, along with higher road and pit maintenance costs in the new area of Rio Tuba and increased manpower and equipment utilization, particularly for the Manicani operations, contributed to the overall cost increase. Additionally, the volume of ore shipped and delivered in 2025 was 9% higher than the previous year.

Cost of Power Generation
The cost of power generation increased by 15%, rising from ₱603.0 million to ₱694.3 million. This increase was driven by the increase in capacity resulting from the completion of the Phase 4A Subic project in February 2024, which led to the cessation of capitalizing interest and the start of depreciation of the related assets.

Cost of Services
Costs associated with services decreased by 27%, dropping from ₱628.2 million to ₱456.2 million. This reduction followed the completion of additional activities carried out by CDTN for CBNC's TSF-3 project at the end of the first half of 2024. Most of the work was performed by contractors, which had contributed to higher costs in 2024.

Operating Expenses
The Group's operating expenses rose by 24%, increasing to ₱7,089.1 million in 2025 from ₱5,701.1 million in 2024.

Shipping and Loading Costs
Shipping and loading costs increased by 23%. This rise was influenced by a 13% increase in ore export volume and the hiring of additional LCTs and tugboats to support loading operations and ensure the timely transfer of ore into vessels. However, demurrage charges were incurred due to loading delays caused by unexpected adverse weather conditions at the site.

Excise Taxes and Royalties
Excise taxes and royalties rose by 38%, from ₱1,707.3 million to ₱2,347.9 million. This increase was primarily driven by higher revenue from nickel ore and limestone sales, influenced by more favorable nickel ore prices in 2025.

General and Administrative
General and administrative expenses increased by 13%, rising from ₱1,618.2 million to ₱1,832.3 million. This rise was primarily due to annual merit increases, incentives, retirement or severance payouts, and payments to project consultants and professionals.

Marketing
Marketing costs, which include commissions based on a percentage of revenue, increased by 20% during the current year. The commission is calculated solely on the revenue of CMC. Notably, the commission rose by 40%, reflecting the same percentage increase in ore sales for CMC.

Finance Income
Finance income decreased by 17%, falling to ₱581.0 million from ₱695.9 million. This decline is attributed to lower short-term cash investment rates, which averaged around 3.70% in 2025, down from approximately 4.46% the previous year. Additionally, the average cash placements in 2025 decreased by 4% compared to the prior year.

Finance Expenses
Finance expenses remained relatively unchanged from last year, totaling ₱482.2 million, with no significant changes due to interest rate repricing.

Equity in Net Loss of Associates
The Parent Company reported a loss of ₱249.5 million from its equity interests in THNC in 2025. This reflects a significant improvement compared to the combined loss of ₱897.9 million from the two HPAL plants in the previous year. This improvement is primarily attributed to the sale of the investment in CBNC, which was completed in February 2025.

Other Income (Charges) - Net
In 2025, the Group's net other income stood at ₱879.3 million, a marked increase compared to the net other charges of ₱1,556.5 million from the previous year. This increase was primarily due to the reclassification of cumulative translation adjustments related to the investment in CBNC, amounting to ₱800.5 million, which was previously recorded in other comprehensive income. Additionally, the impairment losses on assets in 2025 were significantly lower at ₱490.1 million, compared to ₱2,083.3 million in 2024.

Provision for Income Tax
As a result of the factors mentioned above, particularly the increase in revenue, taxable income rose in 2025. Furthermore, there were reversals of deferred income tax assets during the year. Consequently, the net provision for income tax increased by 106%.

Net Income
As a result, the consolidated net income in 2025 reached ₱8,847.7 million, compared to ₱2,922.5 million the previous year. After accounting for non-controlling interests, the net income attributable to the equity holders of the parent company amounted to ₱6,268.9 million, an increase from ₱1,521.5 million in the prior year.

Calendar year ended December 31, 2024 compared with calendar year ended December 31, 2023

Revenues
In 2024, the Group reported total revenues of ₱22,325.4 million, representing a decrease of ₱2,375.0 million or 10% compared to ₱24,700.5 million in 2023. This decline was primarily driven by lower nickel ore prices, as a result of an oversupply in the nickel market.

Sale of Ore
The Group's operating mines sold a total of 17.0 million WMT of nickel ore in 2024, reflecting a modest increase of 3% from 16.5 million WMT in the previous year.

Breaking down the ore sales, the Group exported 9.6 million WMT of saprolite and limonite ore in 2024, achieving an average price of $27.34 per WMT, down from $30.59 per WMT for 8.9 million WMT in 2023. Additionally, the Group delivered 7.4 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants

in 2024, with prices linked to the LME. The average price realized was $7.65 per pound of payable nickel in 2024 compared to $9.89 per pound of payable nickel for 7.6 million WMT in 2023. When expressed in US$ per WMT, the average prices for these deliveries were $10.50 and $14.66 in 2024 and 2023, respectively.

On a per mine basis, the Group's Taganito mine was the largest contributor, accounting for 50% of total ore sales in 2024, with combined shipments and deliveries totaling 8.6 million WMT (4.1 million WMT of saprolite and/or limonite ore exports and 4.5 million WMT of limonite ore deliveries to the Taganito HPAL plant). This was an increase from 8.2 million WMT in 2023 (3.7 million WMT of saprolite ore exports and 4.5 million WMT of limonite ore deliveries to the Taganito HPAL plant).

The Rio Tuba mine contributed 25% of total ore sales in 2024, comprising 4.2 million WMT (1.8 million WMT of saprolite ore exports and 2.4 million WMT of limonite ore deliveries to the Coral Bay HPAL plant), which was almost the same in 2023 at 1.6 million WMT ore exports and 2.6 million WMT deliveries to the Coral Bay HPAL plant or a total of 4.2 million WMT.

The Hinatuan, Cagdianao, and Dinapigue mines exported 1.7 million WMT, 1.5 million WMT, and 0.5 million WMT of saprolite and limonite ore, respectively, in 2024, compared to 1.6 million WMT, 1.7 million WMT, and 0.3 million WMT, respectively, in 2023. The Cagdianao and Dinapigue mines also delivered 0.5 million WMT of limonite ore to the Coral Bay processing plant in both years.

The realized Peso/US$ exchange rate for ore sales was ₱57.36 in 2024, up 3% from ₱55.78 in 2023.

Sale of Limestone
Rio Tuba's revenue from the sale of limestone increased to ₱194.7 million in 2024, up from ₱175.0 million in 2023. This growth is attributable to an 11% rise in limestone deliveries to CBNC.

Sale of Power
Revenue from power sales experienced substantial growth, reaching ₱1,342.1 million, a 52% increase from ₱881.5 million in 2023. Although the year-on-year average effective price decreased by 2% from Php5.40/ kWh to Php5.30/kWh, generation volume from the Group's solar and diesel power plants more than doubled, increasing by 109%, or 119.0 million kWh, due to a significant increase in overall capacity.

Services and Others
The Group's revenue from services and others fell by 46%, to ₱1,229.3 million from ₱2,265.1 million. This decline primarily resulted from reduced equipment rental income associated with the completion of CBNC's TSF-3 project in December 2023.

Costs
The Group's total costs decreased slightly by 2%, or ₱208.6 million, from ₱10,030.8 million to ₱9,822.2 million.

Cost of Sales
The cost of sales increased to ₱8,591.0 million in 2024 from ₱7,964.5 million in 2023, driven by a 3% rise in sales volume. Factors influencing cost movements included: 1) longer hauling distances particularly in Taganito and Rio Tuba; 2) a 13% increase in fuel consumption (partially offset by a 2% decline in fuel prices); and 3) higher volume handled by third-party contractors.

Cost of Power Generation
Cost in power generation rose by 17%, from ₱515.5 million in 2023 to ₱603.0 million in 2024, as a direct consequence of the 109% increase in generation volume.

Cost of Services
Cost related to services dropped by 59%, from ₱1,550.8 million to ₱628.2 million, following the completion of CBNC's TSF-3 project, resulting in a 44% reduction in the volume of materials handled.

Operating Expenses

The Group's operating expenses remained relatively stable, amounting to ₱5,701.1 million in 2024, slightly decreasing from ₱5,708.8 million in 2023, reflecting a decrease of ₱7.7 million.

Shipping and Loading Costs

Shipping and loading costs increased by 4%, largely due to an 8% increase in ore export volumes. Contributing factors included the: 1) completion of the causeway construction in Dinapigue and the depreciation of the 2 LCTs acquired for Dinapigue in July 2023; 2) a prolonged loading season due to adverse weather; and 3) direct loading activities in Rio Tuba caused by stock unavailability at the pier.

Excise Taxes and Royalties

Excise taxes and royalties decreased by 9%, from ₱1,873.8 million to ₱1,707.3 million, predominantly due to a 3% decline in revenues from nickel ore and limestone sales attributed to lower nickel ore prices.

General and Administrative

General and administrative expenses increased by 5%, rising from ₱1,542.8 million to ₱1,618.2 million. This increase was primarily driven by the: 1) increased personnel costs due to annual merit raises, the hiring of new employees and retirement or severance payments; 2) additional contributions to the NAC Foundation Inc. for health and community programs; and 3) increase in outsourced services particularly software program developers.

Marketing

Marketing expenses, which includes commission, decreased by 9% in 2024, reflecting a 5% decline in CMC's revenue from ore sales and adjustment in marketing fee rate, which dropped from 3.5% to 2.5% beginning January 2024.

Finance Income

Finance income surged by 33% to ₱695.9 million from ₱524.1 million, primarily due to improved net yields from time deposit placements averaging 4.46% in 2024 as against 4.10% in 2023.

Finance Expenses

Finance expenses rose by 8%, reaching ₱482.8 million, up from ₱446.7 million. This increase was attributed to the new loans from ICBC, SBC and RCBC, as well as a rise in the average foreign exchange rate from ₱55.63/US$1 to P57.28/US$1.

Equity in Net Loss of Associates

The Parent Company reported a reduced loss from its equity interests in the two HPAL plants, with a combined loss of ₱897.9 million in 2024 compared to ₱1,037.8 million in 2023, or a 13% improvement. The net losses were driven by lower metal prices for nickel and cobalt year-on-year.

Other Income (Charges) - Net

In 2024, the Group has net other charges of ₱1,556.5 million, a contrast to net other income of ₱21.5 million in 2023. The primary drivers were an impairment loss of ₱1,912.3 million on MGPC's geothermal exploration and evaluation assets and a total of ₱202.6 million in input VAT impairments and write-offs. This loss was partially offset by net foreign exchange gains from the Group's US$ denominated net financial assets amounting to ₱411.3 million, a significant recovery from a loss of ₱79.4 million in 2023.

Provision for Income Tax - Net

The Group's net provision for income tax decreased by 26%, even as net income fell by 50%. The smaller reduction can be attributed to higher nondeductible expenses stemming from increased provisions for impairment losses.

Net Income

As a result of the foregoing, the Group reported a consolidated net income of ₱2,922.5 million in 2024, down from ₱5,793.9 million in 2023. After accounting for non-controlling interests, the attributable net income stood at ₱1,521.5 million in 2024, which was 59% lower than ₱3,749.7 million in 2023.

Calendar year ended December 31, 2023 compared with calendar year ended December 31, 2022

Revenues
The Group's total revenues in 2023 was ₱24,700.5 million, lower by ₱3,302.7 million or 12% compared to ₱28,003.1 million in 2022 because of lower nickel ore prices caused by the growth in Indonesian nickel production.

Sale of Ore
The Group's operating mines sold a combined 16.5 million WMT of nickel ore in 2023, or 3% higher than last year's 15.9 million WMT.

Breaking down the ore sales, the Group exported 8.9 million WMT of saprolite and limonite ore to customers at the average price of $30.59 per WMT in 2023 from 8.1 million WMT at $39.39 per WMT in 2022. Likewise, the Group delivered 7.6 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants, the prices of which are linked to the LME, and realized an average price of $9.89 per pound of payable nickel in 2023. This compares to 7.8 million WMT at $11.64 per pound of payable nickel in 2022. Expressed in US$ per WMT, the average price for the deliveries to the 2 HPAL plants were $14.66 and $18.72 in 2023 and 2022, respectively.

On a per mine basis, the Group's Taganito mine accounted for 50% of the total WMT of ore sold in 2023. The mine shipped 3.7 million WMT of saprolite ore and delivered 4.5 million WMT of limonite ore to the Taganito HPAL plant, or a combined shipment and delivery of 8.2 million WMT. The comparable figures for 2022 were 3.2 million WMT of saprolite ore and 4.7 million WMT of limonite ore to the Taganito HPAL plant, or a combined shipment and delivery of 7.9 million WMT.

The Rio Tuba mine accounted for 25% of the total ore sold in 2023, consisting of 1.6 million WMT of saprolite ore and 2.6 million WMT of limonite ore delivered to the Coral Bay HPAL plant or a total of 4.2 million WMT. The comparable figures for 2022 were 1.5 million WMT and 2.7 million WMT or a total of 4.2 million WMT.

The Group's Hinatuan, Cagdianao, and Dinapigue mines exported saprolite and limonite ore of 1.6 million WMT, 1.7 million WMT, and 0.3 million WMT, respectively, in 2023, and 1.4 million WMT, 1.8 million WMT, and 0.2 million WMT, respectively, in 2022. Aside from the limonite ore deliveries from the Rio Tuba mine, the Group's Cagdianao and Dinapigue mines also delivered limonite ore to the Coral Bay processing plant for a total of 0.5 million WMT and 0.4 million WMT in 2023 and 2022, respectively.

The realized Peso/US$ exchange rate for ore sales was ₱55.78 in 2023, a 2% increase from ₱54.90 in 2022.

Sale of Limestone
Rio Tuba's revenue from sale of limestone went down to ₱175.0 million in 2023 from 215.60 million in 2022 because of the 17% decrease in volume delivered to customers.

Sale of Power
Revenue from the sale of power in 2023 amounted to ₱881.5 million, or 14% higher than last year's ₱773.4 million. Despite the 8% decrease in the year-on-year average effective price, from Php5.55/kWh to Php5.09/kWh, the generation volume of the Group's solar and diesel power plant was higher by 27%, or by 32MW, owing to higher demand, compared to the year prior. A portion of the energy generated was attributable to the completion and energization of Phase 3B, which contributed 38MW starting in the third quarter of 2022.

Services and Others
The Group's revenue from services and others improved by 52% to ₱2,265.1 million from ₱1,490.7 million mainly because of the increase in the volume of materials handled, particularly for CBNC's TSF-3 Project.

Costs
The Group's costs went up by 9% or ₱793.7 million, from ₱9,237.1 million to ₱10,030.8 million.

Cost of Sales
The 3% increase in sales volume led to the slight increase in cost of sales from ₱7,931.0 million in 2022 to ₱7,964.5 million in 2023. The movements in the cost of sales were driven by 1) higher fuel consumption by 11%, however, this was partially offset by an average 10% decline in fuel prices; 2) compared to last year, when the mines were still recovering from the impact of typhoon Odette, wherein the Surigao mines experienced almost a month without power due to damaged powerlines caused by typhoon Odette, the Group is operating normally during 2023; and 3) aside from the slight increase in the contractor's rate, the contracted tonnage was also higher in 2023.

Cost of Power Generation
Cost of power generation went up by 28% to ₱515.5 million in 2023 from ₱403.9 million in 2022 because of higher generation volume, which increased by 27% compared in the year prior, following the completion and energization of Phase 3B in June 2022, which also led to increase in depreciation by 16%.

Cost of Services
Cost of services rose by 72% to ₱1,550.8 million from ₱902.2 million following the increase in payments made to subcontractors for CBNC's TSF-3 project. Aside from this, the volume of materials handled in 2023 was higher by 26% than last year.

Operating Expenses
The Group's operating expenses amounted to ₱5,708.8 million in 2023 compared to ₱6,126.6 million in 2022, a decrease of ₱417.8 million, or 7%.

Shipping and Loading Costs
Shipping and loading costs were up by 1% since loading started early for some of the mines in 2023 compared to last year, when shipment started late due to inclement weather conditions. Aside from this, the volume of ore export sales increased by 9%.

Excise Taxes and Royalties
Excise taxes and royalties slid by 25% to ₱1,873.8 million from ₱2,486.3 million, mainly on account of the 16% decline in revenue from the sale of nickel ore and limestone as a result of lower nickel ore prices in 2023, and due to the reduction in the royalty rate of CMC to its claim owner, from 8.75% to 2.50%.

General and Administrative
General and administrative expenses increased by 18% from ₱1,306.3 million to ₱1,542.8 million on account of higher taxes due to the settlement of the prior year's deficiency taxes, increase in travel related expenses particularly to/from sites, additional office space rented in line with ongoing renovations and boost in publicity promotions and advertisements. Aside from this, additional expenses were incurred for the risk conference held in Cebu and Manila, for NAC's first sustainability-run event and various employee engagement activities to promote health and wellness.

Marketing
The marketing cost, which includes commission, was lower by 31% in 2023. The commission is based on CMC's revenue only, and CMC's revenue from the sale of ore was 27% lower in 2023 compared to last year. Further, shipments subjected to a marketing fee in 2023 were lower by 45% compared to last year.

Finance Income
Finance income significantly improved by 178% to ₱524.1 million from ₱188.6 million because of the improvements in the net yield of time deposit placements, which averages to 4.10% in 2023, compared to an average of 1.45% in 2022.

Finance Expenses
The Group's finance expenses rose by 46%, to ₱446.7 million from ₱306.8 million, following the increase in the domestic borrowing rate, from a range of 5.25% to 7.50% to a range of 6.59% to 8.19% and additional loans obtained from ICBC, SBC and RCBC. Aside from this, a jump in the foreign exchange rate from an average of P54.50/US$1 to P55.63/US$1 also contributed to the increase.

Equity in Net Loss (Income) of Associates
The Parent Company registered a loss from its equity interests in the two HPAL plants in the combined amount of ₱1,037.8 million in 2023 against a profit of ₱942.1 million the year prior, or a 210% decrease. The net loss incurred by the HPAL plants was due to lower metal prices for nickel and cobalt year-on-year.

Other Income - Net
The Group's other income - net was at ₱21.5 million in 2023, compared to ₱841.6 million in 2022. The Group recognized net foreign exchange losses from its US$ denominated net financial assets in the amount of ₱79.4 million in 2023, a significant turnaround from foreign exchange gains of ₱1,215.2 million in 2022. However, the decrease in foreign exchange gains was partially offset by the increase in the valuation gains of investments in 2023 by ₱720.2 million. Impairment losses were also recognized in 2023 due to rescissions of operating contracts.

Provision for Income Tax - Net
The Group's net provision for income tax was 35% lower due to lower taxable income base on account of higher deductible expenses from actual exercise of employee stock option shares in 2023.

Net Income
As a result of the foregoing, the Group's consolidated net income was ₱5,793.9 million in 2023 compared to ₱10,876.1 million in 2022. Net of non-controlling interests, our net income was ₱3,749.7 million in 2023, or 53% lower compared to ₱7,931.1 million in 2022.

FINANCIAL POSITION

Calendar year as at December 31, 2025 and 2024

As of December 31, 2025, total assets reached ₱70,168.0 million, up from ₱61,650.8 million as of December 31, 2024. Current assets increased by 7%, growing from ₱23,835.7 million to ₱25,607.5 million, while noncurrent assets rose by 18%, from ₱37,815.1 million to ₱44,560.5 million. The rise in current assets was mainly due to higher and improved collections from operations. In contrast, the increase in noncurrent assets was driven by the construction of the 240MW San Isidro Solar Power Project and Phase 1 - 70MW Cawag Solar Power Project.

Current liabilities decreased to ₱10,897.1 million, down from ₱12,752.2 million. This decline was primarily due to payments on short-term loans to SBC, totaling ₱2,015.3 million, after accounting for any loan availments or drawdowns during the year.

Noncurrent liabilities surged by 155%, climbing to ₱11,442.3 million from ₱4,485.4 million. This increase reflects net proceeds from bank loans used to finance the construction of the San Isidro Solar Power Project and the Cawag Solar Power Project. Additionally, there was an adjustment to lease liabilities resulting from lease modifications and a new long-term lease entered into during the year.

Equity, net of non-controlling interests, increased to ₱39,718.9 million, influenced by this year's earnings, dividend payments, and a reduction in cumulative translation adjustments.

Calendar year as at December 31, 2024 and 2023

As of December 31, 2024, the Group's total assets increased by 6%, rising to ₱61,650.8 million from ₱57,926.8 million at the end of 2023.

Current assets at the close of 2024 recorded a modest rise of 1%, amounting to ₱23,835.7 million compared to ₱23,488.6 million as of the end of 2023. The increase is primarily attributed to the reclassification of an investment in CBNC from noncurrent to current under "Asset held for sale".

Noncurrent assets exhibited a significant improvement of 10%, climbing from ₱34,438.3 million to ₱37,815.1 million. This positive trend is largely due to strategic investments in property and equipment for renewable energy initiatives and the expansion of mining operations, particularly involving new mines.

Current liabilities surged by 28%, escalating from ₱9,990.2 million to ₱12,752.2 million. This rise was driven by new short-term loans secured by EPI from RCBC, specifically intended to finance the SISPC's 240MW San Isidro Solar Power Project and NPPGC's 140MW Cawag Solar Power Project.

On the other hand, noncurrent liabilities decreased by 7%, falling to ₱4,485.4 million from ₱4,831.6 million due to repayments of long-term debts and a reduction in pension liabilities, supported by additional contributions made to pension funds in 2024.

The Group's equity, net of non-controlling interests, improved by 1% to ₱36,626.5 million as of December 31, 2024. This growth reflects the Group's sustained profitable operations and increases in translation adjustments affecting the balances of the associates.

Calendar year as at December 31, 2023 and 2022

As at December 31, 2023, the Group's total assets increased by 16% to ₱57,926.8 million from ₱49,759.0 million as of the end of 2022.

Current assets as of the end of 2023 was higher by 12% at ₱23,488.6 million compared to ₱20,955.2 million as of the end of 2022 mainly due to collections of receivables, and disposal of offshore investments.

Noncurrent assets improved by 20% from ₱28,803.9 million to ₱34,438.3 million which was attributable mainly to the acquisitions of property and equipment, including the advances and downpayments made to suppliers, intended for the renewable energy projects and in preparation for the mine operations, particularly of the new mines.

Current liabilities were higher by 109%, from ₱4,772.9 million to ₱9,990.2 million, due to additional short-term loans obtained by EPI from SBC and RCBC to finance the construction of JSI's Phase 4A - 72MW Solar Power Project and the Cawag Solar Power Project.

Noncurrent liabilities rose by 8% to ₱4,831.6 million from ₱4,455.3 million due to the additional bank loans obtained by JSI, to finance its Phase 3 solar project and to refinance the shareholder's loan used for Phase 3 expansions, and by DMC, to finance the construction of its permanent causeway. Further, the long-term lease agreement for the use of office space and parking in the head office was renewed and new long-term lease agreements were signed, which led to the recognition of ₱236.3 million lease liabilities for the right-of-use. There were also adjustments in the provision for mine rehabilitation and decommissioning which further increased the liability by ₱86.8 million as of end of 2023.

The Group's equity net of non-controlling interests as at December 31, 2023 improved by 2% to ₱36,258.8 million due to the Group's continued profitable operations and the issuance of shares upon exercise of stock options, less the impact of the translation adjustments on the balances of the associates and cash dividends paid.

CASH FLOWS

Calendar years ended December 31, 2025, 2024 and 2023

In 2025, net cash generated from operating activities reached ₱10,137.7 million, an increase from ₱7,346.6 million in 2024 and ₱8,187.0 million in 2023. This improvement was primarily due to higher collections resulting from more favorable ore prices.

Regarding investment activities, the Group allocated significant resources to capital expenditures, which included project development costs and advances to suppliers for its nickel mining operations and solar projects. Net capital expenditures in 2025 were ₱8,011.5 million, a decrease from ₱8,702.7 million in 2024 but significantly higher than the ₱6,327.7 million spent in 2023. Additionally, proceeds of ₱1,853.4 million from the sale of investments in CBNC partially offset and reduced the total investment spending in 2025.

In terms of financing activities for 2025, the Group paid cash dividends amounting to ₱5,278.1 million, an increase from ₱3,206.6 million in 2024 and ₱4,891.0 million in 2023. However, this dividend payment was partially offset by net proceeds from new loans, primarily intended for the Cawag Solar Power and San Isidro Solar Power Projects, which totaled ₱4,253.9 million. This was up from ₱158.9 million in 2024 but slightly lower than ₱4,521.7 million in 2023. Moreover, the equity contribution from noncontrolling interests decreased in 2025, amounting to ₱383.9 million, compared to ₱1,071.7 million in 2024 and ₱1,597.2 million in 2023.

As of December 31, 2025, 2024 and 2023, cash and cash equivalents stood at ₱17,574.4 million, ₱12,935.3 million and ₱15,482.5 million, respectively.

Calendar years ended December 31, 2024, 2023 and 2022

The Group reported ₱7,346.6 million net cash flows from operating activities, a decreased from ₱8,187.0 million in 2023 and ₱12,876.4 million in 2022. This drop was primarily due to lower collections from the ore sales, reflecting reduced revenue in 2024, compared to previous years, which was impacted by lower nickel ore prices.

For investment activities, the Group allocated substantial resources to capital expenditures in 2024 totaling ₱8,761.2 million. This investment was primarily directed towards JSI's 72MW solar project (Phase 4A), DMC's permanent causeway, SISPC's 120MW solar project (Phase 1) and re-fleeting of mining equipment. This marks a significant increase compared to ₱6,353.4 million in 2023 and ₱2,485.0 million in 2022. Consequently, cash flows utilized in investing activities amounted to ₱8,260.5 million in 2024, ₱5,388.4 million in 2023, and ₱3,898.5 million in 2022.

To address various capital requirements in 2024, the Parent Company declared and distributed regular cash dividends only, in contrast to 2023 and 2022, wherein special cash dividends were also paid. Additionally, the amount of new loans taken in 2024 was lower, totaling ₱4,663.6 million compared to ₱5,218.9 million in 2023 but higher than the ₱1,367.7 million in 2022.

As at December 31, 2024, 2023 and 2022, cash and cash equivalents stood at ₱12,935.3 million, ₱15,482.5 million, and ₱10,809.0 million, respectively.

TOP FIVE KEY PERFORMANCE INDICATORS

1) SALES VOLUME

The volume of saprolite ore that the Group sells largely depends on the grade of saprolite ore that it mines. The volume of limonite ore that it sells to China and Indonesia largely depend on the demand for NPI and carbon steel in China. PAMCO purchases high-grade saprolite ore that the Group can extract and ship at any given time. With respect to low-grade saprolite and limonite ore, in periods when the Group can extract more ore than it is able to ship, it generally continues its mining operations and stockpiles such ore for sale when demand improves or when prices rise to more attractive levels. As stated above, the volume of the Group's low-grade saprolite and limonite ore sales to Chinese and Indonesian customers are roughly correlated with the LME nickel price, with volume increasing as nickel prices rise. In addition to sales of nickel ore to PAMCO and customers in China and Indonesia, the Group sells limonite ore from its Rio Tuba, Cagdianao and Dinapigue mines to the Coral Bay HPAL facility, and from Taganito mine to the Taganito HPAL facility, in which the Parent Company holds a 10% equity interest. CBNC purchases an amount of limonite ore from the Group sufficient to meet its ore requirements. Currently, the annual capacity of Coral Bay HPAL facility was 24,000 tonnes as a result of the facility's expansion in 2009. The Taganito HPAL facility has an annual capacity of 30,000 tonnes of mixed nickel-cobalt sulfide over an estimated 30-year project life.

Type and Grade of Ore that the Group Mines

The Group realizes higher sales prices for saprolite ore than for limonite ore. Accordingly, the type and grade (which is a factor of nickel content) of the ore that the Group mines affect its revenues from year to year. The quantity of saprolite ore that it mines annually depends on the customer demand and the availability of such ore at its mine sites. The mix between high-and low-grade saprolite ore at the Group's mine sites coupled with its long-term mining plan determines the quantities of each that it extracts on an annual basis. The quantity of limonite ore that it mines on an annual basis depends on the amount of such ore that needs to be removed to extract the saprolite ore, as well as market demand.

In 2025 and 2024, the Group sold an aggregate of 18.6 million WMT and 17.0 million WMT, respectively.

2) TOTAL COST PER VOLUME SOLD

The total cost per volume of ore sold provides a cost profile for each operating mine and allows the Group to measure and compare operating performance as well as changes in per unit costs from year to year.

The total cost includes cost of sale of ore, shipping and loading costs, excise taxes and royalties, general and administrative expenses and marketing incurred by the Group.

The average total cost per volume sold in 2025 is ₱880 per WMT based on aggregate costs of ₱16,332.0 million and a total sales volume of 18.6 million WMT of ore. This compares to ₱810 per WMT in 2024 based on aggregate costs of ₱13,783.7 million and a total sales volume of 17.0 million WMT of ore.

3) ATTRIBUTABLE NET INCOME

Attributable net income represents the portion of consolidated profit for the year, net of income taxes, which is attributable to the Parent Company. This is a relevant and transparent metric of the information contained in the consolidated financial statements. The net income attributable to equity holders of the Parent Company is ₱6,268.9 million in 2025 compared to ₱1,521.5 million in 2024.

4) NUMBER OF HECTARES OF OPEN AREA PER MILLION WMT SOLD

The Group adheres to the principles and practices of sustainable development. The Group is committed to complying and following environmental regulations by implementing best practices in managing environmental impacts of its operations. In 2018, the DENR, through the issuance of DAO 2018-19, prescribes Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines and provides limits of maximum disturbed areas for nickel mines depending on the scale of their mining operations. The DAO also requires that temporary revegetation be immediately implemented on the disturbed areas. All NAC operating companies are well within the norm of the DENR which is 26 hectares per million WMT sold. In 2025 and 2024, the open hectares per million WMT sold was 19.93 and 16.47, respectively.

5) FREQUENCY RATE

Health and safety are integral parts of the Group's personnel policies. Its comprehensive safety program is designed to minimize risks to health arising out of work activities and to assure compliance with occupational health and safety standards and rules and regulations that apply to its operations. The Group measures its safety effectiveness through the Frequency Rate which is the ratio of lost-time accidents to total man-hours worked for the year. In 2025 and 2024, the Group's frequency rate is nil in both years.

OFF-BALANCE SHEET ARRANGEMENTS

- Under the Suretyship Agreement executed by and between the Parent Company and SBC on August 4, 2015, the Parent Company, solidarily with EPI and DMC, guarantees and warrants to SBC, its assigns and successors-in-interest, prompt and full payment and performance of EPI's and DMC's obligations to SBC (see Note 13 to the Consolidated Financial Statements).
- On August 2, 2021, JSI entered into an Omnibus Loan and Security Agreement (OLSA) to document the syndicated loan with 2 banks as lenders, i.e., ICBC and SBC, with the Parent Company forming part of the Share Collateral Security Grantors and Sponsors together with EPI and TBEA (see Note 13 to the Consolidated Financial Statements).

- On December 26, 2024, NPPGC entered an OLSA to document the loan with RCBC, with EPI as Sponsor and Security Grantor (see Note 13 to the Consolidated Financial Statements).
- On December 16, 2025, SISPC entered an OLSA to document the loan with SBC and CBC, with GRHI as the Security Grantor (see Note 13 to the Consolidated Financial Statements).

Item 7. FINANCIAL STATEMENTS

The audited financial statements are presented in Part V, Exhibits and Schedules.

Item 8. INFORMATION ON INDEPENDENT ACCOUNTANTS AND OTHER RELATED MATTERS

The Group's consolidated financial statements have been audited by SyCip Gorres Velayo & Co. (SGV & Co.), a member practice of Ernst & Young Global Limited), independent auditors, as stated in their reports appearing herein.

Ms. Eleanore A. Layug is the Company's current audit partner. The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period.

Audit and Audit-Related Fees
For the years 2025, 2024 and 2023, SGV & Co. was engaged primarily to express an opinion on the financial statements of the Parent Company and its subsidiaries.

Non-Audit Services Fees
Non-audit services fees pertain to fees paid to SGV & Co. for the transfer pricing study and seminar fees.

The following table sets out the aggregate fees incurred in 2025 and 2024 for professional services rendered by SGV & Co.:

	2025	2024
	(In Thousands)	
Audit and Audit-Related Services*	₱19,957	₱18,900
Non-Audit Services	642	630
Total	₱20,599	₱19,530

***** Exclusive of out-of-pocket expenses and VAT

Audit Committee's Approval of Policies and Procedures
Prior to the commencement of the year-end audit work, SGV & Co. present their program and schedule to the Company's Audit Committee, which include discussion of issues and concerns regarding the audit work to be done. At the completion of the audit works, the Group's audited financial statements for the year are likewise presented by SGV & Co. to the Audit Committee for committee approval and endorsement to the BOD for final approval. The Audit Committee pre-approve the terms of the annual audit services engagement. They also approve, if necessary, any changes in terms resulting from changes in audit scope.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

A. LIST OF DIRECTORS, EXECUTIVE OFFICERS AND COMMITTEES OF THE ISSUER

The BOD is principally responsible for the Company's overall direction and governance. The Company's Articles of Incorporation provide for 9 members of the BOD, who shall be elected by the stockholders. At present, 2 of the Company's 9 directors are independent directors. The members of the BOD hold office for 1 year until their successors are elected and qualified in accordance with the By-laws.

DIRECTORS

The following are the present directors of the Company:

Name	Age	Citizenship	Position	Date First Elected	Date Last Elected	No. of Years served as Director
Jose Isidro N. Camacho	70	Philippine National	Chairman of the Board	June 7, 2024	June 9, 2025	1 year
Maria Patricia Z. Riingen	59	Philippine National	Vice Chairman	May 20, 2019	June 9, 2025	6 years
Martin Antonio G. Zamora	53	Philippine National	Executive Director, President, and Chief Executive Officer (CEO)	June 16, 2010	June 9, 2025	15 years
Harvey T. Ang	52	Philippine National	Non-Executive Director	June 3, 2022	June 9, 2025	3 years
Shiro Imai	52	Japanese National	Non-Executive Director	June 30, 2022	June 9, 2025	3 years
Naoki Kawai	57	Japanese National	Non-Executive Director	July 11, 2025	-	5 months
Leonides Juan Mariano C. Virata	44	Philippine National	Non-Executive Director	June 30, 2022	June 9, 2025	3 years
Florencia G. Tarriela	78	Philippine National	Lead Independent Director	August 4, 2022	June 9, 2025	3 years
James J.K. Hung	78	Taiwanese	Independent Director	June 7, 2024	June 9, 2025	1 year

Certain information on the business and work experience of the Company's Directors and Executive Officers are set out below:

JOSE ISIDRO N. CAMACHO is the Chairman of the Company. He is the Chairman of the Finance Committee and Corporate Governance Committee of the Board. He is currently the Chairman of the University of Arts Singapore and Bangko ng Kabuhayan (a Rural Bank) and Co-Chairman of Jin Chan Ltd (Singapore). He is a Senior Adviser to TPG Capital (Singapore), Neurocredit (Singapore), Golden Ridge Ventures (Singapore), and SICPA (Switzerland); a Founding Member of Asia Peace and Reconciliation Council (Thailand), and an Independent Director of Citadel Pacific Limited, and Trans Diversified Group Inc. Mr. Camacho was formerly Vice Chairman for Credit Suisse Asia Pacific and Chairman of Sun Life of Canada (Philippines) Inc. He joined Credit Suisse in March 2005 after a distinguished career in government and international banking. He was appointed Secretary of Finance for the Philippines in 2001, a position he held until November 2003. As Secretary of Finance, he led the country's economic team and supervised the fiscal and financial sectors. Prior to that, he served as Secretary of Energy where he was credited with the successful passage of the country's power sector reform legislation. He was also Chairman of Land Bank of the Philippines, Philippine Deposit Insurance Corporation, Trade Development and Investment Corporation (PhilExim), Home Guaranty Corporation, National Power Corporation, Power Sector Asset and Liability Management Corporation, National Transmission Corporation (Transco), Privatization

Council, Capital Market Development Council, and National Credit Council. Prior to joining the government, Mr. Camacho was a Managing Director and Chief Country Officer for the Philippines at Deutsche Bank, AG in Manila. Before Deutsche Bank, he worked for Bankers Trust Company for over 20 years in New York, Japan, Hong Kong, Philippines and Singapore. His last position at Bankers Trust was Head of Investment Banking for Southeast Asia and CEO for Singapore. Mr. Camacho was previously a board member of the National Gallery Singapore (2013-June 2021), the National Heritage Board of Singapore (2007-2013) and Sun Life Malaysia Takaful Bhd (2013-2019) and Sun Life Malaysia Assurance Bhd (2013-2022). He was also formerly a member of the Securities Industry Council of Singapore (2010-2017), the Securities Commission of Malaysia's International Advisory Group (2008-2010) and the ASEAN Capital Markets Forum's Group of Experts (2008-2012), and the Chief Executive Officer of Credit Suisse Singapore (2007-2016). Mr. Camacho obtained his Bachelor's degree in Mathematics (Cum Laude) from De La Salle University in 1975. He received his Master of Business Administration with concentration in Finance from Harvard University in 1979. In 2017, He was awarded an Honorary Degree of Doctor of Business Administration from Thailand's Eastern Asia University and was a recipient of Singapore's 2021 Public Service Medal (Pingat Bakti Masyarakat).

MARIA PATRICIA Z. RIINGEN is the Vice Chairman of the Company. She is a member of the Corporate Governance Committee of the Board. She is the Chairman of CDTN, CMC, DMC, LCSLC, Nickel Asia Holdings, Inc. (NAHI), SNMRC, GRHI, CSPC, SASPC, SMSPC, SSPC, and TSWPC. She is a Director and Vice Chairman of RTN, TMC, and HMC. She is likewise a Director of CEXCI, Newminco, EPI and its subsidiaries. She is also a Trustee of NAC Foundation Inc. (NACFI). She is the President of Manta and Manta Foundation, Inc. and a Director of Mantra. She is currently Chairperson of the Young Presidents' Organization Gold Philippines Chapter. Prior thereto, she held various positions with the Western Union Company and was the Senior Vice President and Regional Head for Asia Pacific. Her other previous roles were as Executive Director and a member of the BOD at the Asian Development Bank, Vice President at Citibank N.A., and Brand Manager of Procter & Gamble. She was among Asia's Top 20 People in Cash Management selected by Finance Asia in 2011 for being one of the region's most influential power players and up-and-coming executives in the cash management industry. In 2013, Ms. Riingen was recognized as one of the 100 Most Influential Filipinas in the World for her accomplishments as a Filipina senior executive working in a global company. In the same year, she received the Pinnacle Group's CSR Award for spearheading a range of initiatives for better access to financial services in the Philippines. Ms. Riingen obtained her Bachelor of Science in Business Administration, major in Marketing, Magna Cum Laude, from the University of the Philippines.

MARTIN ANTONIO G. ZAMORA is the President and CEO of the Company. He is the President of all the mining subsidiaries of the Company and the Chairman of EPI and its subsidiaries. He is the Chairman of the Sustainability Committee and Nominations Committee, and a member of the Finance Committee and Board Risk Oversight Committee of the Board. He is likewise a Director of GRHI, CSPC, SASPC, SMSPC, SSPC, and TSWPC. He is the Chairman of NACFI and RTN Foundation Inc. (RTNFI). Before joining NAC in 2007, Mr. Zamora was the Philippine Country Manager and a Director of UPC Renewables, a global developer, owner and operator of wind farms and solar facilities. Prior to that, he worked for 10 years for finance and investment banking firms such as CLSA, Robert Fleming & Co. (UK), Jardine Fleming, and SGV & Co. He received his Bachelor of Science in Management from Ateneo de Manila University, his Master of Business Administration from London Business School, and his Master in Organizational Psychology from INSEAD.

HARVEY T. ANG is a Director of the Company and a member of its Finance Committee. He also serves as a Director of EPI, RTN, TMC, CDTN, CMC, DMC, HMC, SNMRC, LCSLC, CEXCI, and Newminco, and is Vice Chairman of NAHI and President of Yeeloofa Development Corporation. Previously, he held management roles at Exchange Properties Resources Corporation and Solid Mills, Inc. Mr. Ang brings experience across the real estate, textile, logistics, retail, and marketing sectors and holds a Bachelor of Science in Management from Ateneo de Manila University.

SHIRO IMAI is a Director of the Company. Mr. Imai is the General Manager of Nickel Sales and Raw Materials Department of SMM. Before he moved to his current position, he served as the President of SMMPHC, CBNC, and THNC from June 2022 to June 2025. He has been working for SMM since 1995. He was with the Sales and Marketing Section of the Electronics Division from April 1995 to January 2001 and

the Sales and Marketing Section of the Advanced Materials Division from February 2001 until October 2009. In November 2009, Mr. Imai became a member of the Nickel Sales and Raw Materials Department of the Non-Ferrous Metals Division until June 2014, when he was assigned as SMM's Chief Representative of its London Office. He was the Manager of the Copper and Precious Raw Materials Department from June 2016 until September 2019. He obtained his Bachelor's degree in Economics from Tohoku University in Miyagi, Japan.

NAOKI KAWAI is a Director of the Company and the Chairman of the Related Party Transactions Committee and a Member of the Audit Committee and the Nominations Committee. He is the Chairman and President of SMMPH, CBNC, and THNC, effective June 26, 2025. He is also currently a Qualified Executive of SMM. Mr. Kawai has been with SMM since 1992 and has since been assigned to various departments/offices in SMM to include the Copper and Precious Metals Sales Department (October 2001 to February 2003) and the Nickel Sales and Raw Materials Department (February 2003 to February 2008), both under the Non-Ferrous Metals Division; SMM's London Office (February 2008 to March 2010); and seconded to MS Zinc Co., Ltd. (March 2010 to October 2015). Prior to his current roles, he held the following positions in SMM: Executive Officer and the Senior Deputy General Manager of the Non-Ferrous Metals Division of SMM from June 2024 until June 26, 2025; General Manager of the Copper and Precious Metals Sales Department under the Non-Ferrous Metals Division from November 2017 until June 2024; and Manager of the Copper Section, Copper and Precious Metals Sales Department, Non-Ferrous Metals Division from October 2015 until November 2017. Mr. Kawai graduated from the School of Education, Waseda University in 1992.

LEONIDES JUAN MARIANO C. VIRATA is a Director of the Company and a member of the Sustainability Committee. Mr. Virata is the CEO of Cavitex Holdings Inc. and the Managing Director of MTV Investment Properties. Prior thereto, he was with the Broking Research team of Platinum Securities from 2006 to 2010. He is a member of the Makati Business Club. He received his Bachelor of Arts, Major in Philosophy of Religions from the University of Pennsylvania.

FLORENCIA G. TARRIELA is the Lead Independent Director, Chair of the Audit Committee, and a member of the Board Risk Oversight, Related Party Transactions, and Corporate Governance Committees of the Board. Ms. Tarriela is a Board Advisor of the Philippine National Bank (PNB) and the LT Group Inc., Gozon Development Corporation and a Trustee of Tulay sa Pag-unlad, Inc., a microfinance NGO. She is also a liaison director to the Financial Executives Institute of the Philippines, Director of the Philippine Bible Society, a fellow of the Institute of Corporate Directors, a GoNegosyo mentor and a member of the Filipina CEO Circle and Women Business Council Philippines. She previously served as Board Chair and Independent Director of PNB for 15 years and Undersecretary for the Department of Finance. She was the first Filipina Vice President in Citibank N.A., President of the Bankers Institute of the Philippines, and Director of the Bankers Association of the Philippines. She has co-authored and compiled several books on ethics, mentorship, and gardening, among others, and continues to be a regular columnist for Manila Bulletin and Business World. Ms. Tarriela obtained her Bachelor of Science in Business Administration, major in Economics, from the University of the Philippines and Master's degree in Economics from the University of California, Los Angeles.

JAMES J.K. HUNG is an Independent Director and Chairman of the Board Risk Oversight Committee and member of the Audit Committee, Nominations Committee, Related Party Transactions Committee, and Sustainability Committee. He is the Chairman of Asia Securities Global Group (Hong Kong) and Chairman of ASG Inspiration Lab (Singapore). A former Chairman of Asia Securities in Taiwan and Independent Director of Security Bank, Mr. Hung served as a Director of Franklin Templeton Investment Fund in Luxembourg, Franklin Sealand Fund Management Co. Ltd. in Shanghai and other international funds. He also has an active interest in nickel, electric vehicles, and renewable energy. Mr. Hung graduated from Babson College in Massachusetts with a Master's degree in Business Administration, major in Finance.

EXECUTIVE OFFICERS

The Company's Executive Officers, together with its Executive Director, are responsible for its day-to-day management and operations. The following table sets forth information regarding the Company's Executive Officers.

Name	Age	Citizenship	Position as of December 31, 2025
Jose Bayani D. Baylon	63	Philippine National	Senior Vice President - Sustainability, Risk Management and Corporate Affairs, Chief Sustainability Officer, and Chief Risk Officer
Koichi Ishihara	52	Japanese National	Senior Vice President - Chief Commercial Officer
Georgina Carolina Y. Martinez	59	Philippine National	Senior Vice President - Compliance and Corporate Support Services, Chief Compliance Officer, Chief Governance Officer, and Assistant Corporate Secretary
Romeo T. Tanalgo	64	Philippine National	Senior Vice President - Chief Security and Aviation Officer
Maria Angela G. Villamor	60	Philippine National	Senior Vice President - Finance, Chief Financial Officer, and Treasurer
Rolando R. Cruz*	65	Philippine National	Vice President - Nickel Mining Business *(until April 11, 2025)*
Andre Mikael L. Dy	43	Philippine National	Vice President - Treasury, Investor Relations, and Sales
Jeffrey B. Escoto	50	Philippine National	Vice President - Supply Chain Management and Technical Services
Christopher C. Fernandez**	62	Philippine National	Vice President - Technology and Transformation *(until April 1, 2025)*
Patrick S. Garcia	51	Philippine National	Vice President - Internal Audit, and Chief Audit Executive
Ryan Rene C. Jornada	47	Philippine National	Vice President - Corporate and Regulatory Affairs and Community Relations
Ma. Fatima C. Mijares	58	Philippine National	Vice President - Human Resources
Arnilo C. Milaor***	66	Philippine National	Vice President - Nickel Mining Business *(until January 31, 2025)*
Irene R. Ramos-Salvacion	49	Philippine National	Vice President - Compliance and Corporate Governance, and Data Protection Officer
Cynthia E. Rosero	57	Philippine National	Vice President - Mining Center of Excellence and Strategic Planning
Abraham A. Agamata	46	Philippine National	Assistant Vice President - External Affairs
Bimbo T. Almonte	44	Philippine National	Assistant Vice President - Health
Edwin R. Casiano	53	Philippine National	Assistant Vice President - Mining Business
Remedios M. Collado-Camo	40	Philippine National	Assistant Vice President - Safety and Environment
Fernando P. Cruz	59	Philippine National	Assistant Vice President - Mining Comptroller
Reynaldo M. Dela Rosa	53	Philippine National	Assistant Vice President - Community Relations
Christian Jae R. Gascon	38	Philippine National	Assistant Vice President - Mining Business
Rodrigo G. Gazmin, Jr.****	65	Philippine National	Assistant Vice President - Material Management *(until December 14, 2025)*
Philipp D. Ines	59	Philippine National	Assistant Vice President - Mining Business

Name	Age	Citizenship	Position as of December 31, 2025
Marnelle A. Jalandoon	54	Philippine National	Assistant Vice President - Development Operations
Melchor C. Mananes	40	Philippine National	Assistant Vice President - Financial Planning and Analysis
Reynold DG. Mata II	46	Philippine National	Assistant Vice President - Business Development and Strategic Projects
Christine Joanne C. Navarro	45	Philippine National	Assistant Vice President - Legal
Edwin P. Nerva	50	Philippine National	Assistant Vice President - Sustainability
Iryan Jean U. Padillo	44	Philippine National	Assistant Vice President - Business Comptroller
Jessie N. Pagaran	62	Philippine National	Assistant Vice President - Employee, Labor, and Industrial Relations
Teody A. Pascual	61	Philippine National	Assistant Vice President - Service Management
Jessie A. Payuyo	50	Philippine National	Assistant Vice President - Mining Comptroller
Kristine Grace C. Victoria	38	Philippine National	Assistant Vice President - Geology
Charito R. Villena-Co	48	Philippine National	Assistant Vice President - Tax Compliance and Advisory
Barbara Anne C. Migallos	70	Philippine National	Corporate Secretary

*ceased to be an officer due to his mandatory retirement effective April 11, 2025.
**ceased to be an officer due to his mandatory retirement effective April 1, 2025.
***ceased to be an officer due to his mandatory retirement effective January 31, 2025.
**** ceased to be an officer due to his mandatory retirement effective December 14, 2025.

Information on the business and work experience of the Company's Executive Officers are set out below:

JOSE BAYANI D. BAYLON is the Senior Vice President - Sustainability, Risk Management, and Corporate Affairs, Chief Sustainability Officer, and Chief Risk Officer of the Company. He is the President of RTNFI and NACFI. He is likewise a Director of CDTN, CMC, DMC, LCSLC, SNMRC, EPI, JSI, MGPC, NPPGC, BHI, EER 1, EER 2, EER 3, and EESC. Mr. Baylon has over 3 decades of experience in the field of corporate communications and public affairs. Before joining NAC, he was Vice President and Director for Public Affairs and Communications of The Coca-Cola Export Corporation for 14 years, and prior to that, was executive assistant and speechwriter to Mr. Enrique Zobel at E. Zobel Inc. for 9 years. He was a public affairs commentator at Radio Station DWWW 774 KhZ from 2001 to 2011 and has been contributing opinion pieces to the newspaper Malaya Business Insight since 2001. Mr. Baylon obtained his Bachelor of Arts in Political Science from the University of the Philippines.

KOICHI ISHIHARA is the Senior Vice President - Chief Commercial Officer. He was the Vice President, Officer-in-Charge (OIC), Chief Commercial Officer - Mining Business of the Company from January 1, 2023 until December 31, 2023. He was the Vice President - Mine Services Center from March 10, 2022 until December 31, 2022. He was also the Vice President, Head of the Sales Sector and the Supply Chain and Management Sector from January 1, 2021 until March 9, 2022. Prior to joining NAC in 2011, he was a Manager and Philippine Representative of PAMCO, handling nickel and stainless market analysis and update in Asian countries. He has also supported establishing a Hydro Metallurgical Processing Plant. Mr. Ishihara received his Bachelor in English Language from Kanda University of International Studies, Japan.

GEORGINA CAROLINA Y. MARTINEZ is the Senior Vice President - Compliance and Corporate Support Services, Chief Compliance Officer, Chief Governance Officer, and Assistant Corporate Secretary of the Company. She is in charge of the compliance function and is responsible for the Company's corporate support services, namely, legal, human resources, technology and transformation, and facilities and administration concerns. Atty. Martinez is the Corporate Secretary of CDTN, CMC, DMC, HMC, RTN, TMC, LCSLC, SNMRC, NAHI, EPI and the following subsidiaries of EPI namely, JSI, MGPC, NPPGC, BHI, EER 1, EER 2, EER 3, EESC, NSPC, GRHI and its subsidiaries. She is the Corporate Secretary of NACFI and RTNFI and is the Assistant Corporate Secretary of CEXCI and Newminco. Prior to joining the Company, Atty. Martinez was the Senior Vice President for Legal, Human Resources, and Administration of EPI. She obtained her Juris Doctor from Ateneo de Manila University and is a member of the Philippine Bar. Atty. Martinez has over 30 years of experience in the field of commercial and corporate law.

ROMEO T. TANALGO is the Senior Vice President - Chief Security and Aviation Officer. He is a Trustee of NACFI. He was the Vice President - Internal Security, and Chief Security Adviser until December 31, 2023. He was the consultant of the Company for security matters from May 1, 2019 until his appointment as Vice President on August 6, 2019. He was the Chief of the Armed Forces of the Philippines, North Luzon Command from March 10, 2016 until his retirement on September 4, 2017. Prior thereto, he was appointed as Vice Chief of Staff at Armed Forces of the Philippines on October 20, 2015. He also served as Commandant, Philippine Marine Corps from April 2013 to December 2015. Gen. Tanalgo is a member of the Philippine Military Academy "Matikas" Class of 1983 and obtained his Master in Development Management from the Asian Institute of Management and his Master in Maritime Studies from the University of Wollonong in Australia.

MARIA ANGELA G. VILLAMOR is the Senior Vice President - Finance, Chief Financial Officer, and Treasurer of the Company. She is a Director and the Treasurer of CMC, DMC, HMC, CDTN, SNMRC, LCSLC, NAHI, EPI, JSI, BHI, EER 1, EER 2, EER 3, EESC, MGPC, NPPGC, and NSPC. She is the Treasurer of RTN, TMC, CEXCI, Newminco, and BGI. She is a Trustee and the Treasurer of NACFI and RTNFI. She oversees the preparation and management of the Group's operating budgets and is responsible for financial reporting activities. She was the Vice President for Group Comptrollership from May 1 to December 31, 2020 and the Vice President for Internal Audit and the Chief Audit Executive from 2011 to April 30, 2020. Prior to joining NAC in 2011, she was a Senior Director in the Assurance Division of SGV & Co. She also worked as Senior Manager in KPMG UAE. Ms. Villamor obtained her Bachelor of Science in Commerce from the University of San Carlos. She completed the Management Development Program of the Asian Institute of Management***.***

ANDRE MIKAEL L. DY is the Vice President - Treasury, Investor Relations, and Sales of the Company. He has over 16 years of experience in finance and banking roles, having held various roles in equity sales, banking, venture capital fund management, financial advisory, treasury and investor relations. He was Associate Director Salesperson of CLSA Philippines since 2017 and was recognized as Philippines' Best Salesperson for Asiamoney for 2019 to 2021 and for Institutional Investor magazine's 2021 broker polls. He was instrumental in the distribution of up to US$1.4 billion for various Initial Public Offerings while with CLSA. He was instrumental in ensuring the success of the Philippines' first energy transition mechanism transaction to help accelerate the retirement of coal plants in the Philippines. Prior to joining CLSA, he worked for Citibank N.A. as a product manager for various bank products and marketing programs after graduating from Citi's Management Associate Program.

JEFFREY B. ESCOTO is the Vice President for Supply Chain Management and Technical Services of the Company and concurrently is CDTN's Chief Operating Officer and the Head of Operations for NAC Diesel Power Plant and LCSLC. Prior thereto, he was Assistant Vice President for Technical Services Sector from September 1, 2019 up to March 15, 2023. Also, he was the Technical Services Division Manager of HMC from 2013 to 2019 and was the Technical Services Group Manager of CMC from 2009 to 2013. He also served as Site Manager of Maxima Machineries, Inc. (Komatsu Equipment Exclusive Distributor) on various mining project sites managing an on-site branch support team in Filminera's Masbate Gold Project from 2008 to 2009, Oceana Gold's Didipio Gold Copper Mining Project in 2008 and in Rapu Rapu Polymetallic Mine Project of Lafayette Mining in Albay from 2005 to 2008. Engr. Escoto obtained his Bachelor's Degree in Mechanical Engineering from the University of Nueva Caceres in Naga City.

PATRICK S. GARCIA is the Vice President - Internal Audit and Chief Audit Executive of the Company. He was the Assistant Vice President - Internal Audit and the Chief Audit Executive of the Company from May 1, 2020 until December 31, 2022. He is responsible for reviewing the Company's organizational and operational controls, risk management policies, and governance. He was previously the Assistant Vice President - Finance of CMC, DMC, and SNMRC. Mr. Garcia joined the Company in March 2007 as Finance Manager and was promoted to Assistant Vice President - Finance in March 2009. Mr. Garcia obtained his Bachelor of Science in Accountancy from the University of Santo Tomas and is a Certified Public Accountant.

RYAN RENE C. JORNADA is the Vice President – Corporate and Regulatory Affairs and Community Relations of the Company. He is the Vice President of RTN and TMC. He is a Director of NSPC and a Director of Nihao, representing NAC to the Board of Nihao. His previous roles in the Company include Head of Public Affairs, Head of Government Relations and Head of Regulatory and Claims Management. Mr. Jornada also served as Assistant Corporate Secretary and Corporate Secretary of the operating companies of NAC. Mr. Jornada is a lawyer by profession. Before joining NAC in 2011, Mr. Jornada was an associate lawyer at Belo Gozon Elma Parel Asuncion and Lucila Law Offices and an Election Assistant of the Commission on Elections. He took up his law degree from the University of Santo Tomas Faculty of Civil Law and his Bachelor's Degree in Political Science from the University of the Philippines in Diliman.

MA. FATIMA C. MIJARES, Vice President - Human Resources of the Company, is a seasoned Human Resource (HR) executive with over 30 years of progressive leadership experience, with deep expertise in organizational development, leadership and succession, learning and development, rewards and performance management, employee engagement, internal communications, manpower planning, and talent acquisition. Her experience spans multinational corporations, leading Philippine conglomerates, and advocacy-driven organizations across consumer goods, retail, real estate, banking, business process outsourcing, direct selling, mining, renewable energy, and corporate foundations, including her role as Senior Director and Chief HR Officer of Ayala Foundation (2016–2021) and senior HR leadership positions with SM Retail and SM Mart, Genpact, Bank of the Philippine Islands, Ayala Land, Colgate-Palmolive Philippines, Avon Cosmetics, and the Mercury Group of Companies, where she is recognized for building HR and learning systems during start-up, turnaround, and transformation phases and for leading large-scale culture and leadership initiatives. She holds a Bachelor's Degree in Psychology from the University of Santo Tomas and completed the Leadership Excellence Acceleration Program at Harvard University, and continues to champion people-centered, future-ready HR strategies aligned with organizational purpose and enterprise transformation.

IRENE R. RAMOS-SALVACION is the Vice President - Compliance and Corporate Governance and the Data Protection Officer of the Company. She is the Assistant Corporate Secretary and the Data Protection Officer of CDTN, CMC, DMC, HMC, RTN, TMC, LCSLC, SNMRC, NAHI, and NACFI. She is likewise the Assistant Corporate Secretary of RTNFI, EPI, EER1, EER3, EESC, NPPGC, and NSPC and the Data Protection Officer of CEXCI and Newminco. She has over 20 years of experience as a practicing lawyer and, prior to joining the Company, held various roles as country, regional, and global lead legal counsel handling compliance, corporate governance, contract negotiation, cross-border transactions, data privacy, cybersecurity, labor, and litigation in multinational companies operating in the Philippines and the Asia Pacific. She is a member of the Philippine Bar and obtained her Juris Doctor and Bachelor of Science in Economics, Magna Cum Laude, from the University of the Philippines, Diliman.

CYNTHIA E. ROSERO is the Vice President - Mining Center of Excellence and Strategic Projects of the Company. She has over 30 years of experience in the mining industry. She was with RTN for almost 30 years where she started as a Junior Mining Engineer and rose from the ranks until she was appointed as Resident Mine Manager in 2019. She is the Philippines' First Woman Resident Mine Manager in the mining industry and was hailed as the "Most Empowered Woman in Mining" by the MGB - MIMAROPA Region in 2019. She obtained her Bachelor of Science in Mining Engineering from the Cebu Institute of Technology. She also has a Diploma in Metallurgical Engineering Technology (Major in Quality Control) from Mindanao State University - Iligan Institute of Technology.

ABRAHAM A. AGAMATA is the Assistant Vice President - External Affairs of the Company effective on October 16, 2025. Atty. Agamata has over 20 years of legal experience and has held various roles in corporate legal departments, law firms, government and academe. Prior to joining the company, Atty. Agamata held the position of Labor and HR Head at Filinvest Development Corporation. Atty. Agamata obtained both his Bachelor of Arts major in Art Studies and Bachelor of Laws from the University of the Philippines in Diliman.

BIMBO T. ALMONTE is the Assistant Vice President - Health of the Company. He was the Assistant Vice President - Occupational Health Sector until December 31, 2023. He served as the Occupational Health Physician, Internal Medicine Specialist and Medical Director of RTNFI Hospital and Occupational Health Physician of RTN, CBNC and affiliated contractors before assuming his current position. He began his career in RTNFI in 2002 as a Medical Technologist Reliever. He is a licensed Medical Technologist and Physician. He obtained his Bachelor of Medical Technology from Far Eastern University - Dr. Nicanor Reyes Memorial Foundation and Doctor of Medicine from Our Lady of Fatima University. He received his specialization in Internal Medicine from St. Luke's Medical Center Global City, Master in Management in Hospital Administration from Philippine Christian University, and Executive Master in Disaster Risk and Crisis Management from Asian Institute of Management.

EDWIN R. CASIANO is the Assistant Vice President - Mining Business of the Company. He is also the Resident Mine Manager of DMC. Prior thereto, he served as Mine Operations Manager of HMC for 4 years and Mine Production Manager for 2 years. He started his career with TMC as a Junior Mining Engineer in 1998. He was awarded the Best of the Best Shift Boss Award by the Philippine Mine Safety and Environment Association during FY 1999-2000. Mr. Casiano completed his 107th Management Development Online Training by the Asian Institute of Management last March 2022. He obtained his Bachelor of Science in Mining Engineering from Adamson University.

REMEDIOS M. COLLADO-CAMO is the Assistant Vice President - Safety and Environment of the Company. She was the Assistant Vice President - Safety, Health, and Environment until December 31 2023. She previously served the Company as OIC - Industrial Safety Sector Head prior to her promotion. She served RTN in various capacities, including MESH Division Manager, Safety Manager, and IMS Project-in-Charge. Prior thereto, she was employed as a Safety and Health Department Head of Carrascal Nickel Corporation. She is a licensed Mining Engineer. She earned her Bachelor of Science in Mining Engineering from University of the Philippines - Diliman.

FERNANDO P. CRUZ is the Assistant Vice President - Mining Comptroller of the Company, TMC, HMC-Taganaan, and HMC-Manicani. He has over 36 years of professional experience in accounting and finance. He began his career as an Accounting Clerk in RTN and eventually became an Accounting Manager. A Certified Public Accountant, Mr. Cruz obtained his Bachelor of Science in Accountancy from St. Joseph College, Maasin, Southern Leyte.

REYNALDO M. DELA ROSA is the Assistant Vice President - Community Relations of the Company and Executive Director of NACFI and RTNFI. Prior thereto, he was the Senior Development Communications Specialist/Information, Education and Communication Officer of TMC from March 2010 to July 2012. Mr. Dela Rosa obtained his Bachelor of Arts Major in Philosophy Minor in Social Science from Saint Vincent Ferrer Seminary and his Master of Arts in Public Administration in Palawan State University. He also specialized in Community Relations, Information, Education, and Communication Program and Community Development and is a licensed Career Service Professional.

CHRISTIAN JAE R. GASCON is the Assistant Vice President - Mining Business of the Company. He is the Resident Mine Manager of CMC. Prior thereto, he was the OIC, Resident Mine Manager of CMC and was CMC's Mine Operations Manager. He started his career as Cadet Engineer of HMC in 2010. Mr. Gascon obtained his Bachelor of Science in Mining Engineering degree from the University of the Philippines Diliman. He is also a licensed Environmental Planner.

PHILIPP D. INES is the Assistant Vice President - Mining Business of the Company. He is the Vice President and Resident Mine Manager of HMC - Manicani. Mr. Ines has over 36 years of experience in the mining industry. He is a Consultant of PAMCO since 2019. Prior to that, he was with the Company's subsidiary,

RTN, for 27 years where he started as a Junior Mining Engineer and became its Resident Mine Manager. During his term as Resident Mine Manager, RTN won 2 Presidential Awards at the PMIEA-ANSEC (2015 and 2018) and also won the ASEAN Mineral Awards in 2017. RTN was also able to obtain ISO 14001, ISO 45001, and ISO 19001 certifications under his leadership. Mr. Ines obtained his Bachelor of Science in Mining Engineering degree from Mapua Institute of Technology.

MARNELLE A. JALANDOON is the Assistant Vice President - Development Operations of the Company. He was the Assistant Vice President - Business Applications Division of the Company until December 31, 2023. Prior to joining NAC in 2008, Mr. Jalandoon was the Technical Operations Director of Concentrix Technologies, Inc, driving both the Technical Department and the Application Development Teams. He has held various IT positions with Grand International Airways, First Internet Alliance, WebScape, I-Next Internet and PSINET Philippines, garnering more than 20 years' experience in IT Infrastructure and Communications. Mr. Jalandoon obtained his Bachelor of Science in Computer Science degree from the Philippine Christian University.

MELCHOR C. MANANES is the Assistant Vice President - Financial Planning and Analysis of the Company. He was the Senior Manager for Comptrollership until December 31, 2023. Prior thereto, he was a Finance Manager of the Company's subsidiary, CMC, since October 2012. He was also an accounting officer in various SM companies and was an audit associate of SGV & Co. Mr. Mananes is a Certificate Public Accountant. He obtained his Master of Business Administration from the Ateneo Graduate School of Business.

REYNOLD DG. MATA II is the Assistant Vice President - Business Development and Strategic Projects of the Company. He was the Assistant Vice President - Legal and Business Development, and Chief Compliance Officer of EPI from March 10, 2022 to December 31, 2022. He is a lawyer and a Certified Public Accountant with over 25 years of professional experience in the fields of taxation, litigation, corporate, financial audit, budgeting, and in the power, logistics, and mining industries. He is also a Reservist in the Armed Forces of the Philippines, Reserve Command, Judge Advocate General Services, with the rank of Captain. A member of the Philippine Bar, Mr. Mata obtained his Bachelor of Laws degree from San Beda University and his Bachelor of Science in Accountancy from the same university.

CHRISTINE JOANNE C. NAVARRO is the Assistant Vice President - Legal of the Company. She was the Group Manager for General Legal Services of the Company from 2018 to March 10, 2022. Prior to joining the Company, she worked as legal counsel of MediaQuest Holdings, Inc. and TV5 Network Inc. She obtained her Bachelor of Arts in European Studies from the Ateneo De Manila University and Bachelor of Laws from University of the Philippines - College of Law. She is also a member of the Integrated Bar of the Philippines.

EDWIN P. NERVA is the Assistant Vice President and Head of the Company's Sustainability Center, a role he has held since 2024. He has been with the Company since 2018, including a 2-year stint as Executive Director of RTNFI. Mr. Nerva is currently completing his Master of Science in Environmental Science at the University of the Philippines Los Baños. He holds a Diploma in Community Development from St. Francis Xavier University in Nova Scotia, Canada, and a Diploma in Urban and Regional Planning from the University of the Philippines Diliman. He is certified by the International Society of Sustainability Professionals (ISSP) and the International Financial Reporting Standards (IFRS) Foundation. He is also an active member of the ISSP, the IFRS Sustainability Alliance, and the Pan-Asia Risk & Insurance Management Association.

IRYAN JEAN U. PADILLO is the Assistant Vice President - Business Comptroller of the Company. She is responsible for the Company's financial reporting and direct supervision of accounting and financial functions. Ms. Padillo is a Certified Public Accountant. Prior to joining the Group in May 2012 as Senior Finance Manager, she was an Associate Director in the Assurance Group and worked as part of the Finance Group of SGV & Co. She obtained her Bachelor of Science in Accountancy from the University of the East.

JESSIE N. PAGARAN is the Assistant Vice President - Employee, Labor and Industrial Relations Division of the Company. He was the Employee Relations Group Manager of the Company from July 1, 2019 until his promotion. He was also HR Manager of CMC from October 2017 to June 2019 and served as Consultant on Permitting and Government Relations, Community Relations, and Labor Relations for several

corporations from 2009 to 2017; and served in various capacities in Associated Labor Unions - Trade Union Congress of the Philippines from 1991 to 2015. Mr. Pagaran obtained his Bachelor of Science in Commerce, Major in Accounting from San Beda College and his Bachelor of Laws from Manuel L. Quezon University.

TEODY A. PASCUAL is the Assistant Vice President - Service Management of the Company. He was the Purchasing Manager of the Company prior to his promotion. He has over 11 years of experience in the field of purchasing as a manager overseeing the purchasing of materials and services to support various operating companies of the Group. Before joining the Company, he was employed as a Production Head of Batong Angono Aggregates Corporation. He is a licensed Electronics and Communications Engineer. He obtained his Bachelor of Science in Electronics and Communications Engineering from University of Santo Tomas.

JESSIE A. PAYUYO is the Assistant Vice President - Mining Comptroller of the Company, CMC, and DMC and the Assistant Vice President - Finance of CEXCI and Newminco. He was a Senior Finance Manager of the Company until his promotion. Prior to joining the Group in 2021, he was the Finance Controller of Yara Fertilizer Inc. He has over 20 years' experience in the fields of audit, corporate accounting and controllership. He is a licensed Certified Public Accountant. Mr. Payuyo earned his Bachelor of Science in Accountancy from Central Luzon State University.

KRISTINE GRACE C. VICTORIA is the Assistant Vice President - Geology of the Company. She was the Assistant Vice President - Geology and Quality Assurance of the Company until December 31, 2023. She also served as a Resource Geologist in HMC. Prior thereto, she was employed as the Exploration Geologist of FSMRC/Consolidated Mines Inc. She placed eighth in Geology Licensure Examination and is an Accredited Competent Person for Exploration and Mineral Reporting of Nickel Laterite Deposits with over 15 years of experience in the mineral industry. She is currently serving as the Vice Head of the Geological Society of the Philippines Mineral Reporting Code Committee Secretariat. She obtained her Bachelor of Science in Geology, Cum Laude, from University of the Philippines and Management Development Program from Asian Institute of Management.

CHARITO R. VILLENA-CO is Assistant Vice President - Tax Compliance and Advisory Services of the Company. She is a CPA-Lawyer and has been a tax management professional for over 15 years. Prior to joining the Company, she was Assistant Vice President and Group Tax Head for SM Markets from November 2017 to May 2022. She was also former Country Tax and PEZA Head of Accenture Inc. (Philippines), Head of Tax of Philex Mining Corporation and a Tax Management Executive of PLDT, Inc. She obtained her Bachelor of Science in Business Administration and Accountancy, Cum Laude, and Juris Doctor from the University of the Philippines.

BARBARA ANNE C. MIGALLOS is the Corporate Secretary of the Company and its subsidiary CEXCI. She is the Managing Partner of Migallos and Luna Law Offices, and she was a Senior Partner of Roco Kapunan Migallos and Luna from 1986 to 2006. A practicing lawyer since 1980, Ms. Migallos focuses principally on corporate law, mergers and acquisitions, and securities law. She is a Director and the Corporate Secretary of Philex Mining Corporation and a Director of Mabuhay Vinyl Corporation, both publicly listed companies. She is also the Corporate Secretary of PXP Energy Corporation, a listed company. She is a Director of Philippine Resins Industries, Inc. and other corporations, and the Corporate Secretary of Eastern Telecommunications Philippines, Inc. Ms. Migallos is a professional lecturer at the De La Salle University College of Law.

No director or senior officer of the Company is or has been in the past 2 years, a former employee or partner of the current external auditor.

Also, the Company discloses the transactions of its directors and officers as required by applicable laws and regulations.

B. SIGNIFICANT EMPLOYEES/EXECUTIVE OFFICERS

No single person is expected to make a significant contribution to the business since the Company considers the collective efforts of all its employees as instrumental to the overall success of the Company's performance.

C. FAMILY RELATIONSHIP

Aside from Mr. Martin Antonio G. Zamora and Ms. Maria Patricia Z. Riingen being siblings, Mr. Harvey T. Ang being the third civil degree relative by affinity of Mr. Martin Antonio G. Zamora, and Mr. Ryan Rene C. Jornada being a fourth civil degree relative by affinity of Mr. Martin Antonio G. Zamora and Ms. Patricia Z. Riingen, none of the Company's Executive Officers are related to each other or to its Directors and substantial Shareholders.

D. INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

The Company is not aware, and none of the directors/independent directors and officers has informed the Company, of any of the following events that occurred during the past 5 years and up to the date of this report: (i) any criminal, bankruptcy or insolvency investigations or proceedings; (ii) any conviction by final judgment of any offense punishable by the laws of the Republic of the Philippines or of any other nation or country; (iii) 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 (iv) any finding by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign Exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

Item 10. EXECUTIVE COMPENSATION

The table set out below identifies the Corporation's CEO and 4 most highly compensated executive officers (the "named executive officers") and summarizes their aggregate compensation in 2024 and 2025 and their estimated compensation for 2026. The amounts set forth in the table have been prepared based on what the Company paid for the compensation of its executive officers for the years indicated and what we expect to pay on the ensuing year.

	December 31, 2024[1]			December 31, 2025[2]			December 31, 2026[2] (Estimated)		
	Salary	Bonus	Total	Salary	Bonus	Total	Salary	Bonus	Total
	(In Php Thousands)								
Named executive officers	₱48,711	₱35,597	₱84,308	₱51,133	₱42,102	₱93,235	₱53,647	₱30,701	₱84,348
All other officers as a group unnamed	114,115	54,227	168,342	114,455	73,539	187,994	124,270	50,898	175,168

[1] The named executive officers for the year 2024 are: Martin Antonio G. Zamora (President and CEO), Georgina Carolina Y. Martinez (Senior Vice President - Compliance and Corporate Support Services), Jose Bayani D. Baylon (Senior Vice President - Sustainability, Risk Management and Corporate Affairs), Koichi Ishihara (Senior Vice President - Chief Commercial Officer) and Rolando R. Cruz (Vice President - Nickel Mining Business)

[2] The named executive officers for the years 2025 and 2026 are: Martin Antonio G. Zamora (President and CEO), Georgina Carolina Y. Martinez (Senior Vice President - Compliance and Corporate Support Services), Jose Bayani D. Baylon (Senior Vice President - Sustainability, Risk Management and Corporate Affairs), Koichi Ishihara (Senior Vice President - Chief Commercial Officer) and Maria Angela G. Villamor (Senior Vice President - Finance)

COMPENSATION OF DIRECTORS

Each of the directors of the Parent Company is entitled to a director's fee for each meeting attended. In addition, the directors who serve in the committees of the BOD are each entitled to a fee for each committee meeting attended.

The table below shows the net compensation of the Company's Directors for each meeting:

Type	Board/ Stockholder's Meeting	Audit Committee Meeting	Board Risk Oversight	Related Party	Corporate Governance/ Nominations	Sustainability Committee	Finance Committee
Executive Director	₱25,000	~~₱-~~	₱15,000	~~₱-~~	₱25,000	₱25,000	₱15,000
Non-executive Director	100,000 to 350,000	25,000	-	50,000	25,000 to 200,000	25,000	25,000 to 200,000
Independent Director	150,000	50,000 to 100,000	50,000 to 100,000	50,000	50,000	50,000	-

Currently, there are no arrangements for additional compensation of directors.

Item 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

A. SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

The following table sets forth the record owners and, to the best knowledge of the BOD and Management of the Company, the beneficial owners of 5% or more of the Company's outstanding common shares as at December 31, 2025:

Title of class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent
Common Stock	Sumitomo Metal Mining Philippine Holdings Corporation 24th and 25th Floors, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City	Sumitomo Metal Mining Co., Ltd.	Foreign	3,614,397,887	25.94%
Common Stock	Mantra Resources Corporation 30th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City	-	Filipino	3,555,081,802	25.52%
Common Stock	PCD Nominee Corporation (Filipino)	Various stockholders	Filipino	2,335,603,762 (includes the 2,781,740 indirect shares beneficially owned by Ni Capital Corporation constituting 0.02%)	16.77%
Common Stock	Asiasec Equities Inc. 8/F Chatham House, 116 Valero cor. V.A. Rufino Sts., Salcedo Village, Makati City	Ni Capital Corporation	Filipino	1,830,296,491	13.14%
Common Stock	PCD Nominee Corporation (Non-Filipino)	Various stockholders	Foreign	1,353,338,793	9.71%
Common Stock	Nonillion Holding Corporation 2/F Corporate Business Centre, 151 Paseo de Roxas, Makati City	-	Filipino	1,174,000,000	8.43%

B. SECURITY OWNERSHIP OF MANAGEMENT

The beneficial ownership of the Company's outstanding common shares by its directors and executive officers as of December 31, 2025 are as follows:

Title of Class	Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Citizenship	Percent
Common Stock	Jose Isidro N. Camacho	1,000 - Direct	Filipino	0.00%
Common Stock	Maria Patricia Z. Riingen	1,000 - Direct 910,800 - Indirect	Filipino	0.01%
Common Stock	Martin Antonio G. Zamora	540 - Direct 5,515,671 - Indirect	Filipino	0.04%
Common Stock	Harvey T. Ang	2,000,000 - Direct 90,000 - Indirect	Filipino	0.01%
Common Stock	Shiro Imai	2,023 - Direct	Japanese	0.00%
Common Stock	Naoki Kawai	2,023 - Direct	Japanese	0.00%
Common Stock	Leonides Juan Mariano C. Virata	100 - Direct	Filipino	0.00%
Common Stock	Florencia G. Tarriela	1 - Direct 46,799 - Indirect	Filipino	0.00%
Common Stock	James J.K. Hung	1,000 - Direct	Taiwanese	0.00%
Common Stock	Jose Bayani D. Baylon	125,200 - Indirect	Filipino	0.00%
Common Stock	Koichi Ishihara	31,000 - Indirect	Japanese	0.00%
Common Stock	Georgina Carolina Y. Martinez	84,000 - Indirect	Filipino	0.00%
Common Stock	Romeo T. Tanalgo	730,435 - Indirect	Filipino	0.01%
Common Stock	Maria Angela G. Villamor	1,047,554 - Indirect	Filipino	0.01%
Common Stock	Andre Mikael L. Dy	-	Filipino	0.00%
Common Stock	Jeffrey B. Escoto	499,999 - Indirect	Filipino	0.00%
Common Stock	Patrick S. Garcia	612,419 - Indirect	Filipino	0.00%
Common Stock	Ryan Rene C. Jornada	763,500 - Indirect	Filipino	0.01%
Common Stock	Ma. Fatima C. Mijares	-	Filipino	0.00%
Common Stock	Irene R. Ramos-Salvacion	-	Filipino	0.00%
Common Stock	Cynthia E. Rosero	2,642,972- Indirect	Filipino	0.02%
Common Stock	Abraham A. Agamata	-	Filipino	0.00%
Common Stock	Bimbo T. Almonte	-	Filipino	0.00%
Common Stock	Remedios Collado-Camo	42,000 - Indirect	Filipino	0.00%
Common Stock	Edwin R. Casiano	-	Filipino	0.00%
Common Stock	Fernando P. Cruz	4,000 - Indirect	Filipino	0.00%
Common Stock	Reynaldo M. Dela Rosa	-	Filipino	0.00%
Common Stock	Christian Jae R. Gascon	-	Filipino	0.00%
Common Stock	Rodrigo G. Gazmin, Jr.	-	Filipino	0.00%
Common Stock	Philipp D. Ines	100,000 - Indirect	Filipino	0.00%
Common Stock	Marnelle A. Jalandoon	-	Filipino	0.00%
Common Stock	Melchor C. Mananes	-	Filipino	0.00%
Common Stock	Reynold DG Mata II	-	Filipino	0.00%
Common Stock	Christine Joanne C. Navarro	-	Filipino	0.00%
Common Stock	Edwin P. Nerva	50,000 - Indirect	Filipino	0.00%
Common Stock	Iryan Jean Ungson-Padillo	4,500 - Indirect	Filipino	0.00%
Common Stock	Jessie N. Pagaran	-	Filipino	0.00%
Common Stock	Teody A. Pascual	40,000 - indirect	Filipino	0.00%
Common Stock	Jessie A. Payuyo	121,600 - Indirect	Filipino	0.00%
Common Stock	Kristine Grace C. Victoria	-	Filipino	0.00%
Common Stock	Charito R. Villena-Co	-	Filipino	0.00%
Common Stock	Barbara Anne C. Migallos	-	Filipino	0.00%

C. VOTING TRUST HOLDERS OF 5% OR MORE

There is no voting trust holder of 5% or more of the Company's stock.

D. CHANGES IN CONTROL

There are no arrangements which may result in a change in control of the Company.

Item 12. CERTAIN RELATIONSHIP AND RELATED TRANSACTIONS

All sales and purchases from related parties are made at prevailing market prices.

Nickel Ore Sale Agreements with PAMCO

The Group supplies saprolite ore to PAMCO. PAMCO is a stockholder of the Parent Company, RTN and TMC. All sales made to PAMCO are transacted at prevailing market prices which are benchmarked to China prices on the basis of a negotiated price per WMT of ore. PAMCO shall pay the Group 80% to 90% of the provisional invoice amount upon receipt of the required documents and pay the final payment of each shipment after the final dry weight and applicable assay have been determined.

Nickel Ore Sale Agreement with PAMCO and Sojitz Corporation (Sojitz)

RTN supplies saprolite ore to PAMCO, wherein PAMCO appointed Sojitz as agent, under a sale agreement. RTN and PAMCO shall jointly assess whether the commercial production of ore at the mine is still possible. Unless commercial production becomes impossible due to the exhaustion of ore reserves in the mine, RTN, PAMCO and Sojitz shall renew the agreement with a 5-year term. Currently, the agreement is valid until December 31, 2026. PAMCO owns 36% and Sojitz owns 4% of the outstanding capital stock of RTN.

TMC also entered into an agreement with PAMCO covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on LME. Effective April 2014, ore sales to PAMCO are benchmarked to China prices on the basis of a negotiated price per WMT of ore. The agreement with PAMCO is valid until December 31, 2026.

Nickel Ore Supply Agreement with CBNC

RTN entered into an agreement with CBNC to supply all the limonite ore requirements for the Coral Bay HPAL facility until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. RTN has also entered into an agreement with CBNC to supply limestone. CBNC is the owner of the Coral Bay HPAL facility.

CMC and DMC also entered into separate agreements with CBNC covering the sale of its ore products with a fixed tonnage at specific nickel grade and iron content.

Nickel Ore Supply Agreement with THNC

TMC entered into an agreement with THNC covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on the LME.

Materials Handling and Other Service Agreements with CBNC

CDTN entered into materials handling and various service agreements with CBNC to provide ancillary services to the Coral Bay HPAL facility. Under the agreement, CDTN will render services related to the handling, loading, unloading, hauling of certain materials, and provide necessary equipment and services needed for the operation of CBNC's hydrometallurgical processing plant in Rio Tuba, Bataraza, Palawan.

Materials Handling Agreement with THNC

On October 7, 2013, TMC and THNC executed an agreement wherein TMC will render services related to the handling, hauling and transport of cargo for THNC. THNC shall compensate TMC based on the prices stipulated in the agreement which are determined on the basis of the weight of the cargo. Payment is collected within 15 days from receipt of TMC's billing.

Power Supply Agreements with Shell Energy Philippines Inc. (SEPI)

JSI

JSI entered into several PSAs with SEPI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share from the total energy deliveries of the plant on a take and pay basis, for a certain period.

In February 2025, JSI entered into a short-term PSA with SEPI for the supply of replacement power to SISPC. Under the agreement, JSI committed to sell and deliver a pro rata share totaling 57.5MW starting February 28, 2025 from the Sta. Rita Solar Power Project and the Subic New PV Power Plant Project. The contracted capacity was reduced to 52.5MW effective June 26, 2025. Deliveries will continue until the energization of the San Isidro Solar Power Plant.

As at December 31, 2025, the total contracted capacity with SEPI was 62MW. The PSAs with SEPI are valid until June 26, 2026.

SISPC

On January 2, 2024, SISPC entered a PSA with SEPI. Under the terms of the agreement, SISPC is committed to sell and deliver 100% of SISPC's capacity for Phase 1 of the San Isidro Solar Power Project which is nominally 120MW direct current subject for update by SISPC in accordance with the capacity certification of NGCP and /or ERC. The PSA has a term of 15 years from the start date, which is the earlier of February 28, 2025 or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid. The PSA also provides that SISPC shall have the option to deliver replacement power by procuring and utilizing the generation from its or its affiliates' other generation facilities other than the project to fully or partially cover any generation loss from the project.

SISPC achieved its practical completion on October 25, 2025, upon the receipt of Provisional Certificate of Approval to Connect from NGCP, and as duly notified to SEPI.

On March 3, 2025, SISPC entered a separate PSA with SEPI for the sale and delivery of 100% of the capacity of Phase 2 of the San Isidro Solar Power Project which is nominally 120MW subject for update by SISPC in accordance with the capacity certification of NGCP and/or ERC. The PSA has a term of 15 years from the start date, which is the earlier of August 26, 2026, or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Provisional Certificate of Approval to Connect or Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid.

Service Agreement with SEPI

On July 1, 2023, GRHI entered into a service agreement with SEPI wherein SEPI will provide advisory services as an independent contractor, such as business development, health, safety, security, and environment and technical advises, as may be permitted by applicable law and subject to adjustment by the parties.

Throughput Agreement with THNC

On October 4, 2010, TMC and THNC executed a Throughput Agreement wherein TMC will construct the pier facilities within the Taganito Special Economic Zone (TSEZ) pursuant to its role as Developer. The TSEZ is located within the Surigao Mineral Reservation, an area declared for mineral development pursuant to Proclamation 391, under the supervision of the DENR that issued an "Order to Use Offshore Area" dated September 20, 2010 to TMC for the use of such portion of the Surigao Mineral Reservation for the construction of the pier facilities. In relation to this, THNC entered into a Registration Agreement with PEZA to construct and operate a mineral processing plant within the TSEZ as an Ecozone Export Enterprise.

Under the agreement, TMC will make available the pier facilities and provide certain services to THNC in consideration for usage fees and service fees to be paid by the latter starting April 2011 until 2031, unless terminated earlier. The usage fee of US$1.3 million is payable in semi-annual period on or before April 10 and October 10.

THNC also agrees to pay the service fee that will be agreed upon by both parties, which shall be billed monthly.

Memorandum of Understanding

SMM

On September 14, 2009, the Parent Company and TMC entered into an MOU with SMM. Pursuant to the terms thereof, the Parent Company and SMM will move ahead on a joint venture basis to build a nickel-cobalt processing plant (the Project) using the HPAL technology to be located within the TMC's mine in Surigao del Norte, while TMC will supply low-grade nickel ore to the plant over the life of the Project.

The Agreement also sets forth the respective rights and obligations of the Parent Company, SMM and Mitsui, including their responsibilities in respect of financing the project investment undertaken by THNC.

Also, under the Agreement, the Parent Company, SMM and Mitsui agreed to make loans to THNC or guarantee the repayment of THNC's obligations in accordance with the financial requirements of THNC and in proportion to their shareholding ratio in THNC of 10%, 75% and 15%, respectively.

The Agreement shall terminate upon the dissolution of THNC.

SEPI

On February 23, 2022, EPI and SEPI signed an MOU to create a strategic partnership for the purpose of developing a platform for onshore power projects and the resulting power supply business in the Philippines and to set forth certain basic terms of the understanding reached to date and to serve as a basis for further discussions and negotiations with respect to the project.

Through the above MOU, GRHI was incorporated and registered with the SEC on August 18, 2022. GRHI is 60% owned by EPI and 40% owned by Shell.

THNC Stockholder's Agreement

On September 15, 2010, NAC, SMM and Mitsui executed a Stockholder's Agreement, pursuant to which the parties formed a joint venture company, THNC, to build and operate a plant in Barangay Taganito, Claver, Surigao del Norte for the purpose of producing and selling nickel-cobalt mixed sulfide to be used in the production of electrolytic nickel and electrolytic cobalt.

Pursuant to the Stockholder's Agreement, SMM granted THNC a non-exclusive license of technology owned by SMM to produce the products and has undertaken to provide technical assistance to THNC. The Parent Company has undertaken to cause TMC to supply THNC with nickel ore and limestone and to further cause TMC to make available to THNC the land and infrastructure necessary to produce the products while Mitsui shall assist THNC in procuring materials and equipment necessary for the mine's operations. The Stockholder's Agreement shall terminate upon the dissolution of THNC.

NAC, along with the other stockholders of THNC, also agreed to make loans to THNC or guarantee the repayment of THNC's loan obligations in accordance with the financial requirements of THNC, in proportion to their shareholding ratio in THNC.

In a separate agreement, SMM agreed to assume the Parent Company's obligation to make loans to or guarantee the repayment of THNC's loan obligations. The Parent Company, in consideration of this agreement, pays SMM an annual guarantee fee of 0.60% of THNC's outstanding loan obligations.

Loan Guarantee/Substitution Agreement

Under a loan guarantee/substitution agreement between the Parent Company and SMM, the latter agreed to substitute for the Parent Company to make loans or guarantee the repayment of THNC's obligation pursuant to the Stockholders Agreement dated September 15, 2010.

In consideration of the loans and guarantee made by SMM, the Parent Company shall pay to SMM an annual fee equal to 0.60% of the relevant outstanding amount, which is payable every February 21, March 21, August 21 and September 21 of each year.

In case of default, such loan guarantee/substitution agreements will be terminated, and the Parent Company shall provide loans to THNC or guarantee the repayment of THNC's loans payable. Failure to provide such loans or guarantee shall be considered a default under the Stockholders' Agreement.

Loan Agreement

THNC

On October 4, 2010, TMC entered into an Omnibus Agreement with THNC, wherein the latter granted the former an unsecured loan facility amounting to a total of US$35.0 million at a prevailing 180-day British Banker Association London Inter-Bank Offered Rate (LIBOR) plus 2% spread, to exclusively finance the construction of the pier facilities within the TSEZ. In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to Term Secured Overnight Financing Rate plus an adjustment of 0.43%.

The interest on the loan is payable semi-annually, on October 10 and April 10. The total principal is payable in semi-annual installments of US$0.9 million starting on October 10, 2011 up to April 10, 2031.

Lease Agreements

THNC

On October 31, 2013, TMC and THNC executed a lease agreement wherein TMC will lease the land within the TSEZ to THNC. The TSEZ leased area of approximately 675 hectares is located at Barangays Taganito and Hayanggabon, Claver, Surigao del Norte. The duration of the lease agreement shall be for a period of 20 years starting January 1, 2013; however, rental rate shall be annually agreed by both parties.

Manta

On March 18, 2013, the Group entered into a lease agreement with Manta for its office and parking spaces. The lease agreement is for a period of 5 years starting May 15, 2013, and is renewable subject to negotiation of the terms and conditions and mutual agreement of both parties. The existing lease agreements with Manta are valid until May 14, 2028 and June 30, 2028, and are subject to 5% annual escalation beginning on the second year of the lease.

In July 2025, CEXCI signed another lease agreement with Manta for its office space under similar terms and conditions. The new lease agreement is effective from August 1, 2025 to July 31, 2030.

MOA with SMM

The Parent Company and SMM entered a MOA to formalize the agreements reached on December 26, 2024 which include:

a. The Parent Company, through RTN and/or other subsidiaries of the Parent Company, shall continue to comply with the obligations set forth in the Stockholder's Agreement by and among SMM, Mitsui, Nissho Iwai Corporation (subsequently merged into Sojitz) and RTN dated July 1, 2002, amended on January 26, 2007 and April 1, 2013, on the establishment and operation of CBNC.
b. All existing contracts between the Parent Company, RTN or any subsidiaries of the Parent Company, and CBNC, including, but not limited to, Infrastructure Agreements, Lease Agreements, and Ore Supply Agreements, shall remain valid and enforceable in their terms even after the sale of CBNC shares.
c. Before April 1, 2025, RTN shall enter into an Addendum to the Ore Supply Agreement with CBNC, covering the period April 1, 2025 to March 31, 2028 based on ore price of US$12 per WMT, including oversized ore; provided, that the LME price is US$13 per pound or less.

d. To handle or resolve matters that are mutually beneficial to them, or that promote cooperation in the conduct of their respective businesses including, but not limited to, decommissioning and removal of CBNC equipment, stable supply of limestone, and future plan of joint projects among others.

The terms of the MOA took effect after the execution of the SPA and will remain valid unless amended or terminated upon mutual agreement of the parties.

On February 10, 2025, the Parent Company and SMM executed a Deed of Absolute Sale of Shares where the Parent Company offered SMM its 91,796,875 common shares in CBNC for a total consideration of ₱1,855.0 million.

Notes 13, 30 and 36 of the Notes to Consolidated Financial Statements of the Exhibits in Part IV is incorporated hereto by reference.

PART IV – EXHIBITS AND SCHEDULES

Item 13. EXHIBITS AND REPORTS ON SEC FORM 17-C

Exhibits

See accompanying Index to Exhibits as well as the Company's Audited Financial Statements for the recently completed fiscal year. These financial statements are reports from the Corporation's Independent Public Accountant, SGV & Co.

Reports on SEC Form 17-C

The Parent Company filed the following reports on SEC Form 17-C during the year 2025.

Items Reported	Date Reported
Discussions and negotiations with SMM on NAC's proposed sale of all of its shareholding in CBNC	January 7, 2025
Resignation of Mr. Arnilo C. Milaor	January 30, 2025
NAC and SMM had jointly signed a SPA with regards to the formers proposed sale of its entire shareholding in CBNC	February 3, 2025
Additional equity infusion in EPI and bridge loans to GRHI and SISPC	February 27, 2025
Notice of Annual Meeting of the Stockholders on June 9, 2025	February 27, 2025
Declaration of regular and special cash dividends	February 27, 2025
NAC reports ₱1.52 billion net income for 2024, inclusive of ₱1.55B provision for Mindoro Geothermal Project	February 27, 2025
NAC and DMCI Mining Corporation entered into a Memorandum of Understanding on March 4, 2025	March 5, 2025
NAC and DMCI Mining announce strategic collaboration for nickel processing plant study	March 5, 2025
NAC's subsidiary, HMC, received a Letter of Assessment from the Philippine Ports Authority on March 6, 2025	March 7, 2025
Retirement of Mr. Christopher C. Fernandez	March 31, 2025
Change in NIKL shareholdings of Mr. Jose Bayani D. Baylon	April 10, 2025
Mandatory retirement of Mr. Rolando R. Cruz	April 10, 2025
Change in NIKL shareholdings of Mr. Ryan Rene C. Jornada	April 16, 2025
Notice of Annual Meeting of the Stockholders on June 9, 2025	April 23, 2025
NAC analysts'/investors' briefing for the financial and operating results for the first quarter of 2025	April 30, 2025
Postponement of the Annual General Meeting of Stockholders of NAC	May 2, 2025
NAC posts 148% increase in attributable net income for the first quarter of 2025	May 8, 2025
NAC's subscription to ₱2,534,000,000.00 worth of common shares of EPI	May 8, 2025
Notification of planned cessation of operations of Hydrometallurgical Processing Plant in Palawan of CBNC, a key customer of NAC's subsidiary, RTN	June 2, 2025
Results of the 2025 Annual General Meeting of Stockholders held on June 9, 2025	June 9, 2025
Results of the Organizational Meeting of the Board of Directors held on June 9, 2025, immediately after the Annual General Meeting of the Stockholders	June 9, 2025
NAC received a notice of assessment from the IEMOP	June 19, 2025
Changes in the Director, Chairman of Related Party Transactions Committee, and Member of Audit Committee and Nominations Committee	July 11, 2025
Resignation of Mr. Yusuke Niwa as Director and Appointment of Mr. Naoki Kawai as Director vice Mr. Niwa	July 11, 2025
NAC net income grows 88% to ₱2.1 billion for the first half of 2025	August 6, 2025

Items Reported	Date Reported
NAC analysts'/investors' briefing for the financial and operating results for the first half of 2025	August 6, 2025
Additional funding for Cawag Solar Power Project and establishment of a new real estate company	August 6, 2025
Termination of Geothermal Renewable Energy Service Contract between MGPC and the DOE covering the Montelago Geothermal Power Project	October 15, 2025
Appointment of Atty. Abraham A. Agamata as Assistant Vice President – External Affairs	October 16, 2025
Notice of Participation in PSE STAR Investor Day Q3 2025	November 7, 2025
Declaration of special cash dividends	November 12, 2025
Organizational changes	November 12, 2025
NAC doubles attributable net income for the nine-month period ended September 30, 2025	November 12, 2025
Mandatory retirement of Mr. Rodrigo G. Gazmin, Jr.	December 12, 2025
Sale of aircraft of Nickel Asia Corporation’s wholly owned subsidiary, CPDL	December 26, 2025
Sale of aircraft of Nickel Asia Corporation’s wholly owned subsidiary, CPDL	December 29, 2025

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the Issuer by the undersigned, thereunto duly authorized, in the City of Taguig on _____, 2026.

By:

MARTIN ANTONIO G. ZAMORA
President and Chief Executive Officer

KOICHI ISHIHARA
Senior Vice President - Chief Commercial Officer

MARIA ANGELA G. VILLAMOR
Senior Vice President - Finance and Chief Financial Officer

IRYAN JEAN U. PADILLO
Assistant Vice President - Financial, Tax and External Reporting

BARBARA ANNE C. MIGALLOS
Corporate Secretary

Subscribed and sworn to before me this TAGUIG CITY day of 25 FEB 2026, 2026 affiant (s) exhibiting to me his/their Passport Number, as follows:

Names	Passport/ID No.	Date of Issue	Place of Issue
Martin Antonio G. Zamora	P5236537B	06/18/2020	DFA NCR East
Koichi Ishihara	TZ1403467	01/15/2020	Embassy of Japan in the Philippines
Maria Angela G. Villamor	P9494419B	04/04/2022	DFA Manila
Barbara Anne C. Migallos	P7148981A	05/11/2018	NCR South
Iryan Jean U. Padillo	P2919448B	08/31/2019	NCR Central

DOC. NO.: 353
PAGE NO.: 72
BOOK NO.: 2
SERIES OF 2026.

CARLO C. GUEVARA
Appointment No. 184 (2025-2026)
Notary Public for and in the City of Taguig
Until December 31, 2026
Roll No. 75204
PTR No. 4019165/23 January 2026/Pasig City
MCLE Compliance No. VIII-0032035. Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City

NICKEL ASIA CORPORATION

SEC FORM 17-A

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

CONSOLIDATED FINANCIAL STATEMENTS

Statement of Management's Responsibility for Financial Statements
Independent Auditor's Report
Consolidated Statements of Financial Position as at December 31, 2025 and 2024
Consolidated Statements of Income for the years ended December 31, 2025, 2024 and 2023
Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023
Consolidated Statements of Changes in Equity for the years ended December 31, 2025, 2024 and 2023
Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023
Notes to Consolidated Financial Statements

SUPPLEMENTARY SCHEDULES

Independent Auditor's Report on Supplementary Schedules
Schedule I: Retained Earnings Available for Dividend Declaration
Schedule II: Supplementary Schedules under Annex 68-J

A. Financial Assets
B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Affiliates)
C. Amounts Receivable from Related Parties which are Eliminated in the Consolidated Financial Statements
D. Intangible Assets - Other Assets
E. Long-Term Debts
F. Indebtedness to Affiliates and Related Parties (Short-term and Long-Term Debts with Related Companies)
G. Guarantees of Securities of Other Issuers
H. Capital Stock
I. Supplementary Schedule of External Auditor Fee - Related Information

Schedule III: A Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries, Co-Subsidiaries and Associates
Schedule IV: Schedule of Financial Soundness Indicators

NAC
NICKEL ASIA CORP.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Nickel Asia Corporation and Subsidiaries** (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, for the years ended December 31, 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.

SGV & Co., the independent auditors, appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

JOSE ISIDRO N. CAMACHO
Chairman of the Board

Signed this 25th day of February 2026.

NOTARY PUBLIC
Tee Lee Lian
NP2025/0043
1 Apr 2025 – 31 Mar 2026
SINGAPORE

NC0Q1K0JVJ

NOTARIAL CERTIFICATE

TO ALL TO WHOM these presents shall come

I, Tee Lee Lian, NOTARY PUBLIC duly admitted, authorised to practise in the Republic of Singapore, DO HEREBY CERTIFY

THAT on this day, 25th February 2026, **JOSE ISIDRO N.CAMACHO,** Chairman of the Board of Nickel Asia Corporation appeared before me and signed the attached Statement of Management's Responsibility for Financial Statements for Nickel Asia Corporation and Subsidiaries.

I further confirm the signature is the true signature of **JOSE ISIDRO N. CAMACHO**.

AND which I have notarised the aforesaid document. In so certifying, I, the Notary Public, do not endorse, verify or make any statement as to the accuracy, truth, legality or otherwise of the contents of the document or the purposes for which the document may be used.

IN FAITH AND TESTIMONY whereof I the said notary have subscribed my name and set and affixed my seal of office at Singapore, this 25th day of February 2026.

NOTARY PUBLIC
SINGAPORE

NOTARY PUBLIC
Tee Lee Lian
NP2025/0043
1 Apr 2025 - 31 Mar 2026
SINGAPORE

By virtue of Rule 8(3)(c) of the Notaries Public Rules, a Notarial Certificate must be authenticated by the Singapore Academy of Law in order to be valid.

With effect from 16 September 2021, a Notarial Certificate shall be deemed to be validly authenticated by the affixing of an Apostille to the back of the Notarial Certificate.

APOSTILLE

(Convention de La Haye du 5 Octobre 1961)

This **Apostille** only certifies the authenticity of the signature, seal or stamp and the capacity of the person who has signed the attached Singapore public document, and, where appropriate, the identity of the seal or stamp. It does not certify the authenticity of the underlying document.

If this document is to be used in a country not party to the Hague Convention of the 5th of October 1961, it should be presented to the consular section of the mission representing that country.

To verify this **Apostille**, go to
https://legalisation.sal.sg
or scan QR code:

Verification code: 41655280

1. **Country:**	Singapore
This public document	
2. **Has been signed by:**	Tee Lee Lian
3. **Acting in the capacity of:**	Notary Public
4. **Bears the seal/stamp of:**	Notary Public
Certified	
5. **At:**	Singapore Academy of Law
6. **The:**	26th February 2026
7. **By:**	Melissa Goh, Director, Trust Services, SAL
8. **No.:**	AC0Q1L08NF
9. **Seal/Stamp:**	10. **Signature:** Melissa G.

SINGAPORE ACADEMY OF LAW
CERTIFICATION SEAL

NICKEL ASIA CORP.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Nickel Asia Corporation and Subsidiaries** (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, for the years ended December 31, 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.

SGV & Co., the independent auditors, appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

MARTIN ANTONIO G. ZAMORA
President and Chief Executive Officer

MARIA ANGELA G. VILLAMOR
Chief Financial Officer

Signed this 25th day of February 2026.

SUBSCRIBED AND SWORN to before me this 25 FEB 2026 at Taguig City, Philippines, affiants exhibited to me their respective identifications, to wit:

Name	Identification	Date/Place of Issue
Martin Antonio G. Zamora	Passport No. P5236537B	18 Jun 2020; DFA NCR East
Maria Angela G. Villamor	Passport No. P9494419B	4 Apr 2022; DFA Manila

Doc. No. 448;
Page No. 91;
Book No. 2;
Series of 2026.

TOMAS JUSTINE M. FALCONITIN
Appointment No. 171 (2025-2026)
Notary Public for and in the City of Taguig City
Until December 31, 2026
Roll No. 74333
PTR No. 4019168/28 January 2026/ Pasig City
IBP Lifetime No. VIII-0023225 Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: tomas.falconitin@[illegible].com

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Nickel Asia Corporation
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

Opinion

We have audited the consolidated financial statements of Nickel Asia Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of income, 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 consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each 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 matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment testing of solar farm and construction in-progress

As of December 31, 2025, the Group's solar farm and the related construction in-progress amounted to ₱20.3 billion. The Group may adversely be affected by the volatility in wholesale electricity prices. In the event that an impairment indicator is identified, the assessment of the recoverable amounts of the solar farm and construction in-progress requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices and discount rate. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to the Group's solar farm and construction in-progress are included in Notes 3 and 9 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the methodology and the assumptions used. These assumptions include future production levels and costs, as well as external inputs such as commodity prices and discount rate. We compared the key assumptions against the industry benchmark plant life, production reports from operations department, average market price of electricity on Wholesale Electric Spot Market (WESM), current tax laws and Department of Energy regulations, Bangko Sentral ng Pilipinas (BSP) forecasted inflation rate, industry debt ratio and discount rate based on industry weighted average capital cost. We tested the parameters used in the determination of the discount rate against market data. 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 amounts of the solar farm and construction in-progress.

Other Information

Other information consists of 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 other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. 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 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, actions taken to eliminate threats or safeguards applied

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

February 25, 2026

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱17,574,368**	₱12,935,272
Trade and other receivables (Note 5)	**2,381,943**	1,390,414
Inventories (Note 6)	**2,646,789**	3,356,296
Financial assets at (Note 7):		
Fair value through profit or loss (FVTPL)	**1,531,921**	1,421,570
Fair value through other comprehensive income (FVOCI)	**406,604**	429,188
Amortized cost	**–**	100,000
Assets held for sale (Note 8)	**–**	1,864,775
Prepayments and other current assets (Note 8)	**1,065,844**	2,338,192
Total Current Assets	**25,607,469**	23,835,707
Noncurrent Assets		
Property and equipment (Note 9)	**33,125,604**	26,429,296
Investments in an associate (Note 10)	**3,235,269**	3,438,021
Financial assets at - net of current portion (Note 7):		
FVTPL	**1,121,138**	985,979
Amortized cost	**275,000**	275,000
Deferred income tax assets - net (Note 33)	**270,356**	554,613
Other noncurrent assets (Note 11)	**6,533,175**	6,132,185
Total Noncurrent Assets	**44,560,542**	37,815,094
TOTAL ASSETS	**₱70,168,011**	₱61,650,801
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 12)	**₱3,930,720**	₱4,281,493
Short-term debts (Note 13)	**5,048,156**	6,985,614
Income tax payable	**590,767**	401,528
Current portion of:		
Long-term debts (Note 13)	**454,831**	372,149
Lease liabilities (Note 31)	**111,911**	95,693
Other current liabilities (Note 36f)	**760,722**	615,722
Total Current Liabilities	**10,897,107**	12,752,199
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debts (Note 13)	**8,905,970**	2,060,388
Lease liabilities (Note 31)	**1,083,244**	877,441
Deferred income (Note 30)	**25,139**	29,329
Provision for mine rehabilitation and decommissioning (Note 14)	**944,457**	927,398
Deferred income tax liabilities - net (Note 33)	**411,306**	505,869
Pension liability (Note 32)	**72,182**	84,955
Total Noncurrent Liabilities	**11,442,298**	4,485,380
Total Liabilities	**22,339,405**	17,237,579

(Forward)

	December 31	
	2025	2024
Equity Attributable to Equity Holders of the Parent		
Capital stock (Note 15)	**₱6,999,974**	₱6,999,974
Additional paid-in capital	**9,205,802**	9,205,802
Share in cumulative translation adjustment (Note 10)	**828,842**	1,469,552
Other components of equity:		
Cost of share-based payment plan	**154,296**	154,296
Asset revaluation surplus	**29,033**	29,416
Net valuation gains (losses) on:		
Financial assets at FVOCI (Note 7)	**2,633**	(1,226)
Forward contracts (Note 35)	**168**	7,659
Retained earnings:		
Unappropriated	**22,497,121**	18,760,066
Appropriated (Note 15)	**135,000**	135,000
Treasury stock (Note 15)	**(134,014)**	(134,014)
	39,718,855	36,626,525
Non-controlling Interests (NCI)	**8,109,751**	7,786,697
Total Equity	**47,828,606**	44,413,222
TOTAL LIABILITIES AND EQUITY	**₱70,168,011**	₱61,650,801

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings per Share)

	Years Ended December 31		
	2025	2024	2023
REVENUES			
Sale of ore and limestone (Notes 28 and 30)	**₱27,373,897**	₱19,753,960	₱21,553,863
Sale of power (Notes 28, 30 and 36d)	**1,291,073**	1,342,128	881,547
Services (Notes 28 and 30)	**952,103**	1,229,340	2,265,057
	29,617,073	22,325,428	24,700,467
COSTS			
Cost of sales (Note 17)	**9,890,521**	8,590,973	7,964,494
Power generation (Note 18)	**694,311**	603,022	515,524
Services (Note 19)	**456,205**	628,157	1,550,783
	11,041,037	9,822,152	10,030,801
OPERATING EXPENSES			
Shipping and loading costs (Note 20)	**2,779,572**	2,268,159	2,173,860
Excise taxes and royalties (Note 21)	**2,347,923**	1,707,303	1,873,845
General and administrative (Note 22)	**1,832,283**	1,618,206	1,542,808
Marketing (Notes 36a and 36g)	**129,316**	107,426	118,257
	7,089,094	5,701,094	5,708,770
FINANCE INCOME (Note 25)	**580,995**	695,893	524,065
FINANCE EXPENSES (Note 26)	**(482,198)**	(482,786)	(446,701)
EQUITY IN NET LOSS OF ASSOCIATES (Note 10)	**(249,463)**	(897,927)	(1,037,821)
OTHER INCOME (CHARGES) - net (Note 27)	**879,323**	(1,556,511)	21,492
INCOME BEFORE INCOME TAX	**12,215,599**	4,560,851	8,021,931
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 33)			
Current	**3,049,826**	1,764,154	2,224,281
Deferred	**318,078**	(125,765)	3,715
	3,367,904	1,638,389	2,227,996
NET INCOME	**₱8,847,695**	₱2,922,462	₱5,793,935
Net income attributable to:			
Equity holders of the parent	**₱6,268,929**	₱1,521,458	₱3,749,656
NCI	**2,578,766**	1,401,004	2,044,279
	₱8,847,695	₱2,922,462	₱5,793,935
Basic/Diluted Earnings Per Share (EPS; Note 16)	**₱0.45**	₱0.11	₱0.27

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Years Ended December 31		
	2025	2024	2023
NET INCOME	**₱8,847,695**	₱2,922,462	₱5,793,935
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods:			
Share in translation adjustment of associates (Notes 10 and 27)	**(753,776)**	706,314	(624,764)
Income tax effect	**113,066**	(105,947)	93,714
	(640,710)	600,367	(531,050)
Net valuation gains on financial assets at FVOCI (Note 7)	**3,859**	89	4,619
Income tax effect	**–**	–	–
	3,859	89	4,619
Net valuation gains (losses) on forward contracts (Note 35)	**(13,702)**	14,076	–
Income tax effect	**3,425**	(3,519)	–
	(10,277)	10,557	–
Net other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods	**(647,128)**	611,013	(526,431)
Other comprehensive income (loss) not to be reclassified to consolidated statements of income in subsequent periods:			
Remeasurement gains (losses) on pension liability (Note 32)	**(47,863)**	112,926	(153,343)
Income tax effect	**11,893**	(28,232)	38,336
	(35,970)	84,694	(115,007)
Asset revaluation surplus	**(511)**	(511)	(511)
Income tax effect	**128**	128	128
	(383)	(383)	(383)
Net other comprehensive income (loss) not to be reclassified to consolidated statements of income in subsequent periods	**(36,353)**	84,311	(115,390)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) - NET OF TAX	**(683,481)**	695,324	(641,821)
TOTAL COMPREHENSIVE INCOME - NET OF TAX	**₱8,164,214**	₱3,617,786	₱5,152,114
Total comprehensive income attributable to:			
Equity holders of the parent	**₱5,600,054**	₱2,179,006	₱3,145,284
NCI	**2,564,160**	1,438,780	2,006,830
	₱8,164,214	₱3,617,786	₱5,152,114

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

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

(Amounts in Thousands)

	Equity Attributable to Equity Holders of the Parent									
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment (Note 10)	Other Components of Equity (Notes 7 and 35)	Retained Earnings		Treasury Stock (Note 15)	Total	NCI	Total
					Unappropriated	Appropriated (Note 15)				
Balances at December 31, 2024	**₱6,999,974**	**₱9,205,802**	**₱1,469,552**	**₱190,145**	**₱18,760,066**	**₱135,000**	**(₱134,014)**	**₱36,626,525**	**₱7,786,697**	**₱44,413,222**
Net income	–	–	–	–	**6,268,929**	–	–	**6,268,929**	**2,578,766**	**8,847,695**
Other comprehensive loss - net of tax	–	–	**(640,710)**	**(4,015)**	**(24,150)**	–	–	**(668,875)**	**(14,606)**	**(683,481)**
Total comprehensive income (loss) - net of tax	–	–	**(640,710)**	**(4,015)**	**6,244,779**	–	–	**5,600,054**	**2,564,160**	**8,164,214**
Cash dividends (Note 15)	–	–	–	–	**(2,507,603)**	–	–	**(2,507,603)**	–	**(2,507,603)**
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	**(504)**	–	–	**(504)**	–	**(504)**
Cash dividends to NCI (Note 29)	–	–	–	–	–	–	–	–	**(2,625,000)**	**(2,625,000)**
Investment of NCI in a subsidiary (Note 15)	–	–	–	–	–	–	–	–	**383,894**	**383,894**
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	**383**	–	–	**383**	–	**383**
Balances at December 31, 2025	**₱6,999,974**	**₱9,205,802**	**₱828,842**	**₱186,130**	**₱22,497,121**	**₱135,000**	**(₱134,014)**	**₱39,718,855**	**₱8,109,751**	**₱47,828,606**

See accompanying Notes to Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment (Note 10)	Other Components of Equity (Notes 7 and 35)	Unappropriated	Appropriated (Note 15)	Treasury Stock (Note 15)	Total	NCI	Total
Balances at December 31, 2023	₱6,999,974	₱9,205,802	₱869,185	₱182,780	₱19,000,052	₱135,000	(₱134,014)	₱36,258,779	₱6,846,207	₱43,104,986
Net income	–	–	–	–	1,521,458	–	–	1,521,458	1,401,004	2,922,462
Other comprehensive income - net of tax	–	–	600,367	7,365	49,816	–	–	657,548	37,776	695,324
Total comprehensive income - net of tax	–	–	600,367	7,365	1,571,274	–	–	2,179,006	1,438,780	3,617,786
Cash dividends (Note 15)	–	–	–	–	(1,811,046)	–	–	(1,811,046)	–	(1,811,046)
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	(504)	–	–	(504)	–	(504)
Cash dividends to NCI (Note 29)	–	–	–	–	–	–	–	–	(1,570,000)	(1,570,000)
Investment of NCI in subsidiaries (Note 15)	–	–	–	–	–	–	–	–	1,071,710	1,071,710
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	383	–	–	383	–	383
Stock issuance cost	–	–	–	–	(93)	–	–	(93)	–	(93)
Balances at December 31, 2024	₱6,999,974	₱9,205,802	₱1,469,552	₱190,145	₱18,760,066	₱135,000	(₱134,014)	₱36,626,525	₱7,786,697	₱44,413,222

See accompanying Notes to Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment	Other Components of Equity	Unappropriated	Appropriated (Note 15)	Treasury Stock (Note 15)	Total	NCI	Total
Balances at December 31, 2022	₱6,849,836	₱8,271,900	₱1,400,235	₱547,085	₱18,618,593	₱135,000	(₱134,014)	₱35,688,635	₱4,842,184	₱40,530,819
Net income	–	–	–	–	3,749,656	–	–	3,749,656	2,044,279	5,793,935
Other comprehensive income (loss) - net of tax	–	–	(531,050)	4,236	(77,558)	–	–	(604,372)	(37,449)	(641,821)
Total comprehensive income (loss) - net of tax	–	–	(531,050)	4,236	3,672,098	–	–	3,145,284	2,006,830	5,152,114
Exercise of stock options	150,138	933,902	–	(368,541)	–	–	–	715,499	–	715,499
Cash dividends (Note 15)	–	–	–	–	(3,290,518)	–	–	(3,290,518)	–	(3,290,518)
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	(504)	–	–	(504)	–	(504)
Cash dividends to NCI	–	–	–	–	–	–	–	–	(1,600,000)	(1,600,000)
Investment of NCI in a subsidiary (Note 15)	–	–	–	–	–	–	–	–	1,597,193	1,597,193
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	383	–	–	383	–	383
Balances at December 31, 2023	₱6,999,974	₱9,205,802	₱869,185	₱182,780	₱19,000,052	₱135,000	(₱134,014)	₱36,258,779	₱6,846,207	₱43,104,986

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱12,215,599**	₱4,560,851	₱8,021,931
Adjustments for:			
Depreciation, depletion and amortization (Note 24)	**2,262,347**	2,027,952	2,005,655
Reversal of cumulative translation adjustment (Note 27)	**(800,487)**	–	–
Interest income (Note 25)	**(519,404)**	(627,465)	(524,065)
Losses (gains) on (Note 27):			
Sale of property and equipment	**(198,002)**	(52,875)	(20,493)
Changes in fair value of financial assets at FVTPL	**(172,755)**	(25,475)	(226,857)
Write-off of project development costs	**1,051**	–	–
Sale of financial assets at FVOCI	**(117)**	(1)	–
Retirement of property and equipment	**–**	–	15,243
Write-off of other noncurrent assets	**–**	–	313
Interest expense (Note 26)	**306,062**	314,940	318,762
Equity in net loss of associates (Note 10)	**249,463**	897,927	1,037,821
Provisions for impairment losses on (Note 27):			
Deferred mine exploration costs	**192,599**	–	64,663
Project development costs	**7,964**	20,977	–
Advances and deposits	**6,174**	17,964	113,541
Geothermal exploration and evaluation assets	**342**	1,912,316	–
Investment in an associate	**–**	1,935	–
Accretion of interest on:			
Lease liabilities (Notes 26 and 31)	**95,794**	91,192	63,704
Provision for mine rehabilitation and decommissioning (Notes 14 and 26)	**41,559**	41,801	31,655
Movements in:			
Pension liability (Note 32)	**(128,322)**	(205,347)	(221,158)
Deferred income	**(4,190)**	(4,190)	(4,190)
Gain on forward contracts - net (Notes 25 and 26)	**(58,451)**	(68,428)	–
Dividend income (Notes 7 and 27)	**(25,396)**	(55,188)	(29,634)
Unrealized foreign exchange gains - net (Note 27)	**(25,247)**	(281,668)	(2,735)
Effect of change in estimate on provision for mine rehabilitation and decommissioning (Note 27)	**–**	–	(7,601)
Operating income before working capital changes	**13,446,583**	8,567,218	10,636,555
Decrease (increase) in:			
Trade and other receivables	**(1,035,256)**	240,632	1,131,742
Inventories	**709,507**	(318,597)	(605,475)
Prepayments and other current assets	**660,820**	(686,991)	(432,199)
Input Value Added Tax (VAT) under other noncurrent assets	**(543,286)**	71,196	(710,287)
Increase (decrease) in trade and other payables	**(240,114)**	1,157,714	694,228
Net cash generated from operations	**12,998,254**	9,031,172	10,714,564
Income taxes paid, including application of creditable withholdings taxes	**(2,860,587)**	(1,684,619)	(2,527,607)
Net cash flows from operating activities	**10,137,667**	7,346,553	8,186,957

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES (Note 37)			
Acquisitions of:			
Property and equipment (Note 9)	**(₱8,453,822)**	(₱8,761,215)	(₱6,353,447)
Financial assets at (Note 7):			
FVTPL	**(2,839,658)**	(1,438,862)	(2,098,148)
FVOCI	**(60,627)**	(77,569)	(160,969)
Proceeds from sale or redemption of:			
Financial assets at:			
FVTPL	**2,774,426**	1,363,868	4,153,130
Amortized cost	**100,000**	35,000	50,000
FVOCI	**87,187**	118,385	143,649
Asset held for sale (Note 8)	**1,853,411**	–	–
Property and equipment	**442,284**	58,477	25,792
Decrease (increase) in other noncurrent assets	**567,363**	(194,968)	(1,703,590)
Interest received	**546,778**	581,184	525,246
Dividends received	**25,396**	55,188	29,921
Net cash flows used in investing activities	**(4,957,262)**	(8,260,512)	(5,388,416)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Short-term debts (Note 13)	**(7,046,963)**	(3,500,000)	–
Cash dividends (Notes 15 and 29)	**(5,278,107)**	(3,206,550)	(4,891,022)
Interest on short-term and long-term debts	**(702,034)**	(658,068)	(432,666)
Long-term debts (Note 13)	**(346,330)**	(329,347)	(253,431)
Lease liabilities (Note 31)	**(105,582)**	(102,944)	(75,761)
Debt issue cost, short-term debts	**(16,368)**	(17,342)	(11,171)
Stock issuance cost	**–**	(93)	–
Proceeds from availment of:			
Long-term debts, net of debt issue costs (Note 13)	**7,283,291**	60,397	887,202
Short-term debts, net of debt issue costs (Note 13)	**5,082,302**	4,603,215	4,331,718
Investment of NCI in subsidiaries (Note 15)	**383,894**	1,071,710	1,597,193
Increase in other current liabilities	**145,000**	136,000	–
Proceeds from:			
Forward contracts	**58,451**	68,428	–
Exercise of stock options	**–**	–	715,499
Net cash flows from (used in) financing activities	**(542,446)**	(1,874,594)	1,867,561
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**4,637,959**	(2,788,553)	4,666,102
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**12,935,272**	15,482,465	10,809,026
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS (Note 27)	**1,137**	241,360	7,337
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	**₱17,574,368**	₱12,935,272	₱15,482,465

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Nickel Asia Corporation (NAC; the ultimate parent company, parent company) was registered with the Philippine Securities and Exchange Commission (SEC) on July 24, 2008. The Parent Company is primarily engaged in investing in and holding of assets of every kind and description and wherever situated, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of mining of all kinds of ore, metals, and minerals and in the business of generation, transmission, distribution, and supply of electricity to cities and other localities and to the public in general.

The common shares of the Parent Company were listed on the Philippine Stock Exchange on November 22, 2010.

The registered office address of the Parent Company is on the 28th floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

The Subsidiaries

Hinatuan Mining Corporation (HMC)
HMC was registered with the SEC on October 9, 1979, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Hinatuan Island, Surigao del Norte and Manicani Island, Eastern Samar.

Cagdianao Mining Corporation (CMC)
CMC was registered with the SEC on July 25, 1997, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Valencia, Municipality of Cagdianao, Province of Dinagat Islands.

Dinapigue Mining Corporation (DMC)
DMC was registered with the SEC on October 9, 1998, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, exploitation, and mining of metallic and non-metallic minerals, including, but not limited to, nickel, iron, cobalt, chromite, and other associated mineral deposits in Dinapigue, Isabela.

Samar Nickel Mining Resources Corporation (SNMRC)
SNMRC was registered with the SEC on March 11, 2010, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of mineral ores. As at February 25, 2026, SNMRC has not yet started commercial operations.

CDTN Services Company Inc. (CDTN)
CDTN was registered with the SEC on December 21, 2020, is a 100% owned subsidiary of the Parent Company and is primarily engaged in general engineering construction, contracting and machinery, and supply sales business in all its phases, extend and receive any contracts or assignments or contracts related thereto or connected therewith, and manufacture and furnish building materials and supplies. It is also engaged in the handling of materials in connection with construction or manufacturing, warehousing, distribution or disposal activities, or other similar activities.



Coral Pearl Developments Limited (CPDL)
CPDL was incorporated on June 18, 2019 in the British Virgin Islands (BVI) under the BVI Business Companies Act 2004, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the leasing of aircraft. In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

La Costa Shipping and Lighterage Corporation (LCSLC)
LCSLC was registered with the SEC on October 23, 1992, is a 100% owned subsidiary of the Parent Company through HMC and is primarily engaged in the chartering out of Landing Craft Transport (LCT) and providing complete marine services. In May 2014, LCSLC sold all of its LCTs to HMC. In April 2024, LCSLC acquired a fast craft.

Falck Exp Inc. (FEI)
FEI was registered with the SEC on November 22, 2005, is an 88% owned subsidiary of the Parent Company through HMC, CMC and Taganito Mining Corporation (TMC), and is primarily engaged in the business of exploring, prospecting and operating mines and quarries of all kinds of ores and minerals, metallic and non-metallic. On August 8, 2014, the Board of Directors (BOD) of FEI approved the immediate dissolution of FEI. Thereafter, the liquidation process commenced and as a result, FEI changed from going concern to liquidation basis of accounting. On November 17, 2016, the termination of FEI's registration with the Bureau of Internal Revenue (BIR) was approved. Final dissolution will take place after the approval of FEI's application with the SEC. As at February 25, 2026, FEI is still waiting for the approval of the SEC.

Cordillera Exploration Co., Inc. (CEXCI)
CEXCI was registered with the SEC on October 19, 1994, is a 71.25% owned subsidiary of the Parent Company and is primarily engaged in the business of large-scale exploration, development, and utilization of mineral resources. CEXCI has several mining properties at various stages of exploration. As at February 25, 2026, CEXCI is not engaged in any development or commercial production activities.

Newminco Pacific Mining Corporation (Newminco)
Newminco was registered with the SEC on October 9, 2006, is a 71.25% owned subsidiary of the Parent Company through CEXCI, and is primarily engaged in the exploration, mining, development, utilization, extraction, beneficiation and marketing of minerals and mineral resources. As at February 25, 2026, Newminco is not engaged in any development or commercial production activities.

Taganito Mining Corporation
TMC was registered with the SEC on March 4, 1987, is a 65% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Claver, Surigao del Norte. TMC also provides services which involve the handling, hauling and transportation of materials required in the processing operations of Taganito HPAL Nickel Corporation (THNC).

Rio Tuba Nickel Mining Corporation (RTN)
RTN was registered with the SEC on July 15, 1969, is a 60% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Rio Tuba, Municipality of Bataraza, Palawan.



Emerging Power Inc. (EPI)
EPI was registered with the SEC on October 16, 2007, is a 91.03% owned subsidiary of the Parent Company and is primarily engaged in the renewable energy business.

Mindoro Geothermal Power Corporation (MGPC)
MGPC was registered with the SEC on May 7, 2014, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business. On November 24, 2014, by virtue of a Deed of Assignment of rights and obligations of EPI under Geothermal Renewable Energy Service Contract (GRESC) No. 2010-02-013, MGPC acquired the exclusive rights to explore, develop and exploit geothermal resources covering a geothermal field in the municipality of Naujan, Oriental Mindoro. The transfer of GRESC No. 2010-02-013 to MGPC was approved by the Department of Energy (DOE) on February 16, 2016.

On February 26, 2019, MGPC received from the Philippine Government, through the DOE, the Confirmation of Commerciality for its 10-megawatt (MW) project. MGPC has an anticipated operating capacity of 40MW and aims to supply electricity to the Mindoro Island grid.

On May 7, 2024, MGPC received from the DOE a termination letter of GRESC No. 2010-02-013 covering the Montelago Geothermal Power Project, to which MGPC responded requesting reconsideration to reinstate. On July 5, 2024, the DOE granted the reinstatement of the GRESC and approved the proposed five (5)-Year Work Program of MGPC. However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.

Biliran Holdings Inc. (BHI)
BHI was registered with the SEC on July 31, 2015, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of infrastructure, power generation, real estate, manufacturing, trading, and agribusiness and to pay for other evidence of indebtedness or securities of this or any other corporation.

Northern Palawan Power Generation Corporation (NPPGC)
NPPGC was registered with the SEC on July 5, 2017, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and in producing and generating electricity, as well as engaging in agrovoltaic business to utilize viable areas of land, and processing fuels alternative for power generation.

NPPGC is the developer and owner of the Cawag Solar Power Project, a ground-mounted solar photovoltaic (PV) farm located in Subic, Zambales and covered by Solar Energy Operating Contract (SEOC) No. 2023-10-715. As at February 25, 2026, the Cawag Solar Power Project is in the development and construction stage.

Emerging Energy Resources 1, Inc. (EER 1)
EER 1 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at February 25, 2026, EER 1 is in the pre-operating stage.



Emerging Energy Resources 2, Inc. (EER 2)
EER 2 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected.

EER 2 is the developer and owner of the following ground-mounted solar PV farm projects: 1) Cabcaben Solar Power Project located in Mariveles, Bataan and covered by SEOC No. 2024-04-851; and 2) Sinawal Solar Power Project located in General Santos City and covered by SEOC No. 2024-05-866 with the DOE. On September 16, 2025 and May 7, 2025, EER 2 voluntarily surrendered to the DOE the Sinawal Solar Power Project and the Cabcaben Solar Power Project, respectively. As at December 31, 2025, EER 2 is still awaiting the approval of the DOE. Consequently, the project development costs related to these projects were written off (see Note 27).

Emerging Energy Resources 3, Inc. (EER 3)
EER 3 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at February 25, 2026, EER 3 is in the pre-operating stage.

Emerging Energy Saver Corporation (EESC)
EESC was registered with the SEC on February 2, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the energy business and carry on the business of producing, generating and storing electricity and processing fuel alternatives for power generation. As at February 25, 2026, EESC is in the pre-operating stage.

Jobin-SQM, Inc. (JSI)
JSI was registered with the SEC on January 6, 2010, wherein the Parent Company has 38% direct ownership and 47.34% indirect ownership through EPI. JSI is primarily engaged in the power business, including but not limited to power generation, power trading and supply to retail customers and end users. JSI was acquired by EPI on September 11, 2015.

On May 13, 2022, the Department of Environment and Natural Resources (DENR) granted the request of JSI to increase its capacity, from 150MW to 200MW, and area, from 800 hectares to 815 hectares, located at Mt. Sta. Rita, Subic Bay Freeport Zone (SBFZ).

In relation to this, the construction of Phase 4A - 72MW of the Solar Project started in November 2022 and has been completed and delivering power to the grid under testing and commissioning starting February 2024. On June 2, 2025, JSI received the Provisional Authority to Operate (PAO) the Phase 4A - 72MW of its Solar Project. Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.

As at February 25, 2026, JSI has a total capacity of 172MW in commercial operation.

Greenlight Renewables Holdings, Inc. (GRHI)
GRHI was registered with the SEC on August 18, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. GRHI is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. GRHI is the joint venture of EPI and Shell Overseas Investments B.V. (Shell).



San Isidro Solar Power Corp. (SISPC)
SISPC was registered with the SEC on February 28, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. SISPC is primarily engaged in harnessing solar energy and producing and generating electricity from solar energy and other renewable energy sources.

SISPC is the developer and owner of the San Isidro Solar Power Project, a ground-mounted solar PV farm located in San Isidro, Leyte and covered by Solar Energy Service Contract (SESC) No. 2018-11-491 with the DOE. SISPC was acquired by GRHI on June 30, 2023.

In October 2025, the construction of Phase 1 - 120MW of the San Isidro Solar Power Project has been completed and delivering power to the grid under testing and commissioning.

Casilagan Solar Power Corporation (CSPC)
CSPC was registered with the SEC on May 9, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. CSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected.

CSPC is the developer and owner of the following ground-mounted solar PV farm projects: 1) San Antonio Solar Power Project located in San Antonio, Zambales and covered by SEOC No. 2023-12-789; 2) San Juan Solar Power Project located in Botolan, Zambales and covered by SEOC No. 2023-12-790; 3) Tuy Solar Power Project located in Tuy and Nasugbu, Batangas and covered by SEOC No. 2023-12-795; and 4) Libag Sur Solar Power Project located in Tuguegarao, Cagayan and covered by SEOC No. 2024-07-903. In addition, CSPC is also the developer and owner of Tuy Wind Power Project located in Tuy and Nasugbu, Batangas and covered by Wind Energy Service Contract (WESC) No. 2024-02-379. On November 28, 2024, January 20, 2025 and March 3, 2025, CSPC voluntarily surrendered to the DOE the San Antonio Solar Power Project, Tuy Solar Power Project and Tuy Wind Power Project, respectively. The DOE approved the surrender of these service contracts in 2025. Consequently, the project development costs related to these projects were provided with allowance for impairment losses (see Note 27).

As at February 25, 2026, the remaining solar power projects under CSPC are in the pre-development stage.

SanJuan Solar Power Corporation (SSPC)
SSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SSPC is in the pre-operating stage.

Sta. Maria Solar Power Corporation (SMSPC)
SMSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SMSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SMSPC is in the pre-operating stage.

Tuy Solar and Wind Power Corp. (TSWPC)
TSWPC was registered with the SEC on September 13, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. TSWPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy

storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, TWSPC is in the pre-operating stage.

San Antonio Solar Power Corp. (SASPC)
SASPC was registered with the SEC on September 14, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SASPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SASPC is in the pre-operating stage.

Nazareno Solar Power Corp. (NSPC; formerly Manta Baguio Properties Corp.)
NSPC was registered with the SEC on May 31, 2018, is a 54.62% owned subsidiary of the Parent Company through EPI. NSPC is engaged in the energy business and carry on the business of producing, generating and sale of electricity from various sources that are utility scale and grid connected. EPI acquired 60% ownership in NSPC from Manta Equities Inc. (Manta) in November 2024. On January 8, 2025, the SEC approved the change in NSPC's corporate name and purpose of business. On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan. As at February 25, 2026, the Nazareno Solar Power Project is in the development stage.

Authorization for the Issuance of the Consolidated Financial Statements
The consolidated financial statements 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 Parent Company's BOD on February 25, 2026.

2. Basis of Preparation and Consolidation, Statement of Compliance and Material Accounting Policy Information

Basis of Preparation
The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at FVTPL, at FVOCI, forward contracts receivable and assets held for sale which are measured at fair value. The consolidated financial statements are presented in Philippine peso, which is the Parent Company and its subsidiaries' (collectively referred to as the Group) functional and presentation currency, except CPDL whose functional and reporting currency is in US$. All amounts are rounded to the nearest thousand (₱000), except when otherwise indicated.

Basis of Consolidation
The consolidated financial statements include the balances of the subsidiaries and equity share in the net income or losses of associates:

	Principal Place of Business	Principal Activities	Effective Ownership **2025**	Effective Ownership 2024
Subsidiaries				
HMC	Philippines	Mining and Services	**100.00%**	100.00%
CMC	Philippines	Mining	**100.00%**	100.00%
DMC	Philippines	Mining	**100.00%**	100.00%
SNMRC	Philippines	Mining	**100.00%**	100.00%
CDTN	Philippines	Services	**100.00%**	100.00%

(Forward)

	Principal Place of Business	Principal Activities	Effective Ownership 2025	2024
CPDL	BVI	Services	**100.00%**	100.00%
LCSLC [(a)]	Philippines	Services	**100.00%**	100.00%
		Renewable Energy (RE)		
EPI	Philippines	Developer	**91.03%**	91.03%
MGPC [(b)]	Philippines	RE Developer	**91.03%**	91.03%
BHI [(b)]	Philippines	Services	**91.03%**	91.03%
NPPGC [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 1 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 2 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 3 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EESC [(b)]	Philippines	Power Generation	**91.03%**	91.03%
FEI [(c)]	Philippines	Mining	**88.00%**	88.00%
JSI [(d)]	Philippines	Power Generation	**85.34%**	85.34%
CEXCI	Philippines	Mining	**71.25%**	71.25%
Newminco [(e)]	Philippines	Mining	**71.25%**	71.25%
TMC	Philippines	Mining and Services	**65.00%**	65.00%
RTN	Philippines	Mining	**60.00%**	60.00%
GRHI [(b,f)]	Philippines	Services	**54.62%**	54.62%
SISPC [(b,g)]	Philippines	Power Generation	**54.62%**	54.62%
CSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SMSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
TSWPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SASPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
NSPC [(b,h)]	Philippines	Power Generation	**54.62%**	54.62%
Associates				
Biliran Geothermal Incorporated (BGI) [(b)]	Philippines	Power Generation	**40.96%**	40.96%
THNC	Philippines	Manufacturing	**10.00%**	10.00%

(a) Indirect ownership through HMC
(b) Indirect ownership through EPI
(c) Indirect ownership through HMC, CMC and TMC
(d) Direct ownership of 38% and indirect ownership through EPI of 47.34%
(e) Indirect ownership through CEXCI
(f) A joint venture of EPI and Shell
(g) Acquired by GRHI on June 30, 2023
(h) Acquired by EPI in November 2024 at 60% ownership

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Changes in Accounting Policies and Disclosures

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 and Interpretations 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 the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

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

  The Group is currently assessing the impact of adopting the amendments to these standards on its financial statements.

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

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- 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 income
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of adopting this standard on its financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

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

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the consolidated financial statements in the year of adoption, if applicable.

Material Accounting Policy Information

Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of the financial reporting period. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing as at the date of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All differences are taken to "Other income (charges) - net" in the consolidated statement of income.

As at the end of the financial reporting period, the statement of financial position of associates and a subsidiary (whose functional currency is other than the Philippine peso) is translated into the presentation currency of the Group (the Philippine peso) using the rate of exchange prevailing at the end of the financial reporting period and the consolidated statement of income is translated using the weighted average exchange rate for the year. The exchange differences arising from the translation are recognized in other comprehensive income. Upon disposal of such associate or subsidiary, the component of other comprehensive income relating to that associate or subsidiary will be recognized in the consolidated statement of income.

Fair Value Measurement

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each end of the financial reporting period.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market close prices at the close of business at the end of the financial reporting period.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include comparison to similar investments for which market observable prices exist and discounted cash flow analysis or other valuation models.

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 in the fair value hierarchy as explained above.

Financial Instruments

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

Date of Recognition

The Group recognizes a financial asset or a financial liability in the consolidated statement of financial position when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the 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).



Financial Assets

Initial Recognition, Classification and Measurement of Financial Instruments

Financial assets are classified, at initial recognition, as subsequently measured at FVTPL, at FVOCI and at amortized cost.

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 FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient for contracts that have a maturity of one (1) year or less, are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at FVOCI or at amortized cost, it needs to give rise to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

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. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's senior management and the BOD, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Subsequent Measurement

For purposes of subsequent measurement, the Group's financial assets are classified in the following categories:

- Financial assets at FVTPL
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at amortized cost (debt instruments)

Financial Assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the

business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of income.

A derivative embedded in a hybrid contract with a financial liability or nonfinancial 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 FVTPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated statement of income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flow that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.

This category includes equity and debt investments, which the Group had not irrevocably elected to classify at FVOCI (see Note 7). Dividends on equity investments are recognized under "Other income - net" in the consolidated statement of income when the right of payment has been established (see Notes 7 and 27).

Financial Assets at FVOCI (Debt Instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to the consolidated statement of income.

The Group's debt instruments at FVOCI include investments in quoted debt instruments such as government and corporate bonds and other similar investments (see Note 7). The Group does not hold equity instruments measured at FVOCI.

Financial Assets at Amortized Cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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 statement of income when the asset is derecognized, modified, or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, trade and other receivables (except forward contracts receivable and receivable from government), investments in



government and corporate bonds, mine rehabilitation fund (MRF), restricted cash, and Social Development and Management Program (SDMP) funds (see Notes 4, 5, 7 and 11).

Impairment of Financial Assets
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial assets migrate through the following three (3) stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL. For credit exposures where there have not been significant increases in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the twelve (12)-months after the financial reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired. For credit exposures where there have been significant increases in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized, and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

Determining the Stage for Impairment
At each financial reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the financial reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria are considered to have a low credit risk. The provision for credit losses for these financial assets is based on a twelve (12)-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to twelve (12)-month ECL.

For cash and cash equivalents, the Group applies a general approach in calculating ECLs. The Group recognizes a loss allowance based on either a twelve (12)-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on its cash and cash equivalents since initial recognition.

The Group computes ECLs using the discounted product of the Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD) for trade receivables. The Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each end of the financial reporting period.

The Group's debt instruments at FVOCI and at amortized cost comprise of quoted bonds and government securities that are graded in the investment category by good Credit Rating Agencies, whichever is applicable, and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a twelve (12)-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the good Credit Rating Agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are over ninety (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.

The Group writes off a financial asset measured at amortized cost, in whole or in part, when the asset is considered uncollectible, it has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

The Group writes off an account when all the following conditions are met:

- the asset is past due for over ninety (90) days, or is already an item-in-litigation with any of the following:
  a. no properties of the counterparty could be attached
  b. the whereabouts of the counterparty cannot be located
  c. it would be more expensive for the Group to follow-up and collect the amount, hence the Group has ceased enforcement activity, and
  d. collections can no longer be made due to insolvency or bankruptcy of the counterparty.
- expanded credit arrangement is no longer possible;
- filing of legal case is not possible; and
- the account has been classified as '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 consolidated 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 "passthrough" 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 passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. 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. In that case, the Group also recognizes an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition, Classification and Measurement of Financial Instruments

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

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains, and losses relating to a financial instrument or a component that is a financial liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax.

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

The Group's financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost and as derivatives designated as hedging instruments in an effective hedge. The Group has no financial liabilities at FVTPL.

Subsequent Measurement

Financial Liabilities at Amortized Cost

This category pertains to financial liabilities that are not held for trading, not derivatives, or not designated at FVTPL upon the inception of the liability. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any issue cost, and any discount or premium on settlement. The EIR amortization is included under "Finance expenses" in the consolidated statement of income.

This accounting policy applies primarily to the Group's trade and other payables, short-term and long-term debts, lease liabilities, and other obligations that meet the above definition (excluding government payables and other liabilities that are covered by other accounting standards, such as income tax payable and pension; see Notes 12, 13 and 31).

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of income.

Derivative Financial Instruments and Hedge Accounting

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. 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.

The Group hedges are classified as cash flow hedges or hedging the exposure to variability in cash flows that is attributable to foreign currency risk in an unrecognized firm commitment.

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 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 follows:

Cash Flow Hedges

The effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income under "Net valuation gains on forward contracts", while any ineffective portion is recognized immediately in the consolidated statement of income. The "Net valuation gains on forward contracts" is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges for its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized under "Finance income" or "Finance expense".

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognized in other comprehensive income and accumulated in a separate component of equity under "Net valuation gains on forward contracts".

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a nonfinancial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in other comprehensive income for the period. This also applies where the hedged forecast transaction of a nonfinancial asset or nonfinancial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.



For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the consolidated statement of income as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the consolidated statement of income as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income must be accounted for depending on the nature of the underlying transaction as described above.

This accounting policy applies to forward contracts receivable (see Note 5).

Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). Cost is determined using the moving average production cost during the year for beneficiated nickel ore (saprolite and limonite) and limestone exceeding a determined cut-off grade. The NRV of beneficiated nickel ore and limestone is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Periodic ore inventory survey is performed to determine the volume of ore inventory.

For materials and supplies, cost is determined using the moving average method and composed of purchase price, transport, handling, and other costs directly attributable to its acquisition. The NRV of materials and supplies is the current replacement cost. Any provision for inventory losses is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision or obsolescence.

Assets Held for Sale

The Group classifies noncurrent assets as held for sale if the carrying amount of the asset will be recovered principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the assets and the sale is expected to be completed within one (1) year from the date of the classification.

Assets classified as held for sale are presented separately as current items in the consolidated statement of financial position.

VAT

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position. Deferred input VAT, which represents input VAT on capital assets subject to amortization, and any excess input VAT which: (1) may be utilized



against output VAT, if any, beyond twelve (12) months from the end of the financial reporting period; or (2) are being claimed for refund or as tax credits, beyond one (1) year, from the taxation authorities are presented as part of "Other noncurrent assets" in the consolidated statement of financial position. Input VAT is stated at cost less any impairment in value.

Property and Equipment

Property and equipment, except land, is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation, depletion and amortization and accumulated impairment loss, if any. The initial cost of property and equipment consists of its purchase price including import duties and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Such cost also includes the cost of replacing part of such property and equipment when the recognition criteria are met. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to expense in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment. When each major inspection is performed, its cost is recognized in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. Land is carried at cost less any accumulated impairment loss.

The Group recognizes right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated amortization and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of ROU 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.

Construction in-progress represents work under construction and is stated at cost. Construction in-progress is not depreciated until such time that the relevant assets are completed and available for use. This also includes interest incurred on borrowed funds during the construction period.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the assets:

Category	Number of Years
Land improvements	5
Machinery and equipment	2-15
Solar farm	5-40
Buildings and improvements	2-25
Transmission lines and substations	10-40

Mining properties and development costs include the capitalized cost of mine rehabilitation and decommissioning and other development costs necessary to prepare the area for operations. Depletion of mining properties is calculated using the unit-of-production method based on the estimated economically recoverable reserves to which they relate to or are written-off if the property is abandoned. Development costs are depreciated using the straight-line method over the estimated useful life of the asset of ten (10) to thirty (30) years.



Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are amortized on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term of two (2) to fifty (50) years. ROU assets are subject to impairment.

Depreciation, depletion and amortization of property and equipment, except land, 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), or in case of mining properties, from start of commercial operations upon extraction of ore reserves. Depreciation, depletion and amortization cease when the assets are fully depreciated, depleted or amortized, or at the earlier of the date that the item is classified as held for sale (or included in the disposal group that is classified as held for sale) in accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*, and the date the item is derecognized.

The assets' estimated recoverable reserves, residual values, if any, useful lives and depreciation, depletion and amortization methods are reviewed periodically to ensure that the estimated recoverable reserves, residual values, periods and methods of depreciation, depletion and amortization are consistent with the expected pattern of economic benefits from items of property and equipment. If there is an indication that there has been a significant change in depreciation, depletion and amortization rate, useful life, or residual value of an asset, these are revised prospectively to reflect the new expectations.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from 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 statement of income in the year the asset is derecognized.

The asset revaluation surplus which arose from the acquisition of the controlling interest in RTN in August 2006, relates to the land and building and improvements. The said assets, which are part of the Group's property and equipment, were revalued in connection with the acquisition, and the revalued amounts were subsequently treated as the deemed cost. The related and applicable depreciation on these assets is transferred periodically to retained earnings.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is charged to current operations.

Borrowing Cost
Borrowing costs directly attributable to the development of the Group's projects that necessarily take a substantial period to get ready for its intended use are capitalized. Borrowing costs consist of interest on borrowed funds used to finance the construction of the assets and other financing costs that the Group incurs in connection with the borrowing of funds. The capitalization of the borrowing cost as part of the cost of the asset: (a) commences when the expenditures and borrowing costs are being incurred during the construction and related activities necessary to prepare the asset for its intended use are in progress; and (b) ceases when substantially all the activities necessary to prepare the asset for its intended use are complete. Capitalized borrowing costs are based on the applicable borrowing rate agreed in the agreement.

Investments in Associates
The aggregate of the Group's share of profit or loss of associates is shown in the statement of income outside operating profit and represents profit or loss after tax. In case of losses, the Group's share of profit or loss is only recognized to the extent of the cost of investment.

If the ownership interest in an associate is reduced, but the investment continuous to be an associate, the Group shall reclassify to the consolidated statement of income the proportionate gain or loss that had previously been recognized in other comprehensive income relating to the reduction in ownership interest if that gain or loss would be required to be reclassified to consolidated statement of income on the disposal of the related asset.

Geothermal Exploration and Evaluation Assets
The Group follows the full cost method of accounting for its geothermal exploration and evaluation assets determined based on each service contract. Under this method, all exploration costs relating to each service contract are accumulated and deferred under "Geothermal exploration and evaluation assets" account in the consolidated statement of financial position pending the determination of whether the wells have proved reserves. Capitalized expenditures include costs of license acquisition, technical services and studies, exploration drilling and testing, and related administrative expenses. General overhead or costs incurred prior to having obtained the legal rights to explore an area are recognized as expense in the consolidated statement of income when incurred.

If tests conducted on the drilled exploratory wells reveal that these wells cannot produce proved reserves, the capitalized costs are charged to expense except when the management decides to use the unproductive wells, for recycling or waste disposal.

Once the technical feasibility and commercial viability of the project to produce proved reserves have been established and appropriate regulatory approvals have been obtained, the geothermal exploration and evaluation assets are reclassified to property and equipment.

Geothermal exploration and evaluation assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the consolidated statement of income in the year the item is derecognized.

Geothermal exploration and evaluation assets also include interest on borrowed funds that are directly attributable to the construction and development of the Group's projects.

Deferred Mine Exploration Costs
Expenditures for the acquisition of property rights are capitalized. Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), costs or expenditures subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to property and equipment. Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value. Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred. Major development expenditures incurred to expose the ore, increase production, or extend the life of an existing mine are capitalized.



Project Development Costs

Project development costs are expensed as incurred until management determines that the project is technically, commercially, and financially viable, at which time project development costs are capitalized. Project's viability generally occurs in tandem with management's determination that a project should be classified as an advanced project as evidenced by a favorable system impact study, interconnection agreements, or when project financing is in place.

Following initial recognition of the project development cost as an asset, the cost model is applied requiring the asset to be carried at cost less accumulated amortization and any accumulated impairment losses. Amortization of the asset begins when the development of the energy projects is complete, and the asset is available for use. It is amortized using the straight-line method over the period of expected future benefit. During the period in which the asset is not yet available for use, the project development costs are tested for impairment annually, irrespective of whether there is indication of impairment.

Impairment of Nonfinancial Assets

Inventories

The Group determines the NRV of inventories at each end of the financial reporting period. 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 statement of income in the year the impairment is incurred. In the case when NRV of the inventories increased subsequently, the NRV will increase the carrying amounts of inventories but only to the extent of their original acquisition costs.

Property and Equipment and Nonfinancial Prepayments and Other Current and Noncurrent Assets

The Group assesses at each end of the financial reporting period whether there is an indication that an asset may be impaired. Assets 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 (CGU) is written down to its recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. The fair value less costs to sell 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 less the costs of disposal, while value in use is the present value 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. These calculations are corroborated by valuation multiples or other available fair value indicators. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in the consolidated statement of income.

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

Geothermal Exploration and Evaluation Assets, Deferred Mine Exploration Costs and Project Development Costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, in the financial reporting period in which this is determined.



Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed;
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- When a service contract where the Group has participating interest in is permanently abandoned; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full, either from successful development or by sale.

Geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs are reassessed for impairment on a regular basis.

Other Current Liabilities

Other current liabilities pertain to deposits for future stock subscription which represents advance payments from stockholders for the subscription of future issuance of shares.

The Group classifies its deposits for future stock subscription as a separate account under equity if and only if, all the following elements are present at the end of the financial reporting period:

- There is a lack of or insufficiency in unissued authorized capital stock;
- The BOD and stockholders have approved the proposed increase in authorized capital stock; and
- An application for the approval of the proposed increase in authorized capital stock has been presented for filing or has been filed with the SEC.

If any or all the foregoing elements are not present, the deposits for future stock subscription shall be recognized and included as a separate line item under liabilities in the consolidated statement of financial position.

Leases

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

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

Lease Liabilities

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, if any. The lease payments also include, if any, the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not



depend on an index or a rate are recognized as expense (unless they are incurred to produce inventories) in the period in 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 because 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 lease payments or a change in the assessment of an option 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 of property and equipment and building space (i.e., those leases that have a lease term of twelve (12) months or less from the commencement date and do not contain a purchase option). It also applies the lease 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.

Group as a Lessor
Leases where the Group retain substantially all the risks and rewards incidental to ownership of the assets are classified as operating leases. Rental income arising from this lease is accounted for on a straight-line basis over the lease term and is included in the consolidated statement of income due to its operating nature. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Provisions
General
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each end of the financial reporting period and adjusted to reflect the current best estimate. The expense relating to any provision is presented in the consolidated statement of income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, 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 part of "Finance expenses" in the consolidated statement of income.

Provision for Mine Rehabilitation and Decommissioning
The Group records the present value of the 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 plant and waste sites, and restoration, reclamation and re-vegetation of affected areas. The obligation generally arises when the asset is installed, or the ground/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 as part of "Finance expenses" in the consolidated statement of income. Additional disturbances or changes in rehabilitation costs will be



recognized as additions or charges to the corresponding assets and provision for mine rehabilitation and decommissioning when they occur. When rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each end of the financial reporting period and the cost is charged to the consolidated statement of income.

The ultimate cost of mine rehabilitation and decommissioning 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 ore reserves or production rates. As a result, there could be significant adjustments to the provision for mine rehabilitation and decommissioning, which would affect future financial results. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income.

MRF, which also includes the Final Mine Rehabilitation and Decommissioning Fund, committed for use in satisfying environmental obligations are included within "Other noncurrent assets" in the consolidated statement of financial position.

Treasury Stock

Own equity instruments that are reacquired (treasury stock) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of 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 the "Additional paid-in capital".

Basic/Diluted EPS

Basic EPS

Basic EPS is calculated by dividing the net income attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year.

Diluted EPS

Diluted EPS is calculated by dividing the net income attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, adjusted for any stock dividends declared during the year plus weighted average number of ordinary shares that would be issued on the conversion of all the dilutive ordinary shares into ordinary shares, excluding treasury stock.

Contract Balances

Contract Liabilities

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.

From time to time, the Group recognizes contract liabilities in relation to its sale of ore which are sold under free-on-board (FOB) incoterms, whereby a portion of the cash may be received from the customer before the loading of ore is completed.

Revenue from Contracts with Customers

The Group is principally engaged in the business of producing beneficiated nickel ore and limestone, rendering of services, and generating revenue from sale of power. Revenue from contracts with customers is recognized when control of the goods is transferred, or services is rendered 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 or services before transferring them to the customer.

The following specific recognition criteria must also be met before revenue or income is recognized:

- *Sale of Beneficiated Nickel Ore and Limestone*
  For the sale of beneficiated nickel ore and limestone, the enforceable contract is each purchase order, which is an individual, short-term contract. Purchase orders are executed through an Addendum to the master supply agreements with customers. While there are master supply agreements with customers that set out the general terms and conditions governing any sales that occur, they do not contain any minimum volumes.

  The Group's sale of ore allows price adjustment provision where final ore price shall be based on the results of the final assay exchange with customer. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

  Revenue is recognized when control passes to the customer, which occurs at a point in time when the ore is physically and completely transferred onto a vessel except in the case of deliveries to Coral Bay Nickel Corporation (CBNC) and THNC, which occurs at the time the ore passes into the ore preparation hopper of the respective plants. The revenue is measured at the amount to which the Group expects to be entitled, being the estimate of the price expected to be received.

- *Sale of Power*
  Revenue from sale of power pertains to sale of electricity to Independent Electricity Market Operator of the Philippines, Inc. (IEMOP), which are traded through Philippine Wholesale Electricity Spot Market (WESM), and to customers with bilateral agreements.

  For the sale of power to IEMOP, the enforceable contract is the Market Participation Agreement together with the WESM Rules that implement the provisions of the Electric Power Industry Reform Act of 2001, its Implementing Rules and Regulations and other related laws. For the sale of power to customers with bilateral agreements, the enforceable contract is the Power Supply Agreement (PSA).

  The performance obligation is the sale of power since the customer can benefit from it in conjunction with other readily available resources and it is also distinct within the context of the contract. The performance obligation qualifies as a series of distinct goods or services that are substantially the same and have the same pattern of transfer.

  The Group concluded that revenue should be recognized over time since the customer simultaneously receives and consumes the benefits as the Group supplies power.



The sale of power to IEMOP provides an unspecified quantity of energy. The unit price for the sale of power to IEMOP is determined at each trading interval of each day while the unit price for its bilateral agreements is at a fixed rate based on the PSAs with customers. Such provisions under PFRS 15 give rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved. The application of constraint on variable consideration resulted in the same revenue recognition under PAS 18.

- *Sale of Services*
  Revenue from rendering of services is recognized when services are rendered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services. The performance obligations are satisfied, and payment is generally due upon completion and billing of the services. Revenue is recognized over time and units of delivery output method is the measure of progress since the customer obtains the benefit from the Group's performance based on the quantities and volume of materials handled each month.

Interest
Income is recognized as interest accrues using the EIR method that uses the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend
Dividend income is recognized when the Group's right to receive payment is established.

Rental
Revenue is recognized on a straight-line basis over the term of the lease agreement.

Other Income
Revenue is recognized as they are earned.

Cost and Expense Recognition
Costs and expenses, finance expenses and other charges are generally recognized when the expense arises, incurred, or accrued in the appropriate period.

Costs
Costs are incurred in the normal course of business and are recognized when incurred. They comprise mainly of the cost of goods sold, which is provided in the period when goods are delivered, and the cost of services, which is provided in the period when the related service has been rendered.

Pension Costs
The net defined benefit liability or asset is the aggregate of the present value of the pension liability at the end of the financial reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.



Defined benefit costs comprise the following:

- Service cost;
- Net interest on the net defined benefit liability or asset; and
- Remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as pension costs under "Personnel costs" in the consolidated statement of 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 benefit liability or asset is the change during the period in the net defined benefit 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 benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized and included under "Finance expenses" or "Finance income" in the consolidated statement of 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 benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to consolidated statement of income in subsequent periods. Remeasurements recognized in other comprehensive income after the initial adoption of Revised PAS 19 were closed to retained earnings.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

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 income tax rates and income tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the financial reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

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

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

- Where the deferred income tax liability arises from the initial recognition of goodwill or 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 income nor taxable income or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, 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.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits and unused tax losses, to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused tax losses can be utilized except:

- Where the deferred income 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 income nor taxable income or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each end of the financial reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the financial reporting period and are recognized to the extent that it has become probable that future taxable income will allow the deferred income tax asset to be recovered.

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

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

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

Business Segments

For management purposes, the Group is organized into operating segments (mining, power, and services) according to the nature of the products and the services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The segment locations are the basis upon which the Group reports its primary segment information for the mining segment. Financial information on business segments is presented in Note 38.



Events After the End of the Financial Reporting Period
If the Group receives information after the end of the financial reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the financial reporting period, it will assess whether the information affects the amounts that it recognizes in its consolidated financial statements. The Group will adjust the amounts recognized in its consolidated financial statements to reflect any adjusting events after the financial reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the end of the financial reporting period, the Group will not change the amounts recognized in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3. Significant Accounting Judgments, Estimates and Assumptions

The consolidated financial statements prepared in accordance with PFRS Accounting Standards require management to make judgments, estimates, and assumptions that affect the amounts reported in the consolidated financial statements and related notes. The judgments, estimates and assumptions are based upon management's evaluation of relevant facts and circumstances as at the end of the financial reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

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

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 effect on the amounts recognized in the consolidated financial statements:

Determining Functional Currency
Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Parent Company and its subsidiaries, except CPDL, has been determined to be the Philippine peso. The functional currency is the currency of the primary economic environment in which the Group operates. It is the currency that mainly influences labor, material, and other costs of providing goods and services.

Assessing Production Start Date
The Group assesses the stage of each mine development project to determine when a mine moves into the production stage. The criteria used to assess the start date of a mine are determined based on the unique nature of each of mine development projects. The Group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production phase.

Some of the criteria include, but are not limited to the following:
- The level of capital expenditure compared to construction cost estimates;
- Completion of a reasonable period of testing of the property and equipment;
- Ability to produce ore in saleable form; and
- Ability to sustain ongoing production of ore.



When a mine development project moves into the production stage, the capitalization of certain mine construction costs ceases and costs are either regarded as inventory or expensed, except for capitalizable costs related to mining asset additions or improvements, mine development or mineable reserve development. It is also at this point that depreciation or depletion commences. The Group has various nickel projects that started commercial operations and moved into the production stage, such as the HMC's Manicani and RTN's South Upper Guintalunan nickel projects in 2024 (see Notes 9 and 11).

Assessing Units-of-Production Depletion
Estimated recoverable reserves are used in determining the depletion of mine assets. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group uses the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively.

Determining Whether Significant Influence Exists
The Parent Company recognized its ownership interest in THNC, CBNC and BGI as investments in associates. In accordance with the provisions of PAS 28 (2011), *Investments in Associates and Joint Ventures*, the existence of significant influence by an entity is usually evidenced in one or more of the following ways:

- Participation in policy-making processes through its representation on the BOD; or
- Material transactions between the entity and its investee such as the supply of all the nickel ore and/or limestone requirement of the investee and/or the use of the subsidiaries' land and infrastructure necessary to produce the products of the investee.

Due to the nature of the Parent Company's involvement in THNC, CBNC and BGI and other various factors, the Parent Company assessed that significant influence exists (see Note 10).

In November 2024, the Parent Company formalize its plan to sell its 15.62% equity share in CBNC to Sumitomo Metal Mining Co., Ltd. (SMM) at the projected book value of investment in CBNC as of end of September 2024 to which SMM agreed and accepted. As a result, CBNC ceases to be an associate and the Parent Company's investment in CBNC was reclassified as "Asset held for sale".

The Share Purchase Agreement (SPA) pertaining to the sale was signed on January 31, 2025 and the Deed of Absolute Sale of Shares was finalized and executed on February 10, 2025.

The Parent Company also owns 25% ownership interest in Eurasian Consolidated Minerals Pty Ltd (ECM) which was recognized as financial assets at FVTPL. The Parent Company assessed that no significant influence exists due to:

- Absence of material transactions between ECM and the Parent Company;
- No interchange of managerial personnel; and
- Non-participation of the Parent Company in the policy-making process, as the group of shareholders that holds the majority ownership of the investee operates without regard to the views of the Parent Company.

Determining Indicators of Impairment on Investments in Associate
Impairment review on investments in associates is performed when events or changes in circumstances indicate that the carrying value exceeds its fair value. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the investment is written down to its recoverable amount. Consequent to the Parent Company's plan to sell all its equity share in CBNC to SMM, an impairment loss on investment in an associate amounting to nil in 2025 and 2023 and ₱1.9 million in 2024 was recognized (see Note 27). The carrying values of the Group's investments in associates amounted to ₱3,235.3 million and ₱3,438.0 million as at December 31, 2025 and 2024, respectively (see Note 10).

Determining the Timing for Reclassification as Asset Held for Sale
In relation to the Parent Company's plan to sell its 15.62% ownership in CBNC to SMM, the Parent Company's BOD considered that investment in CBNC met the following criteria to be classified as held for sale for the following reasons:

- Investment in CBNC was available for immediate sale and could be sold to SMM in its current condition;
- The actions to complete the sale were initiated in September 2024 and completed on February 10, 2025;
- The buyer is SMM and negotiations were at an advanced stage as at December 31, 2024, with a formal letter of intent having been agreed between the Parent Company and SMM in November 2024.

Determining Capitalizability of Geothermal Exploration and Evaluation Assets and Deferred Mine Exploration Costs
Careful judgment by management is applied when deciding whether the recognition requirements for geothermal exploration and evaluation assets and deferred mine exploration costs relating to the Group's geothermal and mining projects have been met. Capitalization of these costs is based, to a certain extent, on management's judgment of the degree to which the expenditure may be associated with finding specific geothermal and ore reserves. This is necessary as the economic success of exploration is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the information available at the end of each financial reporting period.

Determining Applicability of International Financial Reporting Interpretations Committee (IFRIC) 12, Service Concession Arrangements on the SESC and PSA with Customers
An arrangement would fall under IFRIC 12 if the two (2) conditions below are met:

a) the grantor controls or regulates the services that the operator must provide using the infrastructure, to whom it must provide them, and at what price, and
b) the grantor controls any significant residual interest in the property at the end of the concession term through ownership, beneficial entitlement or otherwise.

The infrastructure used for its entire useful life ('whole of life assets') is within the scope of IFRIC 12 if the arrangement meets the conditions in (a).

Based on management's assessment, the SESC, SEOC and PSAs entered by JSI and SISPC are outside the scope of IFRIC 12 since JSI and SISPC controls the significant residual interest in the properties at the end of the concession term through ownership (see Notes 36d and 36e). For the PSA of the Parent Company with Surigao Del Norte Electric Cooperative, Inc. (SURNECO), management assessed that it is also outside the scope of IFRIC 12 since SURNECO does not control or regulate the services of the Parent Company in using the power plant including its pricing (see Note 36d).

Determining the Lease Term of Contracts with Renewal and Termination Options - Group as Lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options (see Note 31). The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customization to the leased asset).

The renewal periods for the lease of the land and buildings and improvements are not included as part of the lease term as this is not reasonably certain to be exercised. Furthermore, the periods covered by termination options, if any, are included as part of the lease term only when they are reasonably certain not to be exercised.

Identifying the Enforceable Contract
Sale of Beneficiated Nickel Ore
The Group made an irrevocable and firm commitment to sell nickel ore on FOB of mother vessel terms, while the buyer made an irrevocable and firm commitment to purchase the quantity of the beneficiated nickel ore under the terms and conditions specified and agreed upon in the contract. Throughout the year, the parties executed addendums to the contract to deliver nickel ore with quantity and specifications indicated therein.

The Group executed a sales contract with Pacific Metals Co., Ltd. (PAMCO), where the former expressed its wish to sell to the latter all beneficiated nickel saprolite ore which meets the specifications as stated in the contract. The Group also executed sales contracts with its major customers to sell beneficiated nickel saprolite or limonite ore with specifications stated explicitly in the contracts.

While there are master supply agreements with customers that set out the general terms and conditions governing any sales that occur, they do not contain any minimum volumes. Therefore, for the above arrangements, the enforceable contracts have been determined to be the annual and long-term contracts and the addendums thereon.

Sale of Limestone
RTN executed a long-term contract with its customers that sets out the general terms and conditions governing each sale of limestone that occurs. The enforceable contracts have been determined to be the long-term contracts.

Identifying Performance Obligations
The Group identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

The Group assesses performance obligations as a series of distinct goods and services that are substantially the same and have the same pattern of transfer if: i) each distinct good or services in the series are transferred over time, and ii) the same method of progress will be used (i.e., units of delivery) to measure the entity's progress towards complete satisfaction of the performance obligation.

With regard to the sale of beneficiated nickel ore and limestone, the Group and its buyers agree to respectively sell and purchase a specific quantity of nickel ore and limestone during the term of the sales contracts. This performance obligation is a promise to transfer to the buyer distinct goods (i.e., nickel ore and limestone) that shall be satisfied at a point in time. It is capable of being distinct since the customers can benefit from it in conjunction with other readily available resources. It is distinct within the context of the sales contracts because it is not integrated, not highly interdependent on or highly interrelated with other promised services in the contract. The obligation is to transfer beneficiated nickel ore and limestone which shall be satisfied once the control to the goods has been transferred to the buyer at a point in time.

With regard to the sale of services and power, it is considered a performance obligation since the customer can benefit from it in conjunction with other readily available resources and it is also distinct within the context of the contract. The performance obligation qualifies as a series of distinct services that are substantially the same and have the same pattern of transfer since the rendering of services and the delivery of energy every month are distinct services which are all recognized over time and have the same measure of progress.

Determining Method to Estimate Variable Consideration and Assessing the Constraint
The Group assessed that it has variable considerations pertaining to quantity of ore shipped to customer. The variability arises from the uncertainty of final quantity and is assessed based on preliminary assay which is the Group's estimate of the most likely amount that is not highly probable to result in a significant reversal in cumulative revenue recognized when final assay is completed.

The Group's sale of power to IEMOP provides unspecified quantity of energy and unspecified unit price that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The expected value method of estimation takes into account a range of possible outcomes while the most likely amount is used when the outcome is binary. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration given the large range of possible outcomes.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are to be fully constrained based on its historical experience (i.e., volume and unit price), the range of possible outcomes (i.e., unspecified quantity of energy and unspecified unit price), and the unpredictability of other factors outside the Group's influence.

Determining the Timing of Satisfaction of Performance Obligations
The Group recognizes revenue when it satisfies an identified performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control. The Group determines, at contract inception, whether it will transfer control of a promised good or service over time. If the Group does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.



The sale of ore and limestone is satisfied at a point in time. All risk of loss, damage, or destruction respective of the ore delivered shall progressively pass to the buyer at the time the ore passes over the rail and into the vessel while risk of loss and damage for the limestone delivered passed to the buyer at the time the good is delivered to the buyer's plant. In the case of deliveries to CBNC and THNC, title, risk of loss and damage passed to the buyer at the time the ore passes into the ore preparation hopper of the respective plants.

For rendering of services, it is satisfied over time since the customer obtains the benefit simultaneously with the Group's performance of services. The fact that another entity would not need to re-perform the handling services that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The Group concluded that revenues from sale of power are to be recognized over time since customers simultaneously receive and consume the benefits as the Group supplies power.

Determining the Group's Business Model in Accounting for Financial Assets
The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective (see Note 2). The Group's business model does not depend on management's intentions for an individual instrument.

The Group's business model refers to how it manages its financial assets in order to generate cash flow. The Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's senior management and the BOD, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Defining Default and Credit-Impaired Financial Assets
The Group defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria.* The borrower is more than ninety (90) days past due on its contractual payments, which is consistent with the Group's definition of default.
- *Qualitative Criteria.* The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
  a. The borrower is experiencing financial difficulty or is insolvent;
  b. The borrower is in breach of financial covenant(s);
  c. An active market for that financial asset has disappeared because of financial difficulties;
  d. Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty;
  e. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
  f. Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, LGD and EAD throughout the Group's ECL calculation.

An instrument is no longer in default (i.e., to have cured) when it no longer meets any of the default criteria.

Determining Significant Increase in Credit Risk
The criteria for determining whether credit risk has increased significantly vary and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than ninety (90) days past due. Days past due are determined by counting the number of days from the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the related party/customer.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:
- the criteria can identify significant increase in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes ninety (90) days past due; and
- there is no unwarranted volatility in loss allowance from transfers between twelve (12)-month PD (stage 1) and lifetime PD (stage 2).

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria, or which are less than ninety (90) days past due, are considered to have a low credit risk. The provision for ECL for these financial assets is based on a twelve (12)-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to twelve (12)-month ECL.

Estimates and Assumptions
The key estimates and assumptions concerning the future and other key sources of estimation uncertainty as at the end of the financial reporting period, that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period are as follows:

Estimating Nickel Ore Reserves
Ore reserves are estimates of the volume of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves based on information compiled by appropriately qualified persons relating to the geological data on the size, depth, and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying values of property and equipment, provision for mine rehabilitation and decommissioning, recognition of deferred income tax assets and depreciation and depletion charges.



The Group also makes estimates and assumptions regarding a number of economic and technical factors, such as production rates, grades, production and transport costs and prices. These economic and technical estimates and assumptions may change in the future in ways that affect the quality and quantity of the reserves. The Group reviews and updates estimates as required, but at least annually, to reflect actual production, new exploration data or developments and changes in other assumptions or parameters. These estimates will change from time to time to reflect mining activities, analyses of new engineering and geological data, changes in ore reserve and mineral resource holdings, modifications of mining plans or methods, changes in nickel or limestone prices or production costs and other factors.

In 2024, the depletion rates for mining properties and development cost were based on the latest Philippine Mineral Reporting Code - Competent Person Technical Report (as of December 31, 2022 cut-off reserve) for CMC, DMC and HMC Taganaan and Annual Mineral Reserve Inventory Report (AMRIR; as of December 31, 2023 cut-off reserve) for RTN, TMC and HMC Manicani.

In 2025, there were changes in the ore reserves used in calculating the depletion rates for mining properties and development cost. The change was based on the latest AMRIR (as of December 31, 2024 cut-off reserve) for CMC, RTN and TMC. For DMC and HMC Taganaan and Manicani, there were no changes.

Estimating Recoverability of Geothermal Exploration and Evaluation Assets, Deferred Mine Exploration Costs and Project Development Costs

The Group assesses the recoverability of geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs by determining the technical feasibility, success of exploration activities and discovery of resources that can be produced in commercial quantities.

PFRS Accounting Standards requires that an impairment review be performed when certain impairment indicators are present. The Group determines the fair value of geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets. The Group makes estimates and assumptions in determining the present value of estimated future cash flows expected to be generated from the continued use of the assets. The Group is required to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations.

An impairment loss is recognized and charged to earnings if the discounted expected future cash flows are less than the carrying amount. The recoverable amount is estimated by discounting the expected future cash flows using a discount factor that reflects the market rate for a term consistent with the period of expected cash flows.

In 2025, as a result of the re-evaluation done, technical findings indicated that the mass flow rate of the existing wells of MGPC is below the minimum flow rate required for a typical organic rankine cycle power generation unit. Consequent to this, MGPC provided a full allowance for impairment losses on its geothermal exploration and evaluation assets amounting to ₱1,912.7 million as at December 31, 2025 and ₱1,912.3 million as at December 31, 2024 (see Notes 11 and 27).

The Group recognized a provision for impairment losses on deferred mine exploration costs, including mining rights, pertaining to Zambales and Kepha Mining Exploration Limited Company (Kepha) projects amounting to a total of ₱192.6 million in 2025 and nil in 2024 and 2023. Deferred mine exploration costs, included in "Other noncurrent assets" in the consolidated statements of financial position, amounted to ₱420.8 million and ₱440.1 million as at December 31, 2025 and 2024,



respectively (net of allowance for impairment losses of ₱334.0 million and ₱208.9 million, respectively; see Note 11).

The Group recognized a provision for impairment losses on project development costs of ₱8.0 million for the Nueva Ecija project and the surrendered service contracts of CSPC in 2025, ₱21.0 million for the Palawan project in 2024 and nil 2023 (see Note 27). Project development costs, included in "Other noncurrent assets" in the consolidated statements of financial position, amounted to ₱81.4 million and ₱137.7 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱28.9 million and ₱21.0 million, respectively (see Note 11).

Estimating Allowance for Impairment Losses on Mining Properties and Development Costs, Solar Farm and Construction In-Progress

The Group is adversely affected if there's a continuous decline in wholesale electricity prices and metal prices. If an impairment indicator is identified, the assessment of the recoverable amount of the mining properties and development costs, solar farm and construction in-progress related to solar farms, requires significant judgment and is based on assumptions. The carrying values of the Group's mining properties and development costs, solar farm and construction in-progress recorded under property and equipment as at December 31, 2025 and 2024 are disclosed in Note 9 to the consolidated financial statements.

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

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

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the consolidated financial statements. These assumptions include future production levels and costs, as well as external inputs such as commodity prices and discount rate. The recoverable amount is sensitive to the discount rate used as well as the expected future cash inflows.

An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment loss is recognized and charged to the consolidated statement of income if the expected discounted future cash flows are less than the carrying amount. Fair value is estimated by discounting the expected future cash flows using a discount factor that reflects the market rate for a term consistent with the period of expected cash flows. As at December 31, 2025 and 2024, the Group has not provided any allowance for impairment losses on its mining properties and development costs, solar farm and construction in-progress as the recoverable amount of these assets is greater than their carrying amount.

Estimating Allowance for ECL on Trade and Other Receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the financial reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 5 to the consolidated financial statements.

Estimating Allowance for Impairment Losses on Inventories
The Group maintains allowance for inventory losses at a level considered adequate to reflect the excess cost of inventories over their NRV. NRV tests are performed at least annually and represent the estimated future sales price of the product based on prevailing spot metals prices at the end of the financial reporting period, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile and the number of contained nickel ore ounces based on assay data. Stockpile tonnages are verified by periodic surveys. The NRV test for materials and supplies is also performed annually and it represents the current replacement cost. Increase in the NRV of inventories will increase the cost of inventories but only to the extent of their original production or acquisition costs.

As at December 31, 2025 and 2024, inventories carried at lower of cost or NRV amounted to ₱2,646.8 million and ₱3,356.3 million, respectively (net of allowance for impairment losses of ₱31.2 million; see Note 6).

Estimating Allowance for Impairment Losses on Other Nonfinancial Assets
The Group provides allowance for impairment losses on other nonfinancial assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in the allowance for impairment losses would increase recorded expenses and decrease the carrying value of these assets.

The carrying values of nonfinancial prepayments and other current assets amounted to ₱1,065.8 million and ₱2,338.2 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱55.2 million and ₱150.5 million, respectively; see Note 8), while nonfinancial other noncurrent assets amounted to ₱4,892.5 million and ₱4,872.8 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱3,405.4 million and ₱2,991.2 million, respectively; see Note 11).

Estimating the Incremental Borrowing Rate of the Leases
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the ROU assets in a similar economic environment. The incremental borrowing rate therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group's stand-alone credit rating).



The Group's lease liabilities amounted to ₱1,195.2 million and ₱973.1 million as at December 31, 2025 and 2024, respectively (see Note 31). The incremental borrowing rate used in 2025 and 2024 ranges from 5.25% to 16.36%.

Estimating Provision for Mine Rehabilitation and Decommissioning
The Group assesses its provision for mine rehabilitation and decommissioning annually. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the provision. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided.

The provision at the end of the financial reporting period represents management's best estimate of the present value of the future rehabilitation costs required. Changes to estimated future costs are recognized in the consolidated statement of financial position by adjusting the rehabilitation assets and liability. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income.

Provision for mine rehabilitation and decommissioning amounted to ₱944.5 million and ₱927.4 million as at December 31, 2025 and 2024, respectively (see Note 14).

Estimating Pension Costs
The cost of defined benefit retirement as well as the present value of the pension liability is determined using actuarial valuations. The actuarial valuation involves making various assumptions, as described in Note 32. These include the determination of the discount rates and future salary increases. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit pension liability are highly sensitive to changes in these assumptions. 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 benefit pension liability. All assumptions are reviewed at each end of the financial reporting period. While management believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in the assumptions may materially affect the Group's pension liability.

As at December 31, 2025 and 2024, pension asset included under "Other noncurrent assets" in the consolidated statements of financial position amounted to ₱82.4 million and ₱16.5 million, respectively, and pension liability amounted to ₱72.2 million and ₱85.0 million, respectively (see Notes 11 and 32).

Estimating Recoverability of Deferred Income Tax Assets
The Group reviews the carrying amounts of deferred income tax assets at each end of the financial reporting period and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized. The Group has net deferred income tax assets amounting to ₱270.4 million and ₱554.6 million as at December 31, 2025 and 2024, respectively (see Note 33).

As at December 31, 2025 and 2024, the Group has temporary difference amounting to ₱7,916.9 million and ₱7,560.3 million, respectively, for which no deferred income tax assets were recognized because it is more likely than not that the carryforward benefits will not be realized in the future (see Note 33).

Determining Fair Values of Financial Instruments
Where the fair values of financial assets and liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility and correlation. Certain financial assets and liabilities are carried at its fair value (see Note 35).

Determining Fair Value of Assets Held for Sale
In determining the fair value of assets held for sale, valuations were derived from the valuations made by independent parties. For investment in CBNC, it was subjected to an independent valuation and fairness opinion by an external independent party. The assets held for sale which is determined at the lower of the carrying amount and fair value less costs to sell amounted to nil and ₱1,864.8 million as at December 31, 2025 and 2024, respectively.

The fair value of the Group's assets held for sale were measured using Level 2 category.

4. Cash and Cash Equivalents

	2025	2024
Cash on hand and with banks	**₱5,883,807**	₱4,025,632
Short-term cash investments	**11,667,911**	8,905,392
Cash under managed funds	**22,650**	4,248
	₱17,574,368	₱12,935,272

Interest income from cash and cash equivalents amounted to ₱421.0 million, ₱551.8 million and ₱467.9 million in 2025, 2024 and 2023, respectively (see Note 25).

5. Trade and Other Receivables

	2025	2024
Trade		
Related parties (see Note 30)	**₱964,393**	₱573,014
Third parties	**265,800**	283,153
Amounts owed by related parties (see Note 30)	**290,698**	264,225
Advances to officers and employees	**37,649**	38,313
Interest receivable	**37,342**	67,368
Forward contracts receivable (see Note 35)	**375**	14,076
Others		
Third parties	**761,762**	109,576
Related parties (see Note 30)	**55,116**	71,380
	2,413,135	1,421,105
Less allowance for ECL	**31,192**	30,691
	₱2,381,943	₱1,390,414

The movements of allowance for ECL follows:

2025	**Trade**	**Others**	**Total**
Balances at January 1	**₱18,182**	**₱12,509**	**₱30,691**
Provisions (see Note 27)	**152**	**349**	**501**
Balances at December 31	**₱18,334**	**₱12,858**	**₱31,192**

2024	Trade	Others	Total
Balances at January 1	₱36,131	₱12,612	₱48,743
Write-off	(14,999)	–	(14,999)
Foreign exchange adjustments	(9,197)	–	(9,197)
Provisions (see Note 27)	6,247	51	6,298
Reversals (see Note 27)	–	(154)	(154)
Balances at December 31	₱18,182	₱12,509	₱30,691

Trade receivables are noninterest-bearing and are generally collectible on seven (7) to sixty (60)-days' terms, except for the usage fee billed to THNC which is collected on a semi-annual basis.

Amounts owed by related parties and other receivables are noninterest-bearing with no fixed maturity and are generally collectible on demand. Other receivables include the approved claims for input VAT refund from the BIR and the Bureau of Customs, which are expected to be collected within twelve (12) months after the end of the financial reporting period.

Advances to officers and employees are noninterest-bearing and are generally subject to liquidation or collectible through salary deduction.

Interest receivable is derived from short-term cash investments placed in various local/foreign banks, which are collectible upon maturity, and from debt securities, which are collectible quarterly or semi-annually.

6. Inventories

	2025	2024
Beneficiated nickel ore and limestone, at cost	**₱1,973,472**	₱2,648,760
Materials and supplies		
At NRV	**629,153**	660,979
At cost	**44,164**	46,557
	₱2,646,789	₱3,356,296

The movements of allowance for impairment losses on materials and supplies inventories follows:

	2025	2024
Balances at January 1	**₱31,191**	₱68,286
Write-off	**–**	(51,836)
Provisions (see Note 27)	**–**	14,741
Balances at December 31	**₱31,191**	₱31,191

As at December 31, 2025 and 2024, there was no allowance for impairment losses provided for the cost of beneficiated nickel ore and limestone, while the cost of materials and supplies provided with allowance for impairment losses amounted to ₱660.3 million and ₱692.2 million, respectively.

The aggregate costs of inventories charged to expense amounted to ₱10,650.7 million, ₱9,566.9 million and ₱8,777.9 million in 2025, 2024 and 2023, respectively (see Notes 17, 18, 19, 20 and 22).

7. Financial Assets at FVTPL, at FVOCI and at Amortized Cost

	2025			2024		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Quoted instruments						
Debt securities	**₱1,494,789**	**₱406,604**	**₱275,000**	₱1,387,954	₱429,188	₱375,000
Equity securities	**302,125**	**–**	**–**	321,308	–	–
Unquoted equity instruments	**856,145**	**–**	**–**	698,287	–	–
	₱2,653,059	**₱406,604**	**₱275,000**	₱2,407,549	₱429,188	₱375,000

The Group's financial assets pertain to investments in shares of stocks of various local and foreign public and private companies, mutual funds, golf club shares and debt securities which are either unquoted or with quoted market prices. Quoted and unquoted instruments are carried either at fair market value or at amortized cost (for debt instruments) as at the end of the financial reporting period.

The movements in financial assets follow:

	2025			2024		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Balances at January 1	**₱2,407,549**	**₱429,188**	**₱375,000**	₱2,259,970	₱469,914	₱410,000
Additions	**2,839,658**	**60,627**	**–**	1,438,862	77,569	–
Disposals	**(2,774,426)**	**(87,070)**	**–**	(1,363,868)	(118,384)	–
Redemption	**–**	**–**	**(100,000)**	–	–	(35,000)
Effect of changes in foreign exchange rate (see Note 27)	**7,523**	**–**	**–**	47,110	–	–
Net valuation gains on financial assets	**172,755**	**3,859**	**–**	25,475	89	–
Balances at December 31	**2,653,059**	**406,604**	**275,000**	2,407,549	429,188	375,000
Less noncurrent portion	**1,121,138**	**–**	**275,000**	985,979	–	275,000
Current portion	**₱1,531,921**	**₱406,604**	**₱–**	₱1,421,570	₱429,188	₱100,000

The movements in the unquoted equity instruments designated as financial assets at FVTPL follows:

	2025	2024
Cost	**₱195,367**	₱195,367
Net cumulative valuation gains:		
Balances at January 1	**502,920**	506,074
Net valuation gains (losses) on financial assets	**157,858**	(3,154)
Balances at December 31	**660,778**	502,920
Fair value of assets at December 31	**₱856,145**	₱698,287

The movements in "Net valuation gains (losses) on financial assets at FVOCI" presented as a separate component of equity follows:

	2025	2024
Balances at January 1	**(₱1,226)**	(₱1,315)
Movements recognized in equity:		
Gains recognized in equity	**3,976**	90
Reclassification adjustments for income included in the consolidated statements of income (see Note 27)	**(117)**	(1)
Valuation gains taken into the consolidated statements of comprehensive income - net of tax	**3,859**	89
Balances at December 31	**₱2,633**	(₱1,226)

Interest income from debt securities amounted to ₱62.9 million, ₱54.0 million and ₱30.6 million in 2025, 2024 and 2023, respectively (see Note 25), while dividend income from equity securities amounted to ₱25.4 million, ₱55.2 million and ₱29.6 million in 2025, 2024 and 2023, respectively, of which ₱22.9 million in 2025, and ₱15.3 million in 2024 and 2023 relates to dividends coming from investments in unquoted equity securities (see Note 27).

The Group did not recognize any provision for ECL on its financial assets at FVOCI and at amortized cost in 2025, 2024, and 2023.

8. Assets Held for Sale and Other Current Assets

a) Assets Held for Sale

Investment in CBNC

In 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM, provided that the purchase price for such sale shall be subject to an independent valuation and fairness opinion by an external independent party appointed by the Parent Company. In accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations,* and after meeting all the criteria to classify an asset as held for sale, the Parent Company reclassified its investment in CBNC under "Asset held for sale" at fair value less cost to sell amounting to ₱1,853.4 million which is lower against the carrying amount of ₱1,855.3 million as of September 30, 2024. The fair value was determined based on an independent valuation conducted in 2025.

As of the reclassification date, the cumulative translation adjustment related to the investment in CBNC amounted to ₱800.5 million, gross of deferred income tax liability. This adjustment reflects the changes in foreign currency exchange rates affecting the investment since its initial recognition and was recorded in other comprehensive income.

On January 31, 2025, the Parent Company and SMM executed an SPA wherein SMM agreed to purchase all the Parent Company's 91,796,875 shares in CBNC, representing 15.62% of the outstanding capital stock of CBNC, at a purchase price of ₱1,855.0 million which was confirmed to be a fair price based on an independent valuation review performed by an external independent party.

The sale of investment, which was paid in cash, was completed on February 10, 2025. No gain or loss was recognized from this sale. On the same date, the cumulative translation adjustment of ₱800.5 million, previously recorded in other comprehensive income, was reclassified under "Other income (charges) - net" in the consolidated statements of income (see Note 27).

b) Other Current Assets

	2025	2024
Input VAT (net of allowance for impairment losses of ₱54.8 million and ₱150.0 million as at December 31, 2025 and 2024, respectively)	**₱422,319**	₱1,740,946
Prepaid insurance and others	**299,926**	299,444
Prepaid taxes	**277,625**	215,313
Advances and deposits to suppliers and contractors (net of allowance for impairment losses of ₱0.5 million as at December 31, 2025 and 2024)	**63,737**	80,252
Tax credit certificates	**2,237**	2,237
	₱1,065,844	₱2,338,192

The movements of allowance for impairment losses follows:

	2025		2024	
	Input VAT	**Advances and Deposits**	Input VAT	Advances and Deposits
Balances at January 1	**₱149,958**	**₱563**	₱80,864	₱1,781
Reclassification (see Note 11)	**(95,190)**	**–**	–	–
Write-off	**–**	**(96)**	–	(1,685)
Provisions (see Note 27)	**–**	**–**	69,094	467
Balances at December 31	**₱54,768**	**₱467**	₱149,958	₱563

Input VAT represents the VAT passed on from purchases of applicable goods and services which can be recovered as tax credit against future output VAT from the sale of goods and/or services of the Group.

Prepayments are amortized within three (3) to twelve (12) months from the end of the financial reporting period.

Prepaid taxes include certificates of creditable withholding taxes for services rendered to other parties which can be recovered as tax credits against certain future tax liabilities of the Group.

Advances and deposits to suppliers and contractors include security deposits and payments made in advance to suppliers and contractors which will be offset against future billings upon the delivery of goods and/or completion of services.

Tax credit certificates are tax refunds that can be used by the Group.

9. Property and Equipment

	2025								
	Land and Land Improvements	Mining Properties and Development Costs	Solar Farm	Machinery and Equipment	Buildings and Improvements	Transmission Lines and Substations	ROU Assets - Land, Building and Improvements	Construction In-progress	Total
Cost:									
Balances at January 1	**₱841,075**	**₱2,450,442**	**₱6,045,742**	**₱14,105,278**	**₱5,485,857**	**₱940,843**	**₱956,678**	**₱10,299,441**	**₱41,125,356**
Additions	**165,778**	**–**	**37,792**	**923,509**	**35,396**	**8,098**	**231,809**	**7,283,249**	**8,685,631**
Adjustments for capitalized:									
Borrowing cost (see Note 13)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**486,178**	**486,178**
Cost of mine rehabilitation and decommissioning (see Note 14)	**–**	**(24,500)**	**–**	**–**	**–**	**–**	**–**	**–**	**(24,500)**
Depreciation and amortization (see Notes 24 and 37)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4,537**	**4,537**
Disposals	**–**	**–**	**–**	**(656,697)**	**(979)**	**–**	**–**	**–**	**(657,676)**
Transfers/reclassification	**976,438**	**770**	**2,262,329**	**134,989**	**633,137**	**711,069**	**–**	**(4,655,805)**	**62,927**
Balances at December 31	**1,983,291**	**2,426,712**	**8,345,863**	**14,507,079**	**6,153,411**	**1,660,010**	**1,188,487**	**13,417,600**	**49,682,453**
Accumulated depreciation, depletion and amortization:									
Balances at January 1	**–**	**551,597**	**1,241,388**	**8,871,115**	**3,584,483**	**290,441**	**157,036**	**–**	**14,696,060**
Depreciation, depletion and amortization (see Note 24)	**46,917**	**48,967**	**255,932**	**1,406,161**	**340,279**	**52,509**	**71,854**	**–**	**2,222,619**
Disposals	**–**	**–**	**–**	**(412,415)**	**(979)**	**–**	**–**	**–**	**(413,394)**
Transfers/reclassification	**290,649**	**1,911**	**(4,305)**	**6,738**	**(243,429)**	**–**	**–**	**–**	**51,564**
Balances at December 31	**337,566**	**602,475**	**1,493,015**	**9,871,599**	**3,680,354**	**342,950**	**228,890**	**–**	**16,556,849**
Net book values	**₱1,645,725**	**₱1,824,237**	**₱6,852,848**	**₱4,635,480**	**₱2,473,057**	**₱1,317,060**	**₱959,597**	**₱13,417,600**	**₱33,125,604**

	2024								
	Land and Land Improvements	Mining Properties and Development Costs	Solar Farm	Machinery and Equipment	Buildings and Improvements	Transmission Lines and Substations	ROU Assets - Land, Building and Improvements	Construction In-progress	Total
Cost:									
Balances at January 1	₱292,207	₱2,027,691	₱6,045,742	₱14,017,317	₱4,582,479	₱940,843	₱805,213	₱4,045,502	₱32,756,994
Additions	583,033	–	–	1,242,957	505,023	–	151,465	6,430,202	8,912,680
Adjustments for capitalized:									
Borrowing cost (see Note 13)	–	–	–	–	–	–	–	427,591	427,591
Cost of mine rehabilitation and decommissioning (see Note 14)	–	(23,954)	–	–	–	–	–	–	(23,954)
Disposals	–	–	–	(1,301,333)	(17,683)	–	–	–	(1,319,016)
Transfers/reclassification	(34,165)	446,705	–	146,337	389,018	–	–	(576,834)	371,061
Balances at December 31	841,075	2,450,442	6,045,742	14,105,278	5,458,837	940,843	956,678	10,326,461	41,125,356
Accumulated depreciation, depletion and amortization:									
Balances at January 1	23,966	501,084	1,019,205	8,893,651	3,284,386	250,444	91,961	–	14,064,697
Depreciation, depletion and amortization (see Note 24)	–	50,513	228,122	1,274,643	330,791	39,997	65,075	–	1,989,141
Disposals	–	–	–	(1,295,730)	(17,684)	–	–	–	(1,313,414)
Transfers/reclassification	(23,966)	–	(5,939)	(1,449)	(13,010)	–	–	–	(44,364)
Balances at December 31	–	551,597	1,241,388	8,871,115	3,584,483	290,441	157,036	–	14,696,060
Net book values	₱841,075	₱1,898,845	₱4,804,354	₱5,234,163	₱1,874,354	₱650,402	₱799,642	₱10,326,461	₱26,429,296

Construction in-progress includes borrowing cost of ₱486.2 million in 2025, ₱427.6 million in 2024, and ₱212.7 million in 2023 (see Note 13). It also includes capitalizable development costs on the construction and development of the Group's solar power projects which are currently ongoing (see Note 36k).

Except for the property and equipment pledged as collateral for the loans of JSI with Industrial and Commercial Bank of China (ICBC) and Security Bank Corporation (SBC), with net book value of ₱2,481.8 million and ₱9,487.5 million as at December 31, 2025 and 2024, respectively, for the loans of NPPGC with Rizal Commercial Banking Corporation (RCBC), with net book value of ₱4,536.5 million and nil as at December 31, 2025 and 2024, respectively, and for the loans of SISPC with SBC and China Banking Corporation (CBC), with net book value of ₱9,054.4 million and nil as at December 31, 2025 and 2024, respectively, there were no other property and equipment pledged as collateral for the Group's borrowings (see Note 13).

Depreciation on the excess of the fair value of the assets acquired from RTN over their corresponding book values transferred to retained earnings amounted to ₱0.4 million in 2025, 2024 and 2023.

10. Investments in Associates

The movements in investments in associates follows:

	2025			2024			
	THNC	**BGI**	**Total**	THNC	CBNC	BGI	Total
Balances at January 1	**₱1,974,700**	**₱1,384**	**₱1,976,084**	₱1,974,700	₱2,254,722	₱1,384	₱4,230,806
Accumulated equity in net earnings (losses):							
Balances at January 1	**534,923**	**(1,384)**	**533,539**	930,329	(697,342)	(1,384)	231,603
Equity in net loss	**(249,463)**	**–**	**(249,463)**	(395,406)	(502,521)	–	(897,927)
Balances at December 31	**285,460**	**(1,384)**	**284,076**	534,923	(1,199,863)	(1,384)	(666,324)
Share in cumulative translation adjustment:							
Balances at January 1	**928,398**	**–**	**928,398**	280,280	742,291	–	1,022,571
Movements	**46,711**	**–**	**46,711**	648,118	58,196	–	706,314
Balances at December 31	**975,109**	**–**	**975,109**	928,398	800,487	–	1,728,885
Less allowance for impairment losses (see Note 27)	**–**	**–**	**–**	–	(1,935)	–	(1,935)
	3,235,269	**–**	**3,235,269**	3,438,021	1,853,411	–	5,291,432
Reclassification (see Note 8)	**–**	**–**	**–**	–	(1,853,411)	–	(1,853,411)
Balances at December 31	**₱3,235,269**	**₱–**	**₱3,235,269**	₱3,438,021	₱–	₱–	₱3,438,021

The share in cumulative translation adjustment of associates is gross of deferred income tax liability of ₱146.3 million and ₱259.3 million as at December 31, 2025 and 2024, respectively (see Note 33).

THNC

THNC, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on August 22, 2008. THNC is engaged in the manufacture and export of nickel/cobalt mixed sulfide, nickel hydroxide and any or all ingredient and products and by-products, wherein TMC has a Nickel Ore Supply Agreement to supply all the limonite ore requirements of the Taganito High Pressure Acid Leach (HPAL) facility. TMC also provides services related to the handling, hauling and transportation of materials required in the processing operations of THNC. THNC started commercial operations in October 2013.

THNC's financial statements are stated in US$ and translated at the closing rate of ₱58.79 and ₱57.84 per US$1 as at December 31, 2025 and 2024, respectively, for assets and liabilities accounts, historical rates for equity accounts and average rate of ₱57.51 and ₱57.28 per US$1, respectively, for the statement of income accounts for the years then ended.

The following are the summarized financial information of THNC as at and for the years ended December 31, 2025 and 2024:

	2025	2024
Current assets	**₱12,528,108**	₱9,641,847
Noncurrent assets	**85,672,821**	85,809,296
Current liabilities	**(67,792,479)**	(62,973,160)
Noncurrent liabilities	**(436,805)**	(478,813)
Net assets	**₱29,971,645**	₱31,999,170

	2025	2024
Revenue	**₱24,451,492**	₱22,957,976
Expenses	**(26,946,124)**	(26,912,036)
Net loss	**(2,494,632)**	(3,954,060)
Other comprehensive income - net	**–**	–
Total comprehensive loss - net	**(₱2,494,632)**	(₱3,954,060)

CBNC

CBNC, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on April 4, 2002. CBNC is engaged in the manufacture and export of nickel/ cobalt mixed sulfide wherein RTN has a Nickel Ore Supply Agreement to supply all the limonite ore requirements of the Coral Bay Hydro Metallurgical Processing Plant facility. The agreement provides that it will terminate until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. Aside from RTN supplying ore and limestone to CBNC, CMC and DMC have existing ore supply contracts with CBNC. Additionally, CDTN also provides ancillary services to Coral Bay HPAL facility.

In December 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM at the projected book value of investment in CBNC as of end of September 2024. Consequently, CBNC ceases to be an associate and the Parent Company's investment in CBNC was reclassified as "Asset held for sale" and no equity gains or losses were recognized starting October 1, 2024, since the actions to complete the sale were initiated in September 2024 (see Note 8).

Relative to the above, the Parent Company recognized an allowance for impairment losses on its investment in CBNC which amounted to nil in 2025 and 2023 and ₱1.9 million in 2024 (see Note 27).

CBNC's financial statements are stated in US$ and translated at the closing rate of ₱56.03 per US$1 as at September 30, 2024, for assets and liabilities accounts, historical rates for equity accounts and average rate of ₱57.00 per US$1 for the statement of income accounts for the period then ended.

The following is the summarized financial information of CBNC as at and for the period ended September 30, 2024:

	September 30, 2024
Current assets	₱7,315,015
Noncurrent assets	18,869,316
Current liabilities	(1,953,224)
Noncurrent liabilities	(424,337)
Net assets	₱23,806,770

	September 30, 2024
Revenue	₱9,990,547
Expenses	(13,206,683)
Net loss	(3,216,136)
Other comprehensive income - net	–
Total comprehensive loss - net	(₱3,216,136)

BGI

BGI, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on October 31, 2007. The principal activities of BGI are to explore, exploit, discover, develop, extract, dig and drill for, produce, utilize, refine, treat, process, transport, store, market, sell, use, supply, experiment with, distribute, manufacture, or otherwise deal in, any substance, minerals or otherwise, which by itself or in contribution with other substances generate or emanate heat or power and to enter into and perform service contracts including geothermal services.

On December 28, 2014, BGI received from the Philippine Government through the DOE the Confirmation of Commerciality for the Biliran Geothermal Project. Starting March 2024, BGI is under testing and commissioning phase.

On February 16, 2024, BGI secured the updated Provisional Certificate of Approval to Connect (PCATC) from Biliran Electric Cooperative (BILECO) and a Clearance to Energize from the National Grid Corporation of the Philippines (NGCP). On June 13 and 14, 2024, BGI conducted the Grid Compliance Testing activities of BGI's geothermal plant and obtained the Final Certificate of Approval to Connect to BILECO on July 15, 2024.

On June 4, 2025, BGI requested the Energy Regulatory Commission (ERC) to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project. On January 9, 2026, the ERC acknowledges the request of BGI. As at December 31, 2025, the Biliran Geothermal Plant is ongoing resource study.

The following are the summarized financial information of BGI as at and for the years ended December 31, 2025 and 2024:

	2025	2024
Current assets	**₱6,177**	₱21,719
Noncurrent assets	**5,040,515**	5,133,482
Current liabilities	**(17,341)**	(16,114)
Noncurrent liabilities	**(5,623,458)**	(5,596,958)
Net liabilities	**(₱594,107)**	(₱457,871)

	2025	2024
Income	**₱7**	₱20,972
Expenses	**(136,243)**	(35,743)
Net loss	**(136,236)**	(14,771)
Other comprehensive income - net	**–**	–
Total comprehensive loss - net	**(₱136,236)**	(₱14,771)

In 2025, 2024 and 2023, the unrecognized equity in net losses of BGI amounted to ₱55.8 million, ₱6.0 million and ₱0.1 million, respectively.

11. Other Noncurrent Assets

	2025	2024
Advances and deposits to suppliers and contractors - net of current portion (see Note 36k)	**₱2,770,316**	₱3,595,926
Input VAT - net of current portion	**2,204,936**	1,283,403
Geothermal exploration and evaluation assets	**1,912,658**	1,912,316
MRF	**1,000,195**	913,141
Deferred mine exploration costs (see Note 3)	**754,833**	648,947
Restricted cash	**560,501**	245,497
Intangibles	**318,052**	114,413
Project development costs (see Note 3)	**110,379**	158,716
Pension asset (see Note 32)	**82,421**	16,486

(Forward)

	2025	2024
SDMP funds	**₱80,011**	₱100,714
Advance royalties (see Note 36a)	**–**	55,904
Advances to claimowners (see Note 36a)	**–**	47,710
Others	**144,257**	30,179
	9,938,559	9,123,352
Less allowance for impairment losses	**3,405,384**	2,991,167
	₱6,533,175	₱6,132,185

The movements of allowance for impairment losses follows:

2025	Geothermal Exploration and Evaluation Assets	Advances and Deposits to Suppliers and Contractors	Input VAT - net of current portion	Deferred Mine Exploration Costs	Project Development Costs	Total
Balances at January 1	**₱1,912,316**	**₱686,106**	**₱162,882**	**₱208,886**	**₱20,977**	**₱2,991,167**
Provisions (see Note 27)	**342**	**6,174**	**283,057**	**192,599**	**7,964**	**490,136**
Write-off	**–**	**(103,614)**	**–**	**(67,495)**	**–**	**(171,109)**
Reclassification (see Note 8)	**–**	**–**	**95,190**	**–**	**–**	**95,190**
Balances at December 31	**₱1,912,658**	**₱588,666**	**₱541,129**	**₱333,990**	**₱28,941**	**₱3,405,384**

2024	Geothermal Exploration and Evaluation Assets	Advances and Deposits to Suppliers and Contractors	Input VAT - net of current portion	Deferred Mine Exploration Costs	Project Development Costs	Total
Balances at January 1	₱–	₱668,142	₱117,080	₱208,886	₱–	₱994,108
Provisions (see Note 27)	1,912,316	17,964	45,802	–	20,977	1,997,059
Balances at December 31	₱1,912,316	₱686,106	₱162,882	₱208,886	₱20,977	₱2,991,167

Advances and deposits to suppliers and contractors represent payments made in advance to suppliers and contractors which will be offset against future billings upon the delivery of goods and/or completion of services. This includes the advances made to Asiacrest Marketing Corporation (Asiacrest) which is related to the Engineering Procurement Construction Contract for the 100MW solar power plant in Subic. As at December 31, 2025, there was a pending case against Asiacrest and First Integrated Bonding and Insurance Co. (FIBIC). On June 26, 2019, JSI assigned all its rights, title and interest on the advances made to Asiacrest in partial payment of the advances made by EPI to JSI. JSI and EPI have assessed the current financial position of Asiacrest and FIBIC and the increase in the credit risk associated with advance payment it has made to Asiacrest. As a result, an allowance for impairment losses amounting to ₱514.7 million was recognized as at December 31, 2025 and 2024.

Input VAT - net of current portion includes the unamortized portion of input VAT on purchase of capital goods. The balance is recoverable in future periods or by way of application for VAT refund.

Geothermal exploration and evaluation assets represent the accumulated costs incurred in connection with the exploration and development activities for the Montelago Geothermal Project. The recovery of these costs depends upon determination of technical feasibility, success of exploration activities and discovery of geothermal resources that can be produced in commercial quantities.

In 2024, in relation to the reinstatement of MGPC's GRESC, MGPC has re-evaluated the Project with the assistance of a third-party expert by conducting field examinations and evaluation of previous technical reports and studies. As a result of the re-evaluation done, technical findings indicated that the mass flow rate of each existing well is below the minimum flow rate required for a typical organic

rankine cycle power generation unit which indicates that the Project may not be economically viable due to low mass flow and the power generation potential is very limited.

Consequently, in 2024, the Group recognized a provision for impairment losses on the "Geothermal exploration and evaluation assets" amounting to ₱1,912.3 million which is attributable to the actual carrying amount of MGPC's assets amounting to ₱1,704.5 million and to the goodwill recognized and allocated to this asset upon the acquisition of EPI in 2015 amounting to ₱207.8 million. In 2025, an additional provision for impairment losses of ₱0.3 million was recognized (see Note 27).

MRF, which includes the Final Mine Rehabilitation and Decommissioning Fund, is the amount deposited in local bank accounts established by the Group in compliance with the requirements of the Philippine Mining Act of 1995 as amended by DENR Administrative Order No. 2005-07. The MRF is earmarked for physical and social rehabilitation of areas and communities affected by mining activities and for research on the social, technical, and preventive aspects of rehabilitation. Any disbursement in the MRF should be authorized by the MRF Committee, the external overseeing body charged with the duties of managing, operating, monitoring, and looking after the safety of the MRF. The MRF earns interest at the respective bank deposit rates. Interest income from MRF amounted to ₱20.1 million, ₱19.9 million and ₱17.0 million in 2025, 2024 and 2023, respectively (see Note 25).

Deferred mine exploration costs include mining rights of ₱32.3 million and ₱92.8 million as at December 31, 2025 and 2024, respectively. In 2024, upon start of commercial operation of HMC's Manicani and RTN's South Upper Guintalunan nickel projects, deferred mine exploration costs amounting to a total of ₱446.7 million was reclassified to mining properties and development costs under "Property and equipment" (see Note 9).

Restricted cash pertains to funds restricted to withdrawal for specified purposes. It includes the debt service reserve account of JSI, to cover its long-term debts with ICBC and SBC, of NPPGC, to cover its long-term debt with RCBC, and SISPC, to cover its long-term debt with SBC and CBC.

Intangibles include computer software licenses and cost of right-of-way which are subject to amortization over a certain period.

The movements in the Group's intangible assets are as follows:

	2025	2024
Cost:		
Balances at January 1	**₱311,262**	₱238,025
Additions	**249,948**	73,237
Disposals	**(12)**	–
Balances at December 31	**561,198**	311,262
Accumulated amortization:		
Balances at January 1	**196,849**	158,038
Amortization (see Note 24)	**43,257**	38,811
Capitalized amortization (see Notes 9 and 37)	**3,040**	–
Balances at December 31	**243,146**	196,849
Net book values	**₱318,052**	₱114,413

Project development costs pertain to the development cost incurred for various projects of EPI and its subsidiaries such as payments in relation to service contract applications, training and development assistance, contracted services for land surveys, permits and licenses, insurances, and other expenses necessary to develop a project.

The SDMP funds shall be used for the sustainable development of the host and neighboring communities of the mine site. The programs are intended for health, education, livelihood, public utilities and socio-cultural preservation. Its implementation is under audit, monitoring and evaluation of the Mines and Geosciences Bureau (MGB). Interest income from SDMP funds amounted to ₱0.1 million in 2025, 2024 and 2023 (see Note 25).

Advance royalties pertain to royalty payments to claimowners.

Advances to claimowners represent advance royalty payments to La Salle Mining Exploration Company (La Salle) and Kepha Mining Exploration Limited Company (Kepha).

12. Trade and Other Payables

	2025	2024
Trade		
Third parties	**₱1,241,505**	₱2,080,090
Related party (see Note 30)	**418**	241
Accrued expenses		
Third parties	**679,273**	705,831
Related party (see Note 30)	**9,878**	9,525
Government payables		
Excise taxes and royalties payable	**258,170**	161,413
Withholding taxes payable	**207,595**	150,095
Fringe benefit taxes (FBT) payable	**1,132**	40,095
Output VAT	**–**	34,346
Provisions for long-term incentives (see Note 23)	**126,901**	–
Retention fees payable (see Note 36k)	**1,154,785**	601,125
Interest payable (see Note 30)	**74,694**	46,284
Contract liabilities	**27,547**	162,019
Dividends payable	**22,500**	157,125
Deferred income	**12,393**	5,215
Other payables	**113,929**	128,089
	₱3,930,720	₱4,281,493

Trade, accrued expenses, and other payables are noninterest-bearing and are generally settled within one (1) year. Accrued expenses substantially consist of contractor's fees, trucking and stevedoring services, hauling and rental expenses, guarantee service fees and others which are usual in the business operations of the Group.

Government payables include withholding taxes which are normally settled within ten (10) to fifteen (15) days after the end of each reporting month or thirty (30) days after the end of each reporting quarter, output VAT payable which are normally settled within twenty (25) days after the end of the quarter, and FBT which are normally settled within thirty (30) days after the end of the reporting quarter on which the fringe benefits are granted to the recipients. Excise tax payable is settled within fifteen (15) days after the end of the quarter when the beneficiated nickel ore and limestone were shipped. Royalties are paid on or before the deadline agreed with the MGB or other parties.

Provisions for long-term incentives represent the estimated present value of the expected future payments to be made to employees for services provided. This provision is expected to be settled in 2026.

Retention fees payable pertain to the amount retained by the Group from its suppliers/contractors and will be paid after the completion of project construction.

Interest payable on loans is settled based on the agreed payment terms.

Contract liabilities pertain to the advance payment received by the Group from their customers for the sale of ore.

Dividends payable refer to the remaining cash dividends paid by TMC to PAMCO and Sojitz Corporation (Sojitz) on January 31, 2025, and JSI's cash dividends to TBEA International Engineering Co., Ltd. (TBEA), which is payable on April 30, 2026. The amounts are net of final withholding tax.

13. Short-term and Long-term Debts

Short-term Debts
Short-term debts are as follows:

	2025	2024
RCBC	**₱3,498,156**	₱3,486,966
SBC	**1,550,000**	3,498,648
	₱5,048,156	₱6,985,614

RCBC
EPI
RCBC granted a ₱3,500.0 million loan facility to EPI to fund the following projects: 1) SISPC's 240MW San Isidro Solar Power Project; and 2) NPPGC's 145MW Cawag Solar Power Project. The principal and interest are payable one (1) year after drawdown.

Details of the drawdowns are as follows:

2025					
Drawdown	**Drawdown Dates**	**Maturity Dates**	**Interest Rates**	**Amount**	**Debt Issue Costs**
3rd to 7th*	**August 15, 2025**	**January 14, 2026**	**6.15% to 6.60%**	**₱2,364,000**	**₱7,384**
2nd*	**March 27, 2025**	**March 20, 2026**	**6.50% to 6.65%**	**1,136,000**	**8,357**
				₱3,500,000	**₱15,741**

2024					
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates	Amount	Debt Issue Costs
2nd*	August 23, 2024	August 15, 2025	6.60% to 6.65%	₱2,364,000	₱17,342
1st	April 1, 2024	March 27, 2025	6.65%	1,136,000	8,403
				₱3,500,000	₱25,745

** Extended for another year*

Debt issue costs pertain to documentary stamp tax and other transaction costs incurred in connection with the availment of the loans. These were deducted from the proceeds of the loans and were amortized using the EIR method.

The carrying amounts of short-term debts of EPI with RCBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱3,500,000**	₱2,364,000
Drawdowns	**–**	1,136,000
	3,500,000	3,500,000
Less unamortized debt issue cost	**(1,844)**	(13,034)
Balances at December 31	**₱3,498,156**	₱3,486,966

EPI partially paid this loan amounting to ₱1,400.0 million on January 15, 2026.

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱13,034**	₱11,546
Additions	**15,741**	25,745
Amortization	**(26,931)**	(24,257)
Balances at December 31	**₱1,844**	₱13,034

The interest expense of EPI on RCBC loans, which were all capitalized as borrowing cost, in 2025, 2024 and 2023 is summarized below (see Note 9):

	2025	2024	2023
Interest on loans	**₱230,686**	₱216,897	₱54,149
Amortization of debt issue costs	**26,931**	24,257	5,941
	₱257,617	₱241,154	₱60,090

NAC
RCBC granted a ₱180.0 million loan facility to NAC to be used for its working capital requirements. The principal is payable at maturity date, and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate	Amount
July 24, 2025	October 22, 2025	6.05%	₱180,000

The loan principal was fully paid at maturity date and the interest expense of NAC on RCBC loan, for which there were no capitalized borrowing costs, amounted to ₱2.7 million in 2025 and nil in 2024 and 2023 (see Note 26).

SBC
EPI
SBC granted a ₱3,500.0 million loan facility to EPI which is secured by a continuing suretyship of the Parent Company (see Note 36j). The proceeds of the loans were used by EPI to settle at maturity dates the promissory notes under the original SBC loan facility, to finance the construction of JSI's Phase 4A - 72MW Solar Project and for working capital requirements. The original SBC loan was obtained to fund EPI's investments and working capital requirements.

Details of the drawdowns are as follows:

2025					
Drawdown	**Drawdown Dates**	**Maturity Dates**	**Interest Rates****	**Amount**	**Debt Issue Costs**
22nd*	**January 17, 2025**	**January 17, 2026**	**6.45% to 6.60%**	**₱1,200,000**	**₱3,558**
3rd*	**January 30, 2025**	**January 5, 2026**	**6.26% to 6.60%**	**1,500,000**	**10,480**
1st	**March 24, 2025**	**March 24, 2026**	**6.26% to 6.60%**	**200,000**	**623**
				₱2,900,000	**₱14,661**

2024					
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates**	Amount	Debt Issue Costs
21st*	January 24, 2024	January 17, 2025	6.50% to 7.50%	₱1,200,000	₱8,852
2nd*	February 5, 2024	January 30, 2025	6.50% to 7.75%	1,500,000	11,096
2nd*	March 25, 2024	March 20, 2025	6.50% to 7.75%	500,000	3,114
20th*	June 27, 2024	June 22, 2025	6.50% to 7.75%	300,000	1,320
				₱3,500,000	₱24,382

** Extended for another year*
*** Interest rates are subject to monthly repricing*

The carrying amounts of short-term debts of EPI with SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱3,500,000**	₱3,500,000
Drawdowns	**2,900,000**	3,500,000
Payments	**(4,900,000)**	(3,500,000)
	1,500,000	3,500,000
Less unamortized debt issue cost	**–**	(1,352)
Balances at December 31	**₱1,500,000**	₱3,498,648

The remaining balance of ₱1,500.0 million was fully paid on January 5, 2026.

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱1,352**	₱4,359
Additions	**15,287**	24,382
Amortization	**(16,639)**	(27,389)
Balances at December 31	**₱–**	₱1,352

The interest expense of EPI on SBC loans in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱146,773**	₱250,985	₱247,720
Amortization of debt issue costs	**16,639**	27,389	23,341
	₱163,412	₱278,374	₱271,061

The capitalized borrowing costs pertaining to this short-term debts with SBC amounted to ₱71.6 million in 2025, ₱159.4 million in 2024, and ₱145.5 million in 2023 (see Note 9).

The Term Loan Agreement of EPI with SBC provides for restrictions with respect to creation or permission to exist any mortgage or pledge, lien or any encumbrance on all free assets owned or acquired by EPI. Also, the Term Loan Agreement restricts EPI to assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation; participate or enter into any merger or consolidation; sell, lease, dispose or convey all or substantially all of EPI's assets; make advances or loans to any of the affiliates, subsidiaries, stockholders, directors and officers except in compliance with formally established and existing fringe benefit program of EPI; suspend its business operation or dissolve its affairs; and to enter into any credit or loan agreement or arrangement with any creditor under such terms and conditions that would place SBC in an inferior position risk-wise, vis-a-vis such other creditors. Moreover, the Term Loan Agreement provides for certain conditions, which include, among others, prompt disclosure in writing of any material change in EPI's financial position and conduct of its operations or any substantial change in its management or ownership, conduct operations in accordance with sound business practice, maintenance and preservation of corporate existence, and prompt payment of all taxes, assessment, and other governmental charges due. As at December 31, 2025 and 2024, EPI has been compliant with the covenants contained in the loan facility and agreements.

DMC
SBC granted a ₱50.0 million loan facility to DMC to be used for DMC's working capital requirements, or for the acquisition of equipment for operations. The principal is payable within one (1) year after drawdown and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate*	Amount
January 24, 2025	January 19, 2026	6.40% to 6.85%	₱50,000

** Interest rate is subject to monthly repricing*

The interest expense of DMC on SBC loan, for which there were no capitalized borrowing cost, amounted to ₱3.1 million in 2025 and nil in 2024 and 2023 (see Note 26).

NAC
SBC granted a ₱5,000.0 million credit facility to NAC to be used for financing its investments, working capital requirements, or acquisition of equipment for operations. The principal is payable at maturity date and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate*	Amount
March 31, 2025	August 29, 2025	6.16% to 6.50%	₱780,000

** Interest rate is subject to monthly repricing*

The loan principal was fully paid at maturity date and the interest expense of NAC on SBC loan, for which there were no capitalized borrowing costs, amounted to ₱20.4 million in 2025 and nil in 2024 and 2023 (see Note 26).

The Credit Agreement provides certain debt covenants, but are not limited to the following, which states that NAC will not, without the prior written consent of SBC, to:

1) Assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation;
2) Sell, lease or otherwise dispose or convey all or substantially all of its assets;
3) Make advances or loans to any of its affiliates, subsidiaries, stockholders, directors and officers except in compliance with its formally established and existing fringe benefits program;
4) Allow or permit credit obligations with SBC to be subordinated to all existing and future shareholder loans and advances and allow and permit any payment of this loan and advances; and
5) Enter into any credit or loan agreement or arrangement with any other creditor under such terms and conditions that would place SBC as a creditor in an inferior position.

NAC has been compliant with the covenants contained in the Credit Agreement until the maturity of the loan.

Shell Petroleum B.V. (SPBV)

SPBV granted SISPC an unsecured loan facility amounting to US$20.6 million. The proceeds of the loans were used to finance the San Isidro Solar Power Project. The principal and interest are payable within one (1) year after drawdown.

Details of the drawdown are as follows:

Drawdown Dates	Maturity Dates	Interest Rate	Amount	Equivalent Amount in Peso
March 31, 2025	March 26, 2026	6.55%	US$8,966	₱512,917
July 23, 2025	March 26, 2026	6.55%	2,105	119,750
October 15, 2025	March 26, 2026	6.55%	9,548	554,296
				₱1,186,963

The carrying amounts of short-term debts of SISPC with SPBV follows:

	2025	2024
Drawdowns	**₱1,186,963**	₱–
Payments	**(1,186,963)**	–
Balances at December 31	**₱–**	₱–

The interest expense of SISPC on this loan, which were all capitalized as borrowing cost, amounted to ₱35.6 million in 2025 and nil in 2024 and 2023 (see Note 9).

Long-term Debts
Long-term debts are as follows:

	2025	2024
SBC and CBC	**₱4,029,954**	₱–
RCBC	**3,255,773**	–
ICBC and SBC	**1,095,194**	1,271,810
THNC	**565,854**	657,987
SBC	**414,026**	502,740
	9,360,801	2,432,537
Less noncurrent portion		
SBC and CBC	**3,988,134**	–
RCBC	**3,231,081**	–
ICBC and SBC	**898,934**	1,090,410
THNC	**462,971**	556,758
SBC	**324,850**	413,220
	8,905,970	2,060,388
Current portion	**₱454,831**	₱372,149

SBC and CBC
On December 16, 2025, SISPC, SBC and CBC entered into an Omnibus Loan and Security Agreement (OLSA), with GRHI as Security Grantor. Pursuant to the OLSA, SBC and CBC granted SISPC a loan facility of up to ₱9,360.0 million or an amount equal to 72% of the total cost of San Isidro Solar Power Project, whichever is lower. The loan is available in two (2) tranches: Tranche A: Phase 1 - 120MW with target completion in January 2026 for ₱6,364.8 million and Tranche B: Phase 2 - 120MW with target completion in July 2026 for ₱2,995.2 million.

The loan proceeds shall be exclusively used to partially finance the development and construction of the Phase 1 and 2 - 240MW San Isidro Solar Power Project, fully fund the initial funding of the debt service reserve account and repay any financed intercompany advances.

Interest rate is obtained from the sum of the applicable benchmark rate as at the interest rate setting date and the relevant interest spread divided by the interest premium factor. SISPC shall repay the loan principal and interest in quarterly installments in accordance with the principal repayment schedule.

Details of the drawdown are as follows:

Tranche	Drawdown Date	Maturity Date	Interest Rate	Amount	Debt Issue Cost
A - Phase 1	December 19, 2025	December 19, 2040	7.12%	₱4,100,000	₱70,200

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of SISPC in connection with the San Isidro Solar Power Project.

SISPC has the option to prepay the loan in part or in full, subject to certain conditions.

The OLSA includes financial and other covenants, but are not limited to the following:
1) Comply, at all times, with the required maintenance debt service coverage ratio (DSCR) of at least 1.05x;
2) Debt-to-equity (DE) ratio shall, at all times, not greater than the required DE ratio of not higher than 72:28;
3) Maintain in force and effect the PSAs at all times;
4) Maintain ownership of, and its legal qualification to own, the project site.

As at December 31, 2025, SISPC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of SISPC with SBC and CBC, net of unamortized debt issue cost, follows:

	2025	2024
Drawdowns	**₱4,100,000**	~~₱~~–
Less unamortized debt issue cost	**(70,046)**	–
Balances at December 31	**4,029,954**	–
Less noncurrent portion	**3,988,134**	–
Current portion	**₱41,820**	~~₱~~–

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Addition	**₱70,200**	~~₱~~–
Amortization	**(154)**	–
Balances at December 31	**₱70,046**	~~₱~~–

The interest expense of SISPC on SBC and CBC loans, which were all capitalized as borrowing cost, amounted to ₱9.9 million in 2025 and nil in 2024 and 2023 (see Note 9).

RCBC
On December 26, 2024, NPPGC and RCBC entered into an OLSA, with EPI as Sponsor and Security Grantor. Pursuant to the OLSA, RCBC granted a loan facility to NPPGC to partially finance the construction and development of its Cawag Solar Power Project amounting to ₱5,175.0 million. The loan is payable in two (2) tranches: Tranche A: Phase 1 - 70MW for ₱3,292.3 million and Tranche B: Phase 2 - 75MW for ₱1,882.7 million.

Interest is fixed, which shall be the higher of: (a) the rate per annum (p.a) obtained from the sum of the applicable prevailing benchmark rate plus the interest margin, divided by the interest premium factor; and (b) the floor rate of 5%, divided by the interest premium factor.

The principal and interest are payable quarterly for a period of fifteen (15) years after drawdown.

Details of the drawdowns are as follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates*	Amount	Debt Issue Cost
A - Phase 1	February 12, 2025	February 10, 2040	7.15%	~~₱~~987,691	~~₱~~38,812
	June 16, 2025	February 10, 2040	7.10%	987,691	–
	November 24, 2025	February 10, 2040	6.63%	1,316,921	–
				~~₱~~3,292,303	~~₱~~38,812

** Interest rates are fixed for three (3) years or until February 12, 2028*

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of NPPGC in connection with the Cawag Solar Power Project, including the leasehold rights under the lease agreement between NPPGC and Subic Bay Metropolitan Authority (SBMA), and all NPPGC's issued and outstanding capital stock.

Moreover, under the applicable provisions of the OLSA, NAC is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the SBMA Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However, the obligations of NAC shall be automatically terminated once NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the project.

Beginning on the third (3rd) year of the loan, NPPGC has the option to prepay the loan in part or in full, subject to certain conditions and by paying the prepayment penalty.

The OLSA provides certain financial covenants as follows:
1) Maintenance DSCR, which is equal to historical annual earnings before interest, taxes, depreciation and amortization divided by projected annual debt service, shall comply with the required DSCR of at least 1.10x;
2) DE ratio shall, at all times, meet the required DE ratio of not higher than 75:25;
3) The contracted capacity of each phase of the Cawag Solar Power Project shall, at all times, be compliant with the minimum contracted capacity up to the maturity date.

Except for the maintenance DSCR which shall be tested on the first (1st) anniversary of Phase 1 commercial operations date, and quarterly thereafter, the financial covenants shall be tested quarterly on the basis of the financial statements of NPPGC.

As at December 31, 2025, NPPGC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of NPPGC with RCBC, net of unamortized debt issue cost, follows:

	2025	2024
Drawdowns	**₱3,292,303**	~~₱~~–
Less unamortized debt issue cost	**(36,530)**	–
Balances at December 31	**3,255,773**	–
Less noncurrent portion	**3,231,081**	–
Current portion	**₱24,692**	~~₱~~–

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Addition	**₱38,812**	~~₱~~–
Amortization	**(2,282)**	–
Balances at December 31	**₱36,530**	~~₱~~–

The interest expense of NPPGC on RCBC loans, which were all capitalized as borrowing cost, amounted to ₱111.5 million in 2025 and nil in 2024 and 2023 (see Note 9).

ICBC and SBC

On August 2, 2021, JSI, ICBC and SBC entered into an OLSA, with NAC, EPI and TBEA as Share Collateral Security Grantors and Sponsors. Pursuant to the OLSA, ICBC and SBC granted term loan facilities to JSI to partially refinance the shareholder's loans used for Phase 3A and 3B expansions amounting to ₱1,600.0 million. The loan is payable in two (2) Tranches: Tranche A for ₱1,250.0 million and Tranche B for ₱350.0 million.

Interest is fixed, which shall be the higher of the sum of the applicable benchmark rate (or the average of the applicable seven (7)-year Bloomberg Evaluated Pricing Service of Bloomberg LP (or BVAL) benchmark tenor) plus the credit spread, divided by the interest premium factor; and the minimum interest rate divided by the interest premium factor. Principal and interest are payable quarterly for a period of seven (7) years commencing on September 28, 2022 until June 28, 2029.

Details of the drawdown follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates	Amount	Debt Issue Cost
A	June 28, 2022	June 28, 2029	6.59%[1]	₱1,250,000	₱31,899
B	April 28, 2023	June 28, 2029	8.20%[2]	350,000	–
				₱1,600,000	₱31,899

[1] *Fixed interest rate from June 28, 2022 to June 28, 2024; thereafter repriced at 7.75%*
[2] *Fixed interest rate from April 28, 2023 to June 28, 2024; thereafter repriced at 7.75%*

At any time after the fifth (5th) year of the loan, JSI may prepay all or any portion of the outstanding loan subject to certain conditions and by paying the prepayment penalty.

The loan is secured by a chattel mortgage on all project assets, mortgage over the leasehold rights with SBMA, and the pledge of shares of stocks of JSI.

The OLSA provides certain debt covenants, but are not limited to the following:

1) DSCR is at least equal to the maintenance DSCR, subject to testing at each DSCR testing date;
2) DE ratio does not exceed the maintenance DE, subject to testing at each DE testing date;
3) To create, permit or enter into any loan facility agreement secured or to be secured by a lien of the whole or any portion of its present and future assets other than any permitted lien;
4) To incur any indebtedness for the purpose of paying dividends on its preferred shares;
5) To enter into any investment, joint venture, partnership or similar business combination or arrangement in relation to the project or otherwise;
6) To pay dividends to its shareholders, repay any shareholder loans and make any other payment to shareholders or its affiliates under any project document;
7) To sell or dispose any assets;
8) To withdraw from the debt service reserve account, except in accordance with the financing documents.

As at December 31, 2025 and 2024, JSI has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of JSI with ICBC and SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱1,288,235**	₱1,457,585
Payments	**(181,400)**	(169,350)
	1,106,835	1,288,235
Less unamortized debt issue cost	**(11,641)**	(16,425)
Balances at December 31	**1,095,194**	1,271,810
Less noncurrent portion	**898,934**	1,090,410
Current portion	**₱196,260**	₱181,400

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱16,425**	₱22,873
Amortization	**(4,784)**	(6,448)
Balances at December 31	**₱11,641**	₱16,425

The interest expense of JSI on ICBC and SBC loans, for which there were no capitalized borrowing costs, in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱95,349**	₱103,658	₱99,348
Amortization of debt issue costs	**4,784**	6,448	5,971
	₱100,133	₱110,106	₱105,319

THNC

On October 4, 2010, TMC entered into an Omnibus Agreement with THNC, wherein the latter granted the former an unsecured loan facility amounting to a total of US$35.0 million at a prevailing one hundred eighty (180)-day British Banker Association London Inter-Bank Offered Rate (LIBOR) plus 2% spread, to exclusively finance the construction of the pier facilities within the Taganito Special Economic Zone (TSEZ). In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to Term Secured Overnight Financing Rate (TSOFR) plus an adjustment of 0.43%.

The interest on the loan is payable semi-annually, on October 10 and April 10. The total principal is payable in semi-annual installments of US$0.9 million starting on October 10, 2011 up to April 10, 2031.

The carrying amounts of long-term debt of TMC with THNC follows:

	2025	2024
Balances at January 1	**₱657,987**	₱726,731
Payments	**(75,546)**	(75,546)
Effect of changes in foreign exchange rate (see Note 27)	**(16,587)**	6,802
Balances at December 31	**565,854**	657,987
Less noncurrent portion	**462,971**	556,758
Current portion	**₱102,883**	₱101,229

The interest expense pertaining to this loan in 2025, 2024 and 2023 amounted to ₱40.1 million, ₱54.1 million and ₱56.2 million, respectively (see Notes 26 and 30).

The Omnibus Agreement provides for restrictions with respect to creation, assumption, incurrence, and permission to exist any lien upon the pier facilities and all TMC's other real rights over the same except as permitted under the Omnibus Agreement. Also, the Omnibus Agreement provides for certain conditions which include, among others, maintenance and preservation of TMC's corporate existence, rights, privileges and licenses, prompt submission of written notice to THNC of any and all litigations and administrative arbitration proceedings before any governmental authority affecting TMC, prompt payment of all amounts due under the loan documents and maintenance of all governmental approvals necessary to perform the obligations. As at December 31, 2025 and 2024, TMC is in compliance with the restrictions.

SBC

SBC granted an ₱843.0 million loan facility to DMC, which is secured by a continuing suretyship of the Parent Company, to finance the construction of its permanent causeway. Interest is based on quarterly floater for seven (7) years using Bangko Sentral ng Pilipinas overnight lending facility rate plus the credit spread. Interest is payable monthly for a period of seven (7) years commencing on the initial drawdown date until maturity.

Details of the drawdowns are as follows:

Drawdown Dates	Maturity Dates	Interest Rates*	Amount	Debt Issue Costs
August 16, 2023	August 16, 2030	6.82% to 7.18%	₱9,465	₱71
August 16, 2023	August 16, 2030	6.82% to 7.18%	81,743	613
September 1, 2023	August 16, 2030	6.75% to 7.18%	156,823	1,176
October 27, 2023	August 16, 2030	7.00% to 7.07%	32,458	243
November 22, 2023	August 16, 2030	7.00% to 7.02%	59,977	450
December 27, 2023	August 16, 2030	7.00%	200,795	1,506
February 5, 2024	August 16, 2030	7.00%	17,855	134
June 28, 2024	August 16, 2030	7.00%	10,050	75
August 16, 2024	August 16, 2030	7.00%	14,979	112
August 30, 2024	August 16, 2030	6.92%	17,969	135
			₱602,114	₱4,515

** Interest rates are subject to quarterly repricing*

The carrying amounts of long-term debts of DMC with SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱506,510**	₱530,108
Payments	**(89,384)**	(84,451)
Drawdowns	**–**	60,853
	417,126	506,510
Less unamortized debt issue cost	**(3,100)**	(3,770)
Balances at December 31	**414,026**	502,740
Less noncurrent portion	**324,850**	413,220
Current portion	**₱89,176**	₱89,520

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱3,770**	₱3,951
Amortization	**(670)**	(637)
Additions	**–**	456
Balances at December 31	**₱3,100**	₱3,770

The interest expense of DMC on SBC loans in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱42,719**	₱40,933	₱7,039
Amortization of debt issue costs	**670**	637	108
	₱43,389	₱41,570	₱7,147

The capitalized borrowing costs pertaining to this loan amounted to nil in 2025, ₱27.0 million in 2024 and ₱7.1 million in 2023 (see Note 9).

The Term Loan Agreement of DMC with SBC provides for certain conditions and/or restrictions, but is not limited to the following:

1) DE ratio of at most 1.50x defined as total liabilities less advances from stockholders divided by total equity plus advances from stockholders;
2) DSCR of at least 1.15x defined as earnings before interest, taxes, depreciation, and amortization divided by interest expense plus prior year's current portion of long-term debt;
3) The borrower shall only pay interest on any subordinated loans, pay dividends, and repay any portion of its subordinated loans and/or advances from stockholders provided that the distribution DSCR is at least 1.25x and DMC's DE ratio should not be more than 1.50x;
4) As long as any of the credit obligations remain unpaid, DMC will not, without prior written consent of SBC, create or permit to exist any mortgage or pledge lien or any encumbrance on all free assets now owned or hereafter acquired by DMC.

As at December 31, 2025 and 2024, DMC has been compliant with the covenants contained in the loan facility and agreements.

TBEA

In accordance with the Agreement on Shareholders Advances on June 17, 2020, TBEA granted JSI an unsecured term loan facility of a total cumulative principal amount of US$2.2 million, equivalent to ₱109.1 million, to be used for the Phase 3A - 30MW Solar Project.

On September 23, 2021, NAC, JSI, EPI and TBEA executed the Supplemental Agreement on Shareholder Advances to agree on the shareholder advances for JSI's development of Phase 3B - 38MW. Under the terms of the Supplemental Agreement, TBEA grants JSI a loan facility amounting to US$2.9 million, equivalent to ₱150.8 million. Both loans are subject to a fixed annual interest rate of 5% and have a maturity date of June 17, 2025.

The principal loan was partially paid in 2023 for ₱33.8 million and in 2022 for ₱83.1 million. The remaining balance of ₱143.0 million was approved for conversion into equity of JSI on October 27, 2023.

The interest expense of JSI on TBEA loans, for which there were no capitalized borrowing costs, amounted to nil in 2025 and 2024 and ₱7.8 million in 2023 (see Note 26).

14. Provision for Mine Rehabilitation and Decommissioning

	2025	2024
Balances at January 1	**₱927,398**	₱909,551
Accretion of interest on provision for mine rehabilitation and decommissioning (see Note 26)	**41,559**	41,801
Effect of change in estimate (see Note 9)	**(24,500)**	(23,954)
Balances at December 31	**₱944,457**	₱927,398

Provision for mine rehabilitation and decommissioning pertains to the estimated decommissioning costs to be incurred in the future on the mined-out areas of the Group.

The Group makes full provisions for the future cost of rehabilitating the mine site and related production facilities on a discounted basis on the development of mines or installation of those facilities. The rehabilitation provision represents the present value of rehabilitation costs. These provisions have been created based on the Group's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required, which will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mine ceases to produce at economically viable rates. This, in turn, will depend upon future ore prices, which are inherently uncertain.

15. **Equity**

Capital Stock

The capital structure of the Parent Company follows:

	2025	2024
Common stock - ₱0.50 par value per share		
Authorized - 19,265,000,000 shares		
Issued - 13,985,547,094 shares		
Outstanding - 13,931,125,094 shares	**₱6,992,774**	₱6,992,774
Preferred stock - ₱0.01 par value per share		
Authorized and Issued - 720,000,000 shares	**7,200**	7,200
	₱6,999,974	₱6,999,974

Outstanding Common Stock

As at December 31, 2025 and 2024 a total of 10,296,604,539 common shares and 10,296,459,939 common shares, respectively, of the outstanding common shares of the Parent Company are registered in the name of ninety-nine (99) and ninety-five (95) shareholders, respectively, while the balance of 3,634,520,555 common shares and 3,634,665,155 common shares, respectively, are lodged with the Philippine Depository and Trust Corporation.

The movement in outstanding common stock follows:

	Number of Shares		
	Issued	Treasury	Outstanding
Balances at December 31, 2024 and 2025	13,985,547,094	(54,422,000)	13,931,125,094

Preferred Stock

The preferred share is voting, non-participating but with a fixed cumulative dividend rate of 7% p.a.

Investment of NCI in subsidiaries

The NCIs subscribed to equity of the subsidiaries and paid or contributed the following:

	2025	2024	2023
Shell to GRHI	**₱383,894**	₱1,058,914	₱1,597,193
Manta to NSPC	**–**	12,796	–
	₱383,894	₱1,071,710	₱1,597,193

Dividends

Dividends declared and paid by the Parent Company are as follows:

Year	Type of Dividend	Date of Declaration	Date of Record	Amounts Declared	Dividend per Share	Date of Payment
2025	***Cash Dividends***					
	Special	**November 11, 2025**	**November 28, 2025**	**₱975,179**	**₱0.07**	**December 15, 2025**
	Regular	**February 27, 2025**	**March 13, 2025**	**975,179**	**0.07**	**March 26, 2025**
	Special	**February 27, 2025**	**March 13, 2025**	**557,245**	**0.04**	**March 26, 2025**
2024	*Cash Dividends*					
	Regular	March 13, 2024	March 27, 2024	₱1,114,490	₱0.08	April 12, 2024
	Special	March 13, 2024	March 27, 2024	696,556	0.05	April 12, 2024

Year	Type of Dividend	Date of Declaration	Date of Record	Amounts Declared	Dividend per Share	Date of Payment
2023	*Cash Dividends*					
	Regular	March 14, 2023	March 29, 2023	₱2,317,245	₱0.17	April 12, 2023
	Special	November 9, 2023	November 24, 2023	973,273	0.07	December 7, 2023

Appropriation of Retained Earnings

Parent Company

On November 27, 2018, the Parent Company's BOD approved the appropriation of retained earnings amounting to ₱1,500.0 million in relation to the share buy-back program of the Parent Company. On November 6, 2020, the Parent Company's BOD approved the reversal of the appropriation of up to ₱1,365.0 million which took effect on December 2, 2020, the end of the Parent Company's share buy-back program.

Treasury Stock

On November 27, 2018, the BOD of the Parent Company approved to undertake a two (2)-year share buy-back program authorizing management to buy from the market at its discretion the Parent Company's common shares up to an aggregate value of ₱1,500.0 million. As at December 31, 2025 and 2024, the Parent Company purchased from the market a total of 54,422,000 of its own common shares at an average price of ₱2.4625 per share or a total of ₱134.0 million.

16. Earnings Per Share

The following reflects the income and share data used in the basic and diluted EPS computations:

	2025	2024	2023
Net income attributable to equity holders of the parent	**₱6,268,929**	₱1,521,458	₱3,749,656
Preferred stock dividends	**504**	504	504
Net income attributable to equity holders of the parent for basic earnings	**6,268,425**	1,520,954	3,749,152
Dividends on dilutive potential ordinary shares	**–**	–	–
Net income attributable to ordinary equity holders of the parent adjusted for the effect of dilution	**₱6,268,425**	₱1,520,954	₱3,749,152
Weighted average number of common shares for basic EPS	**13,931,125,094**	13,931,125,094	13,835,385,905
Effect of dilution from stock options	**–**	–	–
Weighted average number of common shares adjusted for the effect of dilution	**13,931,125,094**	13,931,125,094	13,835,385,905
Basic/Diluted EPS	**₱0.45**	₱0.11	₱0.27

There have been no other transactions involving ordinary shares or potential ordinary shares between the end of the financial reporting period and the date of authorization of the consolidated financial statements.

17. Cost of Sales

	2025	2024	2023
Cost of sale of:			
Ore	**₱9,796,940**	₱8,476,004	₱7,819,986
Limestone	**93,581**	114,969	144,508
	₱9,890,521	₱8,590,973	₱7,964,494

Details of cost of sales follow:

	2025	2024	2023
Production overhead	**₱3,969,462**	₱3,968,238	₱3,378,735
Contract fees and other services	**2,577,902**	1,872,167	1,603,445
Personnel costs	**2,132,247**	1,617,588	1,489,041
Depreciation, depletion and amortization	**1,210,910**	1,100,756	1,493,273
Long-term stockpile inventory sold	**–**	32,224	–
	₱9,890,521	₱8,590,973	₱7,964,494

Production overhead consists of materials and supplies, equipment rentals and other miscellaneous charges.

Contract fees and other services pertain to services offered by the contractors related to the mining activities of the Group. These services include, but are not limited to, hauling, stevedoring, maintenance, and security.

18. Cost of Power Generation

	2025	2024	2023
Depreciation and amortization (see Note 24)	**₱421,310**	₱337,892	₱338,090
Overhead	**89,053**	120,639	53,273
Contract fees and other services	**80,677**	57,362	51,070
Materials and supplies	**63,755**	54,965	44,327
Personnel costs (see Note 23)	**39,516**	32,164	28,764
	₱694,311	₱603,022	₱515,524

Overhead in cost of power generation consists of insurance, taxes and licenses, utilities and other miscellaneous charges.

19. Cost of Services

	2025	2024	2023
Personnel costs (see Note 23)	**₱163,016**	₱148,140	₱160,293
Depreciation (see Note 24)	**148,588**	146,243	139,211
Overhead	**129,781**	145,825	203,223
Contract fees and other services	**14,820**	187,949	1,048,056
	₱456,205	₱628,157	₱1,550,783

20. Shipping and Loading Costs

	2025	2024	2023
Contract fees and other services	**₱1,844,825**	₱1,365,628	₱1,370,101
Materials and supplies	**548,160**	567,543	532,942
Depreciation and amortization (see Note 24)	**223,454**	180,291	152,248
Personnel costs (see Note 23)	**163,133**	154,697	118,569
	₱2,779,572	₱2,268,159	₱2,173,860

21. Excise Taxes and Royalties

	2025	2024	2023
Royalties (see Notes 36a and 36k)	**₱1,252,721**	₱917,026	₱1,011,690
Excise taxes (see Note 36a)	**1,095,202**	790,277	862,155
	₱2,347,923	₱1,707,303	₱1,873,845

22. General and Administrative

	2025	2024	2023
Personnel costs (see Note 23)	**₱846,879**	₱625,201	₱587,925
Professional fees and other services	**301,812**	253,738	207,059
Taxes and licenses	**176,148**	241,721	240,480
Depreciation and amortization (see Note 24)	**169,827**	162,291	156,476
Dues and subscription	**69,436**	67,113	48,908
Publicity and promotion	**69,256**	66,070	70,376
Transportation and travel	**40,227**	45,036	61,763
Insurance	**40,029**	39,721	35,589
Supplies	**17,885**	25,232	38,302
Communications, light and water	**16,822**	17,734	15,822
Entertainment, amusement and recreation	**10,645**	11,453	12,373
Rentals	**6,708**	9,970	26,250
Repairs and maintenance	**2,930**	2,422	4,142
Donations	**–**	1,572	–
Others	**63,679**	48,932	37,343
	₱1,832,283	₱1,618,206	₱1,542,808



Other general and administrative expenses are comprised of bank charges and other numerous transactions with minimal amounts.

23. Personnel Costs

	2025	2024	2023
Salaries, wages and employee benefits	**₱2,712,654**	₱2,508,184	₱2,382,816
Pension cost (see Note 32)	**138,645**	120,474	99,942
Provisions for long-term incentives	**126,901**	–	–
	₱2,978,200	₱2,628,658	₱2,482,758

The Group has a long-term incentive plan for certain employees, providing cash-settled awards based on achieving performance targets over a two (2) year period. The provision is calculated by factoring in the probability of achieving performance targets and the expected length of service.

The amounts of personnel costs are distributed as follows:

	2025	2024	2023
Cost of:			
Production	**₱1,765,656**	₱1,668,456	₱1,587,207
Services (see Note 19)	**163,016**	148,140	160,293
Power generation (see Note 18)	**39,516**	32,164	28,764
General and administrative (see Note 22)	**846,879**	625,201	587,925
Shipping and loading costs (see Note 20)	**163,133**	154,697	118,569
	₱2,978,200	₱2,628,658	₱2,482,758

24. Depreciation, Depletion and Amortization

	2025	2024	2023
Property and equipment (see Note 9)	**₱2,222,619**	₱1,989,141	₱1,977,562
Intangibles under "Other noncurrent assets" (see Note 11)	**46,297**	38,811	28,093
	₱2,268,916	₱2,027,952	₱2,005,655

The amounts of depreciation, depletion and amortization expense, including amortization of ROU assets and intangibles, are distributed as follows:

	2025	2024	2023
Cost of:			
Production	**₱1,296,343**	₱1,157,528	₱1,149,768
Power generation (see Note 18)	**421,310**	337,892	338,090
Services (see Note 19)	**148,588**	146,243	139,211
Shipping and loading costs (see Note 20)	**223,454**	180,291	152,248
General and administrative (see Note 22)	**169,827**	162,291	156,476
Capitalized depreciation and amortization (see Notes 9, 11 and 37)	**6,569**	–	–
Others	**2,825**	43,707	69,862
	₱2,268,916	₱2,027,952	₱2,005,655

25. **Finance Income**

	2025	2024	2023
Interest income from:			
Cash and cash equivalents (see Note 4)	**₱420,951**	₱551,821	₱467,877
Financial assets at (see Note 7):			
FVTPL	**25,923**	20,616	–
FVOCI	**19,066**	20,165	17,359
Amortized cost	**17,939**	13,255	13,288
MRF (see Note 11)	**20,147**	19,911	17,001
Pension (see Note 32)	**2,652**	1,243	1,221
SDMP funds (see Note 11)	**57**	65	70
Short-term cash investments	**–**	–	6,158
Others	**12,669**	389	1,091
Gains on forward contracts - net (see Note 35)	**61,586**	68,428	–
Accretion income	**5**	–	–
	₱580,995	₱695,893	₱524,065

26. **Finance Expenses**

	2025	2024	2023
Interest expense on:			
Long-term debts (see Notes 13 and 30)	**₱183,629**	₱178,751	₱169,338
Short-term debts (see Note 13)	**118,030**	118,956	125,562
Pension (see Note 32)	**4,403**	17,233	23,862
Accretion of interest on:			
Lease liabilities (see Note 31)	**95,794**	91,192	63,704
Provision for mine rehabilitation and decommissioning (see Note 14)	**41,559**	41,801	31,655
Guarantee service fee (see Note 30)	**35,648**	34,853	32,580
Loss on forward contracts - net (see Note 35)	**3,135**	–	–
	₱482,198	₱482,786	₱446,701

27. **Other Income (Charges)** - net

	2025	2024	2023
Reversal of cumulative translation adjustment (see Note 8)	**₱800,487**	₱–	₱–
Reversals of allowance (provisions) for impairment losses on:			
Input VAT (see Notes 8 and 11)	**(283,057)**	(114,896)	(69,382)
Deferred mine exploration costs (see Note 11)	**(192,599)**	–	(64,663)
Project development costs (see Note 11)	**(7,964)**	(20,977)	–
Advances and deposits to suppliers and contractors (see Notes 8 and 11)	**(6,174)**	(18,431)	(113,541)
Geothermal exploration and evaluation assets (see Note 11)	**(342)**	(1,912,316)	–
Materials and supplies (see Note 6)	**–**	(14,741)	(10,154)
Investment in an associate (see Note 10)	**–**	(1,935)	–

(Forward)

	2025	2024	2023
Gain (loss) on:			
Sale of property and equipment	**₱198,002**	₱52,875	₱20,493
Changes in fair value of financial assets at FVTPL (see Note 7)	**172,755**	25,475	226,857
Write-off of project development costs (see Note 1)	**(1,051)**	–	–
Sale of financial assets at FVOCI (see Note 7)	**117**	1	–
Write-off of input VAT	**–**	(87,699)	(723)
Retirement of property and equipment	**–**	–	(15,243)
Write-off of prepayments and other current and noncurrent assets	**–**	–	(6,645)
Write-off of inventories	**–**	–	(2,532)
Foreign exchange gains (losses) - net	**54,805**	411,282	(79,438)
Dividend income (see Note 7)	**25,396**	55,188	29,634
Rent income	**13,775**	60,964	63,388
Trust fee	**(4,946)**	(5,736)	(10,033)
Provision for ECL on trade and other receivables - net (see Note 5)	**(501)**	(6,144)	(14,999)
Gain on bargain purchase	**–**	446	–
Effect of change in estimate on provision for mine rehabilitation and decommissioning	**–**	–	7,601
Others - net	**110,620**	20,133	60,872
	₱879,323	(₱1,556,511)	₱21,492

Breakdown of foreign exchange gains (losses) - net follows:

	2025	2024	2023
Unrealized foreign exchange gains (losses) - net on:			
Long-term debts (see Note 13)	**₱16,587**	(₱6,802)	₱27,078
Trade and other payables	**(12,527)**	3,669	3,089
Financial assets at FVTPL (see Note 7)	**7,523**	47,110	(31,680)
Trade and other receivables	**4,950**	8,451	(15,438)
Cash and cash equivalents	**1,137**	241,360	7,337
Realized foreign exchange gains (losses) - net	**37,135**	117,494	(69,824)
	₱54,805	₱411,282	(₱79,438)

28. **Revenues**

	2025	2024	2023
Revenue from contracts with customers			
Sale of ore and limestone	**₱27,380,056**	₱19,753,960	₱21,553,863
Sale of power	**1,156,734**	1,207,789	747,208
Services	**952,103**	1,229,340	2,265,057
Capital recovery fee	**134,339**	134,339	134,339
Impact of effective hedge on forward contracts on sale of ore (see Note 35)	**(6,159)**	–	–
	₱29,617,073	₱22,325,428	₱24,700,467

Revenue from Contracts with Customers

The tables below show the disaggregation of revenues of the Group by country of destination for sale of ore and limestone, source of electricity for sale of power and type of services rendered for sale of services in 2025, 2024 and 2023:

2025	**China**	**Indonesia**	**Local**	**Japan**	**Total**
Sale of (see Note 30)**:**					
Ore	**₱14,878,097**	**₱7,417,085**	**₱4,691,666**	**₱266,468**	**₱27,253,316**
Limestone	**–**	**–**	**126,740**	**–**	**126,740**
	₱14,878,097	**₱7,417,085**	**₱4,818,406**	**₱266,468**	**₱27,380,056**

2024	China	Indonesia	Local	Japan	Total
Sale of (see Note 30):					
Ore	₱9,822,138	₱4,922,366	₱4,449,717	₱364,989	₱19,559,210
Limestone	–	–	194,750	–	194,750
	₱9,822,138	₱4,922,366	₱4,922,366	₱364,989	₱19,753,960

2023	China	Indonesia	Local	Japan	Total
Sale of (see Note 30):					
Ore	₱14,764,681	₱–	₱6,127,050	₱487,160	₱21,378,891
Limestone	–	–	174,972	–	174,972
	₱14,764,681	₱–	₱6,302,022	₱487,160	₱21,553,863

	2025	2024	2023
Sale of power (see Notes 36d and 36e)			
Solar	**₱1,063,950**	₱1,133,384	₱687,522
Diesel	**92,784**	74,405	59,686
	₱1,156,734	₱1,207,789	₱747,208
Services (see Note 30)			
Materials handling and others	**₱952,103**	₱1,229,340	₱2,265,057

Timing of recognition:

	2025	2024	2023
At a point in time	**₱27,380,056**	₱19,753,960	₱21,553,863
Over time	**2,108,837**	2,437,129	3,012,265
	₱29,488,893	₱22,191,089	₱24,566,128

All revenue from sale of ore and limestone are recognized at a point in time when control transfers to the customer, which occurs at a point in time when the ore is physically and completely transferred into a vessel or when the ore passes into the ore preparation hopper of the HPAL plants and when the limestone was delivered to the buyer.

Revenue from sale of services is recognized over time or as the services are rendered while revenue from sale of power is recognized over time based on the actual energy dispatched.

29. Material Partly Owned Subsidiaries

Financial information of subsidiaries that have material NCI are provided below:

Proportion of equity interest held by NCI:

	Principal Place of Business	**2025**	2024
RTN	Philippines	**40.00%**	40.00%
TMC	Philippines	**35.00%**	35.00%

Equity attributable to material NCI:

	2025	2024
TMC	**₱2,698,291**	₱2,559,383
RTN	**2,071,858**	2,113,951

Net income attributable to material NCI:

	2025	2024
TMC	**₱1,712,830**	₱894,776
RTN	**973,550**	642,013

Other comprehensive income (loss) attributable to material NCI:

	2025	2024
RTN	**(₱15,643)**	₱31,563
TMC	**1,077**	6,213

The summarized financial information of these subsidiaries is based on amounts before inter-company eliminations.

The summarized statements of comprehensive income for the years ended December 31, 2025 and 2024 follow:

	2025		2024	
	RTN	**TMC**	RTN	TMC
Revenues	**₱7,769,930**	**₱12,606,871**	₱4,887,990	₱9,334,494
Cost of sales and services	**(3,389,341)**	**(3,545,026)**	(2,192,051)	(3,888,221)
Operating expenses	**(1,337,286)**	**(2,708,072)**	(792,702)	(2,267,383)
Finance income - net	**170,276**	**50,932**	109,419	100,756
Other income (charges) - net	**(7,729)**	**151,255**	86,438	76,037
Income before income tax	**3,205,850**	**6,555,960**	2,099,094	3,355,683
Provision for income tax - net	**(771,976)**	**(1,662,158)**	(494,062)	(799,181)
Net income	**2,433,874**	**4,893,802**	1,605,032	2,556,502
Other comprehensive income (loss) - net	**(39,108)**	**3,076**	78,907	17,753
Total comprehensive income - net	**₱2,394,766**	**₱4,896,878**	₱1,683,939	₱2,574,255
Attributable to NCI	**₱957,907**	**₱1,713,907**	₱673,576	₱900,989
Dividends to NCI	**1,000,000**	**1,575,000**	520,000	1,050,000

The summarized statements of financial position as at December 31, 2025 and 2024 follows:

	RTN		**TMC**	
	2025	2024	**2025**	2024
Current assets	**₱2,557,880**	₱2,347,074	**₱5,163,543**	₱4,797,764
Noncurrent assets	**3,885,026**	4,231,937	**4,582,166**	4,688,123
Current liabilities	**(909,798)**	(947,201)	**(1,193,335)**	(1,270,600)
Noncurrent liabilities	**(353,464)**	(346,932)	**(842,972)**	(902,763)
Total equity	**₱5,179,644**	₱5,284,878	**₱7,709,402**	₱7,312,524
Attributable to equity holders of the parent	**₱3,107,786**	₱3,170,927	**₱5,011,111**	₱4,753,141
NCI	**2,071,858**	2,113,951	**2,698,291**	2,559,383

The summarized cash flow information for the years ended December 31, 2025 and 2024 follows:

	RTN		**TMC**	
	2025	2024	**2025**	2024
Operating	**₱3,178,401**	₱1,038,520	**₱5,927,562**	₱3,371,094
Investing	**(177,382)**	(333,074)	**(309,888)**	(704,188)
Financing	**(2,478,554)**	(1,308,699)	**(5,118,048)**	(2,624,018)
Net increase (decrease) in cash and cash equivalents	**₱522,465**	(₱603,253)	**₱499,626**	₱42,888

30. Related Party Transactions

Set out on the next page are the Group's transactions with related parties in 2025, 2024 and 2023, including the corresponding assets and liabilities arising from the said transactions as at December 31, 2025 and 2024.

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)			
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	Terms	Conditions
Stockholders															
PAMCO															
Sale of ore	**₱266,468**	₱364,989	₱487,160	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	80% to 90% upon receipt of documents and 20% to 10% after the final dry weight and applicable assay have been determined; noninterest-bearing	Unsecured; no guarantee
Other services and fees	**–**	3,600	3,941	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee
Reimbursable charges	**–**	2,322	3,744	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable on demand; noninterest-bearing	Unsecured; no guarantee
SMM															
Guarantee service fee (see Note 26)	**35,648**	34,853	32,580	**–**	–	**9,878**	9,525	**–**	–	**–**	–	**–**	–	Payable every twenty-first (21st) of February, March and September; noninterest-bearing	Unsecured
Individual stockholder															
Consultancy fees	**3,000**	1,750	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee
With Common Stockholder															
Manta															
Rentals, dues and utilities	**66,212**	62,661	69,613	**–**	–	**418**	241	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee
Rental deposits	**2,627**	–	10,103	**–**	–	**–**	–	**–**	–	**15,651**	13,024	**–**	–	Collectible at the end of the lease; noninterest-bearing	Unsecured; no guarantee
Entity Indirectly Related through Common Control of SMM via Sumitomo Metal Mining Philippines Holdings Corporation															
CBNC															
Sale of ore and limestone	**2,117,544**	2,033,375	2,668,742	**321,408**	162,081	**–**	–	**–**	–	**–**	–	**–**	–	Thirty (30) days term; noninterest-bearing	Unsecured; no guarantee
Materials handling	**417,350**	714,687	1,739,739	**52,381**	22,764	**–**	–	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	Unsecured; no guarantee
Infralease and throughput	**6,021**	5,835	8,669	**20,163**	14,894	**–**	–	**–**	–	**–**	–	**–**	–	Collectible at the end of February and August; noninterest-bearing	Unsecured; no guarantee
Other income - net	**45,240**	60,982	72,414	**34,953**	56,486	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee

(Forward)

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)		Terms	Conditions
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024		
Associates															
THNC															
Sale of ore	**₱2,700,862**	₱2,611,092	₱3,629,308	**₱424,857**	₱209,745	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	Thirty (30) days term, noninterest-bearing	Unsecured; no guarantee
Materials handling	**334,071**	310,359	329,542	**29,822**	27,739	**–**	–	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	Unsecured; no guarantee
Rendering of service	**147,060**	161,842	149,251	**25,574**	47,571	**–**	–	**–**	–	**–**	–	**–**	–	Semi-annual term; noninterest-bearing	Unsecured; no guarantee
Rental income	**7,658**	7,680	7,680	**7,658**	–	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee
Loan facility (see Note 13)	**–**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**565,854**	657,987	Principal is payable in semi-annual installments; interest is based on one hundred eighty (180)-day TSOFR plus 0.43%	Unsecured; with guarantee
Interest expense on long-term debt (see Notes 13 and 26)	**40,107**	54,095	56,248	**–**	–	**10,494**	8,892	**–**	–	**–**	–	**–**	–	Payable semi-annually on April 10 and October 10	Unsecured; no guarantee
Reimbursable charges to TMC	**–**	–	758	**–**	–	**–**	–	**774**	801	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing; net of allowance for ECL of ₱4.2 million as at December 31, 2025 and 2024	Unsecured; no guarantee
BGI															
Reimbursable charges to EPI	**26,500**	–	–	**–**	–	**–**	–	**285,696**	259,196	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing	Unsecured; no guarantee
Affiliates															
Shell Energy Philippines, Inc (SEPI)															
Sale of power	**667,625**	491,240	463,268	**102,693**	103,114	**–**	–	**–**	–	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing	Unsecured; no guarantee
Other services and fees	**23,482**	20,239	17,616	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee

(Forward)

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)			
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	Terms	Conditions
TBEA															
Interest expense on long-term debts (see Notes 13 and 26)	**₱–**	₱–	₱7,771	**₱–**	₱–	**₱803**	₱803	**₱–**	₱–	**₱–**	₱–	**₱–**	₱–	Payable on or before the end of the fifth (5th) year after drawdown or on June 17, 2025	Unsecured; no guarantee
SPBV															
Loan facility (see Note 13)	**1,186,963**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Principal is payable within one (1) year after drawdown; interest is fixed at 6.55% p.a.	Unsecured; with guarantee
Interest expense on long-term debt (see Notes 9 and 13)	**35,602**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable at maturity date	Unsecured; no guarantee
				₱1,019,509	₱644,394	**₱21,593**	₱19,461	**₱286,470**	₱259,997	**₱15,651**	₱13,024	**₱565,854**	₱657,987		

Terms and Conditions of Transactions with Related Parties

All sales to and purchases from related parties are made at prevailing market prices. Outstanding balances as at December 31, 2025 and 2024 pertain mainly to the extension and receipt of advances to and from related parties and these are unsecured, short-term, interest-free and settlement occurs in cash. Except for the guarantee on THNC's, EPI's, JSI's, NPPGC's, SISPC's and DMC's Loan Obligations (see Notes 13 and 36j), there have been no guarantees received or provided for any related party receivables or payables, respectively. This assessment is undertaken at each end of the financial reporting period through the examination of the financial position of the related party and the market in which the related party operates.

a. Sales and Service Agreements

Nickel Ore Sale Agreements with PAMCO

The Group supplies saprolite ore to PAMCO. PAMCO is a stockholder of the Parent Company, RTN and TMC. All sales made to PAMCO are transacted at prevailing market prices which are benchmarked to China prices on the basis of a negotiated price per wet metric ton (WMT) of ore. PAMCO shall pay the Group 80% to 90% of the provisional invoice amount upon receipt of the required documents and pay the final payment of each shipment after the final dry weight and applicable assay have been determined. Outstanding balances as at December 31, 2025 and 2024 are unsecured, interest-free and settlement occurs in cash. Receivable from PAMCO, if any, is included as part of "Trade and other receivables" and is expected to be collected subsequently.

Nickel Ore Sale Agreement with PAMCO and Sojitz

RTN supplies saprolite ore to PAMCO, wherein PAMCO appointed Sojitz as agent, under a sale agreement. RTN and PAMCO shall jointly assess whether the commercial production of ore at the mine is still possible. Unless commercial production becomes impossible due to the exhaustion of ore reserves in the mine, RTN, PAMCO and Sojitz shall renew the agreement with a five (5) year term. Currently, the agreement is valid until December 31, 2026. PAMCO owns 36% and Sojitz owns 4% of the outstanding capital stock of RTN.

TMC also entered into an agreement with PAMCO covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on London Metal Exchange (LME). Effective April 2014, ore sales to PAMCO are benchmarked to China prices on the basis of a negotiated price per WMT of ore. The agreement with PAMCO is valid until December 31, 2026.

The Group's revenue from sale of ore to PAMCO and/or Sojitz amounted to ₱266.5 million, ₱365.0 million and ₱487.2 million in 2025, 2024 and 2023, respectively.

Nickel Ore Supply Agreement with CBNC

RTN entered into an agreement with CBNC to supply all the limonite ore requirements for the Coral Bay HPAL facility until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. RTN has also entered into an agreement with CBNC to supply limestone. CBNC is the owner of the Coral Bay HPAL facility. Receivable from CBNC is included as part of "Trade and other receivables" and is expected to be collected subsequently.

CMC and DMC also entered into separate agreements with CBNC covering the sale of its ore products with a fixed tonnage at specific nickel grade and iron content.

Sale of ore and limestone to CBNC amounted to ₱2,117.5 million, ₱2,033.4 million and ₱2,668.7 million in 2025, 2024 and 2023, respectively.



Nickel Ore Supply Agreement with THNC
TMC entered into an agreement with THNC covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on the LME.

Sale of ore to THNC amounted to ₱2,700.9 million, ₱2,611.1 million and ₱3,629.3 million in 2025, 2024 and 2023, respectively.

Materials Handling and Other Service Agreements with CBNC
CDTN entered into materials handling and various service agreements with CBNC to provide ancillary services to the Coral Bay HPAL facility. Under the agreement, CDTN will render services related to the handling, loading, unloading, hauling of certain materials, and provide necessary equipment and services needed for the operation of CBNC's hydrometallurgical processing plant in Rio Tuba, Bataraza, Palawan. The revenue of the Group related to materials handling and other services for CBNC amounted to ₱417.3 million, ₱714.7 million and ₱1,739.7 million in 2025, 2024 and 2023, respectively.

Materials Handling Agreement with THNC
On October 7, 2013, TMC and THNC executed an agreement wherein TMC will render services related to the handling, hauling and transport of cargo for THNC. THNC shall compensate TMC based on the prices stipulated in the agreement which are determined on the basis of the weight of the cargo. Payment is collected within fifteen (15) days from receipt of TMC's billing. The revenue of the Group related to materials handling for THNC amounted to ₱334.1 million, ₱310.4 million and ₱329.5 million in 2025, 2024 and 2023, respectively.

Power Supply Agreements with SEPI
JSI
JSI entered into several PSAs with SEPI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share from the total energy deliveries of the plant on a take and pay basis, for a certain period.

In February 2025, JSI entered into a short-term PSA with SEPI for the supply of replacement power to SISPC. Under the agreement, JSI committed to sell and deliver a pro rata share totaling 57.5MW starting February 28, 2025 from the Sta. Rita Solar Power Project and the Subic New PV Power Plant Project. The contracted capacity was reduced to 52.5MW effective June 26, 2025. Deliveries will continue until the energization of the San Isidro Solar Power Plant.

As at December 31, 2025, the total contracted capacity with SEPI was 62MW. The PSAs with SEPI are valid until June 26, 2026.

SISPC
On January 2, 2024, SISPC entered a PSA with SEPI. Under the terms of the agreement, SISPC is committed to sell and deliver 100% of SISPC's capacity for Phase 1 of the San Isidro Solar Power Project which is nominally 120MW direct current subject for update by SISPC in accordance with the capacity certification of NGCP and /or ERC. The PSA has a term of fifteen (15) years from the start date, which is the earlier of February 28, 2025 or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a Certificate of Compliance (COC) or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid. The PSA also provides that SISPC shall have the option to deliver replacement power by



procuring and utilizing the generation from its affiliates' other generation facilities other than the project to fully or partially cover any generation loss from the project.

SISPC achieved its practical completion on October 25, 2025, upon the receipt of PCATC from NGCP, and as duly notified to SEPI.

On March 3, 2025, SISPC entered a separate PSA with SEPI for the sale and delivery of 100% of the capacity of Phase 2 of the San Isidro Solar Power Project which is nominally 120MW subject for update by SISPC in accordance with the capacity certification of NGCP and/or ERC. The PSA has a term of fifteen (15) years from the start date, which is the earlier of August 26, 2026, or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a PCATC or Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid.

Revenue from sale of power to SEPI amounted to ₱667.6 million in 2025, ₱491.2 million in 2024 and ₱463.3 million in 2023.

Service Agreement with SEPI
On July 1, 2023, GRHI entered into a service agreement with SEPI wherein SEPI will provide advisory services as an independent contractor, such as business development, health, safety, security, and environment and technical advises, as may be permitted by applicable law and subject to adjustment by the parties. In 2025, 2024 and 2023, the fees incurred related to this agreement amounted to ₱23.5 million, ₱20.2 million and ₱17.6 million, respectively.

b. Throughput Agreement with THNC

On October 4, 2010, TMC and THNC executed a Throughput Agreement wherein TMC will construct the pier facilities within the TSEZ pursuant to its role as Developer. The TSEZ is located within the Surigao Mineral Reservation, an area declared for mineral development pursuant to Proclamation 391, under the supervision of the DENR that issued an "Order to Use Offshore Area" dated September 20, 2010 to TMC for the use of such portion of the Surigao Mineral Reservation for the construction of the pier facilities. In relation to this, THNC entered into a Registration Agreement with Philippine Economic Zone Authority (PEZA) to construct and operate a mineral processing plant within the TSEZ as an Ecozone Export Enterprise.

Under the agreement, TMC will make available the pier facilities and provide certain services to THNC in consideration for usage fees and service fees to be paid by the latter starting April 2011 until 2031, unless terminated earlier. The usage fee of US$1.3 million is payable in semi-annual period on or before April 10 and October 10.

THNC also agrees to pay the service fee that will be agreed upon by both parties, which shall be billed monthly.

In 2025, 2024 and 2023, service revenues from usage of pier facilities of TMC and from other services rendered to THNC amounted to a total of ₱147.1 million, ₱161.8 million and ₱149.3 million, respectively.

c. Other Agreements

THNC Stockholder's Agreement
On September 15, 2010, NAC, SMM and Mitsui and Co., Ltd. (Mitsui) executed a Stockholder's Agreement, pursuant to which the parties formed a joint venture company, THNC, to build and operate a plant in Barangay Taganito, Claver, Surigao del Norte for the purpose of producing and selling nickel-cobalt mixed sulfide to be used in the production of electrolytic nickel and electrolytic cobalt.

Pursuant to the Stockholder's Agreement, SMM granted THNC a non-exclusive license of technology owned by SMM to produce the products and has undertaken to provide technical assistance to THNC. The Parent Company has undertaken to cause TMC to supply THNC with nickel ore and limestone and to further cause TMC to make available to THNC the land and infrastructure necessary to produce the products while Mitsui shall assist THNC in procuring materials and equipment necessary for the mine's operations. The Stockholder's Agreement shall terminate upon the dissolution of THNC.

NAC, along with the other stockholders of THNC, also agreed to make loans to THNC or guarantee the repayment of THNC's loan obligations in accordance with the financial requirements of THNC, in proportion to their shareholding ratio in THNC.

In a separate agreement, SMM agreed to assume the Parent Company's obligation to make loans to or guarantee the repayment of THNC's loan obligations. The Parent Company, in consideration of this agreement, pays SMM an annual guarantee fee of 0.60% of THNC's outstanding loan obligations.

Loan Guarantee/Substitution Agreement
Under a loan guarantee/substitution agreement between the Parent Company and SMM, the latter agreed to substitute for the Parent Company to make loans or guarantee the repayment of THNC's obligation pursuant to the Stockholders Agreement dated September 15, 2010.

In consideration of the loans and guarantee made by SMM, the Parent Company shall pay to SMM an annual fee equal to 0.60% of the relevant outstanding amount, which is payable every February 21, March 21, August 21 and September 21 of each year.

In case of default, such loan guarantee/substitution agreements will be terminated, and the Parent Company shall provide loans to THNC or guarantee the repayment of THNC's loans payable. Failure to provide such loans or guarantee shall be considered a default under the Stockholders' Agreement.

The loan guarantee service fee amounted to ₱35.6 million, ₱34.9 million and ₱32.6 million in 2025, 2024 and 2023, respectively (see Note 26).

Lease Agreement with THNC
On October 31, 2013, TMC and THNC executed a lease agreement wherein TMC will lease the land within the TSEZ to THNC. The TSEZ leased area of approximately 675 hectares is located at Barangays Taganito and Hayanggabon, Claver, Surigao del Norte. The duration of the lease agreement shall be for a period of twenty (20) years starting January 1, 2013, however, rental rate shall be annually agreed by both parties. TMC's rental income from the said lease amounted to ₱7.7 million in 2025, 2024 and 2023 and included under "Other income - net" (see Note 27). In the above lease agreement, it was agreed by TMC and THNC that the option fee of ₱83.8 million received in 2010 shall be treated as advance rental and shall be deducted from the annual rental

fee. The same shall be equally applied to each year of the lease term or ₱4.2 million each year of the twenty (20) year lease term.

As at December 31, 2025 and 2024, the carrying value of deferred income amounted to ₱29.3 million and ₱33.5 million, respectively.

d. Compensation of Key Management Personnel

The Group considered as key management personnel the employees holding managerial positions and up. The short-term benefits of key management personnel of the Group in 2025, 2024 and 2023 amounted to about ₱490.5 million, ₱444.8 million and ₱435.3 million, respectively. The net post-employment benefits of key management personnel of the Group amounted to ₱21.9 million, ₱19.9 million and ₱24.8 million in 2025, 2024 and 2023, respectively.

The Group's related party transactions, which are 10% and above of the consolidated total assets are reviewed and approved by the Related Party Transactions Committee.

31. **Leases**

Lease Agreement with Manta

On March 18, 2013, the Group entered into a lease agreement with Manta for its office and parking spaces. The lease agreement is for a period of five (5) years starting May 15, 2013, and is renewable subject to negotiation of the terms and conditions and mutual agreement of both parties. The existing lease agreements with Manta are valid until May 14, 2028 and June 30, 2028, and are subject to 5% annual escalation beginning on the second year of the lease.

In July 2025, CEXCI signed another lease agreement with Manta for its office space under similar terms and conditions. The new lease agreement is effective from August 1, 2025 to July 31, 2030.

Lease Agreement with SBMA

JSI

On April 29, 2015, JSI entered a fifty (50) year lease agreement with SBMA for the use of the 800 hectares project area located at Mt. Sta. Rita, SBFZ for its solar and wind energy projects. The lease agreement was subsequently amended to include some terms and conditions as follows:

- Investment commitment - JSI undertakes to infuse investment worth US$200.0 million on the leased areas on or before December 30, 2030.
- Power generation facility - JSI shall construct a 150MW capacity generation facility and/or power plant that uses renewable energy sources until December 31, 2030. In March 2022, the lease agreement was amended to increase the capacity to 200MW. As at December 31, 2025, JSI's Solar Project has a total capacity of 172MW in commercial operations. The Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.
- Rental - beginning January 1, 2035, JSI shall pay a monthly rent of Php1.7 million for the additional 50MW. However, if JSI begins to operate and sell before the year 2035, JSI will pay the same monthly rate per MW installed for commercial operations.
- Term - the term of the Lease Agreement shall be for a period of fifty (50) years from August 9, 2015 and continuing until August 8, 2065.
- Share of Indigenous Cultural Communities of Aeta (ICCA) - JSI shall remit to the SBMA an additional 5% of the monthly rent as share of the Aeta community for areas covered by the Certificate of Ancestral Domain Title (CADT).

- Renewal - subject to the extension or renewal by the SEC of JSI's corporate life as well as the consent of the ICCA through its Free and Prior Informed Consent, the Lease Agreement may be renewed for another twenty-five (25) years under the same terms and conditions upon mutual consent of the parties.
- Pre-termination - grounds for pre-termination by SBMA shall include but not be limited to: a) failure to pay rent; b) failure to infuse the committed amount of investment; c) willful failure to comply with SBMA environmental standards; and/or d) smuggling. JSI will be given a ninety (90)-day period to cure such contractual breach.
- Land use/zoning - in case of pre-termination due to re-zoning or change in the land use/ master plan, SBMA shall reimburse JSI of the cost of equipment, improvements and developments that cannot be moved.
- Leased area - 815.2549 hectares based on final survey.

NPPGC
On December 22, 2022, NPPGC entered into a long-term lease agreement with SBMA for a parcel of land with an estimated area of 280 hectares and located in Barrio Cawag, Redondo Peninsula, SBFZ for the development of solar power generation, sale and marketing of electricity including renewable energy. The term of the lease is fifty (50) years, commencing on November 7, 2022 and continuing until November 6, 2072, and renewable for another fifty (50) years upon mutual agreement by the parties. The lease is subject to a 6% escalation every three (3) years beginning on the seventh year.

The lease agreement includes some terms and conditions as follows:
- Infuse investment amounting to at least ₱7,000.0 million on the leased property;
- Employ at least three hundred (300) to six hundred (600) personnel/employees during construction period and at least fifty (50) employees upon operation;
- Introduce developments on the leased property at a minimum cost of ₱4,500.0 million within a period of four (4) years;
- To fully build/construct/install within four (4) years, from the execution of the contract, the road network, building structures such as transmission tower and substation and solar panel (and other renewable structures) and attached equipment and machinery.

Lease of NGCP Facility
On September 18, 2015, JSI entered a fifty (50) year lease agreement with SBMA for the use of a 280 square meter (sq. m.) building and 2,300 sq. m. lot located near the NGCP Facility, Subic Gateway Park, SBFZ. The lease agreement is subject to a 6% annual escalation beginning on the second year of the lease. In addition to the monthly rental, JSI shall pay 5% of the appraised value of the leased property as share of the Aeta community for areas covered by CADT.

Surface Rights Agreement with Various Landowners
CMC entered into surface rights agreements with various landowners in 2022 for the lease of mineral land located in various areas in Municipality of Cagdianao, Dinagat Islands for periods ranging from five (5) to eight (8) years, renewable upon mutual agreement by the parties.

Lease Agreement with Monte de Tesoro Corp.
On July 1, 2023, through a Deed of Assignment, the lease agreement between EPI and Monte de Tesoro Corp. for the office and parking space was assigned and transferred to GRHI. The lease agreement is valid until August 19, 2025, and is subject to 5% annual escalation beginning on the second year of the lease. This lease agreement was extended until June 30, 2026.

Lease Agreement with Pacific Timber Export Corporation (PATECO)
On July 12, 2023, DMC entered into a lease agreement with PATECO for the latter's parcel of land for a period of three (3) years commencing on September 1, 2023 until August 31, 2026, renewable upon written agreement of the parties.

Lease Agreement with Maniquiz - JSR Corporation
On May 24, 2024, CSPC entered into a lease agreement, with option to purchase, for a parcel of land located in San Juan, Botolan, Zambales to construct and operate a solar farm. The term of the lease is thirty (30) years starting August 22, 2024, renewable for the same period upon mutual consent of the parties and is subject to 5% escalation every three (3) years.

Lease Agreement with the Province Government of Leyte
On July 9, 2024, SISPC entered into a lease agreement for a parcel of land located in Brgy. Daja Daku, San Isidro, Leyte for its exclusive use for the construction, operation and maintenance of the necessary tower site and transmission line right of way for its project. The lease agreement is for a period of twenty-five (25) years starting July 22, 2024, renewable for the same period upon mutual consent of the parties and is subject to 5% escalation every five (5) years.

The Group also has certain leases of properties with lease terms of twelve (12) months or less and leases of properties with low value. The Group applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

The rollforward analysis of lease liabilities, discounted using incremental borrowing rate, follows:

	2025	2024
Balances at January 1	**₱973,134**	₱833,421
Additions (see Note 9)	**231,809**	151,465
Payments	**(105,582)**	(102,944)
Accretion of interest (see Note 26)	**95,794**	91,192
Balances at December 31	**1,195,155**	973,134
Less noncurrent portion	**1,083,244**	877,441
Current portion	**₱111,911**	₱95,693

The following are the amounts recognized in the consolidated statements of income:

	2025	2024
Expenses relating to short-term leases	**₱764,499**	₱704,567
Accretion of interest on lease liabilities (see Note 26)	**95,794**	91,192
Amortization of ROU assets included in property and equipment (see Note 9)	**71,854**	65,075
Expenses relating to leases of low-value assets	**13,117**	16,805
	₱945,264	₱877,639

In 2025, 2024 and 2023, expenses under shipping and loading costs amounting to ₱738.3 million, ₱557.5 million and ₱603.3 million, respectively, which are covered by service agreements, are included above in compliance with PFRS 16.

Shown below is the maturity analysis of the undiscounted lease payments:

	2025	2024
One (1) year	**₱111,911**	₱95,693
More than one (1) year to two (2) years	**106,809**	93,757
More than two (2) years to three (3) years	**68,864**	88,244
More than three (3) years to four (4) years	**61,744**	49,867
More than four (4) years	**4,802,534**	4,413,019
	₱5,151,862	₱4,740,580

32. Pension Liability

The existing regulatory framework, Republic Act (RA) 7641, *The Retirement Pay Law,* 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.

The following tables summarize the pension liability and pension asset recognized in the consolidated statements of financial position:

	2025	2024
Funded pension liabilities		
RTN	**₱49,546**	₱36,746
NAC	**9,431**	589
EPI	**6,821**	–
JSI	**4,807**	–
GRHI	**1,577**	–
CMC	**–**	40,490
TMC	**–**	7,130
	₱72,182	₱84,955
Funded pension assets (see Note 11)		
TMC	**₱48,113**	₱–
HMC	**19,118**	16,368
CMC	**14,160**	–
DMC	**1,030**	118
	₱82,421	₱16,486

The following tables summarize the components of net pension costs recognized in the consolidated statements of income and consolidated statements of other comprehensive income and the funded status and liabilities recognized in the consolidated statements of financial position for the respective plans based on the 2025, 2024 and 2023 Actuarial Valuation Reports:

Changes in defined benefit liability and fair value of plan assets in 2025, 2024 and 2023 are as follows:

	2025												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2025	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits Paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2025
RTN	**₱547,741**	**₱38,608**	**₱33,357**	**₱71,965**	**(₱45,197)**	**₱–**	**(₱112)**	**₱25,480**	**(₱22,703)**	**₱–**	**₱2,665**	**₱–**	**₱577,174**
TMC	**497,737**	**44,512**	**30,312**	**74,824**	**(29,449)**	**–**	**–**	**(12,528)**	**(22,835)**	**–**	**(35,363)**	**–**	**507,749**
HMC	**70,465**	**7,819**	**4,291**	**12,110**	**(4,138)**	**–**	**–**	**2,542**	**(3,320)**	**–**	**(778)**	**–**	**77,659**
CMC	**102,401**	**8,092**	**6,247**	**14,339**	**(8,099)**	**–**	**–**	**(3,319)**	**(2,718)**	**–**	**(6,037)**	**–**	**102,604**
NAC	**150,710**	**17,892**	**9,209**	**27,101**	**(26,904)**	**–**	**(4,697)**	**14,893**	**(1,970)**	**–**	**8,226**	**–**	**159,133**
EPI	**–**	**12,024**	**1,597**	**13,621**	**–**	**–**	**–**	**849**	**(832)**	**–**	**17**	**–**	**13,638**
JSI	**–**	**5,703**	**592**	**6,295**	**–**	**–**	**–**	**644**	**(421)**	**–**	**223**	**–**	**6,518**
GRHI	**–**	**3,329**	**–**	**3,329**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3,329**
DMC	**3,287**	**666**	**200**	**866**	**–**	**–**	**–**	**(1,868)**	**–**	**–**	**(1,868)**	**–**	**2,285**
Defined benefit liability	**1,372,341**	**138,645**	**85,805**	**224,450**	**(113,787)**	**–**	**(4,809)**	**26,693**	**(54,799)**	**–**	**(32,915)**	**–**	**1,450,089**
RTN	**(510,995)**	**–**	**(31,936)**	**(31,936)**	**45,197**	**42,106**	**–**	**–**	**–**	**–**	**42,106**	**(72,000)**	**(527,628)**
TMC	**(490,607)**	**–**	**(31,782)**	**(31,782)**	**29,449**	**25,433**	**–**	**–**	**–**	**3,645**	**29,078**	**(92,000)**	**(555,862)**
HMC	**(86,833)**	**–**	**(5,466)**	**(5,466)**	**4,138**	**1,359**	**–**	**–**	**–**	**–**	**1,359**	**(9,975)**	**(96,777)**
CMC	**(61,911)**	**–**	**(5,446)**	**(5,446)**	**8,099**	**3,897**	**–**	**–**	**–**	**1,431**	**5,328**	**(62,834)**	**(116,764)**
NAC	**(150,121)**	**–**	**(8,964)**	**(8,964)**	**26,904**	**2,559**	**–**	**–**	**–**	**–**	**2,559**	**(20,080)**	**(149,702)**
EPI	**–**	**–**	**(202)**	**(202)**	**–**	**40**	**–**	**–**	**–**	**–**	**40**	**(6,655)**	**(6,817)**
JSI	**–**	**–**	**(51)**	**(51)**	**–**	**11**	**–**	**–**	**–**	**–**	**11**	**(1,671)**	**(1,711)**
GRHI	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,752)**	**(1,752)**
DMC	**(3,405)**	**–**	**(207)**	**(207)**	**–**	**207**	**–**	**–**	**–**	**90**	**297**	**–**	**(3,315)**
Fair value of plan assets	**(1,303,872)**	**–**	**(84,054)**	**(84,054)**	**113,787**	**75,612**	**–**	**–**	**–**	**5,166**	**80,778**	**(266,967)**	**(1,460,328)**
RTN	**36,746**	**38,608**	**1,421**	**40,029**	**–**	**42,106**	**(112)**	**25,480**	**(22,703)**	**–**	**44,771**	**(72,000)**	**49,546**
TMC	**7,130**	**44,512**	**(1,470)**	**43,042**	**–**	**25,433**	**–**	**(12,528)**	**(22,835)**	**3,645**	**(6,285)**	**(92,000)**	**(48,113)**
HMC	**(16,368)**	**7,819**	**(1,175)**	**6,644**	**–**	**1,359**	**–**	**2,542**	**(3,320)**	**–**	**581**	**(9,975)**	**(19,118)**
CMC	**40,490**	**8,092**	**801**	**8,893**	**–**	**3,897**	**–**	**(3,319)**	**(2,718)**	**1,431**	**(709)**	**(62,834)**	**(14,160)**
NAC	**589**	**17,892**	**245**	**18,137**	**–**	**2,559**	**(4,697)**	**14,893**	**(1,970)**	**–**	**10,785**	**(20,080)**	**9,431**
EPI	**–**	**12,024**	**1,395**	**13,419**	**–**	**40**	**–**	**849**	**(832)**	**–**	**57**	**(6,655)**	**6,821**
JSI	**–**	**5,703**	**541**	**6,244**	**–**	**11**	**–**	**644**	**(421)**	**–**	**234**	**(1,671)**	**4,807**
GRHI	**–**	**3,329**	**–**	**3,329**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,752)**	**1,577**
DMC	**(118)**	**666**	**(7)**	**659**	**–**	**207**	**–**	**(1,868)**	**–**	**90**	**(1,571)**	**–**	**(1,030)**
Pension liability	**₱84,955**	**₱29,936**	**₱3,602**	**₱33,538**	**₱–**	**₱44,716**	**(₱4,809)**	**₱41,866**	**(₱25,926)**	**₱–**	**₱55,847**	**(₱102,158)**	**₱72,182**
Pension asset	**(₱16,486)**	**₱108,709**	**(₱1,851)**	**₱106,858**	**₱–**	**₱30,896**	**₱–**	**(₱15,173)**	**(₱28,873)**	**₱5,166**	**(₱7,984)**	**(₱164,809)**	**(₱82,421)**

	2024												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2024	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2024
RTN	₱630,139	₱44,236	₱38,565	₱82,801	(₱64,178)	₱–	₱971	(₱103,797)	₱1,805	₱–	(₱101,021)	₱–	₱547,741
TMC	467,546	43,088	28,707	71,795	(21,619)	–	–	(22,919)	2,934	–	(19,985)	–	497,737
HMC	63,495	7,171	3,892	11,063	(4,751)	–	–	339	319	–	658	–	70,465
CMC	96,383	7,949	5,899	13,848	(8,700)	–	–	690	180	–	870	–	102,401
NAC	125,636	16,153	7,651	23,804	–	–	(2,288)	3,731	(173)	–	1,270	–	150,710
DMC	1,312	1,877	98	1,975	–	–	–	–	–	–	–	–	3,287
Defined benefit liability	1,384,511	120,474	84,812	205,286	(99,248)	–	(1,317)	(121,956)	5,065	–	(118,208)	–	1,372,341
RTN	(408,095)	–	(27,395)	(27,395)	64,178	3,561	–	–	–	–	3,561	(143,244)	(510,995)
TMC	(375,957)	–	(25,766)	(25,766)	21,619	(1,503)	–	–	–	–	(1,503)	(109,000)	(490,607)
HMC	(79,418)	–	(4,999)	(4,999)	4,751	1,833	–	–	–	–	1,833	(9,000)	(86,833)
CMC	(33,864)	–	(2,875)	(2,875)	8,700	1,052	–	–	–	–	1,052	(34,924)	(61,911)
NAC	(113,068)	–	(7,787)	(7,787)	–	339	–	–	–	–	339	(29,605)	(150,121)
DMC	(3,405)	–	–	–	–	–	–	–	–	–	–	–	(3,405)
Fair value of plan assets	(1,012,348)	–	(68,822)	(68,822)	99,248	5,282	–	–	–	–	5,282	(325,773)	(1,303,872)
RTN	222,044	44,236	11,170	55,406	–	3,561	971	(103,797)	1,805	–	(97,460)	(143,244)	36,746
TMC	91,589	43,088	2,941	46,029	–	(1,503)	–	(22,919)	2,934	–	(21,488)	(109,000)	7,130
HMC	(15,923)	7,171	(1,107)	6,064	–	1,833	–	339	319	–	2,491	(9,000)	(16,368)
CMC	62,519	7,949	3,024	10,973	–	1,052	–	690	180	–	1,922	(34,924)	40,490
NAC	12,568	16,153	(136)	16,017	–	339	(2,288)	3,731	(173)	–	1,609	(29,605)	589
DMC	(2,093)	1,877	98	1,975	–	–	–	–	–	–	–	–	(118)
Pension liability	₱388,720	₱111,426	₱16,999	₱128,425	₱–	₱3,449	(₱1,317)	(₱122,295)	₱4,746	₱–	(₱115,417)	(₱316,773)	₱84,955
Pension asset	(₱18,016)	₱9,048	(₱1,009)	₱8,039	₱–	₱1,833	₱–	₱339	₱319	₱–	₱2,491	(₱9,000)	(₱16,486)

	2023												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2023	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2023
RTN	₱528,402	₱37,354	₱38,521	₱75,875	(₱49,213)	₱–	₱–	₱5,576	₱69,499	₱–	₱75,075	₱–	₱630,139
TMC	380,989	34,763	27,889	62,652	(29,660)	–	–	(4,744)	58,309	–	53,565	–	467,546
HMC	54,060	6,058	3,941	9,999	(5,177)	–	–	(2,501)	7,114	–	4,613	–	63,495
CMC	83,276	7,054	6,046	13,100	(10,918)	–	–	1,663	9,262	–	10,925	–	96,383
NAC	104,017	13,401	7,499	20,900	(7,436)	–	(4,851)	4,631	8,375	–	8,155	–	125,636
DMC	–	1,312	–	1,312	–	–	–	–	–	–	–	–	1,312
Defined benefit liability	1,150,744	99,942	83,896	183,838	(102,404)	–	(4,851)	4,625	152,559	–	152,333	–	1,384,511
RTN	(292,418)	–	(24,992)	(24,992)	49,213	10,143	–	–	–	–	10,143	(150,041)	(408,095)
TMC	(242,770)	–	(21,553)	(21,553)	29,660	(8,294)	–	–	–	–	(8,294)	(133,000)	(375,957)
HMC	(69,205)	–	(5,162)	(5,162)	5,177	(1,843)	–	–	–	–	(1,843)	(8,385)	(79,418)
CMC	(28,261)	–	(2,180)	(2,180)	8,711	103	–	–	–	–	103	(12,237)	(33,864)
NAC	(97,792)	–	(7,368)	(7,368)	7,436	901	–	–	–	–	901	(16,245)	(113,068)
DMC	–	–	–	–	–	–	–	–	–	–	–	(3,405)	(3,405)
Fair value of plan assets	(730,446)	–	(61,255)	(61,255)	100,197	1,010	–	–	–	–	1,010	(323,313)	(1,013,807)
RTN	235,984	37,354	13,529	50,883	–	10,143	–	5,576	69,499	–	85,218	(150,041)	222,044
TMC	138,219	34,763	6,336	41,099	–	(8,294)	–	(4,744)	58,309	–	45,271	(133,000)	91,589
HMC	(15,145)	6,058	(1,221)	4,837	–	(1,843)	–	(2,501)	7,114	–	2,770	(8,385)	(15,923)
CMC	55,015	7,054	3,866	10,920	(2,207)	103	–	1,663	9,262	–	11,028	(12,237)	62,519
NAC	6,225	13,401	131	13,532	–	901	(4,851)	4,631	8,375	–	9,056	(16,245)	12,568
DMC	–	1,312	–	1,312	–	–	–	–	–	–	–	(3,405)	(2,093)
Pension liability	₱435,443	₱92,572	₱23,862	₱116,434	(₱2,207)	₱2,853	(₱4,851)	₱7,126	₱145,445	₱–	₱150,573	(₱311,523)	₱388,720
Pension asset	(₱15,145)	₱7,370	(₱1,221)	₱6,149	₱–	(₱1,843)	₱–	(₱2,501)	₱7,114	₱–	₱2,770	(₱11,790)	(₱18,016)

The main categories of plan assets as a percentage of the fair value of total plan assets follow:

2025	**NAC**	**RTN**	**TMC**	**HMC**	**CMC**	**EPI**	**JSI**	**DMC**
Debt instruments	**90.02%**	**75.92%**	**72.46%**	**93.46%**	**47.97%**	**70.58%**	**77.75%**	**0.00%**
Equity instruments	**–**	**4.15%**	**26.23%**	**0.37%**	**38.62%**	**10.27%**	**11.69%**	**0.00%**
Others	**9.98%**	**19.93%**	**1.31%**	**6.17%**	**13.41%**	**19.15%**	**10.56%**	**100.00%**
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

2024	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Debt instruments	57.55%	84.23%	73.24%	88.39%	78.06%	0.00%	0.00%	0.00%
Equity instruments	39.78%	5.20%	23.95%	0.41%	16.25%	0.00%	0.00%	0.00%
Others	2.67%	10.57%	2.81%	11.20%	5.69%	0.00%	0.00%	0.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

2023	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Debt instruments	61.04%	72.54%	80.36%	83.66%	66.15%	0.00%	0.00%	0.00%
Equity instruments	16.36%	5.47%	18.47%	9.95%	27.76%	0.00%	0.00%	0.00%
Others	22.60%	21.99%	1.17%	6.39%	6.09%	0.00%	0.00%	0.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

The overall expected rate of return on assets is determined based on the market expectations prevailing on that date applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining the net pension asset (liability) for the Group's plans are shown below:

2025	**NAC**	**RTN**	**TMC**	**HMC**	**CMC**	**EPI**	**JSI**	**DMC**
Discount rates	**6.32%**	**6.45%**	**6.47%**	**6.47%**	**6.40%**	**6.54%**	**6.55%**	**6.38%**
Expected salary increase rates	**5.00%**	**5.00%**	**8.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**

2024	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Discount rates	6.11%	6.09%	6.09%	6.09%	6.10%	0.00%	0.00%	0.00%
Expected salary increase rates	5.00%	5.00%	8.00%	5.00%	5.00%	0.00%	0.00%	0.00%

2023	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Discount rates	6.09%	6.12%	6.14%	6.13%	6.12%	0.00%	0.00%	0.00%
Expected salary increase rates	5.00%	5.00%	8.00%	5.00%	5.00%	0.00%	0.00%	0.00%

Assumptions regarding future mortality rate are based on the 2001 CSO Table - Generational developed by the Society of Actuaries, which provides separate rates for males and females.

The sensitivity analyses below have been determined based on reasonably possible changes of each significant assumption on the net defined pension liability as at the end of the financial reporting period, assuming all other assumptions were held constant:

		Increase (Decrease)	
		2025	2024
Discount rates	+100 basis points	**(₱137,795)**	(₱133,520)
	-100 basis points	**162,201**	157,938
Salary increase rates	+100 basis points	**₱161,037**	₱156,147
	-100 basis points	**(139,376)**	(134,572)

The Group's retirement fund is being held in trust by a trustee bank and the Group expects to contribute at least ₱242.0 million to the defined benefit pension plan in 2026.

Shown below is the maturity analysis of the undiscounted benefit payments:

	2025	2024
Within one (1) year	**₱146,566**	₱140,248
Between two (2) and five (5) years	**421,638**	377,740
Between six (6) and ten (10) years	**769,065**	677,584
Total expected payments	**₱1,337,269**	₱1,195,572

The weighted average duration of the pension liability as at December 31, 2025 and 2024 is 11.0 years and 9.8 years, respectively.

33. Income Taxes

The provision for current income tax shown in the consolidated statements of income includes the Regular Corporate Income Tax (RCIT) of TMC, RTN, CMC, HMC, NAC and CDTN, Gross Income Tax (GIT) of TMC, RTN and JSI and Minimum Corporate Income Tax (MCIT) of DMC, EPI and NPPGC in 2025; RCIT of TMC, RTN, CMC, HMC and CDTN, GIT of TMC, RTN and JSI and MCIT of NAC, DMC, EPI, NPPGC and CEXCI in 2024; and RCIT of TMC, RTN, CMC, HMC, and CDTN, GIT of TMC, RTN and JSI and MCIT, using the effective rate of 1.5% in accordance with Revenue Memorandum Circular 69-2023, of NAC, EPI and CEXCI in 2023, as follows:

	2025	2024	2023
TMC	**₱1,580,461**	₱796,315	₱1,088,667
RTN	**783,289**	467,530	692,447
CMC	**325,884**	161,208	168,243
HMC	**223,942**	227,178	164,418
NAC	**73,844**	5,965	13,178
CDTN	**40,477**	69,372	91,411
JSI	**17,195**	28,777	2,426
DMC	**2,674**	4,937	–
EPI	**1,472**	2,745	3,487
NPPGC	**588**	116	–
CEXCI	**–**	11	4
	₱3,049,826	₱1,764,154	₱2,224,281

All other companies under the Group were in a gross and/or net taxable loss position in 2025, 2024 and 2023.

The reconciliation between the provision for (benefit from) income tax computed at the statutory income tax rate and the provision for (benefit from) income tax computed at the effective income tax rate as shown in the consolidated statements of income follows:

	2025	2024	2023
Income tax at statutory rate from non-registered activities	**₱4,252,302**	₱1,524,937	₱3,098,304
Add (deduct) tax effects of:			
Dividend income exempt from income tax	**(1,515,099)**	(943,195)	(892,161)
Derecognized deferred income tax assets	**329,153**	61,668	4,672
Expired net operating loss carry over (NOLCO) and excess of MCIT over RCIT	**152,795**	14	8
Reversal of excess stock options exercised	**142,128**	–	–
Interest income subjected to final tax	**(118,367)**	(157,501)	(139,396)
Nondeductible expenses	**86,660**	76,567	49,763
Changes in unrecognized deferred income tax assets	**82,679**	1,068,356	307,695
Nontaxable income	**(39,467)**	(11,842)	(12,436)
Income subjected to other taxes	**(33,571)**	(4,471)	(46,912)
Effect of change in tax rate	**21,520**	4,988	35,231
Movements in deductible temporary differences for which deferred income taxes were recognized	**(13,614)**	(13,868)	(3,643)
Actual exercise of employee stock option plan	**–**	–	(180,006)
	3,347,119	1,605,653	2,221,119
Income tax at statutory rate from PEZA/SBMA registered activities	**15,874**	28,508	5,632
Add (deduct) tax effects of:			
Nondeductible expenses	**5,950**	6,131	3,549
Interest income subjected to final tax	**(2,970)**	(1,696)	(415)
Changes in unrecognized deferred income tax assets	**1,950**	–	–
Nontaxable income	**(19)**	(207)	(1,889)
	20,785	32,736	6,877
Income tax at effective rates	**₱3,367,904**	₱1,638,389	₱2,227,996

The components of the Group's net deferred income tax assets and liabilities follow:

	2025	2024
Deferred income tax assets		
At 25%		
Provision for mine rehabilitation and decommissioning	**₱161,348**	₱231,849
Undepleted asset retirement obligation	**(78,878)**	(119,349)
Unamortized past service cost	**73,582**	93,624
NOLCO	**70,821**	74,044
Allowance for impairment losses on:		
Input VAT	**17,860**	24,862
Investment in a subsidiary and associates	**9,271**	283,437
Inventories	**4,010**	6,774
Advances to suppliers and contractors	**–**	38,155
Deferred mine exploration costs	**–**	16,166
Unrealized valuation losses on financial assets at FVTPL	**27,448**	22,556
Unamortized ROU assets	**(27,151)**	(31,657)
Lease liabilities	**26,489**	31,927
Unrealized foreign exchange gains - net	**(22,367)**	(46,418)
Pension costs	**6,826**	17,588
Allowance for ECL on trade and other receivables	**1,191**	4,741
Unrealized valuation gains on forward contracts	**(94)**	(3,519)
Excess of MCIT over RCIT	**–**	19,142
Accrual for quarry materials	**–**	10,358
At 15%		
Unrealized valuation gains on financial assets at FVTPL	**–**	(120,408)
At 5%		
Deferred income	**–**	1,676
Unrealized foreign exchange gains	**–**	(973)
Pension costs	**–**	38
	₱270,356	₱554,613
Deferred income tax liabilities		
At 25%		
Fair value adjustment arising from business combination	**₱134,079**	₱134,580
Provision for mine rehabilitation and decommissioning	**(74,766)**	–
Asset revaluation surplus	**60,912**	61,224
Lease liabilities	**(45,840)**	(43,261)
Unamortized ROU assets	**45,623**	44,853
Unamortized past service cost	**(31,834)**	–
Undepleted asset retirement obligation	**26,775**	–
Allowance for impairment losses on:		
Advances to suppliers and contractors	**(16,189)**	–
Input VAT	**(4,148)**	–
Inventories	**(2,764)**	–
Investment in a subsidiary and associates	**(261)**	–
Unrealized foreign exchange gains - net	**12,395**	36,385
Pension costs	**12,254**	–
Allowance for ECL on trade and other receivables	**(3,550)**	–
Unamortized debt issue costs	**(1,563)**	1,573
Capitalized borrowing cost	**182**	182

(Forward)

	2025	2024
At 15%		
Share in cumulative translation adjustment (see Note 10)	**₱146,267**	₱259,333
Unrealized valuation gains on financial assets at FVTPL	**141,927**	–
At 5%		
Capitalized borrowing cost	**22,450**	20,885
Unamortized ROU assets	**(9,057)**	(3,600)
Lease liabilities	**(2,576)**	(7,226)
Unrealized foreign exchange gains - net	**2,125**	–
Deferred income	**(1,467)**	–
Unamortized debt issue costs	**949**	1,253
Allowance for ECL on trade and other receivables	**(320)**	(312)
Pension costs	**(274)**	–
Unamortized past service cost	**(23)**	–
	₱411,306	₱505,869

The Group did not recognize deferred income tax assets on the following temporary differences since the management believes that it is not probable that sufficient taxable income will be available against which the benefits of the net deferred income tax assets can be utilized in the future.

	2025	2024
Allowance for impairment losses	**₱4,828,516**	₱4,236,017
NOLCO	**3,048,941**	3,295,044
Excess of MCIT over RCIT	**16,034**	14,224
Allowance for ECL	**15,802**	15,453
Pension cost	**6,764**	–
Unamortized past service cost	**1,300**	–
Unrealized foreign exchange gains - net	**(446)**	(435)
	₱7,916,911	₱7,560,303

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover as One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. Ordinarily, NOLCO can be carried over as deduction from gross income for the next three (3) consecutive years only.

The Group's NOLCO that can be claimed as deduction from future taxable income follows:

Year Incurred	Company	Year of Expiration	NOLCO 2025	NOLCO 2024
2025	EPI	2028	**₱552,029**	₱–
	DMC		**232,757**	–
	GRHI		**95,132**	–
	CEXCI		**52,830**	–
	MGPC		**21,917**	–
	LCSLC		**8,589**	–
	CSPC		**6,821**	–
	BHI		**1,972**	–
	Newminco		**213**	–

(Forward)

Year Incurred	Company	Year of Expiration	NOLCO **2025**	NOLCO 2024
2025	TSWPC		**₱176**	~~₱~~ –
	SNMRC		**165**	–
	SSPC		**158**	–
	EESC		**143**	–
	EER 2		**129**	–
	SMSPC		**129**	–
	SASPC		**126**	–
	EER 1		**122**	–
	EER 3		**122**	–
2024	EPI	2027	**539,557**	539,557
	DMC		**187,047**	187,047
	GRHI		**132,723**	132,723
	SISPC		**50,526**	68,484
	CEXCI		**36,362**	36,362
	LCSLC		**9,152**	9,152
	CSPC		**5,865**	5,865
	MGPC		**3,074**	3,074
	BHI		**2,089**	2,089
	NSPC		**562**	16,991
	EER 1		**492**	492
	NPPGC		**435**	15,537
	EER 2		**246**	246
	SMSPC		**229**	229
	SASPC		**214**	214
	Newminco		**194**	194
	SSPC		**189**	189
	TSWPC		**179**	179
	SNMRC		**171**	171
	EER 3		**101**	101
	EESC		**95**	95
	NAC		**–**	10,739
2023	EPI	2026	**401,752**	401,752
	DMC		**296,177**	296,177
	GRHI		**163,744**	163,744
	CEXCI		**59,368**	59,368
	MGPC		**2,770**	2,770
	BHI		**1,503**	1,503
	LCSLC		**720**	720
	Newminco		**538**	538
	SNMRC		**173**	173
	CSPC		**106**	106
	SMSPC		**106**	106
	SSPC		**106**	106
	SASPC		**103**	103
	TSWPC		**103**	103
	NAC		**–**	569,649
	NPPGC		**–**	1,687
	SISPC		**–**	347
2022	EPI	2025	**–**	188,838
	GRHI		**–**	37,879
	CEXCI		**–**	25,376
	MGPC		**–**	1,432

(Forward)

Year Incurred	Company	Year of Expiration	NOLCO **2025**	NOLCO 2024
2022	Newminco		**₱–**	₱407
	LCSLC		**–**	234
	SNMRC		**–**	173
	NPPGC		**–**	126
	BHI		**–**	96
2021	EPI	2026	**297,851**	297,851
	DMC		**127,305**	127,305
	CEXCI		**34,295**	34,295
	MGPC		**1,621**	1,621
	Newminco		**280**	280
	LCSLC		**230**	230
	SNMRC		**175**	175
	BHI		**161**	161
	NPPGC		**–**	72
2020	EPI	2025	**–**	188,981
	DMC		**–**	128,360
	CEXCI		**–**	26,425
	MGPC		**–**	1,268
	Newminco		**–**	257
	LCSLC		**–**	253
	SNMRC		**–**	246
	BHI		**–**	164
	NPPGC		**–**	33
			₱3,332,219	₱3,591,220

The movements in NOLCO are as follows:

	2025	2024
Balances at January 1	**₱3,591,220**	₱2,561,490
Additions	**973,530**	1,029,730
Expirations	**(600,389)**	–
Reversals	**(569,649)**	–
Applications	**(62,493)**	–
Balances at December 31	**₱3,332,219**	₱3,591,220

The Group's excess of MCIT over RCIT that can be claimed as deduction from future income tax liabilities follows:

Year Incurred	Company	Year of Expiration	Excess of MCIT over RCIT **2025**	Excess of MCIT over RCIT 2024
2025	DMC	2028	**₱2,674**	₱–
	EPI		**1,472**	–
	NPPGC		**588**	–
2024	DMC	2027	**4,937**	4,937
	EPI		**2,745**	2,745
	NPPGC		**116**	116
	CEXCI		**11**	11
	NAC		**–**	5,964
2023	EPI	2026	**3,487**	3,487
	CEXCI		**4**	4
	NAC		**–**	13,178

(Forward)

Year Incurred	Company	Year of Expiration	Excess of MCIT over RCIT 2025	2024
2022	DMC	2025	~~₱~~–	₱2,801
	CEXCI		–	70
	EPI		–	53
			₱16,034	₱33,366

The movements in excess of MCIT over RCIT are as follows:

	2025	2024
Balances at January 1	**₱33,366**	₱19,607
Derecognition	**(13,178)**	–
Applications	**(5,964)**	–
Additions	**4,734**	13,773
Expirations	**(2,924)**	(14)
Balances at December 31	**₱16,034**	₱33,366

34. Financial Risk Management Objectives and Policies and Capital Management

The Group's main financial instruments are cash and cash equivalents, financial assets at FVTPL, at FVOCI and at amortized cost and short-term and long-term debts. The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Group. The Group has various other financial assets and liabilities such as trade and other receivables, MRF, restricted cash, SDMP funds, trade and other payables and lease liabilities which arise directly from its operations, investing and financing activities.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below.

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 primarily from its operating and investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage this risk, the Group deals only with related parties and creditworthy financial institutions and third parties.

The table below summarizes the Group's gross maximum exposure from its financial instruments. These amounts are gross of collateral and credit enhancements, but net of any amounts offset and allowance for impairment losses:

	2025	2024
Cash and cash equivalents (except cash on hand)	**₱17,569,200**	₱12,930,541
Trade and other receivables		
Trade	**1,211,859**	837,985
Amounts owed by related parties	**286,470**	259,997
Interest receivable	**37,342**	67,368
Others	**106,158**	172,675

(Forward)

	2025	2024
Financial assets at:		
FVOCI	**₱406,604**	₱429,188
Amortized cost	**275,000**	375,000
Other noncurrent assets		
MRF	**1,000,195**	913,141
Restricted cash	**560,501**	245,497
SDMP funds	**80,011**	100,714
Total credit risk exposure	**₱21,533,340**	₱16,332,106

Cash and Cash Equivalents (except Cash on Hand), Financial Assets at FVOCI and at Amortized Cost, MRF, Restricted Cash and SDMP Funds

In determining the credit risk exposure, the Group has established PD rates based on available credit ratings published by Credit Rating Agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics. While cash with banks and short-term cash investments are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and Other Receivables

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a twelve (12)-month expected loss allowance for all trade and other receivables. The ECL on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and the inflation rate of the countries in which it sells its goods and services as the most relevant factors for its trade receivables and accordingly adjusts the historical loss rates based on expected changes in these factors.

Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

		Days Past Due				
	Current	**< 30 days**	**31-60 days**	**61-90 days**	**> 90 days**	**Total**
2025						
ECL rate	**0%**	**0%**	**0%**	**0%**	**100%**	
Estimated total gross carrying amount at default	**₱956,872**	**₱328,564**	**₱21,818**	**₱334,575**	**₱31,192**	**₱1,673,021**
ECL	**₱–**	**₱–**	**₱–**	**₱–**	**₱31,192**	**₱31,192**
2024						
ECL rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	₱957,615	₱58,438	₱13,726	₱308,246	₱30,691	₱1,368,716
ECL	₱–	₱–	₱–	₱–	₱30,691	₱30,691

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet commitments from financial instruments.

The Group's objective is to maintain sufficient funding to finance its exploration, mining and power generation activities through internally generated funds, aggressive receivable collection, advances from related parties and borrowings from banks. Aside from yielding good returns, the Group ensures that investments have ample liquidity to finance operations and capital requirements. The Group considers its available funds and its liquidity in managing its long-term financial requirements. For its short-term funding, the Group's policy is to ensure that there are sufficient capital inflows to match repayments of short-term debts and obligations.

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, 2025 and 2024 based on contractual undiscounted payments.

2025	**On Demand**	**Less Than Three (3) Months**	**Three (3) To Twelve (12) Months**	**More Than One (1) Year**	**Total**
Trade and other payables					
Trade	₱–	₱1,241,923	₱–	₱–	₱1,241,923
Accrued expenses	–	252,646	436,505	–	689,151
Retention fees payable	–	132,465	1,022,320	–	1,154,785
Interest payable	–	64,200	10,494	–	74,694
Contract liabilities	–	27,547	–	–	27,547
Dividends payable	–	–	22,500	–	22,500
Others	–	78,151	8,097	–	86,248
Short-term debts					
Carrying amount	–	–	5,048,156	–	5,048,156
Unamortized debt issue cost	–	–	1,844	–	1,844
Long-term debts					
Carrying amount	–	70,958	383,873	8,905,970	9,360,801
Unamortized debt issue cost	–	2,952	9,199	109,166	121,317
Lease liabilities					
Carrying amount	–	25,629	86,282	1,083,244	1,195,155
Unamortized discount	–	–	–	3,956,706	3,956,706
	₱–	**₱1,896,471**	**₱7,029,270**	**₱14,055,086**	**₱22,980,827**

2024	On Demand	Less Than Three (3) Months	Three (3) To Twelve (12) Months	More Than One (1) Year	Total
Trade and other payables					
Trade	₱–	₱2,039,678	₱40,653	₱–	₱2,080,331
Accrued expenses	–	123,370	591,986	–	715,356
Retention fees payable	854	498,449	101,822	–	601,125
Interest payable	–	37,392	8,892	–	46,284
Contract liabilities	–	162,019	–	–	162,019
Dividends payable	–	157,125	–	–	157,125
Others	80,394	17,085	6,953	–	104,432
Short-term debts					
Carrying amount	–	–	6,985,614	–	6,985,614
Unamortized debt issue cost	–	–	14,386	–	14,386
Long-term debts					
Carrying amount	–	75,104	297,045	2,060,388	2,432,537
Unamortized debt issue cost	–	1,397	4,056	14,742	20,195
Lease liabilities					
Carrying amount	–	21,401	74,292	877,441	973,134
Unamortized discount	–	–	–	3,767,446	3,767,446
	₱81,248	₱3,133,020	₱8,125,699	₱6,720,017	₱18,059,984

The tables below summarize the maturity profile of the Group's financial assets used to manage the liquidity risk of the Group as at December 31, 2025 and 2024.

2025	On Demand	Less Than Three (3) Months	Three (3) to Twelve (12) Months	More Than One (1) Year	Total
Cash and cash equivalents					
Cash on hand and with banks	₱5,883,807	₱–	₱–	₱–	₱5,883,807
Short-term cash investments	11,667,911	–	–	–	11,667,911
Cash under managed funds	22,650	–	–	–	22,650
Trade and other receivables					
Trade	–	1,205,951	5,908	–	1,211,859
Amounts owed by related parties	774	–	285,696	–	286,470
Interest receivable	–	37,161	181	–	37,342
Forward contracts receivable	–	375	–	–	375
Others	77,874	28,284	–	–	106,158
Financial assets at:					
FVTPL	1,531,921	–	–	1,121,138	2,653,059
FVOCI	406,604	–	–	–	406,604
Amortized cost	–	–	–	275,000	275,000
Other noncurrent assets					
MRF	–	–	–	1,000,195	1,000,195
Restricted cash	–	–	560,501	–	560,501
SDMP funds	–	–	80,011	–	80,011
	₱19,591,541	**₱1,271,771**	**₱932,297**	**₱2,396,333**	**₱24,191,942**

2024	On Demand	Less Than Three (3) Months	Three (3) to Twelve (12) Months	More Than One (1) Year	Total
Cash and cash equivalents					
Cash on hand and with banks	₱4,025,632	₱–	₱–	₱–	₱4,025,632
Short-term cash investments	8,905,392	–	–	–	8,905,392
Cash under managed funds	4,248	–	–	–	4,248
Trade and other receivables					
Trade	–	768,330	69,655	–	837,985
Amounts owed by related parties	801	–	259,196	–	259,997
Interest receivable	–	58,052	9,316	–	67,368
Forward contracts receivables	–	2,317	11,759	–	14,076
Others	156,268	16,407	–	–	172,675
Financial assets at:					
FVTPL	1,421,570	–	–	985,979	2,407,549
FVOCI	429,188	–	–	–	429,188
Amortized cost	–	–	100,000	275,000	375,000
Other noncurrent assets					
MRF	–	–	–	913,141	913,141
Restricted cash	–	–	245,497	–	245,497
SDMP funds	–	–	100,714	–	100,714
	₱14,943,099	₱845,106	₱796,137	₱2,174,120	₱18,758,462

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in foreign currency exchanges rates, commodity prices, interest rates, equity prices and other market changes.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

Transactions with companies outside the Philippines and with CBNC and THNC for the sale of saprolite and limonite ore and with World Aviation International Services Corporation (WAISC) for the lease of aircraft are carried out with currencies that management believes to be stable such as the US$.

The Group has transactional currency exposures. Such exposure arises from cash and cash equivalents, trade and other receivables, financial assets at FVTPL, trade and other payables and long-term debts in US$. The Group manages its foreign currency risk by hedging transactions that are expected to occur within one (1) year for hedges of forecasted revenue from sale of ore.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point where the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

In 2025 and 2024, the Group hedged around 60% and 24%, respectively, of its annual revenue from sale of ore. The hedged revenues were highly probable at the end of the financial reporting period. This foreign currency risk is hedged by using foreign currency forward contracts.

Moreover, to mitigate the effects of foreign currency risk, the Group ensures timely follow-up and accelerates the collection of foreign currency-denominated receivables and the settlement of foreign currency-denominated payables and loans, whenever practicable. Also, foreign exchange movements are monitored daily.

The Group's foreign currency-denominated financial instruments and their Philippine peso equivalents as at December 31, 2025 and 2024 are as follows:

	2025		2024	
	US$ Amount	**Peso Equivalent**	US$ Amount	Peso Equivalent
Financial assets				
Cash and cash equivalents	**$100,610**	**₱5,914,441**	$112,571	₱6,511,087
Trade and other receivables	**15,523**	**912,595**	9,859	570,280
Financial assets at FVTPL	**24,091**	**1,416,310**	23,237	1,344,140
	$140,224	**₱8,243,346**	$145,667	₱8,425,507
Financial liabilities				
Trade and other payables	**$17,077**	**₱1,003,985**	$19,648	₱1,136,535
Long-term debts	**9,625**	**565,854**	11,375	657,987
	$26,702	**₱1,569,839**	$31,023	₱1,794,522
Net financial assets	**$113,522**	**₱6,673,507**	$114,644	₱6,630,985

The exchange rate used for conversion of US$1 to peso equivalent was ₱58.79 and ₱57.84 as at December 31, 2025 and 2024, respectively.

The sensitivity to a reasonably possible change in the exchange rate, with all other variables held constant, of the Group's income before income tax (due to changes in fair value of monetary assets and liabilities) as at December 31, 2025 and 2024 are as follows:

	Peso Strengthens (Weakens)	Sensitivity to Income before Income Tax
2025	**₱0.75**	**(₱85,141)**
	(1.05)	**119,198**

	Peso Strengthens (Weakens)	Sensitivity to Income before Income Tax
2024	₱1.15	(₱131,841)
	(1.05)	120,376

There is no other impact on the Group's equity other than those already affecting the consolidated statements of income.

Interest Rate Risk
The Group's exposure to the risk of changes in market interest rates relates to quoted fixed and floating debt instruments and the floating rate of long-term debts.

Floating rate instruments expose the Group to cash flow interest rate risk, whereas fixed interest rate instruments expose the Group to fair value risk. The Group regularly monitors the market interest rate movements and manages its interest rate risks by using a mix of fixed and variable rates.

The following table sets out the carrying amount, by maturity, of the Group's long-term debts that is exposed to cash flow interest rate risk:

	<1 Year	1-5 Years	> 5 Years	Total
2025	**₱454,831**	**₱2,886,825**	**₱6,019,145**	**₱9,360,801**
2024	₱372,149	₱1,908,545	₱151,843	₱2,432,537

Management believes that cash generated from operations is sufficient to pay for its obligations under the loan agreements as they fall due.

The sensitivity to a reasonably possible change in the interest rate (in basis points), with all other variables held constant, in the Group's income before income tax and equity as at December 31, 2025 and 2024 are as follows:

		Change in Interest Rates (in basis points)	Sensitivity to Income before Income Tax	Sensitivity to Equity
2025	**Financial assets**	**+100**		**₱21,764**
		-100		**(21,764)**
	Long-term debts	**+100**	**(₱93,608)**	
		-100	**93,608**	
2024	Financial assets	+100		₱21,921
		-100		(21,921)
	Long-term debts	+100	(₱24,325)	
		-100	24,325	

The impact on the Group's income before income tax is caused by changes in the interest of the floating-rate long-term debts, while the impact on the Group's equity is caused by the changes in the market value of quoted debt instruments due to interest rate movements. The impact on the Group's equity excludes the impact on transactions affecting the consolidated statements of income.

Equity Price Risk
Equity price risk is the risk to earnings or capital arising from changes in stock prices relating to the quoted equity securities. The Group's exposure to equity price risk relates primarily to its financial assets on various stocks of listed companies.

The Group's policy is to maintain the risk to an acceptable level. Movement of the share price is monitored regularly to determine the impact on its financial position.

The table below shows the sensitivity to a reasonably possible change in equity prices of quoted equity instruments as at December 31, 2025 and 2024, except equity-linked investments.

	Average Change in Market Indices (in percentage)	Sensitivity to Equity
2025	**16.68%**	**₱2,281**
	-16.68%	**(2,281)**
2024	15.34%	₱4,336
	-15.34%	(4,336)

The equity impact is arrived using the reasonably possible change of the relevant market indices and the specific adjusted beta of each stock the Group holds. Adjusted beta is the forecasted measure of the volatility of a security or a portfolio in comparison to the market as a whole.

Capital Management
The Group considers its equity as capital. Its primary objective in capital management is to maintain a strong credit rating 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 issue new shares or adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the years ended December 31, 2025 and 2024.

The Group monitors capital using the debt-to-equity ratio, which is total liabilities divided by equity. The Group's policy is to keep the debt-to-equity ratio to not more than 1:1. Total liabilities include trade and other payables, short-term and long-term debts, income tax payable, other current liability, lease liabilities, deferred income, provision for mine rehabilitation and decommissioning, deferred income tax liabilities and pension liability.

The Group considers the following as capital:

	2025	2024
Capital stock	**₱6,999,974**	₱6,999,974
Additional paid-in capital	**9,205,802**	9,205,802
Share in cumulative translation adjustment	**828,842**	1,469,552
Cost of share-based payment plan	**154,296**	154,296
Asset revaluation surplus	**29,033**	29,416
Net valuation gains (losses) on:		
Financial assets at FVOCI	**2,633**	(1,226)
Forward contracts	**168**	7,659

(Forward)

	2025	2024
Retained earnings:		
Unappropriated	**₱22,497,121**	₱18,760,066
Appropriated	**135,000**	135,000
Treasury stock	**(134,014)**	(134,014)
NCI	**8,109,751**	7,786,697
	₱47,828,606	₱44,413,222

The table below shows the Group's debt-to-equity ratio as at December 31, 2025 and 2024.

	2025	2024
Total liabilities (a)	**₱22,339,405**	₱17,237,579
Equity (b)	**47,828,606**	44,413,222
Debt-to-equity ratios (a/b)	**0.47:1**	0.39:1

The Group is not exposed to externally imposed capital requirements.

35. Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash and Cash Equivalents
The carrying amounts of cash and cash equivalents approximate their fair value due to the short-term nature and maturity of these financial instruments.

Trade and Other Receivables, Trade and Other Payables and Short-term Debts
Similarly, the carrying amounts of trade and other receivables, trade and other payables and short-term debts approximate their fair values due to the short-term nature of these accounts.

Financial Assets at FVTPL and at FVOCI and Forward Contracts Receivable
The fair values were determined by reference to market bid quotes as at the end of the financial reporting period. Upon adoption of PFRS 9, the Group used the net asset approach with consideration of lack of marketability discount and lack of control discount in determining the fair value of unquoted equity securities since the fair value measurement is unobservable (Level 3).

Financial Assets at Amortized Cost
The carrying amount of financial assets at amortized cost, which is measured using the EIR, is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR.

MRF, Restricted Cash and SDMP Funds
The carrying amounts of MRF, restricted cash and SDMP funds also approximate their fair values since they are restricted cash with banks, which earn interest based on prevailing market rates repriced monthly.

Long-term Debts and Lease Liabilities
The fair values of long-term debts and lease liabilities are based on the present value of future cash flows discounted using applicable risk-free rates for similar types of loans or liabilities adjusted for credit risk.

Fair Value Hierarchy of Financial Instruments

As at December 31, 2025 and 2024, the fair value of the quoted debt and equity securities at the close of the business is the quoted market price (Level 1) and the fair value of unquoted equity securities is determined using the net asset approach since the fair value measurement is unobservable (Level 3).

As at December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

	2025			2024		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets measured at fair value						
Forward contracts receivable	**₱375**	**₱–**	**₱–**	₱14,076	₱–	₱–
Financial assets at:						
FVTPL	**1,796,914**	**–**	**856,145**	1,709,262	–	698,287
FVOCI	**406,604**	**–**	**–**	429,188	–	–
	₱2,203,893	**₱–**	**₱856,145**	₱2,152,526	₱–	₱698,287

Derivative Designated as Hedging Instruments

Cash Flow Hedges - Currency Forwards

As part of the Group's asset and liability management, the Group uses derivatives, particularly currency forwards, as cash flow hedges to reduce its exposure to foreign currency risks. Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US$. The forecast transactions are highly probable, and they comprise about 30%-50% of the Group's total expected sales in US$. On February 25, 2025, the BOD approved to increase the hedge limit up to 100% of the Group's total expected sales in US$. The foreign exchange forward contracts balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

As at December 31, 2025 and 2024, the Group is holding the following currency forward contracts:

	Less than Three (3) Months	Three (3) to Twelve (12) Months	Total
2025			
Principal in US$	**$1,633**	**$–**	**$1,633**
Average forward rate - US$/₱ rate	**₱59.06**	**₱–**	**₱59.06**
2024			
Principal in US$	$4,727	$17,694	$22,421
Average forward rate - US$/₱ rate	₱58.34	₱58.51	₱58.47

The impact of the currency forward contracts on the consolidated statements of financial position follows:

	Forward Contracts Receivable (see Note 5)	
	Notional Amount	Carrying Amount
2025	**$1,633**	**₱375**
2024	22,421	14,076

The effect of the cash flow hedge on the consolidated statements of income and other comprehensive income follows:

	Effects on Statements of Income			
	Effective Hedge			Ineffective Hedge
	Gains (Losses) Recognized in Other Comprehensive Income	Impact on Sale of Ore (see Note 28)	Gain on Forward Contracts - net (see Notes 25 and 26)	Total	Gain on Forward Contracts - net (see Notes 25 and 26)
2025	**(₱19,861)**	**(₱6,159)**	**₱17,185**	**₱11,026**	**₱41,266**
2024	14,076	–	68,428	68,428	–

The movements in "Net valuation gains on forward contracts" presented as a separate component of equity follows:

	2025	2024
Balances at January 1	**₱10,557**	₱–
Movements recognized in equity:		
Gains (losses) recognized in equity	**(19,861)**	14,076
Reclassification adjustments for losses included in the consolidated statements of income	**6,159**	–
Income tax effect (see Note 33)	**3,425**	(3,519)
Valuation gains (losses) taken into the consolidated statements of comprehensive income - net of tax	**(10,277)**	10,557
Less share of NCI in gains recognized in equity	**(112)**	(2,898)
Balances at December 31	**₱168**	₱7,659

36. Significant Agreements and Other Matters

Significant Agreements

a. Mining Agreements

i. *Mineral Production Sharing Agreements (MPSAs)*

RTN

On June 4, 1998, the Government approved the conversion of RTN's Mining Lease Contracts under the old mining regime into an MPSA with the Government pursuant to the Philippine Mining Act of 1995. The MPSA allows RTN to explore, develop and continue mining operations for nickel ore within the contract area covering 990 hectares in the Municipality of Bataraza, Southern Palawan Island. On October 28, 2019, the MPSA was amended to include 3,548 hectares.

On April 28, 2005, RTN and the Government entered into another MPSA covering 85 hectares in the Municipality of Bataraza, which allows RTN to mine limestone in Sitio Gotok. Limestone being mined by RTN pursuant to this second MPSA is being sold to CBNC, for the latter's HPAL plant.

Under both MPSAs, RTN pays a 4% excise tax on gross revenues as provided in the Philippine National International Revenue Code as the Government's share in its output. Both MPSAs are valid for twenty-five (25) years from issuance and renewable for another term of not more than twenty-five (25) years at the option of RTN, with approval from the Government.

As at February 25, 2026, the MPSAs of RTN are valid and in effect.

HMC

Taganaan Nickel Project

On July 25, 2008, the Government approved the conversion of HMC's Mining Lease Contract into an MPSA, which allows HMC to explore, develop and continue mining operations for nickel ore within the contract area covering 774 hectares in the Municipality of Taganaan, Surigao del Norte. Under the MPSA, HMC pays the Government a 4% excise tax and a 5% royalty on gross revenues, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of HMC, with approval from the Government.

As at February 25, 2026, the MPSA of HMC in Taganaan is valid and in effect.

Manicani Nickel Project

On August 13, 1992, HMC and the Government entered into an MPSA, which allows HMC to explore, develop and mine nickel ore within the contract area covering 1,165 hectares in Manicani Island, Municipality of Guiuan, Eastern Samar. Under the MPSA, HMC shall pay the Government a 4% excise tax, 1% royalty and 10% of its net revenues, defined as gross revenues less all cost items that are deductible for income tax purposes. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of HMC, with approval from the Government.

On May 23, 2016, HMC applied for the renewal of its MPSA in Manicani which expired on August 13, 2017. On March 2, 2022, the DENR extended the MPSA between the Government and HMC for fifteen (15) years and lifted the suspension of HMC's operations in Manicani Island, Guiuan, Eastern Samar.

As at February 25, 2026, the MPSA of HMC in Manicani is valid and in effect.

TMC

On July 28, 2008, the Government approved the conversion of TMC's Operating Contract into an MPSA, which allows TMC to explore, develop and continue mining operations for nickel ore within the contract area covering 4,585 hectares in the Municipality of Claver, Surigao del Norte. On June 18, 2009, the MPSA was amended, increasing the contract area to 4,863 hectares. The MPSA is valid until July 28, 2033.

Under the MPSA, TMC pays the Government a 4% excise tax and a 5% royalty, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of TMC, with approval from the Government.

As at February 25, 2026, the MPSA of TMC is valid and in effect.

DMC

On July 30, 2007, the Platinum Group Metals Corporation (PGMC) and the Government entered into an MPSA, which allows PGMC to explore, develop and mine nickel ore within the contract area covering 2,392 hectares in the Municipality of Dinapigue, Province of Isabela.

On January 6, 2009, PGMC and DMC executed a Deed of Assignment transferring to DMC all the rights, title, and interest in and into the MPSA over the contract area.

Under the MPSA, DMC shall pay the Government a 4% excise tax. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of DMC, with approval from the Government.

As at February 25, 2026, the MPSA of DMC is valid and in effect.

ii. Operating Agreements

TMC

La Salle

On December 18, 2006, TMC entered into an Operating Agreement with La Salle, the holder of an Application for MPSA covering 6,824 hectares in the Municipality of Gigaquit, Surigao del Norte. The Operating Agreement allows TMC to explore, develop and mine nickel ore and limestone once the MPSA is approved, and obliges it to assist La Salle in obtaining the MPSA and to comply with the terms thereof once issued. Subsequent to the Operating Agreement, La Salle filed an amended MPSA plan and reduced the area to 972 hectares.

The Operating Agreement specifies a royalty to La Salle of 5% for nickel ore and ₱10.00 per metric ton for limestone. Upon signing the Operating Agreement, TMC made an advance royalty payment of ₱1.0 million repayable by deductions from future royalties at a rate of 25% per year over a period of four (4) years.

On January 11, 2016, TMC issued a Notice of Exclusion of the limestone deposit from the Operating Agreement with La Salle.

On January 30, 2024, TMC rescinded and terminated the Operating Agreement with La Salle, which was approved by MGB on July 8, 2024. In 2025, TMC written off the advances and royalties related to La Salle. These advances and royalties were previously recognized with provision for impairment losses of ₱2.6 million in 2023.

Advance royalties and advances to claimowners, under “Other noncurrent assets”, amounted to nil as at December 31, 2025 and ₱0.8 million and ₱1.8 million, respectively, as at December 31, 2024.

Kepha

On February 14, 2007, TMC entered into an Operating Agreement with Kepha. The Operating Agreement allows TMC to explore, develop and mine nickel ore and limestone and obliges it to comply with the terms of the MPSA.

The Operating Agreement specifies a royalty to Kepha of 5% for nickel ore and ₱10.00 per metric ton for limestone. Upon signing the Operating Agreement, TMC made an advance royalty payment of US$1.0 million and ₱6.3 million, repayable by deductions from future royalties at a rate of 10% per year over a period of ten (10) years.

On June 19, 2009, the MPSA was issued to Kepha. Under the terms thereof, upon the start of mining operations, TMC shall pay the Government a 4% excise tax and a 5% royalty, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of Kepha, with approval from the Government.

On September 10, 2018 and March 19, 2021, the MGB approved the second and third renewal, respectively, of Kepha's two (2) year exploration period.

On January 30, 2024, TMC rescinded and terminated the Operating Agreement with Kepha, which was approved by MGB on July 8, 2024. There was no drilling activities related to the Kepha project in 2025 and 2024.

In 2025, TMC written off the advances, royalties and deferred mine exploration costs related to Kepha. The advances and deferred mine explorations costs were previously recognized with provision for impairment losses of ₱101.0 million and ₱64.7 million, respectively, in 2023.

Advance royalties and advances to claimowners, under "Other noncurrent assets", amounted to nil as at December 31, 2025 and ₱55.1 million and ₱45.9 million, respectively, as at December 31, 2024. Exploration cost charged to "Deferred mine exploration cost" amounted to nil and ₱64.7 million as at December 31, 2025 and 2024, respectively.

CMC

East Coast Mineral Resources Co., Inc. (East Coast)

On November 19, 1997, CMC entered into a Memorandum of Agreement (MOA) with East Coast, the holder of an MPSA with the Government issued on the same date, covering a contract area of 697 hectares in the Municipality of Cagdianao, Dinagat Islands. The MOA allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, CMC and East Coast executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to East Coast and paid royalties amounting to ₱150.0 million. Thereafter, CMC shall pay East Coast commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 2, 2022, the DENR approved the renewal of the MPSA for another twenty-five (25) years commencing from November 19, 2022 subject to the same terms and conditions provided in the initial MPSA.

As at February 25, 2026, the MOA has not been terminated and continues to be in full force and effect subject to the supplemental terms agreed by CMC and East Coast.

The commission expense related to East Coast that is reported under "Marketing" amounted to ₱129.3 million, ₱92.6 million and ₱97.3 million in 2025, 2024 and 2023, respectively.

DMC

DMC and NiHAO Mineral Resources International Inc. (NiHAO) entered into an Operating Agreement on June 13, 2012, under which NiHAO shall have the exclusive right to explore, operate, mine, develop and process minerals found within DMC's mineral property.

Pursuant to the agreement, DMC shall pay NiHAO an amount equivalent to 90% of the invoice value of the nickel ore sold by DMC to third parties in consideration of the services to be performed by NiHAO. This agreement superseded the General Contractor Agreement entered into by NiHAO with DMC on March 5, 2012. The General Contractor Agreement was executed to appoint NiHAO as DMC's general contractor for the Isabela Nickel Project.

In connection with the acquisition of DMC by NAC, NiHAO's operating rights over the Isabela Nickel Project will be converted into preferred shares of DMC, which shares shall be entitled to dividends corresponding to 20% of operating income, net of income tax, subject to Shareholder's Agreement to be executed between NiHAO and DMC.

On December 18, 2024, the Parent Company, NiHAO and DMC, entered into a Shareholder's Agreement and agreed to the following:

a) DMC shall create 10,000,000 preferred shares with a par value of ₱0.01 per share;
b) NiHAO and DMC shall enter into Subscription Agreement for the subscription by NiHAO of the preferred shares, subject to the terms thereof and fulfillment of certain conditions, including the approval by the SEC of the amendments, and payment of the ₱100,000 as subscription price.

The preferred shares shall have the following features:

a) No voting rights, except with respect to matters where applicable law grants non-voting shareholders the right to vote, provided that the affirmative vote of NiHAO shall be required for the approval of matters affecting its economic rights
b) Non-redeemable
c) Preference in the declaration and payment of dividends
d) Non-participating; and
e) Non-transferable and non-assignable, except with the prior written consent of DMC
f) The dividends payable to NiHAO, as holder of preferred shares, shall be cumulative, to be computed annually based on the following formula: 20% of the mine operating income (equivalent to revenue from sale of ore), less income tax, cost of sales, shipping and loading costs, excise tax, royalty to indigenous people/ICC, and management fee which shall not exceed 3% of the revenue from sale of ore.

Provided that, if the annual dividends due to the preferred shares is less than 0.05% of the gross freight-on-board sales value of nickel ore for at least two (2) consecutive years, DMC and NiHAO shall, upon written notice by either DMC or NiHAO, discuss and agree to an adjustment of the formula. Dividends shall only accumulate if the contract area is operated and generates income and provided that the dividends shall not be issued unless there is a sufficient level of unrestricted retained earnings.

The Shareholder's Agreement aims to define the rights and obligations of the parties in respect of the preferred shares. The Agreement shall take effect once the preferred shares have been issued by DMC to NiHAO.



b. Memorandum of Understanding (MOU)

SMM
On September 14, 2009, the Parent Company and TMC entered into an MOU with SMM. Pursuant to the terms thereof, the Parent Company and SMM will move ahead on a joint venture basis to build a nickel-cobalt processing plant (the Project) using the HPAL technology to be located within the TMC's mine in Surigao del Norte, while TMC will supply low-grade nickel ore to the plant over the life of the Project.

The Agreement also sets forth the respective rights and obligations of the Parent Company, SMM and Mitsui, including their responsibilities in respect of financing the project investment undertaken by THNC.

Also, under the Agreement, the Parent Company, SMM and Mitsui agreed to make loans to THNC or guarantee the repayment of THNC's obligations in accordance with the financial requirements of THNC and in proportion to their shareholding ratio in THNC of 10%, 75% and 15%, respectively.

The Agreement shall terminate upon the dissolution of THNC.

SEPI
On February 23, 2022, EPI and SEPI signed an MOU to create a strategic partnership for the purpose of developing a platform for onshore power projects and the resulting power supply business in the Philippines and to set forth certain basic terms of the understanding reached to date and to serve as a basis for further discussions and negotiations with respect to the project.

Through the above MOU, GRHI was incorporated and registered with the SEC on August 18, 2022. GRHI is 60% owned by EPI and 40% owned by Shell.

c. Sales Agreements

Nickel Ore Sale Agreements with PAMCO and Sojitz (see Note 30a)

Nickel Ore Supply and Service Agreements with CBNC (see Note 30a)

Nickel Ore Supply Agreement with THNC (see Note 30a)

Materials Handling Agreement with THNC (see Note 30a)

PSA and Service Agreements with SEPI (see Note 30a)

Nickel Ore Supply Agreements with Chinese and Other Customers
TMC, CMC, RTN, HMC, and DMC have ore supply agreements with a number of Chinese customers, each for a fixed tonnage at specific nickel grades and iron content. The fixed tonnage of ore is generally the volume of expected delivery within a few months.

Sale of ore to Chinese and other customers amounted to ₱22,295.2 million, ₱14,744.5 million and ₱14,764.7 million in 2025, 2024 and 2023, respectively (see Notes 28 and 38).



d. Power Supply Agreements

SURNECO
On October 31, 2013, the Parent Company and SURNECO signed a fifteen (15) year PSA. Under the terms of the PSA, the Parent Company has agreed to construct, operate, and maintain a 10MW bunker-fired diesel power station under a build-operate-transfer scheme and to supply electricity to SURNECO. As defined in the PSA, SURNECO will pay to the Parent Company a monthly fee equal to the capital recovery fee of the power station plus fixed and variable operations and maintenance fee, fuel cost and any other applicable taxes.

The total construction cost of the 10MW bunker-fired diesel power station is about ₱1,000.0 million.

The ERC issued the COC to the Parent Company on June 26, 2019. The Parent Company and SURNECO agreed to commence the commercial operations of the three (3) generating units starting on June 26, 2018 for the first generator set, December 26, 2018 for the second generator set and June 26, 2019 for the third generator set. Each generating unit has a contracted capacity of 3.33MW. The plant operates based on the agreed schedule and in consonance with the load nominations from SURNECO.

Currently, the power plant has an available capacity of 10MW.

In 2025, 2024 and 2023, the revenue from sale of power to SURNECO amounted to ₱57.9 million, ₱65.1 million and ₱59.7 million, respectively, while the capital recovery fee amounted to ₱134.3 million in 2025, 2024 and 2023.

Mabuhay Energy Corporation (MECO)
On November 6, 2024, NPPGC entered into a ten (10)-year PSA with MECO. Under the terms of the agreement, NPPGC is committed to sell and deliver pro-rata share of 5MW, starting June 25, 2025, and an additional 20MW starting on June 26, 2026, subject to negotiation and agreement of both parties. In October 2025, NPPGC received a notice of termination from MECO, to which NPPGC agreed to mutually terminate the PSA effective February 16, 2026.

Adventenergy Inc. and Aboitiz Energy Solutions Inc. (AESI)
JSI
In October 2022, JSI entered into a PSA with Adventenergy Inc. and AESI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share of 40MW, starting December 26, 2023, escalating to 50MW starting May 26, 2024, from the Sta. Rita Solar Power Project for a period of three (3) years.

NPPGC
On November 6, 2024, NPPGC entered into a PSA with Adventenergy Inc. and AESI. Under the terms of the agreement, NPPGC is committed to sell and deliver pro-rata share of 45MW, starting February 26, 2026, from Cawag Solar Power Project for a period of ten (10) years. As at December 31, 2025, the committed start date is being re-negotiated with Adventenergy Inc. and AESI.

e. Service Contracts

JSI

Solar Energy Service Contract No. 2013-10-039

On October 31, 2013, JSI entered into a SESC with the DOE. The SESC covers an area of approximately 2,997 hectares in the municipalities of Morong and Hermosa, in the province of Bataan. The SESC is for a period of twenty-five (25) years, inclusive of a two (2)-year pre-development stage, and renewable for another twenty-five (25) years. The government share under the SESC shall be 1% of the gross income from the sale of electricity generated from solar energy operations.

On January 20, 2021, the DOE issued the Amended Confirmation of Commerciality No. SCC-2015-09-021-B to develop, operate and maintain the 100MW Solar Power Project (Phase 1 - 7MW; Phase 2 - 25MW; Phase 3A - 30MW and Phase 3B - 38MW).

The COC for JSI's 100MW Solar Power Project was issued by the ERC on June 4, 2025.

Solar Energy Operating Contract No. 2021-01-577

On February 3, 2021, JSI entered into a SEOC with the DOE covering an area of 351 hectares, a portion of the area in SESC No. 2013-10-039, also located in Morong and Hermosa, Bataan. JSI secured from the DOE a Certificate of Registration as RE Developer of 100MW / 86MW Subic New PV Power Plant Project.

JSI's PAO for its 72MW Solar Power Project is valid until June 1, 2026.

MGPC

Geothermal Renewable Energy Service Contract No. 2016-02-060

GRESC No. 2010-02-013, which covers an approximate area of 3,914 hectares in the three (3) barangays of Montelago, Montemayor and Melgar-B in Oriental Mindoro, involves the development of geothermal well clusters and a power plant. The steam extracted from the geothermal wells will power a geothermal power station with an output capacity of at least 20MW.

On November 24, 2014, EPI and MGPC entered into a Deed of Assignment for the assignment of EPI's rights and obligations under the GRESC to MGPC. On December 5, 2014, EPI applied with the DOE to transfer the GRESC to MGPC. The DOE approved EPI's application on February 16, 2016 under Certificate of Registration No. 2016-02-060.

The Project is expected to have an operating capacity of 40MW. The geothermal plant will supply electricity to Oriental Mindoro and Occidental Mindoro at 20MW capacity each.

On May 7, 2024, MGPC received from the DOE a termination letter of the GRESC covering the Montelago Geothermal Power Project to which MGPC responded through a letter of request for reconsideration to reinstate. MGPC's request for reinstatement was granted by the DOE on July 5, 2024.

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.



SISPC

Solar Energy Service Contract No. 2018-11-491

On November 6, 2019, Total Power Inc. (TPI) and DOE signed SESC No. 2018-11-491 whereby the DOE granted TPI the exclusive right to explore, develop and utilize solar energy resources within 810 hectares of land located in San Isidro and Calubian, Leyte.

The SESC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to TPI as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513 otherwise known as the Renewable Energy Act of 2008.

On December 7, 2022, the DOE approved the transition of the SESC from pre-development to development stage with a capacity of 280MW / 227MW and issued the Certificate of Confirmation of Commerciality No. SCC-2022-22-117 for the Project located in San Isidro, Leyte.

On May 10, 2023, the DOE approved the assignment/transfer of all rights and obligations under the SESC from TPI to SISPC and issued a new Certificate of Registration under the name of SISPC.

NPPGC

Solar Energy Operating Contract No. 2023-10-715

On November 10, 2023, NPPGC and DOE signed SEOC No. 2023-10-715 whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 280 hectares of land located in Subic, Zambales.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

NSPC

Solar Energy Operating Contract No. 2023-12-804

On January 22, 2024, NPPGC and DOE signed SEOC No. 2023-12-804 for NSPC whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 53 hectares of land located in Hermosa, Bataan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan.

CSPC

Solar Energy Operating Contract No. 2023-12-789

On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-789 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 102 hectares of land located in San Antonio, Zambales.



The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On November 28, 2024, CSPC filed a formal request to surrender this SEOC with the DOE. On January 28, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2023-12-790
On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-790 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 30 hectares of land located in Botolan, Zambales.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Solar Energy Operating Contract 2023-12-795
On January 22, 2024, CSPC and DOE signed SEOC No. 2023-12-795 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On January 20, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On May 7, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2024-07-903
On July 23, 2024, CSPC and DOE signed SEOC No. 2024-07-903 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 597 hectares of land located in Tuguegarao, Cagayan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Wind Energy Service Contract 2024-02-379
On March 15, 2024, CSPC and DOE signed WESC No. 2024-02-379 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize wind energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The WESC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.



On March 3, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On April 22, 2025, the DOE approved the surrender of this service contract.

EER 2
Solar Energy Operating Contract 2024-04-851
On May 9, 2024, EER 2 and DOE signed SEOC No. 2024-04-851 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 106 hectares of land located in Mariveles, Bataan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On May 7, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

Solar Energy Operating Contract 2024-05-866
On June 26, 2024, EER 2 and DOE signed SEOC No. 2024-05-866 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 408 hectares of land located in General Santos City.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On September 16, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

f. Participation and Shareholder's Agreement

In May 2011, the Parent Company and SMM signed a Participation and Shareholder's Agreement containing terms of SMM's expected equity participation in CEXCI. Under the terms of the Agreement, SMM will invest US$1.5 million in CEXCI for 25% equity. Once such funds have been exhausted, SMM has the option to invest US$2.8 million for an additional 15% equity which would bring its total equity in CEXCI to 40%. SMM did not exercise its option to make an additional investment, and the said agreement was terminated.

CEXCI has identified a new property for exploration and development in the province of Zambales under Newminco, which is prospective for gold and copper. In relation to this, SMM put up an additional US$2.8 million to increase its ownership from 25% to 40%.
On November 24, 2015, the shareholders of CEXCI agreed to enter into a new Participation and Shareholder's Agreement to set out the rights and obligations of the shareholders in relation to the conduct of the business of CEXCI. The new agreement also causes CEXCI to convert the existing advances from shareholders, based on the initial equity proportion of shareholders, by issuing shares out of the unissued authorized capital stock of CEXCI at a premium. CEXCI has filed an application for the conversion of advances into equity with the SEC. As at December 31, 2025, CEXCI is still waiting for SEC's approval of the conversion of advances into equity.

On December 18, 2015, the BOD of CEXCI approved the increase in authorized capital stock of the latter. Upon approval of the SEC of the application for increase in authorized capital stock of CEXCI, the additional investment of SMM amounting to US$2.8 million, which is equivalent to ₱131.9 million, will be converted into equity. After the conversion, the Parent Company and SMM's equity in CEXCI shall be 57% and 40%, respectively.

As at December 31, 2025 and 2024, the advances made by SMM to CEXCI amounted to a total of ₱477.9 million and ₱417.9 million, respectively.

g. Marketing Agreement with Mitsubishi Corporation RTM China Limited (MCRCL)

TMC and HMC entered into a Marketing Agreement with MCRCL, wherein the latter will provide the services set forth below:

a) To use its reasonable endeavors in collecting, studying and analyzing the market information related to nickel ore, iron ore, nickel pig iron, and stainless steel;
b) To periodically report market information defined in the marketing agreement;
c) To make efforts to introduce customers to TMC and HMC and provide support to the Group in negotiating the price and terms and conditions of sales contracts of the products by and between the Group and customers; and
d) To monitor and assess trends of customers and support TMC and HMC to create an effective pricing strategy and marketing plan.

Marketing fees of 3.5% shall be charged based on the total amount of revenue on FOB price stated in the invoices issued by TMC and HMC for each covered sale of ore transactions.

Marketing fees charged by MCRCL amounting to nil, ₱14.8 million and ₱21.0 million in 2025, 2024 and 2023, respectively, were reported under "Marketing" in the consolidated statements of income.

h. PEZA and Board of Investments (BOI) Registration

Registration with PEZA - TMC
On December 21, 2009, Presidential Proclamation No. 1966 was issued creating and establishing the 680-hectare area situated in Taganito, Municipality of Claver, Province of Surigao Del Norte and known as TSEZ. TMC is a PEZA-registered operator/developer of the economic zone as per Certificate of Registration No. EZ 10-01. The certificate of registration was signed on January 7, 2010.

Pursuant to TMC's registration with PEZA as an economic zone developer/operator, TMC is entitled to certain incentives in accordance with the provisions of RA No. 7916, otherwise known as "the Special Economic Zone Act of 1995", as amended.

PEZA issued a certification entitling TMC qualification for the purpose of VAT zero-rating of its transactions with local suppliers of goods, properties and services and exemption from all national and local taxes and licenses except real property taxes on land owned by TMC and those required to be paid under the MPSA dated July 28, 2008. In lieu thereof, TMC shall pay 5% final tax on gross income. TMC's certification from PEZA is valid for the years 2025 and 2024 and renewable annually, unless otherwise revoked or suspended by PEZA prior to expiration of said period.

Registration with PEZA - RTN
On December 27, 2002, RTN registered with the PEZA as the developer/operator of Rio Tuba Processing Zone, located in Barangay Rio Tuba, Municipality of Bataraza, Palawan. The PEZA-registered activities are entitled to certain tax and non-tax incentives. Starting 2003, such activities are already subject to 5% final tax on gross income in lieu of national and local taxes and licenses except those required to be paid under the MPSA dated June 4, 1998 executed by and between the DENR and RTN. RTN's certification from PEZA is valid for the years 2025 and 2024 and renewable annually, unless otherwise revoked or suspended by PEZA prior to expiration of said period.

Registration with SBMA - JSI
On January 20, 2011, JSI was registered with the SBMA as a Subic Bay Freeport Enterprise, primarily to promote and undertake research, development, utilization, manufacture, sale, marketing, distribution and commercial application of new, renewable, non-conventional and environment-friendly energy sources and system at Mt. Sta. Rita, SBFZ. The SBMA-registered activities are entitled to certain tax and non-tax incentives. In lieu of paying the regular taxes, JSI pays 5% final tax on gross income, subject to the condition that JSI's income from sources within the Custom Territory should not exceed 30% of its total income from all sources. Otherwise, JSI shall be subject to the income tax laws of the Custom Territory. JSI's Certificate of Registration and Tax Exemption is valid until December 31, 2026.

Registration with SBMA and BOI - NPPGC
On April 3, 2024, NPPGC withdrew its registration application to SBMA, instead, NPPGC applied for BOI registration on August 29, 2024 for its Cawag Solar Power Project. NPPGC's application was approved by the BOI on December 12, 2024.

BOI Certifications
CMC, DMC, HMC, RTN and TMC were registered with the BOI as export producer of beneficiated nickel ore on a non-pioneer status and annually renews its certification. The BOI certification granted the VAT zero-rating of CMC, DMC, HMC, RTN and TMC on its local purchases of goods and services directly and exclusively used in their registered export project or activity. The BOI issued a VAT zero-rated certification to CMC, DMC, HMC, RTN and TMC for the taxable years 2025 and 2024.

On August 27, 2014, MGPC was registered with the BOI as an RE Developer of geothermal energy resources. BOI has issued the Certificate of Registration of MGPC on October 7, 2016.

On September 5, 2023, SISPC was registered with the BOI as an RE developer.

On November 14, 2024 and October 10, 2024, NPPGC and CSPC, respectively, also secured their Certificate of Registration from the BOI as an RE Developer.

i. SPA with SMM

THNC
On September 15, 2016, the Parent Company and SMM executed an SPA wherein the latter agreed to purchase the Parent Company's 511,875,000 shares in THNC, representing 12.5% of the outstanding capital stock of THNC, at a purchase price of US$42.0 million, equivalent to ₱2,037.2 million. The sale and purchase of the shares was consummated upon the written consent of Japan Bank for International Cooperation.

The SPA also provides that for a period of eighteen (18) years but no earlier than three (3) years from the execution of the SPA, the Parent Company shall have the right to repurchase from SMM such number of shares of THNC equivalent to 12.5% equity ownership therein at the time when the right is exercised. The repurchase right can only be exercised once.

Pursuant to the SPA with SMM, the Parent Company and SMM also agreed that effective July 1, 2016 their responsibility to provide loans and guarantee obligations of THNC shall be 10% and 75%, respectively.

CBNC
On December 23, 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM, provided that the purchase price for such sale shall be subject to an independent valuation report by an external independent party appointed by the Parent Company.

On January 31, 2025, the Parent Company and SMM executed a SPA wherein SMM agreed to purchase all the Parent Company's 91,796,875 shares in CBNC, representing 15.62% of the outstanding capital stock of CBNC, at a purchase price of ₱1,855.0 million, payable in cash on closing date set on February 10, 2025. SMM, at its discretion, may pay the purchase price in US$ in an equivalent amount based on the spot rate of exchange on closing date.

Pursuant to the above SPA, the Parent Company and SMM entered a MOA to formalize the agreements reached on December 26, 2024 which include:

a) The Parent Company, through RTN and/or other subsidiaries of the Parent Company, shall continue to comply with the obligations set forth in the Stockholder's Agreement by and among SMM, Mitsui, Nissho Iwai Corporation (subsequently merged into Sojitz) and RTN dated July 1, 2002, amended on January 26, 2007 and April 1, 2013, on the establishment and operation of CBNC.
b) All existing contracts between the Parent Company, RTN or any subsidiaries of the Parent Company, and CBNC, including, but not limited to, Infrastructure Agreements, Lease Agreements, and Ore Supply Agreements, shall remain valid and enforceable in their terms even after the sale of CBNC shares.
c) Before April 1, 2025, RTN shall enter into an Addendum to the Ore Supply Agreement with CBNC, covering the period April 1, 2025 to March 31, 2028 based on ore price of US$12 per WMT, including oversized ore; provided, that the LME price is US$13 per pound or less.
d) To handle or resolve matters that are mutually beneficial to them, or that promote cooperation in the conduct of their respective businesses including, but not limited to, decommissioning and removal of CBNC equipment, stable supply of limestone, and future plan of joint projects among others.

The terms of the MOA took effect after the execution of the SPA and will remain valid unless amended or terminated upon mutual agreement of the parties.

As at December 31, 2024, the Parent Company's investment in CBNC was classified under "Assets held for sale" (see Notes 8 and 10).

On February 10, 2025, the Parent Company and SMM executed a Deed of Absolute Sale of Shares where the Parent Company offered SMM its 91,796,875 common shares in CBNC for a total consideration of ₱1,855.0 million.

j. Suretyship Agreement with SBC

On August 4, 2015, the Parent Company entered into a Suretyship Agreement with SBC to guarantee and warrant the prompt and full payment and performance of the guaranteed obligations, including increases, renewals, roll-overs, extensions, restructuring, conversions, amendments or novations, of EPI to SBC amounting to ₱3,000.0 million. The agreement shall remain in full force and effect until full payment of the guaranteed obligations is made.
In March 2023, the Parent Company entered into another Suretyship Agreement with SBC for additional credit accommodation amounting to ₱500.0 million.

As at December 31, 2025 and 2024, the outstanding loans of EPI from SBC, under the Suretyship Agreement, amounted to ₱1,500.0 million and ₱3,500.0 million, respectively (see Note 13). The loan was fully paid on January 5, 2026.

k. Other Agreements

Joint Undertaking with National Commission for Indigenous Peoples (*NCIP)*
On December 8, 2009, TMC and NCIP entered into a Joint Undertaking, which confirmed that 1% royalty on annual gross revenues of TMC is payable to the Mamanwa Tribe pursuant to a MOA dated July 18, 2006 between TMC, the NCIP and the Tribe and a CADT issued to the Tribe, within which area TMC's mining operation is located.

Engineering, Design and Supply Contract
SISPC
On July 10, 2023 and December 20, 2024, SISPC entered a contract with Xinte Energy Co., Ltd. (Xinte) to carry out the design, execution, completion and remedying defects of the San Isidro Solar Power Project Phase 1 and 2, respectively. The contract price shall be paid based on a certain milestone. As at December 31, 2025 and 2024, the remaining advance payment amounts to ₱230.0 million and ₱669.6 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to these contracts amounting to ₱600.0 million and ₱418.7 million as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables" (see Note 12).

NPPGC
On December 22, 2023, NPPGC entered a contract with Xinte to carry out the design, execution, completion and remedying defects of the Cawag Solar Power Project. The contract price shall be paid in percentages identified by a certain milestone and a corresponding supporting document. As at December 31, 2025 and 2024, the remaining advance payment amounts to ₱116.2 million and ₱504.2 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to this contract amounting to ₱342.2 million and ₱21.7 million " as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables (see Note 12).

CSPC
On October 10, 2025, CSPC entered into a contract with Xinte to carry out the design, execution, completion and remedying of defects of Phase 1 San Juan Solar Power Project. The contract price shall be paid in percentages identified by certain milestones and corresponding supporting documents. As at December 31, 2025 and 2024, CSPC has made an advance payment of ₱225.3 million and nil, respectively, and included under "Other noncurrent assets" (see Note 11).



Installation and Commissioning Contract

SISPC

On July 10, 2023 and December 20, 2024, SISPC entered a contract with TBEA Subic Inc. to carry out the installation, completion, commissioning, and remedying defects of the San Isidro Solar Power Project Phase 1 and 2, respectively. The contract price shall be paid based on a certain milestone. As at December 31, 2025 and 2024, SISPC advanced an amount of ₱355.1 million and ₱542.7 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to these contracts amounting to ₱153.8 million and ₱84.5 million as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables" (see Note 12).

NPPGC

On December 22, 2023, NPPGC entered a contract with TBEA Subic Inc. to carry out the installation, completion and commissioning, and remedying defects of the Cawag Solar Power Project. The contract price shall be paid in percentages identified by a certain and a corresponding supporting document. As at December 31, 2025 and 2024, NPPGC advanced an amount of ₱127.2 million and ₱229.6 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to this contract amounting to ₱42.7 million and ₱1.9 million are recognized as part of "Trade and other payables" as at December 31, 2025 and 2024, respectively (see Note 12).

CSPC

On October 10, 2025, CSPC entered into a contract with TBEA Subic Inc. to carry out the installation, completion and commissioning, and remedying of defects of Phase 1 San Juan Solar Power Project. The contract price shall be paid in percentages identified by certain milestones and corresponding supporting documents. As at December 31, 2025 and 2024, CSPC has made an advance payment of ₱104.9 million and nil, respectively, and included under "Other noncurrent assets" (see Note 11).

Aircraft Purchase Agreement

On December 2, 2025, CPDL entered into an Aircraft Purchase Agreement with Kahua Capital, LLC to sell Citation CJ4 with serial number 525C-0315 for a total consideration of $7.5 million, equivalent to ₱441.4 million, which was paid in cash. The aircraft was delivered on December 23, 2025. The net gain on this disposal amounted to $2.7 million, equivalent to ₱197.3 million (see Note 27).

Other Matters

Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or RA 12253

On September 4, 2025, RA 12253, otherwise known as the "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act", was signed into law. It took effect fifteen (15) days after its complete publication in the Official Gazette and in newspapers of general circulation or September 20, 2025. The Implementing Rules and Regulations (IRR) of RA 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 one hundred fifty days (150) days from the date of effectivity or February 17, 2026.



RA 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 L902, 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 12253, except as may be otherwise determined by the Supreme Court of Philippines.

The following, among others, are the salient provisions of RA 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 (1) 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 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 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 FTAAs.

As of December 31, 2025, the revenue regulations implementing changes to the Tax Code, as amended by RA 12253, have not yet been issued by the BIR.

RA 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 12253 on its December 2026 financial statements based on the provisions of the IRR. The Group will reassess the impact of RA 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.

37. **Supplemental Disclosure to Consolidated Statements of Cash Flows**

	2025	2024
Noncash investing activities		
Capitalized:		
Borrowing cost (see Note 9)	**₱486,178**	₱427,591
Amortization of intangibles to construction in-progress (see Notes 9 and 11)	**3,040**	–
Depreciation and amortization of ROU assets to project development costs	**2,032**	–
Depreciation and amortization of ROU assets to construction in-progress (see Note 9)	**1,497**	–

(Forward)

	2025	2024
Noncash investing activities		
Recognition of ROU assets (see Note 9)	**₱231,809**	₱151,465
Adjustments for capitalized cost of mine rehabilitation and decommissioning (see Notes 9 and 14)	**(24,500)**	(23,954)
Reclassification to assets held for sale (see Note 8)	–	1,864,775
Reclassification to mining properties and development costs of HMC and RTN (see Note 9)	–	366,337

Changes in Liabilities Arising from Financing Activities

	2025					
	January 1	**Cash Flows**	**Foreign Exchange Movement**	**Reclassification**	**Others**	**December 31**
Current						
Dividends payable, gross of final withholding tax	**₱175,000**	**(₱5,278,107)**	**₱–**	**₱–**	**₱5,133,107**	**₱30,000**
Interest payable (see Note 12)	**46,284**	**(702,034)**	**83**	**–**	**730,361**	**74,694**
Short-term debts (see Note 13)	**6,985,614**	**(1,981,029)**	**–**	**–**	**43,571**	**5,048,156**
Current portion of:						
Long-term debts (see Note 13)	**372,149**	**(346,330)**	**(3,016)**	**432,028**	**–**	**454,831**
Lease liabilities (see Note 31)	**95,693**	**(105,582)**	**–**	**26,006**	**95,794**	**111,911**
Other current liabilities	**615,722**	**145,000**	**–**	**–**	**–**	**760,722**
Noncurrent						
Long-term debts (see Note 13)	**2,060,388**	**7,283,291**	**(13,571)**	**(432,028)**	**7,890**	**8,905,970**
Lease liabilities (see Note 31)	**877,441**	**–**	**–**	**(26,006)**	**231,809**	**1,083,244**
Total liabilities used in financing activities	**₱11,228,291**	**(₱984,791)**	**(₱16,504)**	**₱–**	**₱6,242,532**	**₱16,469,528**

	2024					
	January 1	Cash Flows	Foreign Exchange Movement	Reclassification	Others	December 31
Current						
Dividends payable, gross of final withholding tax	₱–	(₱3,206,550)	₱–	₱–	₱3,381,550	₱175,000
Interest payable (see Note 12)	45,890	(658,068)	9	–	658,453	46,284
Short-term debts (see Note 13)	5,848,095	1,085,873	–	–	51,646	6,985,614
Current portion of:						
Long-term debts (see Note 13)	345,764	(329,347)	1,047	354,685	–	372,149
Lease liabilities (see Note 31)	54,346	(102,944)	–	53,099	91,192	95,693
Other current liabilities	479,722	136,000	–	–	–	615,722
Noncurrent						
Long-term debts (see Note 13)	2,341,836	60,397	5,755	(354,685)	7,085	2,060,388
Lease liabilities (see Note 31)	779,075	–	–	(53,099)	151,465	877,441
Total liabilities used in financing activities	₱9,894,728	(₱3,014,639)	₱6,811	₱–	₱4,341,391	₱11,228,291

Others include the effect of accrual of dividends, including those that were not yet paid at year-end, effect of interest accrued but not yet paid on interest-bearing loans, accretion of interest on lease liabilities and amortization of debt issue cost.

38. Business Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The mining segment is engaged in the mining and exploration of nickel saprolite and limonite ore and limestone.

The services segment is engaged in the chartering out of LCT, construction and rendering of services to CBNC, THNC and other parties and leasing of aircraft to WAISC.

The power segment is engaged in power generation and exploration for geothermal resources.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group is also using net income (loss) to evaluate total performance. Net income is the performance of business segments based on a measure of recurring profit. This measurement basis is determined as profit attributable to equity holders of the Parent Company.

Segment assets include all operating assets used by a segment and consist principally of operating cash and cash equivalents, trade and other receivables, inventories, financial assets at FVTPL, at FVOCI and at amortized cost, assets held for sale, property and equipment, investments in an associate and other current and noncurrent assets. Segment liabilities include all operating liabilities and consist principally of trade and other payables, short-term and long-term debts, and other liabilities. Segment assets and liabilities do not include deferred income taxes.

The amounts of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring assets and liabilities and profit or loss in the consolidated financial statements, which are in accordance with PFRS Accounting Standards.

There were no changes from prior periods in the measurement methods used to determine the reported segment profit or loss and the effect, if any, of those changes on the measure of segment profit or loss.



The Group's identified reportable segments below are consistent with the segments reported to the BOD, which is the Chief Operating Decision Maker of the Group.

Financial information on the operation of the various business segments are as follows:

	2025											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱3,226,720	₱3,694,663	₱12,072,125	₱7,768,070	₱612,319	₱1,063,950	₱227,123	₱952,103	₱–	₱–	₱–	₱29,617,073
Inter-segment revenues	–	–	–	–	–	–	–	33,918	–	928,216	(962,134)	–
Total revenues (see Notes 28 and 30)	3,226,720	3,694,663	12,072,125	7,768,070	612,319	1,063,950	227,123	986,021	–	928,216	(962,134)	29,617,073
Cost of sales	1,505,681	1,250,416	3,273,799	3,343,133	517,492	–	–	–	–	–	–	9,890,521
Cost of power generation	–	–	–	–	–	543,410	150,901	–	–	–	–	694,311
Cost of services	–	–	–	–	–	–	–	456,205	–	–	–	456,205
Shipping and loading costs	434,802	413,946	1,032,319	638,645	259,613	–	–	–	247	–	–	2,779,572
Excise taxes and royalties	267,979	453,735	1,206,963	388,692	30,554	–	–	–	–	–	–	2,347,923
Marketing	–	129,316	–	–	–	–	–	–	–	–	–	129,316
Segment operating earnings (loss)	₱1,018,258	₱1,447,250	₱6,559,044	₱3,397,600	(₱195,340)	₱520,540	₱76,222	₱529,816	(₱247)	₱928,216	(₱962,134)	₱13,319,225
General and administrative	₱37,304	₱43,143	₱79,729	₱59,234	₱19,288	₱379,449	₱–	₱51,234	₱–	₱1,162,902	₱–	₱1,832,283
Finance income	17,431	34,892	110,615	104,108	4,434	156,982	606	10,333	–	141,594	–	580,995
Finance expenses	8,550	6,191	19,576	6,832	54,880	281,612	–	40,131	–	64,426	–	482,198
Provision for (benefit from) income tax	225,473	324,210	1,662,158	771,726	13,802	(14,051)	19,104	40,476	(62)	325,068	–	3,367,904
Net income (loss) attributable to equity holders of the parent	768,758	1,074,979	3,425,733	1,679,818	(301,595)	33,413	57,724	235,498	–	(705,399)	–	6,268,929
Segment assets	₱2,894,830	₱2,105,262	₱9,744,661	₱5,063,157	₱3,247,856	₱33,958,009	₱554,406	₱442,442	₱15,509	₱11,871,523	₱–	₱69,897,655
Deferred income tax assets - net	35,049	36,182	–	101,316	71,127	678	134	3	–	25,867	–	270,356
Total assets	₱2,929,879	₱2,141,444	₱9,744,661	₱5,164,473	₱3,318,983	₱33,958,687	₱554,540	₱442,445	₱15,509	₱11,897,390	₱–	₱70,168,011
Segment liabilities	₱411,198	₱323,427	₱1,828,311	₱1,182,129	₱666,594	₱16,628,487	₱44,349	₱30,582	₱–	₱813,022	₱–	₱21,928,099
Deferred income tax liabilities - net	–	–	51,901	57,035	134,079	18,104	–	–	3,877	146,310	–	411,306
Total liabilities	₱411,198	₱323,427	₱1,880,212	₱1,239,164	₱800,673	₱16,646,591	₱44,349	₱30,582	₱3,877	₱959,332	₱–	₱22,339,405
Other segment information:												
Capital expenditures (see Note 9)	₱368,243	₱13,514	₱239,320	₱382,954	₱496,793	₱7,121,163	₱1,521	₱967	₱–	₱61,156	₱–	₱8,685,631
Depreciation, depletion and amortization (see Note 24)	₱274,874	₱91,226	₱784,934	₱305,799	₱216,702	₱407,530	₱55,726	₱28,675	₱247	₱103,203	₱–	₱2,268,916

	2024											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱2,531,489	₱2,646,281	₱8,819,856	₱4,886,160	₱870,173	₱1,133,384	₱208,744	₱1,229,341	₱–	₱–	₱–	₱22,325,428
Inter-segment revenues	–	–	–	–	–	–	–	39,172	–	675,909	(715,081)	–
Total revenues (see Notes 28 and 30)	2,531,489	2,646,281	8,819,856	4,886,160	870,173	1,133,384	208,744	1,268,513	–	675,909	(715,081)	22,325,428
Cost of sales	982,810	1,154,867	3,631,256	2,184,704	637,336	–	–	–	–	–	–	8,590,973
Cost of power generation	–	–	–	–	–	436,889	166,133	–	–	–	–	603,022
Cost of services	–	–	–	–	–	–	–	628,157	–	–	–	628,157
Shipping and loading costs	298,638	372,117	971,320	325,152	300,685	–	–	–	247	–	–	2,268,159
Excise taxes and royalties	223,798	314,453	881,235	244,308	43,509	–	–	–	–	–	–	1,707,303
Marketing	–	92,620	14,806	–	–	–	–	–	–	–	–	107,426
Segment operating earnings (loss)	₱1,026,243	₱712,224	₱3,321,239	₱2,131,996	(₱111,357)	₱696,495	₱42,611	₱640,356	(₱247)	₱675,909	(₱715,081)	₱8,420,388
General and administrative	₱35,529	₱33,350	₱104,866	₱74,960	₱28,644	₱351,539	₱–	₱68,265	₱–	₱921,053	₱–	₱1,618,206
Finance income	17,990	27,761	177,238	53,680	11,523	176,593	1,046	14,857	–	215,205	–	695,893
Finance expenses	6,676	8,103	22,354	17,061	22,882	310,609	–	54,128	–	40,973	–	482,786
Provision for (benefit from) income tax	213,934	150,662	799,181	485,756	97,764	61,934	761	–	(62)	(171,541)	–	1,638,389
Net income (loss) attributable to equity holders of the parent	742,648	491,186	1,791,898	1,040,954	(343,028)	(1,430,929)	67,385	383,641	–	(1,222,297)	–	1,521,458
Segment assets	₱2,768,214	₱1,663,498	₱9,354,306	₱5,157,470	₱3,102,382	₱25,005,459	₱602,562	₱749,433	₱15,756	₱12,677,108	₱–	₱61,096,188
Deferred income tax assets - net	36,144	34,223	30,821	76,967	82,869	–	–	–	–	293,589	–	554,613
Total assets	₱2,804,358	₱1,697,721	₱9,385,127	₱5,234,437	₱3,185,251	₱25,005,459	₱602,562	₱749,433	₱15,756	₱12,970,697	₱–	₱61,650,801
Segment liabilities	₱454,301	₱370,272	₱1,747,398	₱1,230,690	₱953,457	₱11,295,619	₱19,674	₱46,411	₱–	₱613,888	₱–	₱16,731,710
Deferred income tax liabilities - net	–	–	–	57,285	134,584	50,731	–	–	3,939	259,330	–	505,869
Total liabilities	₱454,301	₱370,272	₱1,747,398	₱1,287,975	₱1,088,041	₱11,346,350	₱19,674	₱46,411	₱3,939	₱873,218	₱–	₱17,237,579
Other segment information:												
Capital expenditures (see Note 9)	₱339,085	₱68,798	₱607,932	₱341,198	₱633,013	₱6,802,592	₱1,521	₱29,417	₱–	₱89,124	₱–	₱8,912,680
Depreciation, depletion and amortization (see Note 24)	₱214,692	₱87,144	₱772,435	₱264,750	₱187,545	₱320,411	₱55,726	₱32,583	₱247	₱92,419	₱–	₱2,027,952

	2023											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱2,238,818	₱2,779,035	₱9,956,210	₱6,165,673	₱414,127	₱687,522	₱194,025	₱2,264,128	₱929	₱–	₱–	₱24,700,467
Inter-segment revenues	–	–	–	–	–	–	–	28,786	–	844,090	(872,876)	–
Total revenues (see Notes 28 and 30)	2,238,818	2,779,035	9,956,210	6,165,673	414,127	687,522	194,025	2,292,914	929	844,090	(872,876)	24,700,467
Cost of sales	842,097	1,027,263	3,204,627	2,419,490	471,017	–	–	–	–	–	–	7,964,494
Cost of power generation	–	–	–	–	–	376,784	138,740	–	–	–	–	515,524
Cost of services	–	–	–	–	–	–	–	1,550,783	–	–	–	1,550,783
Shipping and loading costs	305,343	381,900	1,027,686	282,256	173,710	–	–	–	2,965	–	–	2,173,860
Excise taxes and royalties	201,494	347,740	995,621	308,284	20,706	–	–	–	–	–	–	1,873,845
Marketing	18,469	97,266	2,522	–	–	–	–	–	–	–	–	118,257
Segment operating earnings (loss)	₱871,415	₱924,866	₱4,725,754	₱3,155,643	(₱251,306)	₱310,738	₱55,285	₱742,131	(₱2,036)	₱844,090	(₱872,876)	₱10,503,704
General and administrative	₱43,067	₱42,346	₱96,321	₱104,511	₱34,293	₱293,759	₱–	₱62,635	₱–	₱865,876	₱–	₱1,542,808
Finance income	6,554	29,797	81,800	94,724	575	115,983	1,449	4,409	–	188,774	–	524,065
Finance expenses	3,262	7,243	22,722	21,227	3,347	295,375	–	56,270	–	37,255	–	446,701
Provision for (benefit from) income tax	177,571	186,585	1,094,239	697,466	(95,072)	12,384	(3,195)	–	(741)	158,759	–	2,227,996
Net income (loss) attributable to equity holders of the parent	655,524	693,974	2,488,481	1,557,479	(262,433)	(84,738)	52,930	434,734	–	(1,786,295)	–	3,749,656
Segment assets	₱2,023,189	₱1,864,394	₱9,571,367	₱5,157,023	₱2,985,134	₱20,842,773	₱680,501	₱1,013,398	₱16,003	₱13,333,427	₱–	₱57,487,209
Deferred income tax assets - net	22,568	23,659	39,604	129,802	176,058	–	–	–	–	47,909	–	439,600
Total assets	₱2,045,757	₱1,888,053	₱9,610,971	₱5,286,825	₱3,161,192	₱20,842,773	₱680,501	₱1,013,398	₱16,003	₱13,381,336	₱–	₱57,926,809
Segment liabilities	₱283,778	₱340,847	₱1,783,149	₱1,599,355	₱817,640	₱8,671,847	₱19,393	₱314,648	₱–	₱612,243	₱–	₱14,442,900
Deferred income tax liabilities - net	–	–	–	65,591	134,663	20,435	–	–	4,000	154,234	–	378,923
Total liabilities	₱283,778	₱340,847	₱1,783,149	₱1,664,946	₱952,303	₱8,692,282	₱19,393	₱314,648	₱4,000	₱766,477	₱–	₱14,821,823
Other segment information:												
Capital expenditures (see Note 9)	₱742,818	₱185,562	₱1,153,315	₱696,009	₱685,084	₱2,951,375	₱2,486	₱19,163	₱–	₱153,930	₱–	₱6,589,742
Depreciation, depletion and amortization (see Note 24)	₱187,274	₱130,841	₱813,544	₱259,918	₱132,364	₱305,572	₱55,525	₱37,859	₱2,965	₱79,793	₱–	₱2,005,655

Inter-segment revenues are eliminated upon consolidation.

Excluding the impact of effective hedge on forward contracts, the Group has revenues from external customers as follows:

	2025	2024	2023
China	**₱14,878,097**	₱9,822,138	₱14,764,681
Indonesia	**7,417,085**	4,922,366	–
Local	**7,061,582**	7,215,935	9,448,626
Japan	**266,468**	364,989	487,160
	₱29,623,232	₱22,325,428	₱24,700,467

The revenue information above is based on country of destination for sale of ore and limestone and location of the customers for all other sources of revenue. The local customers include CBNC and THNC, which are PEZA-registered entities.

The revenues from key customers are as follows:

	2025	2024	2023
Ningbo Lygend Wisdom Co., Ltd.	**₱7,470,275**	₱3,486,857	₱4,433,877
Union Wave Holding Pte. Ltd.	**6,393,197**	4,072,609	4,333,154
Big Wave Resources Co., Limited	**5,127,657**	3,330,977	3,165,294
Sgunion Trading Pte. Ltd.	**3,304,053**	3,117,983	–
THNC	**3,181,993**	3,083,292	4,108,102
CBNC*	**2,534,894**	2,748,062	4,408,481
	₱28,012,069	₱19,839,780	₱20,448,908

** CBNC is not a key customer in 2025.*

39. Events after the End of the Financial Reporting Period

Dividend Declaration
On February 25, 2026, the Parent Company's BOD declared regular cash dividends of ₱0.14 per common share payable on March 25, 2026, to stockholders of record as at March 12, 2026.

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Nickel Asia Corporation and Subsidiaries
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Nickel Asia Corporation and its subsidiaries as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, included in this Form 17-A and have issued our report thereon dated February 25, 2026. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules[i] 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 consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the 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
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Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10765063, January 2, 2026, Makati City

February 25, 2026

[i] This includes:
- Reconciliation of Retained Earnings Available for Dividend Declaration
- 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
- Supplementary schedules required by Annex 68-J:
  - Financial assets
  - Amounts receivable from directors, officers, employees, related parties, and principal stockholder (other than related parties)
  - Amounts of receivable from related parties which are eliminated during the consolidation of financial statements
  - Long-term debt
  - Indebtedness to related parties
  - Guarantees of securities of other issuers
  - Capital stock

A member firm of Ernst & Young Global Limited

NICKEL ASIA CORPORATION AND SUBSIDIARIES

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Schedule
Reconciliation of Retained Earnings Available for Dividend Declaration	I
Supplementary Schedules under Annex 68 - J	II
A. Financial Assets	
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)	
C. Amounts Receivable from Related Parties which are Eliminated in the Consolidated Financial Statements	
D. Intangible Assets - Other Assets	
E. Long-Term Debts	
F. Indebtedness to Affiliates and Related Parties (Short-term and Long-Term Debts with Related Companies)	
G. Guarantees of Securities of Other Issuers	
H. Capital Stock	
I. Supplementary Schedule of External Auditor Fee - Related Information	
A Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries, Co-Subsidiaries and Associates	III
Schedule of Financial Soundness Indicators	IV

SCHEDULE I

NICKEL ASIA CORPORATION
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2025

Unappropriated retained earnings as at December 31, 2024		₱18,597,931
Less: Category B: Items that are directly debited to unappropriated retained earnings		
Dividend declarations during the year		2,508,106
Unappropriated retained earnings, as adjusted		16,089,825
Add: Net income for the year		5,871,021
Add: Category C.1: Unrealized losses (gains) recognized in the profit or loss during the reporting period (net of tax)		
Unrealized foreign exchange gains, except those attributable to cash and cash equivalents	(5,628)	
Unrealized fair value adjustment (mark-to-market losses) of financial instruments at FVTPL	14,688	9,060
Add: Category C.2: Unrealized income (losses) recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	65,003	
Other realized losses or adjustments to the retained earnings	(1,095,623)	(1,030,620)
Adjusted net income		4,849,461
Add: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of deferred income tax assets not considered in the reconciling items under the previous categories	(325)	
Net movement in deferred income tax assets and liabilities related to same transaction	(288)	(613)
TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DISTRIBUTION AS AT DECEMBER 31, 2025		**₱20,938,673**

SCHEDULE II

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule A. Financial Assets

December 31, 2025

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amounts Shown in the Statement of Financial Position	Value Based on Market Quotations at End of Reporting Date	Income Received and Accrued
		In Thousands		
Cash on hand and with banks	N/A	₱5,883,807	₱5,883,807	
Short-term cash investments	N/A	11,667,911	11,667,911	₱420,951
Cash under managed funds	N/A	22,650	22,650	
Cash and cash equivalents		₱17,574,368	₱17,574,368	₱420,951
Trade	N/A	₱1,211,859	₱1,211,859	₱–
Amounts owed by related parties	N/A	286,470	286,470	–
Interest receivable	N/A	37,342	37,342	–
Forward contracts receivable	N/A	375	375	–
Others	N/A	808,247	808,247	–
Trade and other receivables		₱2,344,293	₱2,344,293	₱–
UBS AG - debt securities	various	₱1,410,677	₱1,410,677	₱20,953
Keyland Ayala Properties Inc.	3,056,198 shares	850,512	850,512	22,921
Manila Golf and Country Club	1 share	155,000	155,000	–
Wack-Wack Golf and Country Club	1 share	80,000	80,000	–
BPI Asset Management - debt securities	various	74,678	74,678	–
NiHao Mineral Resources International, Inc.	101,000,000 shares	31,815	31,815	–
PLDT Inc.	25,000 shares	31,500	31,500	2,375
Eurasian Consolidated Minerals Pty. Ltd.	15,949,298 shares	5,632	5,632	–
Security Bank Corporation - debt securities	various	5,230	5,230	–
Security Bank Corporation	58,027 shares	3,810	3,810	100
BDO Unibank, Inc. - debt securities	various	3,020	3,020	–
Maybank ATR Kim Eng Capital Partners, Inc. - debt securities	various	1,185	1,185	–
JP Morgan Chase & Co. - debt securities	various	–	–	4,970
Financial assets at FVTPL		₱2,653,059	₱2,653,059	₱51,319

(Forward)

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule A. Financial Assets
December 31, 2025

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position	Value Based on Market Quotations at End of Reporting Date	Income Received and Accrued
		In Thousands		
BPI Asset Management - debt securities	various	₱270,420	₱270,420	₱13,028
BDO Unibank, Inc. - debt securities	various	69,378	69,378	3,290
Security Bank Corporation - debt securities	various	66,806	66,806	2,748
Financial assets at FVOCI		₱406,604	₱406,604	₱19,066
San Miguel Corporation	₱200,000	₱200,000	₱200,000	₱13,431
Retail Treasury Bond	50,000	50,000	50,000	1,850
Ayala Land, Inc.	25,000	25,000	25,000	1,053
Aboitiz Equity Ventures, Inc.	–	–	–	1,605
Financial assets at amortized cost		₱275,000	₱275,000	₱17,939
MRF	N/A	₱1,000,195	₱1,000,195	₱20,147
Restricted cash	N/A	560,501	560,501	12,631
SDMP funds	N/A	80,011	80,011	57
Other noncurrent assets		₱1,640,707	₱1,640,707	₱32,835
Total		₱24,894,031	₱24,894,031	₱542,110

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)
December 31, 2025

Name and Designation of Debtor	Beginning Balance	Additions	Deductions		Current	Noncurrent	Ending Balance
			Amount Collected	Amount Written-Off			
There are no receivables from Directors, Officers, Employees, Related Parties and Principal Stockholders other than subject to usual terms, for ordinary travel and expense advances, and for other such items arising in the ordinary course of business and eliminated in consolidation.							

NICKEL ASIA CORPORATION

Schedule C. Amounts Receivable from Related Parties which are Eliminated in the Consolidated Financial Statements
December 31, 2025

Name of Subsidiary	Balances At January 1, 2025	Additions	Amounts collected	Reclassification	Amounts Written Off	Current	Noncurrent	Amount Eliminated
				In Thousands				
Dinapigue Mining Corporation	₱2,623,734	₱714,681	(₱46)	₱–	₱–	₱–	₱3,338,369	₱3,338,369
Emerging Power Inc.	–	405,847	(3,717)	–	–	402,130	–	402,130
La Costa Shipping and Lighterage Corporation	60,000	9,000	–	–	–	69,000	–	69,000
Coral Pearl Developments Limited	21,673	(15,322)	(22,274)	–	–	(15,923)	–	(15,923)
Cordillera Exploration Co., Inc.	7,641	–	–	–	–	–	7,641	7,641
Rio Tuba Nickel Mining Corporation	–	(1,306)	1,179	–	–	(127)	–	(127)
Taganito Mining Corporation	(50)	(201)	144	–	–	(107)	–	(107)
CDTN Services Company Inc.	–	84	(87)	–	–	(3)	–	(3)
Hinatuan Mining Corporation	425	132,170	(132,595)	–	–	–	–	–
Cagdianao Mining Corporation	–	(84)	84	–	–	–	–	–
	₱2,713,423	₱1,244,869	(₱157,312)	₱–	₱–	₱454,970	₱3,346,010	₱3,800,980

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule D. Intangible Assets - Other Assets
December 31, 2025

Description	January 1, 2025	Additions At Cost	Deductions		Other Changes - Additions (Deductions)	December 31, 2025
			Charged to Costs and Expenses	Charged to Other Accounts		
	In Thousands					
Other Noncurrent Assets [(a)]						
Geothermal exploration and evaluation assets	₱–	₱342	(₱342)	₱–	₱–	₱–
Deferred mine exploration costs	440,061	173,381	(192,599)	–	–	420,843
Intangibles	114,413	249,948	(43,257)	(3,040)	(12)	318,052
Project development costs	137,739	92,268	(7,964)	(140,605)	–	81,438
	₱692,213	₱515,939	(₱244,162)	(₱143,645)	(₱12)	₱820,333

(a) Disclosed in Note 11 to the Consolidated Financial Statements

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule E. Long-term Debts
December 31, 2025

Name of Issuer and Type of Obligation	Amount Authorized by Indenture	Amount Shown as Current	Amount Shown as Long-term	Remarks
	In Thousands			
Long-term Debts				
Taganito HPAL Nickel Corporation	₱–	₱102,883	₱462,971	A
Deferred Income				
Taganito HPAL Nickel Corporation	–	4,190	25,139	B
Total	₱–	₱107,073	₱488,110	

Remarks:
A. Interest rate is based on prevailing 180-day LIBOR plus 2% spread; principal is payable in semi-annual installments of US$875,000, payable in April and October until April 10, 2031. In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to TSOFR plus an adjustment of 0.43%.
B. The obligation is covered by a Lease Agreement with THNC.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule F. Indebtedness to Affiliates and Related Parties (Short-term and Long-term Debts with Related Companies)

December 31, 2025

Name of Affiliate	January 1, 2025	December 31, 2025
	In Thousands	
Long-term Debts		
Taganito HPAL Nickel Corporation	₱657,987	₱565,854
Deferred Income		
Taganito HPAL Nickel Corporation	33,519	29,329
	₱691,506	₱595,183

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule G. Guarantees of Securities of Other Issuers
December 31, 2025

Name of Issuing Entity of Securities Guaranteed by the Company for which Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by the Company for which Statement is Filed	Nature of Guarantee

- Not applicable-

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule H. Capital Stock
December 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions and Other Rights	Number of Shares Held By		
				Affiliates	Directors, Officers and Employees	Others
Common Stock	19,265,000,000	13,931,125,094	–	10,176,557,920	15,470,136	3,739,097,038
Preferred Stock	720,000,000	720,000,000	–	720,000,000	–	–

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule I. Supplementary Schedule of External Auditor Fee - Related Information
December 31, 2025

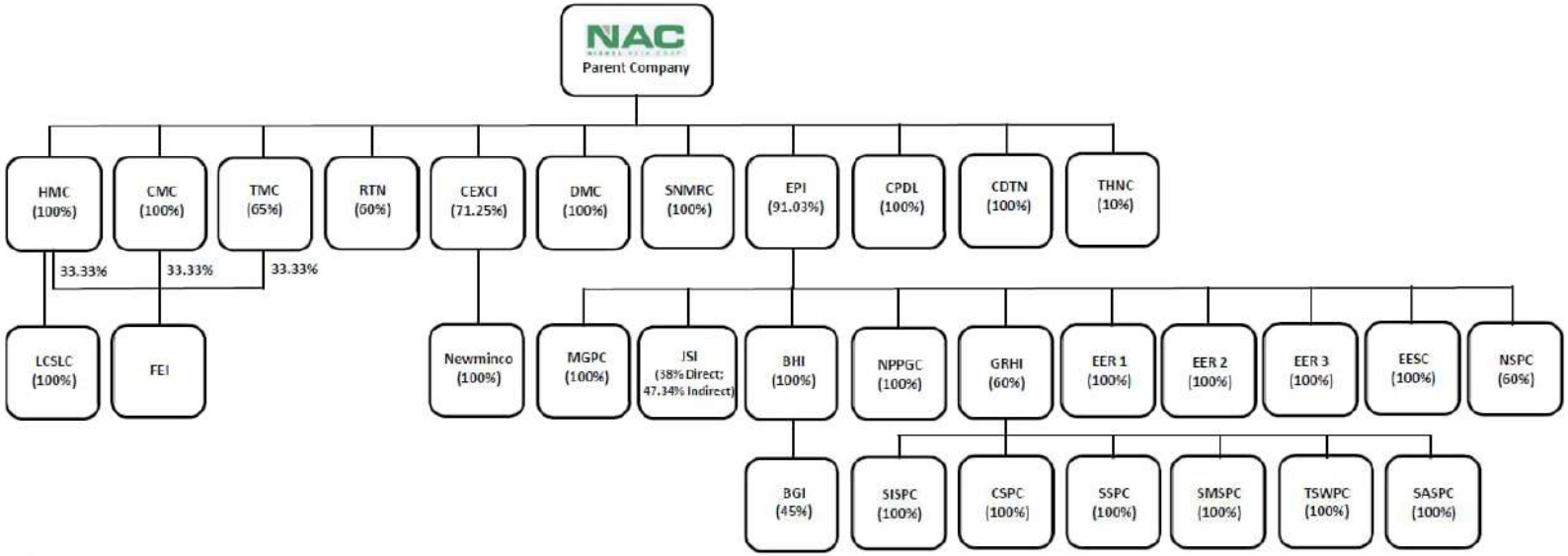
	2025	2024
	In Thousands	
Total audit fees [1]	**₱19,957**	₱18,900
Non-audit services fees		
Transfer pricing study	**400**	584
All other services	**242**	46
Total non-audit fees [2]	**642**	630
Total Audit and Non-audit Fees	**₱20,599**	₱19,530

Notes:

1) Agreed fees (excluding out-of-pocket expenses and VAT) with the external auditor/audit firm and its network firms (as applicable) for the audit of the covered company's stand alone and/or consolidated financial statements and the covered company's consolidated subsidiaries' financial statements on which the external auditor/audit firm expresses an opinion. These do not include fees for special purpose audit or review of financial statements, if applicable.
2) Charged or billed fees (excluding out-of-pocket expenses and VAT) by the external auditor/audit firm or a network firm (as applicable) for non-audit services to the covered company and its related entities over which the covered company has direct or indirect control that are consolidated in the financial statements on which the external auditor/audit firm expresses an opinion. These include other assurance services such as special purpose audit or review of financial statements, if applicable.

SCHEDULE III

NICKEL ASIA CORPORATION AND SUBSIDIARIES
A MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANY AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT, SUBSIDIARIES, CO-SUBSIDIARIES AND ASSOCIATES
DECEMBER 31, 2025



Subsidiaries:

HMC - Hinatuan Mining Corporation
CMC - Cagdianao Mining Corporation
TMC - Taganito Mining Corporation
LCSLC - La Costa Shipping and Lighterage Corp.
FEI - Falck Exp Inc.
RTN - Rio Tuba Nickel Mining Corporation
CEXCI - Cordillera Exploration Co., Inc.
Newminco - Newminco Pacific Mining Corporation
DMC - Dinapigue Mining Corporation
SNMRC - Samar Nickel Mining Resources Corp.
EPI - Emerging Power Inc.
MGPC - Mindoro Geothermal Power Corporation
JSI - Jobin SQM, Inc.
BHI - Biliran Holdings Inc.
NPPGC - Northern Palawan Power Generation Corporation
GRHI - Greenlight Renewables Holdings Inc.
CPDL - Coral Pearl Developments Limited
CDTN - CDTN Services Company Inc.
SISPC - San Isidro Solar Power Corp.
CSPC - Casilagan Solar Power Corporation
SSPC - SanJuan Solar Power Corporation
SMSPC - Sta. Maria Solar Power Corporation
TSWPC - Tuy Solar and Wind Power Corp.
SASPC - San Antonio Solar Power Corp.
EER 1 - Emerging Energy Resources 1, Inc.
EER 2 - Emerging Energy Resources 2, Inc.
EER 3 - Emerging Energy Resources 3, Inc.
EESC - Emerging Energy Saver Corporation
NSPC - Nazareno Solar Power Corp. (formerly Manta Baguio Properties Corp.)

Associates:

THNC - Taganito HPAL Nickel Corporation
BGI - Biliran Geothermal, Inc.

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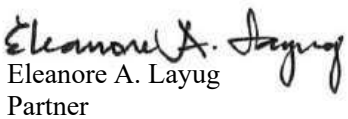
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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Nickel Asia Corporation and Subsidiaries
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Nickel Asia Corporation and its 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 February 25, 2026. Our audits were made for the purpose of forming an opinion on the basic 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 Company'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 consolidated financial statements prepared in accordance with PFRS Accounting Standards. Except for price per share, 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
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BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10765063, January 2, 2026, Makati City

February 25, 2026



SCHEDULE IV

NICKEL ASIA CORPORATION AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
DECEMBER 31, 2025

Ratios	Formula	**2025**	2024
A. *Liquidity ratios*			
Current ratio	Current assets / Current liabilities	**2.35**	1.87
Quick ratio	Current assets - Inventories - Prepayments and other current assets / Current liabilities	**2.01**	1.42
Solvency ratio	Total assets / Total liabilities	**3.14**	3.58
B. *Financial leverage ratios*			
Debt ratio	Total liabilities / Total assets	**0.32**	0.28
Debt-to-equity ratio	Total liabilities / Total equity	**0.47**	0.39
Interest coverage	Earnings before interest and taxes* / Interest expense**	**23.58**	12.37
Asset-to-equity ratios	Total assets / Total equity	**1.47**	1.39
C. *Profitability ratios*			
Gross profit margin	Revenues - Costs / Revenue	**0.63**	0.56
Net profit margin	Net income / Revenue	**0.30**	0.13
Return on assets	Net income / Total assets	**0.13**	0.05
Return on equity	Net income / Total equity	**0.18**	0.07
Price/earnings ratio	Price per share / EPS	**8.64**	31.73

*Income before income tax, less Other income (charges) - net, less [Finance income - Finance expense (excluding gains/loss on forward contracts)]

**Finance expense less loss on forward contracts - net

Nickel Asia Corporation
Integrated Report

Contextual Information

Company Details	
Name of Organization	Nickel Asia Corporation and Subsidiaries
Location of Headquarters	28th Floor, NAC Tower, 32nd Street, Bonifacio Global City, Taguig City
Location of Operations	Bataraza, Palawan Bonifacio Global City, Taguig Cagdianao, Dinagat Islands Claver, Surigao del Norte Dinapigue, Isabela Guiuan, Eastern Samar Mt. Sta. Rita, Subic Bay Freeport Zone Tagana-an, Surigao del Norte
Report Boundary: Legal Entities Included in this Report	Cagdianao Mining Corporation (CMC) CDTN Services Company Inc. (CDTN) Dinapigue Mining Corporation (DMC) Emerging Power Inc. (EPI) Hinatuan Mining Corporation (HMC) Jobin-SQM Inc. (JSI) Rio Tuba Nickel Mining Corporation (RTN) Taganito Mining Corporation (TMC)
Business Model, Including Primary Activities, Brands, Products, and Services	Production of lateritic nickel ore and renewable energy
Reporting Period	January 1, 2025 to December 31, 2025
Highest Ranking Person Responsible for this Report	Mr. Martin Antonio G. Zamora President and Chief Executive Officer, Nickel Asia Corporation

Report Boundaries

This Sustainability Report presents Sustainability information for Nickel Asia Corporation (NAC) and its subsidiaries – Cagdianao Mining Corporation (CMC), Dinapigue Mining Corporation (DMC), Hinatuan Mining Corporation (HMC), Rio Tuba Nickel Mining Corporation (RTNMC), Taganito Mining Corporation (TMC, CDTN Services Company, Inc. (CDTN), Emerging Power, Inc. (EPI), and Jobin-SQM, Inc. (JSI).

The report covers the period January 1 to December 31, 2025. Financial information is prepared in accordance with Philippine Financial Reporting Standards (PFRS). Sustainability disclosures on the other hand, are prepared with reference to the Global Reporting Initiative (GRI), International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards S1 and S2, aligned with Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), the Integrated Reporting <IR> Framework, and guided by the United Nations Sustainable Development Goals (UN SDGs) and the principles of the United Nations Global Compact (UNGC).

The Sustainability reporting boundary includes entities and operations under the Group's operational control, with selected value-chain disclosures included where relevant. This report is intended to provide transparent and decision-useful information to stakeholders.

Our Journey to Sustainability

The 1st Cycle of the Sustainability Roadmap 2022 to 2025

In August 2022, NAC created its Board-level Sustainability Committee. By forming a Sustainability Committee comprised of two Board members and one independent director in charge of overseeing, identifying, and assessing the economic, environmental, ethical, and social impact of operations, NAC solidified its Sustainability agenda by pushing leadership and stakeholders to constantly raise standards in terms of accountability and transparency. The committee is in charge of steering the Company towards becoming a better business operator and contributor to national development.

NAC is the first company with mining assets in the country to establish a board-level Sustainability Committee and a Chief Sustainability Officer.

NAC's Sustainability Journey officially began on November 2021, when the Board of Directors approved the OneNAC Vision which includes ESG as the core of what the company aims to achieve.

In crafting its Sustainability Roadmap, the company implemented its Pathway to Ambition comprised of the five following steps:

Pathway to Ambition	
Step 1: Technical Working Group (TWG) Formation	From December 2021 to January 2022, each Business Unit (BU) formed a TWG according to each ESG pillar. Each team is comprised of concerned departments or functions per BU. The TWGs are responsible for baselining, objective setting, gap analysis, and action planning
Step 2: Materiality Assessment	From December 2021 to April 2022, a Materiality Assessment was conducted to identify and validate the Environment, Social, and Governance issues that are most relevant and impactful to the company – a critical input to the NAC Sustainability Journey. The Survey covered internal stakeholders such as probationary and regular employees, and external stakeholders like government agencies, media, academe, the

Pathway to Ambition	
	downstream market, host communities, and civil society organizations.
Step 3: Current State Assessment	From January to August 2022, the Company conducted a Current State Assessment to examine the Group's existing programs, policies, and systems along with a five-year historical baselining (2017-2021) of material ESG indicators.
Step 4: Objective Setting	From March to August 2022, the Company set goals and identified each theme and priority area. This step aimed to maintain the progress towards NAC's ESG commitments and maximizing current efforts to move toward industry-benchmarked ESG leadership.
Step 5: Gap Analysis to Achieving Target	With goals and targets set, the Company set action plans to address identified gaps to achieving its ESG targets. This step was done from March to August 2022.

The NAC Sustainability Roadmap for Phase 1 Business Units was completed in September 2022 while Phase 2 Business Units completing theirs in September 2023. Phases 1 and 2 cover the Mining and Clean Energy segments of the Company.

Sustainability Roadmap

Below are the **goals and targets** of the 1st Cycle of the NAC Sustainability Roadmap:

Goals and Targets	
Environment	• Net Zero Carbon by 2050 • No Net Loss impact by 2025; Net Positive by 2023 • Net Positive Water Impact by 2030 • Circular Economy in all Camp/Townsites by 2030 • 100% Clean Energy by 2050 • Climate Resilient Operations by 2030
Social	• Good Health and Well-being of All Employees

Goals and Targets	
	• Equal Opportunities at All Levels and Across All Backgrounds • Sustainable Communities • Decent Work at All Levels • Empowered and Self-reliant Indigenous Cultural Communities • Catalyst for Economic Growth
Governance	• Inclusive Leadership and Management • Strong Organizational Culture • Robust and Comprehensive Risk Management System

Sustainability Digitalization

In 2024, NAC advanced the evolution of its Sustainability governance by initiating the digitalization of its Sustainability Roadmap, following Management's approval of its implementation and corresponding budget. This milestone marked a significant step toward strengthening data integrity, transparency, and accountability across the Group.

The Company partnered with Azeus Systems Limited, adopting its Convene ESG platform (now Presgo) to support the digital integration of Sustainability metrics. Over the course of nearly a year, the Office of the Chief Sustainability Officer (OCSO), in close collaboration with the Convene ESG team, worked to integrate the full range of metrics and indicators covering both its mining and clean energy subsidiaries under the Sustainability Roadmap.

On October 28, 2024, NAC officially launched its Sustainability Digitalization and Reporting platform, marking its "Go Live" milestone. Beginning with the Company's 2024 Integrated Report, quantitative Sustainability data were encoded, verified, and generated directly from the Presgo platform, enhancing the efficiency, accuracy, reliability, and timeliness of Sustainability reporting.

Strengthening Internal Controls

In October 2023, in anticipation of the digitalization of its Sustainability Reporting, NAC formalized its Sustainability Digitalization and Reporting Policy to guide all data owners, collaborators, and verifiers across the Group. The policy outlines the scope, roles and responsibilities, and procedures governing the Company's Sustainability reporting processes. It establishes clear accountability structures and standardized workflows to ensure consistency and reliability in data management. The policy is currently undergoing revision to reflect evolving regulatory requirements, industry trends, and the Company's expanding Sustainability priorities.

Oversight of Sustainability performance remains embedded at the highest levels of governance. The Board-level Sustainability Committee meets quarterly to review progress against targets and strategic objectives. In addition, Sustainability performance is reported during the monthly Management Committee meetings to ensure alignment between operational execution and the Company's broader Sustainability Roadmap.

As part of NAC's commitment to robust internal controls, the Internal Audit Group conducted a review of the Sustainability reporting processes in August 2025 under its Annual Risk-Based Audit Plan. The audit focused on two key processes: (1) data generation and collection, and (2) data verification and validation. The review was undertaken to provide assurance that reported Sustainability data are compliant with existing policies and procedures, and that controls are in place to ensure the accuracy, completeness, and timeliness of reported information.

The audit resulted in no material exceptions. Sustainability reporting processes will continue to be assessed regularly by the Internal Audit Group as part of its risk assessment activities, reinforcing NAC's commitment to compliance, strong controls, and continuous improvement.

Sustainability Assessments (S&P and CDP)

As part of its commitment to transparency and continuous improvement, NAC actively participates in globally recognized Sustainability assessments to benchmark its performance against international standards.

In 2025, NAC participated in the S&P Global Corporate Sustainability Assessment (CSA), with the public assessment conducted from July to August 2025 and results released in September. The CSA evaluates companies across a broad range of Environmental, Social, and Governance (ESG) criteria and serves as a key reference for Sustainability-focused investors.

NAC's public CSA scores demonstrate measurable progress over the past three years:

- **2023:** 24/100
- **2024:** 29/100
- **2025:** 44/100

The significant improvement in 2025 reflects the strengthening of NAC's Sustainability governance, disclosures, and performance management systems, including the digitalization of its Sustainability reporting processes.

NAC also began its environmental disclosure through CDP (formerly the Carbon Disclosure Project) in 2024. CDP is a global non-profit organization that operates a leading disclosure system for investors, companies, cities, states, and regions to manage environmental

impacts. Its assessment focuses on key environmental themes: Climate Change, Water, Biodiversity, and Waste.

In 2025, NAC was again requested to disclose critical data on its environmental impacts, risks, and opportunities. CDP ratings are categorized as follows:

- **A/A- (Leadership)**
- **B/B- (Management)**
- **C/C- (Awareness)**
- **D (Disclosure)**
- **F (Failure)**

A C/C- (Awareness) score reflects the comprehensiveness of an organization's evaluation of how environmental issues intersect with its business. It indicates that environmental risks and impacts have been assessed, though actions beyond initial screening and evaluation remain in development.

NAC's CDP ratings to date are:

- **2024:** C (Awareness)
- **2025:** C (Awareness)

These assessments provide NAC with valuable insights to further strengthen its environmental strategies, risk management systems, and disclosure practices as it continues to evolve its Sustainability performance in line with global expectations.

Figure 1: NAC Mining Companies' Business Activities

1	2	3	4	5
Exploration	**Assessment, Evaluation, and Planning**	**Extraction**	**Transportation and Shipment**	**Rehabilitation and Reforestation**
Identify potential mineral-rich areas using geological, geophysical, and geochemical techniques Conduct detail surveys and collect samples for analysis. Assess the size, grade, and accessibility of the mineral deposit.	Evaluate the economic viability of extracting mineral deposits. Conduct environmental and social impact assessments with stakeholder engagement Prepare a feasibility study outlining the mining plan and financial projections Develop a comprehensive mine plan in accordance with Philippine Mineral Reporting Code of 2020 Guidelines Secure funding for the mining project	Employ surface mining techniques to extract minerals from the ground. Utilize specialized equipment to excavate, transport, and store the mineral. Adhere to safety and environmental regulations throughout the extraction process.	Transport the extracted minerals to a processing facility or market. Ensure proper handing to prevent contamination	Implement progressive rehabilitation of mined-out areas, especially with endemic plant species to restore the natural ecosystem Implement the Final Mine Rehabilitation and Decommissioning Plan Monitor the site to ensure the success of rehabilitation efforts.

Figure 2: NAC Renewable Energy Business Activities

1	2	3	4	5	6
Registration and application	**Pre-development**	**Conversion**	**Project Development (Construction and Commissioning**	**Monitoring**	**End-of-Project**
Registering the business entity as a renewable energy company and developer. Identifying potential locations for renewable energy projects. Securing the RE Service Contract from DOE, other necessary permits, licenses, and approvals from government agencies to operate a renewable energy project. Obtaining endorsements	Evaluating the feasibility of a project, considering environmental impact, HSSE&SP factors, costs, timeline, technical design, potential energy production, grid connection, offtake and market conditions, and overall risks and related mitigations. Analyzing wind patterns, sunlight availability, and other factors to	Obtaining necessary approvals and managing the conversion of land for the renewable energy project. Preparing the site for development.	Designing the renewable energy system, including the number and size of turbines/panels needed. Securing construction permit/s. Building the infrastructure for the project in accordance with the approved project plans and industry standards. Procuring and installing the renewable energy equipment (turbines, solar panels, etc.).	Monitoring the performance of the renewable energy system to ensure optimal energy production. Performing routine and preventative maintenance on the equipment to keep it functioning efficiently. Addressing any issues that arise with the system to ensure its continued operation.	Abiding by the provisions of the DOE RE Service Contract on decommissioning, abandonment and termination of power plant operations, including dismantling and disposal of equipment and facilities.

1	2	3	4	5	6
from local government units and communities in the project site. Ensuring compliance with EPIRA Law (RA 9136) and Renewable Energy Law (RA 9153).	determine suitability. Registering for the availment of tax incentives under the Renewable Energy Law. Arranging the grid connectivity, offtake arrangement, EPC contract, and appropriate financing for the project. Accessing grid connectivity.		Completing all necessary testing and commissioning to ensure the project functions as planned. Connecting the system to the power grid.		

Risks and Opportunities

NAC operates in a mining and energy environment characterized by evolving market conditions, regulatory requirements, and Sustainability-related factors that may affect its long-term enterprise value. In response, the Company has identified material Sustainability-related risks and opportunities arising from both global and Philippine operating contexts and assessed their potential impacts on operations, financial performance, and future cash flows. The following section summarizes these risks and opportunities and describes NAC's strategic and operational responses to manage identified risk and pursue value-enhancing opportunities.

Market-Related Risks

NAC faces various market-related risks in both the mining and energy sectors but is actively managing these challenges to seize emerging opportunities.

In the mining segment, NAC is impacted by fluctuations in LME nickel prices, the absence of a spot market for nickel ore, and factors like international demand, competition, and exchange rate volatility. To mitigate these risks, the Company capitalizes on growing nickel demand, diversifies its product portfolio, undertakes strategic management initiatives such as disciplined shipment planning, and maintains operational flexibility to respond to changing market conditions.

In the energy segment, NAC's operations are exposed to risks from fluctuations in the Philippine energy market, driven by demand and supply factors, economic conditions, government policies, and external events like the COVID-19 pandemic. Uncontracted solar energy output is subject to spot market price volatility, while contracted sales offer more stable revenue streams. The Company's operating solar power plant subsidiary, JSI, has contracted the majority of its solar energy output through multiple Retail Electricity Suppliers (RES) at fixed tariff rates, which contributes to more predictable and stable cash flows.

Despite these risks, NAC is well-positioned for growth. Strong demand for nickel provides opportunities in the mining sector, while the renewable energy shift and long-term contracts offer stability and expansion prospects in the energy sector. By managing risks and capitalizing on these opportunities, the Group aims for sustained growth and market leadership.

Rising Costs

NAC is exposed to cost related risks arising from increases in production and transportation costs, which could adversely affect operating margins, cash flows, and the competitiveness of its nickel products. The Company also faces exposure to transportation cost volatility and potential logistical disruptions, which may impact nickel ore prices and sales volumes.

At the same time, the emergence of cost-efficient production technologies represents a potential opportunity to improve operational efficiency and manage cost pressures. NAC seeks to manage these risks and opportunities through investments in research and development and the adoption of operational improvements, which may support cost optimization and enhance the Company's competitive position over time.

Business Interruption

NAC is exposed to operational disruption risks that could adversely affect production levels, costs, and future cash flows. These risks include equipment failures, adverse weather conditions, environmental incidents, labor-related issues, changes in regulatory requirements, and social and community related factors, including those associated with social acceptance and security (See *Social License to Operate and Community Relations Risk*).

To mitigate these risks, NAC invests in environmental protection, regulatory compliance, and community engagement initiatives designed to support operational continuity. In 2025, the Company invested P467.12 million in its Environmental Protection and Enhancement Program (EPEP) and P214.29 million in its Social Development and Management Program (SDMP). In addition, P251.74 million was allocated to corporate social responsibility initiatives supporting community development during the year.

NAC further seeks to reduce the risk of unplanned disruptions by aligning its operations with government-supported mining industry programs and maintaining adherence to applicable environmental and social standards. These measures are intended to lower the likelihood of regulatory delays, environmental incidents, and community-related disruptions that could impact the Company's ability to operate effectively.

Supply Chain Disruptions

NAC recognizes the risk of supply chain disruptions due to reliance on third-party contractors, which could result in increased costs or interruptions to operations. To mitigate these risks, the Company maintains a diverse network of suppliers and partners. Recognizing this risk and embracing the opportunity, NAC established CDTN, Inc., a wholly owned subsidiary that provides mining services. CDTN currently holds a contract with one of NAC's mining companies, RTNMC, which contributes to increased resilience within the supply chain.

In 2025, the Company implemented its Vendor Accreditation Policy, reinforcing NAC's Procurement Governance framework as part of the Board-approved Code of Business Conduct and Ethics. This policy also supports the alignment of Sustainability practices across the supply chain.

Furthermore, NAC invests in digital systems to enhance supply chain visibility and efficiency, allowing for proactive management of potential disruptions and supporting cost optimization and operational stability.

Regulatory Uncertainty

Both the mining and energy segments are subject to regulatory uncertainties that may affect operations, financial performance, and profitability. The Company monitors and manages these risks as part of its overall risk management framework.

In the mining segment, the Company is exposed to risks of delays or additional costs arising from challenges in obtaining or renewing permits and from changes in regulatory requirements. To mitigate these risks, NAC monitors developments in government policies and engages with relevant industry associations to support the development of regulations that promote operational continuity and Sustainability.

In the energy segment, changes in laws, regulatory frameworks, government subsidies, or permitting requirements may adversely affect project economics and margins, particularly for renewable energy projects. Although ongoing technological developments may reduce reliance on government incentives over time, changes in regulatory support remain a risk. The Company manages this exposure by closely monitoring regulatory developments and investing in technology, with the objective of supporting long-term operational resilience and financial stability.

Climate Change

The mining and energy segments are exposed to climate-related risks and opportunities that may affect the Company's financial performance, position, and future prospects. NAC has aligned its climate-related disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the requirements of IFRS S2. The Company has completed a climate-related risk assessment covering both physical risks (acute and chronic) and transition risks, which is discussed in detail in the *Climate-related Risks and Opportunities* section.

In the mining segment, NAC is exposed to physical risks, including extreme weather events that may disrupt operations, increase maintenance costs, and affect production continuity. The segment is also subject to transition risks, such as changes in environmental regulations and carbon pricing mechanisms. These risks may result in higher operating costs and capital expenditure requirements over the medium to long term.

In response, NAC has identified opportunities to enhance operational resilience and competitiveness by investing in renewable energy solutions, improving energy efficiency, reducing greenhouse gas emissions, and adopting more sustainable mining practices.

These initiatives are expected to mitigate climate related risks while supporting long term value creation and positioning the Company as a responsible operator in the mining industry.

In the energy segment, EPI's solar operations are primarily exposed to physical climate risks, particularly variability in weather patterns and solar irradiance, which affect electricity generation levels and revenue predictability in the short to medium term. These factors are incorporated into operational planning and performance monitoring. At the same time, EPI is positioned to benefit from transition opportunities associated with the global shift toward low carbon energy systems. Growing demand for renewable energy and supportive policy environments are expected to drive long term growth. As of 2025, EPI's renewable energy portfolio comprises approximately 292MW of installed generation capacity, consisting of 172MW from JSI and 120MW from Leyte 1, representing a substantial increase from its initial installed capacity of 62MW in 2021. Beyond 2025, the development pipeline includes other projects, including the 145MW Cawag project, which are planned for phased completion in 2026 and 2027.

While climate change presents both risks and uncertainties across NAC's operations, the Company's proactive approach to climate risk management and Sustainability integration is intended to enhance resilience across both segments. By aligning strategy, investments, and targets with climate related considerations, NAC seeks to manage potential adverse financial impacts while capitalizing on opportunities arising from the transition to a lower carbon economy.

Technological Disruptions

The evolving technology landscape presents both risks and opportunities for NAC. The Company uses mining software for mine planning across its operations and, in 2025, piloted a new fleet tracking technology to enhance operational efficiency. In October 2025, the Smart Construction (SC) Fleet system from Komatsu was piloted at TMC. Full implementation of the fleet management system is scheduled for January 2026 at TMC and April 2026 at RTN. NAC has also expanded the use of hybrid equipment in its mining operations following an initial pilot conducted in 2023.

Management monitors technological developments to manage the risk of operational disruption and to support efficiency and environmental performance. Investments in technology and innovation are subject to ongoing evaluation to assess their operational effectiveness and economic viability.

Economic Downturns

Economic downturns present risks to the Company's financial performance and cash flows. NAC manages these risks through diversification of its activities and ongoing evaluation of market opportunities, including expansion into the energy sector, to reduce reliance on a single industry and enhance financial resilience.

The Company holds a 91.03% equity interest in Emerging Power Inc. (EPI), which is primarily engaged in renewable energy activities. Through EPI, NAC entered into a joint venture with Shell Overseas Investments B.V. in 2022, which resulted in the establishment of Greenlight Renewable Holdings, Inc. (GRHI) in the same year. This joint venture forms part of the Company's strategy to develop and diversify its renewable energy portfolio.

In addition, NAC implements cost-control measures and operational efficiencies to manage the potential impacts of adverse economic conditions and to support its ability to adapt to changes in the external economic environment.

Water and Wastewater Management

Water availability and wastewater management present operational and environmental risks to the Company. NAC manages these risks through the implementation of water conservation measures and wastewater management practices aimed at supporting the continuity of operations and compliance with applicable regulations.

The Company engages with local communities and relevant stakeholders on water-related matters to address shared resource constraints and to support responsible water use. These activities form part of NAC's broader approach to managing Sustainability-related risks associated with water resources and maintaining constructive relationships with host communities.

Biodiversity Loss

NAC identifies biodiversity loss as both a Sustainability-related risk and opportunity that could reasonably be expected to affect its long-term enterprise value. The Company manages biodiversity related risks and opportunities through initiatives aimed at ecosystem protection, restoration, and community engagement, including the establishment of biodiversity corridors, support for community-based conservation programs, and reforestation activities.

In 2025, NAC invested ₱233.82M in land protection, supporting the identification, assessment, and management of biodiversity-related impacts. These actions are integrated into NAC's environmental management practices to mitigate negative environmental impacts, enhance ecosystem resilience, strengthen relationships with local communities, and support the Company's sustainable business strategy.

Mineral Resources and Mineral Reserves

NAC's long-term enterprise value is dependent on its ability to identify, evaluate, and develop new mineral reserves, particularly nickel, as existing reserves are progressively depleted. The Company is exposed to exploration and reserve related risks, including

uncertainty in reserve and resource estimates, commodity price volatility, regulatory and permitting changes, and technical or geological challenges, any of which could adversely affect future cash flows and financial condition.

In addition, NAC's exploration activities in gold and copper through its subsidiary, CEXCI, involve inherent exploration risk, as these projects may not progress to commercially viable production or generate future revenues. At the same time, successful exploration and development of these assets represent strategic opportunities to diversify NAC's commodity portfolio, support long-term growth, and enhance resilience to market and resource depletion risks.

Social License

NAC's ability to maintain permits and continue operations is dependent on social acceptance and effective relationships with host and neighboring communities and Indigenous Peoples. The Company is exposed to social and security-related risks, including potential community opposition and disputes, and occasional security threats, which could result in permitting delays, operational interruptions, or increased costs. These risks may also contribute to broader operational disruption risks (LINK to *Operational Disruption Risk*).

To manage these risks, NAC engages with communities, Indigenous Peoples, Local Government Units, and other stakeholders to identify priority needs and implement development programs that support long-term, mutually beneficial resource development. In 2025, the Company allocated ₱214.29 million to its mandatory Social Development and Management Program (SDMP) and released ₱210.26 million in royalties to Indigenous Peoples. In addition, NAC invested ₱251.74 million in corporate social responsibility initiatives aimed at supporting sustainable communities beyond the life of the mine.

These investments are intended to maintain NAC's social license to operate, reduce the likelihood of social-related disruptions, support security conditions, and protect long-term enterprise value.

Strategy and Resource Allocation

Cutting down on GHG

NAC's strategy integrates Sustainability considerations into business planning and capital allocation to support long-term enterprise value. The Company has set a target to reduce greenhouse gas emissions by 50.4% of 95% for Scope 1 and 2 and 37.5% of 67% for Scope 3 by 2032, using 2024 as the base year. This strategy includes increased investments in renewable energy, low-carbon technologies, and nature-based solutions, such as mangrove restoration and tree planting, which are intended to support emissions reduction and operational resilience.

In parallel, the Group incorporates climate-related risks and opportunities into financial estimates and assumptions, where relevant. These considerations include the potential effects of physical and transition climate risks on asset useful lives, impairment assessments, fair value measurements, and provisions related to mine rehabilitation and decommissioning. The Group monitors climate-related developments, including regulatory changes, market dynamics, and cost impacts, to assess their potential implications for operations, capital allocation, and financial performance.

To support the execution of its climate strategy, NAC allocates resources to renewable energy investments, technology upgrades, nature-based solutions, and activities related to monitoring and compliance with climate-related regulations. These investments are intended to mitigate climate-related risks, manage potential cost increases, and enhance the Group's financial and operational resilience over the short, medium, and long term.

Restoring Biodiversity

NAC integrates biodiversity restoration and land rehabilitation into its long-term business strategy and capital allocation decisions, in compliance with the Philippine Mining Act of 1995. These activities are designed to manage nature-related risks, support ecosystem resilience, and ensure the sustainable use of land within the Company's Mineral Production Sharing Agreement (MPSA) areas.

The Company has committed to restoring approximately 807 hectares of disturbed land and establishing five biodiversity offset sites to mitigate residual environmental impacts. Rehabilitation activities include re-contouring, backfilling, and topsoil application, followed by the Sequential Planting Method, which targets the establishment of vegetative cover within 12 to 18 months. As of 2025, cumulative rehabilitation across all Opcos reached 1,204.60 hectares, including 114.26 hectares completed in 2025. The planting program prioritizes a mix of fast-growing and native species to enhance biodiversity, support wildlife habitats, and promote long-term forest regeneration.

To support these strategic objectives, the Company allocated ₱260.75 million for land protection and conservation values activities as of December 31, 2025. In 2025, the Company planted 2,565,438 seedlings within its operational areas, 2,059,440 outside MPSA, 57,900.00 seedlings for temporary revegetation, and donated 472,924 seedlings to external reforestation and community programs, demonstrating alignment between financial resource allocation and environmental outcomes.

Green Energy and Technologies

NAC has identified renewable energy development as a strategic growth priority and a key component of its response to energy transition risks and opportunities. Through its subsidiary, EPI, the renewable energy portfolio comprises approximately 292MW of installed generation capacity, consisting of 172MW from JSI and 120MW from Leyte 1, Beyond 2025, the development pipeline includes other projects, including the 145MW Cawag project, which are planned for phased completion in 2026 and 2027. This strategy supports the

Company's long-term resilience while aligning with national energy transition objectives under the Philippine Energy Plan (2020–2040) and the Renewable Energy Act.

The Company's renewable energy investments are aligned with the Philippines' transition to a low-carbon economy, supported by a policy environment that includes a coal moratorium, renewable energy portfolio standards, green energy tariffs, and other regulatory incentives. These policies provide a stable framework for long-term capital deployment in renewable energy projects and reduce transition risks associated with fossil fuel–based power generation.

To execute this strategy, the Company has allocated significant financial resources toward renewable energy infrastructure and green technology development. As of December 31, 2025, capital investments include:

- ₱7.2B (₱4.08B in Cawag, ₱9B in Leyte, and ₱114M in Botolan) invested in solar power plant development to expand renewable generation capacity

These investments reflect the Company's capital allocation priorities in support of its energy transition strategy, contributing to long-term revenue diversification, regulatory compliance, and alignment with national and global decarbonization pathways.

Water Management

Sustainable water management is a core component of NAC's Sustainability strategy and environmental risk management approach. The Company recognizes that mining activities may impact water quality and availability, which could affect regulatory compliance, operational continuity, and surrounding communities. To address these risks, NAC integrates water management into its Environmental Protection and Enhancement Program (EPEP), which focuses on preventing, monitoring, and mitigating water-related environmental impacts across its operations.

The Company implements best-practice measures to manage water quality, including the rehabilitation of mine-disturbed areas, the installation of water control structures, and continuous monitoring of surface and downstream water bodies. These actions are designed to preserve water quality, minimize sedimentation, and mitigate potential adverse impacts on local ecosystems and communities.

In 2025, NAC allocated ₱486.60 M to its EPEP, which includes investments dedicated to water management initiatives across operational sites. Across all operations, total water management protection for the year amounted to ₱103.68M this includes, desilting of settling ponds, establishment of silt traps, and water quality monitoring, consisting of weekly in-situ monitoring and quarterly third-party laboratory analysis to ensure compliance with regulatory requirements and internal environmental standards.

These investments support the Company's long-term strategy to reduce environmental risks, ensure regulatory compliance, and enhance resilience against water-related operational disruptions, while contributing to responsible resource stewardship in host communities.

Community Resiliency and Focus on People

NAC's strategy emphasizes building resilient and sustainable host communities as a key enabler of long-term operational continuity and risk management. The Company recognizes that strong relationships with host communities, indigenous peoples, and government agencies are critical to managing social and regulatory risks associated with mining activities.

To support this strategy, the Company invests in Social Development and Management Programs (SDMP) and Corporate Social Responsibility (CSR) initiatives that focus on education, livelihood development, healthcare access, and the protection and promotion of indigenous peoples' rights. In 2025, the Company allocated ₱466.03 million to SDMP and CSR programs across its operations, reflecting its commitment to shared value creation and social resilience in host areas.

Resource allocation decisions are informed by ongoing stakeholder engagement and regulatory requirements. A dedicated team is responsible for maintaining regular engagement with national and local regulators to support compliance with environmental and social laws, identify emerging issues at an early stage, and strengthen enterprise risk management. The Company maintains transparency through timely disclosures to the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC).

These strategic investments and engagement mechanisms support NAC's long-term objectives of sustaining its social license to operate, managing regulatory and community-related risks, and reinforcing its position as a responsible mining company in the Philippines.

A Robust Risk Management System and Target

The Group maintains a strong balance sheet and disciplined financial management, supported by robust risk management systems. It follows prudent policies in capital, investment, and debt management, ensuring liquidity, efficient capital use, and low debt levels. A centralized framework supports financing coordination, while a sound internal control and risk management system facilitates early risk identification and mitigation. The Group has committed to achieving a third-party Sustainability assessment of above Metals and Mining industry average score by 2025 and allocating budget for risk management activities.

NAC's strategy emphasizes maintaining a strong balance sheet and disciplined financial management to support long-term value creation and resilience to Sustainability-related risks. Prudent capital, investment, and debt management policies are applied to ensure adequate liquidity, efficient use of capital, and low leverage, enabling the Company to fund

operations, growth initiatives, and Sustainability-related investments under varying market and regulatory conditions.

A centralized financing and capital allocation framework supports coordinated decision-making across the Company, while a sound internal control and enterprise risk management system enables the early identification, assessment, and mitigation of financial, operational, environmental, and social risks. These systems support informed resource allocation decisions, including investments in risk mitigation and Sustainability initiatives.

To strengthen its Sustainability performance and risk management capabilities, NAC has committed to achieving a third-party Sustainability assessment score above the Metals and Mining industry average by 2025. This target was achieved based on the Company's 2025 results from the S&P Corporate Sustainability Assessment, in which NAC scored way above the industry average. The Company allocates dedicated resources to support risk management activities, including governance processes, internal controls, and performance monitoring, to enhance resilience and align financial strategy with Sustainability-related objectives.

Engaging with our Stakeholders

Stakeholder engagement and communication are integral to NAC's business strategy and Sustainability framework. The Company is committed to being sensitive and responsive to the concerns of its stakeholders, embedding this commitment into its operations and decision-making processes.

In 2025, NAC identified and addressed key stakeholder issues to align with stakeholders' understanding of Sustainability, fostering collaboration and support from both internal and external groups. Programs and initiatives were designed to advance NAC's Sustainability objectives, while transparency was strengthened through regular disclosures via annual reports, the corporate website, and social media platforms to ensure accurate and timely information.

Stakeholders are engaged in Sustainability matters through the materiality assessment, as well as through continuous information dissemination, multi-channel communication, and education initiatives. As part of the 2025 Materiality Assessment, consultations and focus group discussions were conducted to gather feedback on material issues, promoting active participation and shared responsibility in advancing NAC's Sustainability efforts.

In addition to the materiality assessment, the Sustainability Center spearheaded several stakeholder engagement programs in 2025 to strengthen awareness and participation in NAC's Sustainability Journey. One key initiative was the Sustainability Awareness Survey, an online survey conducted to assess the level of awareness and understanding of NAC's Sustainability initiatives among external stakeholders. Of the 701 respondents, 74% indicated that they are aware of NAC's Sustainability Journey. The survey aimed to generate updated insights on how external stakeholders perceive and appreciate NAC's Sustainability

efforts. The results served as a key input in the design and refinement of subsequent stakeholder engagement activities.

Another engagement initiative was the No Single-Use Plastic Mondays Campaign, implemented from January to July 2025. This office-based campaign, branded as "No Single-Use Plastic Monday," designated every Monday as a "No-SUP Day," encouraging employees to completely avoid single-use plastics at the NAC Head Office, even for one workday each week. The campaign sought to initiate conversations on plastic waste management, raise employee awareness, and explore opportunities to improve solid waste management practices. While employee participation was initially inconsistent, the campaign demonstrated growing interest in sustainable practices and served as a baseline for developing and scaling future waste reduction initiatives. Recognizing that change of behavior takes time, NAC intends to further strengthen and sustain this program to encourage long-term habit formation.

In addition, the Sustainability Center launched the Sustainability Champions initiative, aimed at building a network of employees and members of NAC's mining communities who actively support and promote the Company's Sustainability goals and commitments. Sustainability Champions serve as advocates and representatives of NAC's Sustainability initiatives, helping disseminate relevant information and key messages to various stakeholder groups. During the year, the Sustainability Champions participated in focus group discussions, information sessions, and Sustainability-related events, contributing to broader awareness, engagement, and shared ownership of NAC's Sustainability programs.

Stakeholder engagement is managed across multiple levels of the organization to ensure coordinated, effective, and inclusive participation. The External Affairs, Regulatory & Community Relations Group oversees engagement with government agencies and regulators and addresses concerns raised by local communities. Other groups, including People & Workplace Transformation and Supply Chain & Technical Services, play a critical role in gathering insights from employees and supply chain partners, ensuring that diverse perspectives are captured and considered.

The Board of Directors, together with the Sustainability Committee and the Board Risk Oversight Committee, provides strategic oversight of ESG-related topics, risks, and opportunities. These matters are regularly discussed and reviewed in coordination with the Sustainability, Risk, External Affairs and Communications Cluster to ensure alignment with corporate strategy and risk management priorities.

Feedback from stakeholder engagements is systematically reported to the Board through quarterly updates from the Chief Sustainability Officer. These reports deliver data-driven insights on engagement outcomes, action plans, and progress, enabling the Board to effectively challenge management, provide guidance, and support strategies that identify and capture Sustainability opportunities. This structured governance approach ensures that stakeholder perspectives are embedded in decision-making and reinforces NAC's commitment to responsible, transparent, and inclusive growth.

The following table presents NAC's key stakeholder groups, the material issues and concerns identified through the materiality assessment, the engagement channels used, and the corresponding engagement activity highlights undertaken. Consistent with NAC's multi-level stakeholder engagement and governance approach, this overview reflects how stakeholder inputs are systematically gathered, managed, and translated into actions that inform decision-making, risk management, and the advancement of NAC's Sustainability Journey.

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
Employees	Training and development	◎ Training (in-person and virtual) ◎ E-learning platforms Information dissemination (MS Teams, Emails ◎ Surveys ◎ Seminars	◎ Human capital development programs including OneNACdemy and Leadership Development Programs ◎ Implementation of the OneNAC Competency Framework (Core, Compliance, Functional, Leadership) ◎ Technical conventions for mining engineers, geologists, lab technicians, chemists, and other site-based roles ◎ Rewards and recognition for excellent performance and improvement skills
	Human Rights	◎ Orientation (in-person and virtual)	◎ Approved and implemented Human Rights Policy covering freedom of association, collective bargaining, prohibition of forced labor, child labor, harassment, bullying, and

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
		◎ Grievance mechanisms	other human rights risks, with defined sanctions
	Compensation and benefits for regular and seasonal employees	◎ CBA negotiations ◎ Grievance mechanisms	◎ Regular consultations with employee representatives ◎ Accessible grievance venues ◎ Coordination with LGUs and community organizations
	Employment arrangements and job security for regular and seasonal employees	◎ Grievance mechanisms	◎ Priority hiring of qualified local applicants ◎ Transparent employment arrangements for regular and seasonal workers
	Occupational health and safety	◎ Safety trainings ◎ Regular safety Toolbox meetings	◎ BOSH, Loss Control Management, First Aid, Defensive Driving, and Mental Health Awareness training ◎ Strict enforcement of safety protocols ◎ Work–life balance support programs
Contractors, Business	External weather-related factors	◎ Meetings and consultations	◎ Supplier briefings and orientations

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
Partners, Suppliers	affecting delivery schedules	(virtual and/or in-person) ◎ Email advisories and circulars ◎ Contractual communication clauses	
	Coordination and information flow challenges	◎ Meetings and consultations (virtual and/or in-person) ◎ Email advisories and circulars ◎ Contractual communication clauses	◎ Workshops on potential environmental impacts of vendor products and services ◎ Regular coordination meetings to align schedules, expectations, and compliance requirements
	Payment processing efficiency	◎ Meetings and consultations (virtual and/or in-person) ◎ Emails, notices	◎ Continuous improvement of payment coordination and communication to address delays and concerns

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
		◎ Contractual communication clauses	
Government and Regulatory Agencies	Regulatory compliance across sites	◎ Regulatory filings and statutory reports ◎ Compliance audits and inspections ◎ Meetings with regulators	◎ Timely submission of statutory reports ◎ Compliance audits and inspections across all sites
	Site-level environmental management practices	◎ Environmental monitoring reports ◎ Technical meetings and site briefing ◎ Environmental compliance documents	◎ Regular reporting and discussions on site-level environmental controls and performance
	Regulatory access and stakeholder-related risks	◎ Formal correspondence and coordination meetings	◎ Close coordination with Provincial, Municipal, and Barangay LGUs, particularly during natural disasters and local crises

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
		◎ Site visits and inspections ◎ Regulatory channels	
Community and Indigenous Peoples	Community access to employment and livelihood opportunities	◎ Coordination with LGUs ◎ Site visits, briefings, and consultations	◎ Livelihood projects ◎ Community consultations and assemblies ◎ Local employment prioritization
	Management of operational and environmental impacts on communities	◎ Environmental monitoring and reporting ◎ Community grievance and feedback mechanisms	◎ Transparent reporting of impacts ◎ Joint assessments and mitigation discussions
	Community engagement programs	◎ Regular stakeholder meetings and dialogue sessions	◎ Regular dialogue sessions ◎ Employee volunteer participation in Community Relations activities

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
		◎ Grievance mechanisms	◎ Program reviews and assessments
	Community development, health, education, and environmental programs	◎ Partnerships with LGUs, schools, and civil society organizations ◎ Monitoring, evaluations, and reporting of program outcomes	◎ Medical missions ◎Assistance to college scholars ◎ Outreach activities and service delivery programs
NGOs, CSOs, & POs	Community concerns responsiveness	◎ Grievance and feedback mechanisms	◎ Community consultations and meetings
	Rehabilitation and development continuity	◎ Program implementation reports ◎ Monitoring and evaluation	◎ Coordination meetings to ensure continuity and Sustainability of programs
	Operational health impact management	◎ Environmental and health monitoring reports ◎ Site visits	◎Joint issue reporting, discussion, and mitigation

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
	Benefit distribution and stakeholder communication	◎ Program orientations ◎ Formal communications with beneficiaries and LGUs	◎ Impact assessment sessions with beneficiaries and LGUs
Media	Communication platforms and accessibility	◎ Digital channels ◎ Community consultations	◎ Regular updates via website, social media, and newsletters
	Environmental Sustainability and community development	◎ Program reports and impact assessments ◎ Stakeholder meetings and partnerships coordination (LGUs, NGOs)	◎ Sharing of impact assessments and partnership initiatives ◎ Publishing of Annual and Sustainability Reports
	Public perceptions and reputational risks	◎ Media engagements ◎Stakeholder dialogue and feedback mechanisms	◎ Proactive media briefings and stakeholder feedback management
Investors and Shareholders	Sustainability initiatives	◎ Integrated Report	◎ Transparent disclosure of Sustainability initiatives and performance

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
		◎ Digital channels (website, social media, newsletters)	◎ Investors briefing on Sustainability Initiatives
	Corporate Governance	◎ Governance reports ◎ Investor briefings and compliance disclosures ◎ Policies	◎ Compliance disclosures and policy communication
	Reputation and investor confidence	◎ Investor relations communications ◎ Media engagement	◎ Regular engagement and timely responses to investor concerns ◎ Investors call
Downstream Market	Stakeholder trust and relationship continuity	◎ Regular meetings and consultations with stakeholders ◎ Formal and informal communications (emails, letters, briefings)	◎ Ongoing engagement to sustain long-term relationships ◎ Timely response on due diligence requests

Stakeholders/ Stakeholder Group	Key Issues/Concerns Identified	Engagement Channels	Engagement Activities Highlights
	Partnership stability	◎ Collaborative projects and initiatives ◎ Feedback mechanisms	◎ Partnership reviews and joint initiatives

Materiality Assessment

In 2025, NAC conducted a comprehensive materiality assessment and stakeholder engagement to identify the Sustainability issues most significant to its stakeholders and most consequential to the company's long-term strategy, operational resilience, and value creation. The assessment applied the principles of double materiality, consistent with leading frameworks such as GRI, SASB, IFRS S1 & S2, and the Accountability Stakeholder Engagement Standard (AA1000SES). Alongside the determination of the companies' material topics, a Stakeholder Engagement was likewise conducted, which involved nearly 1,000 stakeholders across all operating companies and key external groups, including host and neighboring communities, Indigenous Peoples, LGUs, NGOs/POs, regulators, suppliers, media, investors, and downstream partners.

Impact Materiality

Impact materiality was assessed across NAC's operating sites through a combination of on-site, paper-based engagements and online survey modalities to ensure broad and inclusive participation. This approach enabled NAC to gather insights from stakeholders who directly experience the social and environmental effects of mining activities, including employees, communities, and local institutions. The evaluation followed established international criteria to determine the significance of impacts by examining their scale, scope, likelihood, and persistence across the company's operations and value chain.

Financial Materiality

Financial materiality examined how Sustainability-related risks and opportunities could influence NAC's financial performance and long-term enterprise value. This included assessing how environmental and social conditions, regulatory developments, and governance practices may affect operational costs, business continuity, capital access, and stakeholder confidence. By applying this lens, NAC ensures that Sustainability

considerations with potential financial consequences are integrated into strategic planning, risk management systems, and investment decisions.

These priorities are presented in the following materiality matrix, which illustrates the relative significance of each topic across the two dimensions of materiality.

Pillar	No.	Material Topics	Impact to Stakeholders	Financial Impact
ENVIRONMENT	1	Greenhouse Gas Emissions	Important	Priority
	2	Climate Adaptation and Resilience	Critical	Important
	3	Biodiversity Protection	Critical	Important
	4	Waste and Materials Management	Priority	Important
	5	Energy Efficiency	Critical	Priority
	6	Water and Materials Management	Critical	Important
	7	Planning and Financing Reclamation and Closure	Critical	Critical
	8	Research, Innovation, and Partnerships	Important	Important
	9	Product End-of-Life Management (Solar,Wind)	Important	Important
	10	Land Use	Important	Important
SOCIAL	11	Health and Safety	Priority	Important
	12	Diversity and Inclusion	Critical	Important
	13	Sustainable Communities	Priority	Critical
	14	Work Conditions (Decent Work)	Priority	Priority
	15	Indigenous People Partnership	Important	Critical
	16	Nation Building through Economic Growth	Critical	Priority
	17	Supply Chain Management	Critical	Critical
	18	Catastrophic Hazards Management	Priority	Important
	19	Security Arrangements	Critical	Critical
GOVERNANCE	20	Corporate Governance	Important	Important
	21	Corporate Behavior	Critical	Important
	22	Incident/Risk Management Systems	Important	Important

Through quantitative surveys and qualitative focus group discussions, NAC captured diverse perspectives on 22 environmental, social, and governance topics, enabling a detailed comparison of priorities across sites, demographics, and stakeholder categories. The following table summarizes the key insights gathered through the stakeholder engagement process, highlighting the main concerns, priorities, and perspectives shared across different stakeholder groups.

Sustainability Framework

NAC pursues sustainable growth anchored on its OneNAC Vision and Sustainability Roadmap. The Company's Sustainability initiatives contribute to the United Nations Sustainable Development Goals (SDGs) and the principles of the United Nations Global Compact (UNGC), while supporting national priorities of the Philippine Government.

Sustainability considerations are integrated into strategy and decision-making, with due regard for the Company's economic, environmental, and social impacts. Environmental, Social, and Governance (ESG) performance is monitored using recognized benchmarks and standardized, science-based metrics in line with applicable reporting standards. Through stakeholder engagement and materiality assessments, NAC identifies and manages its most significant economic, social, and environmental impacts across its operations and value chain, supporting informed decision-making and long-term value creation.

Sustainability Goals and Materiality Topics

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
ENVIRONMENT				
E1	Greenhouse Gases	**Environment** **Principles 7** Businesses should support a precautionary approach to environmental challenges; **Principles 8** Undertake initiatives to promote greater environmental responsibility; and **Principle 9** Encourage the development and diffusion of environmentally friendly technologies.		Renewable energy consumed (MWh) – **32,094.90** Electricity consumption from non-renewable sources (MWh) – **8,775.68**
E2	Biodiversity Protection			Budget for water protection programs (Million ₱) – **103.68M** Number of seedlings planted – **5.16M** Land area rehabilitated (hectares) – **114.26** Habitat Areas Protected (hectares) –

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
ENVIRONMENT				
				1,108.29 Total newly opened area (hectares) – **288.99**
E3	Water Management			Water withdrawn (m^3) – **9.40M** Water discharged (m^3) – **11.04M** Water consumed (m^3) – **0.83M** Silt Collected (WMT) – **0.65M**
E4	Waste Management			Non-hazardous waste diverted from disposal (tons) – **199.81** Percentage of total waste diverted from disposal – **29.7%**
E5	Energy Efficiency			Total renewable energy generated (MWh) – **218,404.63** Fuel consumed (L) - **45.93M** Electricity consumed

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
ENVIRONMENT				
				(MWh) – **8,775.68**
E6	Climate Resilience			Investment in EPEP (Million ₱) – **467.12 M**

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
SOCIAL				
S1	Health & Safety	**Human Rights** **Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights; and **Principle 2** Make sure that they are not complicit in human rights abuses. **Labor** **Principle 3** Businesses should	 	Expenditure on health and safety programs (Million ₱) – **48.83** Household assisted – **6,667** Total safe man hours – **131.8 M** [SECURITY ARRANGEMENTS] % of security personnel trained on Human Rights and Voluntary Principles- **0**

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
SOCIAL				
S2	Diversity and Inclusion	uphold the freedom of association and the effective recognition of the right to collective bargaining. **Principle 4** The elimination of all forms of forced and compulsory labor; **Principles 5** The effective abolition of child labor; and **Principles 6** The elimination of discrimination in respect of employment and occupation.		Percentage of women in the workforce – **21%** Percentage of women returned to work after parental leave – **96%** Percentage of women in supervisory, managerial positions – **35%**
S3	Sustainable Communities			Expenditure on infrastructure projects (Million ₱) - **41.03**
S4	Work Conditions (Decent Work)			Total training hours for employees – **44,155** Total number of employees – **3,961** Employees under CBA – **1,599** Employees hired from local communities – **2,457**

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
SOCIAL				
				Entry-level wage exceeds the local minimum wage requirement by – **1:07:1**
S5	Indigenous Peoples Partnership			Indigenous population supported by SDMP & CSR – **28,703** Indigenous Peoples hired in the workforce – **205** Displaced IPs due to operations - **0**
S6	Nation Building through Economic Growth		 	WMT ores sold (thousand WMT) - **18,629.26** Total spending on local suppliers (Million ₱) – **11,462.49** Expenditure on livelihood programs (Million ₱) – **20.84** [SUPPLY CHAIN MANAGEMENT] % of procurement spend with local suppliers – **97%**

THEME	MATERIAL TOPICS	UNGC PRINCIPLE	PERFORMANCE	
GOVERNANCE				
G1	Corporate Governance			Number of women on the board – **2**
G2	Corporate Behavior	**Anti-Corruption** **Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery	  	Incidents of corruption – **0** Incidents of discrimination and/or harassment – **0** Incidents of Conflicts of Interest – **0** Incidents of Insider Trading – **0** Incidents of data breaches – **0**
G3	Incident/Risk Management Systems		 	Number of data breaches – **0**

Our Sustainability Performance

Environment

As environmental stewards in the communities where NAC operates, its operating mining companies recognize that creating value is an evolving responsibility - one that balances shareholder returns with the careful management of environmental impacts. This perspective guides the continuous refinement of mining practices to reduce ecological footprints while supporting long-term, sustainable growth.

The environmental management approach of NAC's operating companies is anchored on the Environmental Protection and Enhancement Program (EPEP), as mandated by the Philippine Mining Act of 1995. The EPEP provides a structured framework through which responsible resource development and environmental protection continue to evolve in response to operational experience, regulatory standards, and community expectations.

Implemented throughout the full life cycle of a mining operation, the EPEP addresses key areas such as water, air, and land conservation. The program is submitted to the Mines and Geosciences Bureau (MGB), with performance transparently disclosed through the annual EPEP scorecard - reflecting NAC's commitment to continuous improvement and accountable environmental stewardship.

EPEP Spending

EPEP Spending (₱)	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	TOTAL
Land Protection	46,114,780.72	2,346,593	2,773,046.73	34,356,860.55	45,981,721.00	102,245,477	233,818,478.03
Air Protection	12,050,500.00	1,228,893	2,879,216.80	5570911.23	11,500,008.83	21,616,826	54,846,355.26
Water Protection	16,510,000.00	3,219,049	2,072,175.35	19,826,005.05	22,865,512.00	39,187,472	103,680,213.79
Noise & Vibration	212,000.00	80,000	79,264.62	314,149.85	1,613,794.00	475,364	2,774,572.78
Conservation Values	7,348,399.90	5,530,261	889,455.47	1,630,145.60	9,295,184.00	2,236,922	26,930,368.02
Environmental Researches	1,000,000.00	987,140	1,972,135.40	2,239,350.00	4,508,168.50	2,834,358	13,541,151.85
Other Initiatives	8,804,653.54	515,000	1,729,286.58	6,472,355.58	7,017,552.32	6,987,665	31,526,512.88
TOTAL EPEP	**92,040,334.16**	**13,906,935.01**	**12,394,580.95**	**70,409,777.86**	**102,781,940.65**	**175,584,083.98**	467,117,652.61

TOTAL APPROVED EPEP BUDGET FOR 2025	92,311,000	15,074,482.40	13,560,288.72	74,500,564	125,542,294.13	165,607,609	486,596,238.26
PERCENTAGE ACCOMPLISHMENT	99.71%	92.25%	91.40%	94.51%	81.87%	106.02%	96.00%

Greenhouse Gas and Non-Greenhouse Gas

NAC is committed to achieving net-zero greenhouse gas (GHG) emissions across its entire value chain by 2050.

As part of its near-term targets, the Company aims to reduce its absolute Scope 1 and Scope 2 GHG emissions by 50.4% by 2032, using 2024 as the base year. It also commits to reducing absolute Scope 3 GHG emissions by 37.5% by 2035 from the same 2024 baseline.

In the long term, NAC targets a 90.0% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2050, relative to 2024 levels. Over the same period, the Company likewise commits to reducing its absolute Scope 3 GHG emissions by 90.0%, reinforcing its pathway toward full net-zero alignment

2025 Total Scope 1 and Scope 2 GHG Emissions (in tCO2e)

	Scope 1	Scope 2	Total
CMC	97,371.92	0.00	**97,371.92**
DMC	7,282.20	7.85	**7,290.05**
HMC-TNP	12,169.42	0.07	**12,169.49**
HMC-MNP	7,541.06	-	**7,541.06**
RTN	32,434.97	2,575.28	**35,010.25**
TMC	64,151.17	2,408.22	**66,559.39**
CDTN	2,893.52	21.92	**2,915.44**
EPI	3.47	34.86	**38.33**
JSI	78.03	1,103.93	**1,181.96**
NAC	3,170.96	431.85	**3,602.81**
GRAND TOTAL	**227,096.72**	**6,583.98**	**233,680.70**

Note: NAC emission data include emissions from operational and administrative facilities, specifically in the NAC Head Office in Taguig and NAC Diesel Power Plant (NDPP) in Surigao.

Air Emissions

2025	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	JSI	CDTN	EPI	NAC HO
Carbon Monoxide (mg/Ncm)	13.03	NA	81.50	166.00	NA	179.06	NA	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Lead (Pb)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Mercury (Hg)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nitrous Oxides (NOx) (mg/Nm^3)	280.25	<0.004	251.75	326.5	NA	216.12	0.0042	NA	NA	NA
Ozone-depleting substances (ODS) (kg)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Particulate matter (PM) (mg/Nm^3)	27.41	0.02	97.50	NA	22.00	21.30	0.0494	NA	NA	NA
Persistent organic pollutants (POP)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sulfur Oxides (SOx) (mg/Nm^3)	5.88	<0.007	<1	NA	NA	7.80	0.0038	NA	NA	NA
Total Suspended Particles (TSP) (mg/Nm^3)	NA	0.06	NA	NA	NA	NA	0.0912	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Notes:

1. *Annual average concentrations of particulate matter (PM) and total suspended particulates (TSP) were calculated using the arithmetic mean of available monitoring results for Sustainability reporting purposes and do not replace compliance assessment against applicable DENR-EMB regulatory standards. Parameters not tested for 2025 are subject for emission testing frequency depending on issued Permit to Operate Air Pollution Source and Control Installations by EMB.*
2. *CMC – Values represent the average emission results across eight (8) generator sets tested in September 2025.*
   DMC – NOx and SOx values were derived from quarterly emission testing, while PM reflects the average of available monitoring data from accredited third-party and in-house monitoring.
   MNP – NOx, SOx, and CO values represent the average emission results from three (3) generator sets tested in July 2025.
   RTN – Only particulate matter data are available; values represent the average results across seven (7) monitoring stations.
   TMC – NOx and SOx values represent the average emission results from tested generator sets, while PM reflects the average of quarterly third-party ambient monitoring.

Criteria Air Pollutants*

(DAO 2000-81 – National Emission Standards for Stationary Sources)

Pollutant	Unit	DAO 2000-81 Reference Limit	Reporting Note
Carbon Monoxide (CO)	mg/Nm^3	500.00	Stationary source emission concentration limit
Lead (Pb)	mg/Nm^3	1.50	Regulated as a toxic air pollutant; reference value based on DAO 2000-81 provisions
Nitrogen Oxides (NOx)	mg/Nm^3	2000.00	Stationary source emission concentration limit
Particulate Matter (PM)	mg/Nm^3	150.00	Stationary source emission concentration limit under DAO 2000-81
Sulfur Oxides (SOx)	mg/Nm^3	700.00	Stationary source emission concentration limit
Total Suspended Particulates (TSP)	mg/Nm^3	150.00	Regulated as particulate matter under DAO 2000-81

**Emission concentration limits presented are based on the Philippine Clean Air Act and its Implementing Rules and Regulations (DAO 2000-81) for stationary sources. Criteria pollutant limits are shown for reference and benchmarking purposes in Sustainability reporting and do not, by themselves, constitute regulatory compliance assessments. Other air pollutants are regulated through permitting requirements, phase-out programs, or international conventions rather than uniform emission concentration limits.*

Other Air Pollutants*

(Regulated through permits, phase-out programs, or international conventions)

Pollutant	Unit	Applicable Regulatory Reference	Reporting Note
Hazardous Air Pollutants (HAP)	—	Permit-based regulation	Subject to DENR permitting and best available control measures
Mercury (Hg)	—	Permit-based regulation	Controlled as a toxic air pollutant under DENR permitting requirements
Ozone-Depleting Substances (ODS)	kg	No numeric emission limit	Regulated through phase-out and control measures under RA 8749 and the Montreal Protocol
Persistent Organic Pollutants (POP)	—	International conventions	Managed through inventory reporting and control programs (e.g., Stockholm Convention)
Volatile Organic Compounds (VOC)	—	No uniform CAA limit	Controlled through source-specific permits and process standards

**Emission concentration limits presented are based on the Philippine Clean Air Act and its Implementing Rules and Regulations (DAO 2000-81) for stationary sources. Criteria pollutant limits are shown for reference and benchmarking purposes in Sustainability reporting and do not, by themselves, constitute regulatory compliance assessments. Other air pollutants are regulated through permitting requirements, phase-out programs, or international conventions rather than uniform emission concentration limits.*

Biodiversity Protection

Biodiversity management is a core component of the Annual Environmental Protection and Enhancement Program (AEPEP) implemented across the operating mining companies of NAC.

Guided by science-based practices and prevailing government regulations including the DENR Administrative Order No. 2022-04 (DENR-DAO 2022-04), the operating companies continuously refine their approaches to the minimization of environmental impacts.

These principles inform the development of site-specific Environmental Work Programs (EWPs), ensuring that biodiversity considerations evolve alongside mining activities, from exploration and development through rehabilitation, and the end of life of mine.

Overview

A. Operational Sites

2025	Located in or Near Protected Area	Site with Risk and Impact Assessment on Biodiversity	Site assessed for biodiversity risks	Biodiversity Monitoring Program in Place
CMC	Yes	Yes	Yes	Yes
DMC	Yes	Yes	Yes	Yes
HMC-MNP	Yes	Yes	Yes	Yes
HMC-TNP	No	No	No	Yes
RTN	Yes	Yes	No	Yes
TMC	Yes	Yes	Yes	Yes
JSI	Yes	No	No	No
CDTN	NA	NA	NA	NA
EPI	NA	NA	NA	NA
NAC HO	NA	NA	NA	NA

Note: JSI is currently in the process of engaging a third-party consultant to conduct a Comprehensive Biodiversity Assessment.

B. Impacts on Biodiversity

2025	Habitat Conversion (Ha)	Extent of Areas Affected (Ha)	Species Affected
CMC	0	0	0
DMC	0	123.00	0
HMC-MNP	0	35.00	0
HMC-TNP	0	0	0
RTN	0	0	0
TMC	0	0	0
JSI	-	-	-
CDTN	NA	NA	NA
EPI	NA	NA	NA
NAC HO	NA	NA	NA

Note: *Values are cumulative for the reporting year. The annual extent of areas affected corresponds to the final reported value at year-end.*

Land Protection

At every stage of mining operations, NAC operating mining companies implement progressive measure to safeguard the land they utilize, recognizing land stewardship as an evolving responsibility that extends beyond the life of the mine. These measures include responsible land clearing, soil management, and continuous monitoring to minimize disturbance and preserve land integrity.

Guided by rehabilitation and mine closure planning from the outset, the operating mining companies begin with the end in mind. Disturbed areas are systematically restored beginning with soil amelioration, with the objective of returning mining areas to productive and beneficial use.

A. Natural Habitat Areas Protected

2025	Within MPSA / RE Development Area (ha)		Within MPSA Buffer Zone (ha)		Outside MPSA / RE Development Area (ha)		Total Habitat Areas Protected (ha)
	Terrestrial	Marine	Terrestrial	Marine	Terrestrial	Marine	
CMC	0.00	0.00	0.00	0.00	1.00	1.00	2.00
DMC	0.00	0.00	61.71	0.00	0.00	0.00	61.71
HMC-MNP	0.00	0.00	0.00	0.00	0.00	0.00	-
HMC-TNP	0.00	0.00	67.05	0.00	37.00	0.00	104.05
RTN	0.00	0.00	290.14	0.00	629.39	21.00	940.53
TMC	0.00	0.00	0.00	0.00	0.00	0.00	-
JSI	-	-	-	-	-	-	-
CDTN	NA	NA	NA	NA	NA	NA	-
EPI	NA	NA	NA	NA	NA	NA	-
NAC HO	NA	NA	NA	NA	NA	NA	-
TOTAL	**-**	**-**	**418.90**	**-**	**667.39**	**22.00**	**1,108.29**

Notes:
1. Values represent the total area under protection at year-end.
2. CMC – Monitoring and verification of protected natural habitat areas are conducted biennially in accordance with the requirements and commitments specified in the approved Environmental Compliance Certificate (ECC). These activities support the protection and management of designated terrestrial and associated ecosystems within the operational boundary.
3. JSI – currently in the process of engaging a third-party consultant to conduct a Comprehensive Biodiversity Assessment.
4. RTN – Habitat protection initiatives include the continued protection and management of 21 hectares of terrestrial habitat, 629.39 hectares of marine habitat under the UIWS, and 290.14 hectares of watershed within the designated buffer zone. These areas are maintained to support ecosystem integrity, biodiversity conservation, and regulatory compliance within and adjacent to operational areas.

B. Habitat Areas Restored

2025	Restored within MPSA / RE Development Area (ha)		Restored within MPSA Buffer Zone (ha)		Restored outside MPSA / RE Development Area (ha)		Total Habitat Areas Restored (ha)
	Terrestrial	Marine	Terrestrial	Marine	Terrestrial	Marine	
CMC	0.00	0.00	0.00	0.00	1.00	0.00	1.00
DMC	8.00	0.00	0.20	0.00	28.00	28.00	64.20
HMC-MNP	95.99	0.00	0.00	0.00	10.36	0.00	106.35
HMC-TNP	0.00	0.00	2.45	0.00	269.00	0.00	271.45
RTN	0.00	0.00	20.35	0.00	56.00	44.00	120.35
TMC	0.00	0.00	25.07	0.00	0.00	0.00	25.07
JSI*	-	-	-	-	-	-	-
CDTN	NA	NA	NA	NA	NA	NA	-
EPI	NA	NA	NA	NA	NA	NA	-
NAC HO	NA	NA	NA	NA	NA	NA	-
TOTAL	**103.99**	**-**			**364.36**	**72.00**	**588.42**

Note: Habitat areas restored are reported as incremental value by location and reporting period, representing newly restored areas. Annual totals reflect the cumulative extent of restoration activities completed within the reporting year.

C. Avoidance and Biodiversity Sensitivity

2025	No. of High Conservation Value (HCV) Areas Avoided	Area of HCV Avoided (ha)	Total No. of IUCN Red List Species Affected
CMC	2.00	36.70	87
DMC	0.00	0.00	0
HMC-MNP	0.00	0.00	0
HMC-TNP	0.00	0.00	0
RTN	0.00	0.00	0
TMC	0.00	0.00	0
JSI	-	-	-
CDTN	NA	NA	NA
EPI	NA	NA	NA
NAC HO	NA	NA	NA
TOTAL	**2.00**	**36.70**	**87.00**

IUCN Red List species and National Conservation List species with habitats in areas affected by operations

A. Threatened Flora Species

2025	Total No. of Flora Species used in Restoration	Endemic Flora Species used In Restoration	Threatened Flora Species used in Restoration	Balled Flora Species Planted	Balled Flora Species Survived	Threatened Flora Species planted	Threatened Flora Species Survived
CMC	0	0	0	0	0	0	0
DMC	38	18	18	0	0	38	38
HMC-MNP	14	14	4	0	0	0	0
HMC-TNP	24	21	8	16,837.00	13,469.00	1,364.00	1,091.00
RTN	0	0	0	0	0	0	0
TMC	12	12	1	0	0	1	1
JSI	-	-	-	-	-	-	0
CDTN	NA	NA	NA	NA	NA	NA	NA
EPI	NA	NA	NA	NA	NA	NA	NA
NAC HO	NA	NA	NA	NA	NA	NA	NA
TOTAL	**88**	**65**	**31**	**16,837**	**13,469**	**1,403**	**1,130**

Note: HMC – Reported restoration activities are based on the biodiversity assessment conducted by Caraga State University covering HMC's reforestation areas and the designated 9% reference ecosystem. Balled species refer to wildlings collected from reference ecosystems and propagated as planting materials to support site rehabilitation and ecological restoration.

B. Introduced Species

2025	Total No. of Species Used	Introduced Species Used	Exotic Species Present and Identified	Invasive Species Present and Identified	Total No. of IUCN Red List Species protected
CMC	0	0	0	0	0
DMC	3	3	0	0	66
HMC-MNP	0	0	4	4	3
HMC-TNP	0	0	0	0	142
RTN	0	0	0	0	0
TMC	0	0	0	0	0
JSI	-	-	-	-	-
CDTN	NA	NA	NA	NA	NA
EPI	NA	NA	NA	NA	NA
NAC HO	NA	NA	NA	NA	NA
TOTAL	**3**	**3**	**4**	**4**	**211**

C. IUCN Red List Species Count

2025	IUCN Status	Habitat	Species Category	No. of Species
CMC	Critically endangered	Terrestrial	Flora	10
	Endangered	Terrestrial	Flora	43
	Endangered	Terrestrial	Fauna	1
	Least concern	Terrestrial	Flora	8
	Least concern	Terrestrial	Fauna	53
	Near threatened	Terrestrial	Flora	8
	Near threatened	Terrestrial	Fauna	1
	Vulnerable	Terrestrial	Fauna	18
DMC	Critically endangered	Terrestrial	Flora	5
	Critically endangered	Terrestrial	Fauna	2
	Endangered	Terrestrial	Flora	10
	Endangered	Terrestrial	Fauna	1
	Least concern	Terrestrial	Flora	5
	Least concern	Terrestrial	Fauna	32
	Near threatened	Terrestrial	Flora	2
	Near threatened	Terrestrial	Fauna	2
	Vulnerable	Terrestrial	Flora	6
	Vulnerable	Terrestrial	Fauna	1
HMC-MNP	Critically endangered	Terrestrial	Flora	2
	Endangered	Terrestrial	Flora	1
HMC-TNP	Endangered	Terrestrial	Flora	14
	Least concern	Terrestrial	Flora	78
	Least concern	Terrestrial	Fauna	35

2025	IUCN Status	Habitat	Species Category	No. of Species
	Near threatened	Terrestrial	Flora	5
	Near threatened	Terrestrial	Fauna	1
	Vulnerable	Terrestrial	Flora	8
	Vulnerable	Terrestrial	Fauna	1
RTN	Endangered	Terrestrial	Fauna	1
	Least concern	Terrestrial	Flora	9
	Least concern	Terrestrial	Fauna	16
	Near threatened	Terrestrial	Flora	2
	Near threatened	Terrestrial	Fauna	4
TMC	Endangered	Terrestrial	Flora	5
	Least concern	Terrestrial	Flora	1
	Least concern	Terrestrial	Fauna	72
	Near threatened	Terrestrial	Fauna	1
	Vulnerable	Terrestrial	Flora	6
	Vulnerable	Terrestrial	Fauna	1
JSI	-	-	-	-
CDTN	NA	NA	NA	NA
EPI	NA	NA	NA	NA
NAC HO	NA	NA	NA	NA
TOTAL	**0**	**0**		**471**

D. IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Operations

IUCN Status	Habitat	Species Category	Species Type
Critically endangered	Terrestrial	Flora	Surigao Psychotria (*Psychotria surigaoensis*)
Critically endangered	Terrestrial	Flora	*Villaria leytensis*
Endangered	Terrestrial	Flora	Dayopod (*Rhodomyrtus surigaoensis*)
Endangered	Terrestrial	Flora	Ormosia surigaensis
Endangered	Terrestrial	Flora	Palumut (*Calophyllum cucullatum*)
Endangered	Terrestrial	Flora	Slipper orchid (*Paphiopedilum ciliolare*)
Endangered	Terrestrial	Flora	Yakal (*Shorea astylosa*)
Vulnerable	Terrestrial	Flora	Butlo (*Aquilaria cumingiana*)
Vulnerable	Terrestrial	Flora	Dalindingan (*Hopea malibato*)
Vulnerable	Terrestrial	Flora	Mangkono (*Xanthostemon verdugonianus*)

IUCN Status	Habitat	Species Category	Species Type
Vulnerable	Terrestrial	Flora	Pagat-pagat (*Terminalia darlingii*)
Vulnerable	Terrestrial	Flora	Palosapis (*Anisoptera thurifera*)
Vulnerable	Terrestrial	Fauna	Philippine Duck (*Anas luzonica*)
Vulnerable	Terrestrial	Fauna	Philippine Sailfin Lizard (*Hydrosaurus pustulatus*)
Vulnerable	Terrestrial	Fauna	Southern Rufous Hornbill (*Buceros mindanensis*)
Vulnerable	Terrestrial	Flora	Yakal kaliot (*Hopea malibato*)
Least concern	Terrestrial	Fauna	Asian Glossy Starling (*Aplonis panayensis*)
Least concern	Terrestrial	Fauna	Asian House Rat (*Rattus tanezumi*)
Least concern	Terrestrial	Fauna	Asian House Shrew (*Suncus murinus*)
Least concern	Terrestrial	Fauna	Asian Palm Civet (*Paradoxorus hermaphroditus*)
Least concern	Terrestrial	Fauna	Asian-painted Frog (*Kaloula pulchra*)
Least concern	Terrestrial	Fauna	Barred Rail (*Gallirallus torquatus*)
Least concern	Terrestrial	Fauna	Black-headed Tailorbird (*Orthotomus nigriceps*)
Least concern	Terrestrial	Fauna	Black-naped Monarch (*Hypothymis azurea*)
Least concern	Terrestrial	Fauna	Black-naped Oriole (*Oriolus chinensis*)
Least concern	Terrestrial	Fauna	Blue-tailed Bee-eater (*Merops philippinus*)
Least concern	Terrestrial	Fauna	Brahminy Kite (*Haliastur indus*)
Least concern	Terrestrial	Fauna	Brown Mabuya (*Eutropis multifasciata*)
Least concern	Terrestrial	Fauna	Brown Shrike (*Lanius cristatus*)
Least concern	Terrestrial	Fauna	Brown Tit-Babbler (*Macronus striaticeps*)
Least concern	Terrestrial	Fauna	Chestnut Munia (*Lonchura atricapilla*)
Least concern	Terrestrial	Fauna	Cinnamon Bittern (*Ixobrychus cinnamomeus*)
Least concern	Terrestrial	Fauna	Collared Kingfisher (*Todiramphus chloris*)
Least concern	Terrestrial	Fauna	Common Dawn Bat (*Eonycteris spelaea*)
Least concern	Terrestrial	Fauna	Common House Gecko (*Hemidactylus frenatus*)

IUCN Status	Habitat	Species Category	Species Type
Least concern	Terrestrial	Fauna	Common Sandpiper (*Actitis hypoleucos*)
Least concern	Terrestrial	Fauna	Coppersmith Barbet (*Psilopogon haemacephalus*)
Least concern	Terrestrial	Fauna	Coron Jungle Crow (*Corvus philippinus*)
Least concern	Terrestrial	Fauna	Eastern Spotted Dove (*Spilopelia chinensis*)
Least concern	Terrestrial	Fauna	Eurasian Barn Swallow (*Hirundo rustica*)
Least concern	Terrestrial	Fauna	Eurasian Tree Sparrow (*Passer montanus*)
Least concern	Terrestrial	Fauna	Everett's White-eye (*Zosterops everetti*)
Least concern	Terrestrial	Fauna	Flat-tailed House Gecko (*Hemidactylus platyurus*)
Least concern	Terrestrial	Fauna	Golden-bellied Gerygone (*Gerygone sulphurea*)
Least concern	Terrestrial	Fauna	Grey-capped Emerald Dove (*Chalcophaps indica*)
Least concern	Terrestrial	Fauna	Grey-rumped Swiftlet (*Collocalia marginata*)
Least concern	Terrestrial	Fauna	Grey-streaked Flycatcher (*Muscicapa griseisticta*)
Least concern	Terrestrial	Fauna	Grey-throated Flowerpecker (*Dicaeum trigonostigma* ssp. *cinereigulare*)
Least concern	Terrestrial	Fauna	Grey Wagtail (*Motacilla cinerea*)
Least concern	Terrestrial	Fauna	House Swallow (*Hirundo javanica*)
Least concern	Terrestrial	Fauna	Intermediate Egret (*Ardea intermedia*)
Least concern	Terrestrial	Fauna	Large-billed Crow (*Corvus macrorynchus*)
Least concern	Terrestrial	Fauna	Mindanao Hornbill (*Penelopides affinis*)
Least concern	Terrestrial	Fauna	Mindanao Water Monitor Lizard (*Varanus cumingi*)
Least concern	Terrestrial	Fauna	Nankeen Night Heron (*Nycticorax caledonicus*)
Least concern	Terrestrial	Fauna	Olive-backed Sunbird (*Nectarinia jugularis*)
Least concern	Terrestrial	Fauna	Paddyfield Pipit (*Anthus rufulus*)
Least concern	Terrestrial	Fauna	Philippine Bulbul (*Hypsipetes philippinus*)

IUCN Status	Habitat	Species Category	Species Type
Least concern	Terrestrial	Fauna	Philippine Coucal (*Centropus viridis*)
Least concern	Terrestrial	Fauna	Philippine Glossy Swiftlet (*Collocalia esculenta*)
Least concern	Terrestrial	Fauna	Philippine Hanging-parrot (*Loriculus philippensis*)
Least concern	Terrestrial	Fauna	Philippine Jungle Crow (*Corvus philippinus*)
Least concern	Terrestrial	Fauna	Philippine Magpie-robin (*Copsychus mindanensis*)
Least concern	Terrestrial	Fauna	Philippine Pied Fantail (*Rhipidura nigritorquis*)
Least concern	Terrestrial	Fauna	Philippine Pygmy Woodpecker (*Picoides maculatus*)
Least concern	Terrestrial	Fauna	Philippine Serpent Eagle (*Spilornis holospilus*)
Least concern	Terrestrial	Fauna	Pied Bushchat (*Saxicola caprata*)
Least concern	Terrestrial	Fauna	Pied Triller (*Lalage nigra*)
Least concern	Terrestrial	Fauna	Pink-necked Green Pigeon (*Treron vernans*)
Least concern	Terrestrial	Fauna	Pygmy Swiftlet (*Collocalia troglodytes*)
Least concern	Terrestrial	Fauna	Purple-throated Sunbird (*Leptocoma sperata*)
Least concern	Terrestrial	Fauna	Red Junglefowl (*Gallus gallus*)
Least concern	Terrestrial	Fauna	Red-keeled Flowerpecker (*Dicaeum australe*)
Least concern	Terrestrial	Fauna	Reticulated Python (*Malayophyton reticulatus*)
Least concern	Terrestrial	Fauna	Ridgetop Swiftlet (*Collocalia isonota*)
Least concern	Terrestrial	Fauna	Rufous Night Heron (*Nycticorax caledonicus*)
Least concern	Terrestrial	Fauna	Rufous-crowned Bee-eater (*Merops americanus*)
Least concern	Terrestrial	Fauna	Short-billed Brown-dove (*Phapitreron brevirostris*)
Least concern	Terrestrial	Fauna	Short-nosed Fruit Bat (*Cynopterus brachyotis*)
Least concern	Terrestrial	Fauna	South American Toad (*Rhinella marina*)
Least concern	Terrestrial	Fauna	Striated Heron (*Butorides striata*)
Least concern	Terrestrial	Fauna	Western Osprey (*Pandion haliaetus*)

IUCN Status	Habitat	Species Category	Species Type
Least concern	Terrestrial	Fauna	White-breasted Waterhen (*Amaurornis phoenicurus*)
Least concern	Terrestrial	Fauna	White-breasted Wood-swallow (*Artamus leucorynchus*)
Least concern	Terrestrial	Fauna	White-throated Kingfisher (*Halcyon smyrnensis*)
Least concern	Terrestrial	Fauna	Yellow-bellied Whistler (*Pachycephala philippinensis*)
Least concern	Terrestrial	Fauna	Yellow-vented Bulbul (*Pycnonotus goiavier*)
Least concern	Terrestrial	Fauna	Zebra Dove (*Geopelia striata*)

Water Management

Anchored on the principles of ISO 14001:2015 Environmental Management System (EMS), each operating mining company implements their water management plans to respond to site-specific conditions while upholding responsible and efficient water use.

These plans are reinforced by a growing suite of policies and operational practices focused on water conservation, efficient utilization, treatment, and quality monitoring. Together, these reflect the Group's commitment to strengthening regulatory compliance and safeguarding surrounding water bodies and host communities.

Collectively, these efforts advance the NAC Group's long-term goal of achieving a net positive water impact by 2030 – ensuring that the quality of water returned to the environment is equal to or better than the water used in its operations.

Water and Effluents Management

2025	Water Withdrawal		Water Consumption		Water Recycled		Water Discharge		Silt Collected (m3)
	Water Source	Volume (m3)	Water Source	Volume (m3)	Water Source	Volume (m3)	Destination	Volume (m3)	
CMC	Surface Water	7,235.89	Surface Water	7,235.89	Settling Pond	26,451.43	-	0.00	43,010.74
	Ground Water	20,864.00	Ground Water	20,864.00					
	Rainwater	261.00	Rainwater	261.00					
DMC	Surface Water	22,139.90	Surface Water	22,139.90	-	0.00	-	0.00	2,632.98
HMC-MNP	Surface Water	18,654.12	Surface Water	18,654.12	-	0.00	-	0.00	11,740.46
HMC-TNP	Surface Water	6,141,648.90	Surface Water	58,882.50	-	0.00	Surface Water	506,897.22	37,585.38
RTN	Surface Water	2,006,374.00	Surface Water	206,344.96	Surface Water	2,006,374.00	Sea Water	10,536,391.39	105,437.00

2025	Water Withdrawal		Water Consumption		Water Recycled		Water Discharge		Silt Collected (m3)
	Water Source	Volume (m3)	Water Source	Volume (m3)	Water Source	Volume (m3)	Destination	Volume (m3)	
	Ground Water	725,994.00	Ground Water	40,068.02					
TMC	Surface Water	249,827.00	Surface Water	249,827.00	-	0.00	-	0.00	447,162.00
	Ground Water	201,379.00	Ground Water	201,379.00					
JSI	Ground Water	1,156.00	Ground Water	1,156.00	-	0.00	-	0.00	NA
CDTN	Third-party Water	848.00	Third-party Water	848.00	-	0.00	-	0.00	NA
EPI	Third-party Water	205.35	Third-party Water	205.35	-	0.00	-	0.00	NA
NAC HO	Third-party Water	1,105.05	Third-party Water	1,105.05	-	0.00	-	0.00	NA
TOTAL		**9,397,692.21**		**828,970.79**		**2,032,825.43**		**11,043,288.61**	**647,568.56**

Notes:

1. Water discharge includes all water released through controlled discharge points within the site's water management system, including treated operational water, groundwater inflows, and precipitation-driven stormwater collected through settling ponds. These systems are designed to manage sediment and regulate discharge to receiving bodies. Reported discharge volumes may therefore exceed operational withdrawal due to precipitation-driven inflows within the mine site catchment areas.

2. Water consumption is assumed equal to water withdrawal in cases where discharge measurements are unavailable.

3. The Company is in the process of strengthening its site-level water accounting systems to improve the identification and differentiation of operational water use and precipitation-driven inflows in future reporting periods.

4. HMC-TNP – Water discharge values represent the consolidated maximum discharge rate from monitored settling ponds, based on site monitoring records. Restoration and discharge monitoring are conducted in accordance with environmental management commitments. Reported surface water discharge represents the consolidated discharge rate from settling ponds within the operational area.

5. HMC-MNP – No water was extracted for operational use during periods of frequent rainfall. Domestic water consumption is not monitored due to the absence of water metering systems. Where reported, water consumption reflects nursery-related water use only.

6. RTN – Recycled water consists of surface water extracted from settling ponds, including Tagpisa and Upper Togpon Settling Ponds, and reused for operational purposes such as vehicle washing, dust suppression, and rehabilitation activities, as well as water supplied for external operational use. RTN operates two controlled discharge points, namely Lower Kinurong and Lower Togpon Settling Ponds. Water extraction at upstream ponds influences discharge volumes, while Lower Togpon primarily receives precipitation-driven inflows with no direct extraction.

7. TMC – Water withdrawal and consumption include water use for campsite operations and water lorry activities, as reported in the Annual Environmental Protection and Enhancement Program (AEPEP). Total silt collected includes materials recovered from dredging, desilting of drainage canals, and settling pond maintenance activities.

Waste Management

As part of its Sustainability roadmap, NAC advances the integration of circular economy principles across all mine sites and townsites by 2030. This transition is driven by continuously improving programs and initiatives focused on waste reduction, material reuse and recycling, and the responsible use of resources throughout operations.

NAC mining operating companies implement a range of waste management programs aligned with industry best practices and national regulations, including DENR Memorandum Order No. 99-23. These programs are actively monitored by Pollution Control Officers to ensure safe, orderly, and well-maintained working environments, as well as the protection of surrounding communities.

Throughout the reporting period, no tailings were generated by NAC mining operations, reflecting the Group's evolving approach to responsible resource management and operational efficiency.

A. Waste Management

2025	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	JSI	CDTN	EPI	NAC HO	TOTAL
Waste Generated											
Non-Hazardous (t)	14.33	19.34	9.00	25.43	203.84	20.84	4.22	13.00	0.79	3.57	314.37
Hazardous (t)	53.23	14.61	8.90	32.77	75.80	166.87	0.34	6.33	0.00	0.00	358.85
Total Waste Generated (t)	**67.56**	**33.95**	**17.90**	**58.20**	**279.64**	**187.71**	**4.56**	**19.33**	**0.79**	**3.57**	**673.22**
Waste Diverted from Disposal											
Non-Hazardous (t)	12.45	0.00	0.00	0.00	173.49	12.12	1.40	0.00	0.00	0.00	199.46
Hazardous (t)	0.00	0.00	0.00	0.00	0.00	0.41	0.00	0.00	0.00	0.00	0.41
Total Waste Diverted from Disposal (t)	**12.45**	**0.00**	**0.00**	**0.00**	**173.49**	**12.53**	**1.40**	**0.00**	**0.00**	**0.00**	**199.87**
Waste Directed to Disposal											
Non-Hazardous (t)	0.58	14.25	2.07	8.11	203.84	8.73	2.82	5.08	0.79	3.57	249.84
Hazardous (t)	68.55	26.65	0.00	28.22	83.64	209.32	0.34	3.91	0.00	0.00	420.63
Total Waste Directed to Disposal (t)	**69.13**	**40.90**	**2.07**	**36.33**	**287.48**	**218.05**	**3.16**	**8.99**	**0.79**	**3.57**	**670.47**

Notes:

1. Waste diverted from disposal includes waste materials that were recycled, recovered, or otherwise reused, thereby avoiding final disposal.

2. Hazardous waste is temporarily stored in designated and compliant storage facilities and disposed of periodically through accredited third-party contractors. Disposal volumes may therefore include hazardous waste accumulated from prior reporting periods in addition to waste generated during the reporting year.

3. RTN – Reported solid waste data reflect total waste generated across all operational and support activities for the reporting period and are not limited to mine operations.

B. Mine Waste

2025	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	TOTAL
Total mine waste produced (WMT)	3,959,530.00	111,113.00	208,591.98	447,891.00	673,196.00	2,845,751.00	**8,246,072.98**
Total mine waste contained (WMT)	31,929.00	0.00	133,343.13	0.00	14,974.00	0.00	**180,246.13**
Total mine waste utilized (WMT)	3,927,601.00	111,113.00	75,248.85	474,142.00	658,222.00	2,845,751.00	**8,092,077.85**

Energy Efficiency

EPI-JSI improved its energy utilization with the installation of a flywheel energy storage system as an additional power source and studying the possible use of battery energy storage to further improve efficiency.

Across the Group, fuel use is closely monitored through tighter inventory controls and better fuel dispensing practices, while regular preventive maintenance helps reduce energy losses and keep equipment running efficiently.

A. Fuel Consumption

2025	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	JSI	CDTN	EPI	NAC	TOTAL
Genset - Operations (L)	298,928.00	259,782.00	305,377.65	140,573.00	109,973.00	77,279.00	9,179.18	489.00	-	4,724.00	**1,206,304.83**
Genset - Campsite/Townsite (L)	42,347.00	15,895.00	-	228,060.00	0.00	11,758.00	0.00	0.00	-	-	**298,060.00**
Vehicle and Equipment - Operations (L)	6,078,569.00	2,061,908.90	1,822,887.85	1,942,509.00	11,744,937.64	16,759,286.07	0.00	1,045,153.76	-	-	**41,455,252.22**
Vehicle and Equipment - Campsite/Townsite (L)	133.00	1,302.00	-	67,450.00	3,829.00	5,628.73	0.00	0.00	-	-	**78,342.73**
Gasoline used in equipment (L)	8,843.00	-	2,172.00	-	19,220.00	6,246.74	0.00	0.00	-	-	**36,481.74**
Transporation - Diesel (L)	406,347.00	368,596.00	50,471.56	191,112.00	169,131.50	466,311.34	17,368.79	30,976.44	1,262.80	10,678.37	**1,712,255.80**
Transporation- Gasoline (L)	-	140.50	30.00	15,988.00	34,607.00	10,588.19	0.00	0.00	37.13	1,130.31	**62,521.13**
Fuel used for energy generated (NDPP) (L)	NA	NA	NA	NA	NA	NA	NA	NA	NA	1,080,495.00	**1,080,495.00**
Total Fuel Consumption (Stationary and Mobile Consumption) (L)	**6,835,167.00**	**2,707,624.40**	**2,180,939.06**	**2,585,692.00**	**12,081,698.14**	**17,337,098.07**	**26,547.97**	**1,076,619.20**	**1,299.93**	**1,097,027.68**	**45,929,713.45**

Note: *NAC fuel data include fuel consumption from operational and administrative facilities, specifically in the NAC Head Office in Taguig and NDPP in Surigao.*

B. Energy Consumption

2025	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	JSI	CDTN	EPI	NAC HO	TOTAL
LPG (KG)	2,405.00	1,144.00	891.00	1,529.00	1,039.00	3,582.00	26.00	0.00	0.00	0.00	**10,616.00**
Energy Generated by Genset (MwH) **(Scope 1)**	1,163.37	642.63	395.31	1,280.30	199.77	117.75	9,179.18	0.00	NA	2,121.58	**15,099.89**
Purchased Electricity Consumption from Non-Renewable Sources (MwH) **(Scope 2)**	0.00	11.35	-	0.08	3,713.45	2,825.89	1,591.83	31.61	50.27	551.22	**8,775.60**
Total Non-Renewable Energy Consumption (MwH)	**1,163.37**	**653.98**	**395.31**	**1,280.38**	**3,913.21**	**2,943.64**	**10,771.01**	**31.61**	**50.27**	**551.22**	**21,753.91**
Electricity Consumption from Renewable Sources (MWh)	0.00	0.00	-	0.00	-	-	32,094.90	-	-	-	**32,094.90**

Renewable Energy Generated by JSI	**218,404.63**

Note: *NAC energy data include energy consumption from operational and administrative facilities, specifically in the NAC Head Office in Taguig and NDPP in Surigao.*

Social

Guided by its core value of People First, NAC recognizes its employees as its most valuable resource and is committed to cultivating a work environment that prioritizes their health, safety, well-being, and continuous professional growth. The Company promotes a culture of care, respect, and inclusivity, supported by programs that enhance workplace safety, employee engagement, leadership development, and opportunities for lifelong learning – ensuring that its workforce is empowered to thrive both professionally and personally.

Extending this people-centered philosophy beyond the workplace, NAC also embraces a deep commitment to the communities where it operates. By integrating social development into its mandate, the Company implements initiatives that support education, healthcare, livelihood, and disaster preparedness.

These efforts are designed not only to address the communities' immediate needs, but also to strengthen long-term resilience and enable the growth of self-reliant, sustainable communities that prosper alongside the Company.

Maintaining a Safe and Healthy Workplace

In keeping with its people-first commitment, the NAC Group upholds the highest standards of health and safety across all operations. Health and safety is embedded as a way of life throughout the Group, reinforced by regular safety toolbox meetings conducted before each work shift—particularly for field-based employees. In 2025, the Group recorded a total of 131,836,090 safe man hours across its operations with one Lost-Time Accident, underscoring the effectiveness of its safety programs and the culture of health and safety across the Group.

All companies within the Group successfully passed their respective Department of Labor and Employment (DOLE) inspection audits for general labor and occupational health and safety standards, reflecting the strength and consistency of their safety systems. Each site is supported by a dedicated occupational health team to address employees' health needs, while Emergency Response Teams undergo continuous training throughout the year to ensure preparedness for potential emergencies.

Injuries and Accidents	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	JSI	TOTAL
No. of employees in health & safety committee	27	28	25	33	29	44	23	6	**215**
Total hours of health & safety and emergency response training	178.00	237.50	246.00	168.00	499.00	456.00	40.00	132.00	**1,956.50**
Total man hours	3,344,878	1,974,543	1,658,391	2,820,319	7,160,800	8,708,435	689,450	726,285	**27,083,100**
Employees	708,544	545,818	605,185	718,749	3,141,433.00	2,428,812	689,450	83,177	**8,921,167**
Contractors	2,636,334	1,428,725	1,053,206	2,101,570	4,019,367.00	6,279,623	0.00	643,108	**18,161,933**
Safe man hours	16,877,983	7,568,100	6,505,677	45,877,366	40,161,631	2,358,095	4,850,397	7,636,841	**131,836,090**
Lost time accidents	0	0	0	0	0	1	0	0	**1**
Employees	0	0	0	0	0	0	0	0	**0**
Contractors	0	0	0	0	0	1	0	0	**1**
Total recordable work-related injuries	0	3	2	0	0	1	0	2	8
Employees	0	0	1	0	0	0	0	2	**3**
Contractors	0	3	1	0	0	1	0	0	**5**
Total recordable injury frequency rate	0.00	1.52	1.21	0.00	0.00	0.11	0.00	2.75	0.30
Employees	0.00	0.00	1.65	0.00	0.00	0.00	0.00	24.05	0.34
Contractors	0.00	2.10	0.95	0.00	0.00	0.16	0.00	0.00	0.28
Fatalities	0	0	0	0	0	1	0	0	**1**
Employees	0	0	0	0	0	0	0	0	**0**

Injuries and Accidents	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	JSI	TOTAL
Contractors	0	0	0	0	0	1	0	0	**1**
Lost time injury frequency rate	0	0	0	0	0	0.11	0	0	0.037
Employees	0	0	0	0	0	0	0	0	0
Contractors	0	0	0	0	0	0.16	0	0	0.055
No. of safety drills	25	22	5	4	50	44	1	3	**154**

Mental and Preventive Healthcare

Promoting mental and preventive healthcare is a key component of maintaining a safe and healthy workplace. The NAC Group recognizes that employee well-being goes beyond physical safety and includes psychological resilience, early intervention, and proactive health management. Across its operations, the Company maintains a network of 43 mental health professionals who support employees through counseling, guidance, and workplace wellness initiatives.

In 2025, a total of 32 mental health activities were conducted, reaching 4,160 participants across the Group. These initiatives focused on stress management, awareness building, and creating supportive work environments that encourage employees to seek help when needed.

By promoting mental wellness alongside preventive healthcare, the Group strengthens workforce readiness and reinforces a culture where employees can perform safely, productively, and with a strong sense of well-being.

Mental Health	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	JSI	TOTAL
No. of mental health professionals	5	2	12	5	3	1	2	1	**43**
Ave. hours of training for mental health professionals	0	0	0	0	0	0	0	0	**0**
No. of mental health activities	5	1	1	4	8	7	0	3	**32**
No. of participants in mental health activities	128	53	33	161	3,046	664	0	25	**4,160**

Preventive Health		HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	JSI	TOTAL
Employee health record	Class A	1	48	7	0	66	43	349	23	0	537
	Class B	190	4	91	41	132	412	317	182	32	1,401
	Class C	0	217	28	33	0	37	2	0	2	319
	Class D	1	1	0	0	0	0	0	0	0	2
% of employees covered by PE		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
No. workplace health promotion activities		12	24	8	32	4	30	13	2	12	137
No. of participants in workplace health promotion activities		100	335	297	40	99	4,236	540	206	25	**5,878**

Diversity, Equality, and Inclusivity (DEI)

As an equal opportunities employer, NAC ensures fairness and inclusivity across the entire employee lifecycle - from recruitment to career progression. Employees are provided equal opportunities for growth and advancement within the organization, regardless of gender, ethnicity, or creed.

As part of its evolving people-centered culture, NAC has implemented its Diversity, Equality, and Inclusion (DEI) Policy across the Group and integrated it into the consolidated Employee Code of Conduct. This institutionalization reinforces the Company's commitment to maintaining a safe, respectful, and inclusive workplace—free from harassment and discrimination.

		HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Male	Regular/Probationary	91	172	98	56	141	434	551	178	21	39	1781
	Seasonal	0	75	124	97	126	324	427	0	0	0	1173
	Project-based	16	0	2	90	0	264	7	22	0	2	403
	Total	107	247	224	243	267	1022	985	200	21	41	3357
Female	Regular/Probationary	89	55	35	24	57	66	133	6	20	12	497
	Seasonal	0	8	1	3	16	3	40	0	0	0	71
	Project-based	11	0	0	2	0	18	3	0	1	1	36
	Total	100	63	36	29	73	87	176	6	21	13	604
Total Regular/Probationary		180	227	133	80	198	500	684	184	41	51	2278
Total Seasonal		0	83	125	100	142	327	467	0	0	0	1244
Total Project-based		27	0	2	92	0	282	10	22	1	3	439

Employment by Position and Gender (Regular/Probationary)		HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Male	Officers	26	0	0	0	1	1	1	0	4	0	33
	Managers	23	9	11	8	14	22	28	3	6	3	127
	Supervisors	13	10	31	13	15	53	109	8	5	5	262
	Non-supervisory/ technical	11	63	9	24	39	21	60	5	2	8	242
	Rank and File	18	90	47	11	72	337	353	162	4	23	1117
Female	Officers	10	0	0	0	0	0	0	0	2	0	12
	Managers	25	4	4	2	3	11	13	0	8	3	73
	Supervisors	24	8	25	3	7	17	44	1	4	4	137
	Non-supervisory/ technical	22	35	5	18	42	21	58	5	3	3	212
	Rank and File	8	8	1	1	5	17	18	0	3	2	63
Total		**180**	**227**	**133**	**80**	**198**	**500**	**684**	**184**	**41**	**51**	**2278**

Employment by Position and Age Group (Regular/Probation)	HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Below 30 yrs old											
Officers	0	0	0	0	0	0	0	0	0	0	0
Managers	2	0	1	0	1	0	1	0	1	0	6
Supervisors	10	5	34	1	1	6	41	0	3	1	102
Non-supervisory/ technical	11	25	4	19	29	10	13	3	2	6	122
Rank and File	2	5	7	0	3	1	19	11	3	5	56
TOTAL	**25**	**35**	**46**	**20**	**34**	**17**	**74**	**14**	**9**	**12**	**286**
30 to 50 yrs old											
Officers	16	0	0	0	0	0	0	0	4	0	20
Managers	42	8	12	6	13	27	32	3	12	6	161
Supervisors	23	11	21	14	19	53	92	7	6	8	254
Non-supervisory/ technical	20	64	8	21	47	26	91	7	3	4	291
Rank and File	22	61	33	10	57	269	243	127	3	17	842
TOTAL	**123**	**144**	**74**	**51**	**136**	**375**	**458**	**144**	**28**	**35**	**1568**
Over 50 yrs old											
Officers	20	0	0	0	1	1	1	0	2	0	25
Managers	4	5	2	4	3	6	8	0	1	0	33
Supervisors	4	2	1	1	2	11	20	2	0	0	43
Non-supervisory/ technical	2	9	2	2	5	6	14	0	0	1	41
Rank and File	2	32	8	2	17	84	109	24	1	3	282
TOTAL	32	48	13	9	28	108	152	26	4	4	424
OVERALL TOTAL	**180**	**227**	**133**	**80**	**198**	**500**	**684**	**184**	**41**	**51**	**2278**

Turnover (Regular/Probationary)		HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Male	Turnover (Voluntary)	19	15	6	5	3	19	27	9	3	4	110
	Turnover (Involuntary)	2	0	4	0	2	1	5	2	1	0	17
	Total male turnover	21	15	10	5	5	20	32	11	4	4	127
Female	Turnover (Voluntary)	8	5	4	2	8	3	5	2	3	0	40
	Turnover (Involuntary)	0	0	0	0	0	0	1	0	1	0	2
	Total female turnover	8	5	4	2	8	3	6	2	4	0	42
TOTAL VOLUNTARY TURNOVER		27	20	10	7	11	22	32	11	6	4	150
TOTAL INVOLUNTARY TURNOVER		2	0	4	0	2	1	6	2	2	0	19
TOTAL TURNOVER		29	20	14	7	13	23	38	13	8	4	169

VOLUNTARY TURNOVER RATE	15%	9%	8%	9%	6%	4%	5%	6%	15%	8%	7%
INVOLUNTARY TURNOVER RATE	1%	0%	3%	0%	1%	0%	1%	1%	5%	0%	1%
TOTAL TURNOVER RATE	16%	9%	11%	9%	7%	5%	6%	7%	20%	8%	7%

Community Relations

The Group's mining operating companies recognize their evolving role in uplifting the lives of stakeholders in the communities where they operate. In line with this responsibility, they allocate 1.5 percent of annual operating costs to the Social Development and Management Program (SDMP), ensuring sustained, strategic, and purposeful investments in community development.

Serving as a comprehensive five-year roadmap, the SDMP is tailored to the specific needs of each mining community and guides the Group's social development initiatives through three core pillars: Development of Host and Neighboring Communities (DHNC), Information, Education, and Communication (IEC), and Development of Mining Technology and Geosciences (DMTG).

Beyond regulatory requirements, the Group continues to broaden and strengthen its Corporate Social Responsibility (CSR) programs—supporting education, healthcare, and other priority initiatives—to help build resilient, empowered, and self-sustaining communities over the long term.

SDMP & CSR Spending (Million ₱)										
2025		CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	JSI*	NAC	TOTAL
SDMP	Required Spending	29.02	17.53	7.05	20.71	57.01	89.29	-	-	**220.61**
	Actual Spending	29.02	17.53	6.45	20.54	51.46	89.29	-	-	**214.29**
CSR	Non-IP Communities	9.24	7.00	17.86	17.19	153.11	2.18	3.28	0.20	**210.07**
	IP Communities	-	7.73	-	-	12.62	15.61	5.71	-	**41.68**

Access to Basic Services

Through its Social Development and Management Program (SDMP), NAC advances inclusive growth in its host and neighboring communities by investing in essential infrastructure and basic services. Priority is given to projects that directly improve daily living conditions, such as the construction and rehabilitation of potable water systems, farm-to-market roads, bridges, and other community infrastructure. These initiatives enhance access to clean water, reduce travel time, support local commerce, and improve mobility for students, farmers, and workers—thereby contributing to both public health and economic activity.

Electrification projects under the SDMP further promote safety, productivity, and quality of life in remote areas. By extending power access to households, schools, and community facilities, these efforts enable evening study, support small enterprises, improve delivery of public services, and strengthen disaster preparedness. Complementary infrastructure—such as multipurpose halls, classrooms, health stations, and drainage systems—also helps communities become more resilient and self-reliant.

Community Health and Wellness

As a Company that understands the importance of accessible and quality healthcare as a key driver of community well-being, NAC addresses healthcare gaps among its stakeholders, continuously strengthening partnerships with medical institutions,

healthcare professionals, and organizations to bring essential health services closer to host and neighboring communities.

Through medical missions supported by the Social Development and Management Program (SDMP) and Corporate Social Responsibility (CSR) initiatives, NAC provides communities with access to preventive care, basic medical services, and health education. These efforts reflect the Company's evolving approach to community health, moving beyond short-term interventions toward sustained, inclusive, and community-centered healthcare support.

Educational Support

Understanding the vital role of education as a great equalizer – the Group is dedicated to uplifting the lives of its host and neighboring communities and consistently supports schools within its stakeholder communities through targeted financial assistance and development programs.

Through the Social Development and Management Program (SDMP), the Group provides partial and full scholarships to aspiring college students, helping expand access to higher education and build long-term capabilities within communities.

In support of industry development and knowledge transfer, NAC's mining operating companies also offer Development of Mining Technology and Geosciences (DMTG) scholarships to students pursuing mining-related disciplines, such as mining engineering and geology—contributing to the development of future professionals who will help shape a more responsible and sustainable mining sector.

Strengthening Livelihood Programs

To ensure the continuity and long-term viability of community livelihood programs, the Group's Community Relations Departments conduct regular consultations with stakeholders to identify initiatives that respond to their most pressing and evolving needs.

Through the Social Development and Management Program (SDMP), NAC equips community members with relevant skills, training, and capacity-building support—strengthening sustainable livelihood opportunities that can endure beyond the life of the mine and contribute to lasting economic resilience.

Community Disaster Resilience

The NAC Group understands that a wide range of risks, whether environmental, operational, or natural, can affect both its operations and the well-being of its stakeholders. In response, the Group adopts an evolving, proactive approach to risk awareness that prioritizes preparedness, resilience, and community safety.

The Group actively engages and educates stakeholders on the principles of risk assessment and community-based strategies to help mitigate potential impacts from various hazards. These efforts are complemented by the readiness of site-based emergency response teams, which are equipped to support host communities during emergencies and crisis situations, reinforcing the Group's commitment to collective safety and resilience.

Work Conditions

The Group is committed to continuously strengthening work conditions that promote safety, fairness, and employee well-being across its operations. This commitment is reinforced by the institutionalization of the Diversity, Equality, and Inclusion (DEI) policy through the revised Employee Code of Conduct, ensuring a respectful workplace free from discrimination.

As part of its ongoing efforts to enhance the employee experience, the Group adopted a new set of core values—People First, Integrity, and Excellence - which underscore its belief that people are its chief resource and the foundation of organizational performance.

In recognition of its people-centered culture and positive work environment, NAC was certified as a Great Place to Work for the second consecutive year, reinforcing the Company's standing in the global business community and its sustained commitment to both excellence and employee well-being. NAC clean energy arm Emerging Power, Inc. (EPI) likewise received Great Place to Work certification, reflecting the consistent application of people-first practices across the Group.

Supporting these efforts is NAC's focus on continuous learning and capability building. Through the OneNAC Academy, the Company delivers training programs tailored to employees' evolving needs - empowering them to grow professionally while contributing meaningfully to the Group's long-term success.

Training hours		HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Total Training Hours		5,369.00	4,604.00		4,728.00	11,104.50	3,528.00	13,436.00	666.00	720.00		44,155.50
Average Training Hours		35.79	37.74		72.74	61.01	17.82	22.03	37.00	26.67	-	
Average training hours by gender	Male	31.43	35.49		67.07	55.52	16.04	21.84	39.60	26.62		
	Female	39.51	42.02		83.82	71.92	22.32	22.76	24.00	26.71		
Average training hours by position	C-suite	5.00	-		-	-	-	-	-	-		
	Officers	30.90	-		-	56.00	24.00	32.00	-	20.67		
	Managers	47.44	47.64		79.00	115.38	26.68	38.16	34.00	28.73		
	Supervisors	38.60	54.57		76.00	101.95	23.81	24.26	16.00	22.40		
	Non-Supervisory/Technical	22.70	34.13		81.29	67.05	`28.26	18.12	35.20	40.00		
	Rank and File	25.89	23.00		24.00	24.99	7.94	20.45	40.00	32.00		
Locals who attended trainings		90	92			63	191	581	14			1,031
IPs employees who undertook trainings		-	-			-	22	6	0	-		28
Average training cost		₱2,796.27	₱5,238.50		₱23,653.54	₱10,218.41	₱4,971.38	₱3,761.21	₱5,656.94	₱19,308.58		

	NAC Head Office	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Number of social security benefits for employees		3		3	3	3	3	3	3	3	
Child and Family Benefits		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Health Benefits and Sickness Protection		Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Employment Injury Benefits		Yes		Yes	Yes	No	Yes	No	Yes	Yes	
Old Age Pension		No		No	No	No	No	Yes	No	No	
Disability Pension		No		No	No	No	No	No	No	No	
Survivors' Pension		No		No	No	No	No	No	No	No	
Others		No		No	No	Yes	No	No	No	No	
Total number of dependents supported with social security benefits outside mandatory benefits		507		146	420	3692	1780	556	67	99	
Total spending on social security benefits outside mandatory benefits		₱ 14,574,897.81		₱ 4,639,627.72	₱ 11,828,328.37	₱ 43,408,388.66	₱ 61,008,116.15	₱ 15,161,696.27	₱ 6,655,242.82	₱ 2,623,894.28	₱ 159,900,192.08

Freedom of Association and Collective Bargaining

Understanding the importance of upholding Freedom of Association and the right to Collective Bargaining, the Group values the role of unions in fostering an environment of mutual trust, respect, and open dialogue between management and unionized employees.

Support for positive and constructive labor relations is institutionalized across the Group, with each unionized operating company maintaining a Labor Management Committee to facilitate regular engagement, address workplace concerns, and strengthen collaboration between management and employees.

Collective Bargaining Agreement	HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Total employees that are members of union	0	94	0	0	202	417	726	160	0	0	1,599
Percentage of employees that are members of union	N/A	30%	N/A	N/A	59%	50%	63%	87%	N/A	N/A	
Number of unions and collective bargaining agreements in effect											
a. Total number of union organizations	N/A	1	N/A	N/A	2	2	2	1	N/A	N/A	
b. Total number of CBAs in effect	N/A	1	N/A	N/A	2	2	2	1	N/A	N/A	
c. Total of employees under CBA	N/A	94	N/A	N/A	202	417	726	160	N/A	N/A	
d. % of employees under CBA	N/A	30%	N/A	N/A	59%	50%	63%	87%	N/A	N/A	
No. of consultations conducted with employees concerning employee-related policies	0	9	0	0	1	4	2	10	0	0	26
Number of labor related cases	0	0	0	0	0	0	0	0	0	0	0
Cost of labor related cases	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -	₱ -
Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them	4	1	0	2	1	1	2	2	0	0	

Strikes and Lockouts	HEAD OFFICE	CMC	DMC	HMC-MNP	HMC-TNP	RTN	TMC	CDTN	EPI	JSI	TOTAL
Number of strikes and lockouts	0	0	0	0	0	0	0	0	0	0	0
Duration of strikes and lockouts (Days)	0	0	0	0	0	0	0	0	0	0	0

Indigenous Peoples Partnership

As valued stakeholders, the Group upholds the rights of Indigenous Peoples (IP) and recognizes the importance of preserving and strengthening indigenous culture, heritage, and traditions. In line with this commitment, it regularly undertakes initiatives that promote cultural awareness and meaningful engagement with IP communities.

Where operations are located within ancestral domains, the Group conducts regular consultations to ensure that IP stakeholders are fully informed of their rights, entitlements, and benefits. These engagements reflect the Group's approach to partnership—grounded in respect, transparency, and shared development.

IP Partnership	DMC	RTN	TMC	JSI*	Total
Total IP population	1,636	24,080	1,067	1,920	28,703
Percentage of IP to total population	26%	28%	3%	20%	
Number of traditional areas protected	4	4	54	1	63
a. Inside the operations area	0	1	34	1	36
b. Outside the operations area	4	3	20	0	27
Company with IP education program	Yes	Yes	Yes	No	3
Number of learners/students of the IP education	4	1,299	152	-	1,455
Number of projects promoting cultural heritage and traditions	8	22	4	1	35
Number of Indigenous Cultural Communities (ICCs) with CADT/CADC	1	2	21	1	25
Number of ICCs with Ancestral Domains Sustainable Development and Protection Plan (ADSDPP)	1	10	21	1	33
Mineral reserves/kw in or near IP lands		63,044 kMWT	123,449.15 kMWT	172,661 kW	
a. Proved (k WMT)		58,506.00	116,535.82		
b. Probable (k WMT)		4,538.00	6,913.33		
Percentage of development area on IP lands		28.00%	2.21%	7.77%	
Number of displaced IPs due to operations	0	0	0	0	0
Number of IP consultations done per year	12	44	7	9	72

Nation Building through Economic Growth

Beyond its contribution to the national economy, the Group plays an active role in supporting local economic development in its host and neighboring communities. Its operations stimulate economic growth through the local procurement of goods and services, the generation of employment opportunities for community members, and the payment of appropriate taxes and royalties.

ECONOMIC	NAC	RTN	TMC	HMC	CMC	DMC	CDTN	JSI	EPI
1. Shareholding Percentage (%)	**NA**	60%	65%	100%	100%	100%	100%	85%	91%
2. Direct economic value generated (Million ₱)	**7,101.33**	**7,770.20**	**12,637.65**	**3,239.87**	**3,694.66**	**612.32**	**449.42**	**997.06**	**104.00**
a. Net Sales	1,021.00	7,769.93	12,606.87	3,226.72	3,694.66	611.08	449.42	997.06	-
b. Revenues from Financial investment	6,080.09		30.77	13.12	-	1.24	-	-	104.00
c. Revenues from sale of assets	0.24	0.27	-	0.03	-	-	-	-	-
3. Direct economic value distributed (Million ₱)	**4,004.98**	**8,297.16**	**12,949.78**	**3,110.10**	**3,345.95**	**890.42**	**507.63**	**640.39**	**639.02**
a. Operating Costs	613.05	3,150.63	3,723.97	1,589.91	1,667.29	682.94	158.62	163.89	47.39
b. Employee wages & benefits	677.48	721.22	893.06	267.34	210.42	93.97	122.01	31.50	129.85
c. Payments to capital providers	2,531.20	2,500.00	4,500.00	500.00	500.00	-	160.00	386.72	406.96
d. Payments to government	183.04	1,515.77	3,415.13	595.87	832.24	57.17	66.16	49.29	54.81
d.1 National	168.28	1,386.47	3,277.95	564.23	768.21	33.88	60.94	49.18	41.11
d.1.1 Corporate Income Tax	73.84	783.29	1,662.16	214.67	336.90	2.67	40.48	13.56	1.47
d.1.2 Excise Tax	-	310.95	482.79	129.23	147.79	24.44	-	-	-
d.1.3 Government Royalty Tax	-		603.48	138.75	184.74	-	-	4.34	-
d.1.4 Others (National)	94.44	292.23	529.52	81.58	98.78	6.77	20.47	31.28	39.64
d.2 Local	14.76	129.30	137.18	31.64	64.03	23.29	5.22	0.11	13.70
d.2.1 Business Tax	7.71	77.56	69.10	25.03	27.94	14.41	5.00	-	13.63
d.2.2 Real Property Tax	6.99	25.98	27.58	6.45	1.57	-	-	-	0.06
d.2.3 Others (Local)	0.06	25.76	40.50	0.16	34.51	8.88	0.21	0.11	-
e. Community Investment	0.20	294.94	227.77	62.04	38.26	38.38	-	8.99	-
e.1 Total amount of SDMP	-	51.46	89.29	26.99	29.02	17.53	-	-	-
e.2 Total amount of CSR spending	0.20	165.74	17.79	35.05	9.24	14.74	-	3.28	-
e.3 Total IP Royalty Payments	-	77.74	120.70	-	-	6.11	-	5.71	-
f. Total amount of other mandatory expenditures	-	114.61	189.86	94.94	97.73	17.97	0.84	-	-
F.1 ASHP	-	11.83	14.27	12.14	5.69	4.06	0.84	-	-
F.2 AEPEP	-	102.78	175.58	82.80	92.04	13.91	-	-	-
F.3 Others	-	-	-	-	-	-	-	-	-

ECONOMIC	NAC	RTN	TMC	HMC	CMC	DMC	CDTN	JSI	EPI
Retained Economic Value (Million ₱)	3,096.34	(526.97)	(312.14)	129.77	348.71	(278.10)	(58.22)	356.67	(535.02)
Ratios									
Operating Costs	8.63%	40.55%	29.47%	49.07%	45.13%	111.53%	35.30%	16.44%	45.57%
Wages and Benefits	9.54%	9.28%	7.07%	8.25%	5.70%	15.35%	27.15%	3.16%	124.86%
Capital Providers	35.64%	32.17%	35.61%	15.43%	13.53%	0.00%	35.60%	38.79%	391.31%
Payment to Government	2.58%	19.51%	27.02%	18.39%	22.53%	9.34%	14.72%	4.94%	52.70%
Community Investments	0.00%	3.80%	1.80%	1.91%	1.04%	6.27%	0.00%	0.90%	0.00%
Other mandatory expenditures	0.00%	1.47%	1.50%	2.93%	2.65%	2.93%	0.19%	0.00%	0.00%
Amount of ore sold (Thousand WMT)	-	5,335.16	8,865.81	1,881.03	2,229.33	317.94	-	-	-

Supply Chain Management

Supply Chain Management (SCM) across the Group is centralized to support all subsidiaries, overseeing procurement, logistics, and inventory management. Where feasible, priority is given to local suppliers—recognizing the value of local sourcing in strengthening community economies, optimizing operational efficiency, and supporting inclusive growth.

Spending on Local and Overseas Suppliers (Million ₱)	HEAD OFFICE	RTN	TMC	HMC	CMC	DMC	CDTN	EPI	JSI	TOTAL
Total Spending	495.07	2,539.20	4,046.71	1,540.98	1,699.91	953.72	114.06	121.45	271.64	11,782.73
Spending on local suppliers	441.56	2,418.97	3,990.77	1,475.59	1,695.79	946.87	113.85	113.92	265.17	11,462.49
Spending on overseas suppliers	53.52	120.22	55.94	65.38	4.12	6.86	0.20	7.53	6.47	320.24
Percentage of spending on local suppliers	**89.19%**	**95.27%**	**98.62%**	**95.76%**	**99.76%**	**99.28%**	**99.82%**	**93.80%**	**97.62%**	**97.28%**

Governance

Strong governance underpins the NAC Group's long-term Sustainability and responsible business conduct. The Corporate Governance Manual (CG Manual) and the Code of Business Conduct and Ethics (Code) serve as the foundation of the Group's governance principles, structures, and processes.

The CG Manual institutionalizes the principles of good corporate governance by establishing a clear framework of rules, systems, and processes that guide the Board and Management in fulfilling their duties and responsibilities to shareholders and other stakeholders. Complementing this, the Code promotes consistency in ethical conduct among employees, both within and outside the organization. The Group publicly discloses confirmed breaches of the Code, including cases involving corruption and discrimination, reinforcing transparency and accountability.

To ensure continued alignment with regulatory requirements and international standards, the Board of Directors—together with Company officers and, when necessary, external consultants—periodically reviews the Group's mission, vision, core values, and governance policies.

Corporate Governance

Inclusive Leadership and Management

Women represent 30% of leadership and management positions, and two members of the Board of Directors are women, reflecting NAC's commitment to our Diversity and Inclusion target.

Diversity and Inclusion

NAC Board		
Female	2	22%
Male	7	78%
Total	9	100%

NAC C-Suite		
Female	2	29%
Male	5	71%
Total	7	100%

NAC Officers		
Female	8	33%
Male	16	67%
Total	24	100%

NAC Leadership & Management		
Female	12	30%
Male	28	70%
Grand Total	40	100%

Trainings

Trainings/Seminars Attended	
Board	8
C-Suite	7
Officers	24

Policies

The principles embodied in the Corporate Governance Manual (CG Manual) and the Code of Business Conduct and Ethics are reinforced by a set of well-established enabling policies. These policies provide clear guidance to all directors, officers, and employees in their day-to-day responsibilities and help institutionalize ethical, transparent, and responsible business practices throughout the Group.

The Company maintains a zero-tolerance approach to regulatory non-compliance. During the reporting period, two incidents resulted in monetary penalties totaling PHP 293,907.25. Management has reviewed the cases and strengthened internal monitoring controls to mitigate recurrence.

Anti-Bribery and Anti-Corruption Policy

This policy affirms the Company's commitment to:

1. Adhere to the highest norms of ethical conduct, not only in words but, more importantly, in actions;
2. Conduct business honestly, equitably, and fairly;
3. Ensure consistency in the Company's operations; and
4. Comply with all applicable laws and regulations in every community where the Company operates.

The policy expressly prohibits all forms of bribery and corruption—including government bribery, commercial bribery, and facilitation payments—whether direct or indirect.

The Anti Bribery Policy was communicated to 2,262 employees, with 271 employees completing training on the policy and related policies. In addition, the Company

communicated the policy to 331 business partners, mainly vendors, covering 49% of all business partners.

Insider Trading Policy

This policy sets restrictions on corporate insiders' dealings involving the Company's shares or securities. It applies to all directors, officers, employees, and consultants with access to material non-public information, as well as their relatives within the second degree of consanguinity or affinity. Corporate insiders in possession of material non-public information are prohibited from trading in the Company's shares or securities and must maintain strict confidentiality. Those without material non-public information may trade, provided they comply with the Company's disclosure policies, the Securities Regulation Code (SRC) on insider trading, and all relevant regulations.

Conflict of Interest Policy

All directors, officers, and employees are expected to prioritize the corporate interest over personal interests. Even the appearance of a conflict must be avoided. Any activity that could compromise, or appear to compromise, the integrity of the Company or its personnel must be proactively prevented.

Procurement Governance Policy

This policy affirms NAC's commitment to transparency, integrity, and ethical conduct in procurement. It ensures value for money while maintaining accountability, consistency, and alignment across all subsidiaries and business units. NAC promotes fair and effective competition, innovation, continuous improvement, and sustainable procurement solutions, while providing efficient processes and support for both the Company and its suppliers.

Gifts, Hospitality, and Sponsored Travel Policy

Directors, officers, employees, and consultants shall not accept gifts, hospitality, or sponsored travel from suppliers or other business partners, except for token-value items or business- or technically relevant travel. Similarly, gifts, hospitality, or sponsored travel must never be offered to improperly influence the Company or its representatives.

Whistleblowing Policy

This policy provides a secure system for reporting suspected improprieties, fraud, or violations of the Code or other corporate governance rules, allowing individuals to report concerns without fear of retaliation or harassment.

Policy on Related Party Transactions

Material transactions between the Company and any Related Party must undergo prior review and Board approval to ensure they are conducted at arm's length, with fair terms that benefit the Company, its subsidiaries, and shareholders. All material related-party transactions are disclosed to the Securities and Exchange Commission and the Philippine Stock Exchange.

Policy on Diversity, Inclusivity, and Equality

Aligned with the Company's core value of People First, this policy underscores NAC's commitment to respect diversity and uphold the dignity of all individuals. It supports the principles of gender equality (SDG 5), decent work and economic growth (SDG 8), and reduction of inequality (SDG 10). The policy ensures:

- Respect for diversity and fundamental human rights within the Group, its communities, and stakeholder relationships;
- A fair, non-discriminatory work environment where employees are valued and empowered to grow; and
- Compliance with all laws and policies governing diversity and equal opportunity.

Enabling Policies

Company	Policies
CDTN, CMC, DMC, HMC-TNP, HMC-MNP, NAC, RTN, TMC	Manual of Corporate Governance Code of Business Conduct and Ethics • Inside Trading Policy • Conflict of Interest Policy • Procurement Governance Policy • Gifts, Hospitality and Sponsored Travel Policy • Whistleblowing Policy • Policy on Related Party Transactions Code of Conduct Anti-Bribery and Anti-Corruption Policy (includes business partners and Supply Chain) Policy on Diversity, Inclusivity and Equality (includes anti-discrimination, anti-sexual harassment) Human Rights Policy (includes IP Rights, Labor Standards and Supply Chain Responsibility)

Compliance

As a responsible natural resources development company, NAC complies with all applicable laws, rules, and regulations governing its operations. Compliance is embedded across the organization through structured systems, regular monitoring, and continuous education.

All employees are required to submit an annual Certificate of Integrity and Compliance to affirm adherence to the CG Manual and related policies, which is submitted to the Center for Compliance and Corporate Governance. The Center also disseminates summaries and links to new government issuances relevant to employees' functions to ensure timely awareness and understanding of regulatory developments.

The Annual Corporate Governance Seminar is conducted with the participation of directors and officers. Facilitated by the Good Governance Advocates and Practitioners of the Philippines (GGAPP), the seminar focuses on integrating good governance, risk management, and technology to support Sustainability objectives and enhance business strategy.

Operational compliance is reinforced through monthly reports, regular coordination calls, and updated compliance checklists. Periodic reminders, such as the proper use of whistleblowing channels and the requirement to record gifts in the Gift Registry, are disseminated through internal communication platforms, including MS Teams. In addition, an online training course on the Code of Business Conduct and Ethics is available through the Company's Learning Management System, supporting continuous awareness and ethical decision-making across the Group.

No. of Non-compliance Incident	Total Monetary Value of Fines (PhP)	Company	Reporting Notes
1	100,000.00	HMC-MNP	PSE disclosure: https://edge.pse.com.ph/openDiscViewer.do?edge_no=9b0ce18a40898870ec6e1601ccee8f59
1	193,907.25	NAC	PSE disclosure: https://edge.pse.com.ph/openDiscViewer.do?edge_no=d4c233c981cbdc50ec6e1601ccee8f59

Corporate Behavior

Zero Bribery

Internal Stakeholders		
Company	Number of Employees Anti-bribery Policy was Communicated to	Number of Trained Individuals
CDTN	223	11
CMC	238	18
HMC-TNP	207	43
HMC-MNP	75	27
NAC	151	107
RTNMC	513	48
TMC	710	-
DMC	145	17
Total	**2,262**	**271**

External Stakeholders	
Total Business Partners	**676**
Business Partners that NAC Group's Anti-corruption policies and procedures have been communicated	**331**
% of Business Partners that NAC Group's Anti-corruption policies and procedures have been communicated	**49%**

Incidents	
Total number of confirmed incidents	**0**

Risk Management

The Group maintains a strong balance sheet and disciplined financial management, supported by robust risk management systems. It follows prudent policies in capital, investment, and debt management, ensuring liquidity, efficient capital use, and low debt levels. A centralized framework supports financing coordination, while a sound internal control and risk management system facilitates early risk identification and mitigation. The Group has committed to achieving a third-party Sustainability assessment of above Metals and Mining industry average score by 2025 and allocating budget for risk management activities.

Company	With Risk Assessment	With Business Continuity Plan
CDTN	Yes	No
CMC	Yes	Yes
DMC	Yes	Yes
HMC-TNP	Yes	Yes
HMC-MNP	Yes	No
NAC	Yes	No
RTNMC	Yes	Yes
TMC	Yes	Yes

Company	Number of Risks Identified	Number of Incidents	Total Threats Prevented
CDTN	12	5	0
CMC	669	73	595
DMC	192	123	120
HMC-TNP	904	25	7
HMC-MNP	1608	182	169
NAC	36	2	2
RTNMC	313	0	0
TMC	437	12	430

Data Protection

Number of data breaches including leaks, thefts, or losses of customer data	**0**
Data breaches that were personal data breaches	**0**
Number of customers affected by data breaches	**0**

Climate-Related Risks and Opportunities

Climate-related risks and opportunities significantly impact the businesses, strategy, and financial planning of NAC. The Company faces policy, market, and physical risk exposures, potentially impacting demand, input costs, and operations.

CLIMATE-RELATED RISKS

Governance

With the governance and leadership of the Board of Directors and the Management Committee, the NAC ERM system helps establish a risk management strategy that addresses climate-related risks and identifies action plans, persons responsible, and expected timelines to maintain operations or reduce the duration of operation disruptions. The NAC Board of Directors tackles climate challenges through dedicated oversight structures. The Board-level Sustainability Committee and Board Risk Oversight Committee spearhead the Company's climate strategy, monitor progress, and advise the Board on crucial climate matters. Quarterly reports from Management keep the Board informed of climate risks and opportunities. Climate risks are firmly embedded in the overall risk management framework, and it is part of the Company's implementation of the ERM system.

NAC follows Taskforce for Climate-Related Financial Disclosure (TCFD) recommendations for climate risk. The Risk Management Sector of NAC categorizes, assesses, and prioritizes risks based on impact and develops mitigation/adaptation strategies for the most crucial ones. The Company continuously monitors risks and integrates identified risks and opportunities into plans and processes, influencing procedures, budgets, and long- and short-term planning.

Strategy

Climate-Related Risks and Opportunities Across Time Horizons

NAC has identified a range of climate-related risks and opportunities over the short, medium, and long term. Leveraging data and analysis provided by S&P Global Sustainable1, NAC conducted forward-looking climate risk assessments under various climate scenarios, enabling the company to make informed strategic decisions. The company continuously monitors and updates its climate risk assessments to remain responsive to evolving conditions.

Short Term

In the short term, NAC is exposed to physical risks, such as damage to mining and energy infrastructure caused by extreme weather events. However, there are promising opportunities currently under consideration. NAC is exploring ways to enhance resource efficiency through the adoption of energy-efficient and low-carbon technologies. In terms of energy sources, the company is evaluating the installation of on-site renewable energy generation systems. For markets, products, and services, NAC reaffirms its commitment to increasing the capacity of its renewable energy ventures, not only to support emission reductions but also to enhance operational resilience.

Medium Term

In the medium term, NAC anticipates transitional risks, including rising regulatory costs and the potential loss of market share as climate policies and customer expectations evolve. In response, several opportunities can be considered. These include transitioning heavy machinery to biofuels to improve resource efficiency and entering into power purchase agreements (PPAs) to secure clean, renewable energy. The company could also explore potential investments in the nickel supply chain to support the increasing demand for battery electric vehicles (BEVs) and energy storage. Additionally, NAC might consider designing hazard-specific mitigation and adaptation measures to strengthen climate resilience across its operations.

Long Term

In the long term, NAC recognizes significant risks, such as declining demand for carbon-intensive products and potentially high costs of adaptation as the global economy decarbonizes. Despite these challenges, the company can identify strategic opportunities that could shape its future role in a sustainable economy. NAC may explore the use of AI technologies to optimize mining processes, enhancing resource efficiency over time. The company could also consider long-term investments in nickel production for the green hydrogen economy, positioning itself to support critical technologies in the global energy transition.

Strategic and Financial Implications

Climate-related risks and opportunities are deeply integrated into NAC's business strategy, financial planning, and risk management framework. Transition and physical risks are factored into key business decisions, influencing areas such as demand forecasting, input cost modeling, and operational resilience. In response, NAC has implemented a company-wide climate strategy supported by the Board Risk Oversight Committee. This includes the identification and evaluation of climate risks and opportunities, setting climate targets, developing mitigation and adaptation strategies, and ensuring transparent disclosure of climate performance and exposure.

Scenario Analysis and Strategy Resilience

To evaluate the resilience of its business strategy, NAC has conducted scenario analyses aligned with the TCFD framework and the goals of the Paris Agreement. Under a 2°C or lower scenario, NAC anticipates challenges including increased frequency of extreme weather, sea level rise, regulatory shifts, and evolving consumer behavior. In response, the company has invested in energy efficiency, renewable energy, and other risk mitigation measures. The strategy is regularly reviewed and adjusted to remain aligned with scientific developments

and global policy trends, reinforcing NAC's commitment to long-term business resilience in a low-carbon economy.

Climate Risk Assessment and Management

As part of its strategy, NAC has undertaken a comprehensive assessment of climate-related risks in partnership with S&P Global Sustainable1. The assessment was conducted in two phases: the first (2023) addressed physical risks and initial transition risks such as market and policy changes; the second (2025) expanded to cover technology-related and reputational risks. This in-depth analysis ensures that NAC's strategic planning is informed by robust, data-driven insights across all material dimensions of climate exposure.

Risk Categories

1. **Transition Risk: Policy Risk Exposure** - Risk of policy action to encourage low-carbon transition in direct operations or upstream supply chain (e.g. through carbon taxes).
2. **Transition Risk: Market Risk Exposure** - Increased costs for key suppliers.
3. **Transition Risk: Technology Risk Exposure** – Possible early retirement of existing products or technologies to mitigate climate impacts.
4. **Transition Risk: Reputation Risk Exposure** – Increased scrutiny from customers about a company's commitment to the transition to a low carbon economy could lead to shifts in consumer preferences.
3. **Physical Risk Exposure** - Increasing frequency and severity of climate hazards generating financial impacts on company assets.

Transition Risk: Policy Risk Exposure

NAC faces potential exposure to carbon pricing risk, which could result in increased operating costs depending on the future stringency of government policies aimed at reducing greenhouse gas emissions. As climate regulations evolve, particularly with the introduction or escalation of carbon pricing mechanisms, NAC's financial exposure may vary significantly based on its emissions profile and the effectiveness of its mitigation strategies.

Under a high carbon price scenario, NAC's exposure could reach approximately $0.873 million annually by 2030, decreasing significantly to around $0.004 million per year by 2050. These projections assume that NAC meets its emissions reduction goals—specifically, an internal target of a 10% reduction in Scope 1 and 2 emissions by 2025, and a 25% reduction

by 2030. Notably, the 2030 target has been updated and aligned with science-based targets to reflect a 42% reduction, which will be incorporated into the next assessment cycle.

To address and potentially reduce its exposure to carbon pricing, NAC should consider implementing a range of mitigation strategies. These may include further reducing emissions through operational efficiency improvements, increasing investments in renewable energy, and exploring financial mechanisms such as carbon hedging strategies. Proactive risk management in this area will support the company's long-term resilience and competitiveness in a carbon-constrained economy.

Transition Risk: Market Risk Exposure

NAC operates across a diverse supply and customer chain spanning nine different sectors, with its highest exposure concentrated in the Oil, Gas and Consumables, and Metals and Mining sectors. These two sectors are subject to significant transition risk, with projected EBITDA at Risk reaching 47.12% and 48.32% respectively by 2050. In contrast, other sectors such as Professional Services show much lower exposure, with only 2.24% EBITDA at Risk by the same year.

On the supplier side, certain entities within the Oil, Gas and Consumables sector demonstrate elevated market risk, with some projected to exceed the sector average by a significant margin through 2025, 2030, and 2050. On the customer side, companies such as Coral Bay Nickel Corporation and Taganito HPAL Nickel Corporation present a more favorable risk profile. Their EBITDA at Risk is projected at 19.27% by 2050, which is 29.1% below the sector average. This trend continues over earlier years, with risk levels remaining below the sector average by 18.2% in 2030 and 9.4% in 2025.

This variation in exposure across the value chain underscores the importance of ongoing market risk monitoring and proactive engagement with both suppliers and customers to ensure supply chain resilience and support NAC’s climate transition strategy.

Transition Risk: Reputation Risk Exposure

NAC has a moderate level of reputation risk exposure based on its alignment with various temperature pathway scenarios, including NZE (Net Zero Emissions), STEPS, and APS. This suggests that NAC’s reputation risk score is higher than 50–60% of its peers. In 2021, NAC’s carbon intensity was higher than that of 70% of its peers. Additionally, its decarbonization rate is below the industry average—approximately 2% under the budgeted reduction in the NZE (1.5°C) scenario.

As of the assessment, NAC has yet to disclose Scope 3 emissions. Climate-related disclosures are expected to be enhanced through a comprehensive transition risk assessment and full reporting in line with the TCFD recommendations.

From a financial perspective, NAC may face revenue declines under the NZE, STEPS, and APS scenarios. Aligning with a net-zero pathway while lagging behind peers in carbon performance and climate disclosure could lead to a projected 3% reduction in revenue and a corresponding loss in market share.

Improving carbon intensity, disclosing Scope 3 emissions, and publishing a TCFD-aligned report would strengthen NAC's position relative to its peers and help mitigate reputation-related transition risks.

Transition Risk: Technology Risk Exposure

NAC's activities in renewable energy, especially solar photovoltaic technology align with EU taxonomy, demonstrating compliance with sustainable practices and potential future regulations. Further, the company's investment in hybrid equipment and conveyor belt system shows strong evidence of low-carbon goods/services and green R&D, attracting green financing and mitigating climate risks.

Physical Risk Exposure

Physical Risk Indicators

Atmospheric data related to temperature, precipitation, drought, and wildfire, as well as other data related to coastal flooding, tropical cyclones, water stress, and fluvial flooding to provide a rigorous estimate of risk under various conditions were processed and analyzed.

The top three climate hazards were identified and quantified based on absolute risk. Coastal flooding poses the highest risk to NAC asset value in 2030, followed by temperature extremes and fluvial flooding.

Top 3 Physical Risks

1. **Coastal flooding** - Changes in frequency of coastal flooding of various magnitudes. Extreme coastal high water depends on average sea level, tides, and regional weather systems. Extreme coastal high-water events are usually defined in terms of the higher percentiles (e.g. 90th to 99.9th) of a distribution of hourly values of observed sea level at a station for a given reference period.
2. **Temperature Extremes** - Changes in frequency of occurrence of temperature extremes. A temperature extreme event is generally defined as the occurrence of the temperature variable above (or below) a threshold value near the upper (or lower) ends ('tails') of the range of observed values of the variable.

3. **Fluvial flooding** - The annual probability of a 100-year riverine flood, relative to the historical baseline of 1950-1999. This metric uses three climate variables and four topographic variables.

Physical Risk Scenarios Assessed

Sustainable 1 looked at climate scenarios RCP 4.5 and RCP 8.5 over decadal intervals from the 2020s to the 2090s:

RCP 4.5 Moderate Emissions – Strong mitigation actions to reduce emissions to half of current levels by 2080. This scenario is more likely than not to result in warming in excess of 2 degrees Celsius by 2100.

RCP 8.5 High Emissions – Continuation of business as usual with emissions at current rates. This scenario is expected to result in warming in excess of 4 degrees Celsius by 2100.

Under both scenarios, NAC faces low overall physical risk in the 2030s, with coastal flooding and temperature extremes emerging as the most significant hazards—together accounting for over 83% of the potential financial impact. Despite this, the majority of NAC's assets are currently classified as low risk for these assessed hazards.

Under the RCP 4.5 scenario, coastal flooding presents the highest relative risk to NAC's asset value, with approximately 0.68% or $10.4 million of total assets at risk. Temperature extremes follow, threatening 0.35% of asset value. A deeper analysis of the scenario reveals key insights into the timing and progression of specific climate hazards. Water stress stands out as the fastest-growing threat in the 2020s, with an average annual absolute risk increase of 14%, followed by coastal flooding at 8%. In contrast, fluvial flooding and temperature extremes show more modest growth rates. Interestingly, the financial impact of tropical cyclones is projected to decline compared to historical levels. This decadal risk analysis enables NAC to effectively prioritize and tailor its climate mitigation strategies.

Climate-Related Opportunities

In addition to assessing climate-related risks, NAC partnered with S&P Global Sustainable1 to identify key opportunities that can enhance Sustainability and drive business growth. These opportunities are described below:

Resource Efficiency

NAC may improve resource efficiency by implementing energy-efficient processes, reducing water usage, and minimizing waste. These measures are expected to reduce operating costs, increase production capacity, and increase revenues. Additionally, optimizing resource use can raise the value of fixed assets and provide workforce management benefits, resulting in lower overall costs.

Specific examples of resource efficiency include the integration of Artificial Intelligence (AI) technology in mining operations and the use of biofuels in production processes. Both initiatives can be applied directly to the company's operations, enhancing efficiency in production and distribution while reducing direct costs. The adoption of AI technology in mining represents a long-term opportunity, driving automation and optimization across processes. Meanwhile, the use of biofuels offers a medium-term opportunity by reducing reliance on conventional fuels and lowering emissions, contributing to cost savings and lower GHG emissions.

Energy Source

Transitioning to renewable energy sources such as solar, wind, and hydro power presents significant advantages. This shift can reduce operational costs and minimize exposure to future fossil fuel price increases. It also decreases GHG emissions, improving resilience to carbon price fluctuations. Investing in low-emission technologies can deliver strong financial and strategic benefits. These investments generate attractive returns, improve capital availability, and strengthen NAC's reputation, which in turn drives greater market demand for its products and services.

Investments in on-site renewable energy and energy storage deliver short-term benefits, while renewable energy power purchase agreements (PPAs) provide long-term advantages. Both opportunities directly impact operations by utilizing lower-emission energy sources and reducing direct costs of operations.

Markets, Products & Services

Developing and marketing new products and services that support climate mitigation and adaptation offers strong growth potential. These innovations can increase revenue through demand for low-emission solutions and provide a competitive edge by meeting evolving consumer preferences. Expanding into emerging markets driven by climate change and the transition to a low-carbon economy creates opportunities for diversification and growth. Access to these markets can increase revenues and broaden NAC's financial portfolio, capture new market segments, reducing dependency on traditional sectors and enhancing resilience against economic fluctuations.

One key initiative is investing in the supply of nickel to produce Battery Electric Vehicles (BEVs) and energy storage systems. This represents a medium-term opportunity that directly impacts operations by opening access to new markets and increasing revenues as global demand for clean energy technologies rises. Another strategic opportunity lies in supplying nickel for green hydrogen production, which offers long-term benefits. This investment enables diversification of business activities and further revenue growth through participation in emerging markets driven by the global energy transition.

Resilience

Strengthening the resilience of supply chains and operations to withstand climate-related impacts is critical for long-term stability. Resilience planning can increase market valuation and improve reliability under varying conditions. Furthermore, introducing products and services focused on resilience can generate additional revenue streams while ensuring operational continuity.

Developing and implementing hazard specific climate mitigation and adaptation measures strengthens NAC's ability to maintain operational continuity and adjust business activities to changing conditions. These measures also help reduce indirect operating costs over the long term, supporting resilience and efficiency goals.

These climate-related opportunities extend beyond reducing costs and mitigating risks. They serve as strategic drivers for growth, resilience, and long-term value creation. Initiatives such as resource efficiency, renewable energy adoption, innovative product development, market expansion, and operational resilience enable NAC to strengthen its competitive position in a global economy that increasingly prioritizes Sustainability. These actions build stakeholder confidence through clear evidence of climate leadership and responsible business practices. They also align NAC with global Sustainability trends, creating access to emerging markets, attracting investment, and enhancing corporate reputation. In doing so, NAC not only addresses climate-related risks effectively but also leverages the worldwide transition to a low-carbon future as a catalyst for innovation, profitability, and Sustainability.

Metrics And Targets

NAC monitors its climate impact and progress through a comprehensive set of metrics and targets. These include carbon emissions, sequestration efforts, adoption of green technologies, tree planting initiatives, rehabilitated land areas, and ongoing environmental research. To reinforce its carbon emission reduction goals, NAC submitted its commitment to the Science Based Targets initiative (SBTi) in 2023 and submitted it on December 2025 for validation, aiming to be the first natural resources company in the Philippines with approved near-term, long-term, and net-zero targets.

NAC is committed to achieving net-zero greenhouse gas emissions across its entire value chain by 2050. To reach this goal, the company has established ambitious near-term and long-term targets. NAC aims to reduce absolute Scope 1 and Scope 2 GHG emissions by 50.4% by 2032, using 2024 emissions as the base year. The Company also plans to reduce absolute Scope 3 emissions by 37.5% by 2035. For the long term, NAC targets a 90% reduction in absolute Scope 1 and Scope 2 emissions by 2050, along with a 90% reduction in Scope 3 emissions within the same timeframe. These commitments demonstrate NAC's leadership in climate action and its dedication to aligning with global Sustainability standards.

Leadership Profiles

The Board of Directors of Nickel Asia Corporation (NAC) is responsible for setting the direction of the Company and providing strategic leadership. Guided by a governance manual that allows shareholders to nominate directors with diverse expertise, the Board is composed of nine members, including two women, with broad professional experience and academic backgrounds.

JOSE ISIDRO N. CAMACHO
Executive Director
Chairman of the Board of Directors
Age: 70
Date First Elected to the Board: June 7, 2024
Average Tenure: 1 year

Jose Isidro N. Camacho is the Chairman of the Company. He is the Chairman of the Finance Committee and Corporate Governance Committee of the Board. He is currently the Chairman of the University of Arts Singapore and Bangko ng Kabuhayan (a Rural Bank) and Co-Chairman of Jin Chan Ltd (Singapore). He is a Senior Adviser to TPG Capital (Singapore), Neurocredit (Singapore), Golden Ridge Ventures (Singapore), and SICPA (Switzerland); a Founding Member of Asia Peace and Reconciliation Council (Thailand), and an Independent Director of Citadel Pacific Limited, and Trans Diversified Group Inc. Mr. Camacho was formerly Vice Chairman for Credit Suisse Asia Pacific and Chairman of Sun Life of Canada (Philippines) Inc. He joined Credit Suisse in March 2005 after a distinguished career in government and international banking. He was appointed Secretary of Finance for the Philippines in 2001, a position he held until November 2003. As Secretary of Finance, he led the country's economic team and supervised the fiscal and financial sectors. Prior to that, he served as Secretary of Energy where he was credited with the successful passage of the country's power sector reform legislation. He was also Chairman of Land Bank of the Philippines, Philippine Deposit Insurance Corporation, Trade Development and Investment Corporation (PhilExim), Home Guaranty Corporation, National Power Corporation (NPC), Power Sector Asset and Liability Management Corporation (PSALM), National Transmission Corporation (Transco), Privatization Council, Capital Market Development Council, and National Credit Council. Prior to joining the government, Mr. Camacho was a Managing Director and Chief Country Officer for the Philippines at Deutsche Bank, AG in Manila. Before Deutsche Bank, he worked for Bankers Trust Company for over 20 years in New York, Japan, Hong Kong, Philippines and Singapore. His last position at Bankers Trust was Head of Investment Banking for Southeast Asia and CEO for Singapore. Mr. Camacho was previously a board member of the National Gallery Singapore (2013-June 2021), the National Heritage Board of Singapore (2007-2013) and Sun Life Malaysia Takaful Bhd (2013-2019) and Sun Life Malaysia Assurance Bhd (2013-2022). He was also formerly a member of the Securities Industry Council of Singapore (2010-2017), the Securities Commission of

Malaysia's International Advisory Group (2008-2010) and the ASEAN Capital Markets Forum's Group of Experts (2008-2012), and the Chief Executive Officer of Credit Suisse Singapore (2007-2016). Mr. Camacho obtained his Bachelor's degree in Mathematics (cum laude) from De La Salle University in 1975. He received his MBA with concentration in Finance from Harvard University in 1979. In 2017, He was awarded an Honorary Degree of Doctor of Business Administration from Thailand's Eastern Asia University and was a recipient of Singapore's 2021 Public Service Medal (Pingat Bakti Masyarakat).

MARIA PATRICIA Z. RIINGEN
Non-Executive Director
Vice Chairman
Age: 60
Date First Elected to the Board: May 20, 2019
Average Tenure: 6 years

Maria Patricia Z. Riingen is the Vice Chairman of the Company. She is a member of the Corporate Governance Committee of the Board. She is the Chairman of CDTN, CMC, DMC, LCSLC, Nickel Asia Holdings, Inc. (NAHI), SNMRC, GRHI, CSPC, SASPC, SMSPC, SSPC, and TSWPC. She is a Director and Vice Chairman of RTN, TMC, and HMC. She is likewise a Director of CEXCI, Newminco, EPI and its subsidiaries. She is also a Trustee of NAC Foundation Inc. (NACFI). She is the President of Manta and Manta Foundation, Inc. and a Director of Mantra. She is currently Chairperson of the Young Presidents' Organization (YPO) Gold Philippines Chapter. Prior thereto, she held various positions with the Western Union Company and was the Senior Vice President and Regional Head for Asia Pacific. Her other previous roles were as Executive Director and a member of the BOD at the Asian Development Bank, Vice President at Citibank N.A., and Brand Manager of Procter & Gamble. She was among Asia's Top 20 People in Cash Management selected by Finance Asia in 2011 for being one of the region's most influential power players and up-and-coming executives in the cash management industry. In 2013, Ms. Riingen was recognized as one of the 100 Most Influential Filipinas in the World for her accomplishments as a Filipina senior executive working in a global company. In the same year, she received the Pinnacle Group's CSR Award for spearheading a range of initiatives for better access to financial services in the Philippines. Ms. Riingen obtained her Bachelor of Science in Business Administration, major in Marketing, Magna Cum Laude, from the University of the Philippines.

MARTIN ANTONIO G. ZAMORA
Executive Director
President and CEO
Age: 53
Date First Elected to the Board: June 16, 2010
Average Tenure: 15 years

Martin Antonio G. Zamora is the President and CEO of the Company. He is the President of all the mining subsidiaries of the Company and the Chairman of EPI and its subsidiaries. He is the Chairman of the Sustainability Committee and Nominations Committee, and a member of the Finance Committee and Board Risk Oversight Committee of the Board. He is likewise a Director of GRHI, CSPC, SASPC, SMSPC, SSPC, and TSWPC. He is the Chairman of NACFI and RTN Foundation Inc. (RTNFI). Before joining NAC in 2007, Mr. Zamora was the Philippine Country Manager and a Director of UPC Renewables, a global developer, owner and operator of wind farms and solar facilities. Prior to that, he worked for 10 years for finance and investment banking firms such as CLSA, Robert Fleming & Co. (UK), Jardine Fleming, and SGV & Co. He received his Bachelor of Science in Management from Ateneo de Manila University, his Master of Business Administration from London Business School, and his Master in Organizational Psychology from INSEAD.

HARVEY T. ANG
Non-Executive Director
Age: 52
Date First Elected to the Board: June 3, 2022
Average Tenure: 3 years

Harvey T. Ang is a Director of the Company and a member of its Finance Committee. He also serves as a Director of EPI, RTN, TMC, CDTN, CMC, DMC, HMC, SNMRC, LCSLC, CEXCI, and Newminco, and is Vice Chairman of NAHI and President of Yeeloofa Development Corporation. Previously, he held management roles at Exchange Properties Resources Corporation and Solid Mills, Inc. Mr. Ang brings experience across the real estate, textile, logistics, retail, and marketing sectors and holds a Bachelor of Science in Management from Ateneo de Manila University.

SHIRO IMAI
Non-Executive Director
Age: 52
Date First Elected to the Board: June 30, 2022
Average Tenure: 3 years

Shiro Imai is a Director of the Company. Mr. Imai is the General Manager of Nickel Sales and Raw Materials Department of Sumitomo Metal Mining Co., Ltd. (SMM). Before he moved to his current position, he served as the President of Sumitomo Metal Mining Philippine Holdings Corporation (SMMPH), Coral Bay Nickel Corporation (CBNC), and Taganito HPAL Nickel Corporation (THPAL) from June 2022 to June 2025. He has been working for SMM since 1995. He was with the Sales and Marketing Section of the Electronics Division from April 1995 to January 2001 and the Sales and Marketing Section of the Advanced Materials Division from February 2001 until October 2009. In November 2009, Mr. Imai became a member of the Nickel Sales and Raw Materials Department of the Non-Ferrous Metals Division until June 2014, when he was assigned as SMM's Chief Representative of its London Office. He was the Manager of the Copper and Precious Raw Materials Department from June 2016 until September 2019. He obtained his Bachelor's degree in Economics from Tohoku University in Miyagi, Japan.

NAOKI KAWAI
Non-Executive Director
Age:
Date First Elected to the Board: July 11, 2025
Average Tenure: 5 months

Naoki Kawai is a Director of the Company and the Chairman of the Related Party Transactions Committee and a Member of the Audit Committee and the Nominations Committee. He is the Chairman and President of Sumitomo Metal Mining Philippine Holdings Corporation (SMMPH), Coral Bay Nickel Corporation, and Taganito HPAL Nickel Corporation, effective June 26, 2025. He is also currently a Qualified Executive of Sumitomo Metal Mining Co., Ltd. (SMM). Mr. Kawai has been with SMM since 1992 and has since been assigned to various departments/offices in SMM to include the Copper and Precious Metals Sales Department (October 2001 to February 2003) and the Nickel Sales and Raw Materials Department (February 2003 to February 2008), both under the Non-Ferrous Metals Division; SMM's London Office (February 2008 to March 2010); and seconded to MS Zinc Co., Ltd. (March 2010 to October 2015). Prior to his current roles, he held the following positions in SMM: Executive Officer and the Senior Deputy General Manager of the Non-Ferrous Metals Division of SMM from June 2024 until June 26, 2025; General Manager of the Copper and Precious Metals Sales Department under the Non-Ferrous Metals Division from November 2017 until June 2024; and Manager of the Copper Section, Copper and Precious Metals Sales

Department, Non-Ferrous Metals Division from October 2015 until November 2017. Mr. Kawai graduated from the School of Education, Waseda University in 1992.

LEONIDES JUAN MARIANO C. VIRATA
Non-Executive Director
Age: 45
Date First Elected to the Board: June 30, 2022
Average Tenure: 3 years

Leonides Juan Mariano C. Virata is a Director of the Company and a member of the Sustainability Committee. Mr. Virata is the CEO of Cavitex Holdings Inc. and the Managing Director of MTV Investment Properties. Prior thereto, he was with the Broking Research team of Platinum Securities from 2006 to 2010. He is a member of the Makati Business Club. He received his Bachelor of Arts, Major in Philosophy of Religions from the University of Pennsylvania.

FLORENCIA G. TARRIELA
Independent Director
Age: 79
Date First Elected to the Board: August 4, 2022
Average Tenure: 3 years

Florencia G. Tarriela is the Lead Independent Director, Chair of the Audit Committee, and a member of the Board Risk Oversight, Related Party Transactions, and Corporate Governance Committees of the Board. Ms. Tarriela is a Board Advisor of the Philippine National Bank (PNB) and the LT Group Inc., Gozon Development Corporation and a Trustee of Tulay sa Pag-unlad, Inc., a microfinance NGO. She is also a liaison director to the Financial Executives Institute of the Philippines, Director of the Philippine Bible Society, a fellow of the Institute of Corporate Directors, a GoNegosyo mentor and a member of the Filipina CEO Circle and Women Business Council Philippines. She previously served as Board Chair and Independent Director of PNB for 15 years and Undersecretary for the Department of Finance. She was the first Filipina Vice President in Citibank N.A., President of the Bankers Institute of the Philippines, and Director of the Bankers Association of the Philippines. She has co-authored and compiled several books on ethics, mentorship, and gardening, among others, and continues to be a regular columnist for Manila Bulletin and Business World. Ms. Tarriela obtained her Bachelor of Science in Business Administration, major in Economics, from the University of the Philippines and Master's degree in Economics from the University of California, Los Angeles.

JAMES J.K. HUNG
Independent Director
Age: 79
Date First Elected to the Board: June 7, 2024
Average Tenure: 1 year

James J.K. Hung is an Independent Director and Chairman of the Board Risk Oversight Committee and member of the Audit Committee, Nominations Committee, Related Party Transactions Committee, and Sustainability Committee. He is the Chairman of Asia Securities Global Group (Hong Kong) and Chairman of ASG Inspiration Lab (Singapore). A former Chairman of Asia Securities in Taiwan and Independent Director of Security Bank, Mr. Hung served as a Director of Franklin Templeton Investment Fund in Luxembourg, Franklin Sealand Fund Management Co. Ltd. in Shanghai and other international funds. He also has an active interest in nickel, electric vehicles, and renewable energy. Mr. Hung graduated from Babson College in Massachusetts with a Master's degree in Business Administration, major in Finance.

BOARD ADVISORS

The Board Advisors of Nickel Asia Corporation provide guidance, insight, and informed perspectives to the Board of Directors. They support the Board in exercising effective leadership and sustaining high standards of corporate governance and strategic direction.

MANUEL B. ZAMORA, JR.
Age: 86
Date First Appointed as Board Advisor: June 4, 2021

Manuel B. Zamora Jr. is the founder of the Company. He served as President from 2008 to 2018 and Chairman Emeritus from 2018 to 2021. He is a Director of RTN and TMC and serves on several corporate boards.

A lawyer and member of the Integrated Bar of the Philippines, he earned his Bachelor's degree and Bachelor of Laws from the University of the Philippines, placing third in the Bar Examinations.

FREDERICK Y. DY
Age: 70
Date First Appointed as Board Advisor: June 4, 2021

Frederick Y. Dy served as Independent Director of the Company from 2009 to 2021. He is Chairman Emeritus of Security Bank Corporation and Chairman of St. Luke's Medical Center.

He earned a Bachelor of Science in Industrial Engineering from Cornell University.

PHILIP T. ANG
Age: 84
Date First Appointed as Board Advisor: June 3, 2022

Philip T. Ang previously served as Vice Chair of the Board of Directors of the Company, RTN, and TMC, and as Director of CMC, DMC, HMC, CEXCI, Newminco, CDTN, and EPI. He held leadership roles in the textile industry, including Chairman and President of Solid Mills Inc. and Unisol Industries and Manufacturing Corp.

He earned a Bachelor of Science in Business Administration from Oregon State University and a Master of Business Administration from the University of Denver.

Board Committees

Audit Committee
The Audit Committee is composed of Ms. Florencia G. Tarriela (Lead Independent Director) as Chairman, and Mr. Shiro Imai and Mr. James J.K. Hung (Independent Director) as members. The Audit Committee reports to the Board and is required to meet at least once every three (3) months. Aside from overseeing the internal and external auditors of the Company, the Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to the Management and shareholders of the continuous improvement of the risk management system, business operations, and the proper safeguarding and use of Company resources and assets. The Audit Committee provides a general evaluation and assistance in the overall improvement of the risk management, control, and governance processes. Mr. Patrick S. Garcia is the Company's Chief Audit Executive and Vice President for Internal Audit.

The table below shows the attendance of the members of the Audit Committee at Committee meetings held in 2025:

Position	Name	No. of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Florencia G. Tarriela	4	4	100%
Member	James J.K. Hung	4	4	100%
Member	Shiro Imai[1]	24	24	100%
Member	Naoki Kawai[2]	2	2	100%

Board Risk Oversight Committee

The Board Risk Oversight Committee is composed of Mr. James J.K. Hung (Independent Director) as Chairman, Ms. Florencia G. Tarriela (Lead Independent Director), and Martin Antonio G. Zamora as members. The Committee assists the Board in its oversight responsibility for the Company's Enterprise Risk Management and shall review the effectiveness of the risk management system. The Committee reports to the Board and is required to meet at least once every three months.

The table below shows the attendance of the members of the Board Risk Oversight Committee during its meetings held in 2025:

Position	Name	No. of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	James J.K. Hung	4	4	100%
Member	Florencia G. Tarriela	4	4	100%
Member	Martin Antonio G. Zamora	4	4	100%

Corporate Governance Committee

The Corporate Governance Committee is composed of Mr. Jose Isidro N. Camacho as Chairman, Ms. Florencia G. Tarriela (Lead Independent Director), and Maria Patricia Z.

[1] Ceased to be a Member of the Audit Committee effective July 11, 1025.

[2] Appointed as Member of the Audit Committee on July 11, 2025.

Riingen as members. The Committee is responsible for ensuring compliance with and proper observance of corporate governance principles and practices. It also oversees the implementation and periodic review of the Company's corporate governance framework to ensure that it remains responsive to the Company's size, complexity, and business strategy. Further, the Committee conducts an annual evaluation of the Board, its Committees, and the Management of the Company; and develops and implements action plans and programs to improve the performance of the Board, Committees, Directors, and the Management of the Company. The Committee also functions as the Compensation and Remuneration Committee. The Committee is tasked to establish and maintain a formal and transparent procedure for developing policy on remuneration of the Directors and officers to ensure that their compensation is consistent with the Company's culture, strategy, and the business environment in which it operates. The Committee is also responsible for administering the Company's stock option policies and plans and approving bonuses to all employees of the Company and its subsidiaries.

The table below shows the attendance of the members at the Committee meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Jose Isidro N. Camacho	1	1	100%
Member	Florencia G. Tarriela	2	2	100%
Member	Maria Patricia Z. Riingen	3	3	100%

Related Party Transactions Committee

The Related Party Transactions Committee is composed of Mr. Shiro Imai as Chairman, Ms. Florencia G. Tarriela (Lead Independent Director), and Mr. James J.K. Hung (Independent Director) as members. The Committee is tasked with reviewing all material and related party transactions of the Company to ensure that such transactions are conducted on terms which are no more favorable than the terms of similar transactions with non-related parties under similar circumstances, and that no corporate or business resources of the Company are misappropriated or misapplied. The Committee is also responsible for identifying potential or actual conflicts of interest and reputational risk issues that may arise from such related party transactions. The Committee further ensures that transactions between and among related parties are properly identified, monitored, and reflected in reports to the Board and relevant regulatory authorities. The Committee is required to meet at least once a year.

The table below shows the attendance of the members at the Committee meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Shiro Imai[3]	6	6	100%
Chairman	Naoki Kawai[4]			
Member	Florencia G. Tarriela	4	4	100%
Member	James J.K. Hung	6	6	100%

Nominations Committee

The Nominations Committee is composed of Mr. Martin Antonio G. Zamora as Chairman, Messrs. James J.K. Hung (Independent Director) and Shiro Imai as members. The Nominations Committee is responsible for setting qualification standards to facilitate the selection of potential nominees to Board seats and of all nominees to other positions in the Company requiring appointments by the Board, to provide shareholders with an independent and objective evaluation of, and assurance that, the members of its Board and the officers appointed by the Board are competent and will foster the Company's long-term success and secure its competitiveness.

The Nominations Committee assists the Board in the review and evaluation of the qualifications of all persons nominated to be a Director of the Company and of all nominees to other positions in the Company requiring appointments by the Board.

The Nominations Committee held one meeting in 2025, wherein all members were present.

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Martin Antonio G. Zamora	1	1	100%
Member	James J.K. Hung	1	1	100%

[3] Ceased to be a Member of the Audit Committee effective July 11, 1025.

[4] Appointed as Member of the Audit Committee on July 11, 2025.

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Member	Shiro Imai	1	1	100%

Sustainability Committee

The Sustainability Committee is composed of NAC President and CEO, Mr. Martin Antonio G. Zamora as Chairman, Messrs. James J.K. Hung (Independent Director) and Leonides Juan Mariano C. Virata (Independent Director) as members. The Committee's determining role is as support to the Board in conducting an in-depth analysis of the company's Sustainability issues, presenting insights and findings to the Board to ensure that all initiatives are aligned with the Company's Sustainability goals. The Sustainability Committee is responsible for the identification and assessment of the significant economic, environmental, ethical, and social impact of the business and operations of the Company and its subsidiaries. The Sustainability Committee stands as guide to the NAC Group in the crafting and improvement of ESG strategies based on updates in global Sustainability trends, regulations, benchmarks, and best practices. Progress is tracked, monitored, and reported during regular meetings of the Sustainability Committee held every quarter.

To promote effective Board and management performance and continuing qualification of the Directors and officers, there is an annual continuing training program for Directors and officers to ensure they are continuously informed of the developments in the business and the regulatory environment, including emerging risks relevant to the Company.

Under the Manual of Corporate Governance, the Company shall ensure that the material and reportable non-financial and Sustainability issues are disclosed. The Board shall have a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social, and governance (EESG) issues of its business, which underpin Sustainability. The Company shall adopt a globally recognized standard/framework in reporting Sustainability and non-financial issues.

The table below shows the attendance of the members at the Committee meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Martin Antonio G. Zamora	4	4	100%
Member	James J.K. Hung	4	4	100%
Member	Leonides Juan Mariano C. Virata	3	4	75%

Finance Committee

The primary purpose of the Committee is to oversee the Company's capital structure, financial policies and strategies, and investment activities, including but not limited to, capital raising, capital adequacy and capital planning processes, dividend policy, acquisitions, mergers, and divestments, treasury management and activities, and financing proposals, that may be brought to the Board for approval and to take such action and make such reports and recommendations to the Board as it deems advisable.

The table below shows the attendance of the members at the Committee meetings held in 2025:

Position	Name	Number of Meetings Held in 2025	No. of Meetings Attended	Percentage of Attendance
Chairman	Jose Isidro N. Camacho	5	5	100%
Member	Martin Antonio G. Zamora	5	5	100%
Member	Harvey T. Ang	5	5	100%

BOARD ADVISORS

The Company's Board has three (3) Advisors: Mr. Manuel B. Zamora, Jr., Mr. Frederick Y. Dy, and Mr. Philip T. Ang.

The Board Advisors (1) attend Board of Directors' meetings and Board Committee meetings as necessary; (2) provide guidance and suggestions, as needed, on matters deliberated upon during Board and Committee meetings; and (3) provide recommendations and/or key information and materials regarding specific matters being considered by the Board and referred to the Board Advisors.

EXECUTIVE IMPLEMENTATION

Chairman

Mr. Jose Isidro N. Camacho is the Chairman of the Board of Directors of the Company. The Chairman is responsible for the leadership of the Board. He ensures the effective operation of the Board and its committees in conformity with the highest standards of corporate governance. He is accountable to the Board. The Chairman ensures that the Board sets an agenda that is focused on strategy, performance, and accountability, taking into consideration the recommendations of the Directors and management. He assures the availability of training opportunities to all Directors, including an orientation program for first-time Directors. He ensures that the Board's performance is evaluated at least once a year. Mr. Camacho works with the President and Chief Executive Officer (CEO) to develop the strategy for the Company's future growth, including identifying opportunities for value-enhancing initiatives such as acquisitions and joint ventures, as may be deemed beneficial for the long-term interest of the Company. He also oversees the Company's copper-gold initiatives.

President and CEO

Mr. Martin Antonio G. Zamora is the President and CEO of the Company. The President provides the leadership for Management to develop and implement sound business strategies, plans, budgets, and a system of internal controls. He ensures that the overall business and affairs of the Company are managed in a sound and prudent manner in accordance with the Company's strategic plan. He also guarantees that business risks are identified and properly addressed. He also ensures that operational, financial and internal controls are adequate and effective in order to generate sound and reliable financial and operational information, to maximize the effectiveness and efficiency of operations, to safeguard Company assets and resources, and to comply with all laws, rules, regulations and contracts.

As CEO, he acts as a direct liaison between the Board and the Management of the Company.

The President and CEO, together with the Management, have the responsibility to provide the Board with a balanced, understandable, and accurate account of the Company's

performance, financial condition, results of operations, and prospects regularly. The President also serves as the link between internal operations and external stakeholders.

Chief Risk Officer

Mr. Jose Bayani D. Baylon, Senior Vice President – Sustainability, Risk Management and Corporate Affairs, and Chief Sustainability Officer, is also the Chief Risk Officer of the Company. The Chief Risk Officer supervises the Company's Enterprise Risk Management System and spearheads its implementation, review, and continuous improvement. He takes the lead in identifying key risks, exposures relating to economic, environmental, social, and governance factors that may affect the achievement of the Company's strategic objectives and developing risk mitigation plans for such risks. He communicates the top risks and the status of implementation of the Company's risk management strategies and action plans to the Board Risk Oversight Committee and works with the President and CEO in updating and making recommendations to the Board Risk Oversight Committee.

Chief Governance Officer

Ms. Georgina Carolina Y. Martinez, Senior Vice President, Head of the Corporate Support and Compliance Services Group, is the Company's Chief Governance Officer. The Chief Governance Officer is tasked with ensuring that corporate governance policies are disseminated, adopted throughout the organization, and become an integral part of the Company's culture. In addition, she also ensures that the necessary systems are in place to monitor compliance.

Chief Compliance Officer

Ms. Georgina Carolina Y. Martinez also serves as Chief Compliance Officer of the Company. She ensures the Company's strict adherence to all laws, regulations, guidelines, and specifications relevant to the business.

Corporate Secretary

Atty. Barbara Anne C. Migallos is the Corporate Secretary of the Company. She ensures that all Board procedures, rules, and regulations are strictly followed. The Corporate Secretary is a lawyer with years of experience in corporate law practice, including corporate secretarial work. She is also a professional lecturer in advanced securities regulation.

AUDITORS

Chief Audit Executive

Mr. Patrick S. Garcia is the Company's Chief Audit Executive. The Chief Audit Executive is primarily tasked with evaluating the adequacy and effectiveness of the Company's governance and operations, the reliability and integrity of financial information, the safeguarding of assets, and compliance with laws, rules, and regulations.

External Auditor

The external auditor is appointed by the shareholders upon the recommendation of the Audit Committee, which reviews its qualifications, performance, and independence. To ensure objectivity in the performance of its duties, the external auditor is subject to the rules on rotation and change (every five years for the engagement partner); general prohibitions on hiring of staff of the external auditor; and full and appropriate disclosure and prior approval by the Audit Committee of all audit and non-audit services and related fees. Approval of non-audit work by the external auditor is principally tested against the standard of whether such work will conflict with its role as an external auditor or would compromise its objectivity or independence as such.

CAGDIANAO MINING

CERTIFICATION

As of December 2025, the total Mineral Reserve of Cagdianao Mining Corporation (CMC) is at 1.49 million WMT for Saprolite and 1.41 million WMT for Limonite with the following details.

Table 1. Mineral Reserve of Cagdianao Mine (as of 31 December 2025)

Ore	Class	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (kt)
Mineral Reserve						
Saprolite	Proved and Probable	1.49	0.97	1.32	19.22	12.86
Limonite		1.41	0.94	1.34	30.34	12.55
Total		**2.90**	**1.91**	**1.33**	**24.67**	**25.41**

The undersigned is issuing this certification in his capacity as a licensed mining engineer and active member of the Philippine Society of Mining Engineers. The undersigned is fully aware that, under the employment of NAC, the certification may be reviewed or scrutinized by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

Prepared by:

Christian Jae R. Gascon
Resident Mine Manager
PRC No. 00002873 (Mining Engineer)
Accredited Competent Person (Mining Engineering)
EM-ACP-206-0002873

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Dinapigue Mining Corporation (DMC). It is located at Brgy. Dimaluade, Dinapigue, Isabela.

As December 31, 2025, the Total Mineral Reserve of DMC are as follows:

Ore	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	Ni (%)	Fe (%)	Contained Ni (Kt)
Saprolite	Proved and probable	37.20	22.14	1.37	20.02	304
Limonite		81.50	48.15	1.00	42.54	479

The undersigned is issuing this certification in his capacity as an Accredited Competent Person and active member of the Philippine Society of Mining Engineers, Inc. The undersigned is fully aware that, being under the employment of NAC, the certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

DMC is currently working on its full compliance with the PMRC 2020 edition.

FRANCISCO J. ARAÑES JR.
PRC MINING ENGINEER License No. 2305
PMRC Competent Person for Nickel
CP Registration No.: EM-ACP-030-0002305
PTR No. 865802
Issued: January 20,2026 at Surigao Del Norte

Dinapigue Mining Corporation

Main Office:
29th Floor NAC Tower,
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Philippines 1634

Phone: (02) 7798 7622

Liaison Office:
Blk. 5 Lot 6, Camella
Homes Subd., Brgy.
Malvar, Santiago City,
Isabela, Philippines 3311

Site Address:
Brgy. Dimaluade,
Dinapigue, Isabela,
Philippines 3336

Web: nickelasia.com

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Hinatuan Mining Corporation – Manicani Nickel Project (HMC-MNP). It is located at Manicani Island, Brgy. Buenavista, Guiuan, Eastern Samar.

As December 31, 2025, the Total Mineral Reserves of HMC-MNP are as follows:

Ore	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	Ni (%)	Fe (%)	Contained Ni (Kt)
Saprolite	Proved and Probable	40.86	27.78	1.53	18.09	425
Limonite		12.22	8.31	1.09	49.06	90

The undersigned is issuing this certification in his capacity as an Accredited Competent Person and active member of the Philippine Society of Mining Engineers. The undersigned is fully aware that, being under the employment of NAC, the certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

HMC-MNP is currently working on its full compliance with the PMRC 2020 edition.

FRANCISCO J. ARAÑES, JR.
PRC MINING ENGINEER, License No. 2305
PMRC Competent Person for Nickel
CP Registration No.: EM-ACP-030-0002305
PTR No. 8658027 Issued: January 20, 2026 at Surigao Del Norte

Hinatuan Mining Corporation

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: +63 2 7798 7626

Liaison Office:
2nd Floor NAC Building,
Km 3, National Highway,
Brgy. Luna, Surigao City,
Philippines 8400

Phone: +086 826 5077

Site Address:
Hinatuan Island, Brgy.
Talavera, Tagana-an,
Surigao del Norte,
Philippines 8403

Web: nickelasia.com

HMC

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Hinatuan Mining Corporation – Tagana-an Nickel Project (HMC-TNP). It is located at Hinatuan Island, Brgy. Talavera, Tagana-an, Surigao del Norte.

As December 31, 2025, the Total Mineral Reserves of HMC-TNP are as follows:

Ore	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	Ni (%)	Fe (%)	Contained Ni (Kt)
Saprolite	Proved and	1.3	0.88	1.47	16.63	13
Limonite	Probable	0.33	0.23	1.03	49.01	2

The undersigned is issuing this certification in his capacity as an Accredited Competent Person and active member of the Philippine Society of Mining Engineers. The undersigned is fully aware that, being under the employment of NAC, the certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

HMC-TNP is compliant with the PMRC 2020 edition.

FRANCISCO J. ARAÑES, JR.
PRC MINING ENGINEER, License No. 2305
PMRC Competent Person for Nickel
CP Registration No.: EM-ACP-030-0002305
PTR No. 8658027 Issued: January 20, 2026 at Surigao Del Norte

Hinatuan Mining Corporation

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: +63 2 7798 7626

Liaison Office:
2nd Floor NAC Building,
Km 3, National Highway,
Brgy. Luna, Surigao City,
Philippines 8400

Phone: +086 826 5077

Site Address:
Hinatuan Island, Brgy.
Talavera, Tagana-an,
Surigao del Norte,
Philippines 8403

Web: nickelasia.com

C E R T I F I C A T I O N

Nickel Asia Corporation (NAC) owns 60% of Rio Tuba Nickel Mining Corporation (RTNMC). It is located at Brgy. Rio Tuba, Bataraza, Palawan.

As of December 31,2025, the Mineral Reserves of RTNMC are as follows:

Mineral Reserve	Class	Tonnes (mWMT)	Tonnes (mDMT)	%Ni	%Fe	Contained Ni (kt)
Saprolite	Proved and Probable	37.01	25.33	1.48	17.34	377
Limonite	Proved and Probable	26.04	18.16	1.12	37.45	203

Note:

1. The 'Contained Ni (kt)' is derived from the multiplication of the average %Ni and estimated tonnage (DMT) of the reserve. It does not consider mining losses and dilution. Discrepancies may appear due to rounding-off of figures in the table.
2. The %Ni and %Fe cut-off grades used in this estimation are as follows:
   Limonite: 0.50 %Ni, 20.00 %Fe
   Saprolite: 1.00 %Ni, 8.85 %Fe
3. The data cut-off for the reserve estimates is December 31, 2025.

The undersigned is issuing this certification in his capacity as a Licensed Mining Engineer and as an active member of the Philippine Society of Mining Engineers. He is fully aware that, being under the employment of Rio Tuba Nickel Mining Corporation, his certification may be subjected to review or scrutiny by other independent Competent Persons whom the concerned government institution/s of financing bodies might choose to employ.

RTNMC is currently working on its full compliance with the PMRC 2020 Edition.

Ronelbert A. Suguitan
Mining Engineer, PRC No. 2534
Accredited Competent Person for Nickel, ACP Reg. No. 052-0002534
PTR No. 5861304
Date Issued: January 14, 2026
Place Issued: Bataraza, Palawan

TMC

CERTIFICATION

Nickel Asia Corporation (NAC) owns 65% of the Taganito Mining Corporation (TMC). The Project is located within the municipality of Claver in the province of Surigao del Norte on the island of Mindanao.

As of December 31, 2025, the Total Mineral Reserves of TMC are as follows:

Ore	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (Kt)
Saprolite	Proved & Probable	76.29	52.31	1.44	11.75	756
Limonite	Proved & Probable	47.16	31.24	1.02	48.32	319

The undersigned is issuing this certification in his capacity as a licensed mining engineer and active member of the Philippine Society of Mining Engineers. The undersigned is fully aware that, being under the employment of NAC, the certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

ARTEMIO E. VALEROSO
Registered Mining Engineer
PRC No. 2641
PTR No. 8076851 Z

Taganito Mining Corporation

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7624

Liaison Office:
2nd Floor NAC Building,
Km. 3, Brgy. Luna,
Surigao City,
Philippines 8400

Phone: (086) 826 3005
(0998) 597 8520

Site Address:
Brgy. Taganito, Claver,
Surigao del Norte,
Philippines 8410

Web: nickelasia.com

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Cagdianao Mining Corporation (CMC). It is located at Brgy. Valencia, Cagdianao, Province of Dinagat Islands.

As of December 31, 2025, the Mineral Resources of CMC are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	% Ni	% Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	5.1	3.3	1.20	19.86	40.07
Limonite	Measured and Indicated	14.7	9.6	0.83	40.30	79.21

Note:

1. The 'Contained Ni (Kt)' is derived from the multiplication of the average % Ni and estimated tonnage (Mdmt) of the Mineral Resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding off of figures in the table.
2. The % Ni and % Fe cut-off grades used in this estimation are as follows:
   Limonite: 0.45% Ni, 29% Fe
   Saprolite: 0.79% Ni
3. The data cut-off data for the estimate is October 31, 2025.

The undersigned is issuing this certification in her capacity as an Accredited Competent Person and as an active member of the Geological Society of the Philippines. She is fully aware that, being under the employment of Hinatuan Mining Corporation – Manicani Nickel Mining Project, her certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) or financing bodies might choose to employ.

ANGILHIZA MARIE BALIDA FRANCISCO
Geologist, PRC Reg No. 0002272
Accredited Competent Person for Nickel, ACP Reg. No. 24-07-03
Professional Tax Receipt No. 9877982
Issued: January 28, 2026
Concepcion, Iloilo

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Dinapigue Mining Corporation (DMC). It is located at Brgy. Dimaluade, Dinapigue, Isabela.

As of December 31, 2025, the Mineral Resources of DMC are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	48.9	29.1	1.39	19.92	404
Limonite	Measured and Indicated	105.8	62.5	0.99	42.95	622

Note:

1. The 'Contained Ni (Kt)' is derived from the multiplication of the average Ni% and estimated tonnage (Mdmt) of the resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding off of figures in the table.
2. The Ni% and Fe% cut-off grades used in this estimation are as follows:

Limonite: 25 %Fe, 0.8 %Ni

Saprolite: 1.1 %Ni

3. The estimate is based on the following data cut-off dates:
   Drilling database – 15 October 2025
   Topographic survey – 15 October 2025
   Stockpile inventory – 31 December 2025
   Run-of-Mine production data – 31 December 2025

The undersigned is issuing this certification in his capacity as an Accredited Competent Person and as an active member of the Geological Society of the Philippines. He is fully aware that, being under the employment of Nickel Asia Corporation, his certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

JOHN PAUL RANGASA
Geologist, PRC No. 002279
Accredited Competent Person for Nickel, ACP Reg. No. 24-10-04
Professional Tax Receipt No. 8400550
Issued: January 09, 2026
Quezon City

REPUBLIC OF THE PHILIPPINES)
CITY OF) SS.

BEFORE ME, this 19th day of January 2026, personally appeared before me MR. JOHN PAUL P. RANGASA with PRC Professional Identification Card with Registration No. 0002279 valid until April 24, 2028, known to me to be the same person who executed this instrument which he acknowledged before me as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 318
Page No. 65
Book No. 2
Series of 2026

NOTARY PUBLIC
CARLO C. GUEVARA
Appointment No. 184
Notary Public for and in the City of Taguig City
Until December 31, 2026
Roll No. 75204
PTR No. 3054382/ 21 January 2025/ Pasig City
MCLE Compliance No. VIII-0032035, Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: carlo.guevara@nickelasia.com

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Hinatuan Mining Corporation – Manicani Nickel Mining Project (HMC-MNMP). It is located in Manicani Island, Guiuan, Eastern Samar.

As of December 31, 2025, the Mineral Resources of HMC-MNMP are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	% Ni	% Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	57.9	39.4	1.48	19.07	583.19
Limonite	Measured and Indicated	23.2	15.8	1.08	48.07	170.49

Note:

1. The 'Contained Ni (Kt)' is derived from the multiplication of the average % Ni and estimated tonnage (Mdmt) of the Mineral Resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding off of figures in the table.
2. The % Ni and % Fe cut-off grades used in this estimation are as follows:
   Limonite: 45% Fe
   Saprolite: 1.0% Ni
3. The data cut-off data for the estimate is October 31, 2025.

The undersigned is issuing this certification in her capacity as an Accredited Competent Person and as an active member of the Geological Society of the Philippines. She is fully aware that, being under the employment of Hinatuan Mining Corporation – Manicani Nickel Mining Project, her certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) or financing bodies might choose to employ.

HMC-MNP is currently working on its full compliance with the PMRC 2020 Edition.

ANGILHIZA MARIE BALIDA FRANCISCO
Geologist, PRC Reg No. 0002272
Accredited Competent Person for Nickel, ACP Reg. No. 24-07-03
Professional Tax Receipt No. 9877982
Issued: January 28, 2026
Concepcion, Iloilo

CERTIFICATION

Nickel Asia Corporation (NAC) fully owns Hinatuan Mining Corporation – Taganaan Nickel Project (HMC-TNP). It is located on Hinatuan Island, Taganaan, Surigao del Norte.

As of December 31,2025, the Mineral Resources of HMC are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	9.5	6.1	1.29	22.06	79
Limonite	Measured and Indicated	3.0	1.9	0.93	48.62	18

Note:

1. The 'Contained Ni (Kt)' is derived from the multiplication of the average Ni% and estimated tonnage (Mdmt) of the resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding off of figures in the table.
2. The Ni% and Fe% cut-off grades used in this estimation are as follows:

Limonite: 46 %Fe

Saprolite: 1.0 %Ni

3. The data cut-off date for the estimate is December 31,2025.

The undersigned is issuing this certification in her capacity as an Accredited Competent Person and as an active member of the Geological Society of the Philippines. She is fully aware that, being under the employment of Nickel Asia Corporation, her certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

KRISTINE GRACE CAPUZ VICTORIA
Geologist, PRC No. 1721
Accredited Competent Person for Nickel, ACP Reg. No. 19-08-02
Professional Tax Receipt No. 7046195
Issued: January 05,2026
Plaridel, Bulacan

REPUBLIC OF THE PHILIPPINES)
CITY OF TAGUIG) SS.

BEFORE ME, this 19th day of January 2026, personally appeared before me MS. KRISTINE GRACE C. VICTORIA with PRC Professional Identification Card with Registration No. 0001721 valid until July 9, 2026, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 316
Page No. 65
Book No. 2
Series of 2026

NOTARY PUBLIC
CARLO C. GUEVARA
Appointment No. 184
Notary Public for and in the City of Taguig City
Until December 31, 2026
Roll No. 75204
PTR No. 3054382/ 21 January 2025/ Pasig City
MCLE Compliance No. VIII-0032035, Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: carlo.guevara@nickelasia.com

CERTIFICATION

Nickel Asia Corporation (NAC) owns 60% of Rio Tuba Nickel Mining Corporation (RTNMC). It is located at Brgy. Rio Tuba, Bataraza, Palawan.

As of November 30, 2025, the Mineral Resources of RTNMC are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	35.2	21.7	1.53	13.46	333
Limonite	Measured and Indicated	33.1	23.0	1.24	36.65	285

Note:

1. The 'Contained Ni (Kt)' is derived from the multiplication of the average Ni% and estimated tonnage (Mdmt) of the resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding-off of figures in the table.

2. The Ni% and Fe% cut-off grades used in this estimation are as follows:
Limonite: 0.5 %Ni, 20.0 %Fe
Saprolite: 1.0 %Ni, 8.85 %Fe

3. The data cut-off for the Estimate is November 30, 2025

The undersigned is issuing this certification in his capacity as a licensed geologist and as an active member of the Geological Society of the Philippines. He is fully aware that, being under the employment of Rio Tuba Nickel Mining Corp., his certification may be subjected to review or scrutiny by other independent Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

RTNMC is currently working on its full compliance with the PMRC 2020 Edition.

Michael Angelo C. Tan
Geologist, PRC No. 1958
Accredited Competent Person for Nickel, ACP Reg. No. 23-07-02
PTR No. 5861310U
Issued: January 14, 2026
Municipality of Bataraza, Palawan

SUBSCRIBE AND SWORN TO BEFORE ME THIS 21 JAN 2026
AT RIO TUBA, BATARAZA, PALAWAN, AFFIANT EXHIBITED TO ME HIS/HER
PRC ID NO. 1958 AS HIS/HER COMPETENT PROOF OF IDENTITY, ISSUED AT
Puerto Princesa City ON 04/12/2028.

DOC. NO. 296
PAGE NO. 61
BOOK NO. IV
SERIES OF 2026

ATTY. JENNY LOU A. TATEL
NOTARY PUBLIC

ATTY. JENNY LOU A. TATEL
NOTARY PUBLIC
ROLL NO. 91149
BATARAZA, PALAWAN, PHILIPPINES

CERTIFICATION

Nickel Asia Corporation (NAC) owns 65% of Taganito Mining Corporation (TMC). It is located at Brgy. Taganito, Claver, Surigao del Norte.

As of December 31,2025, the Mineral Resources of TMC are as follows:

Mineral Resources	Classification	Tonnes (Mwmt)	Tonnes (Mdmt)	%Ni	%Fe	Contained Ni (Kt)
Saprolite	Measured and Indicated	68.4	47.2	1.31	16.64	618
Limonite	Measured and Indicated	76.7	51.3	0.85	46.88	438

Note:

1. The 'Contained Ni (kT)' is derived from the multiplication of the average Ni% and estimated tonnage (DMT) of the resource. It does not consider mining losses and dilution. Discrepancies may appear due to rounding off of figures in the table.
2. The Ni% and Fe% cut-off grades used in this estimation are as follows:

Limonite: 40 %Fe

Saprolite: 0.95 %Ni

3. The data cut-off date for the estimate is November 30,2025.

The undersigned is issuing this certification in her capacity as an Accredited Competent Person and as an active member of the Geological Society of the Philippines. She is fully aware that, being under the employment of Nickel Asia Corporation, her certification may be subjected to review or scrutiny by other independent Accredited Competent Persons whom the concerned government institution(s) of financing bodies might choose to employ.

KRISTINE GRACE CAPUZ VICTORIA
Geologist, PRC No. 1721
Accredited Competent Person for Nickel, ACP Reg. No. 19-08-02
Professional Tax Receipt No. 7046195
Issued: January 05,2026
Plaridel, Bulacan

REPUBLIC OF THE PHILIPPINES)
CITY OF TAGUIG) SS.

BEFORE ME, this 19th day of January 2026, personally appeared before me MS. KRISTINE GRACE C. VICTORIA with PRC Professional Identification Card with Registration No. 0001721 valid until July 9, 2026, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 317
Page No. 65
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MCLE Compliance No. VIII-0032035, Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: carlo.guevara@nickelasia.com

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	8	1	1	5	3	0

COMPANY NAME

NICKEL ASIA CORPORATION AND SUBSIDIARIES

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

28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City

Form Type	Department requiring the report	Secondary License Type, If Applicable
AACFS	CRM	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
corpsec@nickelasia.com	(632) 7777-7622	09178459361

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
101	06/09	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Iryan Jean U. Padillo	iryanjean.padillo@nickelasia.com	(632) 7777-7622	–

CONTACT PERSON's ADDRESS

28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City

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

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*

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Nickel Asia Corporation
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

Opinion

We have audited the consolidated financial statements of Nickel Asia Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of income, 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 consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each 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 matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment testing of solar farm and construction in-progress

As of December 31, 2025, the Group's solar farm and the related construction in-progress amounted to ₱20.3 billion. The Group may adversely be affected by the volatility in wholesale electricity prices. In the event that an impairment indicator is identified, the assessment of the recoverable amounts of the solar farm and construction in-progress requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices and discount rate. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to the Group's solar farm and construction in-progress are included in Notes 3 and 9 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the methodology and the assumptions used. These assumptions include future production levels and costs, as well as external inputs such as commodity prices and discount rate. We compared the key assumptions against the industry benchmark plant life, production reports from operations department, average market price of electricity on Wholesale Electric Spot Market (WESM), current tax laws and Department of Energy regulations, Bangko Sentral ng Pilipinas (BSP) forecasted inflation rate, industry debt ratio and discount rate based on industry weighted average capital cost. We tested the parameters used in the determination of the discount rate against market data. 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 amounts of the solar farm and construction in-progress.

Other Information

Other information consists of 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 other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. 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 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, actions taken to eliminate threats or safeguards applied

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

February 25, 2026

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱17,574,368**	₱12,935,272
Trade and other receivables (Note 5)	**2,381,943**	1,390,414
Inventories (Note 6)	**2,646,789**	3,356,296
Financial assets at (Note 7):		
Fair value through profit or loss (FVTPL)	**1,531,921**	1,421,570
Fair value through other comprehensive income (FVOCI)	**406,604**	429,188
Amortized cost	**–**	100,000
Assets held for sale (Note 8)	**–**	1,864,775
Prepayments and other current assets (Note 8)	**1,065,844**	2,338,192
Total Current Assets	**25,607,469**	23,835,707
Noncurrent Assets		
Property and equipment (Note 9)	**33,125,604**	26,429,296
Investments in an associate (Note 10)	**3,235,269**	3,438,021
Financial assets at - net of current portion (Note 7):		
FVTPL	**1,121,138**	985,979
Amortized cost	**275,000**	275,000
Deferred income tax assets - net (Note 33)	**270,356**	554,613
Other noncurrent assets (Note 11)	**6,533,175**	6,132,185
Total Noncurrent Assets	**44,560,542**	37,815,094
TOTAL ASSETS	**₱70,168,011**	₱61,650,801
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 12)	**₱3,930,720**	₱4,281,493
Short-term debts (Note 13)	**5,048,156**	6,985,614
Income tax payable	**590,767**	401,528
Current portion of:		
Long-term debts (Note 13)	**454,831**	372,149
Lease liabilities (Note 31)	**111,911**	95,693
Other current liabilities (Note 36f)	**760,722**	615,722
Total Current Liabilities	**10,897,107**	12,752,199
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debts (Note 13)	**8,905,970**	2,060,388
Lease liabilities (Note 31)	**1,083,244**	877,441
Deferred income (Note 30)	**25,139**	29,329
Provision for mine rehabilitation and decommissioning (Note 14)	**944,457**	927,398
Deferred income tax liabilities - net (Note 33)	**411,306**	505,869
Pension liability (Note 32)	**72,182**	84,955
Total Noncurrent Liabilities	**11,442,298**	4,485,380
Total Liabilities	**22,339,405**	17,237,579

(Forward)

	December 31	
	2025	2024
Equity Attributable to Equity Holders of the Parent		
Capital stock (Note 15)	**₱6,999,974**	₱6,999,974
Additional paid-in capital	**9,205,802**	9,205,802
Share in cumulative translation adjustment (Note 10)	**828,842**	1,469,552
Other components of equity:		
Cost of share-based payment plan	**154,296**	154,296
Asset revaluation surplus	**29,033**	29,416
Net valuation gains (losses) on:		
Financial assets at FVOCI (Note 7)	**2,633**	(1,226)
Forward contracts (Note 35)	**168**	7,659
Retained earnings:		
Unappropriated	**22,497,121**	18,760,066
Appropriated (Note 15)	**135,000**	135,000
Treasury stock (Note 15)	**(134,014)**	(134,014)
	39,718,855	36,626,525
Non-controlling Interests (NCI)	**8,109,751**	7,786,697
Total Equity	**47,828,606**	44,413,222
TOTAL LIABILITIES AND EQUITY	**₱70,168,011**	₱61,650,801

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings per Share)

	Years Ended December 31		
	2025	2024	2023
REVENUES			
Sale of ore and limestone (Notes 28 and 30)	**₱27,373,897**	₱19,753,960	₱21,553,863
Sale of power (Notes 28, 30 and 36d)	**1,291,073**	1,342,128	881,547
Services (Notes 28 and 30)	**952,103**	1,229,340	2,265,057
	29,617,073	22,325,428	24,700,467
COSTS			
Cost of sales (Note 17)	**9,890,521**	8,590,973	7,964,494
Power generation (Note 18)	**694,311**	603,022	515,524
Services (Note 19)	**456,205**	628,157	1,550,783
	11,041,037	9,822,152	10,030,801
OPERATING EXPENSES			
Shipping and loading costs (Note 20)	**2,779,572**	2,268,159	2,173,860
Excise taxes and royalties (Note 21)	**2,347,923**	1,707,303	1,873,845
General and administrative (Note 22)	**1,832,283**	1,618,206	1,542,808
Marketing (Notes 36a and 36g)	**129,316**	107,426	118,257
	7,089,094	5,701,094	5,708,770
FINANCE INCOME (Note 25)	**580,995**	695,893	524,065
FINANCE EXPENSES (Note 26)	**(482,198)**	(482,786)	(446,701)
EQUITY IN NET LOSS OF ASSOCIATES (Note 10)	**(249,463)**	(897,927)	(1,037,821)
OTHER INCOME (CHARGES) - net (Note 27)	**879,323**	(1,556,511)	21,492
INCOME BEFORE INCOME TAX	**12,215,599**	4,560,851	8,021,931
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 33)			
Current	**3,049,826**	1,764,154	2,224,281
Deferred	**318,078**	(125,765)	3,715
	3,367,904	1,638,389	2,227,996
NET INCOME	**₱8,847,695**	₱2,922,462	₱5,793,935
Net income attributable to:			
Equity holders of the parent	**₱6,268,929**	₱1,521,458	₱3,749,656
NCI	**2,578,766**	1,401,004	2,044,279
	₱8,847,695	₱2,922,462	₱5,793,935
Basic/Diluted Earnings Per Share (EPS; Note 16)	**₱0.45**	₱0.11	₱0.27

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Years Ended December 31		
	2025	2024	2023
NET INCOME	**₱8,847,695**	₱2,922,462	₱5,793,935
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods:			
Share in translation adjustment of associates (Notes 10 and 27)	**(753,776)**	706,314	(624,764)
Income tax effect	**113,066**	(105,947)	93,714
	(640,710)	600,367	(531,050)
Net valuation gains on financial assets at FVOCI (Note 7)	**3,859**	89	4,619
Income tax effect	**–**	–	–
	3,859	89	4,619
Net valuation gains (losses) on forward contracts (Note 35)	**(13,702)**	14,076	–
Income tax effect	**3,425**	(3,519)	–
	(10,277)	10,557	–
Net other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods	**(647,128)**	611,013	(526,431)
Other comprehensive income (loss) not to be reclassified to consolidated statements of income in subsequent periods:			
Remeasurement gains (losses) on pension liability (Note 32)	**(47,863)**	112,926	(153,343)
Income tax effect	**11,893**	(28,232)	38,336
	(35,970)	84,694	(115,007)
Asset revaluation surplus	**(511)**	(511)	(511)
Income tax effect	**128**	128	128
	(383)	(383)	(383)
Net other comprehensive income (loss) not to be reclassified to consolidated statements of income in subsequent periods	**(36,353)**	84,311	(115,390)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) - NET OF TAX	**(683,481)**	695,324	(641,821)
TOTAL COMPREHENSIVE INCOME - NET OF TAX	**₱8,164,214**	₱3,617,786	₱5,152,114
Total comprehensive income attributable to:			
Equity holders of the parent	**₱5,600,054**	₱2,179,006	₱3,145,284
NCI	**2,564,160**	1,438,780	2,006,830
	₱8,164,214	₱3,617,786	₱5,152,114

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

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

(Amounts in Thousands)

	Equity Attributable to Equity Holders of the Parent									
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment (Note 10)	Other Components of Equity (Notes 7 and 35)	Retained Earnings		Treasury Stock (Note 15)	Total	NCI	Total
					Unappropriated	Appropriated (Note 15)				
Balances at December 31, 2024	**₱6,999,974**	**₱9,205,802**	**₱1,469,552**	**₱190,145**	**₱18,760,066**	**₱135,000**	**(₱134,014)**	**₱36,626,525**	**₱7,786,697**	**₱44,413,222**
Net income	–	–	–	–	**6,268,929**	–	–	**6,268,929**	**2,578,766**	**8,847,695**
Other comprehensive loss - net of tax	–	–	**(640,710)**	**(4,015)**	**(24,150)**	–	–	**(668,875)**	**(14,606)**	**(683,481)**
Total comprehensive income (loss) - net of tax	–	–	**(640,710)**	**(4,015)**	**6,244,779**	–	–	**5,600,054**	**2,564,160**	**8,164,214**
Cash dividends (Note 15)	–	–	–	–	**(2,507,603)**	–	–	**(2,507,603)**	–	**(2,507,603)**
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	**(504)**	–	–	**(504)**	–	**(504)**
Cash dividends to NCI (Note 29)	–	–	–	–	–	–	–	–	**(2,625,000)**	**(2,625,000)**
Investment of NCI in a subsidiary (Note 15)	–	–	–	–	–	–	–	–	**383,894**	**383,894**
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	**383**	–	–	**383**	–	**383**
Balances at December 31, 2025	**₱6,999,974**	**₱9,205,802**	**₱828,842**	**₱186,130**	**₱22,497,121**	**₱135,000**	**(₱134,014)**	**₱39,718,855**	**₱8,109,751**	**₱47,828,606**

See accompanying Notes to Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment (Note 10)	Other Components of Equity (Notes 7 and 35)	Unappropriated	Appropriated (Note 15)	Treasury Stock (Note 15)	Total	NCI	Total
Balances at December 31, 2023	₱6,999,974	₱9,205,802	₱869,185	₱182,780	₱19,000,052	₱135,000	(₱134,014)	₱36,258,779	₱6,846,207	₱43,104,986
Net income	–	–	–	–	1,521,458	–	–	1,521,458	1,401,004	2,922,462
Other comprehensive income - net of tax	–	–	600,367	7,365	49,816	–	–	657,548	37,776	695,324
Total comprehensive income - net of tax	–	–	600,367	7,365	1,571,274	–	–	2,179,006	1,438,780	3,617,786
Cash dividends (Note 15)	–	–	–	–	(1,811,046)	–	–	(1,811,046)	–	(1,811,046)
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	(504)	–	–	(504)	–	(504)
Cash dividends to NCI (Note 29)	–	–	–	–	–	–	–	–	(1,570,000)	(1,570,000)
Investment of NCI in subsidiaries (Note 15)	–	–	–	–	–	–	–	–	1,071,710	1,071,710
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	383	–	–	383	–	383
Stock issuance cost	–	–	–	–	(93)	–	–	(93)	–	(93)
Balances at December 31, 2024	₱6,999,974	₱9,205,802	₱1,469,552	₱190,145	₱18,760,066	₱135,000	(₱134,014)	₱36,626,525	₱7,786,697	₱44,413,222

See accompanying Notes to Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 15)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment	Other Components of Equity	Unappropriated	Appropriated (Note 15)	Treasury Stock (Note 15)	Total	NCI	Total
Balances at December 31, 2022	₱6,849,836	₱8,271,900	₱1,400,235	₱547,085	₱18,618,593	₱135,000	(₱134,014)	₱35,688,635	₱4,842,184	₱40,530,819
Net income	–	–	–	–	3,749,656	–	–	3,749,656	2,044,279	5,793,935
Other comprehensive income (loss) - net of tax	–	–	(531,050)	4,236	(77,558)	–	–	(604,372)	(37,449)	(641,821)
Total comprehensive income (loss) - net of tax	–	–	(531,050)	4,236	3,672,098	–	–	3,145,284	2,006,830	5,152,114
Exercise of stock options	150,138	933,902	–	(368,541)	–	–	–	715,499	–	715,499
Cash dividends (Note 15)	–	–	–	–	(3,290,518)	–	–	(3,290,518)	–	(3,290,518)
7% Cash dividends - Preferred share (Note 15)	–	–	–	–	(504)	–	–	(504)	–	(504)
Cash dividends to NCI	–	–	–	–	–	–	–	–	(1,600,000)	(1,600,000)
Investment of NCI in a subsidiary (Note 15)	–	–	–	–	–	–	–	–	1,597,193	1,597,193
Asset revaluation surplus transferred to retained earnings (Note 9)	–	–	–	–	383	–	–	383	–	383
Balances at December 31, 2023	₱6,999,974	₱9,205,802	₱869,185	₱182,780	₱19,000,052	₱135,000	(₱134,014)	₱36,258,779	₱6,846,207	₱43,104,986

See accompanying Notes to Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱12,215,599**	₱4,560,851	₱8,021,931
Adjustments for:			
Depreciation, depletion and amortization (Note 24)	**2,262,347**	2,027,952	2,005,655
Reversal of cumulative translation adjustment (Note 27)	**(800,487)**	–	–
Interest income (Note 25)	**(519,404)**	(627,465)	(524,065)
Losses (gains) on (Note 27):			
Sale of property and equipment	**(198,002)**	(52,875)	(20,493)
Changes in fair value of financial assets at FVTPL	**(172,755)**	(25,475)	(226,857)
Write-off of project development costs	**1,051**	–	–
Sale of financial assets at FVOCI	**(117)**	(1)	–
Retirement of property and equipment	**–**	–	15,243
Write-off of other noncurrent assets	**–**	–	313
Interest expense (Note 26)	**306,062**	314,940	318,762
Equity in net loss of associates (Note 10)	**249,463**	897,927	1,037,821
Provisions for impairment losses on (Note 27):			
Deferred mine exploration costs	**192,599**	–	64,663
Project development costs	**7,964**	20,977	–
Advances and deposits	**6,174**	17,964	113,541
Geothermal exploration and evaluation assets	**342**	1,912,316	–
Investment in an associate	**–**	1,935	–
Accretion of interest on:			
Lease liabilities (Notes 26 and 31)	**95,794**	91,192	63,704
Provision for mine rehabilitation and decommissioning (Notes 14 and 26)	**41,559**	41,801	31,655
Movements in:			
Pension liability (Note 32)	**(128,322)**	(205,347)	(221,158)
Deferred income	**(4,190)**	(4,190)	(4,190)
Gain on forward contracts - net (Notes 25 and 26)	**(58,451)**	(68,428)	–
Dividend income (Notes 7 and 27)	**(25,396)**	(55,188)	(29,634)
Unrealized foreign exchange gains - net (Note 27)	**(25,247)**	(281,668)	(2,735)
Effect of change in estimate on provision for mine rehabilitation and decommissioning (Note 27)	**–**	–	(7,601)
Operating income before working capital changes	**13,446,583**	8,567,218	10,636,555
Decrease (increase) in:			
Trade and other receivables	**(1,035,256)**	240,632	1,131,742
Inventories	**709,507**	(318,597)	(605,475)
Prepayments and other current assets	**660,820**	(686,991)	(432,199)
Input Value Added Tax (VAT) under other noncurrent assets	**(543,286)**	71,196	(710,287)
Increase (decrease) in trade and other payables	**(240,114)**	1,157,714	694,228
Net cash generated from operations	**12,998,254**	9,031,172	10,714,564
Income taxes paid, including application of creditable withholdings taxes	**(2,860,587)**	(1,684,619)	(2,527,607)
Net cash flows from operating activities	**10,137,667**	7,346,553	8,186,957

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES (Note 37)			
Acquisitions of:			
Property and equipment (Note 9)	**(₱8,453,822)**	(₱8,761,215)	(₱6,353,447)
Financial assets at (Note 7):			
FVTPL	**(2,839,658)**	(1,438,862)	(2,098,148)
FVOCI	**(60,627)**	(77,569)	(160,969)
Proceeds from sale or redemption of:			
Financial assets at:			
FVTPL	**2,774,426**	1,363,868	4,153,130
Amortized cost	**100,000**	35,000	50,000
FVOCI	**87,187**	118,385	143,649
Asset held for sale (Note 8)	**1,853,411**	–	–
Property and equipment	**442,284**	58,477	25,792
Decrease (increase) in other noncurrent assets	**567,363**	(194,968)	(1,703,590)
Interest received	**546,778**	581,184	525,246
Dividends received	**25,396**	55,188	29,921
Net cash flows used in investing activities	**(4,957,262)**	(8,260,512)	(5,388,416)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Short-term debts (Note 13)	**(7,046,963)**	(3,500,000)	–
Cash dividends (Notes 15 and 29)	**(5,278,107)**	(3,206,550)	(4,891,022)
Interest on short-term and long-term debts	**(702,034)**	(658,068)	(432,666)
Long-term debts (Note 13)	**(346,330)**	(329,347)	(253,431)
Lease liabilities (Note 31)	**(105,582)**	(102,944)	(75,761)
Debt issue cost, short-term debts	**(16,368)**	(17,342)	(11,171)
Stock issuance cost	**–**	(93)	–
Proceeds from availment of:			
Long-term debts, net of debt issue costs (Note 13)	**7,283,291**	60,397	887,202
Short-term debts, net of debt issue costs (Note 13)	**5,082,302**	4,603,215	4,331,718
Investment of NCI in subsidiaries (Note 15)	**383,894**	1,071,710	1,597,193
Increase in other current liabilities	**145,000**	136,000	–
Proceeds from:			
Forward contracts	**58,451**	68,428	–
Exercise of stock options	**–**	–	715,499
Net cash flows from (used in) financing activities	**(542,446)**	(1,874,594)	1,867,561
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**4,637,959**	(2,788,553)	4,666,102
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**12,935,272**	15,482,465	10,809,026
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS (Note 27)	**1,137**	241,360	7,337
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	**₱17,574,368**	₱12,935,272	₱15,482,465

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Nickel Asia Corporation (NAC; the ultimate parent company, parent company) was registered with the Philippine Securities and Exchange Commission (SEC) on July 24, 2008. The Parent Company is primarily engaged in investing in and holding of assets of every kind and description and wherever situated, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of mining of all kinds of ore, metals, and minerals and in the business of generation, transmission, distribution, and supply of electricity to cities and other localities and to the public in general.

The common shares of the Parent Company were listed on the Philippine Stock Exchange on November 22, 2010.

The registered office address of the Parent Company is on the 28th floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

The Subsidiaries

Hinatuan Mining Corporation (HMC)
HMC was registered with the SEC on October 9, 1979, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Hinatuan Island, Surigao del Norte and Manicani Island, Eastern Samar.

Cagdianao Mining Corporation (CMC)
CMC was registered with the SEC on July 25, 1997, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Valencia, Municipality of Cagdianao, Province of Dinagat Islands.

Dinapigue Mining Corporation (DMC)
DMC was registered with the SEC on October 9, 1998, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, exploitation, and mining of metallic and non-metallic minerals, including, but not limited to, nickel, iron, cobalt, chromite, and other associated mineral deposits in Dinapigue, Isabela.

Samar Nickel Mining Resources Corporation (SNMRC)
SNMRC was registered with the SEC on March 11, 2010, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of mineral ores. As at February 25, 2026, SNMRC has not yet started commercial operations.

CDTN Services Company Inc. (CDTN)
CDTN was registered with the SEC on December 21, 2020, is a 100% owned subsidiary of the Parent Company and is primarily engaged in general engineering construction, contracting and machinery, and supply sales business in all its phases, extend and receive any contracts or assignments or contracts related thereto or connected therewith, and manufacture and furnish building materials and supplies. It is also engaged in the handling of materials in connection with construction or manufacturing, warehousing, distribution or disposal activities, or other similar activities.



Coral Pearl Developments Limited (CPDL)
CPDL was incorporated on June 18, 2019 in the British Virgin Islands (BVI) under the BVI Business Companies Act 2004, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the leasing of aircraft. In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

La Costa Shipping and Lighterage Corporation (LCSLC)
LCSLC was registered with the SEC on October 23, 1992, is a 100% owned subsidiary of the Parent Company through HMC and is primarily engaged in the chartering out of Landing Craft Transport (LCT) and providing complete marine services. In May 2014, LCSLC sold all of its LCTs to HMC. In April 2024, LCSLC acquired a fast craft.

Falck Exp Inc. (FEI)
FEI was registered with the SEC on November 22, 2005, is an 88% owned subsidiary of the Parent Company through HMC, CMC and Taganito Mining Corporation (TMC), and is primarily engaged in the business of exploring, prospecting and operating mines and quarries of all kinds of ores and minerals, metallic and non-metallic. On August 8, 2014, the Board of Directors (BOD) of FEI approved the immediate dissolution of FEI. Thereafter, the liquidation process commenced and as a result, FEI changed from going concern to liquidation basis of accounting. On November 17, 2016, the termination of FEI's registration with the Bureau of Internal Revenue (BIR) was approved. Final dissolution will take place after the approval of FEI's application with the SEC. As at February 25, 2026, FEI is still waiting for the approval of the SEC.

Cordillera Exploration Co., Inc. (CEXCI)
CEXCI was registered with the SEC on October 19, 1994, is a 71.25% owned subsidiary of the Parent Company and is primarily engaged in the business of large-scale exploration, development, and utilization of mineral resources. CEXCI has several mining properties at various stages of exploration. As at February 25, 2026, CEXCI is not engaged in any development or commercial production activities.

Newminco Pacific Mining Corporation (Newminco)
Newminco was registered with the SEC on October 9, 2006, is a 71.25% owned subsidiary of the Parent Company through CEXCI, and is primarily engaged in the exploration, mining, development, utilization, extraction, beneficiation and marketing of minerals and mineral resources. As at February 25, 2026, Newminco is not engaged in any development or commercial production activities.

Taganito Mining Corporation
TMC was registered with the SEC on March 4, 1987, is a 65% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Claver, Surigao del Norte. TMC also provides services which involve the handling, hauling and transportation of materials required in the processing operations of Taganito HPAL Nickel Corporation (THNC).

Rio Tuba Nickel Mining Corporation (RTN)
RTN was registered with the SEC on July 15, 1969, is a 60% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Rio Tuba, Municipality of Bataraza, Palawan.



Emerging Power Inc. (EPI)
EPI was registered with the SEC on October 16, 2007, is a 91.03% owned subsidiary of the Parent Company and is primarily engaged in the renewable energy business.

Mindoro Geothermal Power Corporation (MGPC)
MGPC was registered with the SEC on May 7, 2014, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business. On November 24, 2014, by virtue of a Deed of Assignment of rights and obligations of EPI under Geothermal Renewable Energy Service Contract (GRESC) No. 2010-02-013, MGPC acquired the exclusive rights to explore, develop and exploit geothermal resources covering a geothermal field in the municipality of Naujan, Oriental Mindoro. The transfer of GRESC No. 2010-02-013 to MGPC was approved by the Department of Energy (DOE) on February 16, 2016.

On February 26, 2019, MGPC received from the Philippine Government, through the DOE, the Confirmation of Commerciality for its 10-megawatt (MW) project. MGPC has an anticipated operating capacity of 40MW and aims to supply electricity to the Mindoro Island grid.

On May 7, 2024, MGPC received from the DOE a termination letter of GRESC No. 2010-02-013 covering the Montelago Geothermal Power Project, to which MGPC responded requesting reconsideration to reinstate. On July 5, 2024, the DOE granted the reinstatement of the GRESC and approved the proposed five (5)-Year Work Program of MGPC. However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.

Biliran Holdings Inc. (BHI)
BHI was registered with the SEC on July 31, 2015, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of infrastructure, power generation, real estate, manufacturing, trading, and agribusiness and to pay for other evidence of indebtedness or securities of this or any other corporation.

Northern Palawan Power Generation Corporation (NPPGC)
NPPGC was registered with the SEC on July 5, 2017, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and in producing and generating electricity, as well as engaging in agrovoltaic business to utilize viable areas of land, and processing fuels alternative for power generation.

NPPGC is the developer and owner of the Cawag Solar Power Project, a ground-mounted solar photovoltaic (PV) farm located in Subic, Zambales and covered by Solar Energy Operating Contract (SEOC) No. 2023-10-715. As at February 25, 2026, the Cawag Solar Power Project is in the development and construction stage.

Emerging Energy Resources 1, Inc. (EER 1)
EER 1 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at February 25, 2026, EER 1 is in the pre-operating stage.



Emerging Energy Resources 2, Inc. (EER 2)
EER 2 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected.

EER 2 is the developer and owner of the following ground-mounted solar PV farm projects: 1) Cabcaben Solar Power Project located in Mariveles, Bataan and covered by SEOC No. 2024-04-851; and 2) Sinawal Solar Power Project located in General Santos City and covered by SEOC No. 2024-05-866 with the DOE. On September 16, 2025 and May 7, 2025, EER 2 voluntarily surrendered to the DOE the Sinawal Solar Power Project and the Cabcaben Solar Power Project, respectively. As at December 31, 2025, EER 2 is still awaiting the approval of the DOE. Consequently, the project development costs related to these projects were written off (see Note 27).

Emerging Energy Resources 3, Inc. (EER 3)
EER 3 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing, generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at February 25, 2026, EER 3 is in the pre-operating stage.

Emerging Energy Saver Corporation (EESC)
EESC was registered with the SEC on February 2, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the energy business and carry on the business of producing, generating and storing electricity and processing fuel alternatives for power generation. As at February 25, 2026, EESC is in the pre-operating stage.

Jobin-SQM, Inc. (JSI)
JSI was registered with the SEC on January 6, 2010, wherein the Parent Company has 38% direct ownership and 47.34% indirect ownership through EPI. JSI is primarily engaged in the power business, including but not limited to power generation, power trading and supply to retail customers and end users. JSI was acquired by EPI on September 11, 2015.

On May 13, 2022, the Department of Environment and Natural Resources (DENR) granted the request of JSI to increase its capacity, from 150MW to 200MW, and area, from 800 hectares to 815 hectares, located at Mt. Sta. Rita, Subic Bay Freeport Zone (SBFZ).

In relation to this, the construction of Phase 4A - 72MW of the Solar Project started in November 2022 and has been completed and delivering power to the grid under testing and commissioning starting February 2024. On June 2, 2025, JSI received the Provisional Authority to Operate (PAO) the Phase 4A - 72MW of its Solar Project. Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.

As at February 25, 2026, JSI has a total capacity of 172MW in commercial operation.

Greenlight Renewables Holdings, Inc. (GRHI)
GRHI was registered with the SEC on August 18, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. GRHI is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. GRHI is the joint venture of EPI and Shell Overseas Investments B.V. (Shell).



San Isidro Solar Power Corp. (SISPC)
SISPC was registered with the SEC on February 28, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. SISPC is primarily engaged in harnessing solar energy and producing and generating electricity from solar energy and other renewable energy sources.

SISPC is the developer and owner of the San Isidro Solar Power Project, a ground-mounted solar PV farm located in San Isidro, Leyte and covered by Solar Energy Service Contract (SESC) No. 2018-11-491 with the DOE. SISPC was acquired by GRHI on June 30, 2023.

In October 2025, the construction of Phase 1 - 120MW of the San Isidro Solar Power Project has been completed and delivering power to the grid under testing and commissioning.

Casilagan Solar Power Corporation (CSPC)
CSPC was registered with the SEC on May 9, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. CSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected.

CSPC is the developer and owner of the following ground-mounted solar PV farm projects: 1) San Antonio Solar Power Project located in San Antonio, Zambales and covered by SEOC No. 2023-12-789; 2) San Juan Solar Power Project located in Botolan, Zambales and covered by SEOC No. 2023-12-790; 3) Tuy Solar Power Project located in Tuy and Nasugbu, Batangas and covered by SEOC No. 2023-12-795; and 4) Libag Sur Solar Power Project located in Tuguegarao, Cagayan and covered by SEOC No. 2024-07-903. In addition, CSPC is also the developer and owner of Tuy Wind Power Project located in Tuy and Nasugbu, Batangas and covered by Wind Energy Service Contract (WESC) No. 2024-02-379. On November 28, 2024, January 20, 2025 and March 3, 2025, CSPC voluntarily surrendered to the DOE the San Antonio Solar Power Project, Tuy Solar Power Project and Tuy Wind Power Project, respectively. The DOE approved the surrender of these service contracts in 2025. Consequently, the project development costs related to these projects were provided with allowance for impairment losses (see Note 27).

As at February 25, 2026, the remaining solar power projects under CSPC are in the pre-development stage.

SanJuan Solar Power Corporation (SSPC)
SSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SSPC is in the pre-operating stage.

Sta. Maria Solar Power Corporation (SMSPC)
SMSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SMSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SMSPC is in the pre-operating stage.

Tuy Solar and Wind Power Corp. (TSWPC)
TSWPC was registered with the SEC on September 13, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. TSWPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy

storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, TWSPC is in the pre-operating stage.

San Antonio Solar Power Corp. (SASPC)
SASPC was registered with the SEC on September 14, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SASPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at February 25, 2026, SASPC is in the pre-operating stage.

Nazareno Solar Power Corp. (NSPC; formerly Manta Baguio Properties Corp.)
NSPC was registered with the SEC on May 31, 2018, is a 54.62% owned subsidiary of the Parent Company through EPI. NSPC is engaged in the energy business and carry on the business of producing, generating and sale of electricity from various sources that are utility scale and grid connected. EPI acquired 60% ownership in NSPC from Manta Equities Inc. (Manta) in November 2024. On January 8, 2025, the SEC approved the change in NSPC's corporate name and purpose of business. On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan. As at February 25, 2026, the Nazareno Solar Power Project is in the development stage.

Authorization for the Issuance of the Consolidated Financial Statements
The consolidated financial statements 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 Parent Company's BOD on February 25, 2026.

2. Basis of Preparation and Consolidation, Statement of Compliance and Material Accounting Policy Information

Basis of Preparation
The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at FVTPL, at FVOCI, forward contracts receivable and assets held for sale which are measured at fair value. The consolidated financial statements are presented in Philippine peso, which is the Parent Company and its subsidiaries' (collectively referred to as the Group) functional and presentation currency, except CPDL whose functional and reporting currency is in US$. All amounts are rounded to the nearest thousand (₱000), except when otherwise indicated.

Basis of Consolidation
The consolidated financial statements include the balances of the subsidiaries and equity share in the net income or losses of associates:

	Principal Place of Business	Principal Activities	Effective Ownership **2025**	Effective Ownership 2024
Subsidiaries				
HMC	Philippines	Mining and Services	**100.00%**	100.00%
CMC	Philippines	Mining	**100.00%**	100.00%
DMC	Philippines	Mining	**100.00%**	100.00%
SNMRC	Philippines	Mining	**100.00%**	100.00%
CDTN	Philippines	Services	**100.00%**	100.00%

(Forward)

	Principal Place of Business	Principal Activities	Effective Ownership 2025	2024
CPDL	BVI	Services	**100.00%**	100.00%
LCSLC [(a)]	Philippines	Services	**100.00%**	100.00%
		Renewable Energy (RE)		
EPI	Philippines	Developer	**91.03%**	91.03%
MGPC [(b)]	Philippines	RE Developer	**91.03%**	91.03%
BHI [(b)]	Philippines	Services	**91.03%**	91.03%
NPPGC [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 1 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 2 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EER 3 [(b)]	Philippines	Power Generation	**91.03%**	91.03%
EESC [(b)]	Philippines	Power Generation	**91.03%**	91.03%
FEI [(c)]	Philippines	Mining	**88.00%**	88.00%
JSI [(d)]	Philippines	Power Generation	**85.34%**	85.34%
CEXCI	Philippines	Mining	**71.25%**	71.25%
Newminco [(e)]	Philippines	Mining	**71.25%**	71.25%
TMC	Philippines	Mining and Services	**65.00%**	65.00%
RTN	Philippines	Mining	**60.00%**	60.00%
GRHI [(b,f)]	Philippines	Services	**54.62%**	54.62%
SISPC [(b,g)]	Philippines	Power Generation	**54.62%**	54.62%
CSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SMSPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
TSWPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
SASPC [(b)]	Philippines	Power Generation	**54.62%**	54.62%
NSPC [(b,h)]	Philippines	Power Generation	**54.62%**	54.62%
Associates				
Biliran Geothermal Incorporated (BGI) [(b)]	Philippines	Power Generation	**40.96%**	40.96%
THNC	Philippines	Manufacturing	**10.00%**	10.00%

(a) Indirect ownership through HMC
(b) Indirect ownership through EPI
(c) Indirect ownership through HMC, CMC and TMC
(d) Direct ownership of 38% and indirect ownership through EPI of 47.34%
(e) Indirect ownership through CEXCI
(f) A joint venture of EPI and Shell
(g) Acquired by GRHI on June 30, 2023
(h) Acquired by EPI in November 2024 at 60% ownership

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Changes in Accounting Policies and Disclosures

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 and Interpretations 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 the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

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

  The Group is currently assessing the impact of adopting the amendments to these standards on its financial statements.

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

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- 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 income
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of adopting this standard on its financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

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

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the consolidated financial statements in the year of adoption, if applicable.

Material Accounting Policy Information

Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the end of the financial reporting period. Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing as at the date of the initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All differences are taken to "Other income (charges) - net" in the consolidated statement of income.

As at the end of the financial reporting period, the statement of financial position of associates and a subsidiary (whose functional currency is other than the Philippine peso) is translated into the presentation currency of the Group (the Philippine peso) using the rate of exchange prevailing at the end of the financial reporting period and the consolidated statement of income is translated using the weighted average exchange rate for the year. The exchange differences arising from the translation are recognized in other comprehensive income. Upon disposal of such associate or subsidiary, the component of other comprehensive income relating to that associate or subsidiary will be recognized in the consolidated statement of income.

Fair Value Measurement

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at each end of the financial reporting period.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market close prices at the close of business at the end of the financial reporting period.

For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques include comparison to similar investments for which market observable prices exist and discounted cash flow analysis or other valuation models.

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 in the fair value hierarchy as explained above.

Financial Instruments

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

Date of Recognition

The Group recognizes a financial asset or a financial liability in the consolidated statement of financial position when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the 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).



Financial Assets

Initial Recognition, Classification and Measurement of Financial Instruments

Financial assets are classified, at initial recognition, as subsequently measured at FVTPL, at FVOCI and at amortized cost.

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 FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient for contracts that have a maturity of one (1) year or less, are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

In order for a financial asset to be classified and measured at FVOCI or at amortized cost, it needs to give rise to cash flows that are "solely payments of principal and interest" (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

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. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's senior management and the BOD, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Subsequent Measurement

For purposes of subsequent measurement, the Group's financial assets are classified in the following categories:

- Financial assets at FVTPL
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at amortized cost (debt instruments)

Financial Assets at FVTPL

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the

business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of income.

A derivative embedded in a hybrid contract with a financial liability or nonfinancial 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 FVTPL. Embedded derivatives are measured at fair value with changes in fair value recognized in the consolidated statement of income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flow that would otherwise be required or a reclassification of a financial asset out of the FVTPL category.

This category includes equity and debt investments, which the Group had not irrevocably elected to classify at FVOCI (see Note 7). Dividends on equity investments are recognized under "Other income - net" in the consolidated statement of income when the right of payment has been established (see Notes 7 and 27).

Financial Assets at FVOCI (Debt Instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

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

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statement of income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to the consolidated statement of income.

The Group's debt instruments at FVOCI include investments in quoted debt instruments such as government and corporate bonds and other similar investments (see Note 7). The Group does not hold equity instruments measured at FVOCI.

Financial Assets at Amortized Cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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 statement of income when the asset is derecognized, modified, or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, trade and other receivables (except forward contracts receivable and receivable from government), investments in



government and corporate bonds, mine rehabilitation fund (MRF), restricted cash, and Social Development and Management Program (SDMP) funds (see Notes 4, 5, 7 and 11).

Impairment of Financial Assets
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial assets migrate through the following three (3) stages based on the change in credit quality since initial recognition:

Stage 1: 12-month ECL. For credit exposures where there have not been significant increases in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the twelve (12)-months after the financial reporting date are recognized.

Stage 2: Lifetime ECL - not credit-impaired. For credit exposures where there have been significant increases in credit risk since initial recognition on an individual or collective basis but are not credit-impaired, lifetime ECLs representing the ECLs that result from all possible default events over the expected life of the financial asset are recognized.

Stage 3: Lifetime ECL - credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of those financial assets have occurred. For these credit exposures, lifetime ECLs are recognized, and interest revenue is calculated by applying the credit-adjusted EIR to the amortized cost of the financial asset.

Determining the Stage for Impairment
At each financial reporting date, the Group assesses whether there has been a significant increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the financial reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria are considered to have a low credit risk. The provision for credit losses for these financial assets is based on a twelve (12)-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to twelve (12)-month ECL.

For cash and cash equivalents, the Group applies a general approach in calculating ECLs. The Group recognizes a loss allowance based on either a twelve (12)-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on its cash and cash equivalents since initial recognition.

The Group computes ECLs using the discounted product of the Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD) for trade receivables. The Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each end of the financial reporting period.

The Group's debt instruments at FVOCI and at amortized cost comprise of quoted bonds and government securities that are graded in the investment category by good Credit Rating Agencies, whichever is applicable, and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a twelve (12)-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the good Credit Rating Agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Group considers a financial asset in default when contractual payments are over ninety (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.

The Group writes off a financial asset measured at amortized cost, in whole or in part, when the asset is considered uncollectible, it has exhausted all practical recovery efforts and has concluded that it has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

The Group writes off an account when all the following conditions are met:

- the asset is past due for over ninety (90) days, or is already an item-in-litigation with any of the following:
  a. no properties of the counterparty could be attached
  b. the whereabouts of the counterparty cannot be located
  c. it would be more expensive for the Group to follow-up and collect the amount, hence the Group has ceased enforcement activity, and
  d. collections can no longer be made due to insolvency or bankruptcy of the counterparty.
- expanded credit arrangement is no longer possible;
- filing of legal case is not possible; and
- the account has been classified as '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 consolidated 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 "passthrough" 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 passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. 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. In that case, the Group also recognizes an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial Liabilities

Initial Recognition, Classification and Measurement of Financial Instruments

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

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains, and losses relating to a financial instrument or a component that is a financial liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity net of any related income tax.

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

The Group's financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost and as derivatives designated as hedging instruments in an effective hedge. The Group has no financial liabilities at FVTPL.

Subsequent Measurement

Financial Liabilities at Amortized Cost

This category pertains to financial liabilities that are not held for trading, not derivatives, or not designated at FVTPL upon the inception of the liability. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any issue cost, and any discount or premium on settlement. The EIR amortization is included under "Finance expenses" in the consolidated statement of income.

This accounting policy applies primarily to the Group's trade and other payables, short-term and long-term debts, lease liabilities, and other obligations that meet the above definition (excluding government payables and other liabilities that are covered by other accounting standards, such as income tax payable and pension; see Notes 12, 13 and 31).

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of income.

Derivative Financial Instruments and Hedge Accounting

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. 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.

The Group hedges are classified as cash flow hedges or hedging the exposure to variability in cash flows that is attributable to foreign currency risk in an unrecognized firm commitment.

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 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 follows:

Cash Flow Hedges

The effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income under "Net valuation gains on forward contracts", while any ineffective portion is recognized immediately in the consolidated statement of income. The "Net valuation gains on forward contracts" is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges for its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized under "Finance income" or "Finance expense".

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognized in other comprehensive income and accumulated in a separate component of equity under "Net valuation gains on forward contracts".

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a nonfinancial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in other comprehensive income for the period. This also applies where the hedged forecast transaction of a nonfinancial asset or nonfinancial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.



For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the consolidated statement of income as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the consolidated statement of income as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income must be accounted for depending on the nature of the underlying transaction as described above.

This accounting policy applies to forward contracts receivable (see Note 5).

Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). Cost is determined using the moving average production cost during the year for beneficiated nickel ore (saprolite and limonite) and limestone exceeding a determined cut-off grade. The NRV of beneficiated nickel ore and limestone is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Periodic ore inventory survey is performed to determine the volume of ore inventory.

For materials and supplies, cost is determined using the moving average method and composed of purchase price, transport, handling, and other costs directly attributable to its acquisition. The NRV of materials and supplies is the current replacement cost. Any provision for inventory losses is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision or obsolescence.

Assets Held for Sale

The Group classifies noncurrent assets as held for sale if the carrying amount of the asset will be recovered principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the assets and the sale is expected to be completed within one (1) year from the date of the classification.

Assets classified as held for sale are presented separately as current items in the consolidated statement of financial position.

VAT

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position. Deferred input VAT, which represents input VAT on capital assets subject to amortization, and any excess input VAT which: (1) may be utilized



against output VAT, if any, beyond twelve (12) months from the end of the financial reporting period; or (2) are being claimed for refund or as tax credits, beyond one (1) year, from the taxation authorities are presented as part of "Other noncurrent assets" in the consolidated statement of financial position. Input VAT is stated at cost less any impairment in value.

Property and Equipment

Property and equipment, except land, is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation, depletion and amortization and accumulated impairment loss, if any. The initial cost of property and equipment consists of its purchase price including import duties and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Such cost also includes the cost of replacing part of such property and equipment when the recognition criteria are met. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to expense in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional cost of property and equipment. When each major inspection is performed, its cost is recognized in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. Land is carried at cost less any accumulated impairment loss.

The Group recognizes right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated amortization and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of ROU 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.

Construction in-progress represents work under construction and is stated at cost. Construction in-progress is not depreciated until such time that the relevant assets are completed and available for use. This also includes interest incurred on borrowed funds during the construction period.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the assets:

Category	Number of Years
Land improvements	5
Machinery and equipment	2-15
Solar farm	5-40
Buildings and improvements	2-25
Transmission lines and substations	10-40

Mining properties and development costs include the capitalized cost of mine rehabilitation and decommissioning and other development costs necessary to prepare the area for operations. Depletion of mining properties is calculated using the unit-of-production method based on the estimated economically recoverable reserves to which they relate to or are written-off if the property is abandoned. Development costs are depreciated using the straight-line method over the estimated useful life of the asset of ten (10) to thirty (30) years.



Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are amortized on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term of two (2) to fifty (50) years. ROU assets are subject to impairment.

Depreciation, depletion and amortization of property and equipment, except land, 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), or in case of mining properties, from start of commercial operations upon extraction of ore reserves. Depreciation, depletion and amortization cease when the assets are fully depreciated, depleted or amortized, or at the earlier of the date that the item is classified as held for sale (or included in the disposal group that is classified as held for sale) in accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*, and the date the item is derecognized.

The assets' estimated recoverable reserves, residual values, if any, useful lives and depreciation, depletion and amortization methods are reviewed periodically to ensure that the estimated recoverable reserves, residual values, periods and methods of depreciation, depletion and amortization are consistent with the expected pattern of economic benefits from items of property and equipment. If there is an indication that there has been a significant change in depreciation, depletion and amortization rate, useful life, or residual value of an asset, these are revised prospectively to reflect the new expectations.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from 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 statement of income in the year the asset is derecognized.

The asset revaluation surplus which arose from the acquisition of the controlling interest in RTN in August 2006, relates to the land and building and improvements. The said assets, which are part of the Group's property and equipment, were revalued in connection with the acquisition, and the revalued amounts were subsequently treated as the deemed cost. The related and applicable depreciation on these assets is transferred periodically to retained earnings.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation is charged to current operations.

Borrowing Cost
Borrowing costs directly attributable to the development of the Group's projects that necessarily take a substantial period to get ready for its intended use are capitalized. Borrowing costs consist of interest on borrowed funds used to finance the construction of the assets and other financing costs that the Group incurs in connection with the borrowing of funds. The capitalization of the borrowing cost as part of the cost of the asset: (a) commences when the expenditures and borrowing costs are being incurred during the construction and related activities necessary to prepare the asset for its intended use are in progress; and (b) ceases when substantially all the activities necessary to prepare the asset for its intended use are complete. Capitalized borrowing costs are based on the applicable borrowing rate agreed in the agreement.

Investments in Associates
The aggregate of the Group's share of profit or loss of associates is shown in the statement of income outside operating profit and represents profit or loss after tax. In case of losses, the Group's share of profit or loss is only recognized to the extent of the cost of investment.

If the ownership interest in an associate is reduced, but the investment continuous to be an associate, the Group shall reclassify to the consolidated statement of income the proportionate gain or loss that had previously been recognized in other comprehensive income relating to the reduction in ownership interest if that gain or loss would be required to be reclassified to consolidated statement of income on the disposal of the related asset.

Geothermal Exploration and Evaluation Assets
The Group follows the full cost method of accounting for its geothermal exploration and evaluation assets determined based on each service contract. Under this method, all exploration costs relating to each service contract are accumulated and deferred under "Geothermal exploration and evaluation assets" account in the consolidated statement of financial position pending the determination of whether the wells have proved reserves. Capitalized expenditures include costs of license acquisition, technical services and studies, exploration drilling and testing, and related administrative expenses. General overhead or costs incurred prior to having obtained the legal rights to explore an area are recognized as expense in the consolidated statement of income when incurred.

If tests conducted on the drilled exploratory wells reveal that these wells cannot produce proved reserves, the capitalized costs are charged to expense except when the management decides to use the unproductive wells, for recycling or waste disposal.

Once the technical feasibility and commercial viability of the project to produce proved reserves have been established and appropriate regulatory approvals have been obtained, the geothermal exploration and evaluation assets are reclassified to property and equipment.

Geothermal exploration and evaluation assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the consolidated statement of income in the year the item is derecognized.

Geothermal exploration and evaluation assets also include interest on borrowed funds that are directly attributable to the construction and development of the Group's projects.

Deferred Mine Exploration Costs
Expenditures for the acquisition of property rights are capitalized. Expenditures for mine exploration work prior to drilling are charged to operations. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), costs or expenditures subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Upon the start of commercial operations, such costs are transferred to property and equipment. Capitalized amounts may be written down if future cash flows, including potential sales proceeds related to the property, are projected to be less than the carrying value of the property. If no mineable ore body is discovered, capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value. Costs incurred during the start-up phase of a mine are expensed as incurred. Ongoing mining expenditures on producing properties are charged against earnings as incurred. Major development expenditures incurred to expose the ore, increase production, or extend the life of an existing mine are capitalized.



Project Development Costs

Project development costs are expensed as incurred until management determines that the project is technically, commercially, and financially viable, at which time project development costs are capitalized. Project's viability generally occurs in tandem with management's determination that a project should be classified as an advanced project as evidenced by a favorable system impact study, interconnection agreements, or when project financing is in place.

Following initial recognition of the project development cost as an asset, the cost model is applied requiring the asset to be carried at cost less accumulated amortization and any accumulated impairment losses. Amortization of the asset begins when the development of the energy projects is complete, and the asset is available for use. It is amortized using the straight-line method over the period of expected future benefit. During the period in which the asset is not yet available for use, the project development costs are tested for impairment annually, irrespective of whether there is indication of impairment.

Impairment of Nonfinancial Assets

Inventories

The Group determines the NRV of inventories at each end of the financial reporting period. 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 statement of income in the year the impairment is incurred. In the case when NRV of the inventories increased subsequently, the NRV will increase the carrying amounts of inventories but only to the extent of their original acquisition costs.

Property and Equipment and Nonfinancial Prepayments and Other Current and Noncurrent Assets

The Group assesses at each end of the financial reporting period whether there is an indication that an asset may be impaired. Assets 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 (CGU) is written down to its recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. The fair value less costs to sell 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 less the costs of disposal, while value in use is the present value 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. These calculations are corroborated by valuation multiples or other available fair value indicators. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in the consolidated statement of income.

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

Geothermal Exploration and Evaluation Assets, Deferred Mine Exploration Costs and Project Development Costs

An impairment review is performed, either individually or at the CGU level, when there are indicators that the carrying amount of the assets may exceed their recoverable amounts. To the extent that this occurs, the excess is fully provided against, in the financial reporting period in which this is determined.



Facts and circumstances that would require an impairment assessment as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed;
- Substantive expenditure on further exploration and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area;
- When a service contract where the Group has participating interest in is permanently abandoned; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full, either from successful development or by sale.

Geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs are reassessed for impairment on a regular basis.

Other Current Liabilities

Other current liabilities pertain to deposits for future stock subscription which represents advance payments from stockholders for the subscription of future issuance of shares.

The Group classifies its deposits for future stock subscription as a separate account under equity if and only if, all the following elements are present at the end of the financial reporting period:

- There is a lack of or insufficiency in unissued authorized capital stock;
- The BOD and stockholders have approved the proposed increase in authorized capital stock; and
- An application for the approval of the proposed increase in authorized capital stock has been presented for filing or has been filed with the SEC.

If any or all the foregoing elements are not present, the deposits for future stock subscription shall be recognized and included as a separate line item under liabilities in the consolidated statement of financial position.

Leases

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

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

Lease Liabilities

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, if any. The lease payments also include, if any, the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not



depend on an index or a rate are recognized as expense (unless they are incurred to produce inventories) in the period in 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 because 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 lease payments or a change in the assessment of an option 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 of property and equipment and building space (i.e., those leases that have a lease term of twelve (12) months or less from the commencement date and do not contain a purchase option). It also applies the lease 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.

Group as a Lessor
Leases where the Group retain substantially all the risks and rewards incidental to ownership of the assets are classified as operating leases. Rental income arising from this lease is accounted for on a straight-line basis over the lease term and is included in the consolidated statement of income due to its operating nature. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Provisions
General
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each end of the financial reporting period and adjusted to reflect the current best estimate. The expense relating to any provision is presented in the consolidated statement of income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, 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 part of "Finance expenses" in the consolidated statement of income.

Provision for Mine Rehabilitation and Decommissioning
The Group records the present value of the 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 plant and waste sites, and restoration, reclamation and re-vegetation of affected areas. The obligation generally arises when the asset is installed, or the ground/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 as part of "Finance expenses" in the consolidated statement of income. Additional disturbances or changes in rehabilitation costs will be



recognized as additions or charges to the corresponding assets and provision for mine rehabilitation and decommissioning when they occur. When rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each end of the financial reporting period and the cost is charged to the consolidated statement of income.

The ultimate cost of mine rehabilitation and decommissioning 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 ore reserves or production rates. As a result, there could be significant adjustments to the provision for mine rehabilitation and decommissioning, which would affect future financial results. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income.

MRF, which also includes the Final Mine Rehabilitation and Decommissioning Fund, committed for use in satisfying environmental obligations are included within "Other noncurrent assets" in the consolidated statement of financial position.

Treasury Stock

Own equity instruments that are reacquired (treasury stock) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of 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 the "Additional paid-in capital".

Basic/Diluted EPS

Basic EPS

Basic EPS is calculated by dividing the net income attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the year.

Diluted EPS

Diluted EPS is calculated by dividing the net income attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding, adjusted for any stock dividends declared during the year plus weighted average number of ordinary shares that would be issued on the conversion of all the dilutive ordinary shares into ordinary shares, excluding treasury stock.

Contract Balances

Contract Liabilities

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.

From time to time, the Group recognizes contract liabilities in relation to its sale of ore which are sold under free-on-board (FOB) incoterms, whereby a portion of the cash may be received from the customer before the loading of ore is completed.

Revenue from Contracts with Customers

The Group is principally engaged in the business of producing beneficiated nickel ore and limestone, rendering of services, and generating revenue from sale of power. Revenue from contracts with customers is recognized when control of the goods is transferred, or services is rendered 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 or services before transferring them to the customer.

The following specific recognition criteria must also be met before revenue or income is recognized:

- *Sale of Beneficiated Nickel Ore and Limestone*
  For the sale of beneficiated nickel ore and limestone, the enforceable contract is each purchase order, which is an individual, short-term contract. Purchase orders are executed through an Addendum to the master supply agreements with customers. While there are master supply agreements with customers that set out the general terms and conditions governing any sales that occur, they do not contain any minimum volumes.

  The Group's sale of ore allows price adjustment provision where final ore price shall be based on the results of the final assay exchange with customer. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

  Revenue is recognized when control passes to the customer, which occurs at a point in time when the ore is physically and completely transferred onto a vessel except in the case of deliveries to Coral Bay Nickel Corporation (CBNC) and THNC, which occurs at the time the ore passes into the ore preparation hopper of the respective plants. The revenue is measured at the amount to which the Group expects to be entitled, being the estimate of the price expected to be received.

- *Sale of Power*
  Revenue from sale of power pertains to sale of electricity to Independent Electricity Market Operator of the Philippines, Inc. (IEMOP), which are traded through Philippine Wholesale Electricity Spot Market (WESM), and to customers with bilateral agreements.

  For the sale of power to IEMOP, the enforceable contract is the Market Participation Agreement together with the WESM Rules that implement the provisions of the Electric Power Industry Reform Act of 2001, its Implementing Rules and Regulations and other related laws. For the sale of power to customers with bilateral agreements, the enforceable contract is the Power Supply Agreement (PSA).

  The performance obligation is the sale of power since the customer can benefit from it in conjunction with other readily available resources and it is also distinct within the context of the contract. The performance obligation qualifies as a series of distinct goods or services that are substantially the same and have the same pattern of transfer.

  The Group concluded that revenue should be recognized over time since the customer simultaneously receives and consumes the benefits as the Group supplies power.



The sale of power to IEMOP provides an unspecified quantity of energy. The unit price for the sale of power to IEMOP is determined at each trading interval of each day while the unit price for its bilateral agreements is at a fixed rate based on the PSAs with customers. Such provisions under PFRS 15 give rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved. The application of constraint on variable consideration resulted in the same revenue recognition under PAS 18.

- *Sale of Services*
  Revenue from rendering of services is recognized when services are rendered to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the services. The performance obligations are satisfied, and payment is generally due upon completion and billing of the services. Revenue is recognized over time and units of delivery output method is the measure of progress since the customer obtains the benefit from the Group's performance based on the quantities and volume of materials handled each month.

Interest
Income is recognized as interest accrues using the EIR method that uses the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend
Dividend income is recognized when the Group's right to receive payment is established.

Rental
Revenue is recognized on a straight-line basis over the term of the lease agreement.

Other Income
Revenue is recognized as they are earned.

Cost and Expense Recognition
Costs and expenses, finance expenses and other charges are generally recognized when the expense arises, incurred, or accrued in the appropriate period.

Costs
Costs are incurred in the normal course of business and are recognized when incurred. They comprise mainly of the cost of goods sold, which is provided in the period when goods are delivered, and the cost of services, which is provided in the period when the related service has been rendered.

Pension Costs
The net defined benefit liability or asset is the aggregate of the present value of the pension liability at the end of the financial reporting period reduced by the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.



Defined benefit costs comprise the following:

- Service cost;
- Net interest on the net defined benefit liability or asset; and
- Remeasurements of net defined benefit liability or asset.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as pension costs under "Personnel costs" in the consolidated statement of 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 benefit liability or asset is the change during the period in the net defined benefit 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 benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized and included under "Finance expenses" or "Finance income" in the consolidated statement of 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 benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to consolidated statement of income in subsequent periods. Remeasurements recognized in other comprehensive income after the initial adoption of Revised PAS 19 were closed to retained earnings.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

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 income tax rates and income tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the financial reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

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

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

- Where the deferred income tax liability arises from the initial recognition of goodwill or 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 income nor taxable income or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, 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.

Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits and unused tax losses, to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits and unused tax losses can be utilized except:

- Where the deferred income 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 income nor taxable income or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable income will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each end of the financial reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each end of the financial reporting period and are recognized to the extent that it has become probable that future taxable income will allow the deferred income tax asset to be recovered.

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

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

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

Business Segments

For management purposes, the Group is organized into operating segments (mining, power, and services) according to the nature of the products and the services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The segment locations are the basis upon which the Group reports its primary segment information for the mining segment. Financial information on business segments is presented in Note 38.



Events After the End of the Financial Reporting Period
If the Group receives information after the end of the financial reporting period, but prior to the date of authorization for issue, about conditions that existed at the end of the financial reporting period, it will assess whether the information affects the amounts that it recognizes in its consolidated financial statements. The Group will adjust the amounts recognized in its consolidated financial statements to reflect any adjusting events after the financial reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the end of the financial reporting period, the Group will not change the amounts recognized in its consolidated financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3. Significant Accounting Judgments, Estimates and Assumptions

The consolidated financial statements prepared in accordance with PFRS Accounting Standards require management to make judgments, estimates, and assumptions that affect the amounts reported in the consolidated financial statements and related notes. The judgments, estimates and assumptions are based upon management's evaluation of relevant facts and circumstances as at the end of the financial reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

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

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 effect on the amounts recognized in the consolidated financial statements:

Determining Functional Currency
Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Parent Company and its subsidiaries, except CPDL, has been determined to be the Philippine peso. The functional currency is the currency of the primary economic environment in which the Group operates. It is the currency that mainly influences labor, material, and other costs of providing goods and services.

Assessing Production Start Date
The Group assesses the stage of each mine development project to determine when a mine moves into the production stage. The criteria used to assess the start date of a mine are determined based on the unique nature of each of mine development projects. The Group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production phase.

Some of the criteria include, but are not limited to the following:
- The level of capital expenditure compared to construction cost estimates;
- Completion of a reasonable period of testing of the property and equipment;
- Ability to produce ore in saleable form; and
- Ability to sustain ongoing production of ore.



When a mine development project moves into the production stage, the capitalization of certain mine construction costs ceases and costs are either regarded as inventory or expensed, except for capitalizable costs related to mining asset additions or improvements, mine development or mineable reserve development. It is also at this point that depreciation or depletion commences. The Group has various nickel projects that started commercial operations and moved into the production stage, such as the HMC's Manicani and RTN's South Upper Guintalunan nickel projects in 2024 (see Notes 9 and 11).

Assessing Units-of-Production Depletion
Estimated recoverable reserves are used in determining the depletion of mine assets. This results in a depletion charge proportional to the depletion of the anticipated remaining mine life. Each item's life, which is assessed annually, has regard to both physical life limitations and to present assessments of economically recoverable reserves of the mine property at which the asset is located. The calculations require the use of estimates of future capital expenditure. The Group uses the tons of ore produced as the basis for depletion. Any change in estimates is accounted for prospectively.

Determining Whether Significant Influence Exists
The Parent Company recognized its ownership interest in THNC, CBNC and BGI as investments in associates. In accordance with the provisions of PAS 28 (2011), *Investments in Associates and Joint Ventures*, the existence of significant influence by an entity is usually evidenced in one or more of the following ways:

- Participation in policy-making processes through its representation on the BOD; or
- Material transactions between the entity and its investee such as the supply of all the nickel ore and/or limestone requirement of the investee and/or the use of the subsidiaries' land and infrastructure necessary to produce the products of the investee.

Due to the nature of the Parent Company's involvement in THNC, CBNC and BGI and other various factors, the Parent Company assessed that significant influence exists (see Note 10).

In November 2024, the Parent Company formalize its plan to sell its 15.62% equity share in CBNC to Sumitomo Metal Mining Co., Ltd. (SMM) at the projected book value of investment in CBNC as of end of September 2024 to which SMM agreed and accepted. As a result, CBNC ceases to be an associate and the Parent Company's investment in CBNC was reclassified as "Asset held for sale".

The Share Purchase Agreement (SPA) pertaining to the sale was signed on January 31, 2025 and the Deed of Absolute Sale of Shares was finalized and executed on February 10, 2025.

The Parent Company also owns 25% ownership interest in Eurasian Consolidated Minerals Pty Ltd (ECM) which was recognized as financial assets at FVTPL. The Parent Company assessed that no significant influence exists due to:

- Absence of material transactions between ECM and the Parent Company;
- No interchange of managerial personnel; and
- Non-participation of the Parent Company in the policy-making process, as the group of shareholders that holds the majority ownership of the investee operates without regard to the views of the Parent Company.

Determining Indicators of Impairment on Investments in Associate
Impairment review on investments in associates is performed when events or changes in circumstances indicate that the carrying value exceeds its fair value. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the investment is written down to its recoverable amount. Consequent to the Parent Company's plan to sell all its equity share in CBNC to SMM, an impairment loss on investment in an associate amounting to nil in 2025 and 2023 and ₱1.9 million in 2024 was recognized (see Note 27). The carrying values of the Group's investments in associates amounted to ₱3,235.3 million and ₱3,438.0 million as at December 31, 2025 and 2024, respectively (see Note 10).

Determining the Timing for Reclassification as Asset Held for Sale
In relation to the Parent Company's plan to sell its 15.62% ownership in CBNC to SMM, the Parent Company's BOD considered that investment in CBNC met the following criteria to be classified as held for sale for the following reasons:

- Investment in CBNC was available for immediate sale and could be sold to SMM in its current condition;
- The actions to complete the sale were initiated in September 2024 and completed on February 10, 2025;
- The buyer is SMM and negotiations were at an advanced stage as at December 31, 2024, with a formal letter of intent having been agreed between the Parent Company and SMM in November 2024.

Determining Capitalizability of Geothermal Exploration and Evaluation Assets and Deferred Mine Exploration Costs
Careful judgment by management is applied when deciding whether the recognition requirements for geothermal exploration and evaluation assets and deferred mine exploration costs relating to the Group's geothermal and mining projects have been met. Capitalization of these costs is based, to a certain extent, on management's judgment of the degree to which the expenditure may be associated with finding specific geothermal and ore reserves. This is necessary as the economic success of exploration is uncertain and may be subject to future technical problems at the time of recognition. Judgments are based on the information available at the end of each financial reporting period.

Determining Applicability of International Financial Reporting Interpretations Committee (IFRIC) 12, Service Concession Arrangements on the SESC and PSA with Customers
An arrangement would fall under IFRIC 12 if the two (2) conditions below are met:

a) the grantor controls or regulates the services that the operator must provide using the infrastructure, to whom it must provide them, and at what price, and
b) the grantor controls any significant residual interest in the property at the end of the concession term through ownership, beneficial entitlement or otherwise.

The infrastructure used for its entire useful life ('whole of life assets') is within the scope of IFRIC 12 if the arrangement meets the conditions in (a).

Based on management's assessment, the SESC, SEOC and PSAs entered by JSI and SISPC are outside the scope of IFRIC 12 since JSI and SISPC controls the significant residual interest in the properties at the end of the concession term through ownership (see Notes 36d and 36e). For the PSA of the Parent Company with Surigao Del Norte Electric Cooperative, Inc. (SURNECO), management assessed that it is also outside the scope of IFRIC 12 since SURNECO does not control or regulate the services of the Parent Company in using the power plant including its pricing (see Note 36d).

Determining the Lease Term of Contracts with Renewal and Termination Options - Group as Lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options (see Note 31). The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customization to the leased asset).

The renewal periods for the lease of the land and buildings and improvements are not included as part of the lease term as this is not reasonably certain to be exercised. Furthermore, the periods covered by termination options, if any, are included as part of the lease term only when they are reasonably certain not to be exercised.

Identifying the Enforceable Contract
Sale of Beneficiated Nickel Ore
The Group made an irrevocable and firm commitment to sell nickel ore on FOB of mother vessel terms, while the buyer made an irrevocable and firm commitment to purchase the quantity of the beneficiated nickel ore under the terms and conditions specified and agreed upon in the contract. Throughout the year, the parties executed addendums to the contract to deliver nickel ore with quantity and specifications indicated therein.

The Group executed a sales contract with Pacific Metals Co., Ltd. (PAMCO), where the former expressed its wish to sell to the latter all beneficiated nickel saprolite ore which meets the specifications as stated in the contract. The Group also executed sales contracts with its major customers to sell beneficiated nickel saprolite or limonite ore with specifications stated explicitly in the contracts.

While there are master supply agreements with customers that set out the general terms and conditions governing any sales that occur, they do not contain any minimum volumes. Therefore, for the above arrangements, the enforceable contracts have been determined to be the annual and long-term contracts and the addendums thereon.

Sale of Limestone
RTN executed a long-term contract with its customers that sets out the general terms and conditions governing each sale of limestone that occurs. The enforceable contracts have been determined to be the long-term contracts.

Identifying Performance Obligations
The Group identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

The Group assesses performance obligations as a series of distinct goods and services that are substantially the same and have the same pattern of transfer if: i) each distinct good or services in the series are transferred over time, and ii) the same method of progress will be used (i.e., units of delivery) to measure the entity's progress towards complete satisfaction of the performance obligation.

With regard to the sale of beneficiated nickel ore and limestone, the Group and its buyers agree to respectively sell and purchase a specific quantity of nickel ore and limestone during the term of the sales contracts. This performance obligation is a promise to transfer to the buyer distinct goods (i.e., nickel ore and limestone) that shall be satisfied at a point in time. It is capable of being distinct since the customers can benefit from it in conjunction with other readily available resources. It is distinct within the context of the sales contracts because it is not integrated, not highly interdependent on or highly interrelated with other promised services in the contract. The obligation is to transfer beneficiated nickel ore and limestone which shall be satisfied once the control to the goods has been transferred to the buyer at a point in time.

With regard to the sale of services and power, it is considered a performance obligation since the customer can benefit from it in conjunction with other readily available resources and it is also distinct within the context of the contract. The performance obligation qualifies as a series of distinct services that are substantially the same and have the same pattern of transfer since the rendering of services and the delivery of energy every month are distinct services which are all recognized over time and have the same measure of progress.

Determining Method to Estimate Variable Consideration and Assessing the Constraint
The Group assessed that it has variable considerations pertaining to quantity of ore shipped to customer. The variability arises from the uncertainty of final quantity and is assessed based on preliminary assay which is the Group's estimate of the most likely amount that is not highly probable to result in a significant reversal in cumulative revenue recognized when final assay is completed.

The Group's sale of power to IEMOP provides unspecified quantity of energy and unspecified unit price that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The expected value method of estimation takes into account a range of possible outcomes while the most likely amount is used when the outcome is binary. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration given the large range of possible outcomes.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are to be fully constrained based on its historical experience (i.e., volume and unit price), the range of possible outcomes (i.e., unspecified quantity of energy and unspecified unit price), and the unpredictability of other factors outside the Group's influence.

Determining the Timing of Satisfaction of Performance Obligations
The Group recognizes revenue when it satisfies an identified performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control. The Group determines, at contract inception, whether it will transfer control of a promised good or service over time. If the Group does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.



The sale of ore and limestone is satisfied at a point in time. All risk of loss, damage, or destruction respective of the ore delivered shall progressively pass to the buyer at the time the ore passes over the rail and into the vessel while risk of loss and damage for the limestone delivered passed to the buyer at the time the good is delivered to the buyer's plant. In the case of deliveries to CBNC and THNC, title, risk of loss and damage passed to the buyer at the time the ore passes into the ore preparation hopper of the respective plants.

For rendering of services, it is satisfied over time since the customer obtains the benefit simultaneously with the Group's performance of services. The fact that another entity would not need to re-perform the handling services that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The Group concluded that revenues from sale of power are to be recognized over time since customers simultaneously receive and consume the benefits as the Group supplies power.

Determining the Group's Business Model in Accounting for Financial Assets
The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective (see Note 2). The Group's business model does not depend on management's intentions for an individual instrument.

The Group's business model refers to how it manages its financial assets in order to generate cash flow. The Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's senior management and the BOD, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Defining Default and Credit-Impaired Financial Assets
The Group defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria.* The borrower is more than ninety (90) days past due on its contractual payments, which is consistent with the Group's definition of default.
- *Qualitative Criteria.* The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
  a. The borrower is experiencing financial difficulty or is insolvent;
  b. The borrower is in breach of financial covenant(s);
  c. An active market for that financial asset has disappeared because of financial difficulties;
  d. Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty;
  e. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
  f. Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, LGD and EAD throughout the Group's ECL calculation.

An instrument is no longer in default (i.e., to have cured) when it no longer meets any of the default criteria.

Determining Significant Increase in Credit Risk
The criteria for determining whether credit risk has increased significantly vary and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than ninety (90) days past due. Days past due are determined by counting the number of days from the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the related party/customer.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:
- the criteria can identify significant increase in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes ninety (90) days past due; and
- there is no unwarranted volatility in loss allowance from transfers between twelve (12)-month PD (stage 1) and lifetime PD (stage 2).

Exposures that have not deteriorated significantly since origination, or where the deterioration remains within the Group's investment grade criteria, or which are less than ninety (90) days past due, are considered to have a low credit risk. The provision for ECL for these financial assets is based on a twelve (12)-month ECL. The low credit risk exemption has been applied on debt investments that meet the investment grade criteria of the Group from the time of origination.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to twelve (12)-month ECL.

Estimates and Assumptions
The key estimates and assumptions concerning the future and other key sources of estimation uncertainty as at the end of the financial reporting period, that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period are as follows:

Estimating Nickel Ore Reserves
Ore reserves are estimates of the volume of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves based on information compiled by appropriately qualified persons relating to the geological data on the size, depth, and shape of the ore body, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying values of property and equipment, provision for mine rehabilitation and decommissioning, recognition of deferred income tax assets and depreciation and depletion charges.



The Group also makes estimates and assumptions regarding a number of economic and technical factors, such as production rates, grades, production and transport costs and prices. These economic and technical estimates and assumptions may change in the future in ways that affect the quality and quantity of the reserves. The Group reviews and updates estimates as required, but at least annually, to reflect actual production, new exploration data or developments and changes in other assumptions or parameters. These estimates will change from time to time to reflect mining activities, analyses of new engineering and geological data, changes in ore reserve and mineral resource holdings, modifications of mining plans or methods, changes in nickel or limestone prices or production costs and other factors.

In 2024, the depletion rates for mining properties and development cost were based on the latest Philippine Mineral Reporting Code - Competent Person Technical Report (as of December 31, 2022 cut-off reserve) for CMC, DMC and HMC Taganaan and Annual Mineral Reserve Inventory Report (AMRIR; as of December 31, 2023 cut-off reserve) for RTN, TMC and HMC Manicani.

In 2025, there were changes in the ore reserves used in calculating the depletion rates for mining properties and development cost. The change was based on the latest AMRIR (as of December 31, 2024 cut-off reserve) for CMC, RTN and TMC. For DMC and HMC Taganaan and Manicani, there were no changes.

Estimating Recoverability of Geothermal Exploration and Evaluation Assets, Deferred Mine Exploration Costs and Project Development Costs

The Group assesses the recoverability of geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs by determining the technical feasibility, success of exploration activities and discovery of resources that can be produced in commercial quantities.

PFRS Accounting Standards requires that an impairment review be performed when certain impairment indicators are present. The Group determines the fair value of geothermal exploration and evaluation assets, deferred mine exploration costs and project development costs, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets. The Group makes estimates and assumptions in determining the present value of estimated future cash flows expected to be generated from the continued use of the assets. The Group is required to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations.

An impairment loss is recognized and charged to earnings if the discounted expected future cash flows are less than the carrying amount. The recoverable amount is estimated by discounting the expected future cash flows using a discount factor that reflects the market rate for a term consistent with the period of expected cash flows.

In 2025, as a result of the re-evaluation done, technical findings indicated that the mass flow rate of the existing wells of MGPC is below the minimum flow rate required for a typical organic rankine cycle power generation unit. Consequent to this, MGPC provided a full allowance for impairment losses on its geothermal exploration and evaluation assets amounting to ₱1,912.7 million as at December 31, 2025 and ₱1,912.3 million as at December 31, 2024 (see Notes 11 and 27).

The Group recognized a provision for impairment losses on deferred mine exploration costs, including mining rights, pertaining to Zambales and Kepha Mining Exploration Limited Company (Kepha) projects amounting to a total of ₱192.6 million in 2025 and nil in 2024 and 2023. Deferred mine exploration costs, included in "Other noncurrent assets" in the consolidated statements of financial position, amounted to ₱420.8 million and ₱440.1 million as at December 31, 2025 and 2024,



respectively (net of allowance for impairment losses of ₱334.0 million and ₱208.9 million, respectively; see Note 11).

The Group recognized a provision for impairment losses on project development costs of ₱8.0 million for the Nueva Ecija project and the surrendered service contracts of CSPC in 2025, ₱21.0 million for the Palawan project in 2024 and nil 2023 (see Note 27). Project development costs, included in "Other noncurrent assets" in the consolidated statements of financial position, amounted to ₱81.4 million and ₱137.7 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱28.9 million and ₱21.0 million, respectively (see Note 11).

Estimating Allowance for Impairment Losses on Mining Properties and Development Costs, Solar Farm and Construction In-Progress

The Group is adversely affected if there's a continuous decline in wholesale electricity prices and metal prices. If an impairment indicator is identified, the assessment of the recoverable amount of the mining properties and development costs, solar farm and construction in-progress related to solar farms, requires significant judgment and is based on assumptions. The carrying values of the Group's mining properties and development costs, solar farm and construction in-progress recorded under property and equipment as at December 31, 2025 and 2024 are disclosed in Note 9 to the consolidated financial statements.

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

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

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the consolidated financial statements. These assumptions include future production levels and costs, as well as external inputs such as commodity prices and discount rate. The recoverable amount is sensitive to the discount rate used as well as the expected future cash inflows.

An impairment loss would be recognized whenever evidence exists that the carrying value is not recoverable. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment loss is recognized and charged to the consolidated statement of income if the expected discounted future cash flows are less than the carrying amount. Fair value is estimated by discounting the expected future cash flows using a discount factor that reflects the market rate for a term consistent with the period of expected cash flows. As at December 31, 2025 and 2024, the Group has not provided any allowance for impairment losses on its mining properties and development costs, solar farm and construction in-progress as the recoverable amount of these assets is greater than their carrying amount.

Estimating Allowance for ECL on Trade and Other Receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every end of the financial reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 5 to the consolidated financial statements.

Estimating Allowance for Impairment Losses on Inventories
The Group maintains allowance for inventory losses at a level considered adequate to reflect the excess cost of inventories over their NRV. NRV tests are performed at least annually and represent the estimated future sales price of the product based on prevailing spot metals prices at the end of the financial reporting period, less estimated costs to complete production and bring the product to sale. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile and the number of contained nickel ore ounces based on assay data. Stockpile tonnages are verified by periodic surveys. The NRV test for materials and supplies is also performed annually and it represents the current replacement cost. Increase in the NRV of inventories will increase the cost of inventories but only to the extent of their original production or acquisition costs.

As at December 31, 2025 and 2024, inventories carried at lower of cost or NRV amounted to ₱2,646.8 million and ₱3,356.3 million, respectively (net of allowance for impairment losses of ₱31.2 million; see Note 6).

Estimating Allowance for Impairment Losses on Other Nonfinancial Assets
The Group provides allowance for impairment losses on other nonfinancial assets when they can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in the allowance for impairment losses would increase recorded expenses and decrease the carrying value of these assets.

The carrying values of nonfinancial prepayments and other current assets amounted to ₱1,065.8 million and ₱2,338.2 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱55.2 million and ₱150.5 million, respectively; see Note 8), while nonfinancial other noncurrent assets amounted to ₱4,892.5 million and ₱4,872.8 million as at December 31, 2025 and 2024, respectively (net of allowance for impairment losses of ₱3,405.4 million and ₱2,991.2 million, respectively; see Note 11).

Estimating the Incremental Borrowing Rate of the Leases
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the ROU assets in a similar economic environment. The incremental borrowing rate therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group's stand-alone credit rating).



The Group's lease liabilities amounted to ₱1,195.2 million and ₱973.1 million as at December 31, 2025 and 2024, respectively (see Note 31). The incremental borrowing rate used in 2025 and 2024 ranges from 5.25% to 16.36%.

Estimating Provision for Mine Rehabilitation and Decommissioning
The Group assesses its provision for mine rehabilitation and decommissioning annually. Significant estimates and assumptions are made in determining the provision for mine rehabilitation as there are numerous factors that will affect the provision. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided.

The provision at the end of the financial reporting period represents management's best estimate of the present value of the future rehabilitation costs required. Changes to estimated future costs are recognized in the consolidated statement of financial position by adjusting the rehabilitation assets and liability. For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income.

Provision for mine rehabilitation and decommissioning amounted to ₱944.5 million and ₱927.4 million as at December 31, 2025 and 2024, respectively (see Note 14).

Estimating Pension Costs
The cost of defined benefit retirement as well as the present value of the pension liability is determined using actuarial valuations. The actuarial valuation involves making various assumptions, as described in Note 32. These include the determination of the discount rates and future salary increases. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit pension liability are highly sensitive to changes in these assumptions. 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 benefit pension liability. All assumptions are reviewed at each end of the financial reporting period. While management believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in the assumptions may materially affect the Group's pension liability.

As at December 31, 2025 and 2024, pension asset included under "Other noncurrent assets" in the consolidated statements of financial position amounted to ₱82.4 million and ₱16.5 million, respectively, and pension liability amounted to ₱72.2 million and ₱85.0 million, respectively (see Notes 11 and 32).

Estimating Recoverability of Deferred Income Tax Assets
The Group reviews the carrying amounts of deferred income tax assets at each end of the financial reporting period and reduces the amounts to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized. The Group has net deferred income tax assets amounting to ₱270.4 million and ₱554.6 million as at December 31, 2025 and 2024, respectively (see Note 33).

As at December 31, 2025 and 2024, the Group has temporary difference amounting to ₱7,916.9 million and ₱7,560.3 million, respectively, for which no deferred income tax assets were recognized because it is more likely than not that the carryforward benefits will not be realized in the future (see Note 33).

Determining Fair Values of Financial Instruments
Where the fair values of financial assets and liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility and correlation. Certain financial assets and liabilities are carried at its fair value (see Note 35).

Determining Fair Value of Assets Held for Sale
In determining the fair value of assets held for sale, valuations were derived from the valuations made by independent parties. For investment in CBNC, it was subjected to an independent valuation and fairness opinion by an external independent party. The assets held for sale which is determined at the lower of the carrying amount and fair value less costs to sell amounted to nil and ₱1,864.8 million as at December 31, 2025 and 2024, respectively.

The fair value of the Group's assets held for sale were measured using Level 2 category.

4. Cash and Cash Equivalents

	2025	2024
Cash on hand and with banks	**₱5,883,807**	₱4,025,632
Short-term cash investments	**11,667,911**	8,905,392
Cash under managed funds	**22,650**	4,248
	₱17,574,368	₱12,935,272

Interest income from cash and cash equivalents amounted to ₱421.0 million, ₱551.8 million and ₱467.9 million in 2025, 2024 and 2023, respectively (see Note 25).

5. Trade and Other Receivables

	2025	2024
Trade		
Related parties (see Note 30)	**₱964,393**	₱573,014
Third parties	**265,800**	283,153
Amounts owed by related parties (see Note 30)	**290,698**	264,225
Advances to officers and employees	**37,649**	38,313
Interest receivable	**37,342**	67,368
Forward contracts receivable (see Note 35)	**375**	14,076
Others		
Third parties	**761,762**	109,576
Related parties (see Note 30)	**55,116**	71,380
	2,413,135	1,421,105
Less allowance for ECL	**31,192**	30,691
	₱2,381,943	₱1,390,414

The movements of allowance for ECL follows:

2025	**Trade**	**Others**	**Total**
Balances at January 1	**₱18,182**	**₱12,509**	**₱30,691**
Provisions (see Note 27)	**152**	**349**	**501**
Balances at December 31	**₱18,334**	**₱12,858**	**₱31,192**

2024	Trade	Others	Total
Balances at January 1	₱36,131	₱12,612	₱48,743
Write-off	(14,999)	–	(14,999)
Foreign exchange adjustments	(9,197)	–	(9,197)
Provisions (see Note 27)	6,247	51	6,298
Reversals (see Note 27)	–	(154)	(154)
Balances at December 31	₱18,182	₱12,509	₱30,691

Trade receivables are noninterest-bearing and are generally collectible on seven (7) to sixty (60)-days' terms, except for the usage fee billed to THNC which is collected on a semi-annual basis.

Amounts owed by related parties and other receivables are noninterest-bearing with no fixed maturity and are generally collectible on demand. Other receivables include the approved claims for input VAT refund from the BIR and the Bureau of Customs, which are expected to be collected within twelve (12) months after the end of the financial reporting period.

Advances to officers and employees are noninterest-bearing and are generally subject to liquidation or collectible through salary deduction.

Interest receivable is derived from short-term cash investments placed in various local/foreign banks, which are collectible upon maturity, and from debt securities, which are collectible quarterly or semi-annually.

6. Inventories

	2025	2024
Beneficiated nickel ore and limestone, at cost	**₱1,973,472**	₱2,648,760
Materials and supplies		
At NRV	**629,153**	660,979
At cost	**44,164**	46,557
	₱2,646,789	₱3,356,296

The movements of allowance for impairment losses on materials and supplies inventories follows:

	2025	2024
Balances at January 1	**₱31,191**	₱68,286
Write-off	**–**	(51,836)
Provisions (see Note 27)	**–**	14,741
Balances at December 31	**₱31,191**	₱31,191

As at December 31, 2025 and 2024, there was no allowance for impairment losses provided for the cost of beneficiated nickel ore and limestone, while the cost of materials and supplies provided with allowance for impairment losses amounted to ₱660.3 million and ₱692.2 million, respectively.

The aggregate costs of inventories charged to expense amounted to ₱10,650.7 million, ₱9,566.9 million and ₱8,777.9 million in 2025, 2024 and 2023, respectively (see Notes 17, 18, 19, 20 and 22).

7. Financial Assets at FVTPL, at FVOCI and at Amortized Cost

	2025			2024		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Quoted instruments						
Debt securities	**₱1,494,789**	**₱406,604**	**₱275,000**	₱1,387,954	₱429,188	₱375,000
Equity securities	**302,125**	**–**	**–**	321,308	–	–
Unquoted equity instruments	**856,145**	**–**	**–**	698,287	–	–
	₱2,653,059	**₱406,604**	**₱275,000**	₱2,407,549	₱429,188	₱375,000

The Group's financial assets pertain to investments in shares of stocks of various local and foreign public and private companies, mutual funds, golf club shares and debt securities which are either unquoted or with quoted market prices. Quoted and unquoted instruments are carried either at fair market value or at amortized cost (for debt instruments) as at the end of the financial reporting period.

The movements in financial assets follow:

	2025			2024		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Balances at January 1	**₱2,407,549**	**₱429,188**	**₱375,000**	₱2,259,970	₱469,914	₱410,000
Additions	**2,839,658**	**60,627**	**–**	1,438,862	77,569	–
Disposals	**(2,774,426)**	**(87,070)**	**–**	(1,363,868)	(118,384)	–
Redemption	**–**	**–**	**(100,000)**	–	–	(35,000)
Effect of changes in foreign exchange rate (see Note 27)	**7,523**	**–**	**–**	47,110	–	–
Net valuation gains on financial assets	**172,755**	**3,859**	**–**	25,475	89	–
Balances at December 31	**2,653,059**	**406,604**	**275,000**	2,407,549	429,188	375,000
Less noncurrent portion	**1,121,138**	**–**	**275,000**	985,979	–	275,000
Current portion	**₱1,531,921**	**₱406,604**	**₱–**	₱1,421,570	₱429,188	₱100,000

The movements in the unquoted equity instruments designated as financial assets at FVTPL follows:

	2025	2024
Cost	**₱195,367**	₱195,367
Net cumulative valuation gains:		
Balances at January 1	**502,920**	506,074
Net valuation gains (losses) on financial assets	**157,858**	(3,154)
Balances at December 31	**660,778**	502,920
Fair value of assets at December 31	**₱856,145**	₱698,287

The movements in "Net valuation gains (losses) on financial assets at FVOCI" presented as a separate component of equity follows:

	2025	2024
Balances at January 1	**(₱1,226)**	(₱1,315)
Movements recognized in equity:		
Gains recognized in equity	**3,976**	90
Reclassification adjustments for income included in the consolidated statements of income (see Note 27)	**(117)**	(1)
Valuation gains taken into the consolidated statements of comprehensive income - net of tax	**3,859**	89
Balances at December 31	**₱2,633**	(₱1,226)

Interest income from debt securities amounted to ₱62.9 million, ₱54.0 million and ₱30.6 million in 2025, 2024 and 2023, respectively (see Note 25), while dividend income from equity securities amounted to ₱25.4 million, ₱55.2 million and ₱29.6 million in 2025, 2024 and 2023, respectively, of which ₱22.9 million in 2025, and ₱15.3 million in 2024 and 2023 relates to dividends coming from investments in unquoted equity securities (see Note 27).

The Group did not recognize any provision for ECL on its financial assets at FVOCI and at amortized cost in 2025, 2024, and 2023.

8. Assets Held for Sale and Other Current Assets

a) Assets Held for Sale

Investment in CBNC

In 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM, provided that the purchase price for such sale shall be subject to an independent valuation and fairness opinion by an external independent party appointed by the Parent Company. In accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations,* and after meeting all the criteria to classify an asset as held for sale, the Parent Company reclassified its investment in CBNC under "Asset held for sale" at fair value less cost to sell amounting to ₱1,853.4 million which is lower against the carrying amount of ₱1,855.3 million as of September 30, 2024. The fair value was determined based on an independent valuation conducted in 2025.

As of the reclassification date, the cumulative translation adjustment related to the investment in CBNC amounted to ₱800.5 million, gross of deferred income tax liability. This adjustment reflects the changes in foreign currency exchange rates affecting the investment since its initial recognition and was recorded in other comprehensive income.

On January 31, 2025, the Parent Company and SMM executed an SPA wherein SMM agreed to purchase all the Parent Company's 91,796,875 shares in CBNC, representing 15.62% of the outstanding capital stock of CBNC, at a purchase price of ₱1,855.0 million which was confirmed to be a fair price based on an independent valuation review performed by an external independent party.

The sale of investment, which was paid in cash, was completed on February 10, 2025. No gain or loss was recognized from this sale. On the same date, the cumulative translation adjustment of ₱800.5 million, previously recorded in other comprehensive income, was reclassified under "Other income (charges) - net" in the consolidated statements of income (see Note 27).

b) Other Current Assets

	2025	2024
Input VAT (net of allowance for impairment losses of ₱54.8 million and ₱150.0 million as at December 31, 2025 and 2024, respectively)	**₱422,319**	₱1,740,946
Prepaid insurance and others	**299,926**	299,444
Prepaid taxes	**277,625**	215,313
Advances and deposits to suppliers and contractors (net of allowance for impairment losses of ₱0.5 million as at December 31, 2025 and 2024)	**63,737**	80,252
Tax credit certificates	**2,237**	2,237
	₱1,065,844	₱2,338,192

The movements of allowance for impairment losses follows:

	2025		2024	
	Input VAT	**Advances and Deposits**	Input VAT	Advances and Deposits
Balances at January 1	**₱149,958**	**₱563**	₱80,864	₱1,781
Reclassification (see Note 11)	**(95,190)**	**–**	–	–
Write-off	**–**	**(96)**	–	(1,685)
Provisions (see Note 27)	**–**	**–**	69,094	467
Balances at December 31	**₱54,768**	**₱467**	₱149,958	₱563

Input VAT represents the VAT passed on from purchases of applicable goods and services which can be recovered as tax credit against future output VAT from the sale of goods and/or services of the Group.

Prepayments are amortized within three (3) to twelve (12) months from the end of the financial reporting period.

Prepaid taxes include certificates of creditable withholding taxes for services rendered to other parties which can be recovered as tax credits against certain future tax liabilities of the Group.

Advances and deposits to suppliers and contractors include security deposits and payments made in advance to suppliers and contractors which will be offset against future billings upon the delivery of goods and/or completion of services.

Tax credit certificates are tax refunds that can be used by the Group.

9. Property and Equipment

	2025								
	Land and Land Improvements	Mining Properties and Development Costs	Solar Farm	Machinery and Equipment	Buildings and Improvements	Transmission Lines and Substations	ROU Assets - Land, Building and Improvements	Construction In-progress	Total
Cost:									
Balances at January 1	**₱841,075**	**₱2,450,442**	**₱6,045,742**	**₱14,105,278**	**₱5,485,857**	**₱940,843**	**₱956,678**	**₱10,299,441**	**₱41,125,356**
Additions	**165,778**	**–**	**37,792**	**923,509**	**35,396**	**8,098**	**231,809**	**7,283,249**	**8,685,631**
Adjustments for capitalized:									
Borrowing cost (see Note 13)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**486,178**	**486,178**
Cost of mine rehabilitation and decommissioning (see Note 14)	**–**	**(24,500)**	**–**	**–**	**–**	**–**	**–**	**–**	**(24,500)**
Depreciation and amortization (see Notes 24 and 37)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4,537**	**4,537**
Disposals	**–**	**–**	**–**	**(656,697)**	**(979)**	**–**	**–**	**–**	**(657,676)**
Transfers/reclassification	**976,438**	**770**	**2,262,329**	**134,989**	**633,137**	**711,069**	**–**	**(4,655,805)**	**62,927**
Balances at December 31	**1,983,291**	**2,426,712**	**8,345,863**	**14,507,079**	**6,153,411**	**1,660,010**	**1,188,487**	**13,417,600**	**49,682,453**
Accumulated depreciation, depletion and amortization:									
Balances at January 1	**–**	**551,597**	**1,241,388**	**8,871,115**	**3,584,483**	**290,441**	**157,036**	**–**	**14,696,060**
Depreciation, depletion and amortization (see Note 24)	**46,917**	**48,967**	**255,932**	**1,406,161**	**340,279**	**52,509**	**71,854**	**–**	**2,222,619**
Disposals	**–**	**–**	**–**	**(412,415)**	**(979)**	**–**	**–**	**–**	**(413,394)**
Transfers/reclassification	**290,649**	**1,911**	**(4,305)**	**6,738**	**(243,429)**	**–**	**–**	**–**	**51,564**
Balances at December 31	**337,566**	**602,475**	**1,493,015**	**9,871,599**	**3,680,354**	**342,950**	**228,890**	**–**	**16,556,849**
Net book values	**₱1,645,725**	**₱1,824,237**	**₱6,852,848**	**₱4,635,480**	**₱2,473,057**	**₱1,317,060**	**₱959,597**	**₱13,417,600**	**₱33,125,604**

	2024								
	Land and Land Improvements	Mining Properties and Development Costs	Solar Farm	Machinery and Equipment	Buildings and Improvements	Transmission Lines and Substations	ROU Assets - Land, Building and Improvements	Construction In-progress	Total
Cost:									
Balances at January 1	₱292,207	₱2,027,691	₱6,045,742	₱14,017,317	₱4,582,479	₱940,843	₱805,213	₱4,045,502	₱32,756,994
Additions	583,033	–	–	1,242,957	505,023	–	151,465	6,430,202	8,912,680
Adjustments for capitalized:									
Borrowing cost (see Note 13)	–	–	–	–	–	–	–	427,591	427,591
Cost of mine rehabilitation and decommissioning (see Note 14)	–	(23,954)	–	–	–	–	–	–	(23,954)
Disposals	–	–	–	(1,301,333)	(17,683)	–	–	–	(1,319,016)
Transfers/reclassification	(34,165)	446,705	–	146,337	389,018	–	–	(576,834)	371,061
Balances at December 31	841,075	2,450,442	6,045,742	14,105,278	5,458,837	940,843	956,678	10,326,461	41,125,356
Accumulated depreciation, depletion and amortization:									
Balances at January 1	23,966	501,084	1,019,205	8,893,651	3,284,386	250,444	91,961	–	14,064,697
Depreciation, depletion and amortization (see Note 24)	–	50,513	228,122	1,274,643	330,791	39,997	65,075	–	1,989,141
Disposals	–	–	–	(1,295,730)	(17,684)	–	–	–	(1,313,414)
Transfers/reclassification	(23,966)	–	(5,939)	(1,449)	(13,010)	–	–	–	(44,364)
Balances at December 31	–	551,597	1,241,388	8,871,115	3,584,483	290,441	157,036	–	14,696,060
Net book values	₱841,075	₱1,898,845	₱4,804,354	₱5,234,163	₱1,874,354	₱650,402	₱799,642	₱10,326,461	₱26,429,296

Construction in-progress includes borrowing cost of ₱486.2 million in 2025, ₱427.6 million in 2024, and ₱212.7 million in 2023 (see Note 13). It also includes capitalizable development costs on the construction and development of the Group's solar power projects which are currently ongoing (see Note 36k).

Except for the property and equipment pledged as collateral for the loans of JSI with Industrial and Commercial Bank of China (ICBC) and Security Bank Corporation (SBC), with net book value of ₱2,481.8 million and ₱9,487.5 million as at December 31, 2025 and 2024, respectively, for the loans of NPPGC with Rizal Commercial Banking Corporation (RCBC), with net book value of ₱4,536.5 million and nil as at December 31, 2025 and 2024, respectively, and for the loans of SISPC with SBC and China Banking Corporation (CBC), with net book value of ₱9,054.4 million and nil as at December 31, 2025 and 2024, respectively, there were no other property and equipment pledged as collateral for the Group's borrowings (see Note 13).

Depreciation on the excess of the fair value of the assets acquired from RTN over their corresponding book values transferred to retained earnings amounted to ₱0.4 million in 2025, 2024 and 2023.

10. Investments in Associates

The movements in investments in associates follows:

	2025			2024			
	THNC	**BGI**	**Total**	THNC	CBNC	BGI	Total
Balances at January 1	**₱1,974,700**	**₱1,384**	**₱1,976,084**	₱1,974,700	₱2,254,722	₱1,384	₱4,230,806
Accumulated equity in net earnings (losses):							
Balances at January 1	**534,923**	**(1,384)**	**533,539**	930,329	(697,342)	(1,384)	231,603
Equity in net loss	**(249,463)**	**–**	**(249,463)**	(395,406)	(502,521)	–	(897,927)
Balances at December 31	**285,460**	**(1,384)**	**284,076**	534,923	(1,199,863)	(1,384)	(666,324)
Share in cumulative translation adjustment:							
Balances at January 1	**928,398**	**–**	**928,398**	280,280	742,291	–	1,022,571
Movements	**46,711**	**–**	**46,711**	648,118	58,196	–	706,314
Balances at December 31	**975,109**	**–**	**975,109**	928,398	800,487	–	1,728,885
Less allowance for impairment losses (see Note 27)	**–**	**–**	**–**	–	(1,935)	–	(1,935)
	3,235,269	**–**	**3,235,269**	3,438,021	1,853,411	–	5,291,432
Reclassification (see Note 8)	**–**	**–**	**–**	–	(1,853,411)	–	(1,853,411)
Balances at December 31	**₱3,235,269**	**₱–**	**₱3,235,269**	₱3,438,021	₱–	₱–	₱3,438,021

The share in cumulative translation adjustment of associates is gross of deferred income tax liability of ₱146.3 million and ₱259.3 million as at December 31, 2025 and 2024, respectively (see Note 33).

THNC

THNC, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on August 22, 2008. THNC is engaged in the manufacture and export of nickel/cobalt mixed sulfide, nickel hydroxide and any or all ingredient and products and by-products, wherein TMC has a Nickel Ore Supply Agreement to supply all the limonite ore requirements of the Taganito High Pressure Acid Leach (HPAL) facility. TMC also provides services related to the handling, hauling and transportation of materials required in the processing operations of THNC. THNC started commercial operations in October 2013.

THNC's financial statements are stated in US$ and translated at the closing rate of ₱58.79 and ₱57.84 per US$1 as at December 31, 2025 and 2024, respectively, for assets and liabilities accounts, historical rates for equity accounts and average rate of ₱57.51 and ₱57.28 per US$1, respectively, for the statement of income accounts for the years then ended.

The following are the summarized financial information of THNC as at and for the years ended December 31, 2025 and 2024:

	2025	2024
Current assets	**₱12,528,108**	₱9,641,847
Noncurrent assets	**85,672,821**	85,809,296
Current liabilities	**(67,792,479)**	(62,973,160)
Noncurrent liabilities	**(436,805)**	(478,813)
Net assets	**₱29,971,645**	₱31,999,170

	2025	2024
Revenue	**₱24,451,492**	₱22,957,976
Expenses	**(26,946,124)**	(26,912,036)
Net loss	**(2,494,632)**	(3,954,060)
Other comprehensive income - net	**–**	–
Total comprehensive loss - net	**(₱2,494,632)**	(₱3,954,060)

CBNC

CBNC, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on April 4, 2002. CBNC is engaged in the manufacture and export of nickel/ cobalt mixed sulfide wherein RTN has a Nickel Ore Supply Agreement to supply all the limonite ore requirements of the Coral Bay Hydro Metallurgical Processing Plant facility. The agreement provides that it will terminate until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. Aside from RTN supplying ore and limestone to CBNC, CMC and DMC have existing ore supply contracts with CBNC. Additionally, CDTN also provides ancillary services to Coral Bay HPAL facility.

In December 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM at the projected book value of investment in CBNC as of end of September 2024. Consequently, CBNC ceases to be an associate and the Parent Company's investment in CBNC was reclassified as "Asset held for sale" and no equity gains or losses were recognized starting October 1, 2024, since the actions to complete the sale were initiated in September 2024 (see Note 8).

Relative to the above, the Parent Company recognized an allowance for impairment losses on its investment in CBNC which amounted to nil in 2025 and 2023 and ₱1.9 million in 2024 (see Note 27).

CBNC's financial statements are stated in US$ and translated at the closing rate of ₱56.03 per US$1 as at September 30, 2024, for assets and liabilities accounts, historical rates for equity accounts and average rate of ₱57.00 per US$1 for the statement of income accounts for the period then ended.

The following is the summarized financial information of CBNC as at and for the period ended September 30, 2024:

	September 30, 2024
Current assets	₱7,315,015
Noncurrent assets	18,869,316
Current liabilities	(1,953,224)
Noncurrent liabilities	(424,337)
Net assets	₱23,806,770

	September 30, 2024
Revenue	₱9,990,547
Expenses	(13,206,683)
Net loss	(3,216,136)
Other comprehensive income - net	–
Total comprehensive loss - net	(₱3,216,136)

BGI

BGI, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on October 31, 2007. The principal activities of BGI are to explore, exploit, discover, develop, extract, dig and drill for, produce, utilize, refine, treat, process, transport, store, market, sell, use, supply, experiment with, distribute, manufacture, or otherwise deal in, any substance, minerals or otherwise, which by itself or in contribution with other substances generate or emanate heat or power and to enter into and perform service contracts including geothermal services.

On December 28, 2014, BGI received from the Philippine Government through the DOE the Confirmation of Commerciality for the Biliran Geothermal Project. Starting March 2024, BGI is under testing and commissioning phase.

On February 16, 2024, BGI secured the updated Provisional Certificate of Approval to Connect (PCATC) from Biliran Electric Cooperative (BILECO) and a Clearance to Energize from the National Grid Corporation of the Philippines (NGCP). On June 13 and 14, 2024, BGI conducted the Grid Compliance Testing activities of BGI's geothermal plant and obtained the Final Certificate of Approval to Connect to BILECO on July 15, 2024.

On June 4, 2025, BGI requested the Energy Regulatory Commission (ERC) to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project. On January 9, 2026, the ERC acknowledges the request of BGI. As at December 31, 2025, the Biliran Geothermal Plant is ongoing resource study.

The following are the summarized financial information of BGI as at and for the years ended December 31, 2025 and 2024:

	2025	2024
Current assets	**₱6,177**	₱21,719
Noncurrent assets	**5,040,515**	5,133,482
Current liabilities	**(17,341)**	(16,114)
Noncurrent liabilities	**(5,623,458)**	(5,596,958)
Net liabilities	**(₱594,107)**	(₱457,871)

	2025	2024
Income	**₱7**	₱20,972
Expenses	**(136,243)**	(35,743)
Net loss	**(136,236)**	(14,771)
Other comprehensive income - net	**–**	–
Total comprehensive loss - net	**(₱136,236)**	(₱14,771)

In 2025, 2024 and 2023, the unrecognized equity in net losses of BGI amounted to ₱55.8 million, ₱6.0 million and ₱0.1 million, respectively.

11. Other Noncurrent Assets

	2025	2024
Advances and deposits to suppliers and contractors - net of current portion (see Note 36k)	**₱2,770,316**	₱3,595,926
Input VAT - net of current portion	**2,204,936**	1,283,403
Geothermal exploration and evaluation assets	**1,912,658**	1,912,316
MRF	**1,000,195**	913,141
Deferred mine exploration costs (see Note 3)	**754,833**	648,947
Restricted cash	**560,501**	245,497
Intangibles	**318,052**	114,413
Project development costs (see Note 3)	**110,379**	158,716
Pension asset (see Note 32)	**82,421**	16,486

(Forward)

	2025	2024
SDMP funds	**₱80,011**	₱100,714
Advance royalties (see Note 36a)	**–**	55,904
Advances to claimowners (see Note 36a)	**–**	47,710
Others	**144,257**	30,179
	9,938,559	9,123,352
Less allowance for impairment losses	**3,405,384**	2,991,167
	₱6,533,175	₱6,132,185

The movements of allowance for impairment losses follows:

2025	Geothermal Exploration and Evaluation Assets	Advances and Deposits to Suppliers and Contractors	Input VAT - net of current portion	Deferred Mine Exploration Costs	Project Development Costs	Total
Balances at January 1	**₱1,912,316**	**₱686,106**	**₱162,882**	**₱208,886**	**₱20,977**	**₱2,991,167**
Provisions (see Note 27)	**342**	**6,174**	**283,057**	**192,599**	**7,964**	**490,136**
Write-off	**–**	**(103,614)**	**–**	**(67,495)**	**–**	**(171,109)**
Reclassification (see Note 8)	**–**	**–**	**95,190**	**–**	**–**	**95,190**
Balances at December 31	**₱1,912,658**	**₱588,666**	**₱541,129**	**₱333,990**	**₱28,941**	**₱3,405,384**

2024	Geothermal Exploration and Evaluation Assets	Advances and Deposits to Suppliers and Contractors	Input VAT - net of current portion	Deferred Mine Exploration Costs	Project Development Costs	Total
Balances at January 1	₱–	₱668,142	₱117,080	₱208,886	₱–	₱994,108
Provisions (see Note 27)	1,912,316	17,964	45,802	–	20,977	1,997,059
Balances at December 31	₱1,912,316	₱686,106	₱162,882	₱208,886	₱20,977	₱2,991,167

Advances and deposits to suppliers and contractors represent payments made in advance to suppliers and contractors which will be offset against future billings upon the delivery of goods and/or completion of services. This includes the advances made to Asiacrest Marketing Corporation (Asiacrest) which is related to the Engineering Procurement Construction Contract for the 100MW solar power plant in Subic. As at December 31, 2025, there was a pending case against Asiacrest and First Integrated Bonding and Insurance Co. (FIBIC). On June 26, 2019, JSI assigned all its rights, title and interest on the advances made to Asiacrest in partial payment of the advances made by EPI to JSI. JSI and EPI have assessed the current financial position of Asiacrest and FIBIC and the increase in the credit risk associated with advance payment it has made to Asiacrest. As a result, an allowance for impairment losses amounting to ₱514.7 million was recognized as at December 31, 2025 and 2024.

Input VAT - net of current portion includes the unamortized portion of input VAT on purchase of capital goods. The balance is recoverable in future periods or by way of application for VAT refund.

Geothermal exploration and evaluation assets represent the accumulated costs incurred in connection with the exploration and development activities for the Montelago Geothermal Project. The recovery of these costs depends upon determination of technical feasibility, success of exploration activities and discovery of geothermal resources that can be produced in commercial quantities.

In 2024, in relation to the reinstatement of MGPC's GRESC, MGPC has re-evaluated the Project with the assistance of a third-party expert by conducting field examinations and evaluation of previous technical reports and studies. As a result of the re-evaluation done, technical findings indicated that the mass flow rate of each existing well is below the minimum flow rate required for a typical organic

rankine cycle power generation unit which indicates that the Project may not be economically viable due to low mass flow and the power generation potential is very limited.

Consequently, in 2024, the Group recognized a provision for impairment losses on the "Geothermal exploration and evaluation assets" amounting to ₱1,912.3 million which is attributable to the actual carrying amount of MGPC's assets amounting to ₱1,704.5 million and to the goodwill recognized and allocated to this asset upon the acquisition of EPI in 2015 amounting to ₱207.8 million. In 2025, an additional provision for impairment losses of ₱0.3 million was recognized (see Note 27).

MRF, which includes the Final Mine Rehabilitation and Decommissioning Fund, is the amount deposited in local bank accounts established by the Group in compliance with the requirements of the Philippine Mining Act of 1995 as amended by DENR Administrative Order No. 2005-07. The MRF is earmarked for physical and social rehabilitation of areas and communities affected by mining activities and for research on the social, technical, and preventive aspects of rehabilitation. Any disbursement in the MRF should be authorized by the MRF Committee, the external overseeing body charged with the duties of managing, operating, monitoring, and looking after the safety of the MRF. The MRF earns interest at the respective bank deposit rates. Interest income from MRF amounted to ₱20.1 million, ₱19.9 million and ₱17.0 million in 2025, 2024 and 2023, respectively (see Note 25).

Deferred mine exploration costs include mining rights of ₱32.3 million and ₱92.8 million as at December 31, 2025 and 2024, respectively. In 2024, upon start of commercial operation of HMC's Manicani and RTN's South Upper Guintalunan nickel projects, deferred mine exploration costs amounting to a total of ₱446.7 million was reclassified to mining properties and development costs under "Property and equipment" (see Note 9).

Restricted cash pertains to funds restricted to withdrawal for specified purposes. It includes the debt service reserve account of JSI, to cover its long-term debts with ICBC and SBC, of NPPGC, to cover its long-term debt with RCBC, and SISPC, to cover its long-term debt with SBC and CBC.

Intangibles include computer software licenses and cost of right-of-way which are subject to amortization over a certain period.

The movements in the Group's intangible assets are as follows:

	2025	2024
Cost:		
Balances at January 1	**₱311,262**	₱238,025
Additions	**249,948**	73,237
Disposals	**(12)**	–
Balances at December 31	**561,198**	311,262
Accumulated amortization:		
Balances at January 1	**196,849**	158,038
Amortization (see Note 24)	**43,257**	38,811
Capitalized amortization (see Notes 9 and 37)	**3,040**	–
Balances at December 31	**243,146**	196,849
Net book values	**₱318,052**	₱114,413

Project development costs pertain to the development cost incurred for various projects of EPI and its subsidiaries such as payments in relation to service contract applications, training and development assistance, contracted services for land surveys, permits and licenses, insurances, and other expenses necessary to develop a project.

The SDMP funds shall be used for the sustainable development of the host and neighboring communities of the mine site. The programs are intended for health, education, livelihood, public utilities and socio-cultural preservation. Its implementation is under audit, monitoring and evaluation of the Mines and Geosciences Bureau (MGB). Interest income from SDMP funds amounted to ₱0.1 million in 2025, 2024 and 2023 (see Note 25).

Advance royalties pertain to royalty payments to claimowners.

Advances to claimowners represent advance royalty payments to La Salle Mining Exploration Company (La Salle) and Kepha Mining Exploration Limited Company (Kepha).

12. Trade and Other Payables

	2025	2024
Trade		
Third parties	**₱1,241,505**	₱2,080,090
Related party (see Note 30)	**418**	241
Accrued expenses		
Third parties	**679,273**	705,831
Related party (see Note 30)	**9,878**	9,525
Government payables		
Excise taxes and royalties payable	**258,170**	161,413
Withholding taxes payable	**207,595**	150,095
Fringe benefit taxes (FBT) payable	**1,132**	40,095
Output VAT	**–**	34,346
Provisions for long-term incentives (see Note 23)	**126,901**	–
Retention fees payable (see Note 36k)	**1,154,785**	601,125
Interest payable (see Note 30)	**74,694**	46,284
Contract liabilities	**27,547**	162,019
Dividends payable	**22,500**	157,125
Deferred income	**12,393**	5,215
Other payables	**113,929**	128,089
	₱3,930,720	₱4,281,493

Trade, accrued expenses, and other payables are noninterest-bearing and are generally settled within one (1) year. Accrued expenses substantially consist of contractor's fees, trucking and stevedoring services, hauling and rental expenses, guarantee service fees and others which are usual in the business operations of the Group.

Government payables include withholding taxes which are normally settled within ten (10) to fifteen (15) days after the end of each reporting month or thirty (30) days after the end of each reporting quarter, output VAT payable which are normally settled within twenty (25) days after the end of the quarter, and FBT which are normally settled within thirty (30) days after the end of the reporting quarter on which the fringe benefits are granted to the recipients. Excise tax payable is settled within fifteen (15) days after the end of the quarter when the beneficiated nickel ore and limestone were shipped. Royalties are paid on or before the deadline agreed with the MGB or other parties.

Provisions for long-term incentives represent the estimated present value of the expected future payments to be made to employees for services provided. This provision is expected to be settled in 2026.

Retention fees payable pertain to the amount retained by the Group from its suppliers/contractors and will be paid after the completion of project construction.

Interest payable on loans is settled based on the agreed payment terms.

Contract liabilities pertain to the advance payment received by the Group from their customers for the sale of ore.

Dividends payable refer to the remaining cash dividends paid by TMC to PAMCO and Sojitz Corporation (Sojitz) on January 31, 2025, and JSI's cash dividends to TBEA International Engineering Co., Ltd. (TBEA), which is payable on April 30, 2026. The amounts are net of final withholding tax.

13. Short-term and Long-term Debts

Short-term Debts
Short-term debts are as follows:

	2025	2024
RCBC	**₱3,498,156**	₱3,486,966
SBC	**1,550,000**	3,498,648
	₱5,048,156	₱6,985,614

RCBC
EPI
RCBC granted a ₱3,500.0 million loan facility to EPI to fund the following projects: 1) SISPC's 240MW San Isidro Solar Power Project; and 2) NPPGC's 145MW Cawag Solar Power Project. The principal and interest are payable one (1) year after drawdown.

Details of the drawdowns are as follows:

2025					
Drawdown	**Drawdown Dates**	**Maturity Dates**	**Interest Rates**	**Amount**	**Debt Issue Costs**
3rd to 7th*	**August 15, 2025**	**January 14, 2026**	**6.15% to 6.60%**	**₱2,364,000**	**₱7,384**
2nd*	**March 27, 2025**	**March 20, 2026**	**6.50% to 6.65%**	**1,136,000**	**8,357**
				₱3,500,000	**₱15,741**

2024					
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates	Amount	Debt Issue Costs
2nd*	August 23, 2024	August 15, 2025	6.60% to 6.65%	₱2,364,000	₱17,342
1st	April 1, 2024	March 27, 2025	6.65%	1,136,000	8,403
				₱3,500,000	₱25,745

** Extended for another year*

Debt issue costs pertain to documentary stamp tax and other transaction costs incurred in connection with the availment of the loans. These were deducted from the proceeds of the loans and were amortized using the EIR method.

The carrying amounts of short-term debts of EPI with RCBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱3,500,000**	₱2,364,000
Drawdowns	**–**	1,136,000
	3,500,000	3,500,000
Less unamortized debt issue cost	**(1,844)**	(13,034)
Balances at December 31	**₱3,498,156**	₱3,486,966

EPI partially paid this loan amounting to ₱1,400.0 million on January 15, 2026.

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱13,034**	₱11,546
Additions	**15,741**	25,745
Amortization	**(26,931)**	(24,257)
Balances at December 31	**₱1,844**	₱13,034

The interest expense of EPI on RCBC loans, which were all capitalized as borrowing cost, in 2025, 2024 and 2023 is summarized below (see Note 9):

	2025	2024	2023
Interest on loans	**₱230,686**	₱216,897	₱54,149
Amortization of debt issue costs	**26,931**	24,257	5,941
	₱257,617	₱241,154	₱60,090

NAC
RCBC granted a ₱180.0 million loan facility to NAC to be used for its working capital requirements. The principal is payable at maturity date, and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate	Amount
July 24, 2025	October 22, 2025	6.05%	₱180,000

The loan principal was fully paid at maturity date and the interest expense of NAC on RCBC loan, for which there were no capitalized borrowing costs, amounted to ₱2.7 million in 2025 and nil in 2024 and 2023 (see Note 26).

SBC
EPI
SBC granted a ₱3,500.0 million loan facility to EPI which is secured by a continuing suretyship of the Parent Company (see Note 36j). The proceeds of the loans were used by EPI to settle at maturity dates the promissory notes under the original SBC loan facility, to finance the construction of JSI's Phase 4A - 72MW Solar Project and for working capital requirements. The original SBC loan was obtained to fund EPI's investments and working capital requirements.

Details of the drawdowns are as follows:

2025					
Drawdown	**Drawdown Dates**	**Maturity Dates**	**Interest Rates****	**Amount**	**Debt Issue Costs**
22nd*	**January 17, 2025**	**January 17, 2026**	**6.45% to 6.60%**	**₱1,200,000**	**₱3,558**
3rd*	**January 30, 2025**	**January 5, 2026**	**6.26% to 6.60%**	**1,500,000**	**10,480**
1st	**March 24, 2025**	**March 24, 2026**	**6.26% to 6.60%**	**200,000**	**623**
				₱2,900,000	**₱14,661**

2024					
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates**	Amount	Debt Issue Costs
21st*	January 24, 2024	January 17, 2025	6.50% to 7.50%	₱1,200,000	₱8,852
2nd*	February 5, 2024	January 30, 2025	6.50% to 7.75%	1,500,000	11,096
2nd*	March 25, 2024	March 20, 2025	6.50% to 7.75%	500,000	3,114
20th*	June 27, 2024	June 22, 2025	6.50% to 7.75%	300,000	1,320
				₱3,500,000	₱24,382

** Extended for another year*
*** Interest rates are subject to monthly repricing*

The carrying amounts of short-term debts of EPI with SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱3,500,000**	₱3,500,000
Drawdowns	**2,900,000**	3,500,000
Payments	**(4,900,000)**	(3,500,000)
	1,500,000	3,500,000
Less unamortized debt issue cost	**–**	(1,352)
Balances at December 31	**₱1,500,000**	₱3,498,648

The remaining balance of ₱1,500.0 million was fully paid on January 5, 2026.

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱1,352**	₱4,359
Additions	**15,287**	24,382
Amortization	**(16,639)**	(27,389)
Balances at December 31	**₱–**	₱1,352

The interest expense of EPI on SBC loans in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱146,773**	₱250,985	₱247,720
Amortization of debt issue costs	**16,639**	27,389	23,341
	₱163,412	₱278,374	₱271,061

The capitalized borrowing costs pertaining to this short-term debts with SBC amounted to ₱71.6 million in 2025, ₱159.4 million in 2024, and ₱145.5 million in 2023 (see Note 9).

The Term Loan Agreement of EPI with SBC provides for restrictions with respect to creation or permission to exist any mortgage or pledge, lien or any encumbrance on all free assets owned or acquired by EPI. Also, the Term Loan Agreement restricts EPI to assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation; participate or enter into any merger or consolidation; sell, lease, dispose or convey all or substantially all of EPI's assets; make advances or loans to any of the affiliates, subsidiaries, stockholders, directors and officers except in compliance with formally established and existing fringe benefit program of EPI; suspend its business operation or dissolve its affairs; and to enter into any credit or loan agreement or arrangement with any creditor under such terms and conditions that would place SBC in an inferior position risk-wise, vis-a-vis such other creditors. Moreover, the Term Loan Agreement provides for certain conditions, which include, among others, prompt disclosure in writing of any material change in EPI's financial position and conduct of its operations or any substantial change in its management or ownership, conduct operations in accordance with sound business practice, maintenance and preservation of corporate existence, and prompt payment of all taxes, assessment, and other governmental charges due. As at December 31, 2025 and 2024, EPI has been compliant with the covenants contained in the loan facility and agreements.

DMC
SBC granted a ₱50.0 million loan facility to DMC to be used for DMC's working capital requirements, or for the acquisition of equipment for operations. The principal is payable within one (1) year after drawdown and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate*	Amount
January 24, 2025	January 19, 2026	6.40% to 6.85%	₱50,000

** Interest rate is subject to monthly repricing*

The interest expense of DMC on SBC loan, for which there were no capitalized borrowing cost, amounted to ₱3.1 million in 2025 and nil in 2024 and 2023 (see Note 26).

NAC
SBC granted a ₱5,000.0 million credit facility to NAC to be used for financing its investments, working capital requirements, or acquisition of equipment for operations. The principal is payable at maturity date and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate*	Amount
March 31, 2025	August 29, 2025	6.16% to 6.50%	₱780,000

** Interest rate is subject to monthly repricing*

The loan principal was fully paid at maturity date and the interest expense of NAC on SBC loan, for which there were no capitalized borrowing costs, amounted to ₱20.4 million in 2025 and nil in 2024 and 2023 (see Note 26).

The Credit Agreement provides certain debt covenants, but are not limited to the following, which states that NAC will not, without the prior written consent of SBC, to:

1) Assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation;
2) Sell, lease or otherwise dispose or convey all or substantially all of its assets;
3) Make advances or loans to any of its affiliates, subsidiaries, stockholders, directors and officers except in compliance with its formally established and existing fringe benefits program;
4) Allow or permit credit obligations with SBC to be subordinated to all existing and future shareholder loans and advances and allow and permit any payment of this loan and advances; and
5) Enter into any credit or loan agreement or arrangement with any other creditor under such terms and conditions that would place SBC as a creditor in an inferior position.

NAC has been compliant with the covenants contained in the Credit Agreement until the maturity of the loan.

Shell Petroleum B.V. (SPBV)

SPBV granted SISPC an unsecured loan facility amounting to US$20.6 million. The proceeds of the loans were used to finance the San Isidro Solar Power Project. The principal and interest are payable within one (1) year after drawdown.

Details of the drawdown are as follows:

Drawdown Dates	Maturity Dates	Interest Rate	Amount	Equivalent Amount in Peso
March 31, 2025	March 26, 2026	6.55%	US$8,966	₱512,917
July 23, 2025	March 26, 2026	6.55%	2,105	119,750
October 15, 2025	March 26, 2026	6.55%	9,548	554,296
				₱1,186,963

The carrying amounts of short-term debts of SISPC with SPBV follows:

	2025	2024
Drawdowns	**₱1,186,963**	₱–
Payments	**(1,186,963)**	–
Balances at December 31	**₱–**	₱–

The interest expense of SISPC on this loan, which were all capitalized as borrowing cost, amounted to ₱35.6 million in 2025 and nil in 2024 and 2023 (see Note 9).

Long-term Debts
Long-term debts are as follows:

	2025	2024
SBC and CBC	**₱4,029,954**	₱–
RCBC	**3,255,773**	–
ICBC and SBC	**1,095,194**	1,271,810
THNC	**565,854**	657,987
SBC	**414,026**	502,740
	9,360,801	2,432,537
Less noncurrent portion		
SBC and CBC	**3,988,134**	–
RCBC	**3,231,081**	–
ICBC and SBC	**898,934**	1,090,410
THNC	**462,971**	556,758
SBC	**324,850**	413,220
	8,905,970	2,060,388
Current portion	**₱454,831**	₱372,149

SBC and CBC
On December 16, 2025, SISPC, SBC and CBC entered into an Omnibus Loan and Security Agreement (OLSA), with GRHI as Security Grantor. Pursuant to the OLSA, SBC and CBC granted SISPC a loan facility of up to ₱9,360.0 million or an amount equal to 72% of the total cost of San Isidro Solar Power Project, whichever is lower. The loan is available in two (2) tranches: Tranche A: Phase 1 - 120MW with target completion in January 2026 for ₱6,364.8 million and Tranche B: Phase 2 - 120MW with target completion in July 2026 for ₱2,995.2 million.

The loan proceeds shall be exclusively used to partially finance the development and construction of the Phase 1 and 2 - 240MW San Isidro Solar Power Project, fully fund the initial funding of the debt service reserve account and repay any financed intercompany advances.

Interest rate is obtained from the sum of the applicable benchmark rate as at the interest rate setting date and the relevant interest spread divided by the interest premium factor. SISPC shall repay the loan principal and interest in quarterly installments in accordance with the principal repayment schedule.

Details of the drawdown are as follows:

Tranche	Drawdown Date	Maturity Date	Interest Rate	Amount	Debt Issue Cost
A - Phase 1	December 19, 2025	December 19, 2040	7.12%	₱4,100,000	₱70,200

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of SISPC in connection with the San Isidro Solar Power Project.

SISPC has the option to prepay the loan in part or in full, subject to certain conditions.

The OLSA includes financial and other covenants, but are not limited to the following:
1) Comply, at all times, with the required maintenance debt service coverage ratio (DSCR) of at least 1.05x;
2) Debt-to-equity (DE) ratio shall, at all times, not greater than the required DE ratio of not higher than 72:28;
3) Maintain in force and effect the PSAs at all times;
4) Maintain ownership of, and its legal qualification to own, the project site.

As at December 31, 2025, SISPC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of SISPC with SBC and CBC, net of unamortized debt issue cost, follows:

	2025	2024
Drawdowns	**₱4,100,000**	~~₱~~–
Less unamortized debt issue cost	**(70,046)**	–
Balances at December 31	**4,029,954**	–
Less noncurrent portion	**3,988,134**	–
Current portion	**₱41,820**	~~₱~~–

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Addition	**₱70,200**	~~₱~~–
Amortization	**(154)**	–
Balances at December 31	**₱70,046**	~~₱~~–

The interest expense of SISPC on SBC and CBC loans, which were all capitalized as borrowing cost, amounted to ₱9.9 million in 2025 and nil in 2024 and 2023 (see Note 9).

RCBC
On December 26, 2024, NPPGC and RCBC entered into an OLSA, with EPI as Sponsor and Security Grantor. Pursuant to the OLSA, RCBC granted a loan facility to NPPGC to partially finance the construction and development of its Cawag Solar Power Project amounting to ₱5,175.0 million. The loan is payable in two (2) tranches: Tranche A: Phase 1 - 70MW for ₱3,292.3 million and Tranche B: Phase 2 - 75MW for ₱1,882.7 million.

Interest is fixed, which shall be the higher of: (a) the rate per annum (p.a) obtained from the sum of the applicable prevailing benchmark rate plus the interest margin, divided by the interest premium factor; and (b) the floor rate of 5%, divided by the interest premium factor.

The principal and interest are payable quarterly for a period of fifteen (15) years after drawdown.

Details of the drawdowns are as follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates*	Amount	Debt Issue Cost
A - Phase 1	February 12, 2025	February 10, 2040	7.15%	~~₱~~987,691	~~₱~~38,812
	June 16, 2025	February 10, 2040	7.10%	987,691	–
	November 24, 2025	February 10, 2040	6.63%	1,316,921	–
				~~₱~~3,292,303	~~₱~~38,812

** Interest rates are fixed for three (3) years or until February 12, 2028*

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of NPPGC in connection with the Cawag Solar Power Project, including the leasehold rights under the lease agreement between NPPGC and Subic Bay Metropolitan Authority (SBMA), and all NPPGC's issued and outstanding capital stock.

Moreover, under the applicable provisions of the OLSA, NAC is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the SBMA Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However, the obligations of NAC shall be automatically terminated once NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the project.

Beginning on the third (3rd) year of the loan, NPPGC has the option to prepay the loan in part or in full, subject to certain conditions and by paying the prepayment penalty.

The OLSA provides certain financial covenants as follows:
1) Maintenance DSCR, which is equal to historical annual earnings before interest, taxes, depreciation and amortization divided by projected annual debt service, shall comply with the required DSCR of at least 1.10x;
2) DE ratio shall, at all times, meet the required DE ratio of not higher than 75:25;
3) The contracted capacity of each phase of the Cawag Solar Power Project shall, at all times, be compliant with the minimum contracted capacity up to the maturity date.

Except for the maintenance DSCR which shall be tested on the first (1st) anniversary of Phase 1 commercial operations date, and quarterly thereafter, the financial covenants shall be tested quarterly on the basis of the financial statements of NPPGC.

As at December 31, 2025, NPPGC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of NPPGC with RCBC, net of unamortized debt issue cost, follows:

	2025	2024
Drawdowns	**₱3,292,303**	~~₱~~–
Less unamortized debt issue cost	**(36,530)**	–
Balances at December 31	**3,255,773**	–
Less noncurrent portion	**3,231,081**	–
Current portion	**₱24,692**	~~₱~~–

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Addition	**₱38,812**	~~₱~~–
Amortization	**(2,282)**	–
Balances at December 31	**₱36,530**	~~₱~~–

The interest expense of NPPGC on RCBC loans, which were all capitalized as borrowing cost, amounted to ₱111.5 million in 2025 and nil in 2024 and 2023 (see Note 9).

ICBC and SBC

On August 2, 2021, JSI, ICBC and SBC entered into an OLSA, with NAC, EPI and TBEA as Share Collateral Security Grantors and Sponsors. Pursuant to the OLSA, ICBC and SBC granted term loan facilities to JSI to partially refinance the shareholder's loans used for Phase 3A and 3B expansions amounting to ₱1,600.0 million. The loan is payable in two (2) Tranches: Tranche A for ₱1,250.0 million and Tranche B for ₱350.0 million.

Interest is fixed, which shall be the higher of the sum of the applicable benchmark rate (or the average of the applicable seven (7)-year Bloomberg Evaluated Pricing Service of Bloomberg LP (or BVAL) benchmark tenor) plus the credit spread, divided by the interest premium factor; and the minimum interest rate divided by the interest premium factor. Principal and interest are payable quarterly for a period of seven (7) years commencing on September 28, 2022 until June 28, 2029.

Details of the drawdown follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates	Amount	Debt Issue Cost
A	June 28, 2022	June 28, 2029	6.59%[1]	₱1,250,000	₱31,899
B	April 28, 2023	June 28, 2029	8.20%[2]	350,000	–
				₱1,600,000	₱31,899

[1] *Fixed interest rate from June 28, 2022 to June 28, 2024; thereafter repriced at 7.75%*
[2] *Fixed interest rate from April 28, 2023 to June 28, 2024; thereafter repriced at 7.75%*

At any time after the fifth (5th) year of the loan, JSI may prepay all or any portion of the outstanding loan subject to certain conditions and by paying the prepayment penalty.

The loan is secured by a chattel mortgage on all project assets, mortgage over the leasehold rights with SBMA, and the pledge of shares of stocks of JSI.

The OLSA provides certain debt covenants, but are not limited to the following:

1) DSCR is at least equal to the maintenance DSCR, subject to testing at each DSCR testing date;
2) DE ratio does not exceed the maintenance DE, subject to testing at each DE testing date;
3) To create, permit or enter into any loan facility agreement secured or to be secured by a lien of the whole or any portion of its present and future assets other than any permitted lien;
4) To incur any indebtedness for the purpose of paying dividends on its preferred shares;
5) To enter into any investment, joint venture, partnership or similar business combination or arrangement in relation to the project or otherwise;
6) To pay dividends to its shareholders, repay any shareholder loans and make any other payment to shareholders or its affiliates under any project document;
7) To sell or dispose any assets;
8) To withdraw from the debt service reserve account, except in accordance with the financing documents.

As at December 31, 2025 and 2024, JSI has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of JSI with ICBC and SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱1,288,235**	₱1,457,585
Payments	**(181,400)**	(169,350)
	1,106,835	1,288,235
Less unamortized debt issue cost	**(11,641)**	(16,425)
Balances at December 31	**1,095,194**	1,271,810
Less noncurrent portion	**898,934**	1,090,410
Current portion	**₱196,260**	₱181,400

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱16,425**	₱22,873
Amortization	**(4,784)**	(6,448)
Balances at December 31	**₱11,641**	₱16,425

The interest expense of JSI on ICBC and SBC loans, for which there were no capitalized borrowing costs, in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱95,349**	₱103,658	₱99,348
Amortization of debt issue costs	**4,784**	6,448	5,971
	₱100,133	₱110,106	₱105,319

THNC

On October 4, 2010, TMC entered into an Omnibus Agreement with THNC, wherein the latter granted the former an unsecured loan facility amounting to a total of US$35.0 million at a prevailing one hundred eighty (180)-day British Banker Association London Inter-Bank Offered Rate (LIBOR) plus 2% spread, to exclusively finance the construction of the pier facilities within the Taganito Special Economic Zone (TSEZ). In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to Term Secured Overnight Financing Rate (TSOFR) plus an adjustment of 0.43%.

The interest on the loan is payable semi-annually, on October 10 and April 10. The total principal is payable in semi-annual installments of US$0.9 million starting on October 10, 2011 up to April 10, 2031.

The carrying amounts of long-term debt of TMC with THNC follows:

	2025	2024
Balances at January 1	**₱657,987**	₱726,731
Payments	**(75,546)**	(75,546)
Effect of changes in foreign exchange rate (see Note 27)	**(16,587)**	6,802
Balances at December 31	**565,854**	657,987
Less noncurrent portion	**462,971**	556,758
Current portion	**₱102,883**	₱101,229

The interest expense pertaining to this loan in 2025, 2024 and 2023 amounted to ₱40.1 million, ₱54.1 million and ₱56.2 million, respectively (see Notes 26 and 30).

The Omnibus Agreement provides for restrictions with respect to creation, assumption, incurrence, and permission to exist any lien upon the pier facilities and all TMC's other real rights over the same except as permitted under the Omnibus Agreement. Also, the Omnibus Agreement provides for certain conditions which include, among others, maintenance and preservation of TMC's corporate existence, rights, privileges and licenses, prompt submission of written notice to THNC of any and all litigations and administrative arbitration proceedings before any governmental authority affecting TMC, prompt payment of all amounts due under the loan documents and maintenance of all governmental approvals necessary to perform the obligations. As at December 31, 2025 and 2024, TMC is in compliance with the restrictions.

SBC

SBC granted an ₱843.0 million loan facility to DMC, which is secured by a continuing suretyship of the Parent Company, to finance the construction of its permanent causeway. Interest is based on quarterly floater for seven (7) years using Bangko Sentral ng Pilipinas overnight lending facility rate plus the credit spread. Interest is payable monthly for a period of seven (7) years commencing on the initial drawdown date until maturity.

Details of the drawdowns are as follows:

Drawdown Dates	Maturity Dates	Interest Rates*	Amount	Debt Issue Costs
August 16, 2023	August 16, 2030	6.82% to 7.18%	₱9,465	₱71
August 16, 2023	August 16, 2030	6.82% to 7.18%	81,743	613
September 1, 2023	August 16, 2030	6.75% to 7.18%	156,823	1,176
October 27, 2023	August 16, 2030	7.00% to 7.07%	32,458	243
November 22, 2023	August 16, 2030	7.00% to 7.02%	59,977	450
December 27, 2023	August 16, 2030	7.00%	200,795	1,506
February 5, 2024	August 16, 2030	7.00%	17,855	134
June 28, 2024	August 16, 2030	7.00%	10,050	75
August 16, 2024	August 16, 2030	7.00%	14,979	112
August 30, 2024	August 16, 2030	6.92%	17,969	135
			₱602,114	₱4,515

** Interest rates are subject to quarterly repricing*

The carrying amounts of long-term debts of DMC with SBC, net of unamortized debt issue cost, follows:

	2025	2024
Balances at January 1	**₱506,510**	₱530,108
Payments	**(89,384)**	(84,451)
Drawdowns	**–**	60,853
	417,126	506,510
Less unamortized debt issue cost	**(3,100)**	(3,770)
Balances at December 31	**414,026**	502,740
Less noncurrent portion	**324,850**	413,220
Current portion	**₱89,176**	₱89,520

The movements of the unamortized debt issue costs as at December 31, 2025 and 2024 are as follows:

	2025	2024
Balances at January 1	**₱3,770**	₱3,951
Amortization	**(670)**	(637)
Additions	**–**	456
Balances at December 31	**₱3,100**	₱3,770

The interest expense of DMC on SBC loans in 2025, 2024 and 2023 are summarized below:

	2025	2024	2023
Interest on loans	**₱42,719**	₱40,933	₱7,039
Amortization of debt issue costs	**670**	637	108
	₱43,389	₱41,570	₱7,147

The capitalized borrowing costs pertaining to this loan amounted to nil in 2025, ₱27.0 million in 2024 and ₱7.1 million in 2023 (see Note 9).

The Term Loan Agreement of DMC with SBC provides for certain conditions and/or restrictions, but is not limited to the following:

1) DE ratio of at most 1.50x defined as total liabilities less advances from stockholders divided by total equity plus advances from stockholders;
2) DSCR of at least 1.15x defined as earnings before interest, taxes, depreciation, and amortization divided by interest expense plus prior year's current portion of long-term debt;
3) The borrower shall only pay interest on any subordinated loans, pay dividends, and repay any portion of its subordinated loans and/or advances from stockholders provided that the distribution DSCR is at least 1.25x and DMC's DE ratio should not be more than 1.50x;
4) As long as any of the credit obligations remain unpaid, DMC will not, without prior written consent of SBC, create or permit to exist any mortgage or pledge lien or any encumbrance on all free assets now owned or hereafter acquired by DMC.

As at December 31, 2025 and 2024, DMC has been compliant with the covenants contained in the loan facility and agreements.

TBEA

In accordance with the Agreement on Shareholders Advances on June 17, 2020, TBEA granted JSI an unsecured term loan facility of a total cumulative principal amount of US$2.2 million, equivalent to ₱109.1 million, to be used for the Phase 3A - 30MW Solar Project.

On September 23, 2021, NAC, JSI, EPI and TBEA executed the Supplemental Agreement on Shareholder Advances to agree on the shareholder advances for JSI's development of Phase 3B - 38MW. Under the terms of the Supplemental Agreement, TBEA grants JSI a loan facility amounting to US$2.9 million, equivalent to ₱150.8 million. Both loans are subject to a fixed annual interest rate of 5% and have a maturity date of June 17, 2025.

The principal loan was partially paid in 2023 for ₱33.8 million and in 2022 for ₱83.1 million. The remaining balance of ₱143.0 million was approved for conversion into equity of JSI on October 27, 2023.

The interest expense of JSI on TBEA loans, for which there were no capitalized borrowing costs, amounted to nil in 2025 and 2024 and ₱7.8 million in 2023 (see Note 26).

14. Provision for Mine Rehabilitation and Decommissioning

	2025	2024
Balances at January 1	**₱927,398**	₱909,551
Accretion of interest on provision for mine rehabilitation and decommissioning (see Note 26)	**41,559**	41,801
Effect of change in estimate (see Note 9)	**(24,500)**	(23,954)
Balances at December 31	**₱944,457**	₱927,398

Provision for mine rehabilitation and decommissioning pertains to the estimated decommissioning costs to be incurred in the future on the mined-out areas of the Group.

The Group makes full provisions for the future cost of rehabilitating the mine site and related production facilities on a discounted basis on the development of mines or installation of those facilities. The rehabilitation provision represents the present value of rehabilitation costs. These provisions have been created based on the Group's internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required, which will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mine ceases to produce at economically viable rates. This, in turn, will depend upon future ore prices, which are inherently uncertain.

15. **Equity**

Capital Stock

The capital structure of the Parent Company follows:

	2025	2024
Common stock - ₱0.50 par value per share		
Authorized - 19,265,000,000 shares		
Issued - 13,985,547,094 shares		
Outstanding - 13,931,125,094 shares	**₱6,992,774**	₱6,992,774
Preferred stock - ₱0.01 par value per share		
Authorized and Issued - 720,000,000 shares	**7,200**	7,200
	₱6,999,974	₱6,999,974

Outstanding Common Stock

As at December 31, 2025 and 2024 a total of 10,296,604,539 common shares and 10,296,459,939 common shares, respectively, of the outstanding common shares of the Parent Company are registered in the name of ninety-nine (99) and ninety-five (95) shareholders, respectively, while the balance of 3,634,520,555 common shares and 3,634,665,155 common shares, respectively, are lodged with the Philippine Depository and Trust Corporation.

The movement in outstanding common stock follows:

	Number of Shares		
	Issued	Treasury	Outstanding
Balances at December 31, 2024 and 2025	13,985,547,094	(54,422,000)	13,931,125,094

Preferred Stock

The preferred share is voting, non-participating but with a fixed cumulative dividend rate of 7% p.a.

Investment of NCI in subsidiaries

The NCIs subscribed to equity of the subsidiaries and paid or contributed the following:

	2025	2024	2023
Shell to GRHI	**₱383,894**	₱1,058,914	₱1,597,193
Manta to NSPC	**–**	12,796	–
	₱383,894	₱1,071,710	₱1,597,193

Dividends

Dividends declared and paid by the Parent Company are as follows:

Year	Type of Dividend	Date of Declaration	Date of Record	Amounts Declared	Dividend per Share	Date of Payment
2025	***Cash Dividends***					
	Special	**November 11, 2025**	**November 28, 2025**	**₱975,179**	**₱0.07**	**December 15, 2025**
	Regular	**February 27, 2025**	**March 13, 2025**	**975,179**	**0.07**	**March 26, 2025**
	Special	**February 27, 2025**	**March 13, 2025**	**557,245**	**0.04**	**March 26, 2025**
2024	*Cash Dividends*					
	Regular	March 13, 2024	March 27, 2024	₱1,114,490	₱0.08	April 12, 2024
	Special	March 13, 2024	March 27, 2024	696,556	0.05	April 12, 2024

Year	Type of Dividend	Date of Declaration	Date of Record	Amounts Declared	Dividend per Share	Date of Payment
2023	*Cash Dividends*					
	Regular	March 14, 2023	March 29, 2023	₱2,317,245	₱0.17	April 12, 2023
	Special	November 9, 2023	November 24, 2023	973,273	0.07	December 7, 2023

Appropriation of Retained Earnings

Parent Company

On November 27, 2018, the Parent Company's BOD approved the appropriation of retained earnings amounting to ₱1,500.0 million in relation to the share buy-back program of the Parent Company. On November 6, 2020, the Parent Company's BOD approved the reversal of the appropriation of up to ₱1,365.0 million which took effect on December 2, 2020, the end of the Parent Company's share buy-back program.

Treasury Stock

On November 27, 2018, the BOD of the Parent Company approved to undertake a two (2)-year share buy-back program authorizing management to buy from the market at its discretion the Parent Company's common shares up to an aggregate value of ₱1,500.0 million. As at December 31, 2025 and 2024, the Parent Company purchased from the market a total of 54,422,000 of its own common shares at an average price of ₱2.4625 per share or a total of ₱134.0 million.

16. Earnings Per Share

The following reflects the income and share data used in the basic and diluted EPS computations:

	2025	2024	2023
Net income attributable to equity holders of the parent	**₱6,268,929**	₱1,521,458	₱3,749,656
Preferred stock dividends	**504**	504	504
Net income attributable to equity holders of the parent for basic earnings	**6,268,425**	1,520,954	3,749,152
Dividends on dilutive potential ordinary shares	**–**	–	–
Net income attributable to ordinary equity holders of the parent adjusted for the effect of dilution	**₱6,268,425**	₱1,520,954	₱3,749,152
Weighted average number of common shares for basic EPS	**13,931,125,094**	13,931,125,094	13,835,385,905
Effect of dilution from stock options	**–**	–	–
Weighted average number of common shares adjusted for the effect of dilution	**13,931,125,094**	13,931,125,094	13,835,385,905
Basic/Diluted EPS	**₱0.45**	₱0.11	₱0.27

There have been no other transactions involving ordinary shares or potential ordinary shares between the end of the financial reporting period and the date of authorization of the consolidated financial statements.

17. Cost of Sales

	2025	2024	2023
Cost of sale of:			
Ore	**₱9,796,940**	₱8,476,004	₱7,819,986
Limestone	**93,581**	114,969	144,508
	₱9,890,521	₱8,590,973	₱7,964,494

Details of cost of sales follow:

	2025	2024	2023
Production overhead	**₱3,969,462**	₱3,968,238	₱3,378,735
Contract fees and other services	**2,577,902**	1,872,167	1,603,445
Personnel costs	**2,132,247**	1,617,588	1,489,041
Depreciation, depletion and amortization	**1,210,910**	1,100,756	1,493,273
Long-term stockpile inventory sold	**–**	32,224	–
	₱9,890,521	₱8,590,973	₱7,964,494

Production overhead consists of materials and supplies, equipment rentals and other miscellaneous charges.

Contract fees and other services pertain to services offered by the contractors related to the mining activities of the Group. These services include, but are not limited to, hauling, stevedoring, maintenance, and security.

18. Cost of Power Generation

	2025	2024	2023
Depreciation and amortization (see Note 24)	**₱421,310**	₱337,892	₱338,090
Overhead	**89,053**	120,639	53,273
Contract fees and other services	**80,677**	57,362	51,070
Materials and supplies	**63,755**	54,965	44,327
Personnel costs (see Note 23)	**39,516**	32,164	28,764
	₱694,311	₱603,022	₱515,524

Overhead in cost of power generation consists of insurance, taxes and licenses, utilities and other miscellaneous charges.

19. Cost of Services

	2025	2024	2023
Personnel costs (see Note 23)	**₱163,016**	₱148,140	₱160,293
Depreciation (see Note 24)	**148,588**	146,243	139,211
Overhead	**129,781**	145,825	203,223
Contract fees and other services	**14,820**	187,949	1,048,056
	₱456,205	₱628,157	₱1,550,783

20. Shipping and Loading Costs

	2025	2024	2023
Contract fees and other services	**₱1,844,825**	₱1,365,628	₱1,370,101
Materials and supplies	**548,160**	567,543	532,942
Depreciation and amortization (see Note 24)	**223,454**	180,291	152,248
Personnel costs (see Note 23)	**163,133**	154,697	118,569
	₱2,779,572	₱2,268,159	₱2,173,860

21. Excise Taxes and Royalties

	2025	2024	2023
Royalties (see Notes 36a and 36k)	**₱1,252,721**	₱917,026	₱1,011,690
Excise taxes (see Note 36a)	**1,095,202**	790,277	862,155
	₱2,347,923	₱1,707,303	₱1,873,845

22. General and Administrative

	2025	2024	2023
Personnel costs (see Note 23)	**₱846,879**	₱625,201	₱587,925
Professional fees and other services	**301,812**	253,738	207,059
Taxes and licenses	**176,148**	241,721	240,480
Depreciation and amortization (see Note 24)	**169,827**	162,291	156,476
Dues and subscription	**69,436**	67,113	48,908
Publicity and promotion	**69,256**	66,070	70,376
Transportation and travel	**40,227**	45,036	61,763
Insurance	**40,029**	39,721	35,589
Supplies	**17,885**	25,232	38,302
Communications, light and water	**16,822**	17,734	15,822
Entertainment, amusement and recreation	**10,645**	11,453	12,373
Rentals	**6,708**	9,970	26,250
Repairs and maintenance	**2,930**	2,422	4,142
Donations	**–**	1,572	–
Others	**63,679**	48,932	37,343
	₱1,832,283	₱1,618,206	₱1,542,808



Other general and administrative expenses are comprised of bank charges and other numerous transactions with minimal amounts.

23. Personnel Costs

	2025	2024	2023
Salaries, wages and employee benefits	**₱2,712,654**	₱2,508,184	₱2,382,816
Pension cost (see Note 32)	**138,645**	120,474	99,942
Provisions for long-term incentives	**126,901**	–	–
	₱2,978,200	₱2,628,658	₱2,482,758

The Group has a long-term incentive plan for certain employees, providing cash-settled awards based on achieving performance targets over a two (2) year period. The provision is calculated by factoring in the probability of achieving performance targets and the expected length of service.

The amounts of personnel costs are distributed as follows:

	2025	2024	2023
Cost of:			
Production	**₱1,765,656**	₱1,668,456	₱1,587,207
Services (see Note 19)	**163,016**	148,140	160,293
Power generation (see Note 18)	**39,516**	32,164	28,764
General and administrative (see Note 22)	**846,879**	625,201	587,925
Shipping and loading costs (see Note 20)	**163,133**	154,697	118,569
	₱2,978,200	₱2,628,658	₱2,482,758

24. Depreciation, Depletion and Amortization

	2025	2024	2023
Property and equipment (see Note 9)	**₱2,222,619**	₱1,989,141	₱1,977,562
Intangibles under "Other noncurrent assets" (see Note 11)	**46,297**	38,811	28,093
	₱2,268,916	₱2,027,952	₱2,005,655

The amounts of depreciation, depletion and amortization expense, including amortization of ROU assets and intangibles, are distributed as follows:

	2025	2024	2023
Cost of:			
Production	**₱1,296,343**	₱1,157,528	₱1,149,768
Power generation (see Note 18)	**421,310**	337,892	338,090
Services (see Note 19)	**148,588**	146,243	139,211
Shipping and loading costs (see Note 20)	**223,454**	180,291	152,248
General and administrative (see Note 22)	**169,827**	162,291	156,476
Capitalized depreciation and amortization (see Notes 9, 11 and 37)	**6,569**	–	–
Others	**2,825**	43,707	69,862
	₱2,268,916	₱2,027,952	₱2,005,655

25. **Finance Income**

	2025	2024	2023
Interest income from:			
Cash and cash equivalents (see Note 4)	**₱420,951**	₱551,821	₱467,877
Financial assets at (see Note 7):			
FVTPL	**25,923**	20,616	–
FVOCI	**19,066**	20,165	17,359
Amortized cost	**17,939**	13,255	13,288
MRF (see Note 11)	**20,147**	19,911	17,001
Pension (see Note 32)	**2,652**	1,243	1,221
SDMP funds (see Note 11)	**57**	65	70
Short-term cash investments	**–**	–	6,158
Others	**12,669**	389	1,091
Gains on forward contracts - net (see Note 35)	**61,586**	68,428	–
Accretion income	**5**	–	–
	₱580,995	₱695,893	₱524,065

26. **Finance Expenses**

	2025	2024	2023
Interest expense on:			
Long-term debts (see Notes 13 and 30)	**₱183,629**	₱178,751	₱169,338
Short-term debts (see Note 13)	**118,030**	118,956	125,562
Pension (see Note 32)	**4,403**	17,233	23,862
Accretion of interest on:			
Lease liabilities (see Note 31)	**95,794**	91,192	63,704
Provision for mine rehabilitation and decommissioning (see Note 14)	**41,559**	41,801	31,655
Guarantee service fee (see Note 30)	**35,648**	34,853	32,580
Loss on forward contracts - net (see Note 35)	**3,135**	–	–
	₱482,198	₱482,786	₱446,701

27. **Other Income (Charges)** - net

	2025	2024	2023
Reversal of cumulative translation adjustment (see Note 8)	**₱800,487**	₱–	₱–
Reversals of allowance (provisions) for impairment losses on:			
Input VAT (see Notes 8 and 11)	**(283,057)**	(114,896)	(69,382)
Deferred mine exploration costs (see Note 11)	**(192,599)**	–	(64,663)
Project development costs (see Note 11)	**(7,964)**	(20,977)	–
Advances and deposits to suppliers and contractors (see Notes 8 and 11)	**(6,174)**	(18,431)	(113,541)
Geothermal exploration and evaluation assets (see Note 11)	**(342)**	(1,912,316)	–
Materials and supplies (see Note 6)	**–**	(14,741)	(10,154)
Investment in an associate (see Note 10)	**–**	(1,935)	–

(Forward)

	2025	2024	2023
Gain (loss) on:			
Sale of property and equipment	**₱198,002**	₱52,875	₱20,493
Changes in fair value of financial assets at FVTPL (see Note 7)	**172,755**	25,475	226,857
Write-off of project development costs (see Note 1)	**(1,051)**	–	–
Sale of financial assets at FVOCI (see Note 7)	**117**	1	–
Write-off of input VAT	**–**	(87,699)	(723)
Retirement of property and equipment	**–**	–	(15,243)
Write-off of prepayments and other current and noncurrent assets	**–**	–	(6,645)
Write-off of inventories	**–**	–	(2,532)
Foreign exchange gains (losses) - net	**54,805**	411,282	(79,438)
Dividend income (see Note 7)	**25,396**	55,188	29,634
Rent income	**13,775**	60,964	63,388
Trust fee	**(4,946)**	(5,736)	(10,033)
Provision for ECL on trade and other receivables - net (see Note 5)	**(501)**	(6,144)	(14,999)
Gain on bargain purchase	**–**	446	–
Effect of change in estimate on provision for mine rehabilitation and decommissioning	**–**	–	7,601
Others - net	**110,620**	20,133	60,872
	₱879,323	(₱1,556,511)	₱21,492

Breakdown of foreign exchange gains (losses) - net follows:

	2025	2024	2023
Unrealized foreign exchange gains (losses) - net on:			
Long-term debts (see Note 13)	**₱16,587**	(₱6,802)	₱27,078
Trade and other payables	**(12,527)**	3,669	3,089
Financial assets at FVTPL (see Note 7)	**7,523**	47,110	(31,680)
Trade and other receivables	**4,950**	8,451	(15,438)
Cash and cash equivalents	**1,137**	241,360	7,337
Realized foreign exchange gains (losses) - net	**37,135**	117,494	(69,824)
	₱54,805	₱411,282	(₱79,438)

28. **Revenues**

	2025	2024	2023
Revenue from contracts with customers			
Sale of ore and limestone	**₱27,380,056**	₱19,753,960	₱21,553,863
Sale of power	**1,156,734**	1,207,789	747,208
Services	**952,103**	1,229,340	2,265,057
Capital recovery fee	**134,339**	134,339	134,339
Impact of effective hedge on forward contracts on sale of ore (see Note 35)	**(6,159)**	–	–
	₱29,617,073	₱22,325,428	₱24,700,467

Revenue from Contracts with Customers

The tables below show the disaggregation of revenues of the Group by country of destination for sale of ore and limestone, source of electricity for sale of power and type of services rendered for sale of services in 2025, 2024 and 2023:

2025	**China**	**Indonesia**	**Local**	**Japan**	**Total**
Sale of (see Note 30)**:**					
Ore	**₱14,878,097**	**₱7,417,085**	**₱4,691,666**	**₱266,468**	**₱27,253,316**
Limestone	**–**	**–**	**126,740**	**–**	**126,740**
	₱14,878,097	**₱7,417,085**	**₱4,818,406**	**₱266,468**	**₱27,380,056**

2024	China	Indonesia	Local	Japan	Total
Sale of (see Note 30):					
Ore	₱9,822,138	₱4,922,366	₱4,449,717	₱364,989	₱19,559,210
Limestone	–	–	194,750	–	194,750
	₱9,822,138	₱4,922,366	₱4,922,366	₱364,989	₱19,753,960

2023	China	Indonesia	Local	Japan	Total
Sale of (see Note 30):					
Ore	₱14,764,681	₱–	₱6,127,050	₱487,160	₱21,378,891
Limestone	–	–	174,972	–	174,972
	₱14,764,681	₱–	₱6,302,022	₱487,160	₱21,553,863

	2025	2024	2023
Sale of power (see Notes 36d and 36e)			
Solar	**₱1,063,950**	₱1,133,384	₱687,522
Diesel	**92,784**	74,405	59,686
	₱1,156,734	₱1,207,789	₱747,208
Services (see Note 30)			
Materials handling and others	**₱952,103**	₱1,229,340	₱2,265,057

Timing of recognition:

	2025	2024	2023
At a point in time	**₱27,380,056**	₱19,753,960	₱21,553,863
Over time	**2,108,837**	2,437,129	3,012,265
	₱29,488,893	₱22,191,089	₱24,566,128

All revenue from sale of ore and limestone are recognized at a point in time when control transfers to the customer, which occurs at a point in time when the ore is physically and completely transferred into a vessel or when the ore passes into the ore preparation hopper of the HPAL plants and when the limestone was delivered to the buyer.

Revenue from sale of services is recognized over time or as the services are rendered while revenue from sale of power is recognized over time based on the actual energy dispatched.

29. Material Partly Owned Subsidiaries

Financial information of subsidiaries that have material NCI are provided below:

Proportion of equity interest held by NCI:

	Principal Place of Business	**2025**	2024
RTN	Philippines	**40.00%**	40.00%
TMC	Philippines	**35.00%**	35.00%

Equity attributable to material NCI:

	2025	2024
TMC	**₱2,698,291**	₱2,559,383
RTN	**2,071,858**	2,113,951

Net income attributable to material NCI:

	2025	2024
TMC	**₱1,712,830**	₱894,776
RTN	**973,550**	642,013

Other comprehensive income (loss) attributable to material NCI:

	2025	2024
RTN	**(₱15,643)**	₱31,563
TMC	**1,077**	6,213

The summarized financial information of these subsidiaries is based on amounts before inter-company eliminations.

The summarized statements of comprehensive income for the years ended December 31, 2025 and 2024 follow:

	2025		2024	
	RTN	**TMC**	RTN	TMC
Revenues	**₱7,769,930**	**₱12,606,871**	₱4,887,990	₱9,334,494
Cost of sales and services	**(3,389,341)**	**(3,545,026)**	(2,192,051)	(3,888,221)
Operating expenses	**(1,337,286)**	**(2,708,072)**	(792,702)	(2,267,383)
Finance income - net	**170,276**	**50,932**	109,419	100,756
Other income (charges) - net	**(7,729)**	**151,255**	86,438	76,037
Income before income tax	**3,205,850**	**6,555,960**	2,099,094	3,355,683
Provision for income tax - net	**(771,976)**	**(1,662,158)**	(494,062)	(799,181)
Net income	**2,433,874**	**4,893,802**	1,605,032	2,556,502
Other comprehensive income (loss) - net	**(39,108)**	**3,076**	78,907	17,753
Total comprehensive income - net	**₱2,394,766**	**₱4,896,878**	₱1,683,939	₱2,574,255
Attributable to NCI	**₱957,907**	**₱1,713,907**	₱673,576	₱900,989
Dividends to NCI	**1,000,000**	**1,575,000**	520,000	1,050,000

The summarized statements of financial position as at December 31, 2025 and 2024 follows:

	RTN		**TMC**	
	2025	2024	**2025**	2024
Current assets	**₱2,557,880**	₱2,347,074	**₱5,163,543**	₱4,797,764
Noncurrent assets	**3,885,026**	4,231,937	**4,582,166**	4,688,123
Current liabilities	**(909,798)**	(947,201)	**(1,193,335)**	(1,270,600)
Noncurrent liabilities	**(353,464)**	(346,932)	**(842,972)**	(902,763)
Total equity	**₱5,179,644**	₱5,284,878	**₱7,709,402**	₱7,312,524
Attributable to equity holders of the parent	**₱3,107,786**	₱3,170,927	**₱5,011,111**	₱4,753,141
NCI	**2,071,858**	2,113,951	**2,698,291**	2,559,383

The summarized cash flow information for the years ended December 31, 2025 and 2024 follows:

	RTN		**TMC**	
	2025	2024	**2025**	2024
Operating	**₱3,178,401**	₱1,038,520	**₱5,927,562**	₱3,371,094
Investing	**(177,382)**	(333,074)	**(309,888)**	(704,188)
Financing	**(2,478,554)**	(1,308,699)	**(5,118,048)**	(2,624,018)
Net increase (decrease) in cash and cash equivalents	**₱522,465**	(₱603,253)	**₱499,626**	₱42,888

30. Related Party Transactions

Set out on the next page are the Group's transactions with related parties in 2025, 2024 and 2023, including the corresponding assets and liabilities arising from the said transactions as at December 31, 2025 and 2024.

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)			
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	Terms	Conditions
Stockholders															
PAMCO															
Sale of ore	**₱266,468**	₱364,989	₱487,160	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	80% to 90% upon receipt of documents and 20% to 10% after the final dry weight and applicable assay have been determined; noninterest-bearing	Unsecured; no guarantee
Other services and fees	**–**	3,600	3,941	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee
Reimbursable charges	**–**	2,322	3,744	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable on demand; noninterest-bearing	Unsecured; no guarantee
SMM															
Guarantee service fee (see Note 26)	**35,648**	34,853	32,580	**–**	–	**9,878**	9,525	**–**	–	**–**	–	**–**	–	Payable every twenty-first (21st) of February, March and September; noninterest-bearing	Unsecured
Individual stockholder															
Consultancy fees	**3,000**	1,750	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee
With Common Stockholder															
Manta															
Rentals, dues and utilities	**66,212**	62,661	69,613	**–**	–	**418**	241	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee
Rental deposits	**2,627**	–	10,103	**–**	–	**–**	–	**–**	–	**15,651**	13,024	**–**	–	Collectible at the end of the lease; noninterest-bearing	Unsecured; no guarantee
Entity Indirectly Related through Common Control of SMM via Sumitomo Metal Mining Philippines Holdings Corporation															
CBNC															
Sale of ore and limestone	**2,117,544**	2,033,375	2,668,742	**321,408**	162,081	**–**	–	**–**	–	**–**	–	**–**	–	Thirty (30) days term; noninterest-bearing	Unsecured; no guarantee
Materials handling	**417,350**	714,687	1,739,739	**52,381**	22,764	**–**	–	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	Unsecured; no guarantee
Infralease and throughput	**6,021**	5,835	8,669	**20,163**	14,894	**–**	–	**–**	–	**–**	–	**–**	–	Collectible at the end of February and August; noninterest-bearing	Unsecured; no guarantee
Other income - net	**45,240**	60,982	72,414	**34,953**	56,486	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee

(Forward)

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)		Terms	Conditions
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024		
Associates															
THNC															
Sale of ore	**₱2,700,862**	₱2,611,092	₱3,629,308	**₱424,857**	₱209,745	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	**₱ –**	₱ –	Thirty (30) days term, noninterest-bearing	Unsecured; no guarantee
Materials handling	**334,071**	310,359	329,542	**29,822**	27,739	**–**	–	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	Unsecured; no guarantee
Rendering of service	**147,060**	161,842	149,251	**25,574**	47,571	**–**	–	**–**	–	**–**	–	**–**	–	Semi-annual term; noninterest-bearing	Unsecured; no guarantee
Rental income	**7,658**	7,680	7,680	**7,658**	–	**–**	–	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	Unsecured; no guarantee
Loan facility (see Note 13)	**–**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**565,854**	657,987	Principal is payable in semi-annual installments; interest is based on one hundred eighty (180)-day TSOFR plus 0.43%	Unsecured; with guarantee
Interest expense on long-term debt (see Notes 13 and 26)	**40,107**	54,095	56,248	**–**	–	**10,494**	8,892	**–**	–	**–**	–	**–**	–	Payable semi-annually on April 10 and October 10	Unsecured; no guarantee
Reimbursable charges to TMC	**–**	–	758	**–**	–	**–**	–	**774**	801	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing; net of allowance for ECL of ₱4.2 million as at December 31, 2025 and 2024	Unsecured; no guarantee
BGI															
Reimbursable charges to EPI	**26,500**	–	–	**–**	–	**–**	–	**285,696**	259,196	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing	Unsecured; no guarantee
Affiliates															
Shell Energy Philippines, Inc (SEPI)															
Sale of power	**667,625**	491,240	463,268	**102,693**	103,114	**–**	–	**–**	–	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing	Unsecured; no guarantee
Other services and fees	**23,482**	20,239	17,616	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	Unsecured; no guarantee

(Forward)

	Amount			Trade and Other Receivables (see Note 5)		Trade and Other Payables (see Note 12)		Amounts Owed by Related Parties (see Note 5)		Other Noncurrent Assets (see Note 11)		Long-term Debts (see Note 13)			
	2025	2024	2023	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	Terms	Conditions
TBEA															
Interest expense on long-term debts (see Notes 13 and 26)	**₱–**	₱–	₱7,771	**₱–**	₱–	**₱803**	₱803	**₱–**	₱–	**₱–**	₱–	**₱–**	₱–	Payable on or before the end of the fifth (5th) year after drawdown or on June 17, 2025	Unsecured; no guarantee
SPBV															
Loan facility (see Note 13)	**1,186,963**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Principal is payable within one (1) year after drawdown; interest is fixed at 6.55% p.a.	Unsecured; with guarantee
Interest expense on long-term debt (see Notes 9 and 13)	**35,602**	–	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	Payable at maturity date	Unsecured; no guarantee
				₱1,019,509	₱644,394	**₱21,593**	₱19,461	**₱286,470**	₱259,997	**₱15,651**	₱13,024	**₱565,854**	₱657,987		

Terms and Conditions of Transactions with Related Parties

All sales to and purchases from related parties are made at prevailing market prices. Outstanding balances as at December 31, 2025 and 2024 pertain mainly to the extension and receipt of advances to and from related parties and these are unsecured, short-term, interest-free and settlement occurs in cash. Except for the guarantee on THNC's, EPI's, JSI's, NPPGC's, SISPC's and DMC's Loan Obligations (see Notes 13 and 36j), there have been no guarantees received or provided for any related party receivables or payables, respectively. This assessment is undertaken at each end of the financial reporting period through the examination of the financial position of the related party and the market in which the related party operates.

a. Sales and Service Agreements

Nickel Ore Sale Agreements with PAMCO

The Group supplies saprolite ore to PAMCO. PAMCO is a stockholder of the Parent Company, RTN and TMC. All sales made to PAMCO are transacted at prevailing market prices which are benchmarked to China prices on the basis of a negotiated price per wet metric ton (WMT) of ore. PAMCO shall pay the Group 80% to 90% of the provisional invoice amount upon receipt of the required documents and pay the final payment of each shipment after the final dry weight and applicable assay have been determined. Outstanding balances as at December 31, 2025 and 2024 are unsecured, interest-free and settlement occurs in cash. Receivable from PAMCO, if any, is included as part of "Trade and other receivables" and is expected to be collected subsequently.

Nickel Ore Sale Agreement with PAMCO and Sojitz

RTN supplies saprolite ore to PAMCO, wherein PAMCO appointed Sojitz as agent, under a sale agreement. RTN and PAMCO shall jointly assess whether the commercial production of ore at the mine is still possible. Unless commercial production becomes impossible due to the exhaustion of ore reserves in the mine, RTN, PAMCO and Sojitz shall renew the agreement with a five (5) year term. Currently, the agreement is valid until December 31, 2026. PAMCO owns 36% and Sojitz owns 4% of the outstanding capital stock of RTN.

TMC also entered into an agreement with PAMCO covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on London Metal Exchange (LME). Effective April 2014, ore sales to PAMCO are benchmarked to China prices on the basis of a negotiated price per WMT of ore. The agreement with PAMCO is valid until December 31, 2026.

The Group's revenue from sale of ore to PAMCO and/or Sojitz amounted to ₱266.5 million, ₱365.0 million and ₱487.2 million in 2025, 2024 and 2023, respectively.

Nickel Ore Supply Agreement with CBNC

RTN entered into an agreement with CBNC to supply all the limonite ore requirements for the Coral Bay HPAL facility until the earlier of the cessation of operations at the Coral Bay HPAL facility and exhaustion of the limonite ore reserves at the Rio Tuba mine. RTN has also entered into an agreement with CBNC to supply limestone. CBNC is the owner of the Coral Bay HPAL facility. Receivable from CBNC is included as part of "Trade and other receivables" and is expected to be collected subsequently.

CMC and DMC also entered into separate agreements with CBNC covering the sale of its ore products with a fixed tonnage at specific nickel grade and iron content.

Sale of ore and limestone to CBNC amounted to ₱2,117.5 million, ₱2,033.4 million and ₱2,668.7 million in 2025, 2024 and 2023, respectively.



Nickel Ore Supply Agreement with THNC
TMC entered into an agreement with THNC covering the sale of its ore products. Under the terms of the agreement, the base price of the ore products for a specific shipment shall be based on the LME.

Sale of ore to THNC amounted to ₱2,700.9 million, ₱2,611.1 million and ₱3,629.3 million in 2025, 2024 and 2023, respectively.

Materials Handling and Other Service Agreements with CBNC
CDTN entered into materials handling and various service agreements with CBNC to provide ancillary services to the Coral Bay HPAL facility. Under the agreement, CDTN will render services related to the handling, loading, unloading, hauling of certain materials, and provide necessary equipment and services needed for the operation of CBNC's hydrometallurgical processing plant in Rio Tuba, Bataraza, Palawan. The revenue of the Group related to materials handling and other services for CBNC amounted to ₱417.3 million, ₱714.7 million and ₱1,739.7 million in 2025, 2024 and 2023, respectively.

Materials Handling Agreement with THNC
On October 7, 2013, TMC and THNC executed an agreement wherein TMC will render services related to the handling, hauling and transport of cargo for THNC. THNC shall compensate TMC based on the prices stipulated in the agreement which are determined on the basis of the weight of the cargo. Payment is collected within fifteen (15) days from receipt of TMC's billing. The revenue of the Group related to materials handling for THNC amounted to ₱334.1 million, ₱310.4 million and ₱329.5 million in 2025, 2024 and 2023, respectively.

Power Supply Agreements with SEPI
JSI
JSI entered into several PSAs with SEPI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share from the total energy deliveries of the plant on a take and pay basis, for a certain period.

In February 2025, JSI entered into a short-term PSA with SEPI for the supply of replacement power to SISPC. Under the agreement, JSI committed to sell and deliver a pro rata share totaling 57.5MW starting February 28, 2025 from the Sta. Rita Solar Power Project and the Subic New PV Power Plant Project. The contracted capacity was reduced to 52.5MW effective June 26, 2025. Deliveries will continue until the energization of the San Isidro Solar Power Plant.

As at December 31, 2025, the total contracted capacity with SEPI was 62MW. The PSAs with SEPI are valid until June 26, 2026.

SISPC
On January 2, 2024, SISPC entered a PSA with SEPI. Under the terms of the agreement, SISPC is committed to sell and deliver 100% of SISPC's capacity for Phase 1 of the San Isidro Solar Power Project which is nominally 120MW direct current subject for update by SISPC in accordance with the capacity certification of NGCP and /or ERC. The PSA has a term of fifteen (15) years from the start date, which is the earlier of February 28, 2025 or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a Certificate of Compliance (COC) or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid. The PSA also provides that SISPC shall have the option to deliver replacement power by



procuring and utilizing the generation from its affiliates' other generation facilities other than the project to fully or partially cover any generation loss from the project.

SISPC achieved its practical completion on October 25, 2025, upon the receipt of PCATC from NGCP, and as duly notified to SEPI.

On March 3, 2025, SISPC entered a separate PSA with SEPI for the sale and delivery of 100% of the capacity of Phase 2 of the San Isidro Solar Power Project which is nominally 120MW subject for update by SISPC in accordance with the capacity certification of NGCP and/or ERC. The PSA has a term of fifteen (15) years from the start date, which is the earlier of August 26, 2026, or the practical completion date. The practical completion date means the stage where the project: (a) has been issued a PCATC or Final Certificate of Approval to Connect by the NGCP; (b) has been registered in the WESM; (c) has been issued a COC or equivalent document by the ERC; (d) is connected to the delivery point; and (e) has produced and exported power to the grid.

Revenue from sale of power to SEPI amounted to ₱667.6 million in 2025, ₱491.2 million in 2024 and ₱463.3 million in 2023.

Service Agreement with SEPI
On July 1, 2023, GRHI entered into a service agreement with SEPI wherein SEPI will provide advisory services as an independent contractor, such as business development, health, safety, security, and environment and technical advises, as may be permitted by applicable law and subject to adjustment by the parties. In 2025, 2024 and 2023, the fees incurred related to this agreement amounted to ₱23.5 million, ₱20.2 million and ₱17.6 million, respectively.

b. Throughput Agreement with THNC

On October 4, 2010, TMC and THNC executed a Throughput Agreement wherein TMC will construct the pier facilities within the TSEZ pursuant to its role as Developer. The TSEZ is located within the Surigao Mineral Reservation, an area declared for mineral development pursuant to Proclamation 391, under the supervision of the DENR that issued an "Order to Use Offshore Area" dated September 20, 2010 to TMC for the use of such portion of the Surigao Mineral Reservation for the construction of the pier facilities. In relation to this, THNC entered into a Registration Agreement with Philippine Economic Zone Authority (PEZA) to construct and operate a mineral processing plant within the TSEZ as an Ecozone Export Enterprise.

Under the agreement, TMC will make available the pier facilities and provide certain services to THNC in consideration for usage fees and service fees to be paid by the latter starting April 2011 until 2031, unless terminated earlier. The usage fee of US$1.3 million is payable in semi-annual period on or before April 10 and October 10.

THNC also agrees to pay the service fee that will be agreed upon by both parties, which shall be billed monthly.

In 2025, 2024 and 2023, service revenues from usage of pier facilities of TMC and from other services rendered to THNC amounted to a total of ₱147.1 million, ₱161.8 million and ₱149.3 million, respectively.

c. Other Agreements

THNC Stockholder's Agreement
On September 15, 2010, NAC, SMM and Mitsui and Co., Ltd. (Mitsui) executed a Stockholder's Agreement, pursuant to which the parties formed a joint venture company, THNC, to build and operate a plant in Barangay Taganito, Claver, Surigao del Norte for the purpose of producing and selling nickel-cobalt mixed sulfide to be used in the production of electrolytic nickel and electrolytic cobalt.

Pursuant to the Stockholder's Agreement, SMM granted THNC a non-exclusive license of technology owned by SMM to produce the products and has undertaken to provide technical assistance to THNC. The Parent Company has undertaken to cause TMC to supply THNC with nickel ore and limestone and to further cause TMC to make available to THNC the land and infrastructure necessary to produce the products while Mitsui shall assist THNC in procuring materials and equipment necessary for the mine's operations. The Stockholder's Agreement shall terminate upon the dissolution of THNC.

NAC, along with the other stockholders of THNC, also agreed to make loans to THNC or guarantee the repayment of THNC's loan obligations in accordance with the financial requirements of THNC, in proportion to their shareholding ratio in THNC.

In a separate agreement, SMM agreed to assume the Parent Company's obligation to make loans to or guarantee the repayment of THNC's loan obligations. The Parent Company, in consideration of this agreement, pays SMM an annual guarantee fee of 0.60% of THNC's outstanding loan obligations.

Loan Guarantee/Substitution Agreement
Under a loan guarantee/substitution agreement between the Parent Company and SMM, the latter agreed to substitute for the Parent Company to make loans or guarantee the repayment of THNC's obligation pursuant to the Stockholders Agreement dated September 15, 2010.

In consideration of the loans and guarantee made by SMM, the Parent Company shall pay to SMM an annual fee equal to 0.60% of the relevant outstanding amount, which is payable every February 21, March 21, August 21 and September 21 of each year.

In case of default, such loan guarantee/substitution agreements will be terminated, and the Parent Company shall provide loans to THNC or guarantee the repayment of THNC's loans payable. Failure to provide such loans or guarantee shall be considered a default under the Stockholders' Agreement.

The loan guarantee service fee amounted to ₱35.6 million, ₱34.9 million and ₱32.6 million in 2025, 2024 and 2023, respectively (see Note 26).

Lease Agreement with THNC
On October 31, 2013, TMC and THNC executed a lease agreement wherein TMC will lease the land within the TSEZ to THNC. The TSEZ leased area of approximately 675 hectares is located at Barangays Taganito and Hayanggabon, Claver, Surigao del Norte. The duration of the lease agreement shall be for a period of twenty (20) years starting January 1, 2013, however, rental rate shall be annually agreed by both parties. TMC's rental income from the said lease amounted to ₱7.7 million in 2025, 2024 and 2023 and included under "Other income - net" (see Note 27). In the above lease agreement, it was agreed by TMC and THNC that the option fee of ₱83.8 million received in 2010 shall be treated as advance rental and shall be deducted from the annual rental

fee. The same shall be equally applied to each year of the lease term or ₱4.2 million each year of the twenty (20) year lease term.

As at December 31, 2025 and 2024, the carrying value of deferred income amounted to ₱29.3 million and ₱33.5 million, respectively.

d. Compensation of Key Management Personnel

The Group considered as key management personnel the employees holding managerial positions and up. The short-term benefits of key management personnel of the Group in 2025, 2024 and 2023 amounted to about ₱490.5 million, ₱444.8 million and ₱435.3 million, respectively. The net post-employment benefits of key management personnel of the Group amounted to ₱21.9 million, ₱19.9 million and ₱24.8 million in 2025, 2024 and 2023, respectively.

The Group's related party transactions, which are 10% and above of the consolidated total assets are reviewed and approved by the Related Party Transactions Committee.

31. **Leases**

Lease Agreement with Manta

On March 18, 2013, the Group entered into a lease agreement with Manta for its office and parking spaces. The lease agreement is for a period of five (5) years starting May 15, 2013, and is renewable subject to negotiation of the terms and conditions and mutual agreement of both parties. The existing lease agreements with Manta are valid until May 14, 2028 and June 30, 2028, and are subject to 5% annual escalation beginning on the second year of the lease.

In July 2025, CEXCI signed another lease agreement with Manta for its office space under similar terms and conditions. The new lease agreement is effective from August 1, 2025 to July 31, 2030.

Lease Agreement with SBMA

JSI

On April 29, 2015, JSI entered a fifty (50) year lease agreement with SBMA for the use of the 800 hectares project area located at Mt. Sta. Rita, SBFZ for its solar and wind energy projects. The lease agreement was subsequently amended to include some terms and conditions as follows:

- Investment commitment - JSI undertakes to infuse investment worth US$200.0 million on the leased areas on or before December 30, 2030.
- Power generation facility - JSI shall construct a 150MW capacity generation facility and/or power plant that uses renewable energy sources until December 31, 2030. In March 2022, the lease agreement was amended to increase the capacity to 200MW. As at December 31, 2025, JSI's Solar Project has a total capacity of 172MW in commercial operations. The Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.
- Rental - beginning January 1, 2035, JSI shall pay a monthly rent of Php1.7 million for the additional 50MW. However, if JSI begins to operate and sell before the year 2035, JSI will pay the same monthly rate per MW installed for commercial operations.
- Term - the term of the Lease Agreement shall be for a period of fifty (50) years from August 9, 2015 and continuing until August 8, 2065.
- Share of Indigenous Cultural Communities of Aeta (ICCA) - JSI shall remit to the SBMA an additional 5% of the monthly rent as share of the Aeta community for areas covered by the Certificate of Ancestral Domain Title (CADT).

- Renewal - subject to the extension or renewal by the SEC of JSI's corporate life as well as the consent of the ICCA through its Free and Prior Informed Consent, the Lease Agreement may be renewed for another twenty-five (25) years under the same terms and conditions upon mutual consent of the parties.
- Pre-termination - grounds for pre-termination by SBMA shall include but not be limited to: a) failure to pay rent; b) failure to infuse the committed amount of investment; c) willful failure to comply with SBMA environmental standards; and/or d) smuggling. JSI will be given a ninety (90)-day period to cure such contractual breach.
- Land use/zoning - in case of pre-termination due to re-zoning or change in the land use/ master plan, SBMA shall reimburse JSI of the cost of equipment, improvements and developments that cannot be moved.
- Leased area - 815.2549 hectares based on final survey.

NPPGC
On December 22, 2022, NPPGC entered into a long-term lease agreement with SBMA for a parcel of land with an estimated area of 280 hectares and located in Barrio Cawag, Redondo Peninsula, SBFZ for the development of solar power generation, sale and marketing of electricity including renewable energy. The term of the lease is fifty (50) years, commencing on November 7, 2022 and continuing until November 6, 2072, and renewable for another fifty (50) years upon mutual agreement by the parties. The lease is subject to a 6% escalation every three (3) years beginning on the seventh year.

The lease agreement includes some terms and conditions as follows:
- Infuse investment amounting to at least ₱7,000.0 million on the leased property;
- Employ at least three hundred (300) to six hundred (600) personnel/employees during construction period and at least fifty (50) employees upon operation;
- Introduce developments on the leased property at a minimum cost of ₱4,500.0 million within a period of four (4) years;
- To fully build/construct/install within four (4) years, from the execution of the contract, the road network, building structures such as transmission tower and substation and solar panel (and other renewable structures) and attached equipment and machinery.

Lease of NGCP Facility
On September 18, 2015, JSI entered a fifty (50) year lease agreement with SBMA for the use of a 280 square meter (sq. m.) building and 2,300 sq. m. lot located near the NGCP Facility, Subic Gateway Park, SBFZ. The lease agreement is subject to a 6% annual escalation beginning on the second year of the lease. In addition to the monthly rental, JSI shall pay 5% of the appraised value of the leased property as share of the Aeta community for areas covered by CADT.

Surface Rights Agreement with Various Landowners
CMC entered into surface rights agreements with various landowners in 2022 for the lease of mineral land located in various areas in Municipality of Cagdianao, Dinagat Islands for periods ranging from five (5) to eight (8) years, renewable upon mutual agreement by the parties.

Lease Agreement with Monte de Tesoro Corp.
On July 1, 2023, through a Deed of Assignment, the lease agreement between EPI and Monte de Tesoro Corp. for the office and parking space was assigned and transferred to GRHI. The lease agreement is valid until August 19, 2025, and is subject to 5% annual escalation beginning on the second year of the lease. This lease agreement was extended until June 30, 2026.

Lease Agreement with Pacific Timber Export Corporation (PATECO)
On July 12, 2023, DMC entered into a lease agreement with PATECO for the latter's parcel of land for a period of three (3) years commencing on September 1, 2023 until August 31, 2026, renewable upon written agreement of the parties.

Lease Agreement with Maniquiz - JSR Corporation
On May 24, 2024, CSPC entered into a lease agreement, with option to purchase, for a parcel of land located in San Juan, Botolan, Zambales to construct and operate a solar farm. The term of the lease is thirty (30) years starting August 22, 2024, renewable for the same period upon mutual consent of the parties and is subject to 5% escalation every three (3) years.

Lease Agreement with the Province Government of Leyte
On July 9, 2024, SISPC entered into a lease agreement for a parcel of land located in Brgy. Daja Daku, San Isidro, Leyte for its exclusive use for the construction, operation and maintenance of the necessary tower site and transmission line right of way for its project. The lease agreement is for a period of twenty-five (25) years starting July 22, 2024, renewable for the same period upon mutual consent of the parties and is subject to 5% escalation every five (5) years.

The Group also has certain leases of properties with lease terms of twelve (12) months or less and leases of properties with low value. The Group applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

The rollforward analysis of lease liabilities, discounted using incremental borrowing rate, follows:

	2025	2024
Balances at January 1	**₱973,134**	₱833,421
Additions (see Note 9)	**231,809**	151,465
Payments	**(105,582)**	(102,944)
Accretion of interest (see Note 26)	**95,794**	91,192
Balances at December 31	**1,195,155**	973,134
Less noncurrent portion	**1,083,244**	877,441
Current portion	**₱111,911**	₱95,693

The following are the amounts recognized in the consolidated statements of income:

	2025	2024
Expenses relating to short-term leases	**₱764,499**	₱704,567
Accretion of interest on lease liabilities (see Note 26)	**95,794**	91,192
Amortization of ROU assets included in property and equipment (see Note 9)	**71,854**	65,075
Expenses relating to leases of low-value assets	**13,117**	16,805
	₱945,264	₱877,639

In 2025, 2024 and 2023, expenses under shipping and loading costs amounting to ₱738.3 million, ₱557.5 million and ₱603.3 million, respectively, which are covered by service agreements, are included above in compliance with PFRS 16.

Shown below is the maturity analysis of the undiscounted lease payments:

	2025	2024
One (1) year	**₱111,911**	₱95,693
More than one (1) year to two (2) years	**106,809**	93,757
More than two (2) years to three (3) years	**68,864**	88,244
More than three (3) years to four (4) years	**61,744**	49,867
More than four (4) years	**4,802,534**	4,413,019
	₱5,151,862	₱4,740,580

32. Pension Liability

The existing regulatory framework, Republic Act (RA) 7641, *The Retirement Pay Law,* 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.

The following tables summarize the pension liability and pension asset recognized in the consolidated statements of financial position:

	2025	2024
Funded pension liabilities		
RTN	**₱49,546**	₱36,746
NAC	**9,431**	589
EPI	**6,821**	–
JSI	**4,807**	–
GRHI	**1,577**	–
CMC	**–**	40,490
TMC	**–**	7,130
	₱72,182	₱84,955
Funded pension assets (see Note 11)		
TMC	**₱48,113**	₱–
HMC	**19,118**	16,368
CMC	**14,160**	–
DMC	**1,030**	118
	₱82,421	₱16,486

The following tables summarize the components of net pension costs recognized in the consolidated statements of income and consolidated statements of other comprehensive income and the funded status and liabilities recognized in the consolidated statements of financial position for the respective plans based on the 2025, 2024 and 2023 Actuarial Valuation Reports:

Changes in defined benefit liability and fair value of plan assets in 2025, 2024 and 2023 are as follows:

	2025												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2025	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits Paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2025
RTN	**₱547,741**	**₱38,608**	**₱33,357**	**₱71,965**	**(₱45,197)**	**₱–**	**(₱112)**	**₱25,480**	**(₱22,703)**	**₱–**	**₱2,665**	**₱–**	**₱577,174**
TMC	**497,737**	**44,512**	**30,312**	**74,824**	**(29,449)**	**–**	**–**	**(12,528)**	**(22,835)**	**–**	**(35,363)**	**–**	**507,749**
HMC	**70,465**	**7,819**	**4,291**	**12,110**	**(4,138)**	**–**	**–**	**2,542**	**(3,320)**	**–**	**(778)**	**–**	**77,659**
CMC	**102,401**	**8,092**	**6,247**	**14,339**	**(8,099)**	**–**	**–**	**(3,319)**	**(2,718)**	**–**	**(6,037)**	**–**	**102,604**
NAC	**150,710**	**17,892**	**9,209**	**27,101**	**(26,904)**	**–**	**(4,697)**	**14,893**	**(1,970)**	**–**	**8,226**	**–**	**159,133**
EPI	**–**	**12,024**	**1,597**	**13,621**	**–**	**–**	**–**	**849**	**(832)**	**–**	**17**	**–**	**13,638**
JSI	**–**	**5,703**	**592**	**6,295**	**–**	**–**	**–**	**644**	**(421)**	**–**	**223**	**–**	**6,518**
GRHI	**–**	**3,329**	**–**	**3,329**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**3,329**
DMC	**3,287**	**666**	**200**	**866**	**–**	**–**	**–**	**(1,868)**	**–**	**–**	**(1,868)**	**–**	**2,285**
Defined benefit liability	**1,372,341**	**138,645**	**85,805**	**224,450**	**(113,787)**	**–**	**(4,809)**	**26,693**	**(54,799)**	**–**	**(32,915)**	**–**	**1,450,089**
RTN	**(510,995)**	**–**	**(31,936)**	**(31,936)**	**45,197**	**42,106**	**–**	**–**	**–**	**–**	**42,106**	**(72,000)**	**(527,628)**
TMC	**(490,607)**	**–**	**(31,782)**	**(31,782)**	**29,449**	**25,433**	**–**	**–**	**–**	**3,645**	**29,078**	**(92,000)**	**(555,862)**
HMC	**(86,833)**	**–**	**(5,466)**	**(5,466)**	**4,138**	**1,359**	**–**	**–**	**–**	**–**	**1,359**	**(9,975)**	**(96,777)**
CMC	**(61,911)**	**–**	**(5,446)**	**(5,446)**	**8,099**	**3,897**	**–**	**–**	**–**	**1,431**	**5,328**	**(62,834)**	**(116,764)**
NAC	**(150,121)**	**–**	**(8,964)**	**(8,964)**	**26,904**	**2,559**	**–**	**–**	**–**	**–**	**2,559**	**(20,080)**	**(149,702)**
EPI	**–**	**–**	**(202)**	**(202)**	**–**	**40**	**–**	**–**	**–**	**–**	**40**	**(6,655)**	**(6,817)**
JSI	**–**	**–**	**(51)**	**(51)**	**–**	**11**	**–**	**–**	**–**	**–**	**11**	**(1,671)**	**(1,711)**
GRHI	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,752)**	**(1,752)**
DMC	**(3,405)**	**–**	**(207)**	**(207)**	**–**	**207**	**–**	**–**	**–**	**90**	**297**	**–**	**(3,315)**
Fair value of plan assets	**(1,303,872)**	**–**	**(84,054)**	**(84,054)**	**113,787**	**75,612**	**–**	**–**	**–**	**5,166**	**80,778**	**(266,967)**	**(1,460,328)**
RTN	**36,746**	**38,608**	**1,421**	**40,029**	**–**	**42,106**	**(112)**	**25,480**	**(22,703)**	**–**	**44,771**	**(72,000)**	**49,546**
TMC	**7,130**	**44,512**	**(1,470)**	**43,042**	**–**	**25,433**	**–**	**(12,528)**	**(22,835)**	**3,645**	**(6,285)**	**(92,000)**	**(48,113)**
HMC	**(16,368)**	**7,819**	**(1,175)**	**6,644**	**–**	**1,359**	**–**	**2,542**	**(3,320)**	**–**	**581**	**(9,975)**	**(19,118)**
CMC	**40,490**	**8,092**	**801**	**8,893**	**–**	**3,897**	**–**	**(3,319)**	**(2,718)**	**1,431**	**(709)**	**(62,834)**	**(14,160)**
NAC	**589**	**17,892**	**245**	**18,137**	**–**	**2,559**	**(4,697)**	**14,893**	**(1,970)**	**–**	**10,785**	**(20,080)**	**9,431**
EPI	**–**	**12,024**	**1,395**	**13,419**	**–**	**40**	**–**	**849**	**(832)**	**–**	**57**	**(6,655)**	**6,821**
JSI	**–**	**5,703**	**541**	**6,244**	**–**	**11**	**–**	**644**	**(421)**	**–**	**234**	**(1,671)**	**4,807**
GRHI	**–**	**3,329**	**–**	**3,329**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,752)**	**1,577**
DMC	**(118)**	**666**	**(7)**	**659**	**–**	**207**	**–**	**(1,868)**	**–**	**90**	**(1,571)**	**–**	**(1,030)**
Pension liability	**₱84,955**	**₱29,936**	**₱3,602**	**₱33,538**	**₱–**	**₱44,716**	**(₱4,809)**	**₱41,866**	**(₱25,926)**	**₱–**	**₱55,847**	**(₱102,158)**	**₱72,182**
Pension asset	**(₱16,486)**	**₱108,709**	**(₱1,851)**	**₱106,858**	**₱–**	**₱30,896**	**₱–**	**(₱15,173)**	**(₱28,873)**	**₱5,166**	**(₱7,984)**	**(₱164,809)**	**(₱82,421)**

	2024												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2024	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2024
RTN	₱630,139	₱44,236	₱38,565	₱82,801	(₱64,178)	₱–	₱971	(₱103,797)	₱1,805	₱–	(₱101,021)	₱–	₱547,741
TMC	467,546	43,088	28,707	71,795	(21,619)	–	–	(22,919)	2,934	–	(19,985)	–	497,737
HMC	63,495	7,171	3,892	11,063	(4,751)	–	–	339	319	–	658	–	70,465
CMC	96,383	7,949	5,899	13,848	(8,700)	–	–	690	180	–	870	–	102,401
NAC	125,636	16,153	7,651	23,804	–	–	(2,288)	3,731	(173)	–	1,270	–	150,710
DMC	1,312	1,877	98	1,975	–	–	–	–	–	–	–	–	3,287
Defined benefit liability	1,384,511	120,474	84,812	205,286	(99,248)	–	(1,317)	(121,956)	5,065	–	(118,208)	–	1,372,341
RTN	(408,095)	–	(27,395)	(27,395)	64,178	3,561	–	–	–	–	3,561	(143,244)	(510,995)
TMC	(375,957)	–	(25,766)	(25,766)	21,619	(1,503)	–	–	–	–	(1,503)	(109,000)	(490,607)
HMC	(79,418)	–	(4,999)	(4,999)	4,751	1,833	–	–	–	–	1,833	(9,000)	(86,833)
CMC	(33,864)	–	(2,875)	(2,875)	8,700	1,052	–	–	–	–	1,052	(34,924)	(61,911)
NAC	(113,068)	–	(7,787)	(7,787)	–	339	–	–	–	–	339	(29,605)	(150,121)
DMC	(3,405)	–	–	–	–	–	–	–	–	–	–	–	(3,405)
Fair value of plan assets	(1,012,348)	–	(68,822)	(68,822)	99,248	5,282	–	–	–	–	5,282	(325,773)	(1,303,872)
RTN	222,044	44,236	11,170	55,406	–	3,561	971	(103,797)	1,805	–	(97,460)	(143,244)	36,746
TMC	91,589	43,088	2,941	46,029	–	(1,503)	–	(22,919)	2,934	–	(21,488)	(109,000)	7,130
HMC	(15,923)	7,171	(1,107)	6,064	–	1,833	–	339	319	–	2,491	(9,000)	(16,368)
CMC	62,519	7,949	3,024	10,973	–	1,052	–	690	180	–	1,922	(34,924)	40,490
NAC	12,568	16,153	(136)	16,017	–	339	(2,288)	3,731	(173)	–	1,609	(29,605)	589
DMC	(2,093)	1,877	98	1,975	–	–	–	–	–	–	–	–	(118)
Pension liability	₱388,720	₱111,426	₱16,999	₱128,425	₱–	₱3,449	(₱1,317)	(₱122,295)	₱4,746	₱–	(₱115,417)	(₱316,773)	₱84,955
Pension asset	(₱18,016)	₱9,048	(₱1,009)	₱8,039	₱–	₱1,833	₱–	₱339	₱319	₱–	₱2,491	(₱9,000)	(₱16,486)

	2023												
		Net Benefit Cost in Consolidated Statements of Income				Remeasurements in Other Comprehensive Income							
	January 1, 2023	Current service cost (see Note 23)	Net interest (see Notes 25 and 26)	Subtotal	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from demographic adjustments	Actuarial changes arising from experience adjustments	Actuarial changes arising from changes in financial assumptions	Effect of asset ceiling	Subtotal	Contributions	December 31, 2023
RTN	₱528,402	₱37,354	₱38,521	₱75,875	(₱49,213)	₱–	₱–	₱5,576	₱69,499	₱–	₱75,075	₱–	₱630,139
TMC	380,989	34,763	27,889	62,652	(29,660)	–	–	(4,744)	58,309	–	53,565	–	467,546
HMC	54,060	6,058	3,941	9,999	(5,177)	–	–	(2,501)	7,114	–	4,613	–	63,495
CMC	83,276	7,054	6,046	13,100	(10,918)	–	–	1,663	9,262	–	10,925	–	96,383
NAC	104,017	13,401	7,499	20,900	(7,436)	–	(4,851)	4,631	8,375	–	8,155	–	125,636
DMC	–	1,312	–	1,312	–	–	–	–	–	–	–	–	1,312
Defined benefit liability	1,150,744	99,942	83,896	183,838	(102,404)	–	(4,851)	4,625	152,559	–	152,333	–	1,384,511
RTN	(292,418)	–	(24,992)	(24,992)	49,213	10,143	–	–	–	–	10,143	(150,041)	(408,095)
TMC	(242,770)	–	(21,553)	(21,553)	29,660	(8,294)	–	–	–	–	(8,294)	(133,000)	(375,957)
HMC	(69,205)	–	(5,162)	(5,162)	5,177	(1,843)	–	–	–	–	(1,843)	(8,385)	(79,418)
CMC	(28,261)	–	(2,180)	(2,180)	8,711	103	–	–	–	–	103	(12,237)	(33,864)
NAC	(97,792)	–	(7,368)	(7,368)	7,436	901	–	–	–	–	901	(16,245)	(113,068)
DMC	–	–	–	–	–	–	–	–	–	–	–	(3,405)	(3,405)
Fair value of plan assets	(730,446)	–	(61,255)	(61,255)	100,197	1,010	–	–	–	–	1,010	(323,313)	(1,013,807)
RTN	235,984	37,354	13,529	50,883	–	10,143	–	5,576	69,499	–	85,218	(150,041)	222,044
TMC	138,219	34,763	6,336	41,099	–	(8,294)	–	(4,744)	58,309	–	45,271	(133,000)	91,589
HMC	(15,145)	6,058	(1,221)	4,837	–	(1,843)	–	(2,501)	7,114	–	2,770	(8,385)	(15,923)
CMC	55,015	7,054	3,866	10,920	(2,207)	103	–	1,663	9,262	–	11,028	(12,237)	62,519
NAC	6,225	13,401	131	13,532	–	901	(4,851)	4,631	8,375	–	9,056	(16,245)	12,568
DMC	–	1,312	–	1,312	–	–	–	–	–	–	–	(3,405)	(2,093)
Pension liability	₱435,443	₱92,572	₱23,862	₱116,434	(₱2,207)	₱2,853	(₱4,851)	₱7,126	₱145,445	₱–	₱150,573	(₱311,523)	₱388,720
Pension asset	(₱15,145)	₱7,370	(₱1,221)	₱6,149	₱–	(₱1,843)	₱–	(₱2,501)	₱7,114	₱–	₱2,770	(₱11,790)	(₱18,016)

The main categories of plan assets as a percentage of the fair value of total plan assets follow:

2025	**NAC**	**RTN**	**TMC**	**HMC**	**CMC**	**EPI**	**JSI**	**DMC**
Debt instruments	**90.02%**	**75.92%**	**72.46%**	**93.46%**	**47.97%**	**70.58%**	**77.75%**	**0.00%**
Equity instruments	**–**	**4.15%**	**26.23%**	**0.37%**	**38.62%**	**10.27%**	**11.69%**	**0.00%**
Others	**9.98%**	**19.93%**	**1.31%**	**6.17%**	**13.41%**	**19.15%**	**10.56%**	**100.00%**
	100.00%	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

2024	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Debt instruments	57.55%	84.23%	73.24%	88.39%	78.06%	0.00%	0.00%	0.00%
Equity instruments	39.78%	5.20%	23.95%	0.41%	16.25%	0.00%	0.00%	0.00%
Others	2.67%	10.57%	2.81%	11.20%	5.69%	0.00%	0.00%	0.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

2023	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Debt instruments	61.04%	72.54%	80.36%	83.66%	66.15%	0.00%	0.00%	0.00%
Equity instruments	16.36%	5.47%	18.47%	9.95%	27.76%	0.00%	0.00%	0.00%
Others	22.60%	21.99%	1.17%	6.39%	6.09%	0.00%	0.00%	0.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%

The overall expected rate of return on assets is determined based on the market expectations prevailing on that date applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining the net pension asset (liability) for the Group's plans are shown below:

2025	**NAC**	**RTN**	**TMC**	**HMC**	**CMC**	**EPI**	**JSI**	**DMC**
Discount rates	**6.32%**	**6.45%**	**6.47%**	**6.47%**	**6.40%**	**6.54%**	**6.55%**	**6.38%**
Expected salary increase rates	**5.00%**	**5.00%**	**8.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**	**5.00%**

2024	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Discount rates	6.11%	6.09%	6.09%	6.09%	6.10%	0.00%	0.00%	0.00%
Expected salary increase rates	5.00%	5.00%	8.00%	5.00%	5.00%	0.00%	0.00%	0.00%

2023	NAC	RTN	TMC	HMC	CMC	EPI	JSI	DMC
Discount rates	6.09%	6.12%	6.14%	6.13%	6.12%	0.00%	0.00%	0.00%
Expected salary increase rates	5.00%	5.00%	8.00%	5.00%	5.00%	0.00%	0.00%	0.00%

Assumptions regarding future mortality rate are based on the 2001 CSO Table - Generational developed by the Society of Actuaries, which provides separate rates for males and females.

The sensitivity analyses below have been determined based on reasonably possible changes of each significant assumption on the net defined pension liability as at the end of the financial reporting period, assuming all other assumptions were held constant:

		Increase (Decrease)	
		2025	2024
Discount rates	+100 basis points	**(₱137,795)**	(₱133,520)
	-100 basis points	**162,201**	157,938
Salary increase rates	+100 basis points	**₱161,037**	₱156,147
	-100 basis points	**(139,376)**	(134,572)

The Group's retirement fund is being held in trust by a trustee bank and the Group expects to contribute at least ₱242.0 million to the defined benefit pension plan in 2026.

Shown below is the maturity analysis of the undiscounted benefit payments:

	2025	2024
Within one (1) year	**₱146,566**	₱140,248
Between two (2) and five (5) years	**421,638**	377,740
Between six (6) and ten (10) years	**769,065**	677,584
Total expected payments	**₱1,337,269**	₱1,195,572

The weighted average duration of the pension liability as at December 31, 2025 and 2024 is 11.0 years and 9.8 years, respectively.

33. Income Taxes

The provision for current income tax shown in the consolidated statements of income includes the Regular Corporate Income Tax (RCIT) of TMC, RTN, CMC, HMC, NAC and CDTN, Gross Income Tax (GIT) of TMC, RTN and JSI and Minimum Corporate Income Tax (MCIT) of DMC, EPI and NPPGC in 2025; RCIT of TMC, RTN, CMC, HMC and CDTN, GIT of TMC, RTN and JSI and MCIT of NAC, DMC, EPI, NPPGC and CEXCI in 2024; and RCIT of TMC, RTN, CMC, HMC, and CDTN, GIT of TMC, RTN and JSI and MCIT, using the effective rate of 1.5% in accordance with Revenue Memorandum Circular 69-2023, of NAC, EPI and CEXCI in 2023, as follows:

	2025	2024	2023
TMC	**₱1,580,461**	₱796,315	₱1,088,667
RTN	**783,289**	467,530	692,447
CMC	**325,884**	161,208	168,243
HMC	**223,942**	227,178	164,418
NAC	**73,844**	5,965	13,178
CDTN	**40,477**	69,372	91,411
JSI	**17,195**	28,777	2,426
DMC	**2,674**	4,937	–
EPI	**1,472**	2,745	3,487
NPPGC	**588**	116	–
CEXCI	**–**	11	4
	₱3,049,826	₱1,764,154	₱2,224,281

All other companies under the Group were in a gross and/or net taxable loss position in 2025, 2024 and 2023.

The reconciliation between the provision for (benefit from) income tax computed at the statutory income tax rate and the provision for (benefit from) income tax computed at the effective income tax rate as shown in the consolidated statements of income follows:

	2025	2024	2023
Income tax at statutory rate from non-registered activities	**₱4,252,302**	₱1,524,937	₱3,098,304
Add (deduct) tax effects of:			
Dividend income exempt from income tax	**(1,515,099)**	(943,195)	(892,161)
Derecognized deferred income tax assets	**329,153**	61,668	4,672
Expired net operating loss carry over (NOLCO) and excess of MCIT over RCIT	**152,795**	14	8
Reversal of excess stock options exercised	**142,128**	–	–
Interest income subjected to final tax	**(118,367)**	(157,501)	(139,396)
Nondeductible expenses	**86,660**	76,567	49,763
Changes in unrecognized deferred income tax assets	**82,679**	1,068,356	307,695
Nontaxable income	**(39,467)**	(11,842)	(12,436)
Income subjected to other taxes	**(33,571)**	(4,471)	(46,912)
Effect of change in tax rate	**21,520**	4,988	35,231
Movements in deductible temporary differences for which deferred income taxes were recognized	**(13,614)**	(13,868)	(3,643)
Actual exercise of employee stock option plan	**–**	–	(180,006)
	3,347,119	1,605,653	2,221,119
Income tax at statutory rate from PEZA/SBMA registered activities	**15,874**	28,508	5,632
Add (deduct) tax effects of:			
Nondeductible expenses	**5,950**	6,131	3,549
Interest income subjected to final tax	**(2,970)**	(1,696)	(415)
Changes in unrecognized deferred income tax assets	**1,950**	–	–
Nontaxable income	**(19)**	(207)	(1,889)
	20,785	32,736	6,877
Income tax at effective rates	**₱3,367,904**	₱1,638,389	₱2,227,996

The components of the Group's net deferred income tax assets and liabilities follow:

	2025	2024
Deferred income tax assets		
At 25%		
Provision for mine rehabilitation and decommissioning	**₱161,348**	₱231,849
Undepleted asset retirement obligation	**(78,878)**	(119,349)
Unamortized past service cost	**73,582**	93,624
NOLCO	**70,821**	74,044
Allowance for impairment losses on:		
Input VAT	**17,860**	24,862
Investment in a subsidiary and associates	**9,271**	283,437
Inventories	**4,010**	6,774
Advances to suppliers and contractors	**–**	38,155
Deferred mine exploration costs	**–**	16,166
Unrealized valuation losses on financial assets at FVTPL	**27,448**	22,556
Unamortized ROU assets	**(27,151)**	(31,657)
Lease liabilities	**26,489**	31,927
Unrealized foreign exchange gains - net	**(22,367)**	(46,418)
Pension costs	**6,826**	17,588
Allowance for ECL on trade and other receivables	**1,191**	4,741
Unrealized valuation gains on forward contracts	**(94)**	(3,519)
Excess of MCIT over RCIT	**–**	19,142
Accrual for quarry materials	**–**	10,358
At 15%		
Unrealized valuation gains on financial assets at FVTPL	**–**	(120,408)
At 5%		
Deferred income	**–**	1,676
Unrealized foreign exchange gains	**–**	(973)
Pension costs	**–**	38
	₱270,356	₱554,613
Deferred income tax liabilities		
At 25%		
Fair value adjustment arising from business combination	**₱134,079**	₱134,580
Provision for mine rehabilitation and decommissioning	**(74,766)**	–
Asset revaluation surplus	**60,912**	61,224
Lease liabilities	**(45,840)**	(43,261)
Unamortized ROU assets	**45,623**	44,853
Unamortized past service cost	**(31,834)**	–
Undepleted asset retirement obligation	**26,775**	–
Allowance for impairment losses on:		
Advances to suppliers and contractors	**(16,189)**	–
Input VAT	**(4,148)**	–
Inventories	**(2,764)**	–
Investment in a subsidiary and associates	**(261)**	–
Unrealized foreign exchange gains - net	**12,395**	36,385
Pension costs	**12,254**	–
Allowance for ECL on trade and other receivables	**(3,550)**	–
Unamortized debt issue costs	**(1,563)**	1,573
Capitalized borrowing cost	**182**	182

(Forward)

	2025	2024
At 15%		
Share in cumulative translation adjustment (see Note 10)	**₱146,267**	₱259,333
Unrealized valuation gains on financial assets at FVTPL	**141,927**	–
At 5%		
Capitalized borrowing cost	**22,450**	20,885
Unamortized ROU assets	**(9,057)**	(3,600)
Lease liabilities	**(2,576)**	(7,226)
Unrealized foreign exchange gains - net	**2,125**	–
Deferred income	**(1,467)**	–
Unamortized debt issue costs	**949**	1,253
Allowance for ECL on trade and other receivables	**(320)**	(312)
Pension costs	**(274)**	–
Unamortized past service cost	**(23)**	–
	₱411,306	₱505,869

The Group did not recognize deferred income tax assets on the following temporary differences since the management believes that it is not probable that sufficient taxable income will be available against which the benefits of the net deferred income tax assets can be utilized in the future.

	2025	2024
Allowance for impairment losses	**₱4,828,516**	₱4,236,017
NOLCO	**3,048,941**	3,295,044
Excess of MCIT over RCIT	**16,034**	14,224
Allowance for ECL	**15,802**	15,453
Pension cost	**6,764**	–
Unamortized past service cost	**1,300**	–
Unrealized foreign exchange gains - net	**(446)**	(435)
	₱7,916,911	₱7,560,303

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover as One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. Ordinarily, NOLCO can be carried over as deduction from gross income for the next three (3) consecutive years only.

The Group's NOLCO that can be claimed as deduction from future taxable income follows:

Year Incurred	Company	Year of Expiration	NOLCO 2025	NOLCO 2024
2025	EPI	2028	**₱552,029**	₱–
	DMC		**232,757**	–
	GRHI		**95,132**	–
	CEXCI		**52,830**	–
	MGPC		**21,917**	–
	LCSLC		**8,589**	–
	CSPC		**6,821**	–
	BHI		**1,972**	–
	Newminco		**213**	–

(Forward)

Year Incurred	Company	Year of Expiration	NOLCO **2025**	NOLCO 2024
2025	TSWPC		**₱176**	~~₱~~ –
	SNMRC		**165**	–
	SSPC		**158**	–
	EESC		**143**	–
	EER 2		**129**	–
	SMSPC		**129**	–
	SASPC		**126**	–
	EER 1		**122**	–
	EER 3		**122**	–
2024	EPI	2027	**539,557**	539,557
	DMC		**187,047**	187,047
	GRHI		**132,723**	132,723
	SISPC		**50,526**	68,484
	CEXCI		**36,362**	36,362
	LCSLC		**9,152**	9,152
	CSPC		**5,865**	5,865
	MGPC		**3,074**	3,074
	BHI		**2,089**	2,089
	NSPC		**562**	16,991
	EER 1		**492**	492
	NPPGC		**435**	15,537
	EER 2		**246**	246
	SMSPC		**229**	229
	SASPC		**214**	214
	Newminco		**194**	194
	SSPC		**189**	189
	TSWPC		**179**	179
	SNMRC		**171**	171
	EER 3		**101**	101
	EESC		**95**	95
	NAC		**–**	10,739
2023	EPI	2026	**401,752**	401,752
	DMC		**296,177**	296,177
	GRHI		**163,744**	163,744
	CEXCI		**59,368**	59,368
	MGPC		**2,770**	2,770
	BHI		**1,503**	1,503
	LCSLC		**720**	720
	Newminco		**538**	538
	SNMRC		**173**	173
	CSPC		**106**	106
	SMSPC		**106**	106
	SSPC		**106**	106
	SASPC		**103**	103
	TSWPC		**103**	103
	NAC		**–**	569,649
	NPPGC		**–**	1,687
	SISPC		**–**	347
2022	EPI	2025	**–**	188,838
	GRHI		**–**	37,879
	CEXCI		**–**	25,376
	MGPC		**–**	1,432

(Forward)

Year Incurred	Company	Year of Expiration	NOLCO **2025**	NOLCO 2024
2022	Newminco		**₱–**	₱407
	LCSLC		**–**	234
	SNMRC		**–**	173
	NPPGC		**–**	126
	BHI		**–**	96
2021	EPI	2026	**297,851**	297,851
	DMC		**127,305**	127,305
	CEXCI		**34,295**	34,295
	MGPC		**1,621**	1,621
	Newminco		**280**	280
	LCSLC		**230**	230
	SNMRC		**175**	175
	BHI		**161**	161
	NPPGC		**–**	72
2020	EPI	2025	**–**	188,981
	DMC		**–**	128,360
	CEXCI		**–**	26,425
	MGPC		**–**	1,268
	Newminco		**–**	257
	LCSLC		**–**	253
	SNMRC		**–**	246
	BHI		**–**	164
	NPPGC		**–**	33
			₱3,332,219	₱3,591,220

The movements in NOLCO are as follows:

	2025	2024
Balances at January 1	**₱3,591,220**	₱2,561,490
Additions	**973,530**	1,029,730
Expirations	**(600,389)**	–
Reversals	**(569,649)**	–
Applications	**(62,493)**	–
Balances at December 31	**₱3,332,219**	₱3,591,220

The Group's excess of MCIT over RCIT that can be claimed as deduction from future income tax liabilities follows:

Year Incurred	Company	Year of Expiration	Excess of MCIT over RCIT **2025**	Excess of MCIT over RCIT 2024
2025	DMC	2028	**₱2,674**	₱–
	EPI		**1,472**	–
	NPPGC		**588**	–
2024	DMC	2027	**4,937**	4,937
	EPI		**2,745**	2,745
	NPPGC		**116**	116
	CEXCI		**11**	11
	NAC		**–**	5,964
2023	EPI	2026	**3,487**	3,487
	CEXCI		**4**	4
	NAC		**–**	13,178

(Forward)

Year Incurred	Company	Year of Expiration	Excess of MCIT over RCIT 2025	2024
2022	DMC	2025	~~₱~~–	₱2,801
	CEXCI		–	70
	EPI		–	53
			₱16,034	₱33,366

The movements in excess of MCIT over RCIT are as follows:

	2025	2024
Balances at January 1	**₱33,366**	₱19,607
Derecognition	**(13,178)**	–
Applications	**(5,964)**	–
Additions	**4,734**	13,773
Expirations	**(2,924)**	(14)
Balances at December 31	**₱16,034**	₱33,366

34. Financial Risk Management Objectives and Policies and Capital Management

The Group's main financial instruments are cash and cash equivalents, financial assets at FVTPL, at FVOCI and at amortized cost and short-term and long-term debts. The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Group. The Group has various other financial assets and liabilities such as trade and other receivables, MRF, restricted cash, SDMP funds, trade and other payables and lease liabilities which arise directly from its operations, investing and financing activities.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below.

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 primarily from its operating and investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage this risk, the Group deals only with related parties and creditworthy financial institutions and third parties.

The table below summarizes the Group's gross maximum exposure from its financial instruments. These amounts are gross of collateral and credit enhancements, but net of any amounts offset and allowance for impairment losses:

	2025	2024
Cash and cash equivalents (except cash on hand)	**₱17,569,200**	₱12,930,541
Trade and other receivables		
Trade	**1,211,859**	837,985
Amounts owed by related parties	**286,470**	259,997
Interest receivable	**37,342**	67,368
Others	**106,158**	172,675

(Forward)

	2025	2024
Financial assets at:		
FVOCI	**₱406,604**	₱429,188
Amortized cost	**275,000**	375,000
Other noncurrent assets		
MRF	**1,000,195**	913,141
Restricted cash	**560,501**	245,497
SDMP funds	**80,011**	100,714
Total credit risk exposure	**₱21,533,340**	₱16,332,106

Cash and Cash Equivalents (except Cash on Hand), Financial Assets at FVOCI and at Amortized Cost, MRF, Restricted Cash and SDMP Funds

In determining the credit risk exposure, the Group has established PD rates based on available credit ratings published by Credit Rating Agencies. The credit ratings already consider forward-looking information. When a counterparty does not have published credit ratings, the Group benchmarks the credit ratings of comparable companies, adjusted to account for the difference in size and other relevant metrics. While cash with banks and short-term cash investments are also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

Trade and Other Receivables

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a twelve (12)-month expected loss allowance for all trade and other receivables. The ECL on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and the inflation rate of the countries in which it sells its goods and services as the most relevant factors for its trade receivables and accordingly adjusts the historical loss rates based on expected changes in these factors.

Below is the information about the credit risk exposure on the Group's trade and other receivables using a provision matrix:

		Days Past Due				
	Current	**< 30 days**	**31-60 days**	**61-90 days**	**> 90 days**	**Total**
2025						
ECL rate	**0%**	**0%**	**0%**	**0%**	**100%**	
Estimated total gross carrying amount at default	**₱956,872**	**₱328,564**	**₱21,818**	**₱334,575**	**₱31,192**	**₱1,673,021**
ECL	**₱–**	**₱–**	**₱–**	**₱–**	**₱31,192**	**₱31,192**
2024						
ECL rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	₱957,615	₱58,438	₱13,726	₱308,246	₱30,691	₱1,368,716
ECL	₱–	₱–	₱–	₱–	₱30,691	₱30,691

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet commitments from financial instruments.

The Group's objective is to maintain sufficient funding to finance its exploration, mining and power generation activities through internally generated funds, aggressive receivable collection, advances from related parties and borrowings from banks. Aside from yielding good returns, the Group ensures that investments have ample liquidity to finance operations and capital requirements. The Group considers its available funds and its liquidity in managing its long-term financial requirements. For its short-term funding, the Group's policy is to ensure that there are sufficient capital inflows to match repayments of short-term debts and obligations.

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, 2025 and 2024 based on contractual undiscounted payments.

2025	**On Demand**	**Less Than Three (3) Months**	**Three (3) To Twelve (12) Months**	**More Than One (1) Year**	**Total**
Trade and other payables					
Trade	₱–	₱1,241,923	₱–	₱–	₱1,241,923
Accrued expenses	–	252,646	436,505	–	689,151
Retention fees payable	–	132,465	1,022,320	–	1,154,785
Interest payable	–	64,200	10,494	–	74,694
Contract liabilities	–	27,547	–	–	27,547
Dividends payable	–	–	22,500	–	22,500
Others	–	78,151	8,097	–	86,248
Short-term debts					
Carrying amount	–	–	5,048,156	–	5,048,156
Unamortized debt issue cost	–	–	1,844	–	1,844
Long-term debts					
Carrying amount	–	70,958	383,873	8,905,970	9,360,801
Unamortized debt issue cost	–	2,952	9,199	109,166	121,317
Lease liabilities					
Carrying amount	–	25,629	86,282	1,083,244	1,195,155
Unamortized discount	–	–	–	3,956,706	3,956,706
	₱–	**₱1,896,471**	**₱7,029,270**	**₱14,055,086**	**₱22,980,827**

2024	On Demand	Less Than Three (3) Months	Three (3) To Twelve (12) Months	More Than One (1) Year	Total
Trade and other payables					
Trade	₱–	₱2,039,678	₱40,653	₱–	₱2,080,331
Accrued expenses	–	123,370	591,986	–	715,356
Retention fees payable	854	498,449	101,822	–	601,125
Interest payable	–	37,392	8,892	–	46,284
Contract liabilities	–	162,019	–	–	162,019
Dividends payable	–	157,125	–	–	157,125
Others	80,394	17,085	6,953	–	104,432
Short-term debts					
Carrying amount	–	–	6,985,614	–	6,985,614
Unamortized debt issue cost	–	–	14,386	–	14,386
Long-term debts					
Carrying amount	–	75,104	297,045	2,060,388	2,432,537
Unamortized debt issue cost	–	1,397	4,056	14,742	20,195
Lease liabilities					
Carrying amount	–	21,401	74,292	877,441	973,134
Unamortized discount	–	–	–	3,767,446	3,767,446
	₱81,248	₱3,133,020	₱8,125,699	₱6,720,017	₱18,059,984

The tables below summarize the maturity profile of the Group's financial assets used to manage the liquidity risk of the Group as at December 31, 2025 and 2024.

2025	On Demand	Less Than Three (3) Months	Three (3) to Twelve (12) Months	More Than One (1) Year	Total
Cash and cash equivalents					
Cash on hand and with banks	₱5,883,807	₱–	₱–	₱–	₱5,883,807
Short-term cash investments	11,667,911	–	–	–	11,667,911
Cash under managed funds	22,650	–	–	–	22,650
Trade and other receivables					
Trade	–	1,205,951	5,908	–	1,211,859
Amounts owed by related parties	774	–	285,696	–	286,470
Interest receivable	–	37,161	181	–	37,342
Forward contracts receivable	–	375	–	–	375
Others	77,874	28,284	–	–	106,158
Financial assets at:					
FVTPL	1,531,921	–	–	1,121,138	2,653,059
FVOCI	406,604	–	–	–	406,604
Amortized cost	–	–	–	275,000	275,000
Other noncurrent assets					
MRF	–	–	–	1,000,195	1,000,195
Restricted cash	–	–	560,501	–	560,501
SDMP funds	–	–	80,011	–	80,011
	₱19,591,541	**₱1,271,771**	**₱932,297**	**₱2,396,333**	**₱24,191,942**

2024	On Demand	Less Than Three (3) Months	Three (3) to Twelve (12) Months	More Than One (1) Year	Total
Cash and cash equivalents					
Cash on hand and with banks	₱4,025,632	₱–	₱–	₱–	₱4,025,632
Short-term cash investments	8,905,392	–	–	–	8,905,392
Cash under managed funds	4,248	–	–	–	4,248
Trade and other receivables					
Trade	–	768,330	69,655	–	837,985
Amounts owed by related parties	801	–	259,196	–	259,997
Interest receivable	–	58,052	9,316	–	67,368
Forward contracts receivables	–	2,317	11,759	–	14,076
Others	156,268	16,407	–	–	172,675
Financial assets at:					
FVTPL	1,421,570	–	–	985,979	2,407,549
FVOCI	429,188	–	–	–	429,188
Amortized cost	–	–	100,000	275,000	375,000
Other noncurrent assets					
MRF	–	–	–	913,141	913,141
Restricted cash	–	–	245,497	–	245,497
SDMP funds	–	–	100,714	–	100,714
	₱14,943,099	₱845,106	₱796,137	₱2,174,120	₱18,758,462

Market Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in foreign currency exchanges rates, commodity prices, interest rates, equity prices and other market changes.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

Transactions with companies outside the Philippines and with CBNC and THNC for the sale of saprolite and limonite ore and with World Aviation International Services Corporation (WAISC) for the lease of aircraft are carried out with currencies that management believes to be stable such as the US$.

The Group has transactional currency exposures. Such exposure arises from cash and cash equivalents, trade and other receivables, financial assets at FVTPL, trade and other payables and long-term debts in US$. The Group manages its foreign currency risk by hedging transactions that are expected to occur within one (1) year for hedges of forecasted revenue from sale of ore.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point where the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

In 2025 and 2024, the Group hedged around 60% and 24%, respectively, of its annual revenue from sale of ore. The hedged revenues were highly probable at the end of the financial reporting period. This foreign currency risk is hedged by using foreign currency forward contracts.

Moreover, to mitigate the effects of foreign currency risk, the Group ensures timely follow-up and accelerates the collection of foreign currency-denominated receivables and the settlement of foreign currency-denominated payables and loans, whenever practicable. Also, foreign exchange movements are monitored daily.

The Group's foreign currency-denominated financial instruments and their Philippine peso equivalents as at December 31, 2025 and 2024 are as follows:

	2025		2024	
	US$ Amount	**Peso Equivalent**	US$ Amount	Peso Equivalent
Financial assets				
Cash and cash equivalents	**$100,610**	**₱5,914,441**	$112,571	₱6,511,087
Trade and other receivables	**15,523**	**912,595**	9,859	570,280
Financial assets at FVTPL	**24,091**	**1,416,310**	23,237	1,344,140
	$140,224	**₱8,243,346**	$145,667	₱8,425,507
Financial liabilities				
Trade and other payables	**$17,077**	**₱1,003,985**	$19,648	₱1,136,535
Long-term debts	**9,625**	**565,854**	11,375	657,987
	$26,702	**₱1,569,839**	$31,023	₱1,794,522
Net financial assets	**$113,522**	**₱6,673,507**	$114,644	₱6,630,985

The exchange rate used for conversion of US$1 to peso equivalent was ₱58.79 and ₱57.84 as at December 31, 2025 and 2024, respectively.

The sensitivity to a reasonably possible change in the exchange rate, with all other variables held constant, of the Group's income before income tax (due to changes in fair value of monetary assets and liabilities) as at December 31, 2025 and 2024 are as follows:

	Peso Strengthens (Weakens)	Sensitivity to Income before Income Tax
2025	**₱0.75**	**(₱85,141)**
	(1.05)	**119,198**

	Peso Strengthens (Weakens)	Sensitivity to Income before Income Tax
2024	₱1.15	(₱131,841)
	(1.05)	120,376

There is no other impact on the Group's equity other than those already affecting the consolidated statements of income.

Interest Rate Risk
The Group's exposure to the risk of changes in market interest rates relates to quoted fixed and floating debt instruments and the floating rate of long-term debts.

Floating rate instruments expose the Group to cash flow interest rate risk, whereas fixed interest rate instruments expose the Group to fair value risk. The Group regularly monitors the market interest rate movements and manages its interest rate risks by using a mix of fixed and variable rates.

The following table sets out the carrying amount, by maturity, of the Group's long-term debts that is exposed to cash flow interest rate risk:

	<1 Year	1-5 Years	> 5 Years	Total
2025	**₱454,831**	**₱2,886,825**	**₱6,019,145**	**₱9,360,801**
2024	₱372,149	₱1,908,545	₱151,843	₱2,432,537

Management believes that cash generated from operations is sufficient to pay for its obligations under the loan agreements as they fall due.

The sensitivity to a reasonably possible change in the interest rate (in basis points), with all other variables held constant, in the Group's income before income tax and equity as at December 31, 2025 and 2024 are as follows:

		Change in Interest Rates (in basis points)	Sensitivity to Income before Income Tax	Sensitivity to Equity
2025	**Financial assets**	**+100**		**₱21,764**
		-100		**(21,764)**
	Long-term debts	**+100**	**(₱93,608)**	
		-100	**93,608**	
2024	Financial assets	+100		₱21,921
		-100		(21,921)
	Long-term debts	+100	(₱24,325)	
		-100	24,325	

The impact on the Group's income before income tax is caused by changes in the interest of the floating-rate long-term debts, while the impact on the Group's equity is caused by the changes in the market value of quoted debt instruments due to interest rate movements. The impact on the Group's equity excludes the impact on transactions affecting the consolidated statements of income.

Equity Price Risk
Equity price risk is the risk to earnings or capital arising from changes in stock prices relating to the quoted equity securities. The Group's exposure to equity price risk relates primarily to its financial assets on various stocks of listed companies.

The Group's policy is to maintain the risk to an acceptable level. Movement of the share price is monitored regularly to determine the impact on its financial position.

The table below shows the sensitivity to a reasonably possible change in equity prices of quoted equity instruments as at December 31, 2025 and 2024, except equity-linked investments.

	Average Change in Market Indices (in percentage)	Sensitivity to Equity
2025	**16.68%**	**₱2,281**
	-16.68%	**(2,281)**
2024	15.34%	₱4,336
	-15.34%	(4,336)

The equity impact is arrived using the reasonably possible change of the relevant market indices and the specific adjusted beta of each stock the Group holds. Adjusted beta is the forecasted measure of the volatility of a security or a portfolio in comparison to the market as a whole.

Capital Management
The Group considers its equity as capital. Its primary objective in capital management is to maintain a strong credit rating 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 issue new shares or adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the years ended December 31, 2025 and 2024.

The Group monitors capital using the debt-to-equity ratio, which is total liabilities divided by equity. The Group's policy is to keep the debt-to-equity ratio to not more than 1:1. Total liabilities include trade and other payables, short-term and long-term debts, income tax payable, other current liability, lease liabilities, deferred income, provision for mine rehabilitation and decommissioning, deferred income tax liabilities and pension liability.

The Group considers the following as capital:

	2025	2024
Capital stock	**₱6,999,974**	₱6,999,974
Additional paid-in capital	**9,205,802**	9,205,802
Share in cumulative translation adjustment	**828,842**	1,469,552
Cost of share-based payment plan	**154,296**	154,296
Asset revaluation surplus	**29,033**	29,416
Net valuation gains (losses) on:		
Financial assets at FVOCI	**2,633**	(1,226)
Forward contracts	**168**	7,659

(Forward)

	2025	2024
Retained earnings:		
Unappropriated	**₱22,497,121**	₱18,760,066
Appropriated	**135,000**	135,000
Treasury stock	**(134,014)**	(134,014)
NCI	**8,109,751**	7,786,697
	₱47,828,606	₱44,413,222

The table below shows the Group's debt-to-equity ratio as at December 31, 2025 and 2024.

	2025	2024
Total liabilities (a)	**₱22,339,405**	₱17,237,579
Equity (b)	**47,828,606**	44,413,222
Debt-to-equity ratios (a/b)	**0.47:1**	0.39:1

The Group is not exposed to externally imposed capital requirements.

35. Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Cash and Cash Equivalents
The carrying amounts of cash and cash equivalents approximate their fair value due to the short-term nature and maturity of these financial instruments.

Trade and Other Receivables, Trade and Other Payables and Short-term Debts
Similarly, the carrying amounts of trade and other receivables, trade and other payables and short-term debts approximate their fair values due to the short-term nature of these accounts.

Financial Assets at FVTPL and at FVOCI and Forward Contracts Receivable
The fair values were determined by reference to market bid quotes as at the end of the financial reporting period. Upon adoption of PFRS 9, the Group used the net asset approach with consideration of lack of marketability discount and lack of control discount in determining the fair value of unquoted equity securities since the fair value measurement is unobservable (Level 3).

Financial Assets at Amortized Cost
The carrying amount of financial assets at amortized cost, which is measured using the EIR, is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR.

MRF, Restricted Cash and SDMP Funds
The carrying amounts of MRF, restricted cash and SDMP funds also approximate their fair values since they are restricted cash with banks, which earn interest based on prevailing market rates repriced monthly.

Long-term Debts and Lease Liabilities
The fair values of long-term debts and lease liabilities are based on the present value of future cash flows discounted using applicable risk-free rates for similar types of loans or liabilities adjusted for credit risk.

Fair Value Hierarchy of Financial Instruments

As at December 31, 2025 and 2024, the fair value of the quoted debt and equity securities at the close of the business is the quoted market price (Level 1) and the fair value of unquoted equity securities is determined using the net asset approach since the fair value measurement is unobservable (Level 3).

As at December 31, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

	2025			2024		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets measured at fair value						
Forward contracts receivable	**₱375**	**₱–**	**₱–**	₱14,076	₱–	₱–
Financial assets at:						
FVTPL	**1,796,914**	**–**	**856,145**	1,709,262	–	698,287
FVOCI	**406,604**	**–**	**–**	429,188	–	–
	₱2,203,893	**₱–**	**₱856,145**	₱2,152,526	₱–	₱698,287

Derivative Designated as Hedging Instruments

Cash Flow Hedges - Currency Forwards

As part of the Group's asset and liability management, the Group uses derivatives, particularly currency forwards, as cash flow hedges to reduce its exposure to foreign currency risks. Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US$. The forecast transactions are highly probable, and they comprise about 30%-50% of the Group's total expected sales in US$. On February 25, 2025, the BOD approved to increase the hedge limit up to 100% of the Group's total expected sales in US$. The foreign exchange forward contracts balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

As at December 31, 2025 and 2024, the Group is holding the following currency forward contracts:

	Less than Three (3) Months	Three (3) to Twelve (12) Months	Total
2025			
Principal in US$	**$1,633**	**$–**	**$1,633**
Average forward rate - US$/₱ rate	**₱59.06**	**₱–**	**₱59.06**
2024			
Principal in US$	$4,727	$17,694	$22,421
Average forward rate - US$/₱ rate	₱58.34	₱58.51	₱58.47

The impact of the currency forward contracts on the consolidated statements of financial position follows:

	Forward Contracts Receivable (see Note 5)	
	Notional Amount	Carrying Amount
2025	**$1,633**	**₱375**
2024	22,421	14,076

The effect of the cash flow hedge on the consolidated statements of income and other comprehensive income follows:

	Effects on Statements of Income			
	Effective Hedge			Ineffective Hedge
	Gains (Losses) Recognized in Other Comprehensive Income	Impact on Sale of Ore (see Note 28)	Gain on Forward Contracts - net (see Notes 25 and 26)	Total	Gain on Forward Contracts - net (see Notes 25 and 26)
2025	**(₱19,861)**	**(₱6,159)**	**₱17,185**	**₱11,026**	**₱41,266**
2024	14,076	–	68,428	68,428	–

The movements in "Net valuation gains on forward contracts" presented as a separate component of equity follows:

	2025	2024
Balances at January 1	**₱10,557**	₱–
Movements recognized in equity:		
Gains (losses) recognized in equity	**(19,861)**	14,076
Reclassification adjustments for losses included in the consolidated statements of income	**6,159**	–
Income tax effect (see Note 33)	**3,425**	(3,519)
Valuation gains (losses) taken into the consolidated statements of comprehensive income - net of tax	**(10,277)**	10,557
Less share of NCI in gains recognized in equity	**(112)**	(2,898)
Balances at December 31	**₱168**	₱7,659

36. Significant Agreements and Other Matters

Significant Agreements

a. Mining Agreements

i. *Mineral Production Sharing Agreements (MPSAs)*

RTN

On June 4, 1998, the Government approved the conversion of RTN's Mining Lease Contracts under the old mining regime into an MPSA with the Government pursuant to the Philippine Mining Act of 1995. The MPSA allows RTN to explore, develop and continue mining operations for nickel ore within the contract area covering 990 hectares in the Municipality of Bataraza, Southern Palawan Island. On October 28, 2019, the MPSA was amended to include 3,548 hectares.

On April 28, 2005, RTN and the Government entered into another MPSA covering 85 hectares in the Municipality of Bataraza, which allows RTN to mine limestone in Sitio Gotok. Limestone being mined by RTN pursuant to this second MPSA is being sold to CBNC, for the latter's HPAL plant.

Under both MPSAs, RTN pays a 4% excise tax on gross revenues as provided in the Philippine National International Revenue Code as the Government's share in its output. Both MPSAs are valid for twenty-five (25) years from issuance and renewable for another term of not more than twenty-five (25) years at the option of RTN, with approval from the Government.

As at February 25, 2026, the MPSAs of RTN are valid and in effect.

HMC

Taganaan Nickel Project

On July 25, 2008, the Government approved the conversion of HMC's Mining Lease Contract into an MPSA, which allows HMC to explore, develop and continue mining operations for nickel ore within the contract area covering 774 hectares in the Municipality of Taganaan, Surigao del Norte. Under the MPSA, HMC pays the Government a 4% excise tax and a 5% royalty on gross revenues, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of HMC, with approval from the Government.

As at February 25, 2026, the MPSA of HMC in Taganaan is valid and in effect.

Manicani Nickel Project

On August 13, 1992, HMC and the Government entered into an MPSA, which allows HMC to explore, develop and mine nickel ore within the contract area covering 1,165 hectares in Manicani Island, Municipality of Guiuan, Eastern Samar. Under the MPSA, HMC shall pay the Government a 4% excise tax, 1% royalty and 10% of its net revenues, defined as gross revenues less all cost items that are deductible for income tax purposes. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of HMC, with approval from the Government.

On May 23, 2016, HMC applied for the renewal of its MPSA in Manicani which expired on August 13, 2017. On March 2, 2022, the DENR extended the MPSA between the Government and HMC for fifteen (15) years and lifted the suspension of HMC's operations in Manicani Island, Guiuan, Eastern Samar.

As at February 25, 2026, the MPSA of HMC in Manicani is valid and in effect.

TMC

On July 28, 2008, the Government approved the conversion of TMC's Operating Contract into an MPSA, which allows TMC to explore, develop and continue mining operations for nickel ore within the contract area covering 4,585 hectares in the Municipality of Claver, Surigao del Norte. On June 18, 2009, the MPSA was amended, increasing the contract area to 4,863 hectares. The MPSA is valid until July 28, 2033.

Under the MPSA, TMC pays the Government a 4% excise tax and a 5% royalty, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of TMC, with approval from the Government.

As at February 25, 2026, the MPSA of TMC is valid and in effect.

DMC

On July 30, 2007, the Platinum Group Metals Corporation (PGMC) and the Government entered into an MPSA, which allows PGMC to explore, develop and mine nickel ore within the contract area covering 2,392 hectares in the Municipality of Dinapigue, Province of Isabela.

On January 6, 2009, PGMC and DMC executed a Deed of Assignment transferring to DMC all the rights, title, and interest in and into the MPSA over the contract area.

Under the MPSA, DMC shall pay the Government a 4% excise tax. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of DMC, with approval from the Government.

As at February 25, 2026, the MPSA of DMC is valid and in effect.

ii. Operating Agreements

TMC

La Salle

On December 18, 2006, TMC entered into an Operating Agreement with La Salle, the holder of an Application for MPSA covering 6,824 hectares in the Municipality of Gigaquit, Surigao del Norte. The Operating Agreement allows TMC to explore, develop and mine nickel ore and limestone once the MPSA is approved, and obliges it to assist La Salle in obtaining the MPSA and to comply with the terms thereof once issued. Subsequent to the Operating Agreement, La Salle filed an amended MPSA plan and reduced the area to 972 hectares.

The Operating Agreement specifies a royalty to La Salle of 5% for nickel ore and ₱10.00 per metric ton for limestone. Upon signing the Operating Agreement, TMC made an advance royalty payment of ₱1.0 million repayable by deductions from future royalties at a rate of 25% per year over a period of four (4) years.

On January 11, 2016, TMC issued a Notice of Exclusion of the limestone deposit from the Operating Agreement with La Salle.

On January 30, 2024, TMC rescinded and terminated the Operating Agreement with La Salle, which was approved by MGB on July 8, 2024. In 2025, TMC written off the advances and royalties related to La Salle. These advances and royalties were previously recognized with provision for impairment losses of ₱2.6 million in 2023.

Advance royalties and advances to claimowners, under “Other noncurrent assets”, amounted to nil as at December 31, 2025 and ₱0.8 million and ₱1.8 million, respectively, as at December 31, 2024.

Kepha

On February 14, 2007, TMC entered into an Operating Agreement with Kepha. The Operating Agreement allows TMC to explore, develop and mine nickel ore and limestone and obliges it to comply with the terms of the MPSA.

The Operating Agreement specifies a royalty to Kepha of 5% for nickel ore and ₱10.00 per metric ton for limestone. Upon signing the Operating Agreement, TMC made an advance royalty payment of US$1.0 million and ₱6.3 million, repayable by deductions from future royalties at a rate of 10% per year over a period of ten (10) years.

On June 19, 2009, the MPSA was issued to Kepha. Under the terms thereof, upon the start of mining operations, TMC shall pay the Government a 4% excise tax and a 5% royalty, as the contract area is within the Surigao Mineral Reservation. The MPSA is valid for twenty-five (25) years from issuance and renewable at the option of Kepha, with approval from the Government.

On September 10, 2018 and March 19, 2021, the MGB approved the second and third renewal, respectively, of Kepha's two (2) year exploration period.

On January 30, 2024, TMC rescinded and terminated the Operating Agreement with Kepha, which was approved by MGB on July 8, 2024. There was no drilling activities related to the Kepha project in 2025 and 2024.

In 2025, TMC written off the advances, royalties and deferred mine exploration costs related to Kepha. The advances and deferred mine explorations costs were previously recognized with provision for impairment losses of ₱101.0 million and ₱64.7 million, respectively, in 2023.

Advance royalties and advances to claimowners, under "Other noncurrent assets", amounted to nil as at December 31, 2025 and ₱55.1 million and ₱45.9 million, respectively, as at December 31, 2024. Exploration cost charged to "Deferred mine exploration cost" amounted to nil and ₱64.7 million as at December 31, 2025 and 2024, respectively.

CMC

East Coast Mineral Resources Co., Inc. (East Coast)

On November 19, 1997, CMC entered into a Memorandum of Agreement (MOA) with East Coast, the holder of an MPSA with the Government issued on the same date, covering a contract area of 697 hectares in the Municipality of Cagdianao, Dinagat Islands. The MOA allows CMC to explore, develop and mine nickel ore and obliges it to comply with the terms of the MPSA.

Under the MPSA, CMC pays the Government an excise tax of 4%, and a 5% royalty, as the contract area is within the Surigao Mineral Reservation.

On December 18, 2015, CMC and East Coast executed a Supplemental Agreement to provide for the automatic renewal of the term of the MOA for another twenty-five (25) years, or from 2022 to 2047. In consideration of the new term as well as the other conditions contained in the Supplemental Agreement, CMC granted a loan of ₱1,000.0 million to East Coast and paid royalties amounting to ₱150.0 million. Thereafter, CMC shall pay East Coast commission and royalties as follows:

- Commission equivalent to 3.5% on the gross sales amount of all nickel ore;
- Royalties equivalent to either 7% or 8.75% on the gross sales amount of all nickel ore depending on the monthly average LME nickel settlement price; and
- Additional royalty ranging from ₱10.0 million to ₱50.0 million depending on CMC's audited net income after tax less the additional royalty amount.

On March 2, 2022, the DENR approved the renewal of the MPSA for another twenty-five (25) years commencing from November 19, 2022 subject to the same terms and conditions provided in the initial MPSA.

As at February 25, 2026, the MOA has not been terminated and continues to be in full force and effect subject to the supplemental terms agreed by CMC and East Coast.

The commission expense related to East Coast that is reported under "Marketing" amounted to ₱129.3 million, ₱92.6 million and ₱97.3 million in 2025, 2024 and 2023, respectively.

DMC

DMC and NiHAO Mineral Resources International Inc. (NiHAO) entered into an Operating Agreement on June 13, 2012, under which NiHAO shall have the exclusive right to explore, operate, mine, develop and process minerals found within DMC's mineral property.

Pursuant to the agreement, DMC shall pay NiHAO an amount equivalent to 90% of the invoice value of the nickel ore sold by DMC to third parties in consideration of the services to be performed by NiHAO. This agreement superseded the General Contractor Agreement entered into by NiHAO with DMC on March 5, 2012. The General Contractor Agreement was executed to appoint NiHAO as DMC's general contractor for the Isabela Nickel Project.

In connection with the acquisition of DMC by NAC, NiHAO's operating rights over the Isabela Nickel Project will be converted into preferred shares of DMC, which shares shall be entitled to dividends corresponding to 20% of operating income, net of income tax, subject to Shareholder's Agreement to be executed between NiHAO and DMC.

On December 18, 2024, the Parent Company, NiHAO and DMC, entered into a Shareholder's Agreement and agreed to the following:

a) DMC shall create 10,000,000 preferred shares with a par value of ₱0.01 per share;
b) NiHAO and DMC shall enter into Subscription Agreement for the subscription by NiHAO of the preferred shares, subject to the terms thereof and fulfillment of certain conditions, including the approval by the SEC of the amendments, and payment of the ₱100,000 as subscription price.

The preferred shares shall have the following features:

a) No voting rights, except with respect to matters where applicable law grants non-voting shareholders the right to vote, provided that the affirmative vote of NiHAO shall be required for the approval of matters affecting its economic rights
b) Non-redeemable
c) Preference in the declaration and payment of dividends
d) Non-participating; and
e) Non-transferable and non-assignable, except with the prior written consent of DMC
f) The dividends payable to NiHAO, as holder of preferred shares, shall be cumulative, to be computed annually based on the following formula: 20% of the mine operating income (equivalent to revenue from sale of ore), less income tax, cost of sales, shipping and loading costs, excise tax, royalty to indigenous people/ICC, and management fee which shall not exceed 3% of the revenue from sale of ore.

Provided that, if the annual dividends due to the preferred shares is less than 0.05% of the gross freight-on-board sales value of nickel ore for at least two (2) consecutive years, DMC and NiHAO shall, upon written notice by either DMC or NiHAO, discuss and agree to an adjustment of the formula. Dividends shall only accumulate if the contract area is operated and generates income and provided that the dividends shall not be issued unless there is a sufficient level of unrestricted retained earnings.

The Shareholder's Agreement aims to define the rights and obligations of the parties in respect of the preferred shares. The Agreement shall take effect once the preferred shares have been issued by DMC to NiHAO.



b. Memorandum of Understanding (MOU)

SMM
On September 14, 2009, the Parent Company and TMC entered into an MOU with SMM. Pursuant to the terms thereof, the Parent Company and SMM will move ahead on a joint venture basis to build a nickel-cobalt processing plant (the Project) using the HPAL technology to be located within the TMC's mine in Surigao del Norte, while TMC will supply low-grade nickel ore to the plant over the life of the Project.

The Agreement also sets forth the respective rights and obligations of the Parent Company, SMM and Mitsui, including their responsibilities in respect of financing the project investment undertaken by THNC.

Also, under the Agreement, the Parent Company, SMM and Mitsui agreed to make loans to THNC or guarantee the repayment of THNC's obligations in accordance with the financial requirements of THNC and in proportion to their shareholding ratio in THNC of 10%, 75% and 15%, respectively.

The Agreement shall terminate upon the dissolution of THNC.

SEPI
On February 23, 2022, EPI and SEPI signed an MOU to create a strategic partnership for the purpose of developing a platform for onshore power projects and the resulting power supply business in the Philippines and to set forth certain basic terms of the understanding reached to date and to serve as a basis for further discussions and negotiations with respect to the project.

Through the above MOU, GRHI was incorporated and registered with the SEC on August 18, 2022. GRHI is 60% owned by EPI and 40% owned by Shell.

c. Sales Agreements

Nickel Ore Sale Agreements with PAMCO and Sojitz (see Note 30a)

Nickel Ore Supply and Service Agreements with CBNC (see Note 30a)

Nickel Ore Supply Agreement with THNC (see Note 30a)

Materials Handling Agreement with THNC (see Note 30a)

PSA and Service Agreements with SEPI (see Note 30a)

Nickel Ore Supply Agreements with Chinese and Other Customers
TMC, CMC, RTN, HMC, and DMC have ore supply agreements with a number of Chinese customers, each for a fixed tonnage at specific nickel grades and iron content. The fixed tonnage of ore is generally the volume of expected delivery within a few months.

Sale of ore to Chinese and other customers amounted to ₱22,295.2 million, ₱14,744.5 million and ₱14,764.7 million in 2025, 2024 and 2023, respectively (see Notes 28 and 38).



d. Power Supply Agreements

SURNECO
On October 31, 2013, the Parent Company and SURNECO signed a fifteen (15) year PSA. Under the terms of the PSA, the Parent Company has agreed to construct, operate, and maintain a 10MW bunker-fired diesel power station under a build-operate-transfer scheme and to supply electricity to SURNECO. As defined in the PSA, SURNECO will pay to the Parent Company a monthly fee equal to the capital recovery fee of the power station plus fixed and variable operations and maintenance fee, fuel cost and any other applicable taxes.

The total construction cost of the 10MW bunker-fired diesel power station is about ₱1,000.0 million.

The ERC issued the COC to the Parent Company on June 26, 2019. The Parent Company and SURNECO agreed to commence the commercial operations of the three (3) generating units starting on June 26, 2018 for the first generator set, December 26, 2018 for the second generator set and June 26, 2019 for the third generator set. Each generating unit has a contracted capacity of 3.33MW. The plant operates based on the agreed schedule and in consonance with the load nominations from SURNECO.

Currently, the power plant has an available capacity of 10MW.

In 2025, 2024 and 2023, the revenue from sale of power to SURNECO amounted to ₱57.9 million, ₱65.1 million and ₱59.7 million, respectively, while the capital recovery fee amounted to ₱134.3 million in 2025, 2024 and 2023.

Mabuhay Energy Corporation (MECO)
On November 6, 2024, NPPGC entered into a ten (10)-year PSA with MECO. Under the terms of the agreement, NPPGC is committed to sell and deliver pro-rata share of 5MW, starting June 25, 2025, and an additional 20MW starting on June 26, 2026, subject to negotiation and agreement of both parties. In October 2025, NPPGC received a notice of termination from MECO, to which NPPGC agreed to mutually terminate the PSA effective February 16, 2026.

Adventenergy Inc. and Aboitiz Energy Solutions Inc. (AESI)
JSI
In October 2022, JSI entered into a PSA with Adventenergy Inc. and AESI. Under the terms of the agreement, JSI is committed to sell and deliver pro-rata share of 40MW, starting December 26, 2023, escalating to 50MW starting May 26, 2024, from the Sta. Rita Solar Power Project for a period of three (3) years.

NPPGC
On November 6, 2024, NPPGC entered into a PSA with Adventenergy Inc. and AESI. Under the terms of the agreement, NPPGC is committed to sell and deliver pro-rata share of 45MW, starting February 26, 2026, from Cawag Solar Power Project for a period of ten (10) years. As at December 31, 2025, the committed start date is being re-negotiated with Adventenergy Inc. and AESI.

e. Service Contracts

JSI

Solar Energy Service Contract No. 2013-10-039

On October 31, 2013, JSI entered into a SESC with the DOE. The SESC covers an area of approximately 2,997 hectares in the municipalities of Morong and Hermosa, in the province of Bataan. The SESC is for a period of twenty-five (25) years, inclusive of a two (2)-year pre-development stage, and renewable for another twenty-five (25) years. The government share under the SESC shall be 1% of the gross income from the sale of electricity generated from solar energy operations.

On January 20, 2021, the DOE issued the Amended Confirmation of Commerciality No. SCC-2015-09-021-B to develop, operate and maintain the 100MW Solar Power Project (Phase 1 - 7MW; Phase 2 - 25MW; Phase 3A - 30MW and Phase 3B - 38MW).

The COC for JSI's 100MW Solar Power Project was issued by the ERC on June 4, 2025.

Solar Energy Operating Contract No. 2021-01-577

On February 3, 2021, JSI entered into a SEOC with the DOE covering an area of 351 hectares, a portion of the area in SESC No. 2013-10-039, also located in Morong and Hermosa, Bataan. JSI secured from the DOE a Certificate of Registration as RE Developer of 100MW / 86MW Subic New PV Power Plant Project.

JSI's PAO for its 72MW Solar Power Project is valid until June 1, 2026.

MGPC

Geothermal Renewable Energy Service Contract No. 2016-02-060

GRESC No. 2010-02-013, which covers an approximate area of 3,914 hectares in the three (3) barangays of Montelago, Montemayor and Melgar-B in Oriental Mindoro, involves the development of geothermal well clusters and a power plant. The steam extracted from the geothermal wells will power a geothermal power station with an output capacity of at least 20MW.

On November 24, 2014, EPI and MGPC entered into a Deed of Assignment for the assignment of EPI's rights and obligations under the GRESC to MGPC. On December 5, 2014, EPI applied with the DOE to transfer the GRESC to MGPC. The DOE approved EPI's application on February 16, 2016 under Certificate of Registration No. 2016-02-060.

The Project is expected to have an operating capacity of 40MW. The geothermal plant will supply electricity to Oriental Mindoro and Occidental Mindoro at 20MW capacity each.

On May 7, 2024, MGPC received from the DOE a termination letter of the GRESC covering the Montelago Geothermal Power Project to which MGPC responded through a letter of request for reconsideration to reinstate. MGPC's request for reinstatement was granted by the DOE on July 5, 2024.

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013 and to settle an amount of US$120,000 for training assistance.



SISPC

Solar Energy Service Contract No. 2018-11-491

On November 6, 2019, Total Power Inc. (TPI) and DOE signed SESC No. 2018-11-491 whereby the DOE granted TPI the exclusive right to explore, develop and utilize solar energy resources within 810 hectares of land located in San Isidro and Calubian, Leyte.

The SESC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to TPI as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513 otherwise known as the Renewable Energy Act of 2008.

On December 7, 2022, the DOE approved the transition of the SESC from pre-development to development stage with a capacity of 280MW / 227MW and issued the Certificate of Confirmation of Commerciality No. SCC-2022-22-117 for the Project located in San Isidro, Leyte.

On May 10, 2023, the DOE approved the assignment/transfer of all rights and obligations under the SESC from TPI to SISPC and issued a new Certificate of Registration under the name of SISPC.

NPPGC

Solar Energy Operating Contract No. 2023-10-715

On November 10, 2023, NPPGC and DOE signed SEOC No. 2023-10-715 whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 280 hectares of land located in Subic, Zambales.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

NSPC

Solar Energy Operating Contract No. 2023-12-804

On January 22, 2024, NPPGC and DOE signed SEOC No. 2023-12-804 for NSPC whereby the DOE granted NPPGC the exclusive right to explore, develop and utilize solar energy resources within 53 hectares of land located in Hermosa, Bataan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to NPPGC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan.

CSPC

Solar Energy Operating Contract No. 2023-12-789

On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-789 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 102 hectares of land located in San Antonio, Zambales.



The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On November 28, 2024, CSPC filed a formal request to surrender this SEOC with the DOE. On January 28, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2023-12-790
On December 19, 2023, CSPC and DOE signed SEOC No. 2023-12-790 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 30 hectares of land located in Botolan, Zambales.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Solar Energy Operating Contract 2023-12-795
On January 22, 2024, CSPC and DOE signed SEOC No. 2023-12-795 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On January 20, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On May 7, 2025, the DOE approved the surrender of this service contract.

Solar Energy Operating Contract 2024-07-903
On July 23, 2024, CSPC and DOE signed SEOC No. 2024-07-903 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize solar energy resources within 597 hectares of land located in Tuguegarao, Cagayan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

Wind Energy Service Contract 2024-02-379
On March 15, 2024, CSPC and DOE signed WESC No. 2024-02-379 whereby the DOE granted CSPC the exclusive right to explore, develop and utilize wind energy resources within 494 hectares of land located in Tuy and Nasugbu, Batangas.

The WESC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to CSPC as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.



On March 3, 2025, CSPC filed a formal request to surrender this SEOC with the DOE. On April 22, 2025, the DOE approved the surrender of this service contract.

EER 2
Solar Energy Operating Contract 2024-04-851
On May 9, 2024, EER 2 and DOE signed SEOC No. 2024-04-851 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 106 hectares of land located in Mariveles, Bataan.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On May 7, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

Solar Energy Operating Contract 2024-05-866
On June 26, 2024, EER 2 and DOE signed SEOC No. 2024-05-866 whereby the DOE granted EER 2 the exclusive right to explore, develop and utilize solar energy resources within 408 hectares of land located in General Santos City.

The SEOC has a term of twenty-five (25) years which may be extended to another twenty-five (25) years subject to mutual agreement by the parties. On the same date, the DOE issued the Certificate of Registration to EER 2 as RE Developer to serve as the basis of entitlement to incentives under RA No. 9513.

On September 16, 2025, EER 2 voluntarily surrendered this SEOC with the DOE and is awaiting approval.

f. Participation and Shareholder's Agreement

In May 2011, the Parent Company and SMM signed a Participation and Shareholder's Agreement containing terms of SMM's expected equity participation in CEXCI. Under the terms of the Agreement, SMM will invest US$1.5 million in CEXCI for 25% equity. Once such funds have been exhausted, SMM has the option to invest US$2.8 million for an additional 15% equity which would bring its total equity in CEXCI to 40%. SMM did not exercise its option to make an additional investment, and the said agreement was terminated.

CEXCI has identified a new property for exploration and development in the province of Zambales under Newminco, which is prospective for gold and copper. In relation to this, SMM put up an additional US$2.8 million to increase its ownership from 25% to 40%.
On November 24, 2015, the shareholders of CEXCI agreed to enter into a new Participation and Shareholder's Agreement to set out the rights and obligations of the shareholders in relation to the conduct of the business of CEXCI. The new agreement also causes CEXCI to convert the existing advances from shareholders, based on the initial equity proportion of shareholders, by issuing shares out of the unissued authorized capital stock of CEXCI at a premium. CEXCI has filed an application for the conversion of advances into equity with the SEC. As at December 31, 2025, CEXCI is still waiting for SEC's approval of the conversion of advances into equity.

On December 18, 2015, the BOD of CEXCI approved the increase in authorized capital stock of the latter. Upon approval of the SEC of the application for increase in authorized capital stock of CEXCI, the additional investment of SMM amounting to US$2.8 million, which is equivalent to ₱131.9 million, will be converted into equity. After the conversion, the Parent Company and SMM's equity in CEXCI shall be 57% and 40%, respectively.

As at December 31, 2025 and 2024, the advances made by SMM to CEXCI amounted to a total of ₱477.9 million and ₱417.9 million, respectively.

g. Marketing Agreement with Mitsubishi Corporation RTM China Limited (MCRCL)

TMC and HMC entered into a Marketing Agreement with MCRCL, wherein the latter will provide the services set forth below:

a) To use its reasonable endeavors in collecting, studying and analyzing the market information related to nickel ore, iron ore, nickel pig iron, and stainless steel;
b) To periodically report market information defined in the marketing agreement;
c) To make efforts to introduce customers to TMC and HMC and provide support to the Group in negotiating the price and terms and conditions of sales contracts of the products by and between the Group and customers; and
d) To monitor and assess trends of customers and support TMC and HMC to create an effective pricing strategy and marketing plan.

Marketing fees of 3.5% shall be charged based on the total amount of revenue on FOB price stated in the invoices issued by TMC and HMC for each covered sale of ore transactions.

Marketing fees charged by MCRCL amounting to nil, ₱14.8 million and ₱21.0 million in 2025, 2024 and 2023, respectively, were reported under "Marketing" in the consolidated statements of income.

h. PEZA and Board of Investments (BOI) Registration

Registration with PEZA - TMC
On December 21, 2009, Presidential Proclamation No. 1966 was issued creating and establishing the 680-hectare area situated in Taganito, Municipality of Claver, Province of Surigao Del Norte and known as TSEZ. TMC is a PEZA-registered operator/developer of the economic zone as per Certificate of Registration No. EZ 10-01. The certificate of registration was signed on January 7, 2010.

Pursuant to TMC's registration with PEZA as an economic zone developer/operator, TMC is entitled to certain incentives in accordance with the provisions of RA No. 7916, otherwise known as "the Special Economic Zone Act of 1995", as amended.

PEZA issued a certification entitling TMC qualification for the purpose of VAT zero-rating of its transactions with local suppliers of goods, properties and services and exemption from all national and local taxes and licenses except real property taxes on land owned by TMC and those required to be paid under the MPSA dated July 28, 2008. In lieu thereof, TMC shall pay 5% final tax on gross income. TMC's certification from PEZA is valid for the years 2025 and 2024 and renewable annually, unless otherwise revoked or suspended by PEZA prior to expiration of said period.

Registration with PEZA - RTN
On December 27, 2002, RTN registered with the PEZA as the developer/operator of Rio Tuba Processing Zone, located in Barangay Rio Tuba, Municipality of Bataraza, Palawan. The PEZA-registered activities are entitled to certain tax and non-tax incentives. Starting 2003, such activities are already subject to 5% final tax on gross income in lieu of national and local taxes and licenses except those required to be paid under the MPSA dated June 4, 1998 executed by and between the DENR and RTN. RTN's certification from PEZA is valid for the years 2025 and 2024 and renewable annually, unless otherwise revoked or suspended by PEZA prior to expiration of said period.

Registration with SBMA - JSI
On January 20, 2011, JSI was registered with the SBMA as a Subic Bay Freeport Enterprise, primarily to promote and undertake research, development, utilization, manufacture, sale, marketing, distribution and commercial application of new, renewable, non-conventional and environment-friendly energy sources and system at Mt. Sta. Rita, SBFZ. The SBMA-registered activities are entitled to certain tax and non-tax incentives. In lieu of paying the regular taxes, JSI pays 5% final tax on gross income, subject to the condition that JSI's income from sources within the Custom Territory should not exceed 30% of its total income from all sources. Otherwise, JSI shall be subject to the income tax laws of the Custom Territory. JSI's Certificate of Registration and Tax Exemption is valid until December 31, 2026.

Registration with SBMA and BOI - NPPGC
On April 3, 2024, NPPGC withdrew its registration application to SBMA, instead, NPPGC applied for BOI registration on August 29, 2024 for its Cawag Solar Power Project. NPPGC's application was approved by the BOI on December 12, 2024.

BOI Certifications
CMC, DMC, HMC, RTN and TMC were registered with the BOI as export producer of beneficiated nickel ore on a non-pioneer status and annually renews its certification. The BOI certification granted the VAT zero-rating of CMC, DMC, HMC, RTN and TMC on its local purchases of goods and services directly and exclusively used in their registered export project or activity. The BOI issued a VAT zero-rated certification to CMC, DMC, HMC, RTN and TMC for the taxable years 2025 and 2024.

On August 27, 2014, MGPC was registered with the BOI as an RE Developer of geothermal energy resources. BOI has issued the Certificate of Registration of MGPC on October 7, 2016.

On September 5, 2023, SISPC was registered with the BOI as an RE developer.

On November 14, 2024 and October 10, 2024, NPPGC and CSPC, respectively, also secured their Certificate of Registration from the BOI as an RE Developer.

i. SPA with SMM

THNC
On September 15, 2016, the Parent Company and SMM executed an SPA wherein the latter agreed to purchase the Parent Company's 511,875,000 shares in THNC, representing 12.5% of the outstanding capital stock of THNC, at a purchase price of US$42.0 million, equivalent to ₱2,037.2 million. The sale and purchase of the shares was consummated upon the written consent of Japan Bank for International Cooperation.

The SPA also provides that for a period of eighteen (18) years but no earlier than three (3) years from the execution of the SPA, the Parent Company shall have the right to repurchase from SMM such number of shares of THNC equivalent to 12.5% equity ownership therein at the time when the right is exercised. The repurchase right can only be exercised once.

Pursuant to the SPA with SMM, the Parent Company and SMM also agreed that effective July 1, 2016 their responsibility to provide loans and guarantee obligations of THNC shall be 10% and 75%, respectively.

CBNC
On December 23, 2024, the Parent Company's BOD approved to sell its 15.62% ownership in CBNC to SMM, provided that the purchase price for such sale shall be subject to an independent valuation report by an external independent party appointed by the Parent Company.

On January 31, 2025, the Parent Company and SMM executed a SPA wherein SMM agreed to purchase all the Parent Company's 91,796,875 shares in CBNC, representing 15.62% of the outstanding capital stock of CBNC, at a purchase price of ₱1,855.0 million, payable in cash on closing date set on February 10, 2025. SMM, at its discretion, may pay the purchase price in US$ in an equivalent amount based on the spot rate of exchange on closing date.

Pursuant to the above SPA, the Parent Company and SMM entered a MOA to formalize the agreements reached on December 26, 2024 which include:

a) The Parent Company, through RTN and/or other subsidiaries of the Parent Company, shall continue to comply with the obligations set forth in the Stockholder's Agreement by and among SMM, Mitsui, Nissho Iwai Corporation (subsequently merged into Sojitz) and RTN dated July 1, 2002, amended on January 26, 2007 and April 1, 2013, on the establishment and operation of CBNC.
b) All existing contracts between the Parent Company, RTN or any subsidiaries of the Parent Company, and CBNC, including, but not limited to, Infrastructure Agreements, Lease Agreements, and Ore Supply Agreements, shall remain valid and enforceable in their terms even after the sale of CBNC shares.
c) Before April 1, 2025, RTN shall enter into an Addendum to the Ore Supply Agreement with CBNC, covering the period April 1, 2025 to March 31, 2028 based on ore price of US$12 per WMT, including oversized ore; provided, that the LME price is US$13 per pound or less.
d) To handle or resolve matters that are mutually beneficial to them, or that promote cooperation in the conduct of their respective businesses including, but not limited to, decommissioning and removal of CBNC equipment, stable supply of limestone, and future plan of joint projects among others.

The terms of the MOA took effect after the execution of the SPA and will remain valid unless amended or terminated upon mutual agreement of the parties.

As at December 31, 2024, the Parent Company's investment in CBNC was classified under "Assets held for sale" (see Notes 8 and 10).

On February 10, 2025, the Parent Company and SMM executed a Deed of Absolute Sale of Shares where the Parent Company offered SMM its 91,796,875 common shares in CBNC for a total consideration of ₱1,855.0 million.

j. Suretyship Agreement with SBC

On August 4, 2015, the Parent Company entered into a Suretyship Agreement with SBC to guarantee and warrant the prompt and full payment and performance of the guaranteed obligations, including increases, renewals, roll-overs, extensions, restructuring, conversions, amendments or novations, of EPI to SBC amounting to ₱3,000.0 million. The agreement shall remain in full force and effect until full payment of the guaranteed obligations is made.
In March 2023, the Parent Company entered into another Suretyship Agreement with SBC for additional credit accommodation amounting to ₱500.0 million.

As at December 31, 2025 and 2024, the outstanding loans of EPI from SBC, under the Suretyship Agreement, amounted to ₱1,500.0 million and ₱3,500.0 million, respectively (see Note 13). The loan was fully paid on January 5, 2026.

k. Other Agreements

Joint Undertaking with National Commission for Indigenous Peoples (*NCIP)*
On December 8, 2009, TMC and NCIP entered into a Joint Undertaking, which confirmed that 1% royalty on annual gross revenues of TMC is payable to the Mamanwa Tribe pursuant to a MOA dated July 18, 2006 between TMC, the NCIP and the Tribe and a CADT issued to the Tribe, within which area TMC's mining operation is located.

Engineering, Design and Supply Contract
SISPC
On July 10, 2023 and December 20, 2024, SISPC entered a contract with Xinte Energy Co., Ltd. (Xinte) to carry out the design, execution, completion and remedying defects of the San Isidro Solar Power Project Phase 1 and 2, respectively. The contract price shall be paid based on a certain milestone. As at December 31, 2025 and 2024, the remaining advance payment amounts to ₱230.0 million and ₱669.6 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to these contracts amounting to ₱600.0 million and ₱418.7 million as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables" (see Note 12).

NPPGC
On December 22, 2023, NPPGC entered a contract with Xinte to carry out the design, execution, completion and remedying defects of the Cawag Solar Power Project. The contract price shall be paid in percentages identified by a certain milestone and a corresponding supporting document. As at December 31, 2025 and 2024, the remaining advance payment amounts to ₱116.2 million and ₱504.2 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to this contract amounting to ₱342.2 million and ₱21.7 million " as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables (see Note 12).

CSPC
On October 10, 2025, CSPC entered into a contract with Xinte to carry out the design, execution, completion and remedying of defects of Phase 1 San Juan Solar Power Project. The contract price shall be paid in percentages identified by certain milestones and corresponding supporting documents. As at December 31, 2025 and 2024, CSPC has made an advance payment of ₱225.3 million and nil, respectively, and included under "Other noncurrent assets" (see Note 11).



Installation and Commissioning Contract

SISPC

On July 10, 2023 and December 20, 2024, SISPC entered a contract with TBEA Subic Inc. to carry out the installation, completion, commissioning, and remedying defects of the San Isidro Solar Power Project Phase 1 and 2, respectively. The contract price shall be paid based on a certain milestone. As at December 31, 2025 and 2024, SISPC advanced an amount of ₱355.1 million and ₱542.7 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to these contracts amounting to ₱153.8 million and ₱84.5 million as at December 31, 2025 and 2024, respectively, are recognized as part of "Trade and other payables" (see Note 12).

NPPGC

On December 22, 2023, NPPGC entered a contract with TBEA Subic Inc. to carry out the installation, completion and commissioning, and remedying defects of the Cawag Solar Power Project. The contract price shall be paid in percentages identified by a certain and a corresponding supporting document. As at December 31, 2025 and 2024, NPPGC advanced an amount of ₱127.2 million and ₱229.6 million, respectively, and included under "Other noncurrent assets" (see Note 11).

Retention fees relating to this contract amounting to ₱42.7 million and ₱1.9 million are recognized as part of "Trade and other payables" as at December 31, 2025 and 2024, respectively (see Note 12).

CSPC

On October 10, 2025, CSPC entered into a contract with TBEA Subic Inc. to carry out the installation, completion and commissioning, and remedying of defects of Phase 1 San Juan Solar Power Project. The contract price shall be paid in percentages identified by certain milestones and corresponding supporting documents. As at December 31, 2025 and 2024, CSPC has made an advance payment of ₱104.9 million and nil, respectively, and included under "Other noncurrent assets" (see Note 11).

Aircraft Purchase Agreement

On December 2, 2025, CPDL entered into an Aircraft Purchase Agreement with Kahua Capital, LLC to sell Citation CJ4 with serial number 525C-0315 for a total consideration of $7.5 million, equivalent to ₱441.4 million, which was paid in cash. The aircraft was delivered on December 23, 2025. The net gain on this disposal amounted to $2.7 million, equivalent to ₱197.3 million (see Note 27).

Other Matters

Enhanced Fiscal Regime for Large-Scale Metallic Mining Act or RA 12253

On September 4, 2025, RA 12253, otherwise known as the "Enhanced Fiscal Regime for Large-Scale Metallic Mining Act", was signed into law. It took effect fifteen (15) days after its complete publication in the Official Gazette and in newspapers of general circulation or September 20, 2025. The Implementing Rules and Regulations (IRR) of RA 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 one hundred fifty days (150) days from the date of effectivity or February 17, 2026.



RA 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 L902, 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 12253, except as may be otherwise determined by the Supreme Court of Philippines.

The following, among others, are the salient provisions of RA 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 (1) 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 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 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 FTAAs.

As of December 31, 2025, the revenue regulations implementing changes to the Tax Code, as amended by RA 12253, have not yet been issued by the BIR.

RA 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 12253 on its December 2026 financial statements based on the provisions of the IRR. The Group will reassess the impact of RA 12253 on its financial statements after the relevant revenue regulations have been issued by the BIR.

37. **Supplemental Disclosure to Consolidated Statements of Cash Flows**

	2025	2024
Noncash investing activities		
Capitalized:		
Borrowing cost (see Note 9)	**₱486,178**	₱427,591
Amortization of intangibles to construction in-progress (see Notes 9 and 11)	**3,040**	–
Depreciation and amortization of ROU assets to project development costs	**2,032**	–
Depreciation and amortization of ROU assets to construction in-progress (see Note 9)	**1,497**	–

(Forward)

	2025	2024
Noncash investing activities		
Recognition of ROU assets (see Note 9)	**₱231,809**	₱151,465
Adjustments for capitalized cost of mine rehabilitation and decommissioning (see Notes 9 and 14)	**(24,500)**	(23,954)
Reclassification to assets held for sale (see Note 8)	–	1,864,775
Reclassification to mining properties and development costs of HMC and RTN (see Note 9)	–	366,337

Changes in Liabilities Arising from Financing Activities

	2025					
	January 1	**Cash Flows**	**Foreign Exchange Movement**	**Reclassification**	**Others**	**December 31**
Current						
Dividends payable, gross of final withholding tax	**₱175,000**	**(₱5,278,107)**	**₱–**	**₱–**	**₱5,133,107**	**₱30,000**
Interest payable (see Note 12)	**46,284**	**(702,034)**	**83**	**–**	**730,361**	**74,694**
Short-term debts (see Note 13)	**6,985,614**	**(1,981,029)**	**–**	**–**	**43,571**	**5,048,156**
Current portion of:						
Long-term debts (see Note 13)	**372,149**	**(346,330)**	**(3,016)**	**432,028**	**–**	**454,831**
Lease liabilities (see Note 31)	**95,693**	**(105,582)**	**–**	**26,006**	**95,794**	**111,911**
Other current liabilities	**615,722**	**145,000**	**–**	**–**	**–**	**760,722**
Noncurrent						
Long-term debts (see Note 13)	**2,060,388**	**7,283,291**	**(13,571)**	**(432,028)**	**7,890**	**8,905,970**
Lease liabilities (see Note 31)	**877,441**	**–**	**–**	**(26,006)**	**231,809**	**1,083,244**
Total liabilities used in financing activities	**₱11,228,291**	**(₱984,791)**	**(₱16,504)**	**₱–**	**₱6,242,532**	**₱16,469,528**

	2024					
	January 1	Cash Flows	Foreign Exchange Movement	Reclassification	Others	December 31
Current						
Dividends payable, gross of final withholding tax	₱–	(₱3,206,550)	₱–	₱–	₱3,381,550	₱175,000
Interest payable (see Note 12)	45,890	(658,068)	9	–	658,453	46,284
Short-term debts (see Note 13)	5,848,095	1,085,873	–	–	51,646	6,985,614
Current portion of:						
Long-term debts (see Note 13)	345,764	(329,347)	1,047	354,685	–	372,149
Lease liabilities (see Note 31)	54,346	(102,944)	–	53,099	91,192	95,693
Other current liabilities	479,722	136,000	–	–	–	615,722
Noncurrent						
Long-term debts (see Note 13)	2,341,836	60,397	5,755	(354,685)	7,085	2,060,388
Lease liabilities (see Note 31)	779,075	–	–	(53,099)	151,465	877,441
Total liabilities used in financing activities	₱9,894,728	(₱3,014,639)	₱6,811	₱–	₱4,341,391	₱11,228,291

Others include the effect of accrual of dividends, including those that were not yet paid at year-end, effect of interest accrued but not yet paid on interest-bearing loans, accretion of interest on lease liabilities and amortization of debt issue cost.

38. Business Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The mining segment is engaged in the mining and exploration of nickel saprolite and limonite ore and limestone.

The services segment is engaged in the chartering out of LCT, construction and rendering of services to CBNC, THNC and other parties and leasing of aircraft to WAISC.

The power segment is engaged in power generation and exploration for geothermal resources.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group is also using net income (loss) to evaluate total performance. Net income is the performance of business segments based on a measure of recurring profit. This measurement basis is determined as profit attributable to equity holders of the Parent Company.

Segment assets include all operating assets used by a segment and consist principally of operating cash and cash equivalents, trade and other receivables, inventories, financial assets at FVTPL, at FVOCI and at amortized cost, assets held for sale, property and equipment, investments in an associate and other current and noncurrent assets. Segment liabilities include all operating liabilities and consist principally of trade and other payables, short-term and long-term debts, and other liabilities. Segment assets and liabilities do not include deferred income taxes.

The amounts of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring assets and liabilities and profit or loss in the consolidated financial statements, which are in accordance with PFRS Accounting Standards.

There were no changes from prior periods in the measurement methods used to determine the reported segment profit or loss and the effect, if any, of those changes on the measure of segment profit or loss.



The Group's identified reportable segments below are consistent with the segments reported to the BOD, which is the Chief Operating Decision Maker of the Group.

Financial information on the operation of the various business segments are as follows:

	2025											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱3,226,720	₱3,694,663	₱12,072,125	₱7,768,070	₱612,319	₱1,063,950	₱227,123	₱952,103	₱–	₱–	₱–	₱29,617,073
Inter-segment revenues	–	–	–	–	–	–	–	33,918	–	928,216	(962,134)	–
Total revenues (see Notes 28 and 30)	3,226,720	3,694,663	12,072,125	7,768,070	612,319	1,063,950	227,123	986,021	–	928,216	(962,134)	29,617,073
Cost of sales	1,505,681	1,250,416	3,273,799	3,343,133	517,492	–	–	–	–	–	–	9,890,521
Cost of power generation	–	–	–	–	–	543,410	150,901	–	–	–	–	694,311
Cost of services	–	–	–	–	–	–	–	456,205	–	–	–	456,205
Shipping and loading costs	434,802	413,946	1,032,319	638,645	259,613	–	–	–	247	–	–	2,779,572
Excise taxes and royalties	267,979	453,735	1,206,963	388,692	30,554	–	–	–	–	–	–	2,347,923
Marketing	–	129,316	–	–	–	–	–	–	–	–	–	129,316
Segment operating earnings (loss)	₱1,018,258	₱1,447,250	₱6,559,044	₱3,397,600	(₱195,340)	₱520,540	₱76,222	₱529,816	(₱247)	₱928,216	(₱962,134)	₱13,319,225
General and administrative	₱37,304	₱43,143	₱79,729	₱59,234	₱19,288	₱379,449	₱–	₱51,234	₱–	₱1,162,902	₱–	₱1,832,283
Finance income	17,431	34,892	110,615	104,108	4,434	156,982	606	10,333	–	141,594	–	580,995
Finance expenses	8,550	6,191	19,576	6,832	54,880	281,612	–	40,131	–	64,426	–	482,198
Provision for (benefit from) income tax	225,473	324,210	1,662,158	771,726	13,802	(14,051)	19,104	40,476	(62)	325,068	–	3,367,904
Net income (loss) attributable to equity holders of the parent	768,758	1,074,979	3,425,733	1,679,818	(301,595)	33,413	57,724	235,498	–	(705,399)	–	6,268,929
Segment assets	₱2,894,830	₱2,105,262	₱9,744,661	₱5,063,157	₱3,247,856	₱33,958,009	₱554,406	₱442,442	₱15,509	₱11,871,523	₱–	₱69,897,655
Deferred income tax assets - net	35,049	36,182	–	101,316	71,127	678	134	3	–	25,867	–	270,356
Total assets	₱2,929,879	₱2,141,444	₱9,744,661	₱5,164,473	₱3,318,983	₱33,958,687	₱554,540	₱442,445	₱15,509	₱11,897,390	₱–	₱70,168,011
Segment liabilities	₱411,198	₱323,427	₱1,828,311	₱1,182,129	₱666,594	₱16,628,487	₱44,349	₱30,582	₱–	₱813,022	₱–	₱21,928,099
Deferred income tax liabilities - net	–	–	51,901	57,035	134,079	18,104	–	–	3,877	146,310	–	411,306
Total liabilities	₱411,198	₱323,427	₱1,880,212	₱1,239,164	₱800,673	₱16,646,591	₱44,349	₱30,582	₱3,877	₱959,332	₱–	₱22,339,405
Other segment information:												
Capital expenditures (see Note 9)	₱368,243	₱13,514	₱239,320	₱382,954	₱496,793	₱7,121,163	₱1,521	₱967	₱–	₱61,156	₱–	₱8,685,631
Depreciation, depletion and amortization (see Note 24)	₱274,874	₱91,226	₱784,934	₱305,799	₱216,702	₱407,530	₱55,726	₱28,675	₱247	₱103,203	₱–	₱2,268,916

	2024											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱2,531,489	₱2,646,281	₱8,819,856	₱4,886,160	₱870,173	₱1,133,384	₱208,744	₱1,229,341	₱–	₱–	₱–	₱22,325,428
Inter-segment revenues	–	–	–	–	–	–	–	39,172	–	675,909	(715,081)	–
Total revenues (see Notes 28 and 30)	2,531,489	2,646,281	8,819,856	4,886,160	870,173	1,133,384	208,744	1,268,513	–	675,909	(715,081)	22,325,428
Cost of sales	982,810	1,154,867	3,631,256	2,184,704	637,336	–	–	–	–	–	–	8,590,973
Cost of power generation	–	–	–	–	–	436,889	166,133	–	–	–	–	603,022
Cost of services	–	–	–	–	–	–	–	628,157	–	–	–	628,157
Shipping and loading costs	298,638	372,117	971,320	325,152	300,685	–	–	–	247	–	–	2,268,159
Excise taxes and royalties	223,798	314,453	881,235	244,308	43,509	–	–	–	–	–	–	1,707,303
Marketing	–	92,620	14,806	–	–	–	–	–	–	–	–	107,426
Segment operating earnings (loss)	₱1,026,243	₱712,224	₱3,321,239	₱2,131,996	(₱111,357)	₱696,495	₱42,611	₱640,356	(₱247)	₱675,909	(₱715,081)	₱8,420,388
General and administrative	₱35,529	₱33,350	₱104,866	₱74,960	₱28,644	₱351,539	₱–	₱68,265	₱–	₱921,053	₱–	₱1,618,206
Finance income	17,990	27,761	177,238	53,680	11,523	176,593	1,046	14,857	–	215,205	–	695,893
Finance expenses	6,676	8,103	22,354	17,061	22,882	310,609	–	54,128	–	40,973	–	482,786
Provision for (benefit from) income tax	213,934	150,662	799,181	485,756	97,764	61,934	761	–	(62)	(171,541)	–	1,638,389
Net income (loss) attributable to equity holders of the parent	742,648	491,186	1,791,898	1,040,954	(343,028)	(1,430,929)	67,385	383,641	–	(1,222,297)	–	1,521,458
Segment assets	₱2,768,214	₱1,663,498	₱9,354,306	₱5,157,470	₱3,102,382	₱25,005,459	₱602,562	₱749,433	₱15,756	₱12,677,108	₱–	₱61,096,188
Deferred income tax assets - net	36,144	34,223	30,821	76,967	82,869	–	–	–	–	293,589	–	554,613
Total assets	₱2,804,358	₱1,697,721	₱9,385,127	₱5,234,437	₱3,185,251	₱25,005,459	₱602,562	₱749,433	₱15,756	₱12,970,697	₱–	₱61,650,801
Segment liabilities	₱454,301	₱370,272	₱1,747,398	₱1,230,690	₱953,457	₱11,295,619	₱19,674	₱46,411	₱–	₱613,888	₱–	₱16,731,710
Deferred income tax liabilities - net	–	–	–	57,285	134,584	50,731	–	–	3,939	259,330	–	505,869
Total liabilities	₱454,301	₱370,272	₱1,747,398	₱1,287,975	₱1,088,041	₱11,346,350	₱19,674	₱46,411	₱3,939	₱873,218	₱–	₱17,237,579
Other segment information:												
Capital expenditures (see Note 9)	₱339,085	₱68,798	₱607,932	₱341,198	₱633,013	₱6,802,592	₱1,521	₱29,417	₱–	₱89,124	₱–	₱8,912,680
Depreciation, depletion and amortization (see Note 24)	₱214,692	₱87,144	₱772,435	₱264,750	₱187,545	₱320,411	₱55,726	₱32,583	₱247	₱92,419	₱–	₱2,027,952

	2023											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱2,238,818	₱2,779,035	₱9,956,210	₱6,165,673	₱414,127	₱687,522	₱194,025	₱2,264,128	₱929	₱–	₱–	₱24,700,467
Inter-segment revenues	–	–	–	–	–	–	–	28,786	–	844,090	(872,876)	–
Total revenues (see Notes 28 and 30)	2,238,818	2,779,035	9,956,210	6,165,673	414,127	687,522	194,025	2,292,914	929	844,090	(872,876)	24,700,467
Cost of sales	842,097	1,027,263	3,204,627	2,419,490	471,017	–	–	–	–	–	–	7,964,494
Cost of power generation	–	–	–	–	–	376,784	138,740	–	–	–	–	515,524
Cost of services	–	–	–	–	–	–	–	1,550,783	–	–	–	1,550,783
Shipping and loading costs	305,343	381,900	1,027,686	282,256	173,710	–	–	–	2,965	–	–	2,173,860
Excise taxes and royalties	201,494	347,740	995,621	308,284	20,706	–	–	–	–	–	–	1,873,845
Marketing	18,469	97,266	2,522	–	–	–	–	–	–	–	–	118,257
Segment operating earnings (loss)	₱871,415	₱924,866	₱4,725,754	₱3,155,643	(₱251,306)	₱310,738	₱55,285	₱742,131	(₱2,036)	₱844,090	(₱872,876)	₱10,503,704
General and administrative	₱43,067	₱42,346	₱96,321	₱104,511	₱34,293	₱293,759	₱–	₱62,635	₱–	₱865,876	₱–	₱1,542,808
Finance income	6,554	29,797	81,800	94,724	575	115,983	1,449	4,409	–	188,774	–	524,065
Finance expenses	3,262	7,243	22,722	21,227	3,347	295,375	–	56,270	–	37,255	–	446,701
Provision for (benefit from) income tax	177,571	186,585	1,094,239	697,466	(95,072)	12,384	(3,195)	–	(741)	158,759	–	2,227,996
Net income (loss) attributable to equity holders of the parent	655,524	693,974	2,488,481	1,557,479	(262,433)	(84,738)	52,930	434,734	–	(1,786,295)	–	3,749,656
Segment assets	₱2,023,189	₱1,864,394	₱9,571,367	₱5,157,023	₱2,985,134	₱20,842,773	₱680,501	₱1,013,398	₱16,003	₱13,333,427	₱–	₱57,487,209
Deferred income tax assets - net	22,568	23,659	39,604	129,802	176,058	–	–	–	–	47,909	–	439,600
Total assets	₱2,045,757	₱1,888,053	₱9,610,971	₱5,286,825	₱3,161,192	₱20,842,773	₱680,501	₱1,013,398	₱16,003	₱13,381,336	₱–	₱57,926,809
Segment liabilities	₱283,778	₱340,847	₱1,783,149	₱1,599,355	₱817,640	₱8,671,847	₱19,393	₱314,648	₱–	₱612,243	₱–	₱14,442,900
Deferred income tax liabilities - net	–	–	–	65,591	134,663	20,435	–	–	4,000	154,234	–	378,923
Total liabilities	₱283,778	₱340,847	₱1,783,149	₱1,664,946	₱952,303	₱8,692,282	₱19,393	₱314,648	₱4,000	₱766,477	₱–	₱14,821,823
Other segment information:												
Capital expenditures (see Note 9)	₱742,818	₱185,562	₱1,153,315	₱696,009	₱685,084	₱2,951,375	₱2,486	₱19,163	₱–	₱153,930	₱–	₱6,589,742
Depreciation, depletion and amortization (see Note 24)	₱187,274	₱130,841	₱813,544	₱259,918	₱132,364	₱305,572	₱55,525	₱37,859	₱2,965	₱79,793	₱–	₱2,005,655

Inter-segment revenues are eliminated upon consolidation.

Excluding the impact of effective hedge on forward contracts, the Group has revenues from external customers as follows:

	2025	2024	2023
China	**₱14,878,097**	₱9,822,138	₱14,764,681
Indonesia	**7,417,085**	4,922,366	–
Local	**7,061,582**	7,215,935	9,448,626
Japan	**266,468**	364,989	487,160
	₱29,623,232	₱22,325,428	₱24,700,467

The revenue information above is based on country of destination for sale of ore and limestone and location of the customers for all other sources of revenue. The local customers include CBNC and THNC, which are PEZA-registered entities.

The revenues from key customers are as follows:

	2025	2024	2023
Ningbo Lygend Wisdom Co., Ltd.	**₱7,470,275**	₱3,486,857	₱4,433,877
Union Wave Holding Pte. Ltd.	**6,393,197**	4,072,609	4,333,154
Big Wave Resources Co., Limited	**5,127,657**	3,330,977	3,165,294
Sgunion Trading Pte. Ltd.	**3,304,053**	3,117,983	–
THNC	**3,181,993**	3,083,292	4,108,102
CBNC*	**2,534,894**	2,748,062	4,408,481
	₱28,012,069	₱19,839,780	₱20,448,908

** CBNC is not a key customer in 2025.*

39. Events after the End of the Financial Reporting Period

Dividend Declaration
On February 25, 2026, the Parent Company's BOD declared regular cash dividends of ₱0.14 per common share payable on March 25, 2026, to stockholders of record as at March 12, 2026.

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Building a better working world

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Nickel Asia Corporation and Subsidiaries
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Nickel Asia Corporation and its subsidiaries as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, included in this Form 17-A and have issued our report thereon dated February 25, 2026. Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules[i] 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 consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the 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 of SEC covered institutions
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10765063, January 2, 2026, Makati City

February 25, 2026

[i] This includes:

- Reconciliation of Retained Earnings Available for Dividend Declaration
- 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
- Supplementary schedules required by Annex 68-J:
  - Financial assets
  - Amounts receivable from directors, officers, employees, related parties, and principal stockholder (other than related parties)
  - Amounts of receivable from related parties which are eliminated during the consolidation of financial statements
  - Long-term debt
  - Indebtedness to related parties
  - Guarantees of securities of other issuers
  - Capital stock

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Nickel Asia Corporation and Subsidiaries
28th Floor NAC Tower, 32nd Street
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Nickel Asia Corporation and its 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 February 25, 2026. Our audits were made for the purpose of forming an opinion on the basic 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 Company'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 consolidated financial statements prepared in accordance with PFRS Accounting Standards. Except for price per share, 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 of SEC covered institutions
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions
BIR Accreditation No. 08-001998-097-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10765063, January 2, 2026, Makati City

February 25, 2026

NICKEL ASIA CORPORATION AND SUBSIDIARIES

INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Schedule
Reconciliation of Retained Earnings Available for Dividend Declaration	I
Supplementary Schedules under Annex 68 - J	II
A. Financial Assets	
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)	
C. Amounts Receivable from Related Parties which are Eliminated in the Consolidated Financial Statements	
D. Intangible Assets - Other Assets	
E. Long-Term Debts	
F. Indebtedness to Affiliates and Related Parties (Short-term and Long-Term Debts with Related Companies)	
G. Guarantees of Securities of Other Issuers	
H. Capital Stock	
I. Supplementary Schedule of External Auditor Fee - Related Information	
A Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries, Co-Subsidiaries and Associates	III
Schedule of Financial Soundness Indicators	IV

SCHEDULE I

NICKEL ASIA CORPORATION
RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2025

Unappropriated retained earnings as at December 31, 2024		₱18,597,931
Less: Category B: Items that are directly debited to unappropriated retained earnings		
Dividend declarations during the year		2,508,106
Unappropriated retained earnings, as adjusted		16,089,825
Add: Net income for the year		5,871,021
Add: Category C.1: Unrealized losses (gains) recognized in the profit or loss during the reporting period (net of tax)		
Unrealized foreign exchange gains, except those attributable to cash and cash equivalents	(5,628)	
Unrealized fair value adjustment (mark-to-market losses) of financial instruments at FVTPL	14,688	9,060
Add: Category C.2: Unrealized income (losses) recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	65,003	
Other realized losses or adjustments to the retained earnings	(1,095,623)	(1,030,620)
Adjusted net income		4,849,461
Add: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of deferred income tax assets not considered in the reconciling items under the previous categories	(325)	
Net movement in deferred income tax assets and liabilities related to same transaction	(288)	(613)
TOTAL RETAINED EARNINGS AVAILABLE FOR DIVIDEND DISTRIBUTION AS AT DECEMBER 31, 2025		**₱20,938,673**

SCHEDULE II

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule A. Financial Assets

December 31, 2025

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amounts Shown in the Statement of Financial Position	Value Based on Market Quotations at End of Reporting Date	Income Received and Accrued
		In Thousands		
Cash on hand and with banks	N/A	₱5,883,807	₱5,883,807	
Short-term cash investments	N/A	11,667,911	11,667,911	₱420,951
Cash under managed funds	N/A	22,650	22,650	
Cash and cash equivalents		₱17,574,368	₱17,574,368	₱420,951
Trade	N/A	₱1,211,859	₱1,211,859	₱–
Amounts owed by related parties	N/A	286,470	286,470	–
Interest receivable	N/A	37,342	37,342	–
Forward contracts receivable	N/A	375	375	–
Others	N/A	808,247	808,247	–
Trade and other receivables		₱2,344,293	₱2,344,293	₱–
UBS AG - debt securities	various	₱1,410,677	₱1,410,677	₱20,953
Keyland Ayala Properties Inc.	3,056,198 shares	850,512	850,512	22,921
Manila Golf and Country Club	1 share	155,000	155,000	–
Wack-Wack Golf and Country Club	1 share	80,000	80,000	–
BPI Asset Management - debt securities	various	74,678	74,678	–
NiHao Mineral Resources International, Inc.	101,000,000 shares	31,815	31,815	–
PLDT Inc.	25,000 shares	31,500	31,500	2,375
Eurasian Consolidated Minerals Pty. Ltd.	15,949,298 shares	5,632	5,632	–
Security Bank Corporation - debt securities	various	5,230	5,230	–
Security Bank Corporation	58,027 shares	3,810	3,810	100
BDO Unibank, Inc. - debt securities	various	3,020	3,020	–
Maybank ATR Kim Eng Capital Partners, Inc. - debt securities	various	1,185	1,185	–
JP Morgan Chase & Co. - debt securities	various	–	–	4,970
Financial assets at FVTPL		₱2,653,059	₱2,653,059	₱51,319

(Forward)

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule A. Financial Assets
December 31, 2025

Name of Issuing Entity and Description of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position	Value Based on Market Quotations at End of Reporting Date	Income Received and Accrued
		In Thousands		
BPI Asset Management - debt securities	various	₱270,420	₱270,420	₱13,028
BDO Unibank, Inc. - debt securities	various	69,378	69,378	3,290
Security Bank Corporation - debt securities	various	66,806	66,806	2,748
Financial assets at FVOCI		₱406,604	₱406,604	₱19,066
San Miguel Corporation	₱200,000	₱200,000	₱200,000	₱13,431
Retail Treasury Bond	50,000	50,000	50,000	1,850
Ayala Land, Inc.	25,000	25,000	25,000	1,053
Aboitiz Equity Ventures, Inc.	–	–	–	1,605
Financial assets at amortized cost		₱275,000	₱275,000	₱17,939
MRF	N/A	₱1,000,195	₱1,000,195	₱20,147
Restricted cash	N/A	560,501	560,501	12,631
SDMP funds	N/A	80,011	80,011	57
Other noncurrent assets		₱1,640,707	₱1,640,707	₱32,835
Total		₱24,894,031	₱24,894,031	₱542,110

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)
December 31, 2025

Name and Designation of Debtor	Beginning Balance	Additions	Deductions		Current	Noncurrent	Ending Balance
			Amount Collected	Amount Written-Off			
There are no receivables from Directors, Officers, Employees, Related Parties and Principal Stockholders other than subject to usual terms, for ordinary travel and expense advances, and for other such items arising in the ordinary course of business and eliminated in consolidation.							

NICKEL ASIA CORPORATION

Schedule C. Amounts Receivable from Related Parties which are Eliminated in the Consolidated Financial Statements
December 31, 2025

Name of Subsidiary	Balances At January 1, 2025	Additions	Amounts collected	Reclassification	Amounts Written Off	Current	Noncurrent	Amount Eliminated
				In Thousands				
Dinapigue Mining Corporation	₱2,623,734	₱714,681	(₱46)	₱–	₱–	₱–	₱3,338,369	₱3,338,369
Emerging Power Inc.	–	405,847	(3,717)	–	–	402,130	–	402,130
La Costa Shipping and Lighterage Corporation	60,000	9,000	–	–	–	69,000	–	69,000
Coral Pearl Developments Limited	21,673	(15,322)	(22,274)	–	–	(15,923)	–	(15,923)
Cordillera Exploration Co., Inc.	7,641	–	–	–	–	–	7,641	7,641
Rio Tuba Nickel Mining Corporation	–	(1,306)	1,179	–	–	(127)	–	(127)
Taganito Mining Corporation	(50)	(201)	144	–	–	(107)	–	(107)
CDTN Services Company Inc.	–	84	(87)	–	–	(3)	–	(3)
Hinatuan Mining Corporation	425	132,170	(132,595)	–	–	–	–	–
Cagdianao Mining Corporation	–	(84)	84	–	–	–	–	–
	₱2,713,423	₱1,244,869	(₱157,312)	₱–	₱–	₱454,970	₱3,346,010	₱3,800,980

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule D. Intangible Assets - Other Assets
December 31, 2025

Description	January 1, 2025	Additions At Cost	Deductions		Other Changes - Additions (Deductions)	December 31, 2025
			Charged to Costs and Expenses	Charged to Other Accounts		
	In Thousands					
Other Noncurrent Assets [(a)]						
Geothermal exploration and evaluation assets	₱–	₱342	(₱342)	₱–	₱–	₱–
Deferred mine exploration costs	440,061	173,381	(192,599)	–	–	420,843
Intangibles	114,413	249,948	(43,257)	(3,040)	(12)	318,052
Project development costs	137,739	92,268	(7,964)	(140,605)	–	81,438
	₱692,213	₱515,939	(₱244,162)	(₱143,645)	(₱12)	₱820,333

(a) Disclosed in Note 11 to the Consolidated Financial Statements

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule E. Long-term Debts
December 31, 2025

Name of Issuer and Type of Obligation	Amount Authorized by Indenture	Amount Shown as Current	Amount Shown as Long-term	Remarks
	In Thousands			
Long-term Debts				
Taganito HPAL Nickel Corporation	₱–	₱102,883	₱462,971	A
Deferred Income				
Taganito HPAL Nickel Corporation	–	4,190	25,139	B
Total	₱–	₱107,073	₱488,110	

Remarks:
A. Interest rate is based on prevailing 180-day LIBOR plus 2% spread; principal is payable in semi-annual installments of US$875,000, payable in April and October until April 10, 2031. In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to TSOFR plus an adjustment of 0.43%.
B. The obligation is covered by a Lease Agreement with THNC.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule F. Indebtedness to Affiliates and Related Parties (Short-term and Long-term Debts with Related Companies)

December 31, 2025

Name of Affiliate	January 1, 2025	December 31, 2025
	In Thousands	
Long-term Debts		
Taganito HPAL Nickel Corporation	₱657,987	₱565,854
Deferred Income		
Taganito HPAL Nickel Corporation	33,519	29,329
	₱691,506	₱595,183

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule G. Guarantees of Securities of Other Issuers
December 31, 2025

Name of Issuing Entity of Securities Guaranteed by the Company for which Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by the Company for which Statement is Filed	Nature of Guarantee

- Not applicable-

NICKEL ASIA CORPORATION AND SUBSIDIARIES
Schedule H. Capital Stock
December 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions and Other Rights	Number of Shares Held By		
				Affiliates	Directors, Officers and Employees	Others
Common Stock	19,265,000,000	13,931,125,094	–	10,176,557,920	15,470,136	3,739,097,038
Preferred Stock	720,000,000	720,000,000	–	720,000,000	–	–

NICKEL ASIA CORPORATION AND SUBSIDIARIES

Schedule I. Supplementary Schedule of External Auditor Fee - Related Information
December 31, 2025

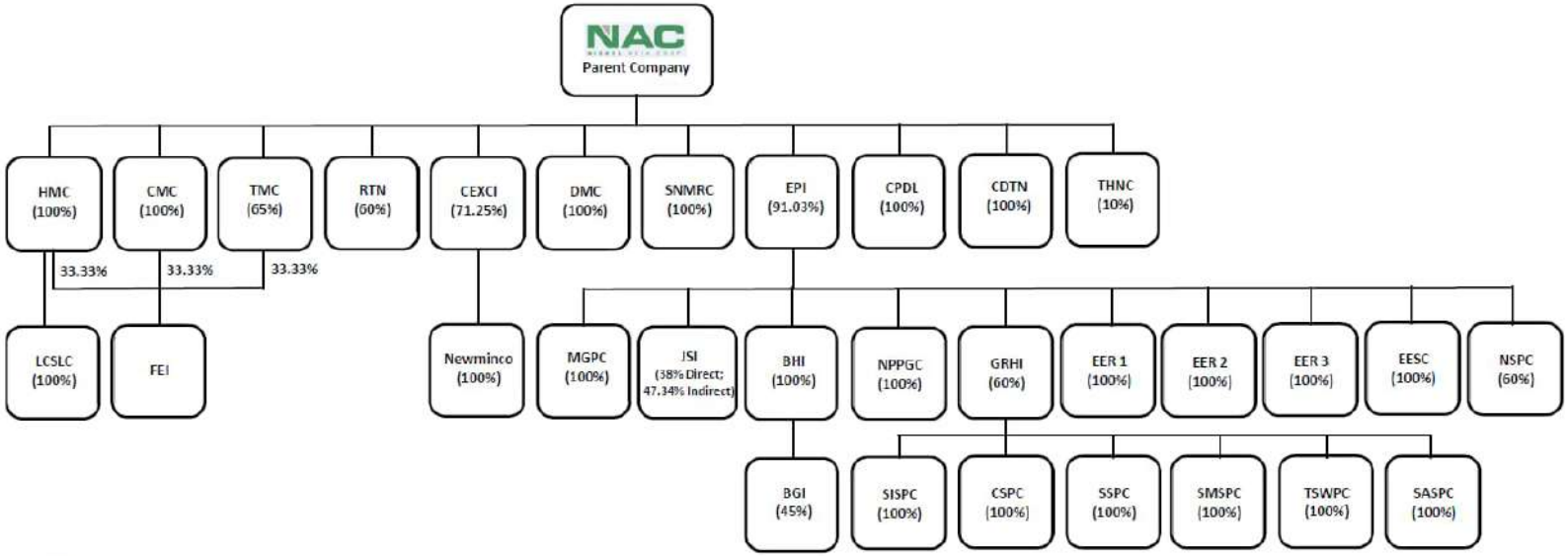
	2025	2024
	In Thousands	
Total audit fees [1]	**₱19,957**	₱18,900
Non-audit services fees		
Transfer pricing study	**400**	584
All other services	**242**	46
Total non-audit fees [2]	**642**	630
Total Audit and Non-audit Fees	**₱20,599**	₱19,530

Notes:

1) Agreed fees (excluding out-of-pocket expenses and VAT) with the external auditor/audit firm and its network firms (as applicable) for the audit of the covered company's stand alone and/or consolidated financial statements and the covered company's consolidated subsidiaries' financial statements on which the external auditor/audit firm expresses an opinion. These do not include fees for special purpose audit or review of financial statements, if applicable.
2) Charged or billed fees (excluding out-of-pocket expenses and VAT) by the external auditor/audit firm or a network firm (as applicable) for non-audit services to the covered company and its related entities over which the covered company has direct or indirect control that are consolidated in the financial statements on which the external auditor/audit firm expresses an opinion. These include other assurance services such as special purpose audit or review of financial statements, if applicable.

SCHEDULE III

NICKEL ASIA CORPORATION AND SUBSIDIARIES
A MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANY AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT, SUBSIDIARIES, CO-SUBSIDIARIES AND ASSOCIATES
DECEMBER 31, 2025



Subsidiaries:

HMC - Hinatuan Mining Corporation
CMC - Cagdianao Mining Corporation
TMC - Taganito Mining Corporation
LCSLC - La Costa Shipping and Lighterage Corp.
FEI - Falck Exp Inc.
RTN - Rio Tuba Nickel Mining Corporation
CEXCI - Cordillera Exploration Co., Inc.
Newminco - Newminco Pacific Mining Corporation
DMC - Dinapigue Mining Corporation
SNMRC - Samar Nickel Mining Resources Corp.
EPI - Emerging Power Inc.
MGPC - Mindoro Geothermal Power Corporation
JSI - Jobin SQM, Inc.
BHI - Biliran Holdings Inc.
NPPGC - Northern Palawan Power Generation Corporation
GRHI - Greenlight Renewables Holdings Inc.
CPDL - Coral Pearl Developments Limited
CDTN - CDTN Services Company Inc.
SISPC - San Isidro Solar Power Corp.
CSPC - Casilagan Solar Power Corporation
SSPC - SanJuan Solar Power Corporation
SMSPC - Sta. Maria Solar Power Corporation
TSWPC - Tuy Solar and Wind Power Corp.
SASPC - San Antonio Solar Power Corp.
EER 1 - Emerging Energy Resources 1, Inc.
EER 2 - Emerging Energy Resources 2, Inc.
EER 3 - Emerging Energy Resources 3, Inc.
EESC - Emerging Energy Saver Corporation
NSPC - Nazareno Solar Power Corp. (formerly Manta Baguio Properties Corp.)

Associates:

THNC - Taganito HPAL Nickel Corporation
BGI - Biliran Geothermal, Inc.

SCHEDULE IV

NICKEL ASIA CORPORATION AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
DECEMBER 31, 2025

Ratios	Formula	**2025**	2024
A. *Liquidity ratios*			
Current ratio	Current assets / Current liabilities	**2.35**	1.87
Quick ratio	Current assets - Inventories - Prepayments and other current assets / Current liabilities	**2.01**	1.42
Solvency ratio	Total assets / Total liabilities	**3.14**	3.58
B. *Financial leverage ratios*			
Debt ratio	Total liabilities / Total assets	**0.32**	0.28
Debt-to-equity ratio	Total liabilities / Total equity	**0.47**	0.39
Interest coverage	Earnings before interest and taxes* / Interest expense**	**23.58**	12.37
Asset-to-equity ratios	Total assets / Total equity	**1.47**	1.39
C. *Profitability ratios*			
Gross profit margin	Revenues - Costs / Revenue	**0.63**	0.56
Net profit margin	Net income / Revenue	**0.30**	0.13
Return on assets	Net income / Total assets	**0.13**	0.05
Return on equity	Net income / Total equity	**0.18**	0.07
Price/earnings ratio	Price per share / EPS	**8.64**	31.73

*Income before income tax, less Other income (charges) - net, less [Finance income - Finance expense (excluding gains/loss on forward contracts)]

**Finance expense less loss on forward contracts - net

COVER SHEET

C	S	2	0	0	8	1	1	5	3	0	

SEC Registration Number

N	I	C	K	E	L		A	S	I	A		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																					

(Company's Full Name)

2	8	t	h		F	l	o	o	r		N	A	C		T	o	w	e	r	,		3	2	n	d		S	t	r	e	e	t
B	o	n	i	f	a	c	i	o		G	l	o	b	a	l		C	i	t	y	,		T	a	g	u	i	g					
C	i	t	y																														

(Business Address: No. Street City/Town/Province)7

IRYAN JEAN U. PADILLO

(Contact Person)

(632) 8892-6669 / 7777-7622

(Company Telephone Number)

1	2		3	1
Month			*Day*	

(Calendar Year)

1	7	-	Q	

(Form Type)

0	6		0	9
Month			*Day*	

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

101

Total No. of Stockholders

Total Amount of Borrowings

₱11,404.3 million	₱-
Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

S.E.C. Number CS200811530
File Number_____

NICKEL ASIA CORPORATION

(Company's Full Name)

28th Floor NAC Tower, 32nd Street,
Bonifacio Global City, Taguig City
(Company's Address)

+63 2 8892 6669 / +63 2 7777 7622
(Telephone Numbers)

December 31
(Fiscal Year Ending)
(month & day)

SEC Form 17-Q Quarterly Report
Form Type

_____
Amendment Delegation (If applicable)

For the Three Months Ended
March 31, 2026
Period Ended Date

_____
(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(B) THEREUNDER

1. For the quarterly period ended: **MARCH 31, 2026**
2. SEC Identification Number: **CS200811530**
3. BIR Tax Identification No.: **007-085-191-000**
4. Exact name of issuer as specified in its charter: **NICKEL ASIA CORPORATION**
5. Province, Country or other jurisdiction of incorporation or organization: **PHILIPPINES**
6. Industry Classification Code: [ ] (SEC Use Only)
7. Address of principal office: **28th Floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City** Postal Code: **1634**
8. Issuer's telephone number, including area code**: +63 2 8892 6669 / +63 2 7777 7622**
9. Former name, former address, and former fiscal year, if changed since last report.
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	**13,931,125,094 shares**
Short and Long-term Debts	**Php11,404.3 million**

11. Are any or all of these securities listed on a Stock Exchange.
    Yes [**X**] No [ ]

    If yes, state the name of such stock exchange and the classes of securities listed therein:
    PHILIPPINE STOCK EXCHANGE **COMMON STOCK**

12. Check whether the issuer:
    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

    Yes [**X**] No [ ]

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

    Yes [**X**] No [ ]

May 11, 2026

Atty. Johanne Daniel M. Negre
Officer-in-Charge, Disclosure Department
Philippine Stock Exchange Tower,
5th Avenue corner 28th Street, BGC Taguig City

Mr. Vicente Graciano P. Felizmenio, Jr.
Director - Markets and Securities Regulation Department
Securities and Exchange Commission
7907 Makati Avenue, Salcedo Village,
Bel-Air, Makati City, 1209

Nickel Asia Corporation

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28th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: +63 2 8892 6669
+63 2 7798 7622

Fax: +63 2 8892 5344

Web: nickelasia.com

Re : SEC Form 17-Q 2026 1st Quarter Report
x ==========x

Gentlemen/Madam:

We submit to you herewith a copy of our Company's SEC Form 17-Q Quarterly Report for the period ended March 31, 2026.

We trust everything is in order.

Very truly yours,

Maria Angela G. Villamor
Senior Vice President and Chief Financial Officer

NICKEL ASIA CORPORATION

17-Q QUARTERLY REPORT

MARCH 31, 2026

TABLE OF CONTENTS **Page No.**

PART I – FINANCIAL INFORMATION

Item A. Financial Statements **1 – 2**

Summary Consolidated Statements of Income for the Three Months Ended March 31, 2026 and 2025

Summary Consolidated Statements of Financial Position as at March 31, 2026 and December 31, 2025

Summary Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2026 and 2025

Item B. Management's Discussion and Analysis of Financial Condition and Results of Operations **2 – 12**

PART II – FINANCIAL SOUNDNESS INDICATORS **13**

SIGNATURES

INDEX TO FINANCIAL STATEMENTS

PART I – FINANCIAL INFORMATION

Item A. Financial Statements

The Unaudited Interim Condensed Consolidated Financial Statements as at March 31, 2026 (with Comparative Audited Statement of Financial Position as at December 31, 2025) and for the three-month period ended March 31, 2026 and 2025 are hereto attached.

The following tables set forth the summary financial information for the three-month period ended March 31, 2026 and 2025 and as at March 31, 2026 and December 31, 2025:

Summary Consolidated Statements of Income

	For the Three Months Ended March 31		Increase	Percent
	2026	2025	(Decrease)	Inc (Dec)
	(In Thousand Pesos)			
Revenues	₱3,155,049	₱2,926,043	₱229,006	8%
Costs	(1,544,581)	(1,765,322)	(220,741)	-13%
Operating expenses	(829,310)	(704,574)	124,736	18%
Finance income	100,905	135,281	(34,376)	-25%
Finance expenses	(93,162)	(116,243)	(23,081)	-20%
Equity in net loss of an associate	(109,281)	(91,908)	17,373	19%
Other income - net	203,179	714,024	(510,845)	-72%
Provision for income tax	(232,107)	(424,265)	(192,158)	-45%
Net income	₱650,692	₱673,036	(₱22,344)	-3%
Net income attributable to:				
Equity holders of the parent	₱371,765	₱501,032	(₱129,267)	-26%
Non-controlling interests	278,927	172,004	106,923	62%
	₱650,692	₱673,036	(₱22,344)	-3%

Summary Consolidated Statements of Financial Position

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	Increase (Decrease)	Percent Inc (Dec)
	(In Thousand Pesos)			
Current assets	₱19,385,436	₱25,607,469	(₱6,336,073)	-25%
Noncurrent assets	46,267,151	44,560,542	1,820,649	4%
Total assets	₱65,652,587	₱70,168,011	(₱4,515,424)	-6%
Current liabilities	₱8,277,547	₱10,897,107	(₱2,619,560)	-24%
Noncurrent liabilities	11,406,415	11,442,298	(35,883)	0%
Equity attributable to equity holders of the parent	38,202,954	39,718,855	(1,515,901)	-4%
Non-controlling interests	7,765,671	8,109,751	(344,080)	-4%
Total liabilities and equity	₱65,652,587	₱70,168,011	(₱4,515,424)	-6%

Summary Consolidated Statements of Cash Flows

	For the Three Months Ended March 31		Increase	Percent
	2026	2025	(Decrease)	Inc (Dec)
	(In Thousand Pesos)			
Net cash flows from (used in):				
Operating activities	₱587,053	(₱1,594,960)	₱2,296,053	144%
Investing activities	(461,133)	534,627	(1,109,800)	-208%
Financing activities	(5,785,470)	(762,240)	(5,023,230)	-659%
Net decrease in cash and cash equivalents	(5,659,550)	(1,822,573)	(3,836,977)	-211%
Cash and cash equivalents, beginning	17,574,368	12,935,272	4,639,096	36%
Cash and cash equivalents, end	₱11,914,818	₱11,112,699	₱802,119	7%

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

RESULTS OF OPERATIONS

The following discussion and analysis are based on the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026 and 2025, prepared in conformity with Philippine Accounting Standards 34, *Interim Financial Reporting* and included herein, and should be read in conjunction with those unaudited interim condensed consolidated financial statements.

Three months ended March 31, 2026 compared with three months ended March 31, 2025

Revenues

	2026	2025
	(In Thousands)	
Sale of ore and limestone	₱2,459,808	₱2,394,233
Sale of power	485,664	296,827
Services	209,751	234,983
	₱3,155,223	₱2,926,043

Revenues during the first quarter of 2026 reached ₱3,155.2 million, an increase of ₱229.2 million, or 8%, compared to ₱2,926.0 million during the same period last year.

Sale of Ore

Revenues from ore sales increased by 3%, due to a slight rise in nickel ore prices and a notable depreciation of the Philippine peso against the US dollar.

The Group's operating mines sold a total of 2.27 million wet metric tons (WMT) of nickel ore in the first quarter of 2026, representing a 9% decrease from last year's sales of 2.48 million WMT. However, the weighted average sales price of nickel ore increased by 10%, rising to $18.03/WMT from $16.40/WMT in the same quarter of the previous year. Additionally, the Group realized ₱59.19/US$ from these nickel ore sales, marking a 2% increase from ₱57.85/US$ last year.

In the first quarter of 2026, the Group exported 0.56 million WMT of saprolite ore at an average price of $35.63/WMT. This was a decrease from 0.66 million WMT exported during the same period last year, which sold at an average price of $36.60/WMT. Additionally, the Group delivered 1.71 million WMT of limonite ore to the Coral Bay and Taganito High-Pressure Acid Leach (HPAL) plants in the first quarter of 2026, compared to 1.82 million WMT during the same period in 2025. The average price for these deliveries was $7.87 per pound of payable nickel, up from $7.05 per pound in 2025. Expressed in US$ per WMT, deliveries to the two HPAL plants generated $12.29 and $9.10 in the first quarters of 2026 and 2025, respectively.

Breaking down sales by mine, the Rio Tuba mine exported 0.51 million WMT of saprolite ore and delivered 0.67 million WMT of limonite ore to the Coral Bay processing plant during the first quarter of 2026. In the same period last year, the mine sold 0.66 million WMT of saprolite ore and 0.72 million WMT of limonite ore to the Coral Bay processing plant.

Meanwhile, the Taganito mine exported 0.05 million WMT of saprolite ore and delivered 1.03 million WMT of limonite ore to the Taganito processing plant in the first quarter of 2026. This reflects a decrease compared to the same period last year, which recorded a delivery of 1.10 million WMT of limonite ore to the Taganito processing plant.

Additionally, the Cagdianao mine delivered 0.01 million WMT of limonite ore to the Coral Bay processing plant during the first quarter of 2026, whereas no deliveries were made in the comparable period from last year.

Sale of Limestone
Limestone deliveries to Coral Bay Nickel Corporation (CBNC) decreased by 5% in the first quarter of 2026. Consequently, revenue from limestone sales also fell by the same percentage, totaling ₱35.2 million, compared to ₱37.0 million during the corresponding period last year.

Sale of Power
Revenue from power sales during the first quarter of 2026 surged by 64%, climbing to ₱485.7 million from ₱296.8 million the previous year. This impressive growth was primarily driven by a notable increase in generation volume, particularly from the Group's solar power plants, which jumped from 58.16 million kilowatt-hour (kWh) to 95.83 million kWh. This increase followed the completion and energization of San Isidro Solar Power Project (SISP Project) in October 2025. Furthermore, there was a slight improvement in the year-on-year average effective price from renewable sources, which increased by 5%, rising from ₱4.31/kWh to ₱4.52/kWh.

Services
Service revenue, which includes payments for hauling, manpower, and ancillary services provided by CDTN Services Company Inc. and Taganito Mining Corporation (TMC) to CBNC, Taganito HPAL Nickel Corporation (THNC), and other third parties, decreased by ₱25.2 million. As a result, total service revenue for the first quarter of 2026 was ₱209.8 million, down from ₱235.0 million during the same period last year. This decline can be primarily attributed to an 8% decrease in the volume of materials handled by the Group.

Costs

Costs went down by 13%, or ₱220.7 million, from ₱1,765.3 million to ₱1,544.6 million.

	2026	2025
	(In Thousands)	
Cost of sales	₱1,259,480	₱1,508,419
Power generation	198,220	151,491
Services	86,881	105,412
	₱1,544,581	₱1,765,322

Cost of Sales

Despite some increased costs, such as fuel rising from an average of ₱50.20 per liter to ₱55.68 per liter and local business taxes increasing due to a higher tax base in 2026 compared to 2025, the Group's production volume in the first quarter of 2026 doubled to 2.25 million WMT from 1.06 million WMT in the same period last year. Aside from the 9% decline in volume of ore sold, the cost of sales in the first quarter of 2026 was lower due to a decrease in production costs per WMT.

Cost of Power Generation

The cost of power generation increased by 31%, rising from ₱151.5 million to ₱198.2 million. This increase was driven by enhanced capacity resulting from the completion of the SISP Project in October 2025. Additionally, the receipt of the Provisional Authority to Operate for Phase 4A – 72 megawatts (MW) of Jobin-SQM, Inc.'s (JSI) Solar Power Project led to the start of depreciation on the plant's construction costs beginning in July 2025.

Cost of Services

Costs associated with services decreased by 18%, from ₱105.4 million to ₱86.9 million, following an 8% decrease in the volume of materials handled.

Operating Expenses

	2026	2025
	(In Thousands)	
General and administrative	₱385,857	₱335,920
Shipping and loading costs	276,565	222,068
Excise taxes and royalties	166,470	146,586
Marketing	418	–
	₱829,310	₱704,574

General and Administrative

General and administrative expenses increased by 15%, rising from ₱335.9 million during the first quarter of last year to ₱385.9 million. This increase was mainly attributed to annual merit increases, benefits provisions, higher local business taxes, tax assessments, and payments to project consultants hired from August to December 2025. Additionally, there was growth in sponsorships, particularly those related to sports and student activities, along with an increase in the cost of software licenses due to early renewals compared to the previous year.

Shipping and Loading Costs

Shipping and loading costs rose by 25%, primarily due to higher Landing Craft Transport or loading costs since operations at some mines began as early as March 2026. Contributing factors included an

11% increase in fuel costs per liter, additional service fees for underwater inspections, and increased depreciation arising from new assets and the completion of Dinapigue Mining Corporation's (DMC) causeway repairs in September 2025.

Excise Taxes and Royalties
Excise taxes and royalties rose by 14%, rising from ₱146.6 million to ₱166.5 million. This increase was primarily driven by higher revenue from nickel ore sales, particularly from the Taganito and Cagdianao mines. These two (2) mines also pay a 5% royalty to the government because their contract areas are located within the Surigao Mineral Reservation.

Marketing
Marketing costs consist of commissions calculated solely as a percentage of Cagdianao Mining Corporation's (CMC) revenue. In the first quarter of 2026, CMC delivered and sold ore to the CBNC plant, resulting in an incurred commission.

Finance Income
Despite a 19% increase in average cash placements in the current period, finance income decreased by 25%, falling to ₱100.9 million from ₱135.3 million. This decline is attributed to lower short-term cash investment rates, which averaged around 3.11% during this period, down from approximately 3.92% in the same period last year.

Finance Expenses
Finance expenses decreased by 20% in the first quarter of 2026 primarily due to the full repayment of Emerging Power Inc. (EPI) loans from Security Bank Corporation (SBC).

Equity in Net Loss of an Associate
In the first quarter of 2026, the Parent Company reported a loss of ₱109.3 million from its equity interests in an associate, with reporting currency in US dollar. This loss was greater than the ₱91.9 million loss reported in the previous year, primarily due to the depreciation of the peso.

Other Income - Net
Other income - net for the current period amounted to ₱203.2 million, significantly lower than the ₱714.0 million from the same period last year. This decrease was mainly due to the reversal of cumulative translation adjustments related to the investment in CBNC, which resulted in ₱800.5 million in income recognized in the first quarter of 2025. Excluding this one-off transaction, other income - net for the current period was higher, driven by the impact of foreign exchange. The foreign exchange situation significantly improved, swinging from a loss of ₱105.9 million in the first quarter of 2025 to a gain of ₱162.5 million in the current period. The notable depreciation of the Philippine peso against the US dollar in early 2026, which reached historic lows, was influenced by geopolitical tensions in the Middle East.

Provision for Income Tax
Due to the factors mentioned above, particularly the increase in revenue, taxable income rose slightly in the current period compared to the same period last year. Additionally, there were reversals of deferred income tax assets during the previous period. As a result, the net provision for income tax decreased by 45%.

Net Income
Consequently, the consolidated net income for the first quarter of 2026 reached ₱650.7 million, compared to ₱673.0 million for the same period last year. After accounting for non-controlling

interests, the net income attributable to the equity holders of the parent company amounted to ₱371.8 million, down from ₱501.0 million in the previous year.

STATEMENT OF FINANCIAL POSITION

As of March 31, 2026, total assets amounted to ₱65,652.6 million, a decrease from ₱70,168.0 million as of December 31, 2025. Current assets fell by 24%, decreasing from ₱25,607.5 million to ₱19,385.4 million, while noncurrent assets rose by 4%, increasing from ₱44,560.5 million to ₱46,267.2 million. The decline in current assets was primarily due to payments of cash dividends and repayments of EPI bank loans. On the other hand, the increase in noncurrent assets was driven by the construction costs for the 240MW SISP Project and Phase 1 - 70MW of the Cawag Solar Power (CSP) Project.

Current liabilities were reported at ₱8,277.5 million, a decrease from ₱10,897.1 million, mainly due to the full payment of EPI loans from SBC, totaling ₱1,500.0 million, and a partial repayment of EPI's loans from RCBC amounting to ₱1,400.0 million.

Noncurrent liabilities saw a slight decrease, falling from ₱11,442.3 million to ₱11,406.4 million due to loan amortization payments for JSI and DMC.

Equity, net of non-controlling interests, decline slightly to ₱38,203.0 million, reflecting the net effect of current-period earnings and dividend payments.

STATEMENT OF CASH FLOWS

In the first quarter of 2026, net cash flows from operating activities reached ₱587.1 million, showing a significant improvement compared to the ₱1,595.0 million used in the same period the previous year. This change was primarily due to an increase in the collection of trade receivables, while the prior year experienced higher payments to creditors and increased tax remittances.

Regarding investment activities, the Group made substantial capital expenditures in the first quarter of 2026, amounting to ₱1,794.9 million, which included project development costs. This was partially offset by proceeds of ₱1,513.2 million from the sale of offshore investments in debt securities. This capital expenditure represents a rise compared to ₱1,088.5 million during the same period last year. Notably, in the first quarter of 2025, the Group had a positive cash position from investment activities, driven by proceeds of ₱1,853.4 million from the sale of its investment in CBNC.

For financing activities in the first quarter of 2026, the Group paid cash dividends totaling ₱2,565.4 million and repaid loans, including interest and debt issuance costs, amounting to ₱3,232.4 million. Both figures were higher than those from the same period last year. Further, in prior year, these payments were partly offset by proceeds from new loans, primarily allocated for the CSP and SISP Projects, totaling ₱2,491.7 million. Additionally, last year, Greenlight Renewables Holdings Inc. (GRHI) received equity contributions of ₱383.9 million, while there were no such contributions in the current period.

As of March 31, 2026, cash and cash equivalents stood at ₱11,914.8 million, compared to ₱11,112.7 million as of March 31, 2025.

KEY PERFORMANCE INDICATORS

1) TOTAL COST PER VOLUME SOLD

The total cost per volume of ore sold provides a cost profile for each operating mine and allows us to measure and compare operating performance as well as changes in per unit costs from period to period.

The total cost includes the cost of sale of ore, general and administrative, shipping and loading costs, excise taxes and royalties, and marketing incurred by the Group.

The average cost per volume of nickel ore sold for the first quarter of 2026 was ₱835/WMT based on aggregate costs of ₱1,897.0 million and total sales volume of 2.27 million WMT of ore. This compares to ₱823/WMT during the first quarter of 2025 based on aggregate costs of ₱2,045.6 million and total sales volume of 2.48 million WMT of ore.

2) ATTRIBUTABLE NET INCOME

Attributable net income represents the portion of consolidated profit or loss for the period, net of income taxes, which is attributable to the Parent Company. This is a relevant and transparent metric of the information contained in the consolidated financial statements. The income attributable to equity holders of the Parent Company for the first quarter of 2026 was ₱371.8 million compared to ₱501.0 million in the same period last year.

3) NUMBER OF HECTARES OF OPEN AREA PER MILLION WMT SOLD

The Group adheres to the principles and practices of sustainable development. The Group is committed to complying with and following environmental regulations by implementing best practices in managing the environmental impact of its operations. In 2018, the Department of Environment and Natural Resources (DENR), through the issuance of DENR Administrative Order (DAO) No. 2018-20, prescribes Guidelines for Additional Environmental Measures for Operating Surface Metallic Mines and provides limits of maximum disturbed areas for nickel mines depending on the scale of their mining operations. The DAO also requires that temporary revegetation be immediately implemented in the disturbed areas. During the first quarters of 2026 and 2025, there were around 164 and 132 open hectares per million WMT sold, respectively.

4) FREQUENCY RATE

Health and safety are integral parts of the Group's personnel policies. Its comprehensive safety program is designed to minimize risks to health arising out of work activities and to assure compliance with occupational health and safety standards and rules and regulations that apply to its operations. The Group measures our safety effectiveness through the Frequency Rate which is the ratio of lost-time accidents to total million man-hours worked for the period. For the first quarters of 2026 and 2025, the Group's frequency rate was 0.68 and nil, respectively.

RECENT DEVELOPMENTS

- On January 5, 2026, the Department of Energy (DOE) approved the amendment of capacity for the CSP Project from 145MW to 145MW with 30MW Battery Energy Storage System.
- On February 11, 2026, the DOE evaluated that Mindoro Geothermal Power Corporation has fully settled all financial obligations related to its terminated Geothermal Renewable Energy Service Contract No. 2010-02-013.
- On February 25, 2026, the Board of Directors (BOD) of the Parent Company approved the establishment of the following wholly-owned subsidiaries: (i) a shared services entity for corporate support services to the Parent Company and its subsidiaries and/or affiliates, (ii) a geothermal

holding entity for the Parent Company's investments in geothermal energy projects, and (iii) an offshore entity for the Parent Company's international investments, subject to formal incorporation and registration with applicable government regulators.

- On April 22, 2026, the Parent Company entered into a Membership Interest Sale and Purchase Agreement for the acquisition of 20% interest in East Copper Production LLP, a Kazakhstan copper mining entity.
- In relation to the surrendered Solar Energy Operating Contracts for the Cabcaben and Sinawal Power Projects, on April 26, 2026, Emerging Energy Resources 2, Inc. has already settled their remaining obligations to the DOE pertaining to training fund and development assistance.
- Construction for Phase 2 SISP Project, also with a 120MW capacity, is still ongoing with target energization of 110MW and 10MW in September 2026 and March 2027, respectively. The target commercial operation is in 2027.
- Target energization of Phase 1 - 45MW of the Botolan Project in Zambales was moved from third quarter to fourth quarter of 2026, with commercial operations expected by May 2027.
- Construction of Northern Palawan Power Generation Corporation's (NPPGC) 145MW CSP Project is still ongoing with target energization of Phase 1 - 70MW in April 2027 (previously December 2026) and target commercial operations in February 2028 (previously in 2027). Phase 2 - 75MW is expected to begin construction by September 2026 and expected to energize in October 2027 and target commercial operation in August 2028.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2026 and December 31, 2025, the Group's principal source of liquidity was cash from operations. TMC incurred long-term debt to finance the construction of the Taganito pier facilities. TMC receives income from THNC under a throughput agreement for the use of the pier facilities. The revenues that TMC receive from THNC under the throughput agreement have typically been sufficient to service its long-term debt. In addition, the Group also incurred short-term and/or long-term debts to finance the solar projects of JSI, NPPGC, Nazareno Solar Power Corp. (NSPC) and San Isidro Solar Power Corp. (SISPC), and the permanent causeway of DMC. Any revenue that will be earned by JSI, NPPGC, NSPC, SISPC and DMC upon start of or during their commercial operations will be used to pay off the debt.

As at March 31, 2026 and December 31, 2025, the Group's working capital, defined as the difference between the current assets and current liabilities, was ₱11,107.9 million and ₱14,710.4 million, respectively. The Company expects to meet the working capital, capital expenditure and investment requirements from the cash flow coming from operations and pay off the debts that the Group incurred to finance the construction of pier facilities at the Taganito properties, the construction of the permanent causeway in Dinapigue, and the solar projects and other project developments of EPI, JSI, GRHI, NPPGC and NSPC. The Group may also from time to time seek other sources of funding, which may include debt or equity financing, depending on the financing needs and market conditions.

QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

Commodity Price Risk

The price of nickel is subject to fluctuations driven primarily by changes in global demand and global production of similar and competitive mineral products. This, therefore, required the Group to change the pricing mechanism on the sale of saprolite ore to Japanese customers, which was traditionally linked to London Metal Exchange (LME) prices, to a negotiated price per WMT of ore, similar to the pricing of ore from the Philippines to China and Indonesia. The price of limonite ore with high iron content is closely correlated to the international iron ore price index. The prices of nickel ore delivered to CBNC and THNC are determined based on a payable percentage of the nickel contained in the ore

delivered and a formula related to LME prices as a factor over the period the nickel ore was delivered. To mitigate the impact of such price movements, the Group may opt to enter into commodity put option contracts.

Foreign Currency Risk
The foreign currency risk results primarily from movements of the peso against the US$ on transactions in currencies other than the Peso. Such exposure arises mainly from cash and cash equivalents, financial assets in debt and equity securities, long-term debt and sales of beneficiated nickel ore denominated in US$. Because almost all the revenues are earned in US$ while most of the expenses are paid in Peso, appreciation of Peso against the US$ effectively reduces the revenue without a corresponding reduction in the expenses and can result in a reduction in the net income. In addition, because a portion of the cash and cash equivalents, financial assets in debt and equity securities and long-term debt are denominated in US$, the appreciation of the peso against the US dollar reduces the value of the total assets and liabilities in peso terms in the consolidated financial statements.

To mitigate the effect of foreign currency risk, the Group:
- seek to accelerate the collection of foreign currency-denominated receivables and the settlement of foreign-currency denominated payables, whenever practicable;
- Monitor daily the foreign exchange movements; and
- Uses derivatives, particularly currency forwards, as cash flow hedges to reduce exposure to market risk.

Equity Price Risk
Equity price risk is the risk of earnings or capital arising from changes in stock prices relating to the quoted equity securities owned by the Group. The Group's exposure to equity price risk relates primarily to the financial assets in various stocks of listed companies.

The Group's policy is to maintain the risk to an acceptable level. Movement in the share price and market value of the assets are monitored regularly to determine the impact on the financial position.

SEASONALITY OF OPERATIONS
Mining operations at the majority of the Group's mines are often unable to load ore into shipping vessels during the rainy season. This seasonality results in quarter-to-quarter volatility in the Group's operating results with more revenue being earned and more expenses being incurred in the second and third fiscal quarters than in the first and fourth fiscal quarters.

OFF-BALANCE SHEET ARRANGEMENTS
- Under the Suretyship Agreement executed with SBC, the Parent Company, solidarily with DMC, guarantees and warrants to SBC, its assigns and successors-in-interest, prompt and full payment and performance of DMC's obligations to SBC.
- On August 2, 2021, JSI entered into an Omnibus Loan and Security Agreement (OLSA) to document the syndicated loan with 2 banks as lenders, i.e., Industrial and Commercial Bank of China and SBC, with the Parent Company forming part of the Share Collateral Security Grantors and Sponsors together with EPI and TBEA International Engineering Co., Ltd.
- On December 26, 2024, NPPGC entered an OLSA to document the loan with RCBC, with EPI as Sponsor and Security Grantor. Under the applicable provisions of the OLSA, the Parent Company is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the Subic Bay Metropolitan Authority (SBMA) Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However,

the obligations of the Parent Company shall be automatically terminated once NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the Project.

- On December 16, 2025, SISPC entered an OLSA to document the loan with SBC and China Banking Corporation, with GRHI as the Security Grantor.

Other than those mentioned above, the Parent Company has not entered into any off-balance sheet transactions or obligations (including contingent obligations), or other relationships with unconsolidated entities or other persons.

EXPLORATION [1]

Nickel

No exploration activities were conducted during the quarter ended March 31, 2026 across the following operating companies and their respective nickel laterite deposits:

- TMC - Taganito Nickel Laterite Property
- CMC - Valencia Nickel Laterite Deposit
- Hinatuan Mining Corporation - Tagana-an and Manicani Nickel Laterite Deposits
- DMC - Dinapigue Nickel Laterite Deposit
- Rio Tuba Nickel Mining Corporation (RTN) - Rio Tuba Nickel Laterite Deposit

All drilling activities carried out during the reporting period were limited to development and production support, and no drilling related to exploration or Mineral Resource delineation was undertaken.

Gold and Copper

Zambales (Exploration Permit (EP)-001-2015-III)

The end of 2025 marked the end of the Zambales Project. The BOD of Cordillera Exploration Co., Inc. decided to close the project, and the project team ensured that the remaining projects with respect to the environment and community were all properly implemented.

All final technical reports - including the Exploration, Environmental, Social, and Safety and Health Reports - have been completed, reviewed, and submitted to the relevant regulatory body. Engagement with Mines and Geosciences Bureau Region 3 confirmed that submission of these reports, together with a formal withdrawal process, is the appropriate pathway toward a clean project exit. The official letter of withdrawal from the project will be submitted once the project owners finally relinquish the existing EP.

On the social development front, the project successfully fulfilled all remaining community commitments. The Sitio Payudpod classroom was completed and formally turned over in January 2026, while the Sitio Banawen sanitation project was fully completed in February 2026 with all five (5) toilets constructed and handed over.

Operationally, personnel demobilization progressed smoothly. Separation obligations were completed, in support of closure activities. Camp maintenance and asset management continued in parallel, with all project assets inventoried and prepared for transfer or disposal. Preparations for the secure transfer and storage of drill cores in the Cordon Project facility are well advanced, with site readiness confirmed and permitting in progress.

[1] The update on exploration is reviewed and prepared under the supervision of an Accredited Competent Person - Geology as defined under the 2020 Edition of the Philippine Mineral Reporting Code and its Implementing Rules and Regulations. The relevant Consent Forms, Statements and Certificates are attached as Annex.

Overall, the project is on track for an orderly and compliant closure, with all major deliverables completed and remaining activities focused on final regulatory requirement, asset transfer, and formal project exit.

Cordon (EP-000026II)

Drilling activities intensified throughout the quarter, with key drill holes completed (SLD0006 to SLD0009) and several others on-going (SLD0010 and SLD0011) at the time of the report. These efforts expanded subsurface coverage and improved confidence in the continuity of the copper-gold mineralization. Importantly, geological observations - including quartz stockworks, vein systems, potassic and propylitic alteration, and sulfide assemblages such as chalcopyrite, galena, and sphalerite - collectively point toward a porphyry copper system. Surface mapping at San Luis showed surface manifestation of Cu mineralization. Fieldwork in San Luis and Dallao revealed zones of bornite-chalcopyrite associated with porphyry copper mineralization.

Environmental, safety, and social performance remained strong and aligned with regulatory expectations. The team-maintained compliance through timely submission of government reports and successful inspections, while continuing progressive rehabilitation of drill sites and reforestation efforts. Safety systems remained robust, supported by regular training, daily toolbox meetings, and emergency preparedness drills. Community engagement also remained a priority, with ongoing health initiatives, stakeholder consultations, and Information Education and Communication campaigns sustaining positive relationships with host communities and local government units.

Overall, the Cordon Gold Project exits first quarter of 2026 in a materially stronger position. The convergence of consistent drilling results, a coherent geological model, and early-stage development planning indicates clear forward momentum. The project is now well-positioned to advance into resource definition, with growing confidence in its potential to evolve into a significant porphyry Cu-Au asset.

KNOWN TRENDS, EVENTS, OR UNCERTAINTIES

Planned Cessation of Operations of Hydrometallurgical Processing Plant in Palawan of CBNC

On June 2, 2025, the Parent Company was notified by CBNC of its planned cessation of the operations of CBNC's hydrometallurgical processing plant (HPP) in Palawan once the HPP's current Tailings Storage Facility-3 becomes fully utilized and reaches its maximum capacity around 2028. CBNC is a key customer of RTN and together with RTN, has joint corporate social responsibility projects and programs for the community of Bataraza, Palawan. CBNC and RTN will work together to ensure a smooth transition to minimize disruptions to operations and to the community. At this stage, the planned cessation of the operations of the HPP has no material impact on RTN’s business or operations.

As at March 31, 2026, except for what has been noted in the preceding, there were no material events or uncertainties known to management that had a material impact on past performance, or that would have a material impact on future operations, in respect of the following:

- Known trends, demands, commitments, events or uncertainties that would have a material impact on the Group;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Group's short-term or long-term liquidity except for the capital expenditures related to CSP, SISP and other renewable energy projects and DMC’s causeway repair;
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations except for the impact of forward currency contracts on sale of ore, if any;

- Significant elements of income or loss that did not arise from the Group's continuing operations;
- Seasonal aspects that had a material impact on the Group's results of operations; and
- Material changes in the financial statements of the Group for the periods ended March 31, 2026 and December 31, 2025;
- Known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation that has not been booked, although the Group could be contingently liable for lawsuits and claims arising from the ordinary course of business, which contingencies are not presently determinable.

NICKEL ASIA CORPORATION AND SUBSIDIARIES
PART II - FINANCIAL SOUNDNESS INDICATORS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

Ratios	Formula	**2026**	2025
A. Liquidity analysis ratios			
Current ratio or working capital ratio	Current assets / Current liabilities	**2.34**	1.93
Quick ratio	Current assets - Inventories - Prepayments and other current assets / Current liabilities	**1.73**	1.37
Solvency ratio	Total assets / Total liabilities	**3.34**	3.69
B. Financial leverage ratios			
Debt ratio	Total liabilities / Total assets	**0.30**	0.27
Debt-to-equity ratio	Total liabilities / Total equity	**0.43**	0.37
Asset-to-equity ratio	Total assets / Total equity	**1.43**	1.37
Interest coverage ratio	Earnings before interest and taxes / Interest expense	**7.22**	3.21
C. Profitability ratios			
Net profit margin	Net income / Revenue	**0.21**	0.23
Return on assets	Net income / Total assets	**0.01**	0.01
Return on equity	Net income / Total equity	**0.01**	0.02
Gross profit margin	Sales - Costs / Revenue	**0.51**	0.40
Price/earnings ratio	Price per share / Earnings Per Share	**140.00**	55.25

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer: **NICKEL ASIA CORPORATION**

By:

Martin Antonio G. Zamora
President and Chief Executive Officer

May 11, 2026

Maria Angela G. Villamor
Senior Vice President and Chief Financial Officer

May 11, 2026

NICKEL ASIA CORPORATION
SEC FORM 17-Q
INDEX TO FINANCIAL STATEMENTS
MARCH 31, 2026

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Interim Consolidated Statements of Financial Position as at March 31, 2026 and December 31, 2025

Interim Consolidated Statements of Income for the three-month period ended March 31, 2026 and 2025

Interim Consolidated Statements of Comprehensive Income for the three-month period ended March 31, 2026 and 2025

Interim Consolidated Statements of Changes in Equity for the three-month period ended March 31, 2026 and 2025

Interim Consolidated Statements of Cash Flows for the three-month period ended March 31, 2026 and 2025

Notes to Consolidated Financial Statements

NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2026
(With Comparative Audited Figures as at December 31, 2025)
(Amounts in Thousands)

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	**₱11,914,818**	₱17,574,368
Trade and other receivables (Notes 5 and 27)	**1,865,247**	2,381,943
Inventories (Note 6)	**3,475,094**	2,646,789
Financial assets at (Note 7):		
Fair value through other comprehensive income (FVOCI)	**408,294**	406,604
Fair value through profit or loss (FVTPL)	**127,153**	1,531,921
Prepayments and other current assets	**1,594,830**	1,065,844
Total Current Assets	**19,385,436**	25,607,469
Noncurrent Assets		
Property and equipment (Note 8)	**34,233,132**	33,125,604
Investment in an associate (Note 9)	**3,222,577**	3,235,269
Financial assets at - net of current portion (Note 7):		
FVTPL	**1,139,318**	1,121,138
Amortized cost	**275,000**	275,000
Deferred income tax assets - net	**253,489**	270,356
Other noncurrent assets	**7,143,635**	6,533,175
Total Noncurrent Assets	**46,267,151**	44,560,542
TOTAL ASSETS	**₱65,652,587**	₱70,168,011
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 10 and 27)	**₱4,011,796**	₱3,930,720
Income tax payable	**779,036**	590,767
Short-term debts (Note 11)	**2,100,000**	5,048,156
Current portion of:		
Long-term debts (Notes 11 and 27)	**498,606**	454,831
Lease liabilities (Note 28)	**87,387**	111,911
Other current liabilities	**800,722**	760,722
Total Current Liabilities	**8,277,547**	10,897,107
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debts (Notes 11 and 27)	**8,805,665**	8,905,970
Lease liabilities (Note 28)	**1,113,980**	1,083,244
Deferred income	**24,091**	25,139
Provision for mine rehabilitation and decommissioning (Note 12)	**945,650**	944,457
Deferred income tax liabilities	**423,736**	411,306
Pension liability	**93,293**	72,182
Total Noncurrent Liabilities	**11,406,415**	11,442,298
Total Liabilities	**19,683,962**	22,339,405

(Forward)

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
Equity Attributable to Equity Holders of the Parent		
Capital stock (Note 13)	**₱6,999,974**	₱6,999,974
Additional paid-in capital	**9,205,802**	9,205,802
Share in cumulative translation adjustment (Note 9)	**910,943**	828,842
Other components of equity:		
Cost of share-based payment plan	**154,296**	154,296
Asset revaluation surplus	**28,938**	29,033
Net valuation gains (losses) on:		
Forward contracts (Note 30)	**(13,788)**	168
Financial assets at FVOCI	**(2,820)**	2,633
Retained earnings:		
Unappropriated	**20,918,623**	22,497,121
Appropriated (Note 13)	**135,000**	135,000
Treasury stock (Note 13)	**(134,014)**	(134,014)
	38,202,954	39,718,855
Non-controlling Interests (NCI)	**7,765,671**	8,109,751
Total Equity	**45,968,625**	47,828,606
TOTAL LIABILITIES AND EQUITY	**₱65,652,587**	₱70,168,011

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Amounts in Thousands, Except Earnings per Share)

	2026	2025
	(Unaudited)	
REVENUES (Notes 26 and 27)		
Sale of ore and limestone	**₱2,459,634**	₱2,394,233
Sale of power	**485,664**	296,827
Services	**209,751**	234,983
	3,155,049	2,926,043
COSTS		
Cost of sales (Note 15)	**1,259,480**	1,508,419
Power generation (Note 16)	**198,220**	151,491
Services (Note 17)	**86,881**	105,412
	1,544,581	1,765,322
OPERATING EXPENSES		
General and administrative (Note 18)	**385,857**	335,920
Shipping and loading costs (Note 19)	**276,565**	222,068
Excise taxes and royalties (Note 20)	**166,470**	146,586
Marketing	**418**	–
	829,310	704,574
FINANCE INCOME (Note 23)	**100,905**	135,281
FINANCE EXPENSES (Note 24)	**(93,162)**	(116,243)
EQUITY IN NET LOSS OF AN ASSOCIATE (Note 9)	**(109,281)**	(91,908)
OTHER INCOME - net (Note 25)	**203,179**	714,024
INCOME BEFORE INCOME TAX	**882,799**	1,097,301
PROVISION FOR INCOME TAX (Note 29)		
Current	**209,977**	179,703
Deferred	**22,130**	244,562
	232,107	424,265
NET INCOME	**₱650,692**	₱673,036
Net income attributable to:		
Equity holders of the parent	**₱371,765**	₱501,032
NCI	**278,927**	172,004
	₱650,692	₱673,036
Basic/Diluted Earnings Per Share (EPS; Note 14)	**₱0.03**	₱0.04

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Amounts in Thousands)

	2026	2025
	(Unaudited)	
NET INCOME	**₱650,692**	₱673,036
OTHER COMPREHENSIVE INCOME (LOSS)		
Other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods:		
Share in translation adjustment of associates	**82,101**	(709,263)
Net valuation gains (losses) on:		
Forward contracts	**(21,963)**	206
Financial assets at FVOCI	**(5,453)**	2,372
Net other comprehensive income (loss) to be reclassified to consolidated statements of income in subsequent periods	**54,685**	(706,685)
Other comprehensive loss not to be reclassified to consolidated statements of income in subsequent periods:		
Asset revaluation surplus	**(95)**	(95)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) - NET OF TAX	**54,590**	(706,780)
TOTAL COMPREHENSIVE INCOME (LOSS) - NET OF TAX	**₱705,282**	(₱33,744)
Total comprehensive income (loss) attributable to:		
Equity holders of the parent	**₱434,362**	(₱206,664)
NCI	**270,920**	172,920
	₱705,282	(₱33,744)

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Amounts in Thousands)

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 13)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment (Note 9)	Other Components of Equity	Unappropriated	Appropriated (Note 13)	Treasury Stock (Note 13)	Total	NCI	Total
Balances at December 31, 2025	**₱6,999,974**	**₱9,205,802**	**₱828,842**	**₱186,130**	**₱22,497,121**	**₱135,000**	**(₱134,014)**	**₱39,718,855**	**₱8,109,751**	**₱47,828,606**
Net income	–	–	–	–	**371,765**	–	–	**371,765**	**278,927**	**650,692**
Other comprehensive income (loss) - net of tax	–	–	**82,101**	**(19,504)**	–	–	–	**62,597**	**(8,007)**	**54,590**
Total comprehensive income (loss)	–	–	**82,101**	**(19,504)**	**371,765**	–	–	**434,362**	**270,920**	**705,282**
Cash dividends - ₱0.14 per share (Note 13)	–	–	–	–	**(1,950,358)**	–	–	**(1,950,358)**	–	**(1,950,358)**
Cash dividends to NCI	–	–	–	–	–	–	–	–	**(615,000)**	**(615,000)**
Asset revaluation surplus transferred to retained earnings	–	–	–	–	**95**	–	–	**95**	–	**95**
Balances at March 31, 2026 (Unaudited)	**₱6,999,974**	**₱9,205,802**	**₱910,943**	**₱166,626**	**₱20,918,623**	**₱135,000**	**(₱134,014)**	**₱38,202,954**	**₱7,765,671**	**₱45,968,625**

See accompanying Notes to Unaudited Consolidated Financial Statements.

	Equity Attributable to Equity Holders of the Parent									
					Retained Earnings					
	Capital Stock (Note 13)	Additional Paid-in Capital	Share in Cumulative Translation Adjustment	Other Components of Equity	Unappropriated	Appropriated (Note 13)	Treasury Stock (Note 13)	Total	NCI	Total
Balances at December 31, 2024	₱6,999,974	₱9,205,802	₱1,469,552	₱190,145	₱18,760,066	₱135,000	(₱134,014)	₱36,626,525	₱7,786,697	₱44,413,222
Net income	–	–	–	–	501,032	–	–	501,032	172,004	673,036
Other comprehensive income (loss) - net of tax	–	–	(709,263)	1,567	–	–	–	(707,696)	916	(706,780)
Total comprehensive income (loss)	–	–	(709,263)	1,567	501,032	–	–	(206,664)	172,920	(33,744)
Cash dividends - ₱0.11 per share (Note 13)	–	–	–	–	(1,532,424)	–	–	(1,532,424)	–	(1,532,424)
Cash dividends to NCI	–	–	–	–	–	–	–	–	(20,000)	(20,000)
Investment of NCI in a subsidiary	–	–	–	–	–	–	–	–	383,894	383,894
Asset revaluation surplus transferred to retained earnings	–	–	–	–	95	–	–	95	–	95
Balances at March 31, 2025 (Unaudited)	₱6,999,974	₱9,205,802	₱760,289	₱191,712	₱17,728,769	₱135,000	(₱134,014)	₱34,887,532	₱8,323,511	₱43,211,043

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(Amounts in Thousands)

	2026	2025
	(Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱882,799**	₱1,097,301
Adjustments for:		
Depreciation, depletion and amortization (Notes 8 and 22)	**596,524**	515,160
Equity in net loss of an associate (Note 9)	**109,281**	91,908
Interest income (Note 23)	**(100,361)**	(126,635)
Interest expense (Notes 11 and 24)	**56,465**	80,099
Accretion of interest on:		
Lease liabilities (Notes 24 and 28)	**25,798**	22,266
Provision for mine rehabilitation and decommissioning (Notes 12 and 24)	**1,193**	5,103
Loss (gain) on:		
Sale of property and equipment (Note 25)	**(18,115)**	–
Changes in fair value of financial assets at FVTPL (Notes 7 and 25)	**(5,411)**	(11,372)
Write-off of property and equipment	**818**	–
Forward contracts – net (Note 23)	**(544)**	(8,646)
Unrealized foreign exchange losses - net	**15,635**	8,422
Movements in:		
Pension liability	**7,800**	28,976
Deferred income	**(1,048)**	1,554
Dividend income (Notes 7 and 25)	**(1,150)**	(1,175)
Reversal of cumulative translation adjustment (Note 25)	–	(800,487)
Operating income before working capital changes	**1,569,684**	902,474
Decrease (increase) in:		
Inventories	**(828,305)**	(127,636)
Trade and other receivables	**465,920**	(223,136)
Prepayments and other current assets	**(550,694)**	(418,214)
Input Value Added Tax under other noncurrent assets	**(144,408)**	(3,458)
Increase (decrease) in trade and other payables	**74,856**	(1,724,990)
Net cash flows from (used in) operating activities	**587,053**	(1,594,960)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment (Note 8)	**(1,483,501)**	(563,233)
Financial assets at (Note 7):		
FVTPL	**(117,949)**	(38,818)
FVOCI	**(13,750)**	(1,732)
Proceeds from sale of:		
Financial assets at (Note 7):		
FVTPL	**1,513,159**	7,976
FVOCI	**6,607**	26,836
Property and equipment	**18,115**	–
Asset held for sale	**–**	1,853,411
Increase in other noncurrent assets	**(506,818)**	(877,921)
Interest received	**123,004**	128,108
Net cash flows from (used in) investing activities	**(461,133)**	534,627

(Forward)

	2026	2025
	(Unaudited)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Short-term debts (Note 11)	**(₱2,950,000)**	(₱1,700,000)
Cash dividends	**(2,565,358)**	(1,707,424)
Interest on short-term and long-term debts	**(201,366)**	(149,730)
Long-term debts (Note 11)	**(78,441)**	(74,601)
Lease liabilities (Note 28)	**(28,253)**	(21,737)
Debt issue cost, short-term debts	**(2,596)**	(12,960)
Increase in other current liabilities	**40,000**	20,000
Proceeds from availments of:		
Short-term debts, net of debt issue costs (Note 11)	–	1,542,793
Long-term debts, net of debt issue costs (Note 11)	–	948,879
Proceeds from forward contracts	**544**	8,646
Investment of NCI in a subsidiary	–	383,894
Net cash flows used in financing activities	**(5,785,470)**	(762,240)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(5,659,550)**	(1,822,573)
CASH AND CASH EQUIVALENTS AT JANUARY 1	**17,574,368**	12,935,272
CASH AND CASH EQUIVALENTS AT MARCH 31 (Note 4)	**₱11,914,818**	₱11,112,699

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

1. Corporate Information

Nickel Asia Corporation (NAC; Ultimate Parent Company, Parent Company) was registered with the Philippine Securities and Exchange Commission (SEC) on July 24, 2008. The Parent Company is primarily engaged in investing in and holding of assets of every kind and description and wherever situated, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of mining of all kinds of ore, metals and minerals and in the business of generation, transmission, distribution and supply of electricity to cities and other localities and to the public in general.

The common shares of the Parent Company were listed on the Philippine Stock Exchange on November 22, 2010.

The registered office address of the Parent Company is on the 28th floor NAC Tower, 32nd Street, Bonifacio Global City, Taguig City.

The Subsidiaries

Hinatuan Mining Corporation (HMC)
HMC was registered with the SEC on October 9, 1979, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Hinatuan Island, Surigao del Norte and Manicani Island, Eastern Samar.

Cagdianao Mining Corporation (CMC)
CMC was registered with the SEC on July 25, 1997, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Valencia, Municipality of Cagdianao, Province of Dinagat Islands.

Dinapigue Mining Corporation (DMC)
DMC was registered with the SEC on October 9, 1998, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, exploitation and mining of metallic and non-metallic minerals, including, but not limited to, nickel, iron, cobalt, chromite and other associated mineral deposits in Dinapigue, Isabela.

Samar Nickel Mining Resources Corporation (SNMRC)
SNMRC was registered with the SEC on March 11, 2010, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of mineral ores. SNMRC has not yet started commercial operations.

CDTN Services Company Inc. (CDTN)
CDTN was registered with the SEC on December 21, 2020, is a 100% owned subsidiary of the Parent Company and is primarily engaged in general engineering construction, contracting and machinery, and supply sales business in all its phases, extend and receive any contracts or assignments or contracts related thereto or connected therewith, and manufacture and furnish building materials and supplies. It is also engaged in the handling of materials in

connection with construction or manufacturing, warehousing, distribution or disposal activities, or other similar activities.

Coral Pearl Developments Limited (CPDL)
CPDL was incorporated on June 18, 2019 in the British Virgin Islands (BVI) under the BVI Business Companies Act 2004, is a 100% owned subsidiary of the Parent Company and is primarily engaged in the leasing of aircraft. In December 2025, CPDL sold the aircraft used in its leasing business. Thereafter, CPDL has no operations.

La Costa Shipping and Lighterage Corporation (LCSLC)
LCSLC was registered with the SEC on October 23, 1992, is a 100% owned subsidiary of the Parent Company through HMC and is primarily engaged in the chartering out of Landing Craft Transport (LCT) and providing complete marine services. In May 2014, LCSLC sold all its LCTs to HMC. In April 2024, LCSLC acquired a fast craft.

Falck Exp Inc. (FEI)
FEI was registered with the SEC on November 22, 2005, is an 88% owned subsidiary of the Parent Company through HMC, CMC and Taganito Mining Corporation (TMC), and is primarily engaged in the business of exploring, prospecting and operating mines and quarries of all kinds of ores and minerals, metallic and non-metallic. On August 8, 2014, the Board of Directors (BOD) of FEI approved the immediate dissolution of FEI. Thereafter, the liquidation process commenced and as a result, FEI changed from going concern to liquidation basis of accounting. On November 17, 2016, the termination of FEI's registration with the Bureau of Internal Revenue was approved. Final dissolution will take place after the approval of FEI's application with the SEC. As at May 11, 2026, FEI is still waiting for the approval of the SEC.

Cordillera Exploration Co., Inc. (CEXCI)
CEXCI was registered with the SEC on October 19, 1994, is a 71.25% owned subsidiary of the Parent Company and is primarily engaged in the business of large-scale exploration, development and utilization of mineral resources. CEXCI has a number of mining properties at various stages of exploration. CEXCI is currently not engaged in any development or commercial production activities.

Newminco Pacific Mining Corporation (Newminco)
Newminco was registered with the SEC on October 9, 2006, is a 71.25% owned subsidiary of the Parent Company through CEXCI, and is primarily engaged in the exploration, mining, development, utilization, extraction, beneficiation and marketing of minerals and mineral resources. Newminco is currently not engaged in any development or commercial production activities.

Taganito Mining Corporation
TMC was registered with the SEC on March 4, 1987, is a 65% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Claver, Surigao del Norte. TMC also provides services which involve the handling, hauling and transportation of materials required in the processing operations of Taganito HPAL Nickel Corporation (THNC).

Rio Tuba Nickel Mining Corporation (RTN)
RTN was registered with the SEC on July 15, 1969, is a 60% owned subsidiary of the Parent Company and is primarily engaged in the exploration, mining and exporting of nickel ore located in Barangay Rio Tuba, Municipality of Bataraza, Palawan.

Emerging Power Inc. (EPI)
EPI was registered with the SEC on October 16, 2007, is a 91.03% owned subsidiary of the Parent Company and is primarily engaged in the renewable energy business.

Mindoro Geothermal Power Corporation (MGPC)
MGPC was registered with the SEC on May 7, 2014, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business. On November 24, 2014, by virtue of a Deed of Assignment of rights and obligations of EPI under Geothermal Renewable Energy Service Contract (GRESC) No. 2010-02-013, MGPC acquired the exclusive rights to explore, develop and exploit geothermal resources covering a geothermal field in the municipality of Naujan, Oriental Mindoro. The transfer of GRESC No. 2010-02-013 to MGPC was approved by the Department of Energy (DOE) on February 16, 2016. On February 26, 2019, MGPC received from the Philippine Government, through the DOE, the Confirmation of Commerciality for the 10-megawatt (MW) project.

However, on October 8, 2025, MGPC was notified by the DOE of the final and irrevocable termination of GRESC No. 2010-02-013.

Biliran Holdings Inc. (BHI)
BHI was registered with the SEC on July 31, 2015, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in investing in and holding of assets of every kind and description, as and to the extent permitted by law. It is also registered, within the limits prescribed by law, to engage in the business of infrastructure, power generation, real estate, manufacturing, trading and agribusiness and to pay other evidence of indebtedness or securities of this or any other corporation.

Northern Palawan Power Generation Corporation (NPPGC)
NPPGC was registered with the SEC on July 5, 2017, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and in producing and generating electricity, as well as engaging in agrovoltaic business to utilize viable areas of land, and processing fuels alternative for power generation.

NPPGC is the developer and owner of the Cawag Solar Power Project, a ground-mounted solar photovoltaic (PV) farm located in Subic, Zambales and covered by Solar Energy Operating Contract (SEOC) No. 2023-10-715. As at May 11, 2026, the Cawag Solar Power Project is in the development and construction stage.

Emerging Energy Resources 1, Inc. (EER 1)
EER 1 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing and generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at May 11, 2026, EER 1 is in the pre-operating stage.

Emerging Energy Resources 2, Inc. (EER 2)
EER 2 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing and generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected.

EER 2 is the developer and owner of the following ground-mounted solar PV farm projects: 1) Cabcaben Solar Power Project located in Mariveles, Bataan and covered by SEOC No. 2024-04-851; and 2) Sinawal Solar Power Project located in General Santos City and covered by SEOC No. 2024-05-866 with the DOE. On September 16, 2025 and May 7, 2025, EER 2 voluntarily surrendered to the DOE the Sinawal Solar Power Project and the Cabcaben Solar Power Project, respectively. The DOE approved the surrender of these service contracts on April 24, 2026. The project development costs related to these projects were written off in 2025.

Emerging Energy Resources 3, Inc. (EER 3)
EER 3 was registered with the SEC on February 12, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the renewable energy business and carry on the business of producing and generating and sale of electricity from various sources in the Philippines that are utility scale and grid connected. As at May 11, 2026, EER 3 is in the pre-operating stage.

Emerging Energy Saver Corporation (EESC)
EESC was registered with the SEC on February 2, 2024, is a 91.03% owned subsidiary of the Parent Company through EPI and is primarily engaged in the energy business and carry on the business of producing, generating and storing electricity and processing fuel alternatives for power generation. As at May 11, 2026, EESC is in the pre-operating stage.

Jobin-SQM, Inc. (JSI)
JSI was registered with the SEC on January 6, 2010, wherein the Parent Company has 38% direct ownership and 47.34% indirect ownership through EPI. JSI is primarily engaged in the power business, including but not limited to power generation, power trading and supply to retail customers and end users.

On June 2, 2025, JSI received the Provisional Authority to Operate (PAO) for Phase 4A - 72MW of its Solar Project, which is valid until June 1, 2026 unless suspended, revoked or annulled. Phase 4B - 28MW will be decided subject to availability of sufficient land area to support the development.

As at May 11, 2026, JSI has a total capacity of 172MW in commercial operation.

Greenlight Renewables Holdings Inc. (GRHI)
GRHI was registered with the SEC on August 18, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. GRHI is primarily engaged in investing in and holding assets of every kind and description, as and to the extent permitted by law. GRHI is the joint venture of EPI and Shell Overseas Investments B.V. (Shell).

San Isidro Solar Power Corp. (SISPC)
SISPC was registered with the SEC on February 28, 2022, is a 54.62% owned subsidiary of the Parent Company through EPI. SISPC is primarily engaged in harnessing solar energy and

producing and generating electricity from solar energy and other renewable energy sources.

SISPC is the developer and owner of the San Isidro Solar Power Project, a ground-mounted solar PV farm located in San Isidro, Leyte and covered by Solar Energy Service Contract No. 2018-11-491 with the DOE. SISPC was acquired by GRHI on June 30, 2023.

In October 2025, the construction of Phase 1 - 120MW of the San Isidro Solar Power Project has been completed and delivering power to the grid under testing and commissioning.

Casilagan Solar Power Corporation (CSPC)
CSPC was registered with the SEC on May 9, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. CSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected.

CSPC is the developer and owner of the following ground-mounted solar PV farm projects: 1) San Antonio Solar Power Project located in San Antonio, Zambales and covered by SEOC No. 2023-12-789; 2) San Juan Solar Power Project located in Botolan, Zambales and covered by SEOC No. 2023-12-790; 3) Tuy Solar Power Project located in Tuy and Nasugbu, Batangas and covered by SEOC No. 2023-12-795; and 4) Libag Sur Solar Power Project located in Tuguegarao, Cagayan and covered by SEOC No. 2024-07-903. In addition, CSPC is also the developer and owner of Tuy Wind Power Project located in Tuy and Nasugbu, Batangas and covered by Wind Energy Service Contract No. 2024-02-379. On November 28, 2024, January 20, 2025 and March 3, 2025, CSPC voluntarily surrendered to the DOE the San Antonio Solar Power Project, Tuy Solar Power Project and Tuy Wind Power Project, respectively. The DOE approved the surrender of these service contracts in 2025. Consequently, the project development costs related to these projects were provided with allowance for impairment losses in 2025. As at May 11, 2026, the remaining solar power projects under CSPC are in the pre-development stage.

SanJuan Solar Power Corporation (SSPC)
SSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at May 11, 2026, SSPC is in the pre-operating stage.

Sta. Maria Solar Power Corporation (SMSPC)
SMSPC was registered with the SEC on July 26, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SMSPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at May 11, 2026, SMSPC is in the pre-operating stage.

Tuy Solar and Wind Power Corp. (TSWPC)
TSWPC was registered with the SEC on September 13, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. TSWPC is primarily engaged in onshore renewable energy and carries on the business of producing and generating electricity from onshore solar and

wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at May 11, 2026, TSWPC is in the pre-operating stage.

San Antonio Solar Power Corp. (SASPC)
SASPC was registered with the SEC on September 14, 2023, is a 54.62% owned subsidiary of the Parent Company through EPI. SASPC is primarily engaged in onshore renewable energy and carry on the business of producing and generating electricity from onshore solar and wind, battery energy storage, and other renewable energy sources that are utility scale and grid connected. As at May 11, 2026, SASPC is in the pre-operating stage.

Nazareno Solar Power Corp. (NSPC; formerly Manta Baguio Properties Corp.)
NSPC was registered with the SEC on May 31, 2018, is a 54.62% owned subsidiary of the Parent Company through EPI. NSPC is engaged in the energy business and carry on the business of producing, generating and sale of electricity from various sources that are utility scale and grid connected. EPI acquired 60% ownership in NSPC from Manta Equities Inc. (Manta) in November 2024. On January 8, 2025, the SEC approved the change in NSPC's corporate name and purpose of business. On April 8, 2025, by virtue of a Deed of Assignment of rights and obligations of NPPGC under SEOC No. 2023-12-804 and approval by the DOE, NSPC acquired the exclusive rights to develop the Nazareno Solar Power Project, a solar PV farm located in Hermosa, Bataan. As at May 11, 2026, the Nazareno Solar Power Project is in the development stage.

The unaudited interim condensed consolidated financial statements as at March 31, 2026 and December 31, 2025 and for the three-month period ended March 31, 2026 and 2025, were authorized for issuance by the Parent Company's BOD on May 11, 2026.

2. Basis of Preparation and Consolidation and Statement of Compliance

Basis of Preparation
The accompanying unaudited interim condensed consolidated financial statements of the Group as at March 31, 2026 and for the three-month period ended March 31, 2026 and 2025 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

Accordingly, the unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements as at December 31, 2025.

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for financial assets at FVTPL, at FVOCI, and forward contracts receivable and payable which are measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso, which is the Parent Company and its subsidiaries' (collectively referred to as the Group) functional and presentation currency, except CPDL whose functional and reporting currency is in US$. All amounts are rounded to the nearest thousand (₱000), except when otherwise indicated.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements include the balances of the subsidiaries and equity share in the net loss of an associate:

	Principal Place of Business	Principal Activities	Effective Ownership **March 31, 2026**	Effective Ownership March 31, 2025
Subsidiaries				
HMC	Philippines	Mining and Services	**100.00%**	100.00%
CMC	Philippines	Mining	**100.00%**	100.00%
DMC	Philippines	Mining	**100.00%**	100.00%
SNMRC	Philippines	Mining	**100.00%**	100.00%
CDTN	Philippines	Services	**100.00%**	100.00%
CPDL	BVI	Services	**100.00%**	100.00%
LCSLC [a]	Philippines	Services	**100.00%**	100.00%
EPI	Philippines	Renewable Energy Developer	**91.03%**	91.03%
MGPC [b]	Philippines	Power Generation	**91.03%**	91.03%
BHI [b]	Philippines	Services	**91.03%**	91.03%
NPPGC [b]	Philippines	Power Generation	**91.03%**	91.03%
EER 1 [b]	Philippines	Power Generation	**91.03%**	91.03%
EER 2 [b]	Philippines	Power Generation	**91.03%**	91.03%
EER 3 [b]	Philippines	Power Generation	**91.03%**	91.03%
EESC [b]	Philippines	Power Generation	**91.03%**	91.03%
FEI [c]	Philippines	Mining	**88.00%**	88.00%
JSI [d]	Philippines	Power Generation	**85.34%**	85.34%
CEXCI	Philippines	Mining	**71.25%**	71.25%
Newminco [e]	Philippines	Mining	**71.25%**	71.25%
TMC	Philippines	Mining and Services	**65.00%**	65.00%
RTN	Philippines	Mining	**60.00%**	60.00%
GRHI [b,f]	Philippines	Services	**54.62%**	54.62%
SISPC [b]	Philippines	Power Generation	**54.62%**	54.62%
CSPC [b]	Philippines	Power Generation	**54.62%**	54.62%
SSPC [b]	Philippines	Power Generation	**54.62%**	54.62%
SMSPC [b]	Philippines	Power Generation	**54.62%**	54.62%
TSWPC [b]	Philippines	Power Generation	**54.62%**	54.62%
SASPC [b]	Philippines	Power Generation	**54.62%**	54.62%
NSPC [b]	Philippines	Power Generation	**54.62%**	54.62%
Associates				
Biliran Geothermal Inc. (BGI) [b]	Philippines	Power Generation	**40.96%**	40.96%
THNC	Philippines	Manufacturing	**10.00%**	10.00%

(a) Indirect ownership through HMC
(b) Indirect ownership through EPI
(c) Indirect ownership through HMC, CMC and TMC
(d) Direct ownership of 38% and indirect ownership through EPI of 47.34%
(e) Indirect ownership through CEXCI
(f) A joint venture of EPI and Shell

The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2025, except for the adoption of the following amendments to existing standards and/or interpretations, which were effective beginning January 1, 2026.

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

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7*, Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards - Volume 11
  - Amendments to PAS 7, *Cost Method*
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*

Standards and Interpretations 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 the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- 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 income
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of adopting this standard in its consolidated financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

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

The Group will continue to evaluate the impact of the standards, interpretations, and amendments in its consolidated financial statements for the year 2026. Additional disclosures required by these amendments will be included in the Group's consolidated financial statements when these amendments are adopted.

3. Seasonality of Operations

Mining operations at the majority of the Group's mines are often unable to load ore into shipping vessels during the rainy season. This seasonality results in quarter-to-quarter volatility in the Group's operating results with more revenue being earned and more expenses being incurred in the second and third fiscal quarters than in the first and fourth fiscal quarters.

4. Cash and Cash Equivalents

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand and with banks	**₱4,758,187**	₱5,883,807
Short-term cash investments	**7,126,797**	11,667,911
Cash under managed funds	**29,834**	22,650
	₱11,914,818	₱17,574,368

5. Trade and Other Receivables

Trade and other receivables amounting to ₱31.2 million as at March 31, 2026 and December 31, 2025, were impaired and fully provided for with allowance for expected credit losses (ECL).

The aging analysis of the Group's trade and other receivables as at March 31, 2026 and December 31, 2025 are summarized below:

March 31, 2026 (Unaudited)	**Neither Past Due Nor Impaired (30 days)**	**Past Due But Not Impaired (31-180 days)**	**Past Due and Individually Impaired (> 180 days)**	**Total**
Trade and other receivables:				
Trade (see Note 27)	**₱809,911**	**₱37,979**	**₱18,334**	**₱866,224**
Amounts owed by related parties (see Note 27)	**293,596**	**–**	**4,228**	**297,824**
Advances to officers and employees	**38,726**	**4,671**	**–**	**43,397**
Interest receivable	**14,699**	**–**	**–**	**14,699**
Dividend receivable	**1,150**	**–**	**–**	**1,150**
Others	**496,584**	**167,931**	**8,630**	**673,145**
	₱1,654,666	**₱210,581**	**₱31,192**	**₱1,896,439**

December 31, 2025 (Audited)	Neither Past Due Nor Impaired (30 days)	Past Due But Not Impaired (31-180 days)	Past Due and Individually Impaired (> 180 days)	Total
Trade and other receivables:				
Trade (see Note 27)	₱994,564	₱217,295	₱18,334	₱1,230,193
Amounts owed by related parties (see Note 27)	286,470	–	4,228	290,698
Advances to officers and employees	33,443	4,206	–	37,649
Interest receivable	37,342	–	–	37,342
Forward contracts receivables (see Note 30)	375	–	–	375
Others	745,143	63,105	8,630	816,878
	₱2,097,337	₱284,606	₱31,192	₱2,413,135

6. Inventories

As at March 31, 2026 and December 31, 2025, inventories amounting to ₱20.1 million and ₱31.2 million, respectively, were assessed to be impaired and were provided for with allowance for impairment losses.

For the three months ended March 31, 2026 and 2025, there was no provision for or reversal of allowance for impairment losses on inventories.

As at March 31, 2026 and December 31, 2025, there was no allowance for impairment losses provided for the cost of beneficiated nickel ore and limestone, while the cost of materials and supplies provided with allowance for impairment losses amounted to ₱459.7 million and ₱660.3 million, respectively.

7. Financial Assets at FVTPL, at FVOCI and at Amortized Cost

	March 31, 2026 (Unaudited)			December 31, 2025 (Audited)		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Quoted instruments						
Debt securities	**₱89,147**	**₱408,294**	**₱275,000**	₱1,494,789	₱406,604	₱275,000
Equity securities	**321,179**	–	–	302,125	–	–
Unquoted equity instruments	**856,145**	–	–	856,145	–	–
	₱1,266,471	**₱408,294**	**₱275,000**	₱2,653,059	₱406,604	₱275,000

The Group's financial assets pertain to investments in shares of stocks of various local and foreign public and private companies, mutual funds, golf club shares and debt securities which are either unquoted or with quoted market prices. Quoted and unquoted instruments are carried either at fair market value or at amortized cost (for debt instruments) as at the end of the financial reporting period.

The movements in financial assets follow:

	March 31, 2026 (Unaudited)			December 31, 2025 (Audited)		
	Financial Assets at			Financial Assets at		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Balances at January 1	**₱2,653,059**	**₱406,604**	**₱275,000**	₱2,407,549	₱429,188	₱375,000
Additions	**117,949**	**13,750**	**–**	2,839,658	60,627	–
Disposals/redemptions	**(1,513,159)**	**(6,607)**	**–**	(2,774,426)	(87,070)	(100,000)
Effect of changes in foreign exchange rate	**3,211**	**–**	**–**	7,523	–	–
Net valuation gains (losses) on financial assets	**5,411**	**(5,453)**	**–**	172,755	3,859	–
Balances at end of period	**1,266,471**	**408,294**	**275,000**	2,653,059	406,604	275,000
Less noncurrent portion	**1,139,318**	**–**	**275,000**	1,121,138	–	275,000
Current portion	**₱127,153**	**₱408,294**	**₱–**	₱1,531,921	₱406,604	₱–

For the three months ended March 31, 2026 and 2025, dividend income from equity securities amounted to ₱1.2 million (see Note 25), while interest income from debt securities amounted to ₱9.5 million and ₱13.6 million, respectively (see Note 23).

8. Property and Equipment

During the three-month period ended March 31, 2026 and 2025, the Group acquired assets with a cost of ₱1,483.5 million and ₱563.2 million, respectively, including construction in-progress.

Depreciation, depletion and amortization for the three months ended March 31, 2026 and 2025 amounted to ₱587.9 million and ₱504.9 million, respectively (see Note 22).

Except for the property and equipment pledged as collateral for the loans of JSI with Industrial and Commercial Bank of China (ICBC) and Security Bank Corporation (SBC), for the loans of NPPGC with Rizal Commercial Banking Corporation (RCBC), and for the loans of SISPC with SBC and China Banking Corporation (CBC), there were no other property and equipment pledged as collateral for the Group's borrowings as at March 31, 2026 and December 31, 2025 (see Note 11).

9. Investments in Associates

The movements in investments in associates follow:

	March 31, 2026 (Unaudited)			December 31, 2025 (Audited)		
	THNC	**BGI**	**Total**	THNC	BGI	Total
Balances at January 1	**₱1,974,700**	**₱1,384**	**₱1,976,084**	₱1,974,700	₱1,384	₱1,976,084
Accumulated equity in net earnings (losses):						
Balances at January 1	**285,460**	**(1,384)**	**284,076**	534,923	(1,384)	533,539
Equity in net loss	**(109,281)**	**–**	**(109,281)**	(249,463)	–	(249,463)
	176,179	**(1,384)**	**174,795**	285,460	(1,384)	284,076
Share in cumulative translation adjustment:						
Balances at January 1	**975,109**	**–**	**975,109**	928,398	–	928,398
Movements	**96,589**	**–**	**96,589**	46,711	–	46,711
	1,071,698	**–**	**1,071,698**	975,109	–	975,109
Balances at end of period	**₱3,222,577**	**₱–**	**₱3,222,577**	₱3,235,269	₱–	₱3,235,269

The share in cumulative translation adjustment of an associate is gross of deferred income tax liability of ₱160.8 million and ₱146.3 million as at March 31, 2026 and December 31, 2025, respectively.

THNC

THNC, a private entity that is not listed on any public exchange, was incorporated and registered with the Philippine SEC on August 22, 2008. THNC is engaged in the manufacture and export of nickel/cobalt mixed sulfide, nickel hydroxide and any and all ingredient and products and by-products, wherein TMC has a Nickel Ore Supply Agreement to supply all of the limonite ore requirements of the Taganito High Pressure Acid Leach facility. TMC also provides services related to the handling, hauling and transportation of materials required in the processing operations of THNC. THNC started commercial operations in October 2013.

The net assets and Parent Company's share in cumulative translation adjustment, net of deferred income tax liability, of THNC amounted to ₱29,844.7 million and ₱910.9 million, respectively, as at March 31, 2026 and ₱29,971.6 million and ₱828.8 million, respectively, as at December 31, 2025. For the three months ended March 31, 2026 and 2025, the results of THNC's operations were net loss of ₱1,092.8 million and ₱919.1 million, respectively, and the Parent Company's equity loss in THNC amounted to ₱109.3 million and ₱91.9 million, respectively.

BGI

BGI, a private entity that is not listed on any public exchange, was incorporated, and registered with the Philippine SEC on October 31, 2007. The principal activities of BGI are to explore, exploit, discover, develop, extract, dig and drill for, produce, utilize, refine, treat, process, transport, store, market, sell, use, supply, experiment with, distribute, manufacture, or otherwise deal in, any substance, minerals or otherwise, which by itself or in contribution with other substances generate or emanate heat or power and to enter into and perform service contracts including geothermal services. On December 28, 2014, BGI received from the Philippine Government through the DOE the Confirmation of Commerciality for the Biliran Geothermal Project. Starting March 2024, BGI is under testing and commissioning phase.

On June 4, 2025, BGI requested the Energy Regulatory Commission (ERC) to cancel the PAO application of its 2MW (Phase 1) Biliran Geothermal Power Plant due to technical and contractual challenges during the implementation of the project, which was acknowledged by the ERC on January 9, 2026. As at March 31, 2026, the Biliran Geothermal Plant is ongoing resource study.

The net liabilities of BGI amounted to ₱601.1 million and ₱594.1 million as at March 31, 2026 and December 31, 2025, respectively. For the three months ended March 31, 2026 and 2025, the Parent Company's unrecognized equity in net losses of BGI amounted to ₱2.9 million and ₱4.5 million, respectively.

10. Trade and Other Payables

Trade and other payables include amounts payable to regular suppliers, accrued expenses, government payables and other payables. Trade, accrued expenses and other payables, are noninterest-bearing and are generally settled within one (1) year. Government payables include withholding taxes which are normally settled within ten (10) to fifteen (15) days after the end of each reporting month or thirty (30) days after the end of each reporting quarter, and fringe benefit tax which are normally settled within thirty (30) days after the end of the reporting quarter on which the fringe benefits are granted to the recipients. Excise tax payable is settled within fifteen (15) days after the end of the quarter when the beneficiated nickel ore and limestone were shipped/delivered. Royalties are paid on or before the deadline agreed with the Mines and Geosciences Bureau or other parties.

11. Short-term and Long-term Debts

Short-term Debts
Short-term debts are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
RCBC	**₱2,100,000**	₱3,498,156
SBC	–	1,550,000
	₱2,100,000	₱5,048,156

RCBC
RCBC granted a ₱3,500.0 million loan facility to EPI to fund the following projects: 1) SISPC's 240MW San Isidro Solar Power Project; and 2) NPPGC's 145MW Cawag Solar Power Project. The principal and interest are payable one (1) year after drawdown.

Details of the drawdowns are as follows:

March 31, 2026 (Unaudited)				
Drawdown	**Drawdown Dates**	**Maturity Dates**	**Interest Rates**	**Amount**
8th*	**January 14, 2026**	**April 17, 2026**	**6.00% to 6.15%**	**₱964,000**
3rd*	**March 20, 2026**	**April 20 2026**	**6.00% to 6.50%**	**1,136,000**
				₱2,100,000

December 31, 2025 (Audited)				
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates	Amount
3rd to 7th*	August 15, 2025	January 14, 2026	6.15% to 6.60%	₱2,364,000
2nd*	March 27, 2025	March 20, 2026	6.50% to 6.65%	1,136,000
				₱3,500,000

** Extended for another year*

The carrying amounts of short-term debts of EPI with RCBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱3,500,000**	₱3,500,000
Payments	**(1,400,000)**	–
	2,100,000	3,500,000
Less unamortized debt issue cost	–	(1,844)
Balances at end of period	**₱2,100,000**	₱3,498,156

The interest expense of EPI on RCBC loans, which were all capitalized as borrowing cost, amounted to ₱40.9 million and ₱64.3 million for the three months ended March 31, 2026 and 2025, respectively.

SBC

EPI

SBC granted a ₱3,500.0 million loan facility to EPI which is secured by a continuing suretyship of the Parent Company. The proceeds of the loans were used by EPI to settle at maturity dates the promissory notes under the original SBC loan facility, to finance the construction of JSI's Phase 4A - 72MW Solar Project and for working capital requirements. The original SBC loan was obtained to fund EPI's investments and working capital requirements.

Details of the drawdowns are as follows:

December 31, 2025 (Audited)				
Drawdown	Drawdown Dates	Maturity Dates	Interest Rates**	Outstanding Balance
22nd*	January 17, 2025	January 17, 2026	6.45% to 6.60%	₱1,200,000
3rd*	January 30, 2025	January 5, 2026	6.26% to 6.60%	1,500,000
1st	March 24, 2025	March 24, 2026	6.26% to 6.60%	200,000
				₱2,900,000

** Extended for another year*

*** Interest rates are subject to monthly repricing*

The carrying amounts of short-term debts of EPI with SBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱1,500,000**	₱3,500,000
Payments	**(1,500,000)**	(4,900,000)
Drawdowns	–	2,900,000
	₱–	₱1,500,000

The interest expense of EPI on SBC loans amounted to ₱1.3 million and ₱59.5 million, of which nil and ₱36.0 million were capitalized as borrowing cost, for the three months ended March 31, 2026 and 2025, respectively (see Note 24).

The Term Loan Agreement of EPI with SBC provides for restrictions with respect to creation or permission to exist any mortgage or pledge, lien or any encumbrance on all free assets owned or acquired by EPI. Also, the Term Loan Agreement restricts EPI to assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation; participate or enter into any merger or consolidation; sell, lease, dispose or convey all or substantially all of EPI's assets; make advances or loans to any of the affiliates, subsidiaries, stockholders, directors and officers except in compliance with formally established and existing fringe benefit program of EPI; suspend its business operation or dissolve its affairs; and to enter into any credit or loan agreement or arrangement with any creditor under such terms and conditions that would place SBC in an inferior position risk-wise, vis-a-vis such other creditors. Moreover, the Term Loan Agreement provides for certain conditions, which include, among others, prompt disclosure in writing of any material change in EPI's financial position and conduct of its operations or any substantial change in its management or ownership, conduct operations in accordance with sound business practice, maintenance and preservation of corporate existence, and prompt payment of all taxes, assessment, and other governmental charges due. As at March 31, 2026 and December 31, 2025, EPI has been compliant with the covenants contained in the loan facility and agreements.

DMC
SBC granted a ₱50.0 million loan facility to DMC that was used by DMC for its working capital requirements, or for the acquisition of equipment for operations. The principal is payable within one (1) year after drawdown and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rate*	Amount
January 24, 2025	January 19, 2026	6.40% to 6.85%	₱50,000

** Interest rate is subject to monthly repricing*

The loan principal was fully paid at maturity date and the interest expense of DMC on this loan amounted to ₱0.3 million and ₱0.5 million, which was capitalized as borrowing cost, for the three months ended March 31, 2026 and 2025, respectively.

NAC
SBC granted a ₱5,000.0 million credit facility to NAC to be used for financing its investments, working capital requirements, or acquisition of equipment for operations. The principal is payable at maturity date and the interest is payable monthly.

Details of the drawdown are as follows:

Drawdown Date	Maturity Date	Interest Rates*	Amount
March 31, 2025	August 29, 2025	6.16% to 6.50%	₱780,000

** Interest rate is subject to monthly repricing*

The loan principal was fully paid at maturity date and the interest expense of NAC on SBC loan amounted to nil for the three months ended March 31, 2026 and 2025.

The Credit Agreement provides certain debt covenants, but are not limited to the following, which states that NAC will not, without the prior written consent of SBC, to:
1) Assume, guarantee, endorse or otherwise become directly or contingently liable in connection with any obligation of any other person, firm or corporation;
2) Sell, lease or otherwise dispose or convey all or substantially all of its assets;
3) Make advances or loans to any of its affiliates, subsidiaries, stockholders, directors and officers except in compliance with its formally established and existing fringe benefits program;
4) Allow or permit credit obligations with SBC to be subordinated to all existing and future shareholder loans and advances and allow and permit any payment of this loan and advances; and
5) Enter into any credit or loan agreement or arrangement with any other creditor under such terms and conditions that would place SBC as a creditor in an inferior position.

NAC has been compliant with the covenants contained in the Credit Agreement until the maturity of the loan.

Shell Petroleum B.V. (SPBV)
SPBV granted SISPC an unsecured loan facility amounting to US$20.6 million. The proceeds of the loans were used to finance the San Isidro Solar Power Project. The principal and interest are payable within one (1) year after drawdown.

Details of the drawdown are as follows:

Drawdown Dates	Maturity Dates	Interest Rate	Amount	Equivalent Amount in Peso
March 31, 2025	March 26, 2026	6.55%	US$8,966	₱512,917
July 23, 2025	March 26, 2026	6.55%	2,105	119,750
October 15, 2025	March 26, 2026	6.55%	9,548	554,296
				₱1,186,963

The loan principal was fully paid in December 2025 and the interest expense of SISPC on this loan amounted to nil and ₱0.1 million for the three months ended March 31, 2026 and 2025, respectively (see Note 24).

Long-term Debts

Long-term debts are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
SBC and CBC	**₱4,031,107**	₱4,029,954
RCBC	**3,256,411**	3,255,773
ICBC and SBC	**1,040,208**	1,095,194
THNC	**584,699**	565,854
SBC	**391,846**	414,026
	9,304,271	9,360,801
Less noncurrent portion		
SBC and CBC	**3,955,667**	3,988,134
RCBC	**3,207,027**	3,231,081
ICBC and SBC	**840,002**	898,934
THNC	**478,390**	462,971
SBC	**324,579**	324,850
	8,805,665	8,905,970
Current portion	**₱498,606**	₱454,831

SBC and CBC

On December 16, 2025, SISPC, SBC and CBC entered into an Omnibus Loan and Security Agreement (OLSA), with GRHI as Security Grantor. Pursuant to the OLSA, SBC and CBC granted SISPC a loan facility of up to ₱9,360.0 million or an amount equal to 72% of the total cost of San Isidro Solar Power Project, whichever is lower. The loan is available in two (2) tranches: Tranche A: Phase 1 - 120MW for ₱6,364.8 million and Tranche B: Phase 2 - 120MW for ₱2,995.2 million.

The loan proceeds were exclusively used to partially finance the development and construction of the Phase 1 and 2 - 240MW San Isidro Solar Power Project, fully fund the initial funding of the debt service reserve account and repay any financed intercompany advances.

Interest rate is obtained from the sum of the applicable benchmark rate as at the interest rate setting date and the relevant interest spread divided by the interest premium factor. SISPC shall repay the loan principal and interest in quarterly installments in accordance with the principal repayment schedule.

Details of the drawdown are as follows:

Tranche	Drawdown Date	Maturity Date	Interest Rate	Amount
A - Phase 1	December 19, 2025	December 19, 2040	7.12%	₱4,100,000

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of SISPC in connection with the San Isidro Solar Power Project.

SISPC has the option to prepay the loan in part or in full, subject to certain conditions.

The OLSA includes financial and other covenants, but are not limited to the following:
1) Comply, at all times, with the required maintenance debt service coverage ratio (DSCR) of at least 1.05x;
2) Debt-to-equity (DE) ratio shall, at all times, not greater than the required DE ratio of not higher than 72:28;
3) Maintain in force and effect the Power Supply Agreements at all times;
4) Maintain ownership of, and its legal qualification to own, the project site.

As at March 31, 2026 and December 31, 2025, SISPC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of SISPC with SBC and CBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱4,100,000**	₱–
Drawdown	**–**	4,100,000
	4,100,000	4,100,000
Less unamortized debt issue cost	**(68,893)**	(70,046)
Balances at end of period	**4,031,107**	4,029,954
Less noncurrent portion	**3,955,667**	3,988,134
Current portion	**₱75,440**	₱41,820

The interest expense of SISPC on SBC and CBC loans, which were all capitalized as borrowing cost, amounted to ₱74.1 million and nil for the three months ended March 31, 2026 and 2025, respectively.

RCBC
On December 26, 2024, NPPGC and RCBC entered into an OLSA, with EPI as Sponsor and Security Grantor. Pursuant to the OLSA, RCBC granted a loan facility to NPPGC to partially finance the construction and development of its Cawag Solar Power Project amounting to ₱5,175.0 million. The loan is available in two (2) tranches: Tranche A: Phase 1 - 70MW for ₱3,292.3 million and Tranche B: Phase 2 - 75MW for ₱1,882.7 million.

Interest is fixed, which shall be the higher of: (a) the rate per annum (p.a) obtained from the sum of the applicable prevailing benchmark rate plus the interest margin, divided by the interest premium factor; and (b) the floor rate of 5%, divided by the interest premium factor.

The principal and interest are payable quarterly for a period of fifteen (15) years after drawdown.

Details of the drawdowns are as follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates*	Amount
A – Phase 1	February 12, 2025	February 10, 2040	7.15%	₱987,691
	June 16, 2025	February 10, 2040	7.10%	987,691
	November 24, 2025	February 10, 2040	6.63%	1,316,921
				₱3,292,303

** Interest rates are fixed for three (3) years or until February 12, 2028*

The loan is secured by real estate mortgage and personal property security interest on all present and future immovable and movable properties of NPPGC in connection with the Cawag Solar Power Project, including the leasehold rights under the lease agreement between NPPGC and Subic Bay Metropolitan Authority (SBMA), and all NPPGC's issued and outstanding capital stock.

Moreover, under the applicable provisions of the OLSA, NAC is liable to pay the quarterly installment due and demandable if and only if (a) NPPGC fails to obtain the SBMA Consent Undertaking by the SBMA Consent Long Stop Date, and (b) NPPGC defaults on any of its payment obligations under the OLSA. However, the obligations of NAC shall be automatically terminated once NPPGC obtains the SBMA Consent, and NPPGC perfects the security interests over all present and future immovable and movable properties of the project.

Beginning on the third (3rd) year of the loan, NPPGC has the option to prepay the loan in part or in full, subject to certain conditions and by paying the prepayment penalty.

The OLSA provides certain financial covenants as follows:
1) Maintenance DSCR, which is equal to historical annual earnings before interest, taxes, depreciation and amortization divided by projected annual debt service, shall comply with the required DSCR of at least 1.10x;
2) DE ratio shall, at all times, meet the required DE ratio of not higher than 75:25;
3) The contracted capacity of each phase of the Cawag Solar Power Project shall, at all times, be compliant with the minimum contracted capacity up to the maturity date.

Except for the maintenance DSCR which shall be tested on the first (1st) anniversary of Phase 1 commercial operations date, and quarterly thereafter, the financial covenants shall be tested quarterly on the basis of the financial statements of NPPGC.

As at March 31, 2026 and December 31, 2025, NPPGC has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of NPPGC with RCBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱3,292,303**	₱–
Drawdowns	**–**	3,292,303
	3,292,303	3,292,303
Less unamortized debt issue cost	**(35,892)**	(36,530)
Balances at end of period	**3,256,411**	3,255,773
Less noncurrent portion	**3,207,027**	3,231,081
Current portion	**₱49,384**	₱24,692

The interest expense of NPPGC on RCBC loans, which were all capitalized as borrowing cost, amounted to ₱56.9 million, included as part of property and equipment, and ₱9.4 million, included as part of project development cost under "Other noncurrent assets", for the three months ended March 31, 2026 and 2025, respectively.

ICBC and SBC

On August 2, 2021, JSI, ICBC and SBC entered into an OLSA, with NAC, EPI and TBEA International Engineering Co., Ltd. (TBEA) as Share Collateral Security Grantors and Sponsors. Pursuant to the OLSA, ICBC and SBC granted term loan facilities to JSI to partially refinance the shareholder's loans used for Phase 3A and 3B expansions amounting to ₱1,600.0 million. The loan is payable in two (2) tranches: Tranche A for ₱1,250.0 million and Tranche B for ₱350.0 million.

Interest is fixed, which shall be the higher of the sum of the applicable benchmark rate (or the average of the applicable seven (7)-year Bloomberg Evaluated Pricing Service of Bloomberg LP (or BVAL) benchmark tenor) plus the credit spread, divided by the interest premium factor; and the minimum interest rate divided by the interest premium factor. Principal and interest are payable quarterly for a period of seven (7) years commencing on September 28, 2022 until June 28, 2029.

Details of the drawdown follows:

Tranche	Drawdown Dates	Maturity Dates	Interest Rates	Amount
A	June 28, 2022	June 28, 2029	6.59%[1]	₱1,250,000
B	April 28, 2023	June 28, 2029	8.20%[2]	350,000
				₱1,600,000

[1] *Fixed interest rate from June 28, 2022 to June 28, 2024; thereafter repriced at 7.75%*
[2] *Fixed interest rate from April 28, 2023 to June 28, 2024; thereafter repriced at 7.75%*

At any time after the fifth (5th) year of the loan, JSI may prepay all or any portion of the outstanding loan subject to certain conditions and by paying the prepayment penalty.

The loan is secured by a chattel mortgage on all project assets, mortgage over the leasehold rights with SBMA, and the pledge of shares of stocks of JSI.

The OLSA provides certain debt covenants, but are not limited to the following:

1) DSCR is at least equal to the maintenance DSCR, subject to testing at each DSCR testing date;
2) DE ratio does not exceed the maintenance DE, subject to testing at each DE testing date;
3) To create, permit or enter into any loan facility agreement secured or to be secured by a lien of the whole or any portion of its present and future assets other than any permitted lien;
4) To incur any indebtedness for the purpose of paying dividends on its preferred shares;
5) To enter into any investment, joint venture, partnership or similar business combination or arrangement in relation to the project or otherwise;
6) To pay dividends to its shareholders, repay any shareholder loans and make any other payment to shareholders or its affiliates under any project document;
7) To sell or dispose any assets;
8) To withdraw from the debt service reserve account, except in accordance with the financing documents.

As at March 31, 2026 and December 31, 2025, JSI has been compliant with the covenants contained in the OLSA.

The carrying amounts of long-term debts of JSI with ICBC and SBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱1,106,835**	₱1,288,235
Payments	**(56,095)**	(181,400)
	1,050,740	1,106,835
Less unamortized debt issue cost	**(10,532)**	(11,641)
Balances at end of period	**1,040,208**	1,095,194
Less noncurrent portion	**840,002**	898,934
Current portion	**₱200,206**	₱196,260

The interest expense of JSI on ICBC and SBC loans, for which there were no capitalized borrowing costs, for the three months ended March 31, 2026 and 2025 amounted to ₱22.5 million and ₱26.1 million, respectively (see Note 24).

TMC

On October 4, 2010, TMC entered into an Omnibus Agreement with THNC, wherein the latter granted the former an unsecured loan facility amounting to a total of US$35.0 million at a prevailing one hundred eighty (180)-day British Banker Association London Inter-Bank Offered Rate (LIBOR) plus 2% spread, to exclusively finance the construction of the pier facilities within the Taganito Special Economic Zone. In October 2023, TMC and THNC agreed to amend the basis for computing interest from LIBOR to Term Secured Overnight Financing Rate (TSOFR) plus an adjustment of 0.43%.

The interest on the loan is payable semi-annually, on October 10 and April 10. The total principal is payable in semi-annual installments of US$0.9 million starting on October 10, 2011 up to April 10, 2031.

The carrying amounts of long-term debt of TMC with THNC follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱565,854**	₱657,987
Payments	**–**	(75,546)
Effect of changes in foreign exchange rate	**18,845**	(16,587)
Balances at end of period	**584,699**	565,854
Less noncurrent portion	**478,390**	462,971
Current portion	**₱106,309**	₱102,883

The interest expense pertaining to this loan for the three months ended March 31, 2026 and 2025 amounted to ₱8.8 million and ₱11.4 million, respectively (see Notes 24 and 27).

The Omnibus Agreement provides for restriction with respect to creation, assumption, incurrence, and permission to exist any lien upon the pier facilities and all TMC's other real rights over the same except as permitted under the Omnibus Agreement. Also, the Omnibus Agreement provides for certain conditions which include, among others, maintenance and preservation of TMC's corporate existence, rights, privileges and licenses, prompt submission of written notice to THNC of any and all litigations and administrative arbitration proceedings before any Governmental authority affecting TMC, prompt payment of all amounts due under the loan documents and maintenance of all Governmental approvals necessary to perform the obligations. As at March 31, 2026 and December 31, 2025, TMC is in compliance with the restrictions.

SBC

SBC granted an ₱843.0 million loan facility to DMC, which is secured by a continuing suretyship of the Parent Company, to finance the construction of its permanent causeway. Interest is based on quarterly floater for seven (7) years using Bangko Sentral ng Pilipinas overnight lending facility rate plus the credit spread. Interest is payable monthly for a period of seven (7) years commencing on the initial drawdown date until maturity.

Details of the drawdowns are as follows:

Drawdown Dates	Maturity Dates	Interest Rates*	Amount
August 16, 2023	August 16, 2030	6.82% to 7.18%	₱9,465
August 16, 2023	August 16, 2030	6.82% to 7.18%	81,743
September 1, 2023	August 16, 2030	6.75% to 7.18%	156,823
October 27, 2023	August 16, 2030	7.00% to 7.07%	32,458
November 22, 2023	August 16, 2030	7.00% to 7.02%	59,977
December 27, 2023	August 16, 2030	7.00%	200,795
February 5, 2024	August 16, 2030	7.00%	17,855
June 28, 2024	August 16, 2030	7.00%	10,050
August 16, 2024	August 16, 2030	7.00%	14,979
August 30, 2024	August 16, 2030	6.92%	17,969
			₱602,114

** Interest rates are subject to quarterly repricing*

The carrying amounts of long-term debts of DMC with SBC, net of unamortized debt issue cost, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱417,126**	₱506,510
Payments	**(22,346)**	(89,384)
	394,780	417,126
Less unamortized debt issue cost	**(2,934)**	(3,100)
Balances at end of period	**391,846**	414,026
Less noncurrent portion	**324,579**	324,850
Current portion	**₱67,267**	₱89,176

The interest expense of DMC on SBC loans, for which there were no capitalized borrowing cost, amounted to ₱10.1 million and ₱10.7 million for the three months ended March 31, 2026 and 2025, respectively (see Note 24).

The Term Loan Agreement of DMC with SBC provides for certain conditions and/or restrictions, but is not limited to the following:

1) DE ratio of at most 1.50x defined as total liabilities less advances from stockholders divided by total equity plus advances from stockholders.
2) DSCR of at least 1.15x defined as earnings before interest, taxes, depreciation, and amortization plus current year's beginning cash and cash equivalent divided by interest expense plus prior year's current portion of long-term debt
3) The borrower shall only pay interest on any subordinated loans, pay dividends, and repay any portion of its subordinated loans and/or advances from stockholders provided that the distribution DSCR is at least 1.25x and DMC's DE ratio should not be more than 1.50x.
4) As long as any of the credit obligations remain unpaid, DMC will not, without prior written consent of SBC, create or permit to exist any mortgage or pledge lien or any encumbrance on all free assets now owned or hereafter acquired by DMC.

As at March 31, 2026 and December 31, 2025, DMC has been compliant with the covenants contained in the loan facility and agreements.

12. Provision for Mine Rehabilitation and Decommissioning

Provision for mine rehabilitation and decommissioning pertains to the estimated decommissioning costs to be incurred in the future on the mined-out areas of the Group.

The Group makes full provisions for the future cost of rehabilitating the mine site and related production facilities on a discounted basis on the development of mines or installation of those facilities. The rehabilitation provision represents the present value of rehabilitation costs. These provisions have been created based on the Group's internal estimates. Assumptions have been made based on the current economic environment which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider any material changes to the assumptions.

However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required, which will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mine ceases to produce at economically viable rates. This, in turn, will depend upon future ore prices, which are inherently uncertain.

For the three months ended March 31, 2026 and 2025, accretion of interest on provision for mine rehabilitation and decommissioning amounted to ₱1.2 million and ₱5.1 million, respectively (see Note 24).

13. Equity

Capital Stock
The capital structure of the Parent Company follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Common stock - ₱0.50 par value		
Authorized - 19,265,000,000 shares		
Issued - 13,985,547,094 shares		
Outstanding - 13,931,125,094 shares	**₱6,992,774**	₱6,992,774
Preferred stock - ₱0.01 par value		
Authorized and Issued - 720,000,000 shares	**7,200**	7,200
Total	**₱6,999,974**	₱6,999,974

Outstanding Common Stock
As at March 31, 2026 and December 31, 2025, a total of 10,222,829,155 common shares and 10,296,604,539 common shares, respectively, of the outstanding common shares of the Parent Company are registered in the name of ninety-nine (99) shareholders, while the balance of 3,708,295,939 common shares and 3,634,520,555 common shares, respectively, were lodged with the Philippine Depository and Trust Corporation.

The movement in outstanding common stock follows:

	Number of Shares		
	Issued	Treasury	Outstanding
Balances at December 31, 2025 and March 31, 2026	13,985,547,094	(54,422,000)	13,931,125,094

Preferred Stock
The preferred share is voting, non-participating but with a fixed cumulative dividend rate of 7% p.a.

Dividends
Dividends declared and paid by the Parent Company are as follows:

Year	Type of Dividend	Date of Declaration	Date of Record	Amount Declared	Dividend per Share	Date of Payment
2026	***Cash Dividends***					
	Regular	**February 25, 2026**	**March 12, 2026**	**₱1,950,358**	**₱0.14**	**March 25, 2026**
2025	*Cash Dividends*					
	Regular	February 27, 2025	March 13, 2025	₱975,179	₱0.07	March 26, 2025
	Special	February 27, 2025	March 13, 2025	557,245	0.04	March 26, 2025

Appropriation of Retained Earnings
Parent Company
On November 27, 2018, the Parent Company's BOD approved the appropriation of retained earnings amounting to ₱1,500.0 million in relation to the share buy-back program of the Parent Company. On November 6, 2020, the Parent Company's BOD approved the reversal of the appropriation of up to ₱1,365.0 million which took effect on December 2, 2020, the end of the Parent Company's share buy-back program.

Treasury Stock
On November 27, 2018, the BOD of the Parent Company approved to undertake a two (2)-year share buy-back program authorizing management to buy from the market at its discretion the Parent Company's common shares up to an aggregate value of ₱1,500.0 million. As at March 31, 2026 and December 31, 2025, the Parent Company purchased from the market a total of 54,422,000 of its own common shares at an average price of ₱2.4625 per share or a total of ₱134.0 million.

14. Earnings Per Share

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
a. Net income attributable to equity holders of the Parent	**₱371,765**	₱501,032
b. Weighted average number of common shares for basic EPS (in thousands)	**13,931,125**	13,931,125
c. Weighted average number of common shares adjusted for the effect of dilution (in thousands)	**13,931,125**	13,931,125
Basic/Diluted EPS	**₱0.03**	₱0.04

There have been no other transactions involving ordinary shares or potential ordinary shares between the end of the financial reporting period and the date of authorization of the unaudited interim condensed consolidated financial statements.

15. Cost of Sales

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Cost of sale of:		
Ore	**₱1,229,006**	₱1,476,198
Limestone	**30,474**	32,221
	₱1,259,480	₱1,508,419

Details of cost of sales follow:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Production overhead	**₱547,827**	₱642,403
Contract fees and other services	**292,408**	275,987
Depreciation, depletion and amortization	**214,622**	252,456
Personnel costs	**204,623**	337,573
	₱1,259,480	₱1,508,419

Production overhead consists of materials and supplies, equipment rentals and other miscellaneous charges.

Contract fees and other services pertain to services offered by the contractors related to the mining activities of the Group. These services include, but are not limited to, hauling, stevedoring, maintenance, and security.

16. Cost of Power Generation

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Depreciation and amortization (see Note 22)	**₱126,823**	₱84,371
Overhead	**33,254**	28,153
Contract fees and other services	**19,026**	21,389
Personnel costs (see Note 21)	**10,224**	7,984
Materials and supplies	**8,893**	9,594
	₱198,220	₱151,491

Overhead in cost of power generation consists of insurance, taxes and licenses, utilities and other miscellaneous charges.

17. Cost of Services

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Depreciation (see Note 22)	**₱35,493**	₱38,389
Personnel costs (see Note 21)	**30,498**	33,722
Overhead	**18,620**	28,791
Contract fees and other services	**2,270**	4,510
	₱86,881	₱105,412

18. General and Administrative Expenses

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Personnel costs (see Note 21)	**₱153,551**	₱140,376
Taxes and licenses	**57,339**	47,721
Professional fees and other services	**54,096**	51,899
Depreciation and amortization (see Note 22)	**31,462**	42,331
Dues and subscriptions	**24,086**	12,552
Publicity and promotions	**19,573**	12,110
Transportation and travel	**7,396**	5,255
Communications, light and water	**3,877**	3,674
Insurance	**3,146**	3,450
Supplies	**3,093**	3,247
Entertainment, amusement, and recreation	**2,667**	1,985
Rentals	**1,941**	600
Repairs and maintenance	**978**	704
Others	**22,652**	10,016
	₱385,857	₱335,920

Other general and administrative expenses are comprised of bank charges and other numerous transactions with minimal amounts.

19. Shipping and Loading Costs

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Contract fees and other services	**₱136,432**	₱121,074
Depreciation and amortization (see Note 22)	**60,616**	42,173
Supplies and fuel, oil and lubricants	**57,573**	33,106
Personnel costs (see Note 21)	**21,944**	25,715
	₱276,565	₱222,068

20. Excise Taxes and Royalties

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Excise taxes	**₱98,392**	₱95,769
Royalties	**68,078**	50,817
	₱166,470	₱146,586

21. Personnel Costs

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Salaries, wages and employee benefits	**₱525,750**	₱535,399
Pension cost	**33,083**	31,643
	₱558,833	₱567,042

The amounts of personnel costs are distributed as follows:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Cost of:		
Production	**₱342,616**	₱359,245
Services (see Note 17)	**30,498**	33,722
Power generation (see Note 16)	**10,224**	7,984
General and administrative (see Note 18)	**153,551**	140,376
Shipping and loading costs (see Note 19)	**21,944**	25,715
	₱558,833	₱567,042

22. Depreciation, Depletion and Amortization

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Property and equipment (see Note 8)	**₱587,883**	₱504,937
Intangibles under "Other noncurrent assets"	**12,168**	10,223
	₱600,051	₱515,160

The amounts of depreciation, depletion and amortization expense, including amortization of right-of-use (ROU) assets, are distributed as follows:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Cost of:		
Production	**₱341,641**	₱306,215
Power generation (see Note 16)	**126,823**	84,371
Services (see Note 17)	**35,493**	38,389
Shipping and loading costs (see Note 19)	**60,616**	42,173
General and administrative (see Note 18)	**31,462**	42,331
Capitalized depreciation, depletion and amortization	**3,527**	–
Others	**489**	1,681
	₱600,051	₱515,160

23. Finance Income

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Interest income from:		
Cash and cash equivalents	**₱73,456**	₱104,960
Financial assets at (see Note 7):		
FVOCI	**4,837**	4,743
Amortized cost	**3,712**	4,371
FVTPL	**987**	4,461
Mine rehabilitation fund (MRF)	**4,716**	5,380
Others	**12,653**	2,720
Gain on forward contracts – net (see Note 30)	**544**	8,646
	₱100,905	₱135,281

24. Finance Expenses

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Interest expense on:		
Long-term debts (see Notes 11 and 27)	**₱41,504**	₱48,223
Pension	**13,311**	8,277
Short-term debts (see Notes 11)	**1,650**	23,599
Accretion of interest on:		
Lease liabilities (see Note 28)	**25,798**	22,266
Provision for mine rehabilitation and decommissioning (see Note 12)	**1,193**	5,103
Guarantee service fee (see Note 27)	**9,706**	8,775
	₱93,162	₱116,243

25. Other Income (Charges) - Net

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Foreign exchange gains (losses) - net	**₱162,465**	(₱105,927)
Gain (loss) on:		
Sale of property and equipment	**18,115**	–
Changes in fair value of financial assets at FVTPL (see Note 7)	**5,411**	11,372
Write-off of property and equipment	**(818)**	–
Rentals and accommodations	**4,928**	4,942
Trust fee	**(2,667)**	(1,498)
Dividend income (see Note 7)	**1,150**	1,175
Reversal of cumulative translation adjustment	**–**	800,487
Others	**14,595**	3,473
	₱203,179	₱714,024

26. Revenue from Contracts with Customers

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Revenue from contracts with customers		
Sale of ore and limestone	**₱2,459,808**	₱2,394,233
Sale of power	**452,079**	263,242
Services	**209,751**	234,983
Capital recovery fee	**33,585**	33,585
Impact of effective hedge on forward contracts on sale of ore (see Note 30)	**(174)**	–
	₱3,155,049	₱2,926,043

Revenue from Contracts with Customers

The tables below show the disaggregation of revenues of the Group by country of destination for sale of ore and limestone, source of electricity for sale of power and type of services rendered for sale of services for the three months ended March 31, 2026 and 2025:

	For the three-month period ended March 31, 2026 (Unaudited)			
	Local	**Indonesia**	**China**	**Total**
Sale of (see Note 27):				
Ore	**₱1,241,953**	**₱817,220**	**₱365,447**	**₱2,424,620**
Limestone	**35,188**	**–**	**–**	**35,188**
	₱1,277,141	**₱817,220**	**₱365,447**	**₱2,459,808**

	For the three-month period ended March 31, 2025 (Unaudited)		
	Local	China	Total
Sale of (see Note 27):			
Ore	₱961,852	₱1,395,407	₱2,357,259
Limestone	36,974	–	36,974
	₱998,826	₱1,395,407	₱2,394,233

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Sale of power (see Note 27)		
Solar	**₱433,461**	₱250,387
Diesel	**18,618**	12,855
	₱452,079	₱263,242
Services (see Note 27)		
Materials handling and others	**₱209,751**	₱234,983

27. Related Party Transactions

Set out below are the Group's transactions with related parties for the three-month period ended March 31, 2026 and 2025, including the corresponding assets and liabilities arising from the said transactions as at March 31, 2026 (Unaudited) and December 31, 2025 (Audited):

	Amount		Trade and Other Receivables (see Note 5)		Trade and Other Payables		Amounts Owed by/(to) Related Parties (see Note 5)		Long-term Debts (see Note 11)		Terms	Conditions
	March 31, 2026	March 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025		
Stockholders												
Sumitomo Metal Mining Co., Ltd. (SMM)												
Guarantee service fee (see Note 24)	**₱9,706**	₱8,775	**₱–**	₱–	**₱937**	₱9,878	**₱–**	₱–	**₱–**	₱–	Payable every twenty first (21st) of March and September	A
Individual stockholder												
Consultancy fees	**750**	750	**–**	–	**–**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	A
With Common Stockholder												
Manta												
Rentals, dues and utilities	**17,514**	14,701	**–**	–	**868**	418	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	A
Entity Indirectly Related through Common Control of SMM via Sumitomo Metal Mining Philippines Holdings Corporation												
Coral Bay Nickel Corporation (CBNC)												
Sale of ore and limestone	**569,070**	461,334	**222,201**	321,408	**–**	–	**–**	–	**–**	–	Thirty (30) days term; noninterest-bearing	A
Materials handling	**86,505**	107,247	**31,491**	52,381	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	A
Infralease and throughput	**2,990**	3,004	**26,790**	20,163	**–**	–	**–**	–	**–**	–	Collectible at the end of February and August; noninterest-bearing	A
Other income - net	**6,352**	11,832	**13,462**	34,953	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest-bearing	A
Associates												
THNC												
Sale of ore	**708,071**	537,492	**194,193**	424,857	**–**	–	**–**	–	**–**	–	Thirty (30) days term, noninterest-bearing	A
Materials handling	**72,857**	70,897	**22,511**	29,822	**–**	–	**–**	–	**–**	–	Fifteen (15) days term; noninterest-bearing	A

(Forward)

	Amount		Trade and Other Receivables (see Note 5)		Trade and Other Payables		Amounts Owed by/(to) Related Parties (see Note 5)		Long-term Debts (see Note 11)		Terms	Conditions
	March 31, 2026	March 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025		
THNC												
Rendering of service	**₱37,610**	₱40,794	**₱63,105**	₱25,574	**₱–**	₱–	**₱–**	₱–	**₱–**	₱–	Semi-annual term; noninterest-bearing	A
Rental income	**1,915**	1,867	**867**	7,658	**–**	–	**–**	–	**–**	–	Collectible on demand; noninterest bearing	A
Loan facility	**–**	–	**–**	–	**–**	–	**–**	–	**584,699**	565,854	Principal is payable in semi-annual installments; interest is based on one hundred eighty (180)-day TSOFR plus 0.43%	B
Interest expense on long-term debt (see Notes 11 and 24)	**8,836**	11,366	**–**	–	**14,865**	10,494	**–**	–	**–**	–	Payable semi-annually on April 10 and October 10	A
Reimbursable charges to TMC	**–**	–	**–**	–	**–**	–	**(12,871)**	774	**–**	–	Payable/collectible upon billing; noninterest-bearing; with allowance for ECL of ₱4.2 million as at December 31, 2025	A
BGI												
Reimbursable charges to EPI	**7,900**	10,000	**–**	–	**–**	–	**293,596**	285,696	**–**	–	Collectible upon billing; noninterest-bearing	A
Affiliates												
Shell Energy Philippines, Inc												
Sale of power	**266,433**	134,818	**118,324**	102,693	**–**	–	**–**	–	**–**	–	Collectible upon billing; noninterest-bearing	A
Other services and fees	**6,373**	5,368	**–**	–	**6,373**	–	**–**	–	**–**	–	Payable upon billing; noninterest-bearing	A
TBEA												
Interest expense on long-term debt	**–**	–	**–**	–	**803**	803	**–**	–	**–**	–	Payable on demand	A

(Forward)

	Amount		Trade and Other Receivables (see Note 5)		Trade and Other Payables		Amounts Owed by/(to) Related Parties (see Note 5)		Long-term Debts (see Note 11)		Terms	Conditions
	March 31, 2026	March 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31, 2025		
SPBV												
Loan facility (see Note 11)	**₱–**	₱512,917	**₱–**	₱–	**₱–**	₱–	**₱–**	₱–	**₱–**	₱–	Principal is payable within one (1) year after drawdown; interest is fixed at 6.55% p.a.	A
Interest expense on short-term debt (see Note 11)	–	93	–	–	–	–	–	–	–	–	Payable at maturity date	A
			₱692,944	₱1,019,509	**₱23,846**	₱21,593	**₱280,725**	₱286,470	**₱584,699**	₱565,854		

A - Unsecured; no guarantee
B – Unsecured; with guarantee

Terms and Conditions of Transactions with Related Parties
All sales to and purchases from related parties are made at prevailing market prices. Outstanding balances as at March 31, 2026 and December 31, 2025 pertain mainly to the extension and receipt of advances to and from related parties and these are unsecured, short-term, interest-free and settlement occurs in cash. Except for the guarantee on THNC's, EPI's, JSI's, NPPGC's, SISPC's and DMC's loan obligations, there have been no guarantees received or provided for any related party receivables or payables, respectively. This assessment is undertaken at each end of the financial reporting period through the examination of the financial position of the related party and the market in which the related party operates.

Compensation of Key Management Personnel
The Group considered as key management personnel the employees holding managerial positions and up. The short-term benefits of key management personnel of the Group for the three months ended March 31, 2026 and 2025 amounted to about ₱193.1 million and ₱105.4 million, respectively.

28. Leases

The rollforward analysis of lease liabilities, discounted using incremental borrowing rate, follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱1,195,155**	₱973,134
Payments	**(28,253)**	(105,582)
Accretion of interest (see Note 24)	**25,798**	95,794
Additions	**8,667**	231,809
Balances at end of period	**1,201,367**	1,195,155
Less noncurrent portion	**1,113,980**	1,083,244
Current portion	**₱87,387**	₱111,911

For the three months ended March 31, 2026 and 2025, the accretion of interest on lease liabilities amounted to ₱25.8 million and ₱22.3 million, respectively (see Note 24), while the amortization of ROU assets included in "Property and equipment" amounted to ₱18.1 million and ₱16.8 million, respectively.

29. Income Taxes

The provision for income tax shown in the unaudited interim condensed consolidated statements of income includes:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Current	**₱209,977**	₱179,703
Deferred	**22,130**	244,562
	₱232,107	₱424,265

30. Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values:

Cash and Cash Equivalents
The carrying amounts of cash and cash equivalents approximate their fair value due to the short-term nature and maturity of these financial instruments.

Trade and Other Receivables, Trade and Other Payables and Short-term Debts
Similarly, the carrying amounts of trade and other receivables, trade and other payables and short-term debts approximate their fair values due to the short-term nature of these accounts.

Financial Assets at FVTPL and at FVOCI and Forward Contracts Receivable and Payable
The fair values were determined by reference to market bid quotes as at the end of the financial reporting period. Upon adoption of PFRS 9, the Group used the net asset approach with consideration of lack of marketability discount and lack of control discount in determining the fair value of unquoted equity securities since the fair value measurement is unobservable (Level 3).

Financial Assets at Amortized Cost
The carrying amount of financial assets at amortized cost, which is measured using the effective interest rate (EIR), is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR.

MRF, Restricted Cash and Social Development Management Program (SDMP) Funds
The carrying amounts of MRF, restricted cash and SDMP funds approximate their fair values since they are restricted cash with banks, which earn interest based on prevailing market rates repriced monthly.

Long-term Debts and Lease Liabilities
The fair values of long-term debts and lease liabilities are based on the present value of future cash flows discounted using applicable risk-free rates for similar types of loans or liabilities adjusted for credit risk.

Fair Value Hierarchy of Financial Instruments

As at March 31, 2026 and December 31, 2025, the fair value of the quoted debt and equity securities at the close of the business is the quoted market price (Level 1) and the fair value of unquoted equity securities is determined using the net asset approach since the fair value measurement is unobservable (Level 3).

As at March 31, 2026 and December 31, 2025, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

	March 31, 2026 (Unaudited)			December 31, 2025 (Audited)		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets measured at fair value						
Forward contracts receivable	**₱–**	**₱–**	**₱–**	₱375	₱–	₱–
Financial assets at:						
FVTPL	**410,326**	–	**856,145**	1,796,914	–	856,145
FVOCI	**408,294**	–	–	406,604	–	–
	₱818,620	**₱–**	**₱856,145**	₱2,203,893	₱–	₱856,145

Derivative Designated as Hedging Instruments

Cash Flow Hedges - Currency Forwards

As part of the Group's asset and liability management, the Group uses derivatives, particularly currency forwards, as cash flow hedges to reduce its exposure to foreign currency risks. Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US$. The forecast transactions are highly probable, and they comprise about 30%-50% of the Group's total expected sales in US$. In February 2025, the Parent Company's BOD approved to increase the hedge limit up to 100% of the Group's total expected sales in US$. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

The Group is holding the following foreign currency forward contracts:

	Less than Three (3) Months	Three (3) to Twelve (12) Months	Total
March 31, 2026 (Unaudited)			
Principal in US$	**$11,976**	**$–**	**$11,976**
Average forward rate - US$/₱ rate	**₱58.82**	**₱–**	**₱58.82**
December 31, 2025 (Audited)			
Principal in US$	$1,633	$–	$1,633
Average forward rate - US$/₱ rate	₱59.06	₱–	₱59.06

The impact of the currency forward contracts on the unaudited interim condensed consolidated statements of financial positions follows:

	Forward Contracts Receivable (Payable)	
	Notional Amount	Carrying Amount
March 31, 2026 (Unaudited)	**US$11,976**	**(₱28,909)**
December 31, 2025 (Audited)	1,633	375

The effect of the cash flow hedge on the unaudited interim condensed consolidated statements of income and other comprehensive income follows:

		Effects on Statements of Income			
		Effective Hedge			Ineffective Hedge
Unaudited	Gains (Losses) Recognized in Other Comprehensive Income	Impact on Sale of Ore (see Note 26)	Gain on Forward Contracts - net (see Note 23)	Total	Loss on Forward Contracts - net (see Note 23)
March 31, 2026	**(₱29,458)**	**(₱174)**	**₱700**	**₱526**	**(₱156)**
March 31, 2025	275	–	8,646	8,646	–

The movements in "Net valuation gains (losses) on forward contracts" presented as a separate component of equity follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balances at January 1	**₱168**	₱10,557
Movements recognized in equity:		
Losses recognized in equity	**(29,458)**	(19,861)
Reclassification adjustments for losses included in the consolidated statements of income (see Note 26)	**174**	6,159
Income tax effect	**7,321**	3,425
Valuation losses taken into the consolidated statements of comprehensive income - net of tax	**(21,963)**	(10,277)
Less share of NCI in losses (gains) recognized in equity	**8,007**	(112)
Balances at end of period	**(₱13,788)**	₱168

31. Business Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The mining segment is engaged in the mining and exploration of nickel saprolite and limonite ore and limestone.

The services segment is engaged in the construction and rendering of services to CBNC, THNC and other parties.

The power segment is engaged in power generation and exploration for geothermal resources.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group is also using net income (loss) to evaluate total performance. Net income is the performance of business segments based on a measure of recurring profit. This measurement basis is determined as profit attributable to equity holders of the Parent Company.

Segment assets include all operating assets used by a segment and consist principally of cash and cash equivalents, trade and other receivables, inventories, financial assets at FVTPL, at FVOCI and at amortized cost, property and equipment, investment in an associate, and other current and noncurrent assets. Segment liabilities include all operating liabilities and consist principally of trade and other payables, short-term and long-term debts and other liabilities. Segment assets and liabilities do not include deferred income taxes.

The amounts of segment assets and liabilities and segment profit or loss are based on measurement principles that are similar to those used in measuring assets and liabilities and profit or loss in the consolidated financial statements, which are in accordance with PFRS Accounting Standards.

There were no changes from prior periods in the measurement methods used to determine reported segment profit or loss and the effect, if any, of those changes on the measure of segment profit or loss.

The Group's identified reportable segments are consistent with the segments reported to the BOD, which is the Chief Operating Decision Maker of the Group.

Financial information on the operation of the various business segments is set out on next page.

	March 31, 2026 (Unaudited)											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱–	₱11,934	₱854,092	₱1,593,608	₱–	₱433,461	₱52,203	₱209,751	₱–	₱–	₱–	₱3,155,049
Inter-segment revenues	–	–	–	–	–	–	–	6,356	–	281,376	(287,732)	–
Total revenues	–	11,934	854,092	1,593,608	–	433,461	52,203	216,107	–	281,376	(287,732)	3,155,049
Cost of sales	37,100	487	548,701	687,531	–	–	–	–	–	–	(14,339)	1,259,480
Cost of power generation	–	–	–	–	–	163,170	34,536	–	–	–	514	198,220
Cost of services	–	–	–	–	–	–	–	86,881	–	–	–	86,881
Shipping and loading costs	19,762	10,716	45,139	146,296	48,475	–	–	–	–	–	6,177	276,565
Excise taxes and royalties	–	1,372	85,409	79,689	–	–	–	–	–	–	–	166,470
Marketing	–	418	7,081	7,016	–	–	–	–	–	–	(14,097)	418
Segment operating earnings (loss)	(₱56,862)	(₱1,059)	₱167,762	₱673,076	(₱48,475)	₱270,291	₱17,667	₱129,226	₱–	₱281,376	(₱265,987)	₱1,167,015
General and administrative	₱70,339	₱28,816	₱105,581	₱90,065	₱2,037	₱124,961	₱–	₱11,447	₱–	₱206,806	(₱254,195)	₱385,857
Finance income	5,173	6,171	15,200	33,114	148	31,176	141	1,043	–	26,864	(18,125)	100,905
Finance expenses	1,168	1,675	7,698	1,716	10,489	70,830	–	8,841	–	13,706	(22,961)	93,162
Provision for (benefit from) income tax	(9,275)	2,153	38,905	153,715	–	6,823	4,514	–	–	36,949	(1,677)	232,107
Net income (loss) attributable to equity holders of the parent	(50,501)	10,445	136,285	369,498	(59,939)	77,336	13,683	73,054	–	(198,096)	–	371,765
Segment assets	₱2,741,062	₱1,518,838	₱8,775,912	₱6,602,041	₱2,805,725	₱40,142,616	₱524,631	₱484,607	₱–	₱38,954,088	(₱37,150,422)	₱65,399,098
Deferred income tax assets - net	35,049	34,561	–	99,820	71,381	–	–	–	–	12,678	–	253,489
Total assets	₱2,776,111	₱1,553,399	₱8,775,912	₱6,701,861	₱2,877,106	₱40,142,616	₱524,631	₱484,607	₱–	₱38,966,766	(₱37,150,422)	₱65,652,587
Segment liabilities	₱1,381,507	₱287,719	₱2,198,257	₱1,444,060	₱4,159,714	₱34,678,733	₱14,735	₱41,006	₱–	₱1,607,974	(₱26,553,479)	₱19,260,226
Deferred income tax liabilities - net	–	–	52,198	–	–	17,865	–	–	–	42	353,631	423,736
Total liabilities	₱1,381,507	₱287,719	₱2,250,455	₱1,444,060	₱4,159,714	₱34,696,598	₱14,735	₱41,006	₱–	₱1,608,016	(₱26,199,848)	₱19,683,962
Other segment information:												
Capital expenditures	₱176,371	₱21,484	₱177,567	₱162,986	₱75,038	₱878,503	₱34	₱–	₱–	₱185	₱–	₱1,492,168
Depreciation, depletion and amortization	₱72,798	₱21,009	₱191,809	₱80,887	₱64,831	₱123,679	₱14,081	₱7,102	₱–	₱17,215	₱6,640	₱600,051

	December 31, 2025 (Audited)											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/ CDTN	HMC	Others	Eliminations	Total
External customers	₱3,226,720	₱3,694,663	₱12,072,125	₱7,768,070	₱612,319	₱1,063,950	₱227,123	₱952,103	₱–	₱–	₱–	₱29,617,073
Inter-segment revenues	–	–	–	–	–	–	–	33,918	–	928,216	(962,134)	–
Total revenues	3,226,720	3,694,663	12,072,125	7,768,070	612,319	1,063,950	227,123	986,021	–	928,216	(962,134)	29,617,073
Cost of sales	1,513,962	1,257,721	3,276,424	3,389,109	515,475	–	–	–	–	–	(62,170)	9,890,521
Cost of power generation	–	–	–	–	–	541,354	150,901	–	–	–	2,056	694,311
Cost of services	–	–	–	–	–	–	–	456,205	–	–	–	456,205
Shipping and loading costs	442,482	413,946	1,032,319	638,646	259,613	–	–	–	–	–	(7,434)	2,779,572
Excise taxes and royalties	267,979	453,735	1,206,963	388,692	30,554	–	–	–	–	–	–	2,347,923
Marketing	8,077	138,553	30,174	19,139	–	–	–	–	–	–	(66,627)	129,316
Segment operating earnings (loss)	₱994,220	₱1,430,708	₱6,526,245	₱3,332,484	(₱193,323)	₱522,596	₱76,222	₱529,816	₱–	₱928,216	(₱827,959)	₱13,319,225
General and administrative	₱125,589	₱146,311	₱438,616	₱290,810	₱19,288	₱373,999	₱–	₱105,320	₱–	₱1,162,903	(₱830,553)	₱1,832,283
Finance income	17,431	34,892	110,615	177,108	4,434	156,982	606	10,333	–	227,580	(158,986)	580,995
Finance expenses	8,550	6,191	19,576	6,832	54,880	356,702	–	40,131	–	83,643	(94,307)	482,198
Provision for (benefit from) income tax	225,473	324,210	1,662,158	771,976	14,306	(13,948)	19,104	40,476	–	325,068	(919)	3,367,904
Net income (loss) attributable to equity holders of the parent	768,758	1,074,979	3,425,733	1,679,818	(301,595)	33,413	57,724	235,498	–	(705,399)	–	6,268,929
Segment assets	₱2,897,539	₱2,105,573	₱9,745,709	₱6,341,590	₱2,718,835	₱40,198,879	₱554,406	₱445,399	₱–	₱38,126,062	(₱33,236,337)	₱69,897,655
Deferred income tax assets - net	35,049	36,182	–	101,316	71,127	678	134	3	–	25,867	–	270,356
Total assets	₱2,932,588	₱2,141,755	₱9,745,709	₱6,442,906	₱2,789,962	₱40,199,557	₱554,540	₱445,402	₱–	₱38,151,929	(₱33,236,337)	₱70,168,011
Segment liabilities	₱427,357	₱357,604	₱1,984,406	₱1,263,262	₱4,012,004	₱34,839,538	₱44,349	₱38,360	₱–	₱1,622,934	(₱22,661,715)	₱21,928,099
Deferred income tax liabilities - net	–	–	51,901	–	–	18,543	–	–	–	44	340,818	411,306
Total liabilities	₱427,357	₱357,604	₱2,036,307	₱1,263,262	₱4,012,004	₱34,858,081	₱44,349	₱38,360	₱–	₱1,622,978	(₱22,320,897)	₱22,339,405
Other segment information:												
Capital expenditures	₱370,228	₱13,514	₱239,320	₱382,954	₱496,793	₱7,121,163	₱1,521	₱967	₱–	₱61,156	(₱1,985)	₱8,685,631
Depreciation, depletion and amortization	₱274,874	₱91,226	₱784,934	₱304,800	₱216,596	₱405,474	₱55,726	₱28,675	₱–	₱103,203	₱3,408	₱2,268,916

	March 31, 2025 (Unaudited)											
	Mining					Power		Services				
	HMC	CMC	TMC	RTN	DMC	EPI	NAC	RTN/TMC/CDTN	HMC	Others	Eliminations	Total
External customers	₱–	₱–	₱537,492	₱1,856,741	₱–	₱250,387	₱46,440	₱234,983	₱–	₱–	₱–	₱2,926,043
Inter-segment revenues	–	–	–	–	–	–	–	10,882	–	–	(10,882)	–
Total revenues	–	–	537,492	1,856,741	–	250,387	46,440	245,865	–	–	(10,882)	2,926,043
Cost of sales	–	–	534,793	984,985	–	–	–	–	–	–	(11,359)	1,508,419
Cost of power generation	–	–	–	–	–	116,280	34,697	–	–	–	514	151,491
Cost of services	–	–	–	–	–	–	–	105,412	–	–	–	105,412
Shipping and loading costs	13,682	7,345	12,729	155,510	32,740	–	–	–	–	–	62	222,068
Excise taxes and royalties	–	–	53,749	92,837	–	–	–	–	–	–	–	146,586
Segment operating earnings (loss)	(₱13,682)	(₱7,345)	(₱63,779)	₱623,409	(₱32,740)	₱134,107	₱11,743	₱140,453	₱–	₱–	(₱99)	₱792,067
General and administrative	₱6,084	₱12,562	₱11,799	₱14,020	₱2,316	₱98,597	₱–	₱11,777	₱–	₱176,882	₱1,883	₱335,920
Finance income	2,165	2,697	18,709	39,708	1,766	38,882	151	3,776	–	52,521	(25,094)	135,281
Finance expenses	1,109	1,639	4,863	4,171	10,734	72,008	–	11,373	–	17,440	(7,094)	116,243
Provision for (benefit from) income tax	–	(13,421)	(4,016)	152,452	–	4,481	235	–	–	284,638	(104)	424,265
Net income (loss) attributable to equity holders of the parent	(17,342)	(5,554)	(43,991)	285,331	(37,664)	(20,568)	11,658	76,797	–	252,365	–	501,032
Segment assets	₱2,736,367	₱1,561,896	₱8,785,518	₱6,888,997	₱2,582,590	₱32,530,311	₱582,375	₱599,448	₱–	₱34,196,349	(₱31,522,207)	₱58,941,644
Deferred income tax assets - net	36,834	47,965	36,761	79,167	82,869	–	–	–	–	26,504	–	310,100
Total assets	₱2,773,201	₱1,609,861	₱8,822,279	₱6,968,164	₱2,665,459	₱32,530,311	₱582,375	₱599,448	₱–	₱34,222,853	(₱31,522,207)	₱59,251,744
Segment liabilities	₱442,646	₱288,324	₱1,528,306	₱1,192,114	₱3,632,426	₱27,007,852	₱15,014	₱45,354	₱–	₱2,453,698	(₱20,945,634)	₱15,660,100
Deferred income tax liabilities	–	–	–	–	–	51,065	–	–	–	–	329,536	380,601
Total liabilities	₱442,646	₱288,324	₱1,528,306	₱1,192,114	₱3,632,426	₱27,058,917	₱15,014	₱45,354	₱–	₱2,453,698	(₱20,616,098)	₱16,040,701
Other segment information:												
Capital expenditures	₱181,715	₱3,309	₱127,510	₱180,307	₱32,270	₱34,357	₱1,483	₱321	₱–	₱1,961	₱–	₱563,233
Depreciation, depletion and amortization	₱59,733	₱20,418	₱189,080	₱70,841	₱48,711	₱79,660	₱41,792	₱7,167	₱–	(₱2,590)	₱348	₱515,160

Excluding the impact of effective hedge on forward contracts, the Group has revenues from external customers as follows:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
Local	**₱1,972,556**	₱1,530,636
Indonesia	**817,220**	–
China	**365,447**	1,395,407
	₱3,155,223	₱2,926,043

The revenue information above is based on country of destination for sale of ore and limestone and location of the customers for all other sources of revenue. The local customers include CBNC and THNC, which are Philippine Economic Zone Authority-registered entities.

The revenues from key customers are as follows:

	For the three-month period ended March 31	
	2026	2025
	(Unaudited)	
THNC	**₱818,539**	₱649,184
Big Wave Resources Co., Limited	**719,785**	704,131
CBNC	**655,575**	568,580
Ningbo Lygend Wisdom Co. Ltd. (Ningbo)*	**222,073**	470,294
	₱2,415,972	₱2,392,189

** Ningbo is not a key customer for the three-month period ended March 31, 2026.*

32. Other Matter

Membership Interest Sale and Purchase Agreement (SPA) in East Copper Production LLP (East Copper)

On April 22, 2026, the Parent Company entered into an SPA with Silk Road Resources Ltd. (Silk Road), a private company incorporated under the laws of Astana International Financial Centre, Astana, Kazakhstan (AIFC), and East Copper, a limited liability partnership incorporated under the AIFC laws, for the acquisition from Silk Road of a 20% membership interest in East Copper. The investment in East Copper is represented by membership interest and there are no shares of stock involved in the acquisition. East Copper is the sole legal and beneficial owner of the 100% participatory interests in the charter capital of GRK MLD LLP (GRK), a limited liability partnership incorporated in accordance with the laws of Kazakhstan which holds subsoil use rights for the Karchiga copper mine located in Kazakhstan. The Karchiga copper deposit is within the broader Central Asian Orogenic Belt, also known as the Central Asian Copper Belt. This is a globally recognized highly mineralized metallogenic domain.

The 20% membership interest will be paid in cash, subject to the completion of the due diligence on East Copper and GRK to the Parent Company's satisfaction and other closing conditions under the SPA as well as the necessary regulatory approvals.

ANNEX

CAGDIANAO MINING

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Technical Report Name to be Publicly Released :
SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31, 2026 (the "Report")

Name of Company releasing the Report :
Cagdianao Mining Corporation

Name of Mineral Deposit to which the Report Refers to :
Valencia Nickel Laterite Deposit

Data Cut-off Date : **March 31, 2026**

Report Date : **April 15, 2026**

Consent Statement

I, **Angilhiza Marie B. Francisco,** confirm that I am the Accredited Competent Person for the Report, and that:

- That I am a Professional Regulation Commission (PRC)-registered Geologist, residing at Concepcion, Iloilo.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and associated Mineral Resource estimation for which I am accepting responsibility.
- I am a Member of good standing of the Geological Society of the Philippines.

CAGDIANAO MINING

- I am a full-time employee of Hinatuan Mining Corporation – Manicani Nickel Mining Project (HMC-MNMP) since March 10, 2025. And previously a full-time employee of Cagdianao Mining Corporation (CMC) from December 18, 2016 to March 9, 2025.

- I have held the position of Geology Manager in HMC-MNMP since March 10, 2025 up to the present. I do not own any shares, options and/or warrants in the said companies as certified by the Corporate Secretaries of CMC and HMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.

- I have been engaged by NAC to prepare the documentation for CMC on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31, 2026.

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.

- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Companies the full nature of the relationship between myself and the Companies, including any issues that could be perceived by investors as a conflict of interest.

- I verify that the Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.

- I have conducted Data Verification and Data Validation of the data disclosed in the Report.

- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

CAGDIANAO MINING

Consent

I consent to the release and public disclosure of this Report and this Consent Statement by the Board of Directors of Cagdianao Mining Corporation in connection with the Quarterly Report for the period ending March 31, 2026. This consent is provided specifically to comply with the disclosure requirements set forth under the Philippine Mineral Reporting Code 2020 and its Implementing Rules and Regulations.

Any use of the contents, or any part thereof, for purposes other than those stated herein shall require my prior review, authorization, and written consent.

ANGILHIZA MARIE B. FRANCISCO
Accredited Competent Person

April 15, 2026
Date

Licensed Geologist

PRC Registration No. 0002252
Valid Until September 08, 2029

Geological Society of the Philippines
Professional Representative Organization of the ACP

ACP ID No. 24-07-03
Valid Until September 08, 2026

Professional Tax Receipt No. 9877982
Issued at *Concepcion, Iloilo* on *January 28, 2026*

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF Surigao City) SS.

BEFORE ME, this __ day of APR 21 2026, personally appeared before me MS. ANGILHIZA MARIE B. FRANCISCO with PRC Professional Identification Card with Registration No. 0002252 valid until September 08, 2029, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 111
Page No. 153
Book No. 7
Series of 2026

ATTY. MELLICENT C. LIANZA
NOTARY PUBLIC
Commission Expires Dec. 31, 2027
Attorney's Roll No. 57730
IBP No. 531359/07-29-2025
PTR No. 8662701Z / 01-5-2026
MCLE Compliance No. VIII-0012878
Valid Until April 14, 2028
0131 Meehleib Bldg. Door 4, Rizal St.
Brgy. Washington, Surigao City 8400

NOTARY PUBLIC

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD



LAST NAME ▶ FRANCISCO
FIRST NAME ▶ ANGILHIZA MARIE
MIDDLE NAME ▶ BALIDA
REGISTRATION NO. ▶ 0002252
REGISTRATION DATE ▶ 11/21/2016
VALID UNTIL ▶ 09/08/2029

GEOLOGIST

Professional Regulation Commission
www.prc.gov.ph

CERTIFICATION

24-9259366

This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

CHARITO A. ZAMORA
Chairperson

PMRC

ACCREDITED COMPETENT PERSON
Geologist



NAME: ANGILHIZA MARIE B. FRANCISCO
ACP No.: 24-07-03
PRC ID No.: 2252
VALID UNTIL: September 08, 2026

This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

ANGILHIZA MARIE B. FRANCISCO

CICERON M. ANGELES, JR.
Chair
Competent Person Accreditation Committee

JOEY NELSON R. AYSON
President
Geological Society of the Philippines

OFFICIAL RECEIPT
Republic of the Philippines
Province of Iloilo
OFFICE OF THE TREASURER
CONCEPCION

ORIGINAL

Accountable Form No. 51
Revised January, 1992

IP NO. 9877982

DATE: 1/28/2026

PAYOR: ANGILHIZA MARIE B. FRANCISCO

NATURE OF COLLECTION	FUND AND Account Code	AMOUNT
PTR (PROFESSIONAL TAX RECEIPT		₱ 399.00
		399.00

AMOUNT IN WORDS
THREE HUNDRED NINETY NINE PESOS ONLY

Received the Amount Stated Above

JEAN MAURE G. UMADHAY
COLLECTING OFFICER

Cash
Treasury Warrant
Check
Money Order

Received

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

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

DINAPIGUE MINING

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Technical Report Name to be Publicly Released :

SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31,2026 (the "Report")

Name of Company releasing the Report :

Dinapigue Mining Corporation

Name of Mineral Deposit to which the Report Refers to :

Dinapigue Nickel Laterite Property

Data Cut-off Date : **31 March,2026**

Report Date : **16 April,2026**

Consent Statement

I, **John Paul P. Rangasa,** confirm that I am the Accredited Competent Person for the Report, and that:

- I am a Professional Regulation Commission (PRC)-registered Geologist, residing at 59 Zeus Street, Crestview Homes, Barangay Cupang, Antipolo City, Rizal, Philippines.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and associated Mineral Resource estimation for which I am accepting responsibility.
- I am a Member of good standing of the Geological Society of the Philippines.
- I am a full-time employee of Nickel Asia Corporation (NAC), which fully owns the Dinapigue Mining Corporation (DMC), since April 08,2024.
- I have held the position of Manager - Geology in NAC since April 08,2024 up to the present. I do not own any shares, options and/or warrants in the said companies as certified by the Corporate Secretaries of NAC and DMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.
- I have been engaged by NAC to prepare the documentation for DMC on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31, 2026.
- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.
- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Companies the full nature of the relationship between myself and the Companies, including any issues that could be perceived by investors as a conflict of interest.
- I verify that the Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.
- I have conducted Data Verification and Data Validation of the data disclosed in the Report.
- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

Consent

I consent to the release and public disclosure of this Report and this Consent Statement by the Board of Directors of Dinapigue Mining Corporation in connection with the Quarterly Report for the period ending 31 March 2026. This consent is provided specifically to comply with the disclosure requirements set forth under the Philippine Mineral Reporting Code 2020 and its Implementing Rules and Regulations.

Any use of the contents, or any part thereof, for purposes other than those stated herein shall require my prior review, authorization, and written consent.

JOHN PAUL P. RANGASA
Accredited Competent Person

31 March,2026
Date

Licensed Geologist

PRC Registration No. 0002279
Valid Until April 24,2028

Geological Society of the Philippines
Professional Representative Organization of the ACP

ACP ID No. 24-10-04
Valid Until April 24, 2028

Professional Tax Receipt No. 8400550
Issued at *Quezon City* on *January 09,2026*

SUBSCRIBED AND SWORN before me, this 15th day of April 2026, personally appeared before me MR. JOHN PAUL P. RANGASA with PRC Professional Identification Card with Registration No. 0002279 valid until April 24, 2028, known to me to be the same person who executed this instrument which he acknowledged before me as his free and voluntary act and deed.

Doc. No. 516
Page No. 104
Book No. 2
Series of 2026

TOMAS JUSTINE M. FALCONITIN
Appointment No. 171 (2025-2026)
Notary Public for and in the City of Taguig City
Until December 31, 2026
Roll No. 74633
PTR No. 4C19166/ 23 January 2026/ Pasig City
MCLE Compliance No. VIII-0025225. Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: tomas.falconitin@nexclass.com

PMRC

ACCREDITED COMPETENT PERSON
GEOLOGIST

NAME: JOHN PAUL P. RANGASA
ACP No.: 24-10-04
PRC ID No.: 2279
VALID UNTIL: APRIL 24, 2028



This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

JOHN PAUL P. RANGASA
Name

CICERON A. VANGELES, JR.
Chair
Competent Person Accreditation Committee

JOEY NELSON R. AYSON
President
Geological Society of the Philippines

If found, kindly email contact@pmrcc.org.ph or write message to https://www.facebook.com/groups/2143144427969225

Email: pmrcc@geolsocphil.org
https://www.geolsocphil.com

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD



LAST NAME ▶ RANGASA
FIRST NAME ▶ JOHN PAUL
MIDDLE NAME ▶ PIMENTEL
REGISTRATION NO. ▶ 0002279
REGISTRATION DATE ▶ 11/23/2016
VALID UNTIL ▶ 04/24/2028

GEOLOGIST

Professional Regulation Commission
www.prc.gov.ph

CERTIFICATION

23-7167646

This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

CHARITO A. ZAMORA
Chairperson

OFFICIAL RECEIPT
Republic of the Philippines
Quezon City
OFFICE OF THE TREASURER

Accountable Form No. 51
Revised August 1994

ORIGINAL

DATE 01/09/24

№ 8400550 D

PAYOR RANGASA, JOHN PAUL P.

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PTR- 2024		₱ 100
GEOLOGIST		
# 7712023 1/9/25		
		₱ 100. 00

AMOUNT IN WORDS: ONE HUNDRED

Received: ☑ Cash ☐ Treasury Warrant ☐ Check ☐ Money Order — ONLINE

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

Received the Amount Stated Above.

EDGAR T. VILLANUEVA
CITY TREASURER
COLLECTING OFFICER

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

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Technical Report Name to be Publicly Released :
SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31, 2026 (the "Report")

Name of Company releasing the Report :
Hinatuan Mining Corporation

Name of Mineral Deposit to which the Report Refers to :
Manicani Nickel Mining Deposit

Data Cut-off Date : **March 31, 2026**

Report Date : **April 15, 2026**

Consent Statement

I, **Angilhiza Marie B. Francisco,** confirm that I am the Accredited Competent Person for the Report, and that:

- That I am a Professional Regulation Commission (PRC)-registered Geologist, residing at Concepcion, Iloilo.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and associated Mineral Resource estimation for which I am accepting responsibility.

- I am a Member of good standing of the Geological Society of the Philippines.

- I am a full-time employee of Hinatuan Mining Corporation – Manicani Nickel Mining Project (HMC-MNMP) since March 10, 2025. And previously an employee of Cagdianao Mining Corporation (CMC) from December 18, 2016 to March 9, 2025.

- I have held the position of Geology Manager in HMC-MNMP since March 10, 2025 up to the present. I do not own any shares, options and/or warrants in the said companies as certified by the Corporate Secretaries of CMC and HMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.

- I have been engaged by NAC to prepare the documentation for HMC-MNMP on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31, 2026.

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.

- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Companies the full nature of the relationship between myself and the Companies, including any issues that could be perceived by investors as a conflict of interest.

- I verify that the Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.

- I have conducted Data Verification and Data Validation of the data disclosed in the Report.

- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

Consent

I consent to the release and public disclosure of this Report and this Consent Statement by the Board of Directors of Hinatuan Mining Corporation in connection with the Quarterly Report for the period ending March 31, 2026. This consent is provided specifically to comply with the disclosure requirements set forth under the Philippine Mineral Reporting Code 2020 and its Implementing Rules and Regulations.

Any use of the contents, or any part thereof, for purposes other than those stated herein shall require my prior review, authorization, and written consent.

ANGILHIZA MARIE B. FRANCISCO
Accredited Competent Person

April 15, 2026
Date

Licensed Geologist

PRC Registration No. 0002252
Valid Until September 08, 2029

Geological Society of the Philippines
Professional Representative Organization of the ACP

ACP ID No. 24-07-03
Valid Until September 08, 2026

Professional Tax Receipt No. 9877982
Issued at *Concepcion, Iloilo* on *January 28, 2026*

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF) SS.

BEFORE ME, this ___ day of APR 21 2026, personally appeared before me MS. ANGILHIZA MARIE B. FRANCISCO with PRC Professional Identification Card with Registration No. 0002252 valid until September 08, 2029, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 55
Page No. 11
Book No. VIII
Series of 2026

NOTARY PUBLIC
ATTY. VINCENT A. CABLAO, CPA
Notarial Commission Valid Until December 31, 2027
IBP Life Member Roll No. 013090
PTR No. 8334674; 01/05/2026
CTC No. 03815106; 01-05-2026
Roll No. 60562
MCLE Comp. Cert. No. VIII-0029215 valid until April 14, 2028
Barangay 02, Guiuan, Eastern Samar



Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD

LAST NAME ▶ FRANCISCO
FIRST NAME ▶ ANGILHIZA MARIE
MIDDLE NAME ▶ BALIDA
REGISTRATION NO. ▶ 0002252
REGISTRATION DATE ▶ 11/21/2016
VALID UNTIL ▶ 09/08/2029

GEOLOGIST



Professional Regulation Commission
www.prc.gov.ph

CERTIFICATION

24-9259366

This is to certify that the person whose name, photograph, and signature appear hereon is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

CHARITO A. ZAMORA
Chairperson



PMRC

ACCREDITED COMPETENT PERSON
Geologist

NAME: ANGILHIZA MARIE B. FRANCISCO
ACP No. 24-07-03
PRC ID No. 2252
VALID UNTIL: September 08, 2026

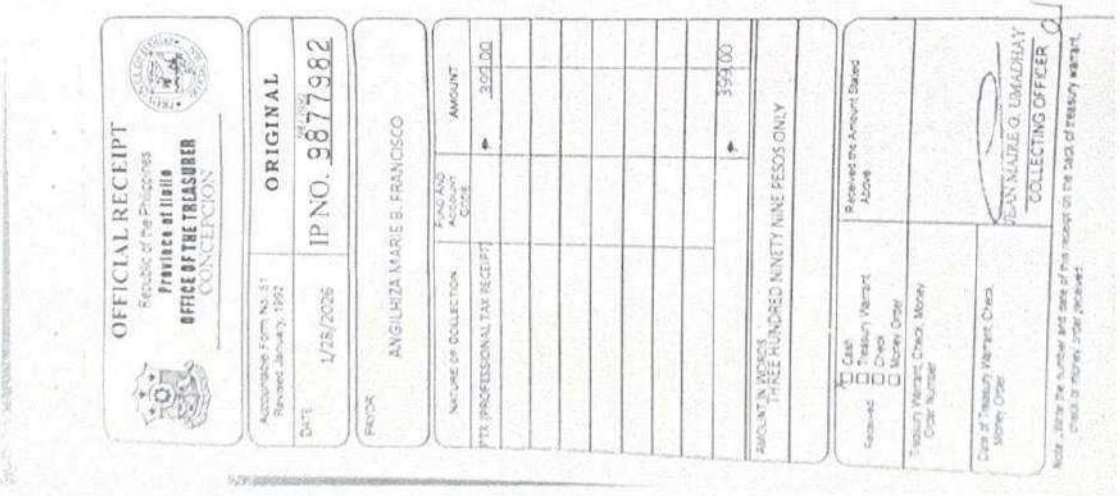


This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

ANGILHIZA MARIE B. FRANCISCO
Name

COLSON M. ANGELES, JR.
Chair
Competent Person Accreditation Committee

JOEY NELSON R. AYSON
President
Geological Society of the Philippines



OFFICIAL RECEIPT
Republic of the Philippines
Province of Iloilo
OFFICE OF THE TREASURER
CONCEPCION

ORIGINAL

Accountable Form No. 51
Revised January, 1992

DATE 1/28/2026

IP NO. 9877982

PAYOR ANGILHIZA MARIE B. FRANCISCO

NATURE OF COLLECTION	ACCOUNT CODE	AMOUNT
PTA (PROFESSIONAL TAX RECEIPT)		₱ 300.00
		300.00

AMOUNT IN WORDS
THREE HUNDRED NINETY NINE PESOS ONLY

Received the Amount Stated Above

Cash
Treasury Warrant
Check
Money Order

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

JEAN MARIE Q. UMADHAY
COLLECTING OFFICER

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

HINATUAN MINING

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing PSE Consolidated Listing and Disclosure Rules and Clause 10 of the PMRC 2020 Edition ("Consent Statement")

Report Name to be Publicly Released:

SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31,2026 (the "Report")

Name of the Company releasing the Report:
Hinatuan Mining Corporation

Name of Mineral Deposit to which the Report Refers :
Tagana-an Nickel Laterite Deposit

Data Cut-off Date : **March 31,2026**

Report Date : **April 15,2026**

Consent Statement

I, **Kristine Grace C. Victoria,** confirm that I am the Accredited Competent Person for the Report, and that:

- I am a Professional Regulation Commission (PRC)-registered Geologist, residing at 609 Purok 2, Lumangbayan, Plaridel, Bulacan.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources, and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with the PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and the associated Mineral Resource estimation for which I am accepting responsibility.
- I am a Member of good standing of the Geological Society of the Philippines.

- I am a full-time employee of Nickel Asia Corporation, which fully owns Hinatuan Mining Corporation, since June 15, 2010.

- I have held the position of Assistant Vice President – Geology since March 10,2022 up to present. I do not own any shares, options and /or warrants in the said companies as certified by the Corporate Secretaries of NAC and HMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.

- I have been engaged by NAC to prepare the documentation for HMC on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31,2026.

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.

- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Company the full nature of the relationship between myself and the Company, including any issues that could be perceived by investors as a conflict of interest.

- I verify that the Report is based on, and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources; and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.

- I have conducted Data Verification and Data Validation of the data disclosed in the Report.

- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

Consent

I consent to the release and public disclosure of the Report and this Consent Statement by the Board of Directors of Hinatuan Mining Corporation for the purpose of complying with the PMRC 2020 Edition and its draft Implementing Rules and Regulations. The use of the contents or parts of the contents of this Report for other purposes not stated herein would require my prior authorization and written consent.

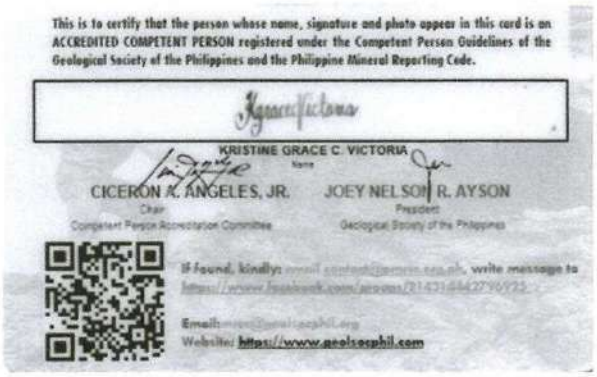
KRISTINE GRACE C. VICTORIA Accredited Competent Person	**April 15,2026** Date
Licensed Geologist	PRC Registration No. 0001721 Valid Until July 9,2026
Geological Society of the Philippines Professional Representative Organization of the ACP	ACP ID No. 19-08-02 Valid Until July 9, 2026
	Professional Tax Receipt No. 7046195 Issued at Plaridel, Bulacan on January 05,2026

SUBSCRIBED AND WORN to before me this 15th day of April 2026, personally appeared before me MS. KRISTINE GRACE C. VICTORIA with PRC Professional Identification Card with Registration No. 0001721 valid until July 9, 2026, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

Doc. No. 388
Page No. 79
Book No. 2
Series of 2026

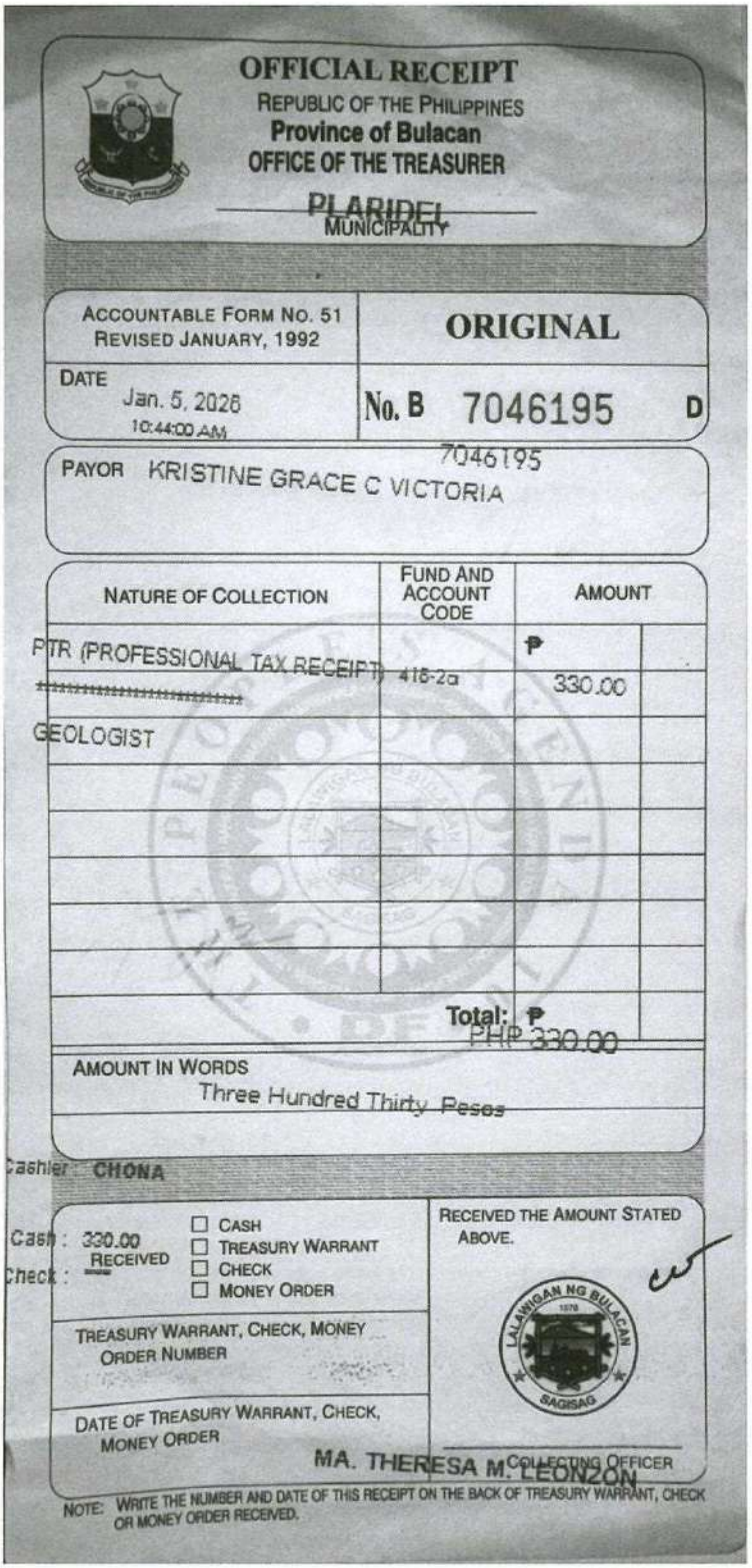
CARLO C. GUEVARA
Appointment No. 184 (2025-2026)
Notary Public for and in the City of Taguig
Until December 31, 2026
Roll No. 75204
PTR No. 4019165/23 January 2026/Pasig City
MCLE Compliance No. VIII-0032035. Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City


PMRC
ACCREDITED COMPETENT PERSON
Geologist
NAME: KRISTINE GRACE C. VICTORIA
ACP No.: 19-08-02
PRC ID No.: 1721
VALID UNTIL: July 09, 2026


This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.
KRISTINE GRACE C. VICTORIA
CICERON A. ANGELES, JR.
Chair
Competent Person Accreditation Committee
JOEY NELSON R. AYSON
President
Geological Society of the Philippines
If Found, kindly:
Website: https://www.geolsocphil.com


Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD
LAST NAME ▶ VICTORIA
FIRST NAME ▶ KRISTINE GRACE
MIDDLE NAME ▶ CAPUZ
REGISTRATION NO. ▶ 0001721
REGISTRATION DATE ▶ 04/19/2010
VALID UNTIL ▶ 07/09/2026
GEOLOGIST


Professional Regulation Commission
www.prc.gov.ph
CERTIFICATION
21-5390075
This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.
This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.
Signature of Professional
CHARITO A. ZAMORA



OFFICIAL RECEIPT
REPUBLIC OF THE PHILIPPINES
Province of Bulacan
OFFICE OF THE TREASURER
PLARIDEL
MUNICIPALITY

ACCOUNTABLE FORM NO. 51
REVISED JANUARY, 1992

ORIGINAL

DATE
Jan. 5, 2026
10:44:00 AM

No. B 7046195 D

7046195

PAYOR KRISTINE GRACE C VICTORIA

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PTR (PROFESSIONAL TAX RECEIPT) **********	418-2a	₱ 330.00
GEOLOGIST		
	Total:	₱ PHP 330.00

AMOUNT IN WORDS
Three Hundred Thirty Pesos

Cashier CHONA

Cash : 330.00 RECEIVED
Check :

☐ CASH
☐ TREASURY WARRANT
☐ CHECK
☐ MONEY ORDER

TREASURY WARRANT, CHECK, MONEY ORDER NUMBER

DATE OF TREASURY WARRANT, CHECK, MONEY ORDER

RECEIVED THE AMOUNT STATED ABOVE.

LALAWIGAN NG BULACAN 1578 SAGISAG

MA. THERESA M. LEONZON
COLLECTING OFFICER

NOTE: WRITE THE NUMBER AND DATE OF THIS RECEIPT ON THE BACK OF TREASURY WARRANT, CHECK OR MONEY ORDER RECEIVED.

RIO TUBA NICKEL

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Technical Report Name to be Publicly Released :
SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31, 2026 (the "Report")

Name of Company releasing the Report :
Rio Tuba Nickel Mining Corporation

Name of Mineral Deposit to which the Report Refers to :
Rio Tuba Nickel Laterite Property

Data Cut-off Date : **March 31, 2026**

Report Date : **April 6, 2026**

Consent Statement

I, **Michael Angelo C. Tan,** confirm that I am the Accredited Competent Person for the Report, and that:

- That I am a Professional Regulation Commission (PRC)-registered Geologist, residing at Davao City.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and associated Mineral Resource estimation for which I am accepting responsibility.

- I am a member of good standing of the Geological Society of the Philippines.

- I am a full-time employee of Rio Tuba Nickel Mining Corporation (RTNMC) since March 28, 2016.

- I have held the position of Geology Manager - Geology Department in RTNMC since March 28, 2016, up to the present. I do not own any shares, options and/or warrants in the said companies as certified by the Corporate Secretaries of NAC and RTNMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.

- I have been engaged by NAC to prepare the documentation for RTNMC on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31, 2026.

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.

- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Companies the full nature of the relationship between myself and the Companies, including any issues that could be perceived by investors as a conflict of interest.

- I verify that the Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.

- I have conducted Data Verification and Data Validation of the data disclosed in the Report.

- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) Professional Identification Card (PIC), Accredited Competent Person Identification Card and Professional Tax Receipt.

Consent

I consent to the release and public disclosure of this Report and this Consent Statement by the Board of Directors of Rio Tuba Nickel Mining Corporation in connection with the Quarterly Report for the period ending March 31, 2026. This consent is provided specifically to comply with the disclosure requirements set forth under the Philippine Mineral Reporting Code 2020 and its Implementing Rules and Regulations.

Any use of the contents, or any part thereof, for purposes other than those stated herein shall require my prior review, authorization, and written consent.

MICHAEL ANGELO C. TAN Accredited Competent Person	**April 6, 2026** Date
Licensed Geologist	PRC Registration No. 0001958 Valid Until April 12, 2028
Geological Society of the Philippines Professional Representative Organization of the ACP	ACP ID No. 23-07-02 Valid Until April 12, 2028 Professional Tax Receipt No. 5861310U Issued at *Bataraza, Palawan* on *January 14, 2026*

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
MUNICIPALITY OF) SS.

BEFORE ME, this 6th day of April 2026, personally appeared before me MR. MICHAEL ANGELO C. TAN with PRC Professional Identification Card with Registration No. 0001958 valid until April 12, 2028, known to me to be the same person who executed this instrument which he acknowledged before me as his free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

Doc. No. 144
Page No. 30
Book No. V
Series of 2026

ATTY. JENNY LOU A. TATEL NOTARY PUBLIC ★ BATARAZA, PALAWAN, PHILIPPINES ★ ROLL NO. 9149

ATTY. JENNY LOU A. TATEL
NOTARY PUBLIC
FOR AND IN THE MUNICIPALITIES OF BROOKE'S POINT BALABAC BATARAZA KALAYAAN RIZAL AND SOFRONIO ESPAÑOLA
PROVINCE OF PALAWAN PHILIPPINES
NPL NO. 2025-36 UNTIL DECEMBER 31, 2027
ROLL NO. 9149, MCLE COMPLIANCE NO. VIII.0029757
PTR NO. 5856066 / JAN 5, 2026 / PALAWAN
IBP NO. OR. INV 565884 / DEC. 14, 2025 / PALAWAN
ULAS COMPLIANCE NO. N/A
BGY. RIO TUBA, BATARAZA, PALAWAN PHILIPPINES
JENNY LOU.TATEL@GMAIL.COM

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD



LAST NAME ▶ TAN
FIRST NAME ▶ MICHAEL ANGELO
MIDDLE NAME ▶ CUEVAS
REGISTRATION NO. ▶ 0001958
REGISTRATION DATE ▶ 12/02/2013
VALID UNTIL ▶ 04/12/2028

GEOLOGIST

624

Professional Regulation Commission
www.prc.gov.ph

CERTIFICATION

24-8018488

This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

GHARITO A. ZAMORA
Chairperson

PMRC

ACCREDITED COMPETENT PERSON
GEOLOGIST

NAME MICHAEL ANGELO C. TAN
ACP No. 23-07-02
PRC ID No. 1958
VALID UNTIL April 12, 2028



This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

MICHAEL ANGELO C. TAN
Name

CICERON V. ANGELES, JR.
Chair
Competent Person Accreditation Committee

KEVIN L. GARAS, PhD
President
Geological Society of the Philippines

If found, kindly: email contact@pmrcc.org.ph or write message to https://www.facebook.com/groups/214314442796925.

Email: mrcc@geolsocphil.org
https://www.geolsocphil.com

ORIGINAL

Official Receipt of the Republic of the Philippines

No. 5861310 U

January 14, 2026

MTO BATARAZA
Agency

MICHAEL ANGELO TAN
Payor

Nature of Collection	Account Code	Fund	Amount
PTR GEOLOGIST REGISTERED NO: 0001958			P300.00
TOTAL			P 300.00

Amount in Words
*Three Hundred Pesos Only**

☐ Cash ☐ Check ☐ Money Order

Drawee Bank | Number | Date

Received the amount stated above.

ROMANA O. BERMUDEZ
Collecting Officer

NOTE: Write the number and date of this receipt on the back of check or money order received.

Authority to Print No. 514
Revised January, 1992

TAGANITO MINING

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND CONSENT STATEMENT, AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Technical Report Name to be Publicly Released :
SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31,2026 (the "Report")

Name of Company releasing the Report :
Taganito Mining Corporation

Name of Mineral Deposit to which the Report Refers to :
Taganito Nickel Laterite Property

Data Cut-off Date : **March 31,2026**

Report Date : **April 15,2026**

Consent Statement

I, **Kristine Grace C. Victoria,** confirm that I am the Accredited Competent Person for the Report, and that:

- That I am a Professional Regulation Commission (PRC)-registered Geologist, residing at 0609 Purok 2, Lumangbayan, Plaridel, Bulacan.
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., nickel laterite deposit type) and associated Mineral Resource estimation for which I am accepting responsibility.
- I am a Member of good standing of the Geological Society of the Philippines.

- I am a full-time employee of Nickel Asia Corporation (NAC), which owns 65% of the Taganito Mining Corporation (TMC), since June 15, 2010.

- I have held the position of Assistant Vice President - Geology in NAC since March 10,2022 up to the present. I do not own any shares, options and/or warrants in the said companies as certified by the Corporate Secretaries of NAC and TMC. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.

- I have been engaged by NAC to prepare the documentation for TMC on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31,2026.

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.

- I have reviewed the Report to which this Consent Statement applies.

- I have disclosed to the reporting Companies the full nature of the relationship between myself and the Companies, including any issues that could be perceived by investors as a conflict of interest.

- I verify that the Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.

- I have conducted Data Verification and Data Validation of the data disclosed in the Report.

- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

Consent

I consent to the release and public disclosure of this Report and this Consent Statement by the Board of Directors of Taganito Mining Corporation in connection with the Quarterly Report for the period ending March 31,2026. This consent is provided specifically to comply with the disclosure requirements set forth under the Philippine Mineral Reporting Code 2020 and its Implementing Rules and Regulations.

Any use of the contents, or any part thereof, for purposes other than those stated herein shall require my prior review, authorization, and written consent.

KRISTINE GRACE C. VICTORIA Accredited Competent Person	**April 15,2026** Date
Licensed Geologist	PRC Registration No. 0001721 Valid Until July 9,2026
Geological Society of the Philippines Professional Representative Organization of the ACP	ACP ID No. 19-08-02 Valid Until July 9, 2026
	Professional Tax Receipt No. 7046195 Issued at *Plaridel, Bulacan* on *January 05,2026*

SUBSCRIBED AND WORN to before me this 15th day of April 2026, personally appeared before me MS. KRISTINE GRACE C. VICTORIA with PRC Professional Identification Card with Registration No. 0001721 valid until July 9, 2026, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

Doc. No. 387
Page No. 79
Book No. 2
Series of 2026

CARLO C. GUEVARA
Appointment No. 184 (2025-2026)
Notary Public for and in the City of Taguig
Until December 31, 2026
Roll No. 75204
PTR No. 4019165/23 January 2026/Pasig City
MCLE Compliance No. VIII-0032035. Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City

PMRC

ACCREDITED COMPETENT PERSON

Geologist

NAME: **KRISTINE GRACE C. VICTORIA**

ACP No.: **19-08-02**

PRC ID No.: **1721**

VALID UNTIL: **July 09, 2026**



This is to certify that the person whose name, signature and photo appear in this card is an ACCREDITED COMPETENT PERSON registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

KRISTINE GRACE C. VICTORIA
Name

CICERON A. ANGELES, JR.
Chair
Competent Person Accreditation Committee

JOEY NELSON R. AYSON
President
Geological Society of the Philippines

If found, kindly email ... write message to https://www.facebook.com/groups/...

Email: ...
Website: https://www.geolsocphil.com

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD



LAST NAME	▶ **VICTORIA**
FIRST NAME	▶ **KRISTINE GRACE**
MIDDLE NAME	▶ **CAPUZ**
REGISTRATION NO.	▶ **0001721**
REGISTRATION DATE	▶ **04/19/2010**
VALID UNTIL	▶ **07/09/2026**

GEOLOGIST

Professional Regulation Commission
www.prc.gov.ph

21-5390075

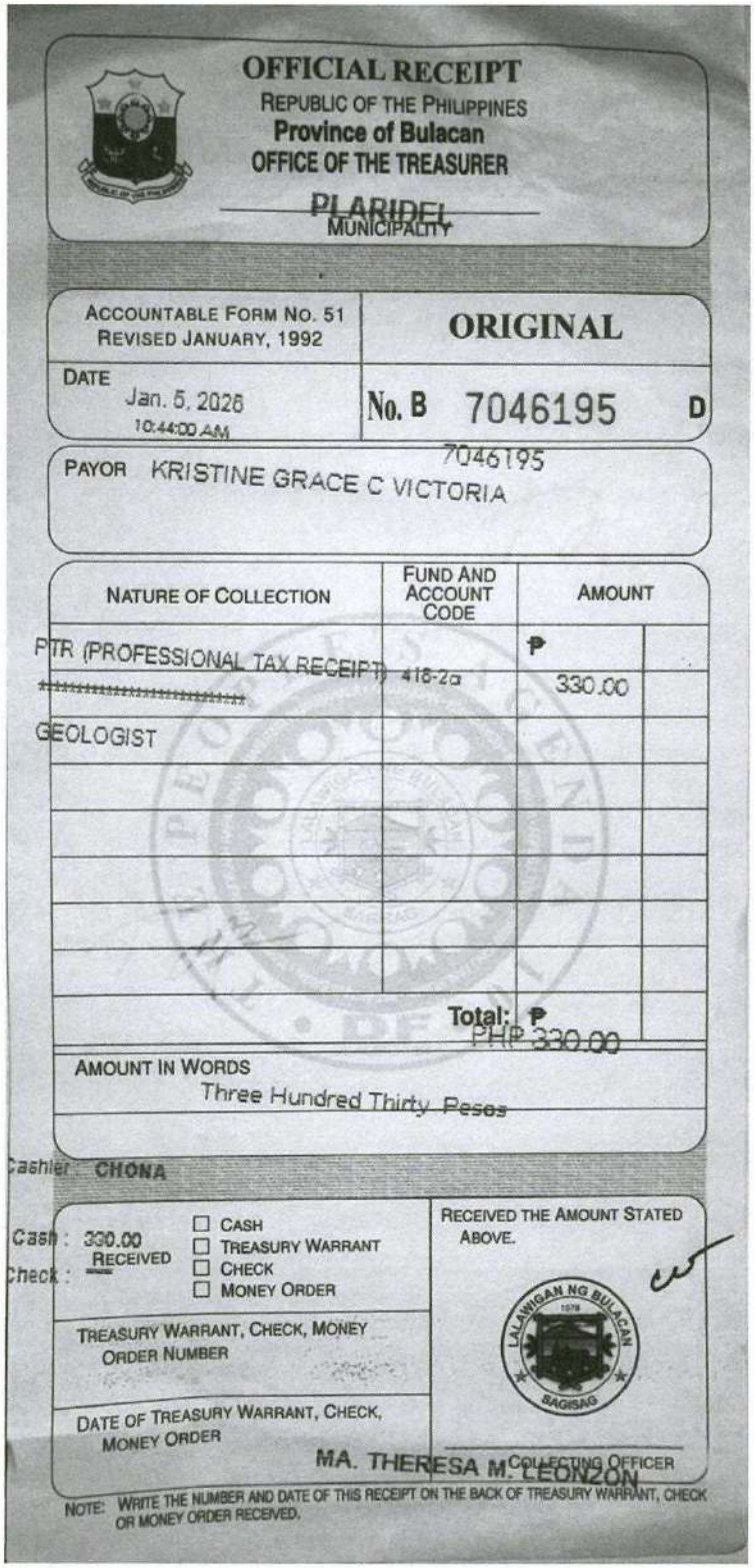
CERTIFICATION

This is to certify that the person whose name, photograph, and signature appear herein is a duly registered professional, legally authorized to practice his/her profession with all the rights and privileges appurtenant thereto.

This is to certify further that he/she is a professional in good standing and that his/her certificate of registration/professional license has not been suspended, revoked or withdrawn.

Signature of Professional

CHARITO A. ZAMORA



OFFICIAL RECEIPT
REPUBLIC OF THE PHILIPPINES
Province of Bulacan
OFFICE OF THE TREASURER
PLARIDEL
MUNICIPALITY

ACCOUNTABLE FORM NO. 51 REVISED JANUARY, 1992	**ORIGINAL**
DATE Jan. 5, 2026 10:44:00 AM	No. B 7046195 D

7046195

PAYOR KRISTINE GRACE C VICTORIA

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PTR (PROFESSIONAL TAX RECEIPT)	418-2a	₱ 330.00
GEOLOGIST		
	Total:	₱ PHP 330.00

AMOUNT IN WORDS
Three Hundred Thirty Pesos

Cashier CHONA

Cash : 330.00 RECEIVED
Check :

☐ CASH
☐ TREASURY WARRANT
☐ CHECK
☐ MONEY ORDER

TREASURY WARRANT, CHECK, MONEY ORDER NUMBER

DATE OF TREASURY WARRANT, CHECK, MONEY ORDER

RECEIVED THE AMOUNT STATED ABOVE.

LALAWIGAN NG BULACAN 1578 SAGISAG

MA. THERESA M. LEONZON
COLLECTING OFFICER

NOTE: WRITE THE NUMBER AND DATE OF THIS RECEIPT ON THE BACK OF TREASURY WARRANT, CHECK OR MONEY ORDER RECEIVED.

CEXCI

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing PSE Consolidated Listing and Disclosure Rules and Clause 10 of the PMRC 2020 Edition ("Consent Statement")

Report Name to be Publicly Released:

SEC Form 17-Q/Quarterly Report for the Quarter Ended March 31, 2026 (the "Report")

Name of the Company releasing the Report:
Cordillera Exploration Co., Inc. (CEXCI)

Name of Mineral Deposit to which the Report Refers:
Zambales Gold-Copper Deposit
Cordon Gold-Copper Deposit

Data Cut-off Date: **March 31, 2026**

Report Date: **April 14, 2026**

Consent Statement

I, **Graciano P. Yumul, Jr.** confirm that I am the Accredited Competent Person for the Report, and that:

- I am a Professional Regulation Commission (PRC)-registered Geologist, residing at 32 via Napoli, Villa Firenze Subd, Culiat, Quezon City
- I have read and understood the requirements of the 2020 Edition of the Philippine Mineral Reporting Code for Reporting of Exploration Results, Mineral Resources, and Mineral Reserves (PMRC 2020 Edition).
- I certify that the Report has been prepared in accordance with the PMRC 2020 Edition and its draft Implementing Rules and Regulations.
- I am an Accredited Competent Person (ACP)-Geologist as defined by the PMRC 2020 Edition, having a minimum of five (5) years relevant experience in the style of mineralization and type of mineral deposit described in the Report (i.e., gold and copper deposit type).
- I am a Member of good standing of the Geological Society of the Philippines.
- I am a full-time employee of Cordillera Exploration Co, Inc., which is a subsidiary of Nickel Asia Corporation (NAC), since 2011.
- I have held the position of President since March 10,2024 up to present. I do not own any shares, options and /or warrants in the said companies as certified by the Corporate Secretaries of NAC and CEXCI. Furthermore, I am not a holder of tenement rights, nor do I have a landlord-lessee relationship of land and/or infrastructure within the mineral property or other employment-related relationship which may have a bearing on the integrity of the Report.
- I have been engaged by NAC to prepare the documentation for CEXCI on which the Report is based to comply with the PMRC 2020 Edition, for the period ended March 31, 2026.

Cordillera Exploration Co., Inc.

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7622
loc. 8308

Web: nickelasia.com

- I assume full responsibility for the whole of the Report which I have prepared or prepared under my supervision.
- I have reviewed the Report to which this Consent Statement applies.
- I have disclosed to the reporting Company the full nature of the relationship between myself and the Company, including any issues that could be perceived by investors as a conflict of interest.
- I verify that the Report is based on, and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results and Mineral Resources; and to the best of my knowledge, all technical information that are required to make the Report not misleading, false, inaccurate or incorrect, have been included.
- I have conducted Data Verification and Data Validation of the data disclosed in the Report.
- I have attached to this Consent Statement copies of my Professional Regulation Commission (PRC) professional identification card (PIC), Accredited Competent Person identification card and Professional Tax Receipt.

Cordillera Exploration Co., Inc.

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7622
loc. 8308

Web: nickelasia.com

CEXCI

Consent

I consent to the release and public disclosure of the Report and this Consent Statement by the Board of Directors of Cordillera Exploration Co., Inc. for the purpose of complying with the PMRC 2020 Edition and its draft Implementing Rules and Regulations. The use of the contents or parts of the contents of this Report for other purposes not stated herein would require my prior authorization and written consent.

GRACIANO P. YUMUL, JR., D.Sc.
Accredited Competent Person

April 15, 2026
Date

Licensed Geologist PRC Registration No. 0000735
Valid Until September 23, 2026

Geological Society of the Philippines Professional Representative Organization of the ACP

ACP ID No. 18-05-02
Valid Until September 23, 2026

Professional Tax Receipt No. 8459350
Issued at Quezon City on January 22, 2026

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES) CITY OF) SS.

BEFORE ME, this 30 APR 2026, personally appeared before me MR. GRACINAO P. YUMUL, JR. with PRC Professional Identification Card with Registration No. 0000735 valid until September 23, 2026, known to me to be the same person who executed this instrument which she acknowledged before me as her free and voluntary act and deed.

TAGUIG CITY

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and at the place first above written.

NOTARY PUBLIC
Doc. No. 332
Page No. 3
Book No.
Series of 2026

TOMAS JUSTINE M. FALCONITIN
Appointment No. 171 (2025-2026)
Notary Public for and in the City of Taguig City
Until December 31, 2026
Roll No. 74033
PTR No. 4019166/23 January 2026/ Pasig City
MCLE Compliance No. VIII-0025225, Until 14 April 2028
29th Floor NAC Tower, 32nd Street, BGC, Taguig City
Email Address: tomas.falconitin@nickelasia.com

Cordillera Exploration Co., Inc.

Main Office:
29th Floor NAC Tower,
32nd Street, Bonifacio
Global City, Taguig City,
Philippines 1634

Phone: (02) 7798 7622
loc. 8308

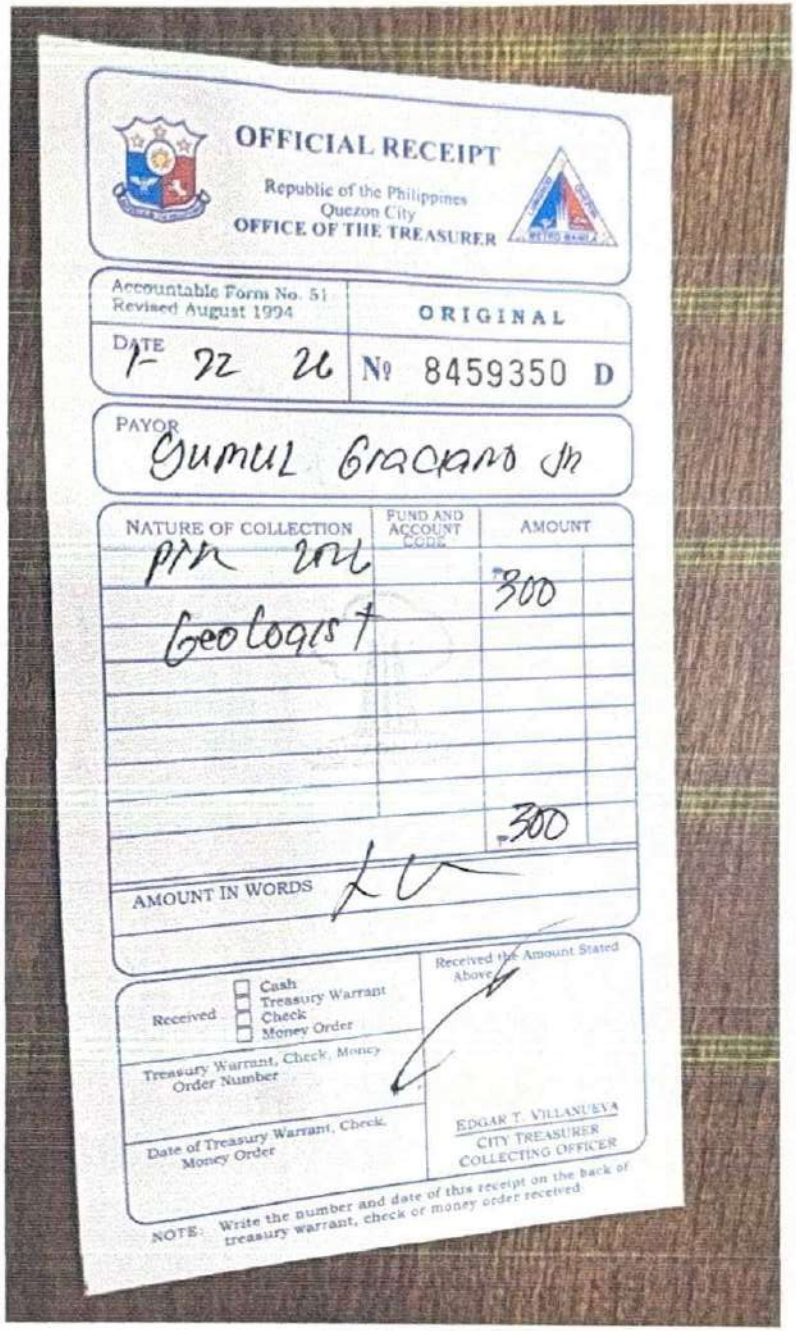
Web: nickelasia.com

Republic of the Philippines
PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD



LAST NAME ▶ YUMUL
FIRST NAME ▶ GRACIANO JR
MIDDLE NAME ▶ PEREZ
REGISTRATION NO. ▶ 0000735
REGISTRATION DATE ▶ 03/13/1981
VALID UNTIL ▶ 09/23/2026

GEOLOGIST



OFFICIAL RECEIPT

Republic of the Philippines
Quezon City
OFFICE OF THE TREASURER

Accountable Form No. 51
Revised August 1994

ORIGINAL

DATE 1- 22 26

№ 8459350 D

PAYOR Gumul Gracano Jr

NATURE OF COLLECTION	FUND AND ACCOUNT CODE	AMOUNT
PTR 2021		₱300
Geologist		
		₱300

AMOUNT IN WORDS Three hundred

Received ☐ Cash ☐ Treasury Warrant ☐ Check ☐ Money Order

Treasury Warrant, Check, Money Order Number

Date of Treasury Warrant, Check, Money Order

Received the Amount Stated Above

EDGAR T. VILLANUEVA
CITY TREASURER
COLLECTING OFFICER

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

PMRC

ACCREDITED COMPETENT PERSON

Geologist

NAME: **GRACIANO P. YUMUL, JR.**

ACP No.: **18-05-02**

PRC ID No.: **0735**

VALID UNTIL: **September 23, 2026**



This is to certify that the person whose name, signature and photo appear in this card is an **ACCREDITED COMPETENT PERSON** registered under the Competent Person Guidelines of the Geological Society of the Philippines and the Philippine Mineral Reporting Code.

GRACIANO P. YUMUL, JR.
Name

CICERO A. ANGELES, JR.
Chair
Competent Person Accreditation Committee

JOEY NELSON R. AYSON
President
Geological Society of the Philippines

If found, kindly [illegible] or write message to [illegible]

Email: [illegible]
https://www.geolsocphil.com