



BenguetCorp



NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

October 13, 2025

The Annual Stockholders Meeting (ASM) of Benguet Corporation (herein referred to as "BenguetCorp" or the "Company") will be held on Tuesday, November 18, 2025, 3:00 p.m. at the Company's Board Room, 7th Floor Universal Re Building, 106 Paseo de Roxas, 1226 Makati City, Philippines and will be conducted virtually or via online/remote communication. The agenda of the meeting is as follows:

1. Call to Order;
2. Proof of Notice of the Meeting;
3. Determination of Quorum;
4. Approval of Minutes of the Annual Stockholders' Meeting held on December 20, 2024;
5. Approval of Management Report and Audited Financial Statements for 2024;
6. Approval of the Extension of Term/Retention of Dr. Bernardo Villegas as Company's Independent Director;
7. Approval of the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws;
8. Approval of the declassification of Common Class "A" and "B" shares and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 and Article III Sections 5 and 6 of the amended By-laws;
9. Approval of 25% stock dividend;
10. Approval of the Re-appointment of Sycip Gorres Velayo and Company (SGV) as the Company's Independent External Auditor;
11. Ratification of all acts, contracts, investments, resolutions and proceedings made and entered into by Management and/or the Board of Directors since December 20, 2024, until the date of 2025 Annual Stockholders' Meeting;
12. Election of eleven (11) shareholders to serve as Directors (including Independent Directors) for the ensuing year; and
13. To transact such other business as may properly be brought before the meeting or any adjournment. Management knows of no other proposals to be presented during the meeting.

The rationale and explanation of each Agenda item requiring stockholders' approval are presented in Annex "A" of this Notice. The Information Statement (SEC Form 20-IS) accompanying this Notice contains more details regarding the rationale and explanation for each of such Agenda items.

The Board of Directors has fixed the close of business on September 29, 2025 as the record date for the determination of the holders of the Company's stock entitled to notice of, and to vote at the said meeting. The transfer books will not be closed.

Stockholders intending to participate in the meeting via remote communication and exercise their right to vote in absentia should first register and be authorized on or before November 11, 2025 thru Company's website <https://benguetcorp.com/investor-relations/annual-stockholders-meeting/>. Stockholders should submit a scanned copy of a valid government-issued identification card (ID) for registration and verification purposes. Indirect stockholders should submit their broker's certification of shareholding. Stockholders whose registration is validated will receive an email containing the meeting ID and password. Stockholders who cannot attend by remote communication can still be represented and vote at the meeting by submitting a proxy. A copy of the proxy form containing instructions on each item on the agenda that requires stockholders to vote is downloadable on the Company's website <https://benguetcorp.com/investor-relations/annual-stockholders-meeting/>.

Votes will be cast through ballots or proxies. Stockholders are given on or before 3:00 p.m. of November 17, 2025 to submit a scanned copy of the ballot/proxy via email to webadmin@benguetcorp.com or physical copies to the Office of the Corporate Secretary/Stockholders Relations at the Company's principal office. Validation of proxies will be on November 17, 2025 at 3:00 p.m. at the Company's Board Room. Proxies will be validated and tabulated by a special committee composed of the Corporate Secretary, the Stockholders Relations Office of the Company and the Company's stock transfer agent, Stock Transfer Service Inc. (STSI). The tabulation of all votes shall be done by the same committee and further reviewed by the Company's independent external auditor, Sycip Gorres Velayo & Co. (SGV), when necessary.

The Information Statement (SEC Form 20-IS) with the Management Report and 2024 Annual Report (SEC Form 17-A) with 2024 Sustainability Report and the Audited Financial Statements for the year ended December 31, 2024, the Company's 2025 Second Quarter Report (SEC Form 17Q) and other pertinent documents will be available for download at the Company's website www.benguetcorp.com and may be accessed in the online system of PSE Edge Portal <https://edge.pse.com.ph>.



HERMOGENE H. REAL
Corporate Secretary

A G E N D A

2025 VIRTUAL ANNUAL STOCKHOLDERS' MEETING OF BENGUET CORPORATION

November 18, 2025 at 3:00 p.m., Benguet Corporation's Board Room

7th Floor Universal Re-Building, 106 Paseo de Roxas

1226 Makati City, Philippines

EXPLANATION AND RATIONALE

I. Call to Order

The Presiding Officer will formally open the 2025 virtual Annual Stockholders' Meeting (ASM) via online / remote communication.

II. Proof of Notice of the Meeting

The Corporate Secretary will certify that in accordance with SEC Notice dated March 12, 2025, notice of the meeting was duly published in the business section of two (2) newspapers of general circulation, **in print and online format** for two (2) consecutive days no later than twenty-one (21) days prior to the scheduled ASM. The notice was also posted in the Company website <https://benguetcorp.com/investor-relations/annual-stockholders-meeting/>.

III. Determination of Quorum

The Corporate Secretary will certify the existence of a quorum. The stockholders present, through remote communication, proxy, or voting in absentia, representing at least a majority of the outstanding voting capital stock of the Company, shall constitute a quorum for the transaction of business.

Please refer to Annex "C" of the Information Statement on rules and procedures for holding of, and participation by stockholders in the ASM by remote communication and voting in absentia.

IV. Approval of the Minutes of the Annual Stockholders' Meeting held on December 20, 2024

The minutes of the meeting may be accessed through the Company's website <https://benguetcorp.com/company-disclosures-categories/minutes-of-all-general-or-special-stockholders-meetings/>. The brief summary of the minutes is presented in Item 15 of the Information Statement.

Stockholders will vote for the adoption of a resolution approving the Minutes of the December 20, 2024 Annual Stockholders' Meeting.

V. Approval of Management Report and the Audited Financial Statements for 2024

Presentation of the Company's operational highlights and financial results and the audited financial statements for the year ended 31 December 2024 (2024 AFS) audited by the Company's independent external auditor, Sycip Gorres Velayo & Company (SGV). The Information Statement containing the Management Report, the 2023 AFS, and other pertinent documents can be made available to security holders by downloading copy from the Company website www.benguetcorp.com or may be accessed online in the PSE Edge Portal <https://edge.pse.com.ph> as soon as practicable after the approval of the Definitive Information Statement by the SEC but not later than October 19, 2025. The 2024 Annual Report (SEC Form 17-A) as filed with the SEC and PSE is also posted and downloadable in the Company website and in the PSE Edge Portal.

After the presentation of report, there will be an open forum. The stockholders may raise questions and comments concerning the report through remote communication. Questions and comments received from the stockholders via email prior to or during the meeting will be answered by the Company. Any additional questions or questions received but not entertained during the open forum due to time constraints will be responded by the Company through the specified email address provided by the stockholder.

A resolution approving the Management Report and the Audited Financial Statements for the year ended December 31, 2024 will be presented for the approval of the Stockholders.

- VI. Approval for the extension of the term/ retention of Dr. Bernardo M. Villegas as Independent Director after having served the maximum 9 years term limit for Independent Directors with 2012 as reckoning year.

The Board of Directors of the Company during its meeting held on August 26, 2025 approved the extension of term/retention of Dr. Bernardo M. Villegas as Independent Director despite having served the maximum term limit of 9 years with 2012 as reckoning year. The Company continues to benefit from his guidance based on his invaluable expertise, industry knowledge, and advise on strategic commercial matters.

Stockholders will vote for the adoption of a resolution approving the extension of term/retention of Dr. Villegas as independent Director.

- VII. Approval of the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws.

The Board of Directors of the Company approved during its meeting held on August 26, 2025, the increase in Authorized Capital Stock to One Billion Five Hundred Eighty Million Three Hundred Eighty Four Thousand Four Hundred Sixty Pesos (P1,580,384,460.00) and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws of the Company. Please refer to Item 9 of the Information Statement on the discussions and other information.

Stockholders will vote for the adoption of a resolution approving the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-Laws.

- VIII. Approval of the declassification of Common Class "A" and "B" shares of the Company and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 and Article III Sections 5 and 6 of the amended By-Laws.

As mandated by the Securities and Exchange Commission, Management to implement the declassification of Common Class "A" and "B" shares of the Company in order to prevent trading inefficiencies, as well as unwarranted arbitrage for holders of Class "B" shares. Please refer to Item 9 of the Information Statement on the discussions and other information.

Stockholders will vote for the adoption of a resolution approving the declassification of Common Class "A" and "B" shares of the Company and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 and Article III Sections 5 and 6 of the amended By-Laws.

- IX. Approval of 25% stock dividend.

The Board of Directors of the Company approved during its meeting held on August 26, 2025, the declaration of 25% stock dividends for the Company's outstanding common shares on record date to be determined later. The issuance of the 25% stock dividends will be sourced from the increase of

Authorized Capital Stock of the Company. Please refer to Item 9 of the Information Statement on the discussions and other information.

Stockholders will vote for the adoption of a resolution approving the 25% stock dividends.

- X. Approval for the re-appointment of Sycip Gorres Velayo & Co. (SGV) as the independent external auditor of the Company

During the meeting of the Company's Board of Directors held on August 26, 2025, the re-appointment of Sycip Gorres Velayo & Company (SGV & Co.) as the independent external auditor of the Company was approved. Information on the Independent Public Accountants may be found in Item 7 of the Information Statement.

Stockholders will vote for the adoption of a resolution approving the re-appointment of SGV & Co., as the independent external auditor of the Company.

- XI. Confirmation and ratification of all acts, resolutions, contracts, investments and proceedings made and entered into by Management and/or the Board of Directors since December 20, 2024, until the date of 2025 Annual Stockholders' Meeting (ASM).

The matters for approval and/or ratification are those actions taken by Management and/or the Board of Directors since December 20, 2024 until the date of 2025 Annual Stockholders' Meeting, which included the approval for holding of virtual ASM on November 18, 2025 and authorizing stockholders to participate through remote communication and to exercise their right to vote in absentia or through proxy. The list of all acts, resolutions, contracts, investments and proceedings made and entered into by Management and/or the Board of Directors may be found in Item 15 of the Information Statement.

Stockholders will vote for the adoption of a resolution approving and/or ratifying all acts, resolution, contracts, investments and proceedings made by Management and/or the Board of Directors.

- XII. Election of eleven (11) directors (including Independent Directors) for the ensuing year.
a) Four (4) directors to represent the Common Class "B" Stocks; and
b) Seven (7) directors to represent the Common Class "A" and Convertible Preferred Class "A" Stocks

The Nomination Committee determined that all the Nominees for election (including the independent directors) possessed all the qualifications and none of the disqualifications for nomination and election pursuant to the provisions of the Code of Corporate Governance for Publicly-Listed Companies adopted in the Company's 2017 Manual on Corporate Governance. The Nominees are all incumbent directors of the Company. Their respective personal profiles, including directorships in other listed companies may be found in Item 5 of the Information Statement.

In the nomination of Independent Directors: Dr. Bernardo M. Villegas was nominated by Ms. Shirley S. Cueva, Atty. Rhodora L. Dapula was nominated by Ms. Maria Daisy A. Mejia and Atty. Elmer B. Serrano was nominated by Ms. Mirian Nacario-San Pedro. Ms. Cueva, Ms. Mejia and Ms. Nacario-San Pedro are stockholders of the Company.

The voting procedures are provided in Item 19 of the Information Statement.

- XIII. Other Business
Conversion Premium for Convertible Preferred "A" Shares

Holders of Convertible Preferred Class "A" share at their option may convert such shares into Common Class "A" share with par value of P1.00 per share upon payment of the conversion premium. For the year 2024, the conversion premium for converting Convertible Preferred Class "A" share into

Common Class "A" share is ₱12.83 per share. The discussion on this matter is presented in Item 4 of the Information Statement.

Adjournment

Upon determination that there are no other matters to be considered, the meeting will be adjourned on motion duly made and seconded.

SEC Registration Number

(Group's Full Name)

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

8812-1380
(Group Telephone Number)

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(Form Type)

1 1 0 8
Month Day
 (Annual Meeting)

Not Applicable
(Secondary License Type, If Applicable)

MSRD
Dept. Requiring this Doc.

Amended Articles Number/Section

16,859
Total No. of Stockholders

Total Amount of Borrowings

Domestic	Foreign

To be accomplished by SEC Personnel concerned

LCU

Cashier

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE



1. Check the appropriate box:

- ☐ Preliminary Information Statement
☒ Definitive Information Statement

2. Name of Registrant as specified in its Charter: BENGUET CORPORATION

3. METRO MANILA, PHILIPPINES
 Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number: 11341

5. BIR Tax Identification Code: 000-051-037

6. 7th FLOOR UNIVERSAL RE-BUILDING, 106 PASEO DE ROXAS, MAKATI CITY 1226
 Address of principal office Postal Code

7. Registrant's telephone number, including area code: 02 88121380

1. November 18, 2025 3:00 p.m., at the Board Room of Benguet Corporation, 7th Floor, Universal Re Building, 106 Paseo de Roxas, 1226 Makati City, Philippines **(VIRTUALLY)**
 Date, time and place of the meeting of security holders

2. Approximate date on which the Information Statement is first to be sent or given to security holders:
 As soon as practicable after the approval of the Definitive Information Statement by the Commission but not later than October 19, 2025 (by uploading an electronic copy in the Company website www.benguetcorp.com and may be accessed in the online system of PSE Edge Portal <https://edge.pse.com.ph>)

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor: Management of Benguet Corporation
 Address : 7F Universal Re-Building, 106 Paseo de Roxas, Makati City, Philippines
 Telephone No.: (632) 8812-1380

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

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding & Amount of Debt Outstanding</u>
Convertible Preferred Class A share	217,061
Common Class A share	429,568,838*
Common Class B share	286,015,617*
(*) – Net of Treasury Shares	
Total consolidated outstanding principal loans as of June 30, 2025 - ₱ 0.00 million	

12. Are any or all of registrant's securities listed on a Stock Exchange? Yes ☒ No ☐
 If so, disclose the name of such Stock Exchange and class of securities listed therein:

The Issuer's Common Class A and B and Convertible Preferred Class A shares are listed in the Philippine Stock Exchange (PSE).

PART I. INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

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

The Annual Stockholders' Meeting (ASM) of Benguet Corporation ("BenguetCorp" or "the Company") will be held on Tuesday, November 18, 2025 at 3:00 o'clock p.m. at the Company's Board Room. The ASM will be conducted **virtually via livestreaming**. The Company's mailing address is 7th Floor Universal Re-Building, 106 Paseo de Roxas, 1226 Makati City, Philippines.

In accordance with SEC Notice issued on March 12, 2025, the Information Statement containing management report and other pertinent documents shall be made available to security holders by uploading an electronic copy to the Company website www.benguetcorp.com or may be accessed in the online system of PSE Edge Portal <https://edge.pse.com.ph>, as soon as practicable after the approval of the Definitive Information Statement by the Securities and Exchange Commission (SEC) but not later than October 19, 2025. The notice of the meeting shall be published in the business section of two (2) newspaper of general circulation, in print and online format, for two (2) consecutive days not later than twenty-one (21) days prior to the scheduled ASM.

Item 2. Dissenters' Right of Appraisal

Although the following actions are not among the matters to be taken up during the Annual Stockholders' Meeting, the stockholders are herein apprised of their appraisal rights pursuant to Title X of the Revised Corporation Code of the Philippines. A stockholder shall have the right to dissent and demand payment of fair value of the share in case he voted against the following proposed corporate actions: (a) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other dispositions of all or substantially all of the corporate property and assets; and (c) in case of merger or consolidation.

The appraisal right may be exercised by the dissenting stockholder by making a written demand for payment of the fair value of his shares on the company within thirty (30) days after the date on which the vote was taken and within ten (10) days after demanding payment of his shares, he shall submit the certificate of stocks representing his shares to the Company for notation thereon that such shares are dissenting shares. If the proposed corporate action is implemented and if there is agreement as to the fair value of the shares, the Company shall pay the fair value of the shares to such stockholder upon surrender and transfer of the certificate of stocks. The fair value of the share shall be determined as to be the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate actions. Provided, that no payment shall be made to any dissenting stockholder, unless the Company has unrestricted retained earnings in its books to cover such payment. If within a period of sixty (60) days from the date the corporate action was approved, the withdrawing stockholder of the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the dissenting stockholder, another by the company and the third by the two previously chosen. The findings of the majority of the appraisers will be final and the award shall be paid by the company within thirty (30) days after the award notification is made. Upon payment of the agreed or awarded price, the stockholder shall forthwith transfer his share to the company. From the time of demand for payment of the fair value of the stockholder shares, all rights accruing to such shares, including voting and dividend rights, shall be suspended.

Item 3. Interest of Certain Persons in Matters To Be Acted Upon

Other than the nominees for election as directors, no director, nominee, associate of the nominees or officer of the Company at any time since the beginning of the last fiscal year, had any substantial interest, directly or indirectly, by security holdings or otherwise, in any of the matters to be acted upon in the stockholders' meeting, other than election to office. No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

a. Class of Voting Shares

The Company has three classes of stock, two of which (the Common Class A and the Convertible Preferred Class A) can be owned only by Philippine citizens because the Company is engaged in the mining business. Under Philippine law, at least sixty percent (60%) of the outstanding capital stock of a corporation engaged in mining must be owned by Philippine citizens. The other class of the Company's stock is its Common Class B which may be owned by anyone regardless of nationality or citizenship.

As of September 30, 2025, there are 214,788 shares outstanding of the Company's Convertible Preferred Class A stock, 429,568,838 shares outstanding of its Common Class A stock and 286,015,617 shares outstanding of its Common Class B stock. The equity ownership of foreign stockholders of the Company is 78,534,596 Common class "B" shares or 10.97% of its total outstanding. Each share of stock outstanding is entitled to one vote. Holders of the Company's Convertible Preferred Class A stock and Common Class A stock are entitled to nominate and elect seven (7) out of the eleven (11) members of the Board of Directors. Holders of the Company's Common Class B shares are entitled to nominate and elect four (4) out of the eleven (11) members of the Board of Directors.

Conversion Premium of Convertible Preferred Class A Shares – After the 25% stock dividend which was paid on July 20, 1990, the holders of Convertible Preferred Class A may, at their option, convert such shares into 9.4875 shares of Common Class A stock with Par Value of ₱1.00 per share of the Company and upon payment of a conversion premium which shall be an amount equal to the earnings per share of common stock (Common Class A and Common Class B) averaged over the immediately preceding 5-year period, multiplied by a factor of 6; provided, however, that the sum of the par value of the Convertible Preferred Class A shares being converted and the conversion premium so determined shall in no case be less than the book value per share of the common stock (Common Class A and Common Class B) outstanding. The conversion premium is ₱12.83 a share in 2024. The proceeds of the conversion premium will be used for general corporate purposes and for working capital of the Company.

b. Record Date and Share Ownership

Only holders of the Company's stock of record at the close of business on September 29, 2025, are entitled to notice of, and to vote at the Annual Stockholders' Meeting to be held on November 18, 2025.

c. Cumulative Voting Rights

In the election of directors, stockholders may vote only for those directors nominated for the class of shares owned by them, either in person or by proxy. Any stockholder may cumulate his shares since cumulative voting is authorized under the Philippine Corporation Code and will be used in the election of directors at the meeting. On this basis, each holder of Convertible Preferred Class A and Common Class A stocks may vote the number of shares registered in his name for each of the seven (7) directors to be elected by said classes of stock, or he may multiply the number of shares registered in his name by seven (7) and cast the total of such votes for one (1) director or he may distribute his votes calculated as above described among some or all of the seven (7) directors to be elected by the said classes of stockholders, as he elects. Each holder of Common Class B may do the same thing in respect of the four (4) directors to be elected by Common Class B shareholders (but multiplying by four (4) rather than by seven (7)). The proxies propose to use their discretion in cumulating votes.

d. Security Ownership of Certain Record and Beneficial Owners and Management

1) Security Ownership of Certain Record and Beneficial Owners: - The following table sets forth certain information about persons (or "groups" of persons) known by the Company to be directly or indirectly the record and/or beneficial owner of more than five percent (5%) of any class of the Company's outstanding capital stocks as of September 30, 2025:

Title of Class	Name, Address of Record Owner And Relationship with Issuer	Name of Beneficial Owner & Relationship w/ Record Owner	Citizenship	Number of Shares Held	Percent Per Class
Class A Common	PCD Nominee Corp. (Filipino), 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City.	(see note ¹)	Filipino	191,058,641	44.44%
	Palm Ave. Holding Company, Inc. 3F Universal Re Building, 106 Paseo de Roxas, Makati City (Stockholder)	(see note ²)	Filipino	65,624,727	15.27%
	Palm Avenue Holdings Company and/or Palm Avenue Realty Corporation, 3F Universal Re Building, 106 Paseo de Roxas, Makati City (Stockholder)	(see note ²)	Filipino	63,920,490	14.87%
	Red Earth Mineral Resources Corporation 16 th Floor, BDO Valero Tower, 8741 Paseo de Roxas, Makati City	(see note ³)	Filipino	53,000,000	12.33%
	Palm Avenue Holdings Company and/or Palm Avenue Realty Corporation, 3F Universal Re Building, 106 Paseo de Roxas, Makati City (Stockholder)	(see note ²)	Filipino	30,834,375	7.17%
Class A Convertible Preferred	PCD Nominee Corp. (Filipino), 29 th Floor BDO Equitable Tower, 8751 Paseo de Roxas, Makati City.	(see note ¹)	Filipino	63,521	29.57%
	Fairmount Real Estate c/o PCGG 6 th Floor, PhilComcen Bldg., Ortigas Avenue cor. San Miguel Avenue, Pasig City (Stockholder)	(see note ⁴)	Filipino	59,262	27.59%
Class B Common	PCD Nominee Corp. (Filipino), 29 th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City.	(see note ¹)	Filipino	123,305,483	43.11%
	Palm Avenue Realty & Development Corporation, 3F Universal Re-Building, 106 Paseo de Roxas, Makati City (Stockholder)	(see note ²)	Filipino	43,680,000	15.27%

¹ PCD Nominee Corporation ("PCDNC") is a wholly-owned subsidiary of Philippine Central Depository, Inc. ("PCD"). The beneficial owners of such shares registered under the name of PCDNC are PCD's participants who hold the shares in their own behalf or in behalf of their clients. The PCD is prohibited from voting these shares, instead the participants have the power to decide how the PCD shares of Benguet Corporation are to be voted. PCD, the central depository or lodging house where all securities brokers lodge scripless certificates, is not in any way related to the issuer.

² The Company is not aware of who is/are the direct or indirect beneficial owner/s of the stocks issued to Palm Avenue Holdings Company, Inc. and Palm Avenue Realty and Development Corporation (the "Palm Companies). In the December 20, 2024 Annual Stockholders' Meeting of the Company, the Palm Companies issued a proxy in favor of its legal counsels, Attys. Otilia Dimayuga-Molo/Andrea Rigonan-Dela Cueva, to vote in all matters to be taken up in the stockholders' meeting.

³ Record owners of Red Earth Mineral Resources Corporation ("Red Earth") are Atty. Edgar Padernal, Imelda Cabading and Atty. Diane Madelyn Ching.

⁴ The Company is not aware of who are the beneficial owner/s of the stocks issued to Fairmount Real Estate which stocks were sequestered by the Presidential Commission on Good Government (PCGG). In the past stockholders' meetings of the Company, the stocks of Fairmount Real Estate were not voted by any persons or proxies.

Red Earth Mineral Resources Corporation 16 th Floor, BDO Valero Tower, 8741 Paseo de Roxas, Makati City	(see note ³)	Filipino	37,000,000	12.93%
CEDE & CO. (Non-Filipino), P.O. Box 20, Bowling Green Stn., New York, NY 1400	(see note ⁴)	American	29,674,860	10.37%
PCD Nominee (Non-Filipino) 29 th Floor BDO Equitable Tower, 8751 Paseo de Roxas, Makati City	(see note ¹)	American	24,097,168	8.42%

Please note that: (a) Palm Avenue Holding Company, Inc. and Palm Avenue Holdings Company are one and the same corporation, and (b) Palm Avenue Realty and Development Corporation and Palm Avenue Realty Corporation are one and the same corporation.

The following are participants under the account of PCD Nominee Corporation who own more than five percent (5%) of the Company's voting securities as of September 30, 2025:

Title of Class	Name, Address of Participant And Relationship with Issuer	Name of Beneficial Owner & Relationship with Record Owner	Citizenship	Number of Shares Held	Percent Per Class
Class A Common	RYM Business Management Corporation, Universal Re-Building, 106 Paseo de Roxas, Makati City (Stockholder)	(see note ⁵)	Filipino	62,930,820	14.64%
Class B Common		(see note ⁵)	Filipino	60,108,441	21.01%

- 2) Security Ownership of Management – As of September 30, 2025 below are information as to each class of securities of the Company beneficially owned by directors and officers. The Company is not aware of any indirect beneficial ownership of its directors and officers.

Title of Class	Name of Beneficial Owner	Citizenship	Amount of Shares	Nature of Ownership	Percent Per Class
Class A Common	Maria Remedios R. Pompidou	Filipino	15	Direct	0.00%
Class A Common	Rhodora L. Dapula	Filipino	39,376	Direct	0.01%
Class B Common			26,250	Direct	0.01%
Class A Common	Carlos Alfonso T. Ocampo	Filipino	1	Direct	0.00%
Class A Common	Elmer B. Serrano	Filipino	1	Direct	0.00%
Class A Common	Anthony M. Te	Filipino	154,878	Direct	0.04%
Class B Common			103,250	Direct	0.04%
Class A Common	Luis Juan L. Virata	Filipino	234,003	Direct	0.05%

⁵ The Company is not aware of who is/are the direct or indirect beneficial owner/s of the stocks issued to RYM Business Management Corporation (RYM). Shares of RYM is under PCD Nominee Corporation. In the December 20, 2024 Annual Stockholders' Meeting of the Company, RYM issued a proxy in favor of its Chairman and President, Atty. Remigio C. Rayandayan, Jr. and/or its Corporate Secretary Minda P. De Paz to vote in all matters to be taken up on the stockholders' meeting.

Class B Common			69,600	Direct	0.02%
Class A Common	Andrew Patrick R. Casiño	Filipino	39,378	Direct	0.01%
Class B Common			26,253	Direct	0.01%
Class A Common	Luis Carlos Antonio P. Romualdez	Filipino	1,000	Direct	0.00%
Class B Common			1,000	Direct	0.00%
Class B Common	Bernardo M. Villegas	Filipino	3	Direct	0.00%
Class A Common	Kwok Yam Ian Chan	Filipino	39,375	Direct	0.01%
Class B Common			26,251	Direct	0.01%
Class A Common	Lina G. Fernandez	Filipino	209,916	Direct	0.05%
Class B Common			146,900	Direct	0.05%
Class A Common	Reynaldo P. Mendoza	Filipino	207,616	Direct	0.05%
Class B Common			38,500	Direct	0.01%
Class A Common	Max D. Arceño	Filipino	59,846	Direct	0.01%
Class B Common			113,575	Direct	0.04%
Class A Common	Emmanuel M. Puspos	Filipino	5,100	Direct	0.00%
Class A Common	Deogracias P. Halog	Filipino	225	Direct	0.00%
Class A Common	Hermogene H. Real	Filipino	279,975	Direct	0.07%
Class B Common			151,550	Direct	0.05%

As a Group

Class A Convertible Preferred	Filipino	59,262 shares ⁶	27.59%
Class A Common	Filipino	277,581,117 shares ⁷	64.57%
Class B Common	Filipino	141,491,573 shares ⁸	49.46%

⁶ Include 59,262 shares, the record owner of which is Fairmount Real Estate which is presently in trust by PCGG. In the past stockholders' meetings of the Company, the shares of Fairmount Real Estate were not voted by any person or proxies. The Company is not aware of who is/are the direct or indirect beneficial owner/s of the stocks issued to Fairmount Real Estate.

⁷ Include 30,834,375 and 63,920,490 shares, the record owners of which are Palm Avenue Holdings Company and/or Palm Avenue Realty Corporation. Also included is 65,624,727 shares, the record owner of which is Palm Avenue Holding Co., Inc, 53,000,000 shares of which record owner is Red Earth Mineral Resources Corporation. and 62,930,820 shares, record owner is RYM Business Management Corporation (PCD Nominee).

⁸ Include 43,680,000 shares, the record owner of which is Palm Avenue Realty and Development Corporation, 37,000,000 shares, the record owner of which is Red Earth Mineral Resources Corporation and 60,108,441 shares, the record owner is RYM Business Management Corporation (PCD Nominee).

- 3) Voting Trust Holders/Changes in Control - There are no voting trust holders of 5% or more of the Company' stock. There are no arrangements that may result in a change of control of the Company.

Status of the Temporary Restraining Order (TRO)

In the second quarter of 1986, 16.2 million Common Class A shares at Par Value of P3.00/share of Benguet Corporation registered in the name of Palm Avenue Holdings Corporation and Palm Avenue Realty Corporation (the "Palm Companies") were sequestered by the Presidential Commission on Good Government (PCGG), on the ground that the beneficial owner of the shares allegedly being Benjamin Romualdez, the brother in law of former President Ferdinand Marcos. The PCGG has voted these Class A shares during the annual stockholders' meeting from 1986 up to 1991. In the annual stockholders' meeting held in May of 1992, the Palm Companies nominated and voted for Benjamin Philip G. Romualdez and Ferdinand Martin G. Romualdez pursuant to a resolution of the Sandiganbayan (anti-graft court) dated May 25, 1992 allowing the Palm Avenue Companies as registered owners of sequestered shares to exercise voting rights of shares subject of litigation regarding the legal ownership over said shares. Just before the start of the 1993 stockholders' meeting, a Temporary Restraining Order (TRO) issued by the Philippine Supreme Court in connection with a pending PCGG case, enjoined the Company from conducting the election of directors scheduled on said date or on any later date until further orders of the Court. The 1993 meeting, however, continued as to any other matters in the agenda. Since then, no election of the directors can be held until the TRO has been lifted. Thus, the Board deferred the holding of the 1994 Annual Stockholders' meeting scheduled on May 31, 1994. From 1995 to 2003, 2005 to 2016 and 2018 to 2024, the Annual Stockholders' Meetings were held but no elections of directors were conducted. A consolidated judgment of the Supreme Court on January 23, 1995 nullified and set aside the above-mentioned Sandiganbayan resolution of May 25, 1992 allowing the Palm Avenue Companies to vote the sequestered shares, but it maintained the effectivity of the TRO which the Supreme Court previously issued subject to the power of the Sandiganbayan (the anti graft court) to modify or terminate the TRO. If the TRO is lifted by the Sandiganbayan (anti-graft court) or the Supreme Court, then the elections of the directors will be held consistent with the Supreme Court consolidated judgment of January 23, 1995.

On September 1, 1986, the registered owner of the sequestered shares and Benguet Management Corporation (BMC), a 100% owned subsidiary of the Company, agreed on the purchase by BMC of 9.5 million of the sequestered shares. Three million of these 9.5 million shares were purchased by employees of the Benguet Group of Companies under the Employees Stock Ownership Incentive Plan (ESOIP) approved by shareholders at their July 3, 1986 special meeting. The balance of 6.5 million shares purchased were then held in trust by Far East Bank & Trust Company (FEBTC) under a trust account established by BMC as trustor for the benefit of the Republic of the Philippines, represented by the PCGG for subsequent disposition to the public at some future date. This remaining 6.5 million shares later became 8,222,500 after the 10% and 15% stock dividends declared in 1988 and 1989, then became 16,445,000 after the 100% stock dividend paid in October, 1989. The validity of the Contract of Sale was upheld by the Supreme Court of the Republic of the Philippines in Benguet's favor.

Upon instructions of PCGG, BMC sold 8.2 million shares of the above mentioned remaining shares at a public auction but excluding the right to receive the 100% stock dividend which the Company paid on October 10, 1989 to shareholders of record as of August 26, 1989. The sale at public auction was held on September 27, 1989, with Rizal Commercial Banking Corporation ITF various accounts as the highest bidder for the 6.18 million shares. The remaining 2 million shares were sold to FEBTC as trustee for the Employees Stock Ownership Incentive Plan (ESOIP), being one of the winning bidders. In a Supreme Court Resolution dated June 23, 1992, the remaining unsold 100% stock dividend of 8.2 million shares (now 10,278,125 shares after the 25% stock dividend paid on July 20, 1990), which were then registered in the name of Republic of the Philippines were declared to be still part of the Palm Avenue Companies shares under sequestration and likewise subject to litigation as the other sequestered stocks. The Presidential Commission on Good Government also sequestered Fairmount Real Estate, Inc. and Independent Realty Corp. on April 14, 1986 and March 6, 1986, respectively,

being companies that are alleged to be beneficially owned by former President Marcos. Among the sequestered assets of these companies are shareholdings in Benguet Corporation (BC shares).

On July 9, 2025, the Company received a letter dated July 8, 2025 from its principal stockholders, Palm Avenue Holding Company, Inc. and Palm Avenue Realty Corporation ("Palm Companies") informing BC management and furnishing it with a copy of the Philippine Supreme Court's consolidated Decision dated August 6, 2014 (G.R. Nos. 173082 and 193795) and Entry Judgement dated February 9, 2015, which dismissed with finality the cases filed by the Republic of the Philippines against the Palm Companies in the Sandiganbayan docketed as Civil Case No. 0035 and lifted the writ of sequestration order against all assets and properties of the Palm Companies, among which are the BC shares. With the dismissal of Civil Case No. 0035, all restrictions and incidents on the exercise of ownership rights of the Palm Companies over its BC shares have been terminated, including presumably the 1993 Temporary Restraining Order (TRO) issued by the Supreme Court on the holding of election of Company's Board of Directors. Further, pursuant to the Resolution of the Sandiganbayan in Civil Case No. 0035 dated January 20, 2025, which ordered the PCGG to release in favor of the Palm Companies the previously sequestered assets and properties, the PCGG actually made a turnover of the BC shares to the Palm Companies on February 12, 2025. The letter is in connection with the request of the Palm Companies that all stockholders rights and dividends accruing on the BC shares be recognized in their favor. The Company is not a party litigant in the above cases although it was served with copy of the sequestration order and TRO, being the issuer of the subject shares. The Company can only rely in the information and documents given by the Palm Companies on the disposition of the above cases.

Since the TRO has been rendered inoperative, the election of the Company's Board of Directors in the upcoming 2025 Annual Stockholders' Meeting is no longer enjoined.

Item 5. Directors and Executive Officers

- I. One of the stated purposes of the Annual Stockholders' Meeting is the election of directors. Since the Temporary Restraining Order (TRO) issued by the Supreme Court has been rendered inoperative prior to November 18, 2025 Annual Stockholder's Meeting, the election of Directors can be held. In the December 20, 2024 Annual Stockholders' Meeting, there was no election of directors because the 1993 TRO issued by the Supreme Court enjoining the election of directors remained in force at the time. Thus, the incumbent directors of the Company continue to remain in office on holdover capacity until their successors are elected and qualified.

Below is a summary of attendance of the following incumbent Directors of the Company in the Board of Directors' meetings for the year 2024:

Name of Directors	Name	Date of Election/ Appointment	No. of Meetings Held During the Year	No. of Meetings Attended	% Attended
Chairman / Independent	Bernardo M. Villegas*	Nov. 07, 2019	6	6	100%
Member	Maria Remedios R. Pompidou	Oct. 25, 2000	6	6	100%
Member	Luis Juan L. Virata	Aug. 08, 1995	6	5	83.33%
Independent	Rhodora L. Dapula	Aug. 16, 2018	6	6	100%
Member	Andrew Patrick R. Casiño	June 04, 2020	6	6	100%
Member	Kwok Yam Ian Chan	Sep. 25, 2020	6	6	100%
Member	Anthony M. Te	Sep. 25, 2020	6	6	100%
Member	Lina G. Fernandez	Mar. 18, 2021	6	6	100%
Member	Andrew Julian K. Romualdez**	Aug. 24, 2022	6	6	100%
Member	Carlos Alfonso T. Ocampo	Aug. 30, 2023	6	6	100%
Independent	Elmer B. Serrano	Aug. 30, 2023	6	5	83.33%

(*) Mr. Bernardo M. Villegas was elected Chairman of the Board of Directors effective November 7, 2019. He has been a Director of the Company since June 25, 1998 and designated as Independent Director since 2002.

(**) Mr. Andrew Julian K. Romualdez resigned as member of the Board of Directors effective May 14, 2025.

Below is a summary of attendance of the following incumbent Directors of the Company in the Board Committee meetings for the year 2024:

Name of Directors	No. of Committee Meetings Held	No. of Meetings Attended	% Attended
Bernardo M. Villegas	6	5	83.33%
Rhodora L. Dapula	3	3	100%
Andrew Patrick R. Casiño	3	3	100%
Anthony M. Te	3	3	100%
Andrew Julian K. Romualdez	3	2	66.67%
Kwok Yam Ian Chan	2	2	100%
Lina G. Fernandez	2	2	100%

Below is the list of Committee meetings attended by the following incumbent directors for the year 2024:

Date of Meetings	Nature of Meetings	Name of Directors Who Attended
February 01, 2024	Executive Committee Meeting	1. Bernardo M. Villegas 2. Anthony M. Te 3. Kwok Yam Ian Chan 4. Lina G. Fernandez
March 20, 2024	Audit Committee Meeting	1. Rhodora L. Dapula 2. Bernardo M. Villegas 3. Andrew Patrick R. Casiño
March 22, 2024	Salary and Stock Option Committee Meeting	1. Bernardo M. Villegas 2. Andrew Julian K. Romualdez 3. Anthony M. Te
October 25, 2024	Executive Committee Meeting	1. Anthony M. Te 2. Kwok Yam Ian Chan 3. Lina G. Fernandez 4. Andrew Julian K. Romualdez
October 29, 2024	Audit Committee Meeting	1. Rhodora L. Dapula 2. Bernardo M. Villegas 3. Andrew Patrick R. Casiño
December 20, 2024	Audit Committee Meeting	1. Rhodora L. Dapula 2. Bernardo M. Villegas 3. Andrew Patrick R. Casiño

Listed below are the training and continuing education attended by the members of the Board of Directors and officers:

Name of Directors/Officers	Date of Training	Program	Name of Training Institution
Bernardo M. Villegas	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Lina G. Fernandez	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Ma. Remedios R. Pompidou	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Andrew Patrick R. Casiño	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.

Luis Juan L. Virata	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Rhodora L. Dapula	August 16, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Kwok Yam Ian Chan	August 16, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Anthony M. Te	August 16, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Andrew Julian K. Romualdez**	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Elmer B. Serrano	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Carlos Alfonso T. Ocampo	August 16, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Reynaldo P. Mendoza	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Max D. Arceño	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Pamela M. Gendrano**	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Valeriano B. Bongalos, Jr.	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Emmanuel M. Puspos	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Deogracias P. Halog	December 05, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.
Hermogene H. Real	August 16, 2024	Webinar on Corporate Governance	Risk, Opportunities Assessment and Management (ROAM), Inc.

(*) *Mr. Andrew Julian K. Romualdez resigned as member of Board of Directors effective May 14, 2025.*

(**) *Ms. Pamela M. Gendrano demised on January 17, 2025.*

The corresponding age, citizenship, brief descriptions of business experiences for the past five (5) years including directorships in listed companies, and the positions currently held by the incumbent Directors who are nominees for election at the Annual Stockholders' Meeting are set forth below:

Representing Holders of Common Class A and Convertible Preferred Class A Stocks of the Company:

MARIA REMEDIOS R. POMPIDOU, 58 years old, Filipino, Director

Ms. Pompidou first became a Director of the Company by appointment on October 25, 2000. She is currently the Chairman of BenguetCorp Laboratories, Inc., a wholly owned subsidiary of the Company (2013 to present); Trustee of Doña Remedios Trinidad Romualdez Medical Foundation Inc., Dr. V. Orestes Romualdez (DVOR) Educational Foundation Inc., Director of Sequioa Business Management Corporation, Perea Realty and Development Corporation and Red Palmtree Realty and Development

Corporation. She is Rockefeller University Council Member and Cornell Weill Medical School Dean's Council Member.

LUIS JUAN L. VIRATA, 71 years old, Filipino, Director

Mr. Virata, first became a Director of the Company by appointment on August 8, 1995. He is Chairman and major shareholder of Amber Kinetics Philippines, Inc. Mr. Virata is also Chairman Emeritus of Exchange Equity Partners Group Corporation, Chairman of Cavitex Holdings, Inc., Chairman of MTV Investment Properties Holdings Corporation and Vice President of Exchange Properties Resources Corporation. He is also a Founder and Trustee of Asia Society Philippine Foundation and the Metropolitan Museum of Manila and is a Board Member of the Huntsman Foundation Wharton School University of Pennsylvania. He previously held positions with Dillon, Read and Co., Crocker National Bank, Bankers Trust Company, Philippine Airlines, the Philippine Stock Exchange and Makati Stock Exchange. He received his Bachelor of Arts and Master of Arts degrees in Economics from Trinity College, Cambridge University, UK in 1976 and his Master of Business Administration degree from the Wharton School, USA in 1979.

**ANDREW PATRICK R. CASIÑO, 58 years old, Filipino, Director
Member of Audit Committee**

Atty. Casiño first became a Director of the Company by appointment on June 4, 2020. He is a litigation lawyer with more than 25-year work experience as practicing lawyer in New York State in the fields of: - Criminal matters (domestic violence, DWI, orders of protection, misdemeanors), Commercial litigation, Philippine law matters (counselling and review of legal documents), Real estate (sale and purchase), Family and domestic matters (custody, child support, orders of protection, spousal support), Probate of last will and testaments, Petitions for administration of estates, Family based immigration, Employment based Immigration, US naturalization, Deportation proceedings, Petitions for political asylum, Loan contracts, Employment contracts, Commercial & Residential leases, Settlement agreements, Loan disputes, Trademarks and copyrights, Divorce and legal separation. Presently, he is collaborator on all legal matters in the United States of Philippine based law firms, Florello R. Jose and Associates and Law Firm of Ocampo Manalo. He graduated from the University of the Philippines with a degree of Bachelor of Science in Economics in 1987 and Bachelor of Laws in 1991. He obtained his Masters of Laws in Intellectual Property from the Franklin Pierce Law School, University of New Hampshire in 1999. Atty. Casiño passed the Philippine Bar Examinations in 1991 and New York State Bar Examinations in 1996.

**ANTHONY M. TE, 55 years old, Filipino, Director
Chairman of the Executive Committee and Salary and Stock Option Committee; Member
of the Nominations and Election Committee**

Mr. Te first became a Director of the Company by appointment on September 25, 2020. He is currently a Director of listed companies, Marcventures Holdings, Inc. and Philippine Stock Exchange, Inc. He is also a director at Manila Standard Today Management, Inc. Media Quest Holdings Inc., Philippine Veterans Bank, Media Serbisyo Production Corporation, Armstrong Capital Holdings Corporation, Marcventures Mining and Development Corporation and Strong building (Mining) Development Corporation. He was elected to the PSE Board in 2022 and was appointed to the Capital Market Development Committee. He is the nominee of Armstrong Securities, Inc. and a Director of the Chamber of Mines of the Philippines. Mr. Te. Is the chairman of Amalgamated Project Management Services, Inc., AE Proteina Industries, Inc., Asian Asset Insurance with Brokerage Corporation (where he also serves as Soliciting Official) and Asian Appraisal Company Inc. He is the Chairman and President of Cymac Holdings Corporation, Chairman and Chief Financial Officer of Mactel Corporation since 1999 and Principal of MNM Capital OPC in 2021. He is a former Director of EEI Corporation. He was an independent director of Equitable PCI Bank (2004-2006), Director and Treasurer of PAL Holdings, Inc. (2000-2003), Director of Balabac Resources & Holdings Co., Inc., EBECOM Holdings, Inc. MRC Allied Industries, Inc. Oriental Petroleum & Minerals Corporation, PGA Cars, Inc. and Phoenix Energy Corp. Mr. Te obtained his Bachelor of Arts in Business Management at De La Salle University.

**CARLOS ALFONSO T. OCAMPO, 59 years old, Filipino, Director
Member of the Executive Committee and Board Risk Oversight Committee**

Atty. Ocampo first became a Director of the Company by appointment on August 30, 2023. He is Founding Partner of Ocampo & Manalo Law Firm which was established in 1997. He is currently an independent director of publicly-listed company, Marcventures Holdings Inc. He is a member of the Board of other corporations including MAAGAP Insurance Inc., BlueLion Motors Corporation, Jam Transit, Inc., Prestige Cars, Autohaus Corporation, Subic Air, Inc., Brycl Resorts International Inc., Autohaus Quezon City, Inc., Jam Liner, Inc, Media Serbisyo Production Corp., Intervest Projects Inc and Intervest Insurance Agency. He is Vice-Chairman of Philippine Veterans Bank. He is the Corporate Secretary of Manila Golf & Country Club, MAAGAP Insurance Inc., Skytowers Infra, Inc., among others. He previously served as Vice President and General Counsel of Air Philippines Corporation. He obtained his Bachelor of Laws from the University of the Philippines and completed an Executive Management Program at the Asian Institute of the Philippines. He earned a Certificate in Economic Development from the Harvard Kennedy School at Harvard University, Executive Education as well as Certificate in International Finance from the Harvard Law School at Harvard University, Executive Education.

**RHODORA L. DAPULA, 47 years old, Filipino, Independent Director
Chairman of the Audit Committee; Member of the Corporate Governance Committee**

Atty. Dapula first became an Independent Director of the Company by appointment on August 16, 2018 and holds over as independent director since then. She is currently an Independent Director of listed company, Bright Kindle Resources and Investments, Inc. She is a partner in Dapula, Dapula and Associates Law Offices since August 2007; and President/CEO of G.D. Brains and Castles Inc., and Proficientlink Realty Corporation since 2017 and Director of Right Synergy Holdings, Inc. She is a CPA-Lawyer, Professional Regulation Commission (PRC) Licensed Real Estate Broker, PRC Licensed Real Estate Appraiser, PRC Licensed Real Estate Consultant, PRC Licensed Environmental Planner and Licensed Life and Variable Life Financial Advisor. She is a PRC accredited lecturer for Real Estate Service Seminars and Trainings and a Certified International Property Specialist.

**ELMER B. SERRANO, 57 years old, Filipino, Independent Director
Chairman of the Board Risk Oversight Committee, Member of the Corporate
Governance Committee, and Member of the Related Party Transactions Committee**

Atty. Serrano was appointed as Independent Director of the Company on August 30, 2023. He is a practicing lawyer specializing in corporate law and is the Managing Partner and founder of the law firm SERRANO LAW. Mr. Serrano has been awarded "Asia Best Lawyer" by the International Financial Law Review (IFLR) consistently since 2019 and "Leading Lawyer-Highly Regarded" by IFLR 1000. After consistently being ranked as a "Leading Individual", Mr. Serrano was also inducted to the Legal 500's "Hall of Fame" as among the lawyers who received constant praise from clients for continued excellence. Mr. Serrano has also been recognized among the top 100 lawyers in the Philippines in the 2025 A-List Asia of Business Law Journal.

Mr. Serrano is also the Corporate Secretary of the most respected public companies, such as SM Investments Corporation, SM Prime Holdings, Inc., Atlas Consolidated Mining and Development Corporation, Premium Leisure Corp., 2GO Group, Inc. and DFNN Inc. He is also the Corporate Information Officer of BDO Unibank, Inc. and serves as the Corporate Secretary of BDO's subsidiaries. Mr. Serrano also sits as a director of several public companies. He is the Chairman of Dominion Holdings, Inc. (formerly BDO Leasing and Finance, Inc.), an Independent Director of EEI Corporation, and Philippine Telegraph and Telephone Corporation. He is also a director of 2GO Group, Inc.

Mr. Serrano is also counsel to prominent financial industry institutions such as the Bankers Association of the Philippines, the Philippine Payments Management, Inc. and the PDS Group of Companies.

Mr. Serrano, throughout his career personally and with the law firm he founded, SERRANO LAW, regularly represents clients before various government agencies. He advises clients on the complex rules and regulations of both government bodies and government-owned or -controlled corporations.

He has successfully advocated his clients' interests, and secured approvals from government agencies across a range of industries, such as Bangko Sentral ng Pilipinas, Securities and Exchange

Commission, Philippine Competition Commission, Insurance Commission, Bureau of Customs, Bureau of Internal Revenue, and various courts.

Mr. Serrano has developed strong rapport and lasting relationships with government agencies and government-owned or -controlled corporations, grounded in trust and effective representation.

Atty. Serrano is a Certified Associate Treasury Professional and was among the top graduates of the Trust Institute of the Philippines in 2001. He holds a Juris Doctor degree from the Ateneo de Manila University and BS Legal Management degree from the same university.

Representing Holders of Common Class B Stock of the Company:

BERNARDO M. VILLEGAS, 86 years old, Filipino, Chairman of the Board, Independent Director; Chairman of the Nomination and Election Committee, Corporate Governance Committee and Related Party Transaction Committee; Member of the Executive Committee, Salary & Stock Option Committee, Audit Committee, and Board Risk Oversight Committee

Dr. Villegas has been the Chairman of the Board since November 7, 2019. He first became a Director of the Company by appointment on June 25, 1998. He was designated Independent Director of the Company since 2002 up to present, although he has been a Director prior to the issuance of SEC Circular No. 16 dated November 29, 2002. He is currently Chairman and Independent Director of listed company, Filipino Fund, Inc. and Independent Director of listed companies: DMCI Holdings, Inc. and Abacore Capital Holdings, Inc. He holds, among others, the following directorships/positions: Independent Director of Benguetcorp Resources Management Corporation (2012 to present), a wholly owned subsidiary of the Company; Director and Consultant of Transnational Diversified, Inc. (1998 to present); Director, Insular Life Assurance Company, Ltd. (2000 to present); Director, PHINMA Properties (2011 to present); Director, Dualtech Foundation (1998 to present); Columnist, Manila Bulletin (1964 to present) and Business World; and Professor, University of Asia and the Pacific (1989 to present) and Chairman and Director, Cuervo Appraisers, Inc.. Formerly, he was Independent Director of First Metro Philippine Equity Exchange Traded Fund, Inc. (2010-2022); Director of Alaska Milk Corporation (1999-2019); Director, Makati Business Club (1981-2010); Director, Phinma Foundation (1995-2001); Director, Pilipinas Shell Foundation (1995-2001); Senior Vice President, University of Asia and the Pacific (2004-2006); Chairman, Center for Research and Communication (1995); President, Philippine Economic Society (1972-1974); Chairman, Department of Economics-De La Salle University Manila (1964-1969), Committee on the National Economy & Patrimony (1986); Director, Economic Research Bureau and Graduate School of Business-De La Salle University Manila (1967-1968); Project Director, Philippine Economic History under the National Historical Commission (1969-1972); Member, Preparatory Commission for Constitutional Reforms and Constitutional Commission (1999); Consultant, Productivity Development Center-National Economic Council and Program Implementation Agency (1968-1969). He earned his Ph. D. in Economics and obtained bachelor's degrees in Commerce and Humanities (both Summa Cum Laude) from De La Salle University.

KWOK YAM IAN CHAN, 38 years old, Filipino, Director, Member of Related Party Transactions Committee

Mr. Chan first became a Director of the Company by appointment on September 25, 2020. He is currently an Independent Director of listed companies, Marcventures Holdings, Inc. and Bright Kindle Resources and Investments, Inc. and of non-publicly listed companies, Palo Entertainment and Resort Corp., Strong Built (Mining) Development Corporation and DFNN, Inc. He is Managing Director of Seaborne Shipping Inc. Isky Empire Realty Inc., King Dragon Realty Corporation, Armstrong Securities and DK Ventures Inc. Mr. Chan graduated from De La Salle-College of St. Benilde with a Bachelor of Science degree in Business Administration major in Export Management. He obtained his master's degree in economics, major in Finance at California Polytechnic University.

LINA G. FERNANDEZ, 61 years old, Filipino, Director, Member of Executive Committee and Related Party Transactions Committee

Atty. Fernandez first became a Director of the Company by appointment on March 18, 2021. She was elected as President of the Company since March 18, 2021. Before her election/appointment, Atty.

Fernandez served as one of the designated Officers-In-Charge of the Company (October 2018-Mar 2021), and concurrently Senior Vice President for Finance and Comptroller since March 2018-March 2021. Atty. Fernandez previously served the Company as its Senior Vice President for Finance and Nickel Marketing Officer (November 2015-March 2018); Vice President for Corporate Planning; Chief of Staff (August 2006-November 2015); Risk Management Officer (March 2011-March 2018) and Compliance Officer for Corporate Governance (December 2016-March 2018). She also holds several positions and directorship in the following subsidiaries of the Company: President (2021 to present) and Director (2014-Present) of Benguetcorp Resources Management Corporation (formerly Benguetcorp Nickel Mines, Inc.); Chairman of Arrow Freight and Construction Corporation, Batong Buhay Mineral Resources Corporation, BC Property Management, Inc., Berec Land Resources, Inc., Balatoc Gold Resources corporation, Benguet Pantukan Gold Corporation and Keystone Port Logistics and Management Services Corporation; Chairman and President of Benguet Management Corporation and BMC Forestry Corporation; Director and President of Ifaratoc Mineral Resources Corporation, Samar Agricultural Farm Corporation and Benguetcorp Renewable Energy Corporation, Director, President and Chief Operating Officer of Pillars of Exemplary Consultants, Inc.; Director and Vice President of Acupan Gold Mines, Inc., and Sagittarius Alpha Realty Corporation; Director and Treasurer of Agua de Oro Ventures Corporation, and Benguetrade, Inc. and Director of Benguet Laboratories, Inc. She is a CPA-lawyer.

LUIS CARLOS ANTONIO P. ROMUALDEZ, 24 years old, Filipino, Director

Mr. Romualdez first became a Director on August 26, 2025. He holds the position of Special Projects Director in the Company since September 1, 2023. His experience includes working as Investment Banking Summer Analyst at Seaport Global from July 2022. He served as a Research Scholar in the Department of Economics at Dartmouth College from August 2020 to June 2023. He is the founder of the "T'Boli Project" a sustainable non-profit organization that showcases local talent and generates income for a tribal community in the Philippines. He also became member of marketing team at the Philippine Daily Inquirer (PDI) from September 2018 to December 2018 where he conducted internal research which led to PDI's transition to digital platform. Mr. Romualdez earned a Bachelor of Arts in Economics with minor in Anthropology from Dartmouth College, graduating in year 2023.

II. Executive Officers

The executive officers of the Company are appointed annually to a one-year term (subject to removal) by the Board of Directors immediately following the Annual Stockholders' Meeting. Below are the incumbent executive officers of the Company:

Name	Position
Lina G. Fernandez	President and Director
Reynaldo P. Mendoza	Executive Vice President and Asst. Corporate Secretary
Max D. Arceño	Senior Vice President-Finance & Treasurer and Compliance Officer for Corporate Governance
Valeriano B. Bongalos, Jr.	Vice President / Resident Manager- Benguet District Operations
Emmanuel M. Puspos	Assistant Vice President for Mining and Business Development and Chief Risk Officer
Deogracias P. Halog, Jr.	Assistant Vice President for Technical Operations
Hermogene H. Real	Corporate Secretary

None of the executive officers of the Company are government employees.

Below are their respective ages, citizenships, positions held in the Company and its subsidiaries and brief description of business experiences.

LINA G. FERNANDEZ, Filipino, 61 years old, is the President of the Company since March 18, 2021.

REYNALDO P. MENDOZA, Filipino, 69 years old, is the Executive Vice President since March 18, 2021 and Assistant Corporate Secretary (2002 to present). He previously served as one of the two Officers-In-Charge of the Company (October 2018 to March 2021) and as Senior Vice President for Legal (August 2006 to March 2021). Currently, he holds various positions and directorship in the

following subsidiaries of the Company: He is concurrent Chairman and President of Acupan Gold Mines, Inc. and Sagittarius Alpha Realty Corporation; Chairman of BenguetCorp Resources Management Corporation, Agua de Oro Ventures, Inc., Ifaratoc Mineral Resources Corp., Benguettrade, Inc., Pillars of Exemplary Consultants, Inc., Samar Agricultural Farm Corporation and Benguetcorp Renewable Energy Corporation; Director and President of Batong Buhay Mineral Resources Corp., Benguet Pantukan Gold Corporation, Berec Land Resources, Inc., Balatoc Gold Resources Corporation, Sagittarius Alpha Realty Corporation and BC Property Management, Inc.; Director of BenguetCorp Laboratories, Inc., and BMC Forestry Corporation; Director and Chief Operating Officer of Benguet Management Corporation; Director and Vice President-Legal of Arrow Freight and Construction Corporation and Director and Vice President of Keystone Port Logistics and Management Services Corporation. Before joining Benguet Corporation, he was Staff Lawyer of PDCP (1987-1988) and Malayan Insurance Company (1986-1987); Associate Lawyer, Castro, Villamor & Associate (1985-1986); Apprentice Lawyer, Gono Law Office (1985-1986). He obtained his Bachelor of Law degree from the University of the Philippines in 1984 and passed the bar examination in the same year.

MAX D. ARCEÑO, Filipino, 63 years old, is the Senior Vice President for Finance and Treasurer of the Company since March 18, 2021. He was also designated as Compliance Officer for Corporate Governance on August 24, 2021. He previously served as its Vice President for Finance and Treasurer (November 2019-March 2021); Vice President for Finance, Treasurer, Taxation/Materials (March 2018-November 2019); Vice President for Accounting and Treasurer (March 2013-March 2018) and Assistant Vice President for Treasury (July 2011-February 2013). He also holds various positions in the following subsidiaries of the Company: he is concurrent Director and Treasurer of BenguetCorp Laboratories, Inc. (Feb. 2013 to present); Director, President and General Manager of Arrow Freight and Construction Corporation and Benguettrade, Inc.; Director and President of Keystone Port Logistics and Management Services Corporation, Director and Treasurer of BenguetCorp Resources Management Corporation, Benguet Management Corporation, BMC Forestry Corporation, Berec Land Resources, Inc., BC Property Management, Inc., Balatoc Gold Resources Corporation, Benguetcorp Construction and Development Corporation (Formerly Batong Buhay Mineral Resources Corporation), Acupan Gold Mines, Inc., Sagittarius Alpha Realty Corporation, Ifaratoc Mineral Resources Corporation, Pillars and Exemplary, Inc., Samar Agricultural Farm Corporation, and Benguetcorp Renewable Energy Corporation; and Director of Agua de Oro Ventures, Inc. Mr. Arceño graduated from the University of the East (Batch 1983) with a degree in BSBA-Accounting and passed the board examination for Certified Public Accountant in 1984. He joined the Company in 1985 as Accounting Staff I, then he rose from the ranks.

VALERIANO B. BONGALOS, JR., Filipino, 75 years old, is the Vice President/Resident Manager of Benguet District Operations since January 15, 2020. He also holds positions in the following subsidiaries of the Company: Director and President of Agua de Oro Ventures Corporation and Director of Acupan Gold Mines, Inc., Balatoc Gold Resources Corporation, Benguetcorp Construction and Development Corporation (Formerly Batong Buhay Mineral Resources Corporation), BC Property Management, Inc., Berec Land Resources, Inc., Benguet Management Corporation, BMC Forestry Corporation, Benguet Pantukan Gold Corporation, Ifaratoc Mineral Resources Corporation, Pillars of Exemplary Consultants, Inc. and Sagittarius Alpha Realty Corporation. He previously served the Company as its Consultant (May 2018-January 14, 2020); Vice President & General Manager of Benguet District Operations (July 2013-Sept 2015), and Mine Manager of Benguet Gold Operation, Antamok Northern Division (1978-1980) and in 1984-1992. He was a Mine Manager, Lepanto Consolidated Mining Co., Lepanto, Mankayan, Benguet (2016-2017). He was Vice President for Operations and Resident Manager, Apex Mining Co., Compostella Valley, Mindanao, Inc. (May 2010-July 2011); Mine Manager, Phuoc Son Gold Company, Ltd., Quang Nam, Vietnam (November 2006-July 2009); Mine Planning Manager, Ban Phuc Nickel Mines in Hanoi, Vietnam (March to June 2006); Mine Superintendent, Lepanto Consolidated Mining Company (1999-2001); Tunnel Superintendent, San Roque Multipurpose Dam (1998); Mine Manager, Base Metal Mineral Res. Corp. (1996-1997) Davao Del Norte; Project Manager, Ground Specialist, Inc.-Contractor (1994-1995) Lepanto Mine, Mankayan; Drilling & Blasting Engineer of Al Dhary International Group in Tabuk, Saudi Arabia (1993-1994); Senior Assistant Mining Engineer, Zambia Consolidated Copper Mines (Underground Copper Mine) in Zambia, Africa (1980-1983); Project Engineer, Argonaut Mineral Exploration (1975-1978); and Shift Foreman, Long Beach Mining Corporation (1974). He is a BS Mining Engineering graduate of

Mapua Institute of Technology (1973) and completed his Management Development Program at AIM in 1987. He obtained his Mining Engineering license in 1974.

EMMANUEL M. PUSPOS, Filipino, 63 years old, is the Assistant Vice President for Mining and Business Development since August 30, 2023. He was also appointed as Chief Risk Officer on March 26, 2025 to replace Ms. Pamela M. Gendrano who died on January 17, 2025. He also serves as Director of Benguetcorp Renewable Energy Corporation and Samar Agricultural Farm Corporation. Before his promotion, he was the Company's Chief Mining Engineer (April 2022 – August 2023). He previously served the Company as Senior Mining Engineer – Corporate Engineering Head (June 2008 to May 2011) and Company's subsidiary, Benguetcorp Resources Management Corporation as Assistant Vice President – Head of Operations/Engineering (June 2011 to August 2014). He was formerly the Mine Manager, OIC-Mine and Port Operations (April 2016 to July 2019) of Agata Mining Ventures, Inc. and Chief Mining Engineer of TVI Resource Development (Philippines) Inc. (January 2015 to April 2016). He obtained his Bachelor's degree in Mining Engineering from Mapua Institute of Technology. He is licensed Mining Engineer.

DEOGRACIAS P. HALOG, Filipino, 72 years old, is the Assistant Vice President for Technical Operations since March 22, 2024. He is a licensed Mechanical Engineer. He started his mining career in the Company in 1977 and was involved in various operations and projects such as Benguet Gold Operations (BGO), Benguet Antamok Gold Operations (BAGO) and Benguet Canada Ltd. – Ecuador Project. He left in 1990 to seek opportunity to work abroad and joined local construction and mining companies, to name a few: Apex Mining Co. Inc., Paramina Earth Technologies, Inc., Besra Vietnam, Peti Trading Inc., Lepanto Consolidated Mining Company and TVIRD_BGSP. He earned his Bachelor of Science degree in Mechanical Engineering from Mapua Institute of Technology in 1976. He attended course in Management at the Asian Institute of Management (AIM) in 1987 and Entrepreneurship at University of the Philippines-Diliman in 1996.

HERMOGENE H. REAL, Filipino, 69 years old, has been the Corporate Secretary of the Company since October 25, 2000. She is currently Director of publicly-listed Companies: (i) Bright Kindle Resources and Investment, Inc., where she is also Assistant Corporate Secretary (2014 to present) and (ii) Prime Media Holdings, Inc. (2021 to present). She is also Director of Arrow Freight and Construction Corporation; Director of Benguetcorp Laboratories, Inc. (2019 to present); Director of Crimson Bauxite Mining Development Corp. (2018 to present); Director of High Reliance Holdings Company, Inc. (2021 to present); Director/Treasurer of Golden Peregrine Holdings, Inc. (January 2022 to present); and Director Bright Star Mineral Resources and Development Corporation (March 2022 to present). She is also Corporate Secretary of Benguetcorp Resources Management Corporation; Trustee and Assistant Corporate Secretary, Doña Remedios Trinidad Romualdez Medical Foundation, Inc. (1996 to present); and Practicing Lawyer, D. S. Tantuico and Associates (1998 to present).

NOMINEES FOR ELECTION AT ANNUAL STOCKHOLDERS' MEETING ON NOVEMBER 18, 2025

The Nomination and Election Committee determined that all the nominees possess all the qualifications and none of the disqualification for nomination and election to the Company's Board of Directors pursuant to the provisions of the Code of Corporate governance for Publicly-Listed Companies, as the same was adopted in the Company's 2017 Revised Manual on Corporate Governance.

The Nomination and Election Committee is chaired by Independent Director, Mr. Bernardo M. Villegas and member, Mr. Anthony M. Te, both Non-Executive Directors.

Nominees for Election at Annual Stockholders' Meeting:

The following have been nominated for election to the Company's Board of Directors at the Annual Stockholders' Meeting. The nominees are all incumbent Directors of the Company. Their respective present positions and period served are as follows:

A. Representing Holders of Class "A" & Convertible Preferred Class "A" Stocks:

Name	Position	Period Served
Maria Remedios R. Pompidou	Director	Since October 25, 2000
Luis Juan L. Virata	Director	Since August 18, 1995
Andrew Patrick R. Casiño	Director	Since June 4, 2020
Anthony M. Te	Director	Since September 25, 2020
Carlos Alfonso T. Ocampo	Director	Since August 30, 2023
Rhodora L. Dapula	Independent Director	Since August 16, 2018
Elmer B. Serrano	Independent Director	Since August 30, 2023

B. Representing Holders of Common Class "B" Stocks:

Name	Position	Period Served
Bernardo M. Villegas	Chairman of the Board/ Independent Director	Independent Director since 2002 and Chairman of the Board since November 7, 2019. He served as Director of the Company since June 25, 1998 prior to the issuance of SEC MC No. 16 dated November 29, 2002.
Kwok Yam Ian Chan	Director	Since September 25, 2020
Lina G. Fernandez	Director	Since March 18, 2021
Luis Carlos Antonio P. Romualdez	Director	Since August 26, 2025

The experience and background of the nominees are shown in Item 5.I above.

Independent Director

In the nomination of Independent Directors, nominees Dr. Bernardo M. Villegas was nominated by Ms. Shirley S. Cueva; Atty. Rhodora L. Dapula was nominated by Ms. Maria Daisy A. Mejia; and Atty. Elmer B. Serrano was nominated by Miriam Nacario-San Pedro. Those who nominated are stockholders of the Company and have no relationship with the nominees for independent director. The nominees have accepted their nominations in writing. The Nomination and Election Committee reviewed the nominees' business relationship and activities to ensure that they possessed all the qualifications and none of the disqualifications for independent directors prescribed in Rule 38 of 2015 SRC Rules, the Code of Corporate Governance for Public Listed Companies and the rules on the term limit of independent directors in accordance with SEC Memorandum Circular No. 4, Series of 2017. The sworn certificate on qualifications of the Company's Independent Directors are attached as Annexes "D", "E", and "F" for Dr. Villegas, for Atty. Dapula, and for Atty. Serrano, respectively.

There are no other nominees for election as director or independent director submitted to the Corporate Secretary. Article III, Section 1.1 of the Amended By-Laws of the Company provides that nomination shall be submitted in writing to the Corporate Secretary not later than forty five (45) days prior to the date of the meeting or on or before October 4, 2025.

No Director and Nominee has resigned or declined to stand for re-election to the Company's Board of Directors due to disagreement on any matter.

Resignation/Demise of Directors or Officers

Mr. Andrew Julian K. Romualdez, member of the Company's Board of Directors, member of Salary and Stock Option Committee, Executive Committee and Nomination and Election Committee resigned effective May 14, 2025, as approved by Board of Directors on August 26, 2025. His resignation was due to personal reasons and other commitments including to pursue further studies and explore new opportunities.

Demise of Ms. Pamela M. Gendrano, Assistant Vice President for Environmental Compliance and Chief Risk Officer on January 17, 2025.

Extension of Term/Retention of Dr. Bernardo M. Villegas as Independent Director After Having Served the Maximum of Nine (9) Years Term Limit

Dr. Bernardo Villegas' tenure as independent director is beyond the maximum cumulative term of nine (9) years with 2012 as reckoning date pursuant to SEC Memorandum Circular No. 4 Series of 2017. Despite this, management recommended for Dr. Villegas to be retained as independent director because the Company continues to benefit from his guidance based on his invaluable expertise, industry knowledge, and advice on strategic commercial matters. During the regular meeting of the Company's Board of Directors held on August 26, 2025, the Board approved the extension of term/retention of Dr. Villegas as one of the Company's Independent Directors.

Submitted for approval by the stockholders is the extension of term/retention of Dr. Bernardo M. Villegas as independent director.

A vote of the stockholders representing majority of the outstanding capital stock of the Company is required for the extension of term/retention of Dr. Bernardo M. Villegas as Independent Director.

Management recommends a vote FOR the extension of term/retention of Dr. Bernardo M. Villegas as Independent Director.

Significant Employees

Other than the executive officers, other employees are expected by the Company to make significant contributions to the business.

Family Relationship

Except with respect to Mr. Luis Carlos Antonio P. Romualdez who is nephew of Ms. Maria Remedios R. Pompidou, no other directors or executive officers is related to another by affinity or consanguinity.

Involvement in Certain Legal Proceedings

To the best of the Company's knowledge, there has been no occurrence during the past five (5) years up to the date of this Information Statement which are material to the evaluation of ability of integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the Company and none of them has been involved in any legal proceeding, including without limitation being the subject of –

- 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.

Certain Relationship and Related Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Parties are also considered to be related if they are subject to common control. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely its legal form.

The Company established Related Party Transactions (RPT) Committee, tasked among others, to evaluate and review material related party transactions of the Company. The RPT Committee is composed of four (4) directors, chaired by Independent Director, Mr. Bernardo M. Villegas and the members are Mr. Elmer B. Serrano, Mr. Kwok Yam Ian Chan and Ms. Lina G. Fernandez.

In the last three (3) years, the Company has not been a party in any transaction or proposed transactions in which a director or executive officer of the Company, any nominee for election as director, any security holder owning more than 10% of the Company's issued and outstanding shares and/or any member of his immediate family had a material interest adverse to the Company or any of its subsidiaries. The Company has no parent company.

Please refer to Note - 28 Related Party Disclosures of the 2024 Audited Consolidated Financial Statements (ACFS) of the Company hereto attached by reference. As disclosed in Note 24 - Related Party Disclosures of the Parent's 2024 Audited Financial Statements, in the normal course of business, the Company has dealings with its related parties (subsidiaries) as follows:

- a. On January 1, 2021, the Company entered into a marketing agreement with BRMC for five (5) years and may be extended upon mutual agreement of the parties. BRMC shall pay a marketing fee per ton of nickel ore shipped. The Company earned P139.8 million, P141.2 million, P186.5 million and P172.7 million in marketing fees for 2024, 2023, 2022 and 2021 respectively. Outstanding trade receivable from this transaction amounted to P24.9 million, P33.5 million, P14.2 million and P111.8 million in 2024, 2023, 2022 and 2021 respectively.
 1. The business purpose of the arrangement is for the Company to market the ore production of BRMC at the best price obtainable in the market and under terms most advantageous to BRMC.
 2. The Company is authorized to enter into a long-term supply agreement and to negotiate and receive advance payment from the buyer and is entitled to a definite marketing fee. BRMC is a subsidiary that is controlled and significantly managed by the officers of the Company.
 3. The transaction was determined after the conduct of a market study and cost benefit analysis.
 4. The Related Party Transactions Committee and Management Committee reviewed and evaluated the transaction. The said Committees practiced the vetting process wherein it evaluated for fairness of the terms of the related party transactions and ensured that the terms are at arm's length following the Related Party Transactions policy of the Company. The related party transaction terms were compared with the terms granted to non-related parties under comparable circumstances and conditions. In cases where comparable transactions are not available, adequate justifications on the selection of the related party and the benefits of the engagement shall be provided.
 5. The marketing agreement was renewed for another five (5) years from January 1, 2021 to December 1, 2025.
- b. AFCC, a wholly owned subsidiary of the Company through BMC, continued to provide services to the Company for the delivery of various materials and supplies to various project sites. Total amount charged to the Company in 2024, 2023, 2022 and 2021 amounted to P0.4 million, P1.4 million, P2.7 million and P2.8 million, respectively.
 1. The business purpose of the arrangement is to provide equipment services to the Company for the delivery of equipment and/or raw materials to the various project sites.
 2. AFCC must provide all the required equipment/service vehicle as well as personnel necessary for the Company's operations in its project sites. AFCC is a wholly owned subsidiary of BMC, and BMC is a wholly owned subsidiary of the Company that is significantly managed by the same officers of the Company.
 3. The transaction price was determined after the conduct of a market study and cost-benefit analysis.
 4. The Related Party Transaction Committee and Management Committee reviewed and evaluated the transaction. The said Committees practiced the vetting process wherein it evaluated for fairness of the terms of the related party transaction and ensured that the terms are at arm's length following the Related Party Transaction Policy of the Company. The related party transaction terms were compared with the terms granted to non-related parties under comparable circumstance and

conditions. In cases where comparable transactions are not available, adequate justifications on the selection of the related party and the benefits of the engagement shall be provided.

5. This arrangement is still in effect as intended by both parties.
- c. BFC, a wholly owned subsidiary of the Company thru BMC, was appointed as General Manager of the Company's Irian Lime Project. Total amounts charged to the Company in 2024, 2023, 2022 and 2021 are ₱2.8 million, ₱3.3 million, ₱2.7 million and ₱0.7 million respectively.
 1. The business purpose of the arrangement is to handle the over-all operations and management of the Irian Lime Project.
 2. BFC is to manage and supervise the marketing functions, all production aspects, the industrial and personnel relations functions, financial and internal accounting activities, and to furnish financial statements and progress reports regularly to the Company.
 3. The transaction price was determined after the conduct of a market study and cost benefit analysis.
 4. The Related Party Transaction Committee and Management Committee reviewed and evaluated the transaction. The said Committees practiced the vetting process wherein it evaluated for fairness of the terms of the related party transaction and ensured that the terms are at arm's length following the Related Party Transaction Policy of the Company. The related party transaction terms were compared with the terms granted to non-related parties under comparable circumstance and conditions. In cases where comparable transactions are not available, adequate justifications on the selection of the related party and the benefits of the engagement shall be provided.
 5. The management contract is effective for a period of five (5) years which started from January 1, 2021 to December 31, 2025
- d. There were no other transactions with parties that fall within the definition "related parties" under SFAS/IAS No. 24 with whom the Company and/or its related parties have a relationship or with any entity established and operated by individuals who were former senior management of or have some other current or former relationship with the Company that will enable the parties to negotiate terms of material transactions that may not be available to independent parties on an arm's length basis.
- e. The Company provides and receives unsecured noninterest bearing cash advances to and from its subsidiaries for working capital requirements, which are settled in cash.

Outstanding payables from these transactions in the normal course of business are as follows:

Category	Year	Expenses (Note 23)	Outstanding balance	Terms	Conditions
<i>Trade receivables to related parties (Note 5)</i>					
BRMC	2024	₱139,763	₱24,943	Payable on demand; noninterest-bearing	Unsecured; no guarantees Not impaired
	2023	₱141,205	₱33,491		
<i>Trade payables to related parties (Note 13)</i>					
AFCC	2024	₱890	₱2,276	Payable on demand; noninterest-bearing	Unsecured; no guarantees
	2023	₱1,379	₱2,147		
IMRC	2024	129	23	Payable on demand; Noninterest-bearing	Unsecured; no guarantees
	2023	-	-		
Total	2024	₱1,019	₱2,299		
	2023	₱1,379	₱2,147		

The parent company statements of financial position include the following amounts resulting from advances to and from related parties:

Category	Year	Amount/ Volume	Outstanding balance	Terms	Conditions
<i>Amounts owed by related parties</i>					
BMC	2024	₱215	₱100,361	Payable on demand; noninterest-bearing	Unsecured; no guarantees; impaired
	2023	₱99	₱100,416		
Media Management Corporation	2024	2	₱100,185	Payable on demand;	Unsecured

Category (MMC)	Year	Amount/ Volume	Outstanding balance	Terms	Conditions
	2023	-	P100,183	noninterest-bearing	no guarantees; impaired
BGRC	2024	1	78,627	Payable on demand;	Unsecured
	2023	61	78,626	noninterest-bearing	no guarantees; impaired
BLI	2024	-	43,766	Payable on demand;	Unsecured
	2023	2,696	48,547	noninterest-bearing	no guarantees; impaired
IMRC	2024	3	36,199	Payable on demand;	Unsecured
	2023	70	36,196	noninterest-bearing	no guarantees; not impaired
BCPMI	2024	63	30,647	Payable on demand;	Unsecured
	2023	41	30,584	noninterest-bearing	no guarantees; not impaired
BPGC	2024	113	29,859	Payable on demand;	Unsecured
	2023	52	29,746	noninterest-bearing	no guarantees; impaired
KPLMSC	2024	-	18,790	Payable on demand;	Unsecured
	2023	11	18,818	noninterest-bearing	no guarantees; not impaired
BTI	2024	—	15,359	Payable on demand;	Unsecured
	2023	—	15,560	noninterest-bearing	no guarantees; impaired
ADOVC	2024	5	12,976	Payable on demand;	Unsecured
	2023	274	12,971	noninterest-bearing	no guarantees; not impaired
BIL	2024	778	9,431	Payable on demand;	Unsecured
	2023	811	8,653	noninterest-bearing	no guarantees; impaired
BCDC	2024	2	3,218	Payable on demand;	Unsecured
	2023	—	3,216	noninterest-bearing	no guarantees; not impaired
PECI	2024	47	912	Payable on demand;	Unsecured
	2023	51	865	noninterest-bearing	no guarantees; not impaired
SAFC	2024	802	802	Payable on demand;	Unsecured
	2023	—	—	noninterest-bearing	no guarantees; not impaired
AGMI	2024	40	121	Payable on demand;	Unsecured
	2023	81	81	noninterest-bearing	no guarantees; not impaired
	2024	2,071	481,523		
	2023	4,247	484,462		
Less allowance for ECLs	2024		111,146		
	2023		111,146		
Total	2024	P2,071	P370,377		
	2023	P4,247	P373,316		

In 2024 and 2023, the Company recognized allowance for ECL amounting to P111.15 million, covering amounts which the management believes may no longer be recovered.

Category	Year	Amount/ Volume	Outstanding balance	Terms	Conditions
<i>Amounts owed to related parties</i>					

Category	Year	Amount/ Volume	Outstanding balance	Terms	Conditions
BRMC	2024	₱453,096	₱454,566	Payable on demand; noninterest-bearing	Unsecured no guarantees; no impairment
	2023	₱ -	₱1,470		
SARC	2024	9	100,899	Payable on demand; noninterest-bearing	Unsecured no guarantees; no impairment
	2023	3,020	100,890		
BLRI	2024	—	33,025	Payable on demand; noninterest-bearing	Unsecured no guarantees; no impairment
	2023	—	35,147		
BMC Forestry Corporation (BFC)	2024	—	19,515	Payable on demand; noninterest-bearing	Unsecured no guarantees; no impairment
	2023	—	23,275		
AFCC	2024	—	3,227	Payable on demand; noninterest-bearing	Unsecured no guarantees; no impairment
	2023	600	3,246		
Total	2024	₱453,105	₱611,232		
	2023	₱3,620	₱164,028		

The Company's related party transactions which are, individually or in aggregate over a 12-month period, 10% and above, of the latest audited consolidated total assets are reviewed and evaluated by the Related Party Transactions Committee and Management Committee. Afterwards, these are approved by at least two-thirds (2/3) vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transaction. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the majority vote of the shareholders, or two-thirds (2/3) of the outstanding capital stock.

Item 6. Compensation of Directors and Executive Officer

Summary of Compensation Table

Compensation of the Members of the Board of Directors

The members of the Board of Directors receive P25,000 (gross) per diem for each regular and committee meetings.

In 2024, a total of P7.24 million was paid to all directors.

Name	Position	Amount (in Million)
Bernardo M. Villegas	Chairman, Independent Director	P0.83
Maria Remedios R. Pompidou	Director	0.68
Luis Juan L. Virata	Director	0.63
Andrew Patrick R. Casiño	Director	0.73
Anthony M. Te	Director	0.73
Rhodora L. Dapula	Independent Director	0.73
Elmer B. Serrano	Independent Director	0.63
Kwok Yam Ian Chan	Director	0.70
Lina G. Fernandez	Director and President	0.20
Andrew Julian K. Romualdez*	Director	0.70
Carlos Alfonso T. Ocampo	Director	0.68

*Resigned effective May 15, 2025

The aggregate compensation paid or incurred during the last two fiscal years and estimated to be paid in the ensuing fiscal year to the President, five most highly compensated executive officers and all other directors and officers of the Company as a group are as follows:

<u>Name</u>	<u>Principal Position</u>
1. Lina G. Fernandez	President
2. Reynaldo P. Mendoza	Executive Vice President & Asst. Corporate Secretary
3. Max D. Arceño	Senior Vice President, Finance & Treasurer
4. Valeriano B. Bongalos, Jr.	Vice President/Resident Manager-Benguet District Operation
5. Emmanuel M. Puspos	Asst. Vice President for Mining & Business Development and Chief Risk Officer

	<u>Year</u>	<u>Salary (In-Million)</u>	<u>Bonus (In-Million)</u>	<u>Other Annual Compensation</u>
All above-named officers as a group	2025*	₱33.2	₱4.1	₱1.6
	2024**	29.6	3.7	1.6
	2023**	29.6	3.6	1.7
	2022**	28.8	4.8	1.6
All other directors and officers as a group unnamed	2025*	₱12.2	₱7.0	₱3.2
	2024**	10.6	5.9	3.2
	2023**	10.5	5.0	2.0
	2022**	9.9	7.9	2.3

(*) - Estimate (**) – Actual

Employment Contract with Executive Officers

The Company has no special employment contracts with its executive officers. In the ordinary course of business, the Company has employment contracts with all its employees, including officers, in compliance with the applicable labor laws and regulations. There are no compensatory plan or arrangements with any executive officers, which results or will result from the resignation, retirement or any other termination of the executive officer's employment or from a change-in-control in the Company or a change in the executive officer's responsibilities following a change in control of the Company.

Compensation of Directors

Directors receive per diems of ₱25,000.00(gross) for attendance in meetings of the board or its committees but do not receive other compensation from the Company for other services rendered except for the President who is an employee. For the year 2024, the directors received Christmas gifts in appreciation of their invaluable service and support to the Company. There are no other material terms of, nor any other arrangements with regard to compensation as to which directors are compensated, or are to be compensated, directly or indirectly, for any services provided as a director.

Incentive Bonus Plan

Since 1980 the Company maintained an Incentive Bonus Plan. The purposes of the Plan are: (1) to attract, employ and retain management personnel of outstanding competence, and (2) to motivate its management personnel to deliver superior performance in pursuing the goals and business interests of the Company. The Plan provides for a bonus award, calculated on the basis of net income, to top operating executives, managers and members of the Board of Director. Bonus awards are either paid in full directly to the awardees or are transferred to a trust fund and are payable to the awardees in three installments generally over a period of two years. Bonus awards for any year shall be paid in cash, or in common stock. Either Common Class A or Common Class B shares may be issued under the Plan subject to the legal limitations on ownership of Common Class A shares which can be owned only by Philippine citizens. From 1995 to 2024, there was no amount set aside for payment of bonuses in accordance with the Plan.

Retirement Plan

The Company maintained a qualified, noncontributory trusted pension plan covering substantially all of its executive officers and employees. Normal retirement age under the plan is age 60, except for non-supervisory underground mine workers who have the option to retire at age 50. An employee shall also be entitled to a benefit equal to 50% of his monthly basic salary or the normal benefit, whichever is higher, if his employment is terminated for reasons beyond his control, such as death, disability or government policy. Benefits are dependent on the years of service and the respective employee's compensation.

Warrants and Options Outstanding

Since 1975, there is an existing Stock Option Plan (the "Plan") for its selected staff employees, directors and consultants of the Company and its subsidiaries. The purpose in granting options are: (1) to encourage stock ownership in the Company, and thereby generate an interest in the Company and its subsidiaries, (2) to promote its affairs, and (3) to encourage its staff employees, directors and consultants to remain in the employ of the Company. The Plan have been amended several times and among others, there have been several amendments to extend the termination date of granting stock options. The latest amendment was approved by the Board of Directors on March 22, 2024, and ratified by the stockholders of the Company during the December 20, 2024 annual stockholders' meeting, amending the Stock Option Plan to clarify the definition of "consultants" in the Plan's paragraph no. 3 entitled "Eligibility".

The following changes in the stock option grant was approved by the Board and in its meeting held on August 31, 2016 and ratified by the stockholders during the November 8, 2018 Annual Stockholders' Meeting due to change in par value of both Class A and B shares from P3.00 to P1.00 per share: (a.) Change in the total number of unexercised shares on May 3, 2011, September 7, 2012 and May 28, 2014 grants and corresponding change in the exercise price; (b.) Change in the maximum number of shares per grant from 500, 000 to 1, 500, 000 shares; and (c.) Repricing of the unexercised options in the May 3, 2011, September 7, 2012 and May 28, 2014 grants. The exercise price (net 25% discount) is P1.69 per share for class "A" and P1.91 per share for class "B". (The exercise price is based on closing price of August 18, 2016; Class A - P2.25 and Class B - P2.55 less 25% discount pursuant to the provisions of the Plan of the Company). The repricing was brought about by the low turn-out in the avilment of the grant due to the high exercise price compared to market price.

In the current implementation of the Plan, the Company granted the following stock options:

- a. On May 28, 2014, under the amended Plan, the Company granted stock option to certain directors in recognition of their long years of service to the Company. The option grants of 600, 000 common shares with par value of P3.00 per shares consisting of 360,000 Class "A" common shares at an exercise price of P7.13 per share and 240,000 class "B" common shares at an exercise price of P7.13 per share came entirely from the current balance of unissued/ cancelled stock options under the present implementation of the Plan. Due to change in par value of both class A and B shares from P3.00 to P1.00 per share and change of exercise prices from P7.13 to P1.69 per share for class "A" and P7.13 per to P1.91 per share, the total number of unexercised shares were adjusted to 1,800,000 common shares consisting of 1,080,000 class "A" shares and 720,000 class "B" shares. The shares are exempted from registration under the SRC Rules, and the listing was approved by the PSE. The options expired on May 28, 2024, pursuant to the provisions of the Plan, that no option is exercisable after ten (10) years from the date of grant. Expired options totaled 1,080,000 common shares available for future grant.
- b. On March 17, 2017, under the amended Plan, the Company granted stock option to directors and to qualified staff, employees, and consultants of the Company and its subsidiaries who have rendered at least two (2) years of service as of March 11, 2017. The options grant of 8,414,375 common shares were sourced from the cancelled, expired and forfeited shares from previous stock options grants consisting of 5,048,625 Class "A" shares at exercise price of P1.38 per share and 3,365,750 Class "B" shares at exercise price of P1.43 per share. The shares are exempted from registration under the SEC's MSRD Resolution No. 5 Series of 2020 dated February 28, 2020, and the listing was also approved by the PSE in its Notice of Approval dated March 4, 2021. As of September 15, 2025, the number of options granted to, exercised and unexercised by the President, four (4) other most highly

compensated executive officers and all other officers and directors of the Company under this grant are as follows:

	Option Grants		Option Exercise Price/Share		Options Exercised		Options Unexercised		Options Cancelled (Cessation from employment / directorship)	
	Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
LG Fernandez	138,600	92,400	P1.38	P1.43	138,600	92,400	-	-	-	-
Four Highest Paid Named Exec. Officers:										
RP Mendoza	138,600	92,400	P1.38	P1.43	138,600	92,400	-	-	-	-
MD Arceño	127,050	84,700	P1.38	P1.43	127,050	84,700	-	-	-	-
VB Bongalos, Jr.	-	-	-	-	-	-	-	-	-	-
PM Gendrano	66,000	44,000	P1.38	P1.43	66,000	44,000	-	-	-	-
All Other Officers and Directors as a Group Unnamed	462,000	308,000	P1.38	P1.43	115,500	77,000	346,500	231,000	-	-

Under the amended Plan, options are exercisable to the extent of 30% after one year from the grant, 60% after two years from the grant, and 100% after three years from the grant. Shares included in each installment may be exercised in whole at any time, or in part from time to time, until the expiration of the option. Payment may be made in full and in cash or installment over three years, at the time of the exercise of the option, provided that the stock certificate shall be issued only upon full payment of the option price. Options are non-transferable and no option is exercisable after ten (10) years from the date of the grant.

- c. On March 18, 2021, under the amended Plan, the Company granted stock option to directors, qualified staff, employees, and consultants of the Company and its subsidiaries who have rendered at least two (2) years of service as of March 15, 2021. The option grant of 3,003,612 common shares were sourced mainly from the current balance of unissued / cancelled stock option under the present implementation of the Plan consisting of 1,802,167 Common Class A shares at exercise price of P2.19 per share and 1,201,445 Common Class B shares at exercise price of P2.05 per share. The shares are exempted from registration under the SEC's MSRD Resolution No. 3 Series of 2024 dated April 5, 2024 and the listing was also approved by the PSE in its Notice of Approval dated December 4, 2024. As of September 15, 2025, the number of options granted to, exercised and unexercised by the President, four (4) other most highly compensated executive officers and all other officers and directors of the Company are as follows:

	Option Grants		Option Exercise Price/Share		Options Exercised		Options Unexercised		Options Cancelled (Cessation from employment / directorship)	
	Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
LG Fernandez	57,750	38,500	P2.19	P2.05	57,750	38,500	-	-	-	-
Four Highest Paid Named Exec. Officers:										
RP Mendoza	57,750	38,500	P2.19	P2.05	57,750	38,500	-	-	-	-
MD Arceño	43,313	28,875	P2.19	P2.05	43,313	28,875	-	-	-	-
VB Bongalos, Jr.	24,750	16,500	P2.19	P2.05	24,750	16,500	-	-	-	-
EM Puspos	-	-	-	-	-	-	-	-	-	-
All Other Officers and Directors as a Group Unnamed	315,000	210,000	P2.19	P2.05	196,875	131,250	118,125	78,750	-	-

Under the Plan, options are non-transferable and exercisable to the extent of 30% after one year from the grant, 60% after two years from the grant, and 100% after three years from the grant. Shares included in each installment may be exercised in whole at any time, or in part from time to time, until the expiration of the option. Payment may be made in full and in cash or installment over three years, at the time of the exercise of the option, provided that the stock certificate shall be issued only upon full payment of the option price. No option is exercisable after ten (10) years from the date of the grant.

Item 7. Independent Public Accountants

The Company's independent public accountants, Sycip Gorres Velayo and Company (SGV) was re-appointed by the Board of Directors and approved/ratified by the stockholders of the Company on August 29, 2024 and December 20, 2024, respectively. Audit services of SGV for the calendar year ended December 31, 2024, included the examination of the parent and consolidated financial statements of the Company, assistance in the preparation of annual income tax return and other services related to filing of reports made with the Securities and Exchange Commission (SEC).

The Company's audit engagement partner for calendar year 2024 is Mr. Peter John R. Ventura-SEC accredited auditing partner of SGV. This is Mr. Ventura's sixth year as engagement partner for the Company. There were no changes nor disagreements in the past with SGV with regard to any matter relating to accounting principles or practices, financial statement disclosures, or auditing scope or procedures. For the year 2025, Mr. Ventura will be the engagement partner and will be his seventh year. The engagement is rotated in accordance with SRC Rule 68, Paragraph 3(b)(iv)(ix) as prescribed in the Code of Ethics for Professional Accountants in the Philippines as adopted through BOA Resolution 53 Series of 2019, which allows the engagement partner to serve in that role for a maximum period of seven (7) years, as applicable.

Representatives of SGV are expected to be present at the stockholders' meeting to respond to appropriate questions and will be given the opportunity to make a statement if they so desire.

External audit fees

The aggregate audit fees, inclusive of VAT and out-of-pocket expenses billed by SGV & Company are P6.4 million for 2024, P6.6 million for 2023, P5.7 million for 2022, and P5.5 million for 2021. There are no other services rendered by the external auditor other than the usual audit services as mentioned above.

Tax fees

Tax fees is nil in 2024 and 2023, P1.1 million in 2022 and P0.7 million in 2021 to the external auditor as professional fees for tax advisory services.

All other fees

There were no other services rendered by the external auditor other than the audit services and tax advisory services mentioned above.

Audit Committee's Approval Policies and Procedures

Prior to the commencement of audit work, the external auditor presented their program and schedule to the Company which included discussion of issues and concerns regarding the audit work to be done. The external auditor presented to the Audit Committee the audited financial statements of the Company for the year for approval and endorsed to the Board for final approval prior to release/issuance by the external auditor.

The Company's Audit Committee is composed of three (3) directors, chaired by an Independent Director, Atty. Rhodora L. Dapula, and the members are: Independent Director, Mr. Bernardo M. Villegas and Director Atty. Andrew Patrick R. Casiño.

RE-APPOINTMENT OF EXTERNAL AUDITOR

Submitted for approval by the stockholders is the re-appointment of Sycip Gorres Velayo & Company (SGV) to extend its audit services as the independent external auditor of the Company. During the regular meeting of the Company's Board of Directors held on August 26, 2025, the Board approved the re-appointment of SGV as the Company's independent external auditor.

A vote of the stockholders representing majority of the outstanding capital stock of the Company is required for the re-appointment of SGV as the Company's Independent External Auditor.

Management recommends a vote FOR the re-appointment of SGV.

Item 8. Compensation Plans

No action is to be taken at the annual meeting with respect to compensation plans.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

Increase in Authorized Capital Stock

Submitted for approval by the stockholders is the proposal to increase the Authorized Capital Stock of the Company. During the regular meeting of the Board of Directors (the "Board") of the Company on August 26, 2025, the Board approved the increase of the Authorized Capital Stock of the Company to Seven Hundred Seven Ninety-Five Million Five Hundred Eighty Four Thousand Four Hundred Sixty Pesos (Php795,584,460.00). The Board also approved the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article I, Section 1 of the amended By-Laws of the Company. The increase of Seven Hundred Ninety-Five Million Five Hundred Eighty Four Thousand Four Hundred Sixty (795,584,460) share capital will affect only the common shares consisting of Four Hundred Seventy Seven Million Three Hundred Fifty Thousand Six Hundred Seventy Five (477,350,675) shares of Common Class "A" stock and Three Hundred Eighteen Million Two Hundred Thirty Three Thousand Seven Hundred Eighty Five (318,233,785) shares of Common Class "B" shares, both with par value of One Peso (Php1.00). After the amendment, the Authorized Capital Stock of the Company will increase to P1,580,384,460 from the present amount of P784,800,000. The purpose of capital increase is for the Company to implement declaration of stock dividends, issue subscribed shares and for stock rights offering in the future. This supersedes the proposed increase of Two Billion Four Hundred Million Pesos (Php2,400,000.00) which the Board approved last August 29, 2024 and ratified by the stockholders on December 20, 2024 but was not undertaken due to lack of material time to complete requirements for stock rights offering within six (6) months from stockholders' approval.

The increase in capital stock and proceeds will be allocated for the following purposes:

1. 25% Stock dividends equivalent to 178,896,115 shares
2. To issue to Red Earth Mineral Resources Corporation ("Red Earth) subscribed capital for 20,000,000 shares upon full payment pursuant to private placement.
3. Future stock rights offering

The allocation of the 20,000,000 shares refers to the second transaction of the Private Placement of Red Earth to be issued upon full payment of the subscription price of P4.00 per share or P80,000,000.00. The additional capital infusion is to be used among others in priority projects particularly the Solar Project in Aglao, San Marcelino, Zambales, and Pantingan Aggregates Prospect, a mountain quarry project in the Province of Bataan.

Presented in the table below is the Company's authorized capital stock before and after the increase in capital stock:

BC Capital Stock Profile	Par Value per share	Authorized Capital Stock	Total Par Value	Proposed Increase	After Capital Increase	Total Par Value
	Php	No. of Shares	In Pesos	No. of Shares	No. of Shares	In Pesos
Common Class A	1.00	430,380,000	430,380,000	477,350,675	907,730,675	907,730,675
Common Class B	1.00	286,920,000	286,920,000	318,233,785	605,153,785	605,153,785
Total Common		717,300,000	717,300,000	795,584,460	1,512,884,460	1,512,884,460
Preferred	3.43	19,652,912	67,500,000	0	19,652,912	67,500,000
Total ACS		736,952,912	784,800,000	795,584,460	1,532,537,372	1,580,384,460

The Company has three classes of stocks. The Common Class A share and Convertible Preferred Class A share and Common Class B share.

The preferences, privileges and voting powers of Common Class A Stock and Common Class B Stock and the restrictions and qualifications are as follows:

Issuance. The Common Class A Stock can be issued to Philippine Nationals only. The Common Class B Stock can be issued to anyone regardless of nationality or citizenship.

Voting. All Common Class A Stock and Common Class B Stock are voting shares. Each Common Class A Stock and Common Class B Stock are entitled to one vote on all corporate matters but in the election of directors, the holders of Common Class A share vote together with the holders of the Convertible Preferred Class A Stock for 60% of the members of the Board of Directors, and the holders of Common Class B stock vote for 40% of the members of the Board of Directors.

Dividends. Stock and cash dividends may be declared and paid on common shares from time to time out of the unrestricted retained earnings of the Corporation.

Pre-emptive rights. The Company's articles of incorporation do not provide for pre-emptive rights.

There are no other material rights of Common Class A and Common Class B stockholders apart from those discussed above.

The Articles of Incorporation and By-Laws of the Corporation do not contain any provision which would delay, defer or prevent a change in control of the registrant.

The increase in Capital Stock indicates the Company's potential to raise additional funds for its further growth and expansion and will contribute to the enhancement of the value of the shares.

A vote of the stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the increase on the Authorized Capital Stock and amendment of the amended Articles of Incorporation and amended By-Laws.

The Management recommends a vote FOR the above stated matters.

Declassification of Common Class "A" and Class "B" Shares

Submitted for approval by the Company's Board of Directors and Stockholders is the declassification of the Company's Common Class A and Common Class B shares pursuant to the Securities and Exchange Commission ("SEC") Memorandum Circular No. 10, Series of 2025, entitled "Repeal of the Rules Allowing the Trading of "B" Shares on the Regular Board and Requiring Buyers to Accept Either "B" or "A" Certificates" dated August 7, 2025. The SEC mandates the declassification of Class A and Class B shares and requires the Company to make the necessary changes in the Company's amended Articles of Incorporation and amended By-Laws within one (1) year from the effectiveness of the Circular. The declassification is intended to promote market efficiency, transparency, and equitable shareholder treatment within publicly listed companies.

A vote of the stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the declassification of Common Class "A" and Class "B" shares and amendment of the amended Articles of Incorporation and amended By-Laws..

The Management recommends a vote FOR the above stated matters.

Declaration of Stock Dividend

On August 26, 2025, the Company's Board of Directors approved the declaration of stock dividend equivalent to 25% of its outstanding common shares on record date to be determined after all regulatory approvals have been secured. This will be sourced from the increase of Authorized Capital Stock of the Company. Retained Earnings available for dividends as of December 31, 2024 is the basis of the declaration.

A vote of the stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the declaration of stock dividend.

The Management recommends a vote FOR the above stated matters.

Item 10. Modification or Exchange of Securities

No action is to be taken at the annual meeting with respect to the modification of any class of securities of the Company, or the issuance or authorization of one class of securities of the Company in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

As stated above, no action is to be taken at the annual meeting with respect to the matters under Item 10 (Modification or Exchange of Securities).

The Company's 2024 Audited Consolidated Financial Statements (**Annex "G"**) and Unaudited Interim Consolidated Financial Statements for 2025 Second Quarter Report ended June 30, 2025 (**Annex "B"**) are incorporated in this Information Statement by reference.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

No action is to be taken at the annual meeting with respect to any transaction involving the following (i) merger or consolidation of the Company into or with any other person or of any other person into or with the Company; (ii) acquisition by the Company or any of its security holders of securities of another person; (iii) acquisition by the Company of any other going business or of the assets thereof; (iv) sale or other transfer of all or any substantial part of the assets of the Company; or (v) liquidation or dissolution of the Company.

Item 13. Acquisition or Disposition of Property

No action is to be taken at the annual meeting with respect to the acquisition or disposition by the Company of any property.

Item 14. Restatement of Accounts

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

D. OTHER MATTERS

Item 15. Action with Respect to Reports

During the November 18, 2025 Annual Stockholders' Meeting, the following shall be submitted to the stockholders for their approval.

1. Minutes of the Annual Stockholders' Meeting held on December 20, 2024.
The minutes of the annual stockholders' meeting may be accessed through the Company website www.benguetcorp.com. The brief summary of Minutes is presented below:

BRIEF SUMMARY OF MINUTES OF DECEMBER 20, 2024 ANNUAL STOCKHOLDERS' MEETING

1. Quorum Present: The Corporate Secretary certified that there was a quorum for the transaction of any business that may properly brought before the body, there being present in person or represented by proxy 524,231,578 or 73.29% of the outstanding capital stock of the Company.
2. Management Report: The salient points of the report presented by the President are as follows:
 - In 2023, the Company sustained its remarkable operating performance.
 - The Company reported consolidated revenue of P2.53 billion net income of P554 million in 2023.
 - Total consolidated assets grew to P10.34 billion from P9.91 billion a year ago while total liabilities dropped by 7.6% from P2.13 billion in 2022 to P1.97 billion in 2023.
 - Equity increased to P8.37 billion from P7.78 billion in 2022.
 - Earning per share in 2023 was P0.89, compared to P2.14 in 2022.
 - Book value per share improved to P13.42 from P12.48 in the previous year.
 - The year 2024 marked a new beginning for the Company after the settlement of its old debt which impaired the Company's growth for over 30 years.
 - Last October 29, 2024, the Company declared cash dividends for the first time after 35 years. This was made possible by the successful rescission of the 1993 loan agreements which negated the restriction on dividend payments, and the robust performance of your Company.
 - With the soaring price of gold, the Company's focus is now on its gold prospects. The Company started the exploration of its gold property situated in Zamboanga Sibugay. The Company also continued to implement its drilling program in the Pantingan gold prospect in Bataan. To support the exploration, the Company approved the Phase 2 drilling and exploration budget of P50.0 million.
 - The Mines and Geosciences Bureau approved the renewal of the Pantingan MPSA to Balanga Bataan Mineral Corporation, as claim owner, with your Company as operator for another 25 years commencing on March 25, 2025.
 - The Company is likewise studying a new technology that will yield higher recovery of its Gold Tailings Project in Itogon and is looking at other copper-gold prospects.
 - Aside from Mining, the Company is expanding its portfolio to include construction, real estate, water, agribusiness and renewable energy. Benguetcorp Renewable Energy Corporation was incorporated to take the lead in solar project activities in Zambales.
 - On Land Development, the Company acquired a six-hectare property in Naguilian, La Union for the second phase of Woodspark Subdivision. The prospect of developing a medium rise condominium in the Company's Irisan property in Baguio City is within reach. Social preparation for the development of other land areas of your Company is being undertaken.
 - For the year 2023, the Company spent P36.5 million to meet the environmental obligations of its mining operations in Itogon, Baguio and Zambales for the maintenance and structural rehabilitation of tailings disposal system, drainage, tunnels, mine waste dump, other mining infrastructures, and, for continuous reforestation activities.
 - The Company continues to fulfill its social obligations through implementation of various Social Development and Management Programs or SDMP for BGO, Irisan, Pantingan and BRMC. Within these areas of the Company's operations, residents and neighboring communities were benefited with community development programs such as health and

medical care, infrastructure and environmental protection activities, Child Development and Family Welfare Programs, livelihood, capacity building for its community workers and local government officials, as well as education and scholarship programs. Scholarships were granted to 624 beneficiaries in 2023. The Company spent P15.54 million in implementing the SDMP activities.

- The Company will work to achieve higher gold production in Acupan Gold Operations and move quickly towards the development of gold prospects in Zamboanga and Pantingan, Bataan as gold price remains strong.
 - The Company is targeting the development of Woodspark Subdivision Phase 2 in Naguilian, La Union, the development of Kias property located in Itogon, Benguet, and hopefully the development of a medium rise condominium in the Irisan Property in Baguio City.
 - With the plan of establishing Metro Baguio in BLISST area, there is now a better chance for the Company's Bulk Water Supply Project.
3. The stockholders approved the minutes of the Annual Meeting of Stockholders held on November 8, 2023. The Company received in person and by proxy a total of 524,231,572 affirmative votes or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the Minutes of the Annual Meeting of Stockholders held on November 8, 2023. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 4. The stockholders approved the Management Report and Audited Financial Statements for 2023. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the Management Report and Audited Financial Statements for 2023. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 5. The stockholders approved the extension and retention of Dr. Bernardo M. Villegas as Independent Director. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the extension and retention of Dr. Bernardo M. Villegas as Independent Director. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 6. The stockholders approved the amendment of Stock Option Plan Paragraph 3 entitled Eligibility, to clarify the definition of Consultants. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the amendment of Stock Option Plan Paragraph 3 — Eligibility, to clarify the definition of Consultants. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 7. The stockholders approved the increase in Authorized Capital Stock from P784,800,000.00 to P3,184,800,000.00 and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws. A vote of stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the amended By-laws. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 8. The stockholders approved the private placement transaction and waiver of the requirement to conduct rights or public offering for listing purposes. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the private placement transaction and waiver of the requirement to conduct rights or public offering for listing purposes. There were 6 shares voted AGAINST, and nil ABSTAIN vote.
 9. The stockholders approved the re-appointment of Sycip Gorres Velayo and Company (SGV) as the Company's independent external auditor for the years 2024-2025. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the approval of the reappointment of SGV & Company as the Company's independent external auditor. There were 6 shares voted AGAINST, and nil ABSTAIN vote.

10. The stockholders confirmed and ratified all acts, contracts, resolutions, investments and proceedings made and entered into by Management and/or the Board of Directors since the November 8, 2023 Annual Stockholders' Meeting until December 20, 2024. The Company received votes in person and by proxy a total of 524,231,572 shares or 73.29% of the outstanding capital stock of the Company IN FAVOR of the confirmation and ratification of all acts, contracts, resolutions, resolutions, investments and proceedings made and entered into by Management and/or Board of Directors since the November 8, 2023 Annual Stockholders' Meeting until December 20, 2024. There were 6 shares voted AGAINST and nil ABSTAIN vote.
11. The Corporate Secretary stated that as disclosed in the Company's Definitive Information Statement, the election of directors is still enjoined under Temporary Restraining Order (TRO) issued by the Philippine Supreme Court as of November 20, 2024, the date of statement. She informed the stockholders that as of the date and time of the meeting, no order lifting the TRO has been received by the Company, hence, no election of directors could be held. Thus, the present set of incumbent directors and independent directors of the Company shall continue to remain in office on holdover capacity until their successors are elected and qualified, namely:

A. Representing the Common Class "A" and Convertible Preferred Class "A" Stocks:

1. Maria Remedios R. Pompidou
2. Luis Juan L. Virata
3. Carlos Alfonso T. Ocampo
4. Andrew Patrick R. Casiño
5. Anthony M. Te
6. Rhodora L. Dapula (Independent Director)
7. Elmer B. Serrano (Independent Director)

B. Representing the Common Class "B" Shares of Stock:

1. Kwok Yam Ian Chan
2. Lina G Fernandez
3. Andrew Julian K. Romualdez
4. Bernardo M. Villegas (Independent Director)

2. The Management Report (Annex "A") and the Audited Financial Statement for the year ended 31 December 2024 audited by the Company's independent external auditors, Sycip Gorres Velayo and Company (SGV) are contained in this Information Statement. The 2024 audited financial statements is also an attachment of the Company's 2024 Annual Report (Sec Form 17-A) as filed to the SEC and PSE. These are posted and accessible through the Company website www.benguetcorp.com and may also be accessed in the online system of PSE Edge Portal <https://edge.pse.com.ph>.
3. The following are acts, contracts, resolutions, and proceedings made, passed and entered into by Management and/or Board of Directors since 2024 Annual Stockholders' Meeting:
 - 1) Appointed/re-elected/re-appointed as the Chairman of the Board, and Officers of the Company to the following positions:

Chairman of the Board	-	Dr. Bernardo M. Villegas
President	-	Atty. Lina G. Fernandez
Executive Vice President and Assistant Corporate Secretary	-	Atty. Reynaldo P. Mendoza
Senior Vice President-Finance & Treasurer	-	Mr. Max D. Arceño
Vice President/Resident Manager, Benguet District Operations	-	Engr. Valeriano B. Bongalos, Jr.
Asst. Vice President-Environmental Compliance	-	Ms. Pamela M. Gendrano
Asst. Vice President for Mining and Business Development	-	Engr. Emmanuel M. Puspos
Corporate Secretary	-	Atty. Hermogene H. Real

- 2) Approved the re-appointment of principal legal counsel: Sycip Salazar Hernandez & Gatmaitan Law Office;
- 3) Approved the re-appointment of Stock Transfer Agent and Registrar – Stock Transfer Service, Inc. (STSI) for local and U.S. stockholders;
- 4) Approved the reconstitution of the following Board Committees:

(1) **EXECUTIVE COMMITTEE**

Chairman: Anthony M. Te
 Members:
 Andrew Julian K. Romualdez
 Bernardo M. Villegas (Villegas (Independent Director)
 Carlos Alfonso T. Ocampo
 Lina G. Fernandez

(2) **SALARY AND STOCK OPTION COMMITTEE**

Chairman: Anthony M. Te
 Members:
 Bernardo M. Villegas (Independent Director)
 Andrew Julian K. Romualdez

(3) **AUDIT COMMITTEE**

Chairman: Rhodora L. Dapula (Independent Director)
 Members:
 Bernardo M. Villegas (Independent Director)
 Andrew Patrick R. Casio

(4) **NOMINATIONS and ELECTION COMMITTEE**

Chairman: Bernardo M. Villegas (Independent Director)
 Members:
 Anthony M. Te
 Andrew Julian K. Romualdez

(5) **CORPORATE GOVERNANCE COMMITTEE**

Chairman: Bernardo M. Villegas (Independent Director)
 Members:
 Elmer B. Serrano (Independent Director)
 Rhodora L. Dapula (Independent Director)
 Max D. Arceño – Compliance Officer

(6) **BOARD RISK OVERSIGHT COMMITTEE (BROC)**

Chairman : Elmer B. Serrano (Independent Director)
 Members :
 Carlos Alfonso T. Ocampo
 Bernardo M. Villegas (Independent Director)
 Pamela M. Gendrano – Chief Risk

Officer

(7) **RELATED PARTY TRANSACTIONS (RPT) COMMITTEE**

Chairman : Bernardo M. Villegas (Independent Director)
 Members :
 Elmer B. Serrano (Independent Director)
 Kwok Yam Ian Chan
 Lina G. Fernandez

- 5) Reconfirmed CHQ bank signatories as follows :
 Any two (2) of the following officers :

Class A:

Reynaldo P. Mendoza
Lina G. Fernandez

or any of them jointly with any one of:

Class B:

Max D. Arceño
Valeriano B. Bongalos, Jr.

- 6) Noted and approved the 2025 Budget as presented.
- 7) Approved the re-activation and updating of the following bank accounts with Land Bank of the Philippines, Paseo-Benavidez Makati Branch to conform with proforma resolutions (1) Benguet Corporation Employees Retirement Trust Fund; (2) Benguet Corporation – Acupan Contract Mining Project – Social Development Management Program; (3) Benguet Corporation – Acupan Contract Mining Project Rehab Cash Fund; (4) Benguet Corporation – Acupan Contract Mining Project Monitoring Trust Fund; (5) Benguet Corporation – Acupan Contract Final Mine Rehabilitation and Decommissioning Plan; (6) Benguet Corporation – Benguet Antamok Gold Operation – Final Mine Rehabilitation and Decommissioning Plan.
- 8) Approved and authorized to open and operate an investment and/or money market account(s) with Amalgamated Investment Bancorporation (AIB) and authorized signatories.
- 9) Approved and authorized the execution of the Deed of Assignment of Water rights and all appurtenant rights and interest therein (re-conveyance of Transfer Water Permit No. 02-1-241-024859 by Manila Water to BC) and designation of authorized signatories.
- 10) Approved and ratified the following renewals of mining contractors' contract in Acupan, namely:
 - (a) ACMP contract with RBSS Gold Ore Mining represented by Rudolfo Sawey under a 60/40 metal sharing scheme and the duration is 9 months.
 - (b) ACMP contract with Oficial Small Scale Miners Association Inc. represented by Ma. Conchita Oficial under a 60/40 metal sharing scheme with a duration of 6 months.
 - (c) ACMP contract with Rommel Binwag Gold Ore Mining represented by Rommel Binwag under a 60/40 metal sharing scheme with a duration of 1 year.
 - (d) ACMP contract between BC and 4J Miners Livelihood Association Inc. represented by Ma. Theresa Joson under a 60/40 metal sharing scheme for a duration of 9 months.
 - (e) ACMP contract between BC and RCA Mining Organization Inc. represented by Ricky C. Acay under a 60/40 metal sharing scheme for a duration of 9 months.
 - (f) ACMP contract between BC and Gayados Gold Ore Mining represented by Simeon Gayados under a 60/40 metal sharing scheme for a duration of 1 year.
 - (g) Provisional ACMP contract between BC and Oficial Small Scale Miners Association Inc. represented by Ma. Conchita Oficial under a 60/40 metal sharing scheme for a duration of 9 months.
 - (h) ACMP contract between BC and Red Miners Small Scale Mining, Inc. represented by Angelita Tanding under a 60/40 metal sharing scheme for a duration of 1 year.
 - (i) ACMP contract between BC and Sibayan Small Scale Mining Livelihood Organization Inc. represented by Michael Sibayan under a 60/50 metal sharing scheme for a duration of 9 months.
 - (j) ACMP contract between BC and Pinok Miners Association Inc. represented by Vladeimer Latawan under a 60/40 sharing for a duration of 12 months.
 - (k) Provisional ACMP contract between BC and RA Mining Service represented by Remus C. Aquiapao (Camado Clan) under a 60/40 metal sharing scheme for a duration of 6 months.
 - (l) ACMP contract between BC and RA Mining Support Service represented by Remus C. Aquiapao under a 60/40 metal sharing scheme with contract duration of 6 months.
 - (m) ACMP contract with Gayados Gold Ore Mining represented by Simeon Gayados under a 60/40 metal sharing scheme good for 1 year.

- (n) ACMP contract with Red Miners Small Scale Mining Inc. represented by Angelita Tanding under a 60/40 metal sharing scheme good for 1 year.
 - (o) ACMP contract with Sibayan Small Scale Mining Livelihood Organization represented by Michael Sibayan under a 60/40 metal sharing scheme with duration of 9 months.
 - (p) ACMP Contract with Itogon Unified Small Scale Miners Livelihood Association, Inc. represented by Bernard Gregory Elitan under a 60/40 metal sharing scheme with duration of 9 months.
 - (q) ACMP Contract with Acupan United Community Mining Association, Inc. represented by Brenda Dulnuan under a 60/40 metal sharing scheme with duration of 9 months.
 - (r) ACMP Contract with RBSS Gold Ore Mining represented by Rodolfo Sawey under a 60/40 metal sharing scheme with duration of 6 months.
 - (s) ACMP Contract with Kidkid Simongo Mining Livelihood Association Inc. represented by Pablo Kidkid under a 60/40 metal sharing scheme.
 - (t) ACMP Contract with Sapo Mining Organization Inc. represented by Gilbert Sibayan under a 60/40 metal sharing scheme with 9 months duration.
 - (u) ACMP Contract with Oficial Small Scale Miners Association represented by Ma. Conchita Oficial under a 60/40 metal sharing scheme with 6 months duration.
 - (v) ACMP Contract with 4J Miners Livelihood Association Inc. represented by Ma. Theresa Joson under a 60/40 metal sharing scheme with 9 months duration.
 - (w) ACMP Contract with Pinok Miners Association Inc. represented by Vladeimer Latawan under a 60/40 metal sharing scheme with 1 year duration.
 - (x) ACMP Contract with Rommel Binwag Gold Ore Mining represented by Rommel Binwag under a 60/40 metal sharing scheme with 9 months duration.
 - (y) ACMP Contract with Oficial Small Sscale Miners Association Inc. represented by Ma. Conchita Oficial under a 60/40 metal sharing scheme with 1 year duration.
 - (z) ACMP Contract with RCA Mining Organization Inc. represented by Ricky C. Acay under a 60/40 metal sharing scheme with 1 year duration.
 - (aa) ACMP Contract with RA Mining Service represented by Remus C. Acquiapao (Camado Clan) under a 6040 metal sharing scheme with 6 months duration.
- 11) Approved and ratified other BGO contracts, to wit:
- (a) Memorandum of Agreement between BC and the Municipality of Itogon represented by Mayor Bernard Waclin and The Fraternal Order of Eagle, Philippines, Inc. represented by Dennis Dumanew for a joint tree planting project with duration of 5 years. The price is gratuitous.
 - (b) Easement and Right of Way Agreement between BC and Heirs of Polito Licanio represented by Janet Baoanan for power transmission lines and posts with contract price of P5,000 per month for 10 years.
 - (c) Easement and Right of Way Agreement between BC and Heirs Tacio Padaco represented by Harold Padaco for power transmission lines and posts with contract price of P5,000 per month for 10 years.
 - (d) Memorandum of Agreement between BC and Joan Luis Trading represented by Joan Luis for the supply of sodium cyanide and other milling/mining supplies with a duration of 1 year.
 - (e) Contract of Lease between BC and Hector Amancio for a space at the Camp Admin Building with contract price of P3,880 per month for a duration of 5 years.
 - (f) Contract of Work for concreting of the Mill Refinery Roofing of Acupan Industrial area with Camado Clan Association, Inc. represented by Hector I. Amancio and with contract worth P630,000 for duration of 90 days.
 - (g) Contract for Waste Collection Services with Gaiden Gil Waste Collection Services represented by Gilvin Palabay for collection of residual wastes and with contract worth P160,000 per month for 1 year duration.
 - (h) Contract of Work with Acay Clan thru Zenon Construction represented by Balbalio Acay, Jr. for desilting of Ambalanga Silt Dam under the approved AEPEP with 90 days duration.
 - (i) Contract of Work with JA AKilith and Sons Construction Corp. represented by Henry D. Akilith for rehabilitation and maintenance of NDT 1 outlet and turn-out for 60 days duration.
 - (j) Memorandum of Agreement (Supply and Purchase) with DKSH Philippines, Inc. for supply of sodium cyanide with 1 year duration.
- 12) Approved and ratified the execution of the following contracts by BC's subsidiary, BMC Forestry Corporation, to wit:

- (a) Contract of Work for road concreting of BMC Forestry Corporation's (BFC) Access Road adjacent to Kiln Plant Building between BFC and Arrow Freight and Construction Corp. and with contract worth P1,050,000 for 20 days duration.
- (b) Purchase of land in Naguilian, La Union measuring 60,882 square meters under OCT No. FP-2111 with purchase price of P18,264,600.00 or P300/sq.m. which shall be used for Woodspark expansion project.
- 13) Approved and authorized the issuance of the Company's financial statements for the years ended December 31, 2024 and 2023 in accordance with the Philippine Financial Reporting Standards (PFRS), as audited by Sycip, Gorres, Velayo & Company.
- 14) Approved the opening of bank account with BDO-Session Road Branch under the name of "Benguet Corporation" for the disbursement transactions of Irisan Lime Project and the designation of authorized signatories.
- 15) Approved the opening of bank account with China Banking Corporation and/or China Banking Corporation – Trust and Asset Management Group and the designation of authorized signatories.
- 16) Approved the amendment to the following bank accounts to update MGB-CAR signatory to Mr. BENIGNO CESAR L. ESPEJO, OIC, Office of the Regional Director and Concurrent Chief, Geosciences Division, Mines and Geosciences Bureau-CAR due to retirement of MGB-CAR Regional Director Fay Apil: (1) Benguet Corporation-Acupan Contract Mining Project-Social Development Management Program (SDMP-BC ACMP) Account; (2) Benguet Corporation-Acupan Contract Mining Project-Rehabilitation Cash Fund (RCF-BC ACMP) Account; (3) Benguet Corporation-Acupan Contract Mining Project-Monitoring Trust Fund (MTF-BC ACMP) Account; (4) Benguet Corporation-Acupan Contract Final Mine Rehabilitation and Decommissioning Plan (FMRDP-BC ACMP) Account; (5) Benguet Corporation-Benguet Antamok Gold Operation – Final Mine Rehabilitation and Decommissioning Plan (FMRDP-BC BAGO) Account; (6) Rehabilitation Cash Fund - RCF - BAGO account; (7) Monitoring Trust Fund - MTF – BC BAGO account; (8) BC-BAGO-FMRDP account.
- 17) Approved the updating of authorized representatives to deal or transact business with BC transfer agent, Stock Transfer Service, Inc. (STSI) and the designation of authorized representatives.
- 18) Approved the authority of the Corporate Secretary and Assistant Corporate Secretary to sign SEC forms, PSE forms and any other related documents.
- 19) Approved and ratified the Operating Agreement between Asiga Mining Corporation and Benguet Corp. (BC) executed on March 12, 2025 granting BC the exclusive operating rights over Asiga's mining claims located in the Municipality of Santiago, Province of Agusan del Norte, under Exploration Permit Application (EXPA) No. 000259-XIII and confirmed the authority of the President as authorized signatory;
- 20) Approved the appointment of Engr. Emmanuel M. Puspos as Risk Management Officer/Chief Risk Officer in replacement of Ms. Pamela Gendrano who passed away last January 17, 2025.
- 21) Noted and approved the resignation of Mr. Andrew Julian K. Romualdez as Class B director effective May 14, 2025.
- 22) Appointed/elected Mr. Luis Carlos Antonio P. Romualdez as Class B director effective August 26, 2025.
- 23) Approved the retention/extension of Chairman Bernardo M. Villegas as Independent Director (ID) despite having served beyond the maximum term limit of nine (9) years (from 2012 to present) pursuant to SEC Memorandum Circular No. 4 Series of 2017, subject to stockholders' approval on November 18, 2025.
- 24) Approved the holding of the Annual Stockholders' Meeting (ASM) on November 18, 2025, Tuesday at 3:00 p.m. at the Company's Board Room, 7th Universal Re Building, 106 Paseo de Roxas, Makati City and fixed September 29, 2025 as record date for stockholders entitled to notice and vote for this meeting.
- 25) Approved and authorized management to take remedial action on Old Diversion Tunnel (ODT) infrastructures, specifically for the following: (a) to approve budget for slope protection works; (b) prioritize structural reinforcement before the next peak monsoon; (c) enhanced community preparedness and relocation planning (all of which the Committee approved and authorized in principle subject to submission of final work plan and budget), and (d) to allow management to undertake assessment of all other old environmental structures in Benguet Gold Operations (BGO), and to prepare and submit plans/proposals on how these infrastructures can withstand extreme weather and effects of climate change.
- 26) Approved the re-appointment of SGV & Co. as the Company's independent external auditor,

- subject to stockholders' approval on Nov. 18, 2025 annual meeting.
- 27) Approved the amendment of Articles and By-Laws of BC to increase Authorized Capital Stock by Seven Hundred Ninety-Five Million Five Hundred Eighty Four Thousand Four Hundred Fifty Five (795,584,455) shares or Seven Hundred Ninety-Five Million Five Hundred Eighty Four Thousand Four Hundred Fifty Five Pesos (₱795,584,455.00) total par value, inclusive of the 45 Million approved by the Board on March 21, 2018, and by the Stockholders on November 8, 2018, for purposes of issuing subscribed shares, stock dividends and stock rights in the future.
 - 28) Approved the declaration of Stock Dividends equivalent to 25% of the Company's outstanding Common stocks on record date/payment date to be determined after all regulatory approvals have been obtained.
 - 29) Approved the amendment of Articles of Incorporation and By-Laws of subsidiary, Benguetcorp Construction and Development Corp. (BCDC) on change of its corporate name to Benguetcorp Power, Inc. (BCPI), and its primary purpose to reflect the shift from construction to renewable energy/power business.
 - 30) Approved the amendment of resolutions to update signatories to BAGO/ACMP trust accounts on the appointment of new Regional Director of MGB-CAR, Mr. Socrates G. Gaerlan.
 - 31) Approved the execution of Service Agreement and appointment of Equiniti Trust Company, LLC (formerly American Stock Transfer) as temporary transfer agent for Class B shares in the U.S. for the resolution of the "chilled" Cede & Co./DTCC account and designation of authorized signatories.
 - 32) Approved the Consultancy Agreement for financial advisory services specifically strategic business development by and between Armstrong Capital Holdings Corp. and Benguet Corp and designation of the President as authorized signatory.
 - 33) Approved the Memorandum of Understanding with Adani Power Global Pte Ltd. governing due diligence in relation to a possible partnership developing and implementing Solar Project in Aglao, San Marcelino, Zambales.
 - 34) Approved the cancellation of annotation of Contract of Lease of BC over Mr. Iluminado Balane's property located in Jose Panganiban, Camarines Norte under OCT No. P-7231/Free Patent No. 578568 with the Registry of Deeds of Camarines Norte under Entry No. PE-141616-20-16 dated December 1, 1989.
 - 35) Approved the Memorandum of Understanding (MOU) between BC-Acupan Gold Operation and Leandro L. De Jesus on conduct of Biodiversity Assessment and Monitoring.
 - 36) Approved the authority for BC to transact with Retail Electricity Supplier and/or Independent Electricity Market Operator of the Philippines, Inc. (IEMOP), enter into amended Power Supply Agreement (Retail Electricity Supply) with Therma Luzon/Advent Power; register as Contestable Customer with Central Registration Body (CRB) or Wholesale Electricity Spot Market (WESM) and execute customer switching with CRB; and approved the designation of the President to sign Retail Electricity Supply Contract.
 - 37) Noted SEC circular on the declassification of Class "A" and Class "B" common shares of the Company and amendment of Articles of Incorporation and By-Laws to reflect such declassification within one year from issuance of PSE/SEC Memo.

A vote of the stockholders representing majority of the outstanding voting capital stock of the Company is required for the approval/ratification of minutes of the December 20, 2024 Annual Stockholders' Meeting, Management Report and Audited Financial Statements for 2024 and all acts, contracts, investments, resolutions, and proceedings made and entered into by Management and/or Board of Directors during the period since 2024 Annual Stockholders' Meeting until the date of 2025 Annual Stockholders' Meeting.

Management recommends a vote FOR these above-stated matters.

Item 16. Matter Not Required To Be Submitted

No action is to be taken at the annual meeting with respect to any matter which is not required to be submitted to a vote of the stockholders.

Disclosure Requirements Pursuant to Section 49 of the Revised Corporation Code of the Philippines:

1. Description of the voting and voting tabulation procedures used in the previous Annual Stockholders' Meeting held on December 20, 2024.

In the 2024 Annual Stockholders' Meeting, votes were cast through ballots and proxies. Stockholders were given on or before December 19, 2024, to submit scanned copy of the ballot/proxy via email to bccorpsec@benquetcorp.com as provided in the Information Statement. The physical copies of the ballot/proxy were sent to the Office of the Corporate Secretary/Stockholders Relations Office at the Company's principal address. Proxies were validated and tabulated by special committee composed of the Corporate Secretary, the Stockholders Relations Office of the Company, and the Company's stock transfer agent, Stock Transfer Service, Inc. (STSI). The tabulation as well as copies of ballots/proxies were further reviewed by the Company's independent external auditor, Sycip Gorres Velayo & Co. (SGV).

2. Description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given.

The stockholders were given the opportunity to ask questions and/or give comments through an email address designated by the Company. This instruction was incorporated in 2024 Definitive Information Statement's Annex "C". Such questions/comments were to be raised during the Open Forum of the virtual meeting. In the last year's Annual Stockholders' Meeting, the Company did not receive any question and/or clarification through email or during the open forum.

3. The matters discussed and resolutions reached in the 2024 Annual Stockholders' Meeting:

The matters discussed and resolutions reached in the 2024 Annual Stockholders' Meeting are discussed in Item 15 of this Information Statement.

4. A record of the voting results for each agenda item:

Voting results for each agenda item was disclosed in Item 15 of this Information Statement.

5. List of directors, officers and stockholders who attended the 2024 Annual Stockholders' Meeting:

The directors and officers who attended the meeting are as follows:

Directors:

Bernardo M. Villegas
Rhodora L. Dapula
Elmer B. Serrano
Lina G. Fernandez
Anthony M. Te
Andrew Patrick R. Casiño
Kwok Yam Ian Chan
Carlos Alfonso T. Ocampo
Maria Remedios Paz R. Pompidou
Andrew Julian K. Romualdez
Luis Juan L. Virata

Officers:

Reynaldo P. Mendoza	-	Executive Vice President and Asst. Corporate Secretary
Max D. Arceño	-	Senior Vice President – Finance and Treasurer and Compliance Officer for Corporate Governance
Valeriano B. Bongalos, Jr.	-	Vice President/Resident Manager – Benguet District Operations
Pamela M. Gendrano	-	Asst. Vice President – Environmental Compliance and Chief Risk Officer

Emmanuel M. Puspos	-	Asst. Vice President – Mining and Business Development
Deogracias P. Halog	-	Asst. Vice President – Technical Operations
Hermogene H. Real	-	Corporate Secretary

Stockholders and PCD Beneficial Owners who were present in person (via livestreaming) or by proxy during the Annual Stockholders' Meeting held on December 20, 2024 were as follows:

Roland P. De Jesus	Luis Juan L. Virata	Estate of Alfonso T. Yuchengco
Zaldy T. Soriano	Pedro G. Carlit	Red Earth Mineral Resources Corporation
Miriam Nacario-San Pedro	Rolando A. Basco, Jr.	Armstrong Securities, Inc.
Virginia M. Rudio	Paulino R. Roque	Erlinda Endona
Alberto M. Leano	Richard R. Aspillaga	RCBC Securities, Inc.
Daisy A. Mejia	Maybank Securities	RCBC Trust Corporation
Daisy Z. Abenoja	Philip G. Romualdez	Abacus Securities Corporation
Mercedita M. Lozano	Anthony B. Chua-Chiaco	Jesus San Luis Valencia
Normita A. Panganiban	E. Chua Chiaco Securities, Inc.	Felicidad Villaruel
Rhodora S. Songayab	Cristina Bayani-Zapanta	Felicidad Villaruel Razon
Tomas A. Malihan	Ansaldo Godinez & Co., Inc.	Mandarin Securities Corp
Lina G. Fernandez	Benjamin L. Sugang	Larrgo Securities Co., Inc.
Rebecca R. Rapisura	Tower Securities, Inc.	Anthony M. Te
BMC Marine, Inc.	Emmanuel M. Puspos	Cynthia Manalili Manalang
Yao & Zialcita, Inc.	Reynaldo P. Mendoza	Ernesto D. Ramos
Herminia G. Albar	Abner Franco	Joscelyn Mendoza
Rhodora L. Dapula	Otilia D. Molo or Elaine D. Molo	Felice Esmenda
Marilex Realty Devt Corporation	Palm Avenue Holdings Company &/or Palm Avenue Realty Corp.	Bernardo M. Villegas
Valeriano A. Songayab	Palm Avenue Holding Company, Inc.	Ramil C. Villanueva
FEBTC T/A#4113-00204-5	Emilia G. Diaz	Luy Securities Company Inc.
Marcelo A. Bolaño	G. D. Tan & Company, Inc.	Standard Chartered
Celeste B. Virata	Hermogene H. Real	Citibank N. A. Philippine Branch
Francisco O. Flavie	Ma. Asuncion V. Mercado	Kwok Yam Ian Chan
Nimfa R. Mendoza	Lucky Securities, Inc.	Arturo M. De Castro &/or Editha Soledad C. De Casto
Andrew Patrick R. Casiño	Andrew Julian K. Romualdez	Soledad C. De Castro &/or Editha Soledad C. De Castro
Max D. Arceño	Strategic Equities Corp.	Soledad C. De Castro &/or Perfecto C. De Castro
Sheila C. Belgica	Manuel Franco	Benedicto N. Tumapang
Perfecto A. Floresca, Jr.	Pamela M. Gendrano	Luther B. Sulang
Jose Carlos Fernandez	Jaime B. Gargabite	Triton Securities Corp.
Shirley S. Cueva	Ernesto S. Dedel, Jr.	Pejjais Realty Corporation
Soledad M. Cagampang-De Castro	Roy S. Ancheta	Delio T. Pasion
Palm Avenue Realty & Devt. Corporation		

6. Such other items that the Commission may require in the interest of good corporate governance and the protection of minority stockholders.

The Company continues to further improve its current code of corporate governance practices and develop efficient and effective evaluation system and processes to measure the performance of the Board of Directors and management or determine the level of compliance of the Board of Directors and management with the Manual of Corporate Governance (the "Manual") of the Company. The Company submitted its 2024 Integrated Annual Corporate Governance Report (2024 I-ACGR) to the Commission and the Exchange on May 30, 2025. Its 2023 Integrated Annual Corporate Governance Report (2023 I-ACGR) was submitted to the Commission and the Exchange on May 30, 2024.

7. List of material information on the current stockholders and their voting rights.

Material information on the current stockholders and their voting rights were provided during the 2024 Annual Stockholders' Meeting on December 20, 2024, and in Items 4 and 19 of the Information Statement. The Corporate Secretary also informed the stockholders during the meeting that the stockholders as of record date November 14, 2024 were entitled to vote in the 2024 Annual Stockholders' Meeting.

8. Detailed, descriptive, balanced and comprehensive assessment of the corporation's performance, which shall include information on any material change in the corporation's business, strategy, and other affairs.

The Company's performance is being regularly assessed by the Board of Directors and the results of these assessments are being reported in the Company's Annual Reports under SEC Form 17-A and Quarterly Reports under SEC Form 17-Q. These reports contained the management's discussion and analysis of financial position and results of operation.

9. Financial report for the preceding year, which shall include financial statements duly signed and certified in accordance with this Code and the rules the Commission may prescribe, a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees.

Please refer to Annex G – Audited Consolidated Financial Statements for the period ended December 31, 2024, with Statement of Management's Responsibility for Consolidated Financial Statements and Independent Auditor's Report on Supplementary Schedules.

10. An explanation of the dividend policy and the fact of payment of dividends or the reasons for non-payment thereof.

The dividend rights and restrictions of the Company's Convertible Preferred Class A, Common Class A and Common Class B stocks are contained in the Amended Articles of Incorporation of the Company, to wit:

"For a period of ten years after issuance, the holders of each shares of Convertible Preferred Stock shall be entitled to receive out of surplus profits of the Corporation earned after issuance of such Stock, when and as declared by the Board of Directors, cash dividends equal to the peso amount of and payable at the same time as that declared on each share of Common Class A or Common Class B Stock. The total cash dividends payable at any given time on Common Class A, Common Class B and Convertible Preferred Stock shall not exceed seventy-five per centum (75%) of the total after-tax earnings for any current fiscal year of the Corporation from all sources.

Immediately upon the expiration of ten years from issuance, the holders of shares of Convertible Preferred Stock still outstanding shall be entitled to receive out of surplus profits of the Corporation, when and as declared by the Board of Directors, cash dividends at the fixed annual rate of eight percentum (8%) of the par value of such

Stock before any cash dividends shall be declared or set apart for holders of Common Class A and Common Class B Stock. The balance of the net profits of the Corporation available for cash dividends shall be distributable exclusively to holders of Common Class A and Common Class B Stock. Dividends accrued and unpaid, if any, on the Convertible Preferred Stock at the end of any given fiscal year of the Corporation shall be cumulated, provided and to the extent that the net profits of the Corporation earned during such fiscal year are at least equal to the amount of such accrued and unpaid dividends; no cash dividends shall be declared and paid to holders of Common Class A and Common Class B Stock until after such accumulated, accrued and unpaid dividends on the Convertible Preferred Stock shall have been paid or provision for payment thereof made. Holders of Convertible Preferred Stock shall not be entitled to any part of stock dividends declared and issued on outstanding Common Class A and Common Class B and no stock dividends may be declared and issued on Convertible Preferred Stock."

Cash Dividends

The Company has not declared any dividends in fiscal year 2023, 2022, 2021 and 2020 due to restrictions provided in Section 13(d) of the 1993 Debt Restructuring Agreement with the Creditors in which the Company is not allowed to declare or pay dividends to its stockholders during the pendency of the debt.

For the year 2024, the Company declared cash dividend equivalent to ₱0.28 per share of the Company's outstanding Preferred Class "A" shares, and ₱0.20 per share of the Company's outstanding Common Class "A" and "B" shares with November 14, 2024 as record date for stockholders entitled to dividends and payment date set on December 10, 2024 during its Special Board Meeting on October 29, 2024. The cash dividend was paid from Unrestricted Retained Earnings as of December 31, 2023. The cash dividend was declared after the Company has terminated its Debt Restructuring Agreement dated 20 December 1993 and the loan security: Mortgage Trust Indenture dated 20 December 1993, Real Estate Mortgage dated 18 March 1994 and Chattel Mortgage dated 18 March 1993 on October 22, 2024.

Stock Dividends

On August 26, 2025, the Company's Board of Directors approved the declaration of stock dividend equivalent to 25% of its outstanding common shares on record date to be determined after all regulatory approvals have been secured. This will be sourced from the increase of Authorized Capital Stock of the Company. The stock dividends will be paid from the Retained Earnings available for dividends as of December 31, 2024.

11. Directors' qualifications and relevant experience, length of service in the corporation, trainings and continuing education attended, and their board representation in other corporations.

Please refer to Item 5 of this report.

12. A director attendance report, indicating the attendance of each director at each of the meetings of the board and its committees and in regular or special stockholder meeting.

Please refer to Item 5 of this report.

13. Appraisal and performance reports for the board and the criteria and procedure for assessment

The Company developed an effective evaluation system and process to measure the effectiveness of the members of the Board of Directors as well as determine the compliance of the Board with the Company's Manual of Corporate Governance (the "Manual"). The Manual can be accessed through the Company's website: <https://benguetcorp.com/corporate-governance-category/manual-on-corporate-governance/>. The Board conducts self-assessment of its performance including the performance of the Chairman, individual members and committees. Copy of self-assessment report is an integral part of Annual Corporate Governance Report which can be accessed through

the Company's website: <https://benguetcorp.com/corporate-governance-category/annual-corporate-governance-report/>.

14. A director compensation report prepared in accordance with this Code and the rules the Commission may prescribe.

Please refer to Item 6 of this report.

15. Director disclosures on self-dealings and related party transactions.

On self-dealings and related party transactions by directors, the Company adopts the SEC and PSE rule requiring directors and officers to report their dealings in Company shares within five (5) trading days from the date of Company share-related transactions. The Company discloses to the SEC and PSE the ownership, acquisition or disposal of the Company's shares of stock by directors and officers. The Company also requires the directors and officers to refrain from buying and selling the Company's shares of stock for two (2) full trading days from any disclosure of material non-public information.

Further, the Company was not a party to any transaction or proposed transactions in which a director or executive officer of the Company, any nominee for election as director had a material interest adverse to the Company or any of its subsidiaries.

For other Related Party disclosures, please refer to Note 28 of the 2024 Audited Consolidated Financial Statement of the Company hereto attached by reference.

16. The profiles of directors nominated or seeking election or re-election.

Please see Item 5 of this Information Statement.

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

1. Increase in Authorized Capital Stock

1.a. Amendment to Article Seventh of Amended Articles of Incorporation

Submitted for approval by the stockholders is the amendment of Article Seventh of the amended Articles of Incorporation of the Company for the purpose of effecting the change/increase in Authorized Capital Stock of the Company. The amended portion will read as follows:

"SEVENTH. That the capital stock of the Corporation is ONE BILLION FIVE HUNDRED EIGHTY MILLION THREE HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY PESOS (P1,580,384,460.00) and said capital stock is divided into three classes consisting of (a) NINE HUNDRED SEVEN MILLION SEVEN HUNDRED THIRTY THOUSAND SIX HUNDRED SEVENTY FIVE (907,730,675) shares of Common Class A Stock of the par value of One Peso (P1.00) each; (b) SIX HUNDRED FIVE MILLION ONE HUNDRED FIFTY THREE THOUSAND SEVEN HUNDRED EIGHTY FIVE (605,153,785) shares of Common Class B Stock of the par value of One peso (P1.00) each; and (c) such number of shares of Convertible Preferred Class A Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders' Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Class A Stock to be

fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing SIXTY SEVEN MILLION FIVE HUNDRED THOUSAND PESOS (P67,500,000.00) by the number of the shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors. xxx”

1.b. Amendment to Article 1 Section 1 of the Amended By-Laws

Submitted for approval by the stockholders is the amendment of Article 1 Section 1 of the amended By-Laws of the Company for the purpose of effecting the change/increase in Authorized Capital Stock of the Company. The amended portion will read as follows:

Section 1. Authorized Capital, Stock Certificate. – The capital stock of this Company is ONE BILLION FIVE HUNDRED EIGHTY MILLION THREE HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY PESOS (P1,580,384,460.00) and said capital stock is divided into three classes consisting of (a) NINE HUNDRED SEVEN MILLION SEVEN HUNDRED THIRTY THOUSAND SIX HUNDRED SEVENTY FIVE (907,730,675) shares of Common Class A Stock of the par value of One Peso (P1.00) each; (b) SIX HUNDRED FIVE MILLION ONE HUNDRED FIFTY THREE THOUSAND SEVEN HUNDRED EIGHTY FIVE (605,153,785) shares of Common Class B Stock of the par value of One peso (P1.00) each; and (c) such number of shares of Convertible Preferred Class A Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders’ Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Class A Stock to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing SIXTY SEVEN MILLION FIVE HUNDRED THOUSAND Pesos (P67,500,000.00) by the number of the shares of Convertible Preferred Class A Stock actually authorized by the Board of Directors. xxx”

A vote of the stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the approval of the amendment to Article Seventh of the amended Articles of Incorporation and article 1 Section 1 of the amended By-Laws effecting the increase in Authorized Capital Stock.

The Management recommends a vote FOR the above stated matters.

2. Declassification of Common Shares

2.a. Amendment to Article Seventh of Amended Articles of Incorporation

Submitted for approval by the Company’s Board of Directors and Stockholders is the declassification of the Company’s Common Class A and Common Class B shares in connection with Securities and Exchange Commission (“SEC”) Memorandum Circular No. 10, Series of 2025, entitled “Repeal of the Rules Allowing the Trading of “B” Shares on the Regular Board and Requiring Buyers to Accept Either “B” Or “A” Certificates” dated August 7, 2025. The SEC mandates the declassification of Class A and Class B shares and requires the Company to make the necessary changes in the Company’s amended Articles of Incorporation within one (1) year from the effectiveness of the Circular. The amended portion will read as follows:

"SEVENTH. That the capital stock of the Corporation is ONE BILLION FIVE HUNDRED EIGHTY MILLION THREE HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY PESOS (P1,580,384,460.00) and said capital stock is divided into two classes consisting of (a) ONE BILLION FIVE HUNDRED TWELVE MILLION EIGHT HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY (P1,512,884,460) shares of **Common Stock** with par value of ONE PESO (P1.00) each; and (b) such number of shares of **Convertible Preferred Stock** of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of **Convertible Preferred Stock** actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of **Common Stock** that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders' Meeting held on December 28, 1973, and provided further that the par value of such **Convertible Preferred Stock** to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing Sixty Seven Million Five Hundred Thousand Pesos (P67,500,000.00) by the number of the shares of Convertible Preferred Stock actually authorized by the Board of Directors.

A. A description of the different classes of stock of the Corporation and a statement of the designations and the powers, preference and rights, and the qualifications, limitations and restrictions thereof, in respect of each class of stock, are as follows:

1. Shares of **Common Stock**, shall be issued subject to the following limitations, which shall be printed on the stock certificates for such shares: Shares of Common Stock held by persons other than Philippine Nationals shall not at any time exceed forty percent (40%) of the aggregate number of Common Stock and Convertible Preferred Stock then subscribed, issued or outstanding, or go beyond the foreign ownership limit as may be prescribed by applicable laws, rules, or regulations. Any issuance, sale or transfer of shares of **Common Stock**, whether voluntary or by operation of law, made in violation of the foregoing limitation shall be null and void and shall not be registerable in the books of the Corporation. For the purpose of this Amended Article SEVENTH, a Philippine National shall mean a citizen of the Philippines, or a partnership or association or corporation organized under the laws of the Philippines of which at least sixty percent (60%) of the capital or capital stock outstanding is owned by citizens of the Philippines. In the event a trade is executed and the same results in a breach of allowable foreign ownership limits, or the Corporation find that a holder of **Common Stock** is not qualified or has in any manner lost his/its qualification to own shares of such Stock in the Corporation, then the Corporation either by itself or through any qualified and willing person or corporation designated by the Board of Directors, shall have the right to forthwith purchase the shares of **Common Stock** of the disqualified stockholder at the market value of such shares which shall be the price of the closing transaction in such shares in the Manila Stock Exchange on the last trading day immediately preceding the date of purchase. Upon payment or tender of payment to the disqualified stockholder, the Secretary of the Corporation shall have full and irrevocable authority, as the attorney-in-fact of the disqualified stockholder, to transfer such stockholder's shares to the Corporation or to the transferee stockholder(s) designated by the Board of

Directors of the Corporation, which transfer may be made without need of further authorization from the disqualified stockholder, who upon demand shall be bound to surrender to the Secretary for cancellation the corresponding stock certificate(s) duly endorsed by such stockholder. The failure of such disqualified stockholder to surrender his/its stock certificate(s) duly endorsed as aforesaid shall not, however, prevent the aforementioned transfer from being registered in the books of the Corporation and from being otherwise effective.

If at any time the number of shares of Common Stock subscribed, issued or outstanding exceeds the prescribed foreign ownership limit as set forth above, then the Corporation may, at its option, issue or sell such number of shares of Common Stock to Philippine Nationals, at the price and in the manner provided in the next preceding paragraph, or take such other action, as may be necessary to insure that, after such issue or such other action, the total number of subscribed, issued or outstanding shares of Common Stock will not ultimately exceed 40% of the aggregate number of shares of Common Stock and Convertible Preferred Stock then subscribed, issued or outstanding.

2. Shares of Convertible Preferred Stock *("Convertible Preferred") shall be issued subject to the following limitations, which shall be printed on the stock certificates for such shares: Only Philippine Nationals as defined above shall be qualified to acquire, own or hold shares of Convertible Preferred Stock, and no such shares may be issued, sold or transferred except to such Philippine Nationals. Any issuance, sale or transfer of shares of Convertible Preferred Stock, whether voluntary or by operation of law, made in violation of the foregoing condition shall be null and void and shall not be registerable in the books of the Corporation. In the event the Corporation shall find that a holder of Convertible Preferred Stock is not qualified or has in any manner lost his/its qualification to own shares of such Stock in the Corporation, then the Corporation, either by itself or through any qualified and willing person or corporation designated by its Board of Directors, shall have the right forthwith to purchase the shares of Convertible Preferred Stock of the disqualified stockholder for the price and in the manner provided in paragraph 1 above.

The entire number of authorized shares of Convertible Preferred Stock shall be issued as of the date of the approval by the Securities and Exchange Commission of this Amended Article SEVENTH and shall have the following terms, rights, privileges and preferences:

- (a) Dividend rights and restrictions:

For a period of ten (10) years after issuance, the holders of each share of Convertible Preferred Stock shall be entitled to receive out of surplus profits of the Corporation earned after issuance of such Stock, when and as declared by the Board of Directors, cash dividends equal to the peso amount of and payable at the same time as that declared on each share of Common Stock. The total cash dividends payable at any given time on Common Stock and Convertible Preferred Stock shall not exceed seventy-five percentum (75%) of the total after-tax earnings for any current fiscal year of the Corporation from all sources.

Immediately upon the expiration of ten (10) years from issuance, the holders of shares of Convertible Preferred Stock still outstanding shall be entitled to receive out of surplus profits of the Corporation, when and as declared by the Board of Directors, cash dividends at the fixed annual rate of eight percentum (8%) of the par value of such Stock before any cash dividends shall be declared or set apart for holders of **Common Stock**. The balance of the net profits of the Corporation available for cash dividends shall be distributable exclusively to holders of **Common Stock**. Dividends accrued and unpaid, if any, on the Convertible Preferred Stock at the end of any given fiscal year of the Corporation shall be cumulated, provided and to the extent that the net profits of the Corporation earned during such fiscal year are at least equal to the amount of such accrued and unpaid dividends; no cash dividends shall be declared and paid to holders of **Common Stock** until after such accumulated, accrued and unpaid dividends on the Convertible Preferred Stock shall have been paid or provision for payment thereof made.

Holders of Convertible Preferred Stock shall not be entitled to any part of stock dividends declared and issued on outstanding **Common Stock** and no stock dividends may be declared and issued on Convertible Preferred Stock.

(b) Option redemption:

Subject to the limitations and conditions herein specified, the whole or any part of the Convertible Preferred Stock then outstanding may at any time be redeemed by the Corporation at its election, expressed by resolution of the Board of Directors, upon notice to the holders of record of the Convertible Preferred Stock to be redeemed at the par value thereof plus accrued and unpaid dividends if any. If less than all of the Convertible Preferred Stock then outstanding is to be redeemed, the redemption may be made either by lot or pro-rata, in such manner as may be prescribed by resolution of the Board of Directors. A notice of such election to redeem shall be mailed by the Corporation, postage prepaid, not less than 45 days nor more than 60 days prior to the date specified in such notice as the redemption date, addressed to the respective holders of record of the Convertible Preferred Stock to be redeemed at their respective addresses as the same shall appear on the stock transfer records of the Corporation. At any time before the redemption date, the holders of the Convertible Preferred Stock to be redeemed may elect to convert such Stock into **Common Stock** of the Corporation in accordance with the provisions of this Amended Article SEVENTH. Notice of redemption having been so given, unless default shall be made by the Corporation in providing moneys for the payment of the redemption price pursuant to such notice, all dividends on the Convertible Preferred Stock thereby called for redemption and not previously converted into **Common Stock** shall cease to accrue from and after the redemption date specified in such notice. The notice may specify a date (which may be on or prior to the redemption date so specified) on which the Corporation shall provide the moneys for the payment of the redemption price by depositing the amount thereof with a commercial bank or trust company doing business in the Municipality of Makati, Province of Rizal, Republic of the Philippines, and on the date so specified, all the rights of the holders of the Convertible Preferred Stock

called for redemption, except the right to receive the redemption price (but without interest) and the right to exercise the privilege of conversion specified herein, shall cease and terminate. Any interest allowed on the moneys so deposited shall be paid to the Corporation. Any moneys so deposited which shall remain unclaimed by the holders of such Convertible Preferred Stock at the end of ten (10) years after the redemption date shall become the property of the Corporation after proper notice and hearing.

Notwithstanding the foregoing provisions, during a period of the ten (10) years after issuance of the Convertible Preferred Stock, the Board of Directors of the Corporation may elect to call for the redemption of such Stock only if the Common Stock issuable upon conversion thereof shall then have a market value at least equal to one hundred fifty percentum (150%) of the sum of the par value of the Convertible Preferred Stock and the premium payable hereunder upon conversion thereof. For the purposes of this provision, "market value" shall mean the closing quotations of the Common Stock in the Manila Stock Exchange averaged over the thirty (30) days next preceding the issuance of the notice of redemption by the Board of Directors.

(c) Conversion privilege:

At their option, the holders of shares of Convertible Preferred Stock may at any time, or from time to time, convert all or any of such shares into fully paid and non-assessable shares of Common Stock of the Corporation on a share-for-share basis, subject to adjustment as hereinafter set forth, upon written notice of their election to convert to the Corporation accompanied by the certificates duly endorsed representing the Stock to be converted and by cash payment of an amount equal to a per-share conversion premium determined in the manner set forth below, multiplied by the number of shares of Convertible Preferred Stock being converted. Thereupon, such holders shall be entitled to receive one or more certificates for the corresponding number of shares of Common Stock:

(aa) During a period of ten (10) years after the issuance of the Convertible Preferred Stock, the conversion premium shall be an amount of Philippine pesos equal to the quotient obtained by dividing (i) 270,000,000.00 pesos less (x) the total par value of the Convertible Preferred Stock then outstanding and (y) the sum of the par value of and the conversion premium paid in respect of any previously converted Convertible Preferred Stock, by (ii) the number of shares of Convertible Preferred Stock outstanding immediately prior to submission of such notice of conversion to the Corporation.

(bb) After expiration of the above-mentioned ten (10) year period, the conversion premium shall be an amount equal to the annual earnings per share of the Common Stock averaged over the immediately preceding five (5) years period, multiplied by a factor of 6; provided, however, that the sum of the par value of the Convertible Preferred Stock and the per-share conversion premium so determined shall in no case be less than the current book value per share of the Common Stock then outstanding. The annual per-

share earnings of the Common Stock shall be determined by dividing (i) the total net earnings after tax of the Corporation from all sources as reflected in the audited financial statements of the Corporation for the corresponding fiscal year by the (ii) weighted average number of Common shares actually outstanding during each corresponding fiscal year, without regard to the number of Convertible Preferred shares then outstanding. The current per-share book value of the Common Stock shall be determined by dividing (i) the total net worth of the Corporation as reflected in the latest audited financial statements of the Corporation, less the total par value of the Convertible Preferred Stock still then outstanding, by (ii) the number of Common Stock then actually outstanding.

In case of the shares of Common Stock at any time outstanding shall be subdivided into a greater or consolidated into a lesser number of shares, the conversion rate (that is, the number of shares of Common Stock into which one share of Convertible Preferred Stock shall be convertible) shall be proportionately increased or decreased as the case may be, and in the case of a stock dividend, the conversion rate shall be proportionately increased.

In case of any other reclassification or change of outstanding shares of Common Stock, or in case of any consolidation or merger of the Corporation with another corporation, or in any case of any sale or transfer to another corporation of the assets of the Corporation as an entirety or substantially as an entirety, each share of Convertible Preferred Stock shall thereafter be convertible into the number of shares of stock or other securities of the Corporation, or of the successor corporation resulting from such consolidation or merger, or of the acquiring corporation in case of such sale or transfer, as the case may be, to which the Common Stock would have been entitled to convert or be exchanged for upon such reclassification or change, consolidation or merger or sale or transfer.

No fraction of a share of Common Stock shall be issued upon conversion of shares of Convertible Preferred Stock, but, in lieu thereof, the Corporation shall pay to the holders of such shares so converted who would otherwise be entitled to a fraction of a share a cash adjustment in respect of such fraction in an amount equal to the same fraction of the market value of a full share of Common Stock on the date immediately preceding the date on which such shares are surrendered for conversion. Such market value shall be the last reported sale price (or, in the absence thereof, the last quoted bid price) of a sale of Common Stock on such date in the Manila Stock Exchange.

The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock the full number of shares into which all shares of Convertible Preferred Stock from time to time outstanding are convertible.

(d) Voting rights:

Each share of Convertible Preferred Stock shall, in all shareholder meetings and on all corporate matters, including the election of directors, have one vote for each full share of Common Stock into which such share of Convertible Preferred Stock is, at the time of such shareholders' meeting, then convertible.

(e) Preference in liquidation:

In the event of any liquidation, dissolution or winding up of the Corporation (whether voluntary or involuntary), the holders of Convertible Preferred Stock then outstanding shall be entitled to receive out of the assets of the Corporation available for distribution to its stockholders, whether from capital or earnings, an amount equal to the par value of the Convertible Preferred Stock, plus accrued and unpaid dividends if any, for every share of their holdings of Convertible Preferred Stock, before any distribution of the net assets of the Corporation may be made to holders of Common Stock. The holders of Convertible Preferred Stock shall be entitled to no other or further distribution and any assets remaining after such distribution shall be distributed exclusively to holders of Common Stock.

For the purposes of this paragraph (c) neither the consolidation nor merger of the Corporation with or into any other corporation, nor any sale, lease, exchange or conveyances of all or part of the property, assets or business of the Corporation shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Article SEVENTH unless the Board of Directors of the Corporation elects to treat such transaction as a liquidation, dissolution or winding up of the Corporation.

(f) Convertible Preferred Stock redeemed or converted:

All shares of Convertible Preferred Stock redeemed or converted shall thereupon be deemed cancelled and shall not be subject to reissuance and the authorized shares of Convertible Preferred Stock shall, upon amendment of this Article Seventh, be reduced accordingly.

3. Shares of Redeemable Non-Retirable Common Stocks ("Redeemable Non-Retirable Stocks") – Common shares that has been inactive and unresponsive to notices to participate in corporate activities for certain number of years, may be declared as inactive and/or dormant by the Board of Directors in accordance with the criteria provided in its resolution. The inactive Common shares declared as such and then outstanding, shall be converted to Redeemable Non-Retirable Stocks. At any time, the Redeemable Non-Retirable Stocks may be redeemed in whole or in part by the Corporation at its election, through resolution of the Board of Directors and upon notice to holders of records. The redemption price shall be sum of par value plus accrued and unpaid dividends if any. If less than all the Redeemable Non-Retirable Stocks is to be redeemed, the redemption may be made either by lot or pro-rata in such manner as may be prescribed by resolution of the Board of Directors.

The procedure for exercise of redemption are:

- (a) Notice of such election to redeem shall be mailed by the Corporation, postage prepaid, not less than forty five (45) days nor more than sixty (60) days prior to the date specified in the notice as the redemption date, addressed to the respective holders of record of the Redeemable Non-Retirable Stocks at their last stated addresses in the stock transfer records of the Corporation;
- (b) The notice shall specify a date ("redemption date") on which the Corporation shall provide the moneys for the payment of the redemption price by depositing the amount in an escrow account with domestic commercial bank or trust company doing business in Makati City, Republic of the Philippines;
- (c) On the redemption date so specified, all the rights of the non-responding holders of the Redeemable Non-Retirable Stocks, except the rights to receive the redemption price (but without interest) shall cease and terminate; and
- (d) Any money deposited or its interest that remain unclaimed by the holders of the Redeemable Non-Retirable **Common Stocks** at the end of ten (10) years after the redemption date shall revert to the Corporation after proper notice and hearing.

All redeemed shares of the Redeemable Non-Retirable Stocks shall become part of the Treasury, but subject to reissuance of the Corporation. At any time, the Corporation shall have the right to sell and transfer the redeemed shares at the market value of such shares **which shall be the price of the closing transaction of such shares** at the Philippine Stock Exchange (PSE) on the last trading day immediately preceding the date of the sale. The Redeemable Non-Retirable Stocks so redeemed and sold by the Corporation shall be reclassified into **Common Stocks** with the same rights and obligations, same Par Value and limitation as those provided for in **Common Stocks**.

That the Board of Directors shall have the continuing authority to determine the existence of inactive **Common shares** and reclassify the same to Redeemable Non-Retirable **Common shares**.

- B. Except as otherwise provided in this Amended Article SEVENTH, all the shares of all the classes of stock of the Corporation shall have identical voting rights and shall vote as a single class.

The affirmative vote of the holders of two-thirds (2/3) of the total Outstanding shares, without distinction as to class, voting jointly, shall be required for a valid corporate act in the following instances:

- 1. Amendment of the Articles of the Incorporation;
- 2. Delegation of power to the Board of Directors to amend, repeal or adopt new By-laws;
- 3. Increase or decrease in the authorized capital stock; and

4. Any sale, exchange, lease, mortgage or other disposition of all or substantially all of the assets of the corporation.

Until such time as all the outstanding Convertible Preferred Stock shall have been redeemed or converted in accordance with the provisions of this Article Seventh, the affirmative vote of the holders of a majority of the total outstanding shares of Convertible Preferred Stock and of Common Stock voting as one class shall be necessary for a valid corporate act in the following instances:

1. Amendment, repeal or adoption of new By-laws;
2. Increase or decrease in the number of directors; and
3. Incurring or increasing any bonded indebtedness.

- C. Except for the right to convert shares of Convertible Preferred Stock into shares of Common Stock, in accordance with the terms of this Amended Article SEVENTH, no holder of any stock of any class of the Corporation shall, as such holder, have any right to acquire, purchase or subscribe for any shares of the capital stock of any class of the Corporation which it may issue or sell, whether or not such stock is convertible into or exchangeable for any stock of the Corporation of any other class, and whether out of the number of shares authorized by the Articles of Incorporation of the Corporation as originally filed, or by any amendment thereof, or out of shares of the capital stock of any class of the Corporation acquired by it after the issue thereof; nor shall any holder of any such stock of any class, as such holder, have any right to acquire, purchase or subscribe for any obligation which the Corporation may issue or sell that shall be convertible into or exchangeable for any share of the capital stock of any class of the Corporation or to which shall be attached or appertain any warrant or warrants or any instrument or instruments that shall confer upon the owner of such obligation, warrant or instrument the right to subscribe for, or to acquire or purchase from the Corporation, any shares of its capital stock of any class.

2.b. Amendment to Article 1 Section 1, Article 3 Section 5 and Section 6 of the amended By-Laws

Submitted for approval by the Company's Board of Directors and Stockholders is the declassification of the Company's Common Class A and Common Class B shares in connection with the Securities and Exchange Commission ("SEC") Memorandum Circular No. 10, Series of 2025, entitled "Repeal of the Rules Allowing the Trading of "B" Shares on the Regular Board and Requiring Buyers to Accept Either "B" Or "A" Certificates" dated August 7, 2025. The SEC mandates the declassification of Class A and Class B shares and requires the Company to make the necessary changes in the Company's Amended By-Laws within one (1) year from the effectiveness of the Circular. The Amended portion will read as follows:

**Article I
Stock**

"Section 1. Authorized Capital, Stock Certificate. – The capital stock of this Company is ONE BILLION FIVE HUNDRED EIGHTY MILLION THREE HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY PESOS (Php1,580,384,460.00) and said capital stock is divided into two classes consisting of (a) ONE BILLION FIVE HUNDRED TWELVE MILLION EIGHT HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED SIXTY (1,512,884,460) shares of Common Stock with par value of ONE PESO (P1.00) each; and (b) such number of shares of Convertible Preferred Stock of such a par value as shall be authorized and fixed by the Board of Directors, provided that the number of shares of Convertible Preferred Stock actually authorized by the Board of Directors shall not be less than ELEVEN MILLION TWO HUNDRED ELEVEN THOUSAND SIX

HUNDRED NINETY FIVE (11,211,695) shares and shall not be more than a number of equivalent to 150% of the number of shares of Common Stock that shall be outstanding after completion of the Exchange Offer approved by the stockholders of the Corporation at the Special Stockholders' Meeting held on December 28, 1973, and provided further that that the par value of such Convertible Preferred Stock to be fixed by the Board of Directors shall not be higher than Six Pesos and Two Centavos (P6.02) per share, and shall be such number as shall be equal to the quotient obtained by dividing SIXTY SEVEN MILLION FIVE HUNDRED THOUSAND PESOS (P67,500,000.00) by the number of the shares of Convertible Preferred Stock actually authorized by the Board of Directors.

The ownership of the shares shall be represented by certificates, provision for which is made in Section 7 of this Article I, which certificates shall be signed as provided in Section 7 or 8 of this Article I.

The Company shall maintain stock transfer books and/or other records in which to register the name and address of the stockholder, the number of shares registered in his name and all pertinent information pertaining to the issuance and transfer of share certificate.

Article III Board of Directors

“Section 5. Quorum – A majority of the Directors shall constitute a quorum for the transaction of Company business, and every decision of a majority of the quorum duly assembled as a Board shall be valid as a Company act; provided, however, that the issuance of additional shares of stock of any class shall be not valid as a Company act unless approved by the affirmative vote of majority of the members of the Board.

“Section 6. Executive Committee – The Board of Directors is hereby authorized and empowered to designate three or more members of the Board to be an Executive Committee of this Board of Directors, who shall act on behalf of the Board in intervals between meetings of the Board of Directors of the Company. In the appointment of such Executive Committee, the Board shall designate the chairman of the Executive Committee. xxx”

A vote of the stockholders representing two-thirds (2/3) of the outstanding capital stock of the Company is required for the declassification of Common Class “A” and “B” shares and the corresponding amendments of Article Seventh of the amended Articles of Incorporation and Article I Section 1 and Article III Sections 5 and 6 of the amended By-Laws of the Company.

The Management recommends a vote “FOR” the above stated matters.

Item 18. Other Proposed Action

Except those referred to in the notice of the annual meeting of stockholders, no other proposed action shall be taken up in the annual meeting with respect to any matter.

Item 19. Voting Procedures

The matters requiring approval of stockholders as set forth in the Agenda of the Notice of Meeting will require affirmative vote of the stockholders owning at least a majority of the outstanding voting capital stock of the Company except for the approval of the increase in Authorized Capital Stock and the corresponding amendment to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the Amended By-Laws of the Company which requires two-thirds(2/3) of the outstanding voting capital stock. The representation of the stockholders during the meeting shall either be in person (via livestreaming), through proxy or voting in absentia.

In the election of directors, stockholders may vote only for those directors nominated for the class of shares owned by them, either in person or by proxy. Any stockholder may cumulate his shares since cumulative voting is authorized under the Revised Corporation Code of the Philippines and will be used in the election of directors at the meeting. On this basis, each holder of Convertible Preferred Class A and Common Class A stocks may vote the number of shares registered in his name for each of the seven (7) directors to be elected by said classes of stock, or he may multiply the number of shares registered in his name by seven (7) and cast the total of such votes for one (1) director or he may distribute his votes calculated as above described among some or all of the seven (7) directors to be elected by the said classes of stockholders, as he elects. Each holder of Common Class B may do the same thing in respect of the four (4) directors to be elected by Common Class B shareholders (but multiplying by four (4) rather than by seven (7)). The proxies propose to use their discretion in cumulating votes.

The method of counting votes is as follows: If the number of nominees does not exceed the number of directors to be elected, the Secretary of the meeting, upon motion made and seconded, is instructed to cast all votes represented at the meeting in favor of the nominees. However, if the number of nominees exceeds the number of directors to be elected, voting is done by ballots. Counting of votes shall be done by the Corporate Secretary (or by his authorized representatives) or by independent auditors or by a Committee designated by the Board of Directors. The first seven (7) nominees for Class A (Convertible Preferred and Common) and first four (4) nominees for Class B (Common) receiving the most number of votes will be elected as directors.

Votes will be cast through ballots or proxies. The ballots and proxies shall be submitted in time so as to be received by the Office of the Corporate Secretary/Stockholders Relation Office by mail or by email webadmin@benquetcorp.com on or before 3:00 p.m. of November 17, 2025, which is the deadline for submission of ballots and proxies.

Before a stockholder can participate in the Meeting via livestreaming and exercise his right to vote in absentia, the stockholder must first register and be authorized. Please refer to Annex "C" of this information statement regarding procedure for authentication, participation through remote communication and voting in absentia.

PART II. INFORMATION REQUIRED IN A PROXY FORM

Identification

The Company's Chairman of the Board of Directors, Dr. Bernardo M. Villegas and/or the Corporate Secretary, Atty. Hermogene H. Real, and each or any of them as attorney(s)-in-fact, with the power of substitution has authority to vote as proxy in all matters to be taken up in the Annual Stockholders' Meeting on November 18, 2025 and at any and all other adjournment thereof.

Instruction

Instructions on how to accomplish and return the Proxy Form are set out in the Proxy Form and in the Notice of Annual Meeting of Stockholders. The 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 the nominees in the proxy form on or before the scheduled annual stockholders' meeting; **"FOR"** approval of minutes of the December 20, 2024 Annual Stockholders' Meeting; **"FOR"** approval of Management Report and Audited Financial Statements for 2024; **"FOR"** approval of the extension of term/retention of Dr. Bernardo M. Villegas as Independent Director; **"FOR"** approval of the increase in Authorized Capital Stock and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article 1 Section 1 of the Amended By-laws; **"FOR"** approval of the declassification of common shares and the corresponding amendments to Article Seventh of the amended Articles of Incorporation and Article I Section 1 and Article III Sections 5 and 6 of the Amended By-laws; **"FOR"** approval of 25% stock dividend; **"FOR"** approval of the re-appointment of Sycip Gorres Velayo and Company (SGV) as the independent external auditor of the Company; **"FOR"** ratification and approval of all acts, contracts, resolutions and proceedings made and entered into by Management and/or the Board of Directors since December 20, 2024 until the date of 2025 Annual Stockholders' Meeting; and **"FOR"** such other matters as may properly come before the meeting in the manner described in the proxy statement as recommended by management.

Proxies shall be validated and tabulated by a special committee composed of the Corporate Secretary, the Stockholders Relations of the Company, and the Company's stock transfer agent, Stock Transfer Service Inc. (STSI) [by means of cross-checking the outstanding shares and signature of the stockholders against their records]. The tabulation of votes shall be done by the special committee and further reviewed by the Company's independent external auditor, Sycip Gorres Velayo & Co. (SGV), when necessary.

Revocability of Proxy

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised or in the event a stockholder decides to participate in the meeting, he may, if he wishes, revoke his proxy and vote his shares in person.

Persons Making the Solicitation

The solicitation of proxies is made by or on behalf of the management of the Company in order to obtain the required quorum and the required vote to approve the subject matters to be taken up in the annual stockholders' meeting of the Company. The solicitation is primarily by mail. Incidental personal solicitations may be made by officers, directors and regular employees of the Company whose number is not expected to exceed fifteen, and who will receive no additional compensation, therefore. The Company will bear the cost of preparing, assembling and mailing this Information Statement and other materials furnished to stockholders in connection with such proxy solicitation (including nominal cost of any such incidental personal solicitation) and the expenses of brokers, who shall mail such materials to their customers. Estimated cost of mailing the annual report together with the proxy statement upon written request of stockholders is ₱600,000.00.

Other than the nominees for election as directors, no director, nominee, associate of the nominees or officer of the Company at any time since the beginning of the last fiscal year, had any substantial interest, directly or indirectly, by security holdings or otherwise, in any of the matters to be acted upon in the stockholders' meeting, other than election to office. No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at the meeting.

The following are incorporated and form part of this report:

1. Annex "A" - Management Report
2. Annex "B" - Interim Report/Unaudited Interim Consolidated Financial Statements for Third Quarter Report ending June 30, 2025
3. Annex "C" - Rules and Procedure for Holding of, and Participation by Stockholders in the ASM by Remote Communication and Voting in Absentia
4. Annex "D" - Sworn Certificate of Qualification of Independent Director, Bernardo M. Villegas
5. Annex "E" - Sworn Certificate of Qualification of the Independent Director, Rhodora L. Dapula
6. Annex "F" - Sworn Certificate of Qualification of Independent Director, Elmer B. Serrano
7. Annex "G" - 2024 Audited Consolidated Financial Statements with:
 - 7.a Management's Responsibility for Financial Statements, and
 - 7.b Independent Auditor's Report on Supplementary Schedules.

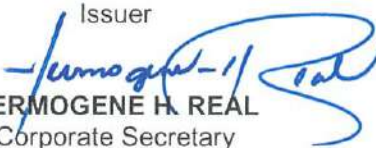
SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on October 13, 2025.

BENGUET CORPORATION

Issuer

By:


HERMOGENE H. REAL
Corporate Secretary

BENGUET CORPORATION

MANAGEMENT REPORT

(Pursuant to Rule 20.4 of 2015 SRC Rules)

I. CONSOLIDATED AUDITED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements of Benguet Corporation and its Subsidiaries for the year ended 2024 (Annex “G”) and the unaudited interim consolidated financial statements for the second quarter ended June 30, 2025 (Annex ‘B’) are attached to the Information Statement and are incorporated by reference. These are posted and available in the Company website www.benguetcorp.com and also, may be accessed through the PSE Edge Portal <https://edge.pse.com.ph>.

II. INFORMATION CONCERNING DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

There were no changes nor disagreements in the past with independent public accountants, Sycip Gorres Velayo & Company (SGV) with regard to any matter relating to accounting principles or practices, financial statement disclosures, or auditing scope or procedures.

The re-appointment of SGV as the Company’s independent external auditor was approved by the Board of Directors in its regular board meeting on August 29, 2024 and by the stockholders of the Company on December 20, 2024. The lead audit partner who conducted the audit for Calendar Year 2024 is Mr. Peter John R. Ventura. It is Mr. Ventura’s fifth year as engagement partner for the Company. The information and discussion regarding SGV are presented under Item 7 – Independent Public Accountants of this Information Statement.

III. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION, AND RESULTS AND PLAN OF OPERATION

The management’s discussion summarizes the significant factors affecting the results of operations and financial condition of the Company for the years ended December 31, 2024, 2023, 2022 and 2021. The discussion should be read in conjunction with the attached audited consolidated statements of financial position of the Company as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the years ended December 31, 2024, 2023, 2022 and 2021. All necessary adjustments to present fairly the consolidated financial performance, financial position, and cash flows of the Company as of December 31, 2024, and for all the other periods presented, have been made.

**A. REVIEW OF FINANCIAL RESULTS
FINANCIAL PERFORMANCE**

CONSOLIDATED RESULTS OF OPERATIONS

Despite lower nickel sales in 2024, the Company continued to report strong operating results with its Acupan mine contributing significantly from its gold output.

Consolidated net income for 2024 amounted to ₱435.7 million, lower than net income of ₱554.1 million in 2023, net income of ₱1.3 billion in 2022 and net income of ₱1.4 billion in 2021. The increase/decrease in net income was the net effect of the following:

Revenues

The Company registered consolidated revenue of ₱2.4 billion in 2024, lower than ₱2.5 billion in 2023, ₱4.0 billion in 2022 and ₱3.8 billion in 2021. Revenues were composed mainly of nickel, gold, and lime sales.

	2024	2023	2022	2021
Nickel	₱1,451.4	₱1,757.7	₱2,952.3	₱2,766.5
Gold and silver	791.7	627.5	914.8	945.8
Lime and others	142.8	146.3	158.1	129.6
Gross Revenue	₱2,385.9	₱2,531.4	₱4,025.2	₱3,841.9

Revenues are attributed mainly from the sale of 15 boatloads of nickel ore aggregating 808,556 tons, lower compared to 16 boatloads of nickel ore aggregating 854,074 tons in 2023, 22 boatloads aggregating 1,169,328 tons in 2022 and 22 boatloads aggregating 1,175,050 tons in 2021. Nickel ore was sold at effective average price of US\$31.39/ton this year versus \$37.07/ton in 2023, US\$46.97/ton in 2022, and US\$47.38/ton in 2021. Nickel sales contributed 61% of gross revenues. Gold sales on the other hand contributed 33% on account of better price this year. The Acupan Gold Project (AGP) sold 5,750.24 ounces of gold this year, against 5,803.21 ounces of gold in 2023, 9,363.56 ounces of gold in 2022 and 10,685 ounces in 2021. Average selling price of gold in 2024 jumped by 24% to US\$2,414.80/ounce from US\$1,941.83/ounce in 2023, US\$1,802.02/ounce in 2022, and US\$1,806.68/ounce in 2021.

Operating and Other Expenses

Cost and operating expenses this year amounted to ₱1.9 billion, the same against ₱1.9 billion in 2023 but lower against ₱2.4 billion in 2022, and ₱2.3 billion in 2021. The increase/decrease is mainly due to the net effect of the following:

Cost of mine products sold increased to ₱822.2 million from ₱680.47 million in 2023, but decreased from ₱970.4 million in 2022, and ₱938.2 million in 2021. The increase is mainly due to high cost of fuel, power and materials and supplies.

Cost of services and other sales slightly increased to ₱85.4 million from ₱84.6 million in 2023, ₱80.2 million in 2022 and ₱74.8 million in 2021. The increase is mainly due to high cost of fuel, power and materials and supplies.

Selling and general expenses decreased to ₱866.5 million from ₱903.0 million in 2023, ₱1.1 billion in 2022 and ₱1,027.0 million in 2021. The decrease is mainly due to lower volume of nickel ore sold this year.

Excise taxes and royalty fees decreased to ₱162.3 million from ₱182.4 million in 2023, ₱299.8 million in 2022, and ₱284.3 million in 2021. Decrease is mainly from the lower sale of nickel laterite ores.

Other income this year amounted to ₱106.9 million, higher compared to ₱57.0 million in 2023 but lower against ₱164.0 million in 2022, and ₱280.3 million in 2021. Other income this year came from interest earned from money market placements, income from fair value gain of financial assets at FVPL, and foreign exchange gain on the Company's export of nickel ore. The other income in 2023 is mainly attributable to the change in fair value of financial assets at FVPL, amounting to ₱51.9 million and ₱8.1 million gains on foreign currency exchange. The other income in 2022 was mainly due to the ₱85.3 million gain on revaluation of investment properties, ₱39.7 million gains on foreign currency exchange and ₱39.3 million on recovery of impairment on loss on advances to contractors, while in 2021, the other income was mainly attributed to the ₱277.0 million gain in revaluation of investment properties.

Provision for income tax in 2024 amounted to ₱113.3 million, lower versus ₱178.5 million in 2023, ₱428.2 million in 2022, and ₱372.4 million in 2021. The provision for income tax pertains to the Regular Income Tax (RCIT) of Benguet Corporation (Parent Company), Benguetcorp Resources Management Corporation (BRMC), Arrow Freight and Construction Corporation (AFCC), Keystone Port Logistics and Management Services Corporation (KPLMSC) and Benguetcorp Laboratories, Inc. (BCLI).

Comparative balances for December 31, 2024 and December 31, 2023

Amount in Millions

	2024	2023	Change	% of Change
Revenue	2,385.9	2,531.4	(145.5)	(5.7%)
Costs and Operating Expenses				
Costs of mine products sold	(822.2)	(680.5)	(141.7)	(20.8%)
Costs of services and other sales	(85.4)	(84.1)	(1.3)	(1.5%)
Selling and general expenses	(866.5)	(906.0)	39.5	(4.4%)
Excise taxes and royalty fees	(162.3)	(182.4)	20.1	(11.0%)
	(1,936.5)	(1,853.0)	(83.5)	(4.5%)
Interest expense	(7.4)	(2.8)	(4.6)	(164.3%)
Other Income	106.9	57.0	49.9	(87.6%)
Income before income tax	549.0	732.6	(183.6)	(25.1%)
Provision for income tax	113.3	178.5	(65.2)	(36.5%)
Net Income	435.7	554.1	(118.4)	(21.4%)

Comparative balances for December 31, 2023 and December 31, 2022

Amount in Millions

	2023	2022	Change	% of Change
Revenue	2,531.4	4,025.2	(1,493.8)	(37.1%)
Costs and Operating Expenses				
Costs of mine products sold	(680.5)	(970.4)	(289.9)	(29.9%)
Costs of services and other sales	(84.1)	(80.2)	(3.9)	(4.9%)
Selling and general expenses	(906.0)	(1,078.5)	(172.5)	(16.0%)
Excise taxes and royalty fees	(182.4)	(299.7)	(117.3)	(39.1%)
	(1,853.0)	(2,428.8)	(575.9)	(23.7%)
Interest expense	(2.8)	(1.1)	(1.7)	(154.5%)
Other Income	57.0	164.0	(107.0)	(65.2%)
Income before income tax	732.6	1,759.3	(1,026.7)	(58.4%)
Provision for income tax	178.5	428.2	(249.8)	(58.3%)
Net Income	554.1	1,331.1	(777.0)	(58.4%)

Comparative balances as of December 31, 2022 and December 31, 2021

Amount in Millions

	2022	2021	Change	% of Change
Revenue	4,025.2	3,841.9	183.3	4.8%
Costs and Operating Expenses				
Costs of mine products sold	(970.4)	(921.7)	(48.7)	(5.3%)
Costs of services and other sales	(80.2)	(74.8)	(5.4)	(7.2%)
Selling and general expenses	(1,078.5)	(992.3)	(86.2)	(8.7%)
Excise taxes and royalty fees	(299.7)	(284.3)	(15.4)	(5.4%)
	(2,428.8)	(2,273.1)	(155.7)	(6.8%)
Interest expense	(1.1)	(3.9)	(2.8)	(71.8%)
Other Income	164.0	229.1	(65.1)	(28.4%)
Income before income tax	1,759.3	1,794.0	(34.7)	(1.9%)
Provision for income tax	428.2	372.4	55.8	15.0%
Net Income	1,331.1	1,421.6	(90.5)	(6.4%)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

The Company's consolidated total assets as of December 31, 2024 stands at ₱10.87 billion, higher compared to ₱10.34 billion in 2023, ₱9.91 billion in 2022, and ₱8.75 billion in 2021. The increase is the net effect of the following:

Cash and cash equivalent increased to ₱1.8 billion from ₱774.2 million in 2023, ₱1.0 billion in 2022, ₱603.2 million in 2021. Increase pertains to additional investment in Unit Investment Trust Fund (UITF) and collection of nickel ore sold in 2024 and 2023.

Trade and other receivables decreased to ₱741.3 million from ₱746.7 million in 2023, ₱782.5 million in 2022, and ₱515.0 million in 2021. Decrease pertains to collection of nickel ore sold in 2023 and 2022. The increase, however, against 2021 pertains to the sale of nickel ore and lime collected in subsequent year.

Inventories decreased to ₱191.9 million from ₱248.0 million in 2023. Decrease pertains to nickel ore inventories sold in 2024. Increase in 2024 versus ₱180.6 million in 2022, and ₱142.1 million in 2021 is mainly due to the nickel ore produced from the continuous mining of its nickel operation.

Financial assets at fair value through profit or loss (FVPL) decrease to ₱704.6 million from ₱1.3 billion in 2023, ₱1.1 billion in 2022. Decrease in 2024 is attributed to the withdrawal of unit investment trust fund. The fund was used to fully settle the loan obligation. On the other hand, increase versus ₱675.0 million in 2021 pertains to the additional investment in unit trust fund and the change in net asset value per unit.

Other current assets decreased to ₱368.7 million, from ₱660.6 million in 2023, ₱352.4 million in 2022 and ₱481.7 million in 2021. Decrease refers to change in investment classification from more than 90 days' time deposits to less than 90 days time deposits.

The property, plant and equipment at revalued amount slightly increased to ₱2.0 billion from ₱1.8 billion in 2023, ₱1.7 billion in 2022, and ₱1.7 billion in 2021. Increase is due to revaluation increment on land and art works.

Property, plant and equipment (PPE) at cost, decreased to ₱743.9 million from ₱789.9 million in 2023, ₱780.2 million in 2022, and ₱848.4 million in 2021. The decrease this year is mainly due to the depletion and depreciation booked this year.

Deferred mine exploration costs increased to ₱550.5 million from ₱520.4 million in 2023, ₱492.5 million in 2022, and ₱455.4 million in 2021. Additions pertain to drilling and other ongoing exploration activities in the Company's Pantingan gold and aggregate prospect in Bataan.

Investment properties improved to ₱3.3 billion from ₱3.0 billion in 2023, ₱2.99 billion in 2022, and ₱2.9 billion in 2021. Improvement pertains to revaluation of land.

Increase in deferred tax assets is mainly from the deferred tax assets derived from the group's lease liabilities and amortization of past service costs from pension liabilities.

Other noncurrent assets increased to ₱506.6 million from ₱489.0 million in 2023, ₱471.9 million in 2022, and ₱402.0 million in 2021. Increased refers to additional funding of mine rehabilitation fund in compliance with the requirement of the Mines and Geosciences Bureau (MGB) under DAO 2010-21 and increase in advances to suppliers and contractors for the exploration, construction and other related activities and projects.

Liabilities

Total consolidated liabilities as of December 31, 2024, decreased to ₱1.70 billion, from ₱1.97 billion in 2023, ₱2.13 billion in 2022, and ₱2.34 billion in 2021. The decrease was due to the following:

Trade and other payables increased to ₱604.3 million from ₱507.8 million in 2023, ₱555.7 million in 2022, but lower against ₱669.4 million in 2021. Increase refers to contract liabilities reclassified from other noncurrent liabilities.

Loans payable is nil in 2024 from ₱339.2 million in 2023, ₱337.0 million in 2022 and 2021. The reduction pertains to the full payment of outstanding loans with Armstrong Capital Holdings Corporation (ACHC). The loan was acquired from Social Security System thru bidding conducted in 2024.

Increase in lease liabilities (current and noncurrent) is mainly from the renewal of lease contract of BCLI clinic spaces.

Liability for mine rehabilitation (current and noncurrent) amounted to ₱53.0 million in 2024, ₱62.1 million in 2023, ₱59.1 million in 2022, and ₱60.7 million in 2021. Decrease in liabilities for mine rehabilitation pertains to the actual rehabilitation costs spent during the year partially offset by the change in estimate and normal accretion expense.

Income tax payable amounted to ₱38.9 million higher compared to ₱33.3 million in 2023 but lower compared to ₱105.9 million in 2022, and ₱137.8 million in 2021. Liability pertains to BRMC income tax due during the fourth quarter of 2024. The increase against previous years is due to higher taxable income reported in 2024.

Decrease in pension liability is mainly due to the funding of retirement trust fund of the group.

Deferred tax liability amounted to ₱826.8 million in 2024, higher than ₱775.9 million in 2023, ₱769.2 million in 2022 and ₱748.6 million in 2021. Increase pertains to the revaluation of the group's land and artworks.

Equity

Stockholders' Equity at year-end amounted to ₱9.18 billion, higher than ₱8.37 billion in 2023, ₱7.78 billion in 2022, and ₱6.41 billion in 2021. The increase was due to the following:

Capital stock increased to ₱714.3 million from ₱624.3 million in 2023, ₱624.0 million in 2022 and ₱624.0 million in 2021 due to subscription of Red Earth Mineral Resources Corporation ("Red Earth") amounting ₱90.0 million.

Capital surplus increased to ₱686.6 million from ₱415.5 million in 2023, ₱415.1 million in 2022 and ₱409.9 million in 2021. Increase is mainly due to the subscription of Red Earth.

Retained earnings amounted to ₱6.2 billion, higher than ₱5.9 billion in 2023, ₱5.4 billion in 2022, and ₱4.0 billion in 2021. The increase was due to the net income earned during the year partly offset by the cash dividend declared in October 2024 amounting ₱143.6 million.

Other components of equity amounted to ₱1.6 billion higher compared to ₱1.4 billion in 2023, ₱1.4 billion in 2022, and ₱1.4 billion in 2021. Increase is mainly from the revaluation increment of land and artworks, cumulative translation from foreign subsidiaries and remeasurement gain on pension liabilities.

Consolidated Cash Flows

The net cash flows generated from operating activities for 2024 amounted to ₱360.2 million, lower than ₱537.5 million in 2023, ₱1,263.4 million in 2022, and ₱1,347.3 million in 2021.

In 2024, the net cash flow came mainly from the sale of 15 boatloads of nickel ore, 5,750.74 ounces of gold and interest income of ₱41.7 million.

In 2023, the net cash flows came mainly from the sale of 16 boatloads of nickel ore to China, 5,803.21 ounces of gold and ₱134.98 million VAT refund granted by the BIR.

In 2022, the net cash flows generated is attributable mainly from the 22 boatloads of nickel ore, 9,363 ounces of gold sold this year and ₱136.3 million VAT refund obtained from the BIR.

In 2021, the net cash flows came mainly from the sale nickel ore to China, gold sold to Bangko Sentral ng Pilipinas (BSP) and VAT refund obtained from the BIR.

During the year, the Company invested ₱27.1 million in exploration activities, ₱1.7 million in mining, milling and logistics equipment. The Company also invested ₱19.7 million in unit trust funds and ₱18.5 million in investment properties.

In 2023, the Company invested ₱28.3 million in exploration activities, ₱68.3 million in mining, milling and logistics department. The Company also invested ₱162.3 million in unit trust funds and ₱6.2 million in investment properties.

In 2022, the Company invested ₱31.2 million in exploration activities and ₱45.4 million in mining and milling equipment for the expansion of its Acupan Gold Project and Sta. Cruz Nickel Operation in Zambales. The Company also invested ₱480.7 million in unit trust funds during the year.

In 2021, the Company invested ₱11.7 million in exploration activities and ₱40.9 million in mining and milling equipment for the expansion of its Acupan Gold Project and Sta. Cruz Nickel Operation in Zambales. The Company also invested ₱660.1 million in unit trust funds during the year.

Net cash flows used in financing activities amounted to ₱388.6 million. This year, the Company paid loans payable amounting to ₱655.2 million, cash dividend of ₱108.1 million partly offset by proceeds from issuance of shares amounting to ₱360.0 million and ₱20.0 million deposit for future subscription.

In 2023, the Company paid principal portion of lease liabilities amounting to ₱5.6 million.

In 2022, the Company paid some of its advances from Bright Mining Resources Corporation and other contractors/suppliers.

In 2021, the Company fully paid its outstanding loan with Transmiddle East amounting to ₱185.0 million and made some payment to Bright Mining Resources Corporation and other contractors amounting to ₱99.6 million. The usage was partly offset by the cash generated from employees' exercise of stock options and issuance of stocks amounting to ₱9.8 million.

Comparative balances for December 31, 2024 and December 31, 2023

Amount in Millions

	2024	2023	Change	% of Change
Assets				
Current Assets				
Cash and cash equivalent	1,753.7	774.2	979.5	126.5%
Trade and other receivables	741.3	746.7	(5.4)	(0.7%)
Inventories	191.9	247.9	(56.0)	(22.6%)
Financial assets at fair value through profit or loss	704.6	1,328.8	(624.2)	(47.0%)
Other current assets	368.7	660.6	(291.9)	(44.2)

Total Current Assets	3,760.3	3,758.2	2.1	0.1%
Noncurrent Assets				
Property, plant and equipment-at revalued amount	1,972.6	1,776.6	196.0	11.0%
Property, plant and equipment-at cost	743.9	789.9	(46.0)	(5.8%)
Deferred mine exploration costs	550.5	520.4	30.1	5.8%
Investment properties	3,324.8	2,998.0	326.8	10.9%
Deferred tax assets – net	8.7	5.6	3.1	55.4%
Other noncurrent assets	506.6	488.9	17.7	3.6%
Total Noncurrent assets	7,107.0	6,579.4	527.6	8.0%
Total Assets	10,867.3	10,337.6	529.7	5.1%
Liabilities				
Current Liabilities				
Trade and other payables	604.3	507.8	96.5	19.0%
Loans payable	-	339.2	(339.2)	(100.0%)
Lease liabilities – current	7.1	4.2	2.9	69.0%
Liability for mine rehabilitation-current	4.9	17.8	(12.9)	(72.5%)
Income tax payable	38.8	33.3	5.5	16.5%
Total current liabilities	655.1	902.4	(247.3)	(27.4%)
Noncurrent liabilities				
Lease liabilities-net of current portion	8.1	4.1	4.0	97.6%
Liability for mine rehabilitation-net of current portion	48.2	44.3	3.9	8.8%
Pension liability	40.0	58.2	(18.2)	(31.3%)
Deferred tax liabilities	826.8	775.9	50.9	6.6%
Other noncurrent liabilities	119.9	185.7	(65.8)	(35.4%)
Total Noncurrent Liabilities	1,043.0	1,068.2	(25.2)	(2.4%)
Total Liabilities	1,698.1	1,970.6	(272.5)	(13.8%)
Equity				
Capital Stock	714.3	624.3	90.0	14.4%
Capital Surplus	686.6	415.5	271.1	65.2%
Cost of Share-based payment	8.2	8.1	0.1	1.2%
Retained earnings	6,200.0	5,907.6	292.4	4.9%
Other components of equity	1,568.4	1,419.5	148.9	10.5%
	9,177.2	8,375.0	802.2	9.6%
Treasury shares	(8.0)	(8.0)	0.00	0.0%
Total Equity	9,169.2	8,367.0	802.2	9.6%
Total Liabilities and Equity	10,867.3	10,337.6	529.7	5.1%

Comparative balances for December 31, 2023 and December 31, 2022

Amount in Millions

	2023	2022	Change	% of Change
Assets				
Current Assets				
Cash and cash equivalent	774.2	1,002.8	(228.6)	(22.8%)
Trade and other receivables	746.7	782.5	(35.8)	(4.6%)
Inventories	248.0	180.6	67.4	37.3%
Financial assets at fair value through profit or loss	1,328.8	1,114.6	214.2	19.2%
Other current assets	660.6	352.4	308.2	87.5%
Total Current Assets	3,758.2	3,432.9	325.4	9.5%
Noncurrent Assets				

Property, plant and equipment-at revalued amount	1,776.6	1,729.7	46.9	2.7%
Property, plant and equipment-at cost	789.9	780.2	9.7	1.2%
Deferred mine exploration costs	520.4	492.5	27.9	5.7%
Investment properties	2,998.0	2,992.0	6.0	0.2%
Deferred tax assets – net	5.6	9.9	(4.3)	(43.4%)
Other noncurrent assets	488.9	471.9	17.0	3.6%
Total Noncurrent assets	6,579.4	6,476.2	103.2	1.6%
Total Assets	10,337.6	9,909.1	428.6	4.3%
Liabilities				
Current Liabilities				
Trade and other payables	507.8	555.7	(47.9)	(8.6%)
Loans payable	339.2	337.0	2.2	0.7%
Lease liabilities – current	4.2	6.3	(2.1)	(33.3%)
Liability for mine rehabilitation-current	17.8	10.5	7.3	69.5%
Income tax payable	33.3	105.9	(72.6)	(68.6%)
Total current liabilities	902.4	1,015.4	(113.0)	(11.1%)
Noncurrent liabilities				
Lease liabilities-net of current portion	4.1	5.8	(1.7)	(29.3%)
Liability for mine rehabilitation-net of current portion	44.3	48.6	(4.3)	(8.8%)
Pension liability	58.2	56.0	2.2	3.9%
Deferred tax liabilities	775.9	769.2	6.7	0.9%
Other noncurrent liabilities	185.7	237.8	(52.1)	(21.9%)
Total Noncurrent Liabilities	1,068.2	1,117.4	(49.1)	(4.4%)
Total Liabilities	1,970.6	2,132.8	(162.2)	(7.6%)
Equity				
Capital Stock	624.3	624.0	0.3	0.0%
Capital Surplus	415.5	415.1	0.4	0.1%
Cost of Share-based payment	8.1	6.3	1.8	28.6%
Retained earnings	5,907.6	5,353.4	554.2	10.4%
Other components of equity	1,419.5	1,385.4	34.1	2.5%
	8,375.0	7,784.2	590.8	7.6%
Treasury shares	(8.0)	(8.0)	-	0.0%
Total Equity	8,367.0	7,776.2	590.8	7.6%
Total Liabilities and Equity	10,337.6	9,909.1	428.6	4.3%

Comparative balances for December 31, 2022 and December 31, 2021
Amount in Millions

	2022	2021	Change	% of Change
Assets				
Current Assets				
Cash and cash equivalent	1,002.8	603.2	399.6	66.2%
Trade and other receivables	782.5	514.9	267.5	52.0%
Inventories	180.6	142.1	38.5	27.1%
Financial assets at fair value through profit or loss	1,114.6	675.0	439.6	65.1%
Other current assets	352.4	481.7	(129.3)	(26.8%)
Total Current Assets	3,432.9	2,416.9	1,016.0	42.0%
Noncurrent Assets				
Property, plant and equipment-at revalued amount	1,729.7	1,703.4	26.3	1.5%
Property, plant and equipment-at cost	780.2	848.4	(68.2)	(8.0%)

Deferred mine exploration costs	492.5	455.4	37.1	8.1%
Investment properties	2,992.0	2,910.7	81.3	2.8%
Deferred tax assets – net	9.9	11.6	(1.7)	(14.7)
Other noncurrent assets	471.9	402.9	69.0	17.1
Total Noncurrent assets	6,476.2	6,332.4	143.8	2.3%
Total Assets	9,909.1	8,749.3	1,159.8	13.3%
Liabilities				
Current Liabilities				
Loans payable	337.0	337.0	0	0.0%
Trade and other payables	555.7	669.4	(113.7)	(17.0%)
Lease liabilities	6.3	9.2	(2.9)	(31.5%)
Liability for mine rehabilitation	10.5	6.6	3.9	59.1%
Income tax payable	105.9	137.8	(31.9)	(23.1%)
Total current liabilities	1,015.4	1,160.0	(144.6)	(12.5%)
Noncurrent liabilities				
Lease liabilities-net of current portion	5.8	11.9	(6.1)	(51.3%)
Liability for mine rehabilitation-net of current portion	48.6	54.2	(5.6)	(10.3%)
Pension liability	56.0	73.3	(17.3)	(23.6%)
Deferred tax liabilities	769.2	748.6	20.6	2.8%
Other noncurrent liabilities	237.8	291.8	(54.0)	(18.5%)
Total Noncurrent Liabilities	1,117.4	1,179.8	(62.4)	(5.3%)
Total Liabilities	2,132.8	2,339.8	(207.0)	(8.8%)
Equity				
Capital Stock	624.0	624.0	0	0.0%
Capital Surplus	415.1	409.9	5.2	1.3%
Cost of Share-based payment	6.3	9.2	(2.9)	(31.5%)
Retained earnings	5,353.4	4,021.8	1,331.6	33.1%
Other components of equity	1,385.4	1,352.6	32.8	2.4%
	7,784.2	6,417.5	1,366.7	21.3%
Treasury shares	(8.0)	(8.0)	0	0.0%
Total Equity	7,776.2	6,409.5	1,366.7	21.3%
Total Liabilities and Equity	9,909.1	8,749.3	1,159.8	13.3%

B. OPERATIONAL OVERVIEW AND PLAN OF OPERATION

Benguet Gold Operation (BGO) in Itogon, Benguet Province:

The Company's gold operation delivered strong performance in 2024 on the back of record gold prices inspite of challenges in the first four months of the year. It reported pre-tax income of ₱130.3 million, a turn around from the pre-tax loss of ₱7.2 million in 2023, over 4 times the pre-tax income of ₱29.2 million in 2022, although slightly lower than the pre-tax income of ₱132.5 million in 2021.

Gold production in 2024 reached 5,508.05 ounces, compared to 5,931.97 ounces in 2023, 9,402.31 ounces in 2022 and 10,675.01 ounces in 2021. Decline in production is due to lower ore milled this year. AGP milled a combined 23,667 tons ore at higher average mill head of 8.48 grams of gold per ton this year, compared to 29,195 tons at an average mill head of 7.19 grams of gold in 2023, 47,516 tons at an average mill head of 7.35 grams of gold in 2022 and 56,753 tons at an average mill head of 5.86 grams of gold in 2021.

Net revenue in 2024 amounted to ₱791.8 million, higher than the ₱627.6 million in 2023, although lower than ₱914.8 million in 2022, and ₱945.8 million in 2021. The increase in revenue is

attributed to higher price of gold partly offset by lower volume of gold sold. Gold sold in 2024 decreased to 5,750.74 ounces from 5,803.21 ounces in 2023, 9,363.56 ounces in 2022 and 10,685.25 ounces in 2021. Gold was sold at an average price of US\$2,414.80 per ounce this year compared to US\$1,941.83/ounce in 2023, US\$1,802.02/ounce in 2022 and US\$1,806.68/ounce in 2021.

With the continuous increase in price of gold, BGO plans to mine Level 2000 and below to increase its production. BGO is engaging the services of consultants to upgrade the previous study on how to mine the flooded areas on level by level basis.

On the BGO Tailings Project, search for new technologies that will yield higher recovery of gold is still on-going. The previous study conducted to reprocess the tailings using ultra-fine grinding will yield only 63% recovery.

AGP is scheduled to undergo ISO 14001:2015 recertification applicable to Mining and Processing of Gold in April 2025 by NQA Philippines, an accredited certifying body.

Sta. Cruz Nickel Project (SCNP) in Sta. Cruz, Zambales Province:

SCNP reported lower revenue in 2024 compared to 2023, 2022 and 2021. Revenue for the year amounted to ₱1.5 billion lower versus ₱1.7 billion in 2023, ₱2.9 billion in 2022, and ₱2.8 billion in 2021. The decline was attributed to lower nickel price resulting in lower volume of ore sold. SCNP sold 15 boatloads with an aggregate tonnage of 808,556 tons in 2024, versus 16 boatloads with an aggregate tonnage of 854,074 tons in 2023, 1,169,328 tons in 2022, and 1,175,050 tons in 2021. Nickel ore was sold at an average price of US\$31.39/ton this year, against US\$37.07/ton in 2023, US\$46.97/ton in 2022, and US\$47.38/ton in 2021. This resulted to income this year of ₱206.62 million, lower compared to ₱397.00 million in 2023, ₱1.0 billion in 2022, and ₱880.4 million in 2021.

Despite the drop in nickel prices primarily due to huge growth in supply of nickel pig iron from Indonesia and sluggish demand from China in 2024, the Company is optimistic that the future of nickel is still bright.

With the sustained demand for nickel, SCNP continued its mining operation and activities in Area 2 and 3 in alignment with the approved 3-year Development and Work Program.

During the MGB-III Regional Mining Summit held on June 6, 2024, BRMC was recognized for the 6 Million Man-Hours Worked without Lost Time. SCNP maintain its ISO 14001:2015 certification from NQA Philippines. The certification is valid until February 3, 2026 applicable to Mining of Nickel Ore.

Irisan Lime Project (ILP) in Baguio City:

The Company's ILP generated ₱96.8 million revenue this year, slightly lower than the ₱97.7 million in 2023, ₱105.6 million in 2022 but higher than ₱80.9 million in 2021. Lime sold declined to 6,362 DMT from 6,464 DMT in 2023, 7,237 DMT in 2022 and 7,702 DMT in 2021. The effect of lower sales volume was partly offset by the increase of sale price this year. Lime products were sold at an average price of ₱15,956/DMT this year, versus ₱15,757/DMT in 2023, ₱14,587/DMT in 2022, and ₱10,518/DMT in 2021. Pre-tax income amounted to ₱25.4 million in 2024, lower compared to ₱29.8 million in 2023, ₱24.1 million in 2022, and ₱19.6 million in 2021.

ILP was awarded Safest Mineral Processing – Calcining Plant Category Award by the Philippine Mine Safety and Environment Association (PMSEA) and DENR-Mines and Geosciences Bureau on November 22, 2024.

Benguet Antamok Gold Operation (BAGO) in Itogon, Benguet Province:

The Antamok Final Mine Rehabilitation and Decommissioning Plan (FMRDP) has undergone rigorous evaluation by both the MGB-CAR and the Contingent Liability and Rehabilitation Fund Steering Committee (CLRFSC), resulting in comprehensive revisions and updates. Phase 1

activities are in progress within the framework of the Annual Care and Maintenance Programs with total expenditure of ₱16.6 million since 2017. Out of the budgeted total of ₱40.03 million for the FMRDP, BAGO has already allocated resources to various rehabilitation initiatives, including the Liang Emergency Spillway, Liang Channel, reforestation activities, maintenance and patrolling of watershed areas, water quality monitoring, and solid waste management, as outlined in the annual Care and Maintenance Program or CMP to align with the FMRDP's objectives. Beyond outlining Decommissioning and Rehabilitation Plans for Antamok, the FMRDP also establishes dedicated funds to implement measures aimed at preventing and mitigating any identified risks and impacts stemming from previous project operation. Recently, the FMRDP has already been approved by the CLRFC. The FMRDP is instrumental in ensuring the implementation of activities geared towards the sustainability of previously operated mine site areas. For the year 2024, the Company spent ₱0.8 million for the care and maintenance of BAGO.

EXPLORATION, RESEARCH AND DEVELOPMENT

Exploration, research and development are currently undertaken by the Company's in-house team, with or assisted by consultants and other service providers, like engineering and/or drilling contractors.

Balatoc Tailings Project (BTP) in Itogon, Benguet Province:

Similar to the Acupan Contract Mining Project, BTP will be an integral part of the Acupan Gold Project geared to re-develop the Company's Benguet Gold Operation (BGO) that was suspended because of the 7.8-magnitude earthquake that occurred on July 16, 1990.

The Company currently updates the feasibility study on BTP that will reprocess the materials in its BGO gold tailings stacking facility. BTP viability becomes more attractive given the higher prices of gold and the availability of new and modern technologies that would provide higher milling recovery rate, lesser capital expenditures, and power efficient machinery, tools and equipment. The viability study covers BTP adherence to ESG investing.

Pantangan Gold Prospect in Bagac, Bataan Province:

The Pantangan property is located in Bataan peninsula and is covered by MPSA No. 154-2000-III. It remains to be a viable prospect for epithermal gold mineralization and aggregates. The Mines and Geosciences Bureau (MGB) approved the renewal of the MPSA and the Company continues to implement the drilling programs to explore the two (2) targeted areas – V9SL and V2SL being undertaken by Coreline ExploDrill Incorporated. The drilling was quite delayed due unfavorable weather condition in the region. Other activities performed during the year were continuous repair and rehabilitation of the access roads and man-way trails, hole-to-hole transfer and mobilization of the drill-rigs, coring operation, hauling of core-boxes, quick structural logging of cores, cutting of cores into halves and sampling. The Company also implemented consultation with the Indigenous Peoples (IPs).

On the aggregates prospect, the Company continues to apply for permits including road-right-of-way in the 30-hectares Quarry Permit Area (QPA) outside the MPSA. Permits of 6 QPAs are expected to be completed by year-end. The large-scale quarry in PAB-1 and 2 still needs drilling for Declaration of Mining Project Feasibility (DMPF). In the QPA area, the MGB has issued area clearance while the NCIP has issued Certificate of Non-Overlap (CNO) while the Environmental Management Bureau (EMB) has approved and released the ECC.. The Company is working on LGU consent and tree inventory for Tree Cutting Permit. Upon completion of the requirements for 6 QPAs, the Company will proceed on permitting of another 8 QPAs.

Ampucao Copper-Gold Prospect in Itogon, Benguet Province:

Ampucao is a viable prospect for the discovery of deep-seated porphyry copper-gold deposit corresponding to surface and underground initial geological evaluation done by geologists of the Company. Copper bearing formation hosted by intensely silicified quartz diorite was delineated in outcropping on a river within the Hartwell claims and at the mine levels of 1500 and 2300 of BC's

Acupan Mine. A one-(1) kilometer long deep hole of surface drilling has been suggested to probe the down-dip extension of the projected mineralization in the Ampucao prospect. This project is covered by the Company's Application for Production Sharing Agreement (APSA) which was converted to EXPA No. 0122-CAR pursuant to Section 9 of the Department of Environment and Natural Resources (DENR) AO No. 2021-25.

Zamboanga Gold Prospect (BOLCO) in R.T. Lim Zamboanga del Sur:

The property is about 150 kilometers from Zamboanga City. It straddles the common boundary of R. T. Lim, Zamboanga Sibugay and Siocon, Zamboanga del Norte and is covered with Exploration Permit No. EP-012-2023-IX. The Company has an operating agreement with Orelina Mining Corporation to explore and operate the property comprising of 399.0288 hectares. The Company has started the implementation of exploration works pursuant to the Work Program submitted to MGB Region IX.

Surigao Coal Project in Lianga, Surigao del Sur:

The Company acquired a coal property in Surigao del Sur through a Royalty Agreement with Diversified Mining Company in 1981. The property consists of 12-coal blocks with a total area of 12,000 hectares. Six-(6) coal blocks were extensively explored by way of mapping, trenching, drilling, electrical logging and topographic surveying. The ground evaluation works of the Company resulted in the delineation of seven-(7) coal seams of lignitic to sub-bituminous coal quality (steam grade). In the Company's application for a new Coal Operating Contract (COC), the Department of Energy (DoE) has declared it has passed the required bidding process. The Company awaits for the issuance of new COC subject to FPIC compliance. Market prospects for local coal with low BTU remains to be a concern, considering DoE's preference for clean energy and global shift to net-zero emissions.

Asiga Copper and Gold Prospect in Santiago, Agusan Del Norte

The property is located in Municipality of Santiago, Agusan Del Norte and covered by Exploration Permit Application No. 000259-XIII. The Company has signed an operating agreement with Asiga Mining Corporation to explore and operate the property consisting of 3,483 hectares claim holdings.

Financial Technical Assistance Agreement:

The Company and its subsidiary company, Sagittarius Alpha Realty Corporation (SARC), holds two (2) pending applications for Financial Technical Assistance Agreement (FTAA) denominated as AFTA No. 003 and AFTA No. 033. AFTA No. 003 with an area of 21,189.37 hectares covering four (4) individual parcels and is within the provincial jurisdiction of Ilocos Norte, whereas AFTA No. 033 consisting of 51,892.92 hectares covering two (2) individual parcels is situated in Apayao province. Both mineral claims lie within the porphyry copper-gold and epithermal gold mineralization belt of Northern Luzon and are still greenfield for mineral exploration. The Company already negotiated and signed four-(4) out of the five-(5) Memoranda of Agreement (MOA) with the concerned Indigenous People (IP) for the AFTA No. 003, and now awaiting confirmation from the National Commission on Indigenous People (NCIP) of the Free, Prior and Informed Consent (FPIC) requirement.

SUBSIDIARIES AND AFFILIATES

LOGISTICS

Arrow Freight and Construction Corporation (AFCC)

AFCC, the logistics provider of the Company generated ₱76.0 million revenue this year, lower compared to revenues of ₱92.4 million in 2023, ₱80.9 million in 2022, and ₱83.2 million in 2021. Revenues were derived from the 12% management fee in providing the logistical requirements of BRMC, ore loading and hauling using its own backhoes and dump trucks and equipment rental for the maintenance of tailing ponds and roads. Net income in 2024 amounted to ₱29.3 million, lower than the net income of ₱38.6 million in 2023 but higher compared to ₱26.8 million in 2022, and ₱17.9 million in 2021. Currently, AFCC has 11 units of dump truck, 4 backhoes, 1 water truck and

1 fuel tanker used by BRMC in ore loading, hauling, road maintenance and environmental maintenance of its tailing ponds. AFCC plans to purchase additional dump truck and earth moving equipment for its logistic and construction business.

Keystone Port Logistics and Management Services Corporation (KPLMSC)

KPLMSC, the port and barging services provider of the Company generated ₱63.9 million revenue, compared to ₱63.9 million revenue in 2023, ₱84.7 million 2022, and ₱78.3 million in 2021.

The revenue came from the port services and barge and management fee in handling BRMC's 808,556 tons of nickel ore exports in 2024, 854,074 tons in 2023, 1,169,328 tons in 2022, and 1,175,050 tons in 2021. Net income in 2024 amounted to ₱20.6 million, lower than ₱25.2 million in 2023, ₱40.8 million in 2022, and ₱48.4 million in 2021. Repair of the damaged side of the port is completed. Dredging of the port has been partially accomplished and expected to be completed as soon as the issue on transferring of the dredge materials is resolved. This will result in more efficient shipment loading operation for BRMC.

REAL ESTATE

BMC Forestry Corporation (BFC)

BFC manages the real estate projects and the lime kiln operation of Irisan Lime Project. BFC reported net income of ₱2.5 million this year, compared to the net income of ₱3.9 million in 2023 and ₱2.5 million in 2022, and slightly higher than the net income of ₱1.8 million in 2021.

BFC acquired a 6-hectares property in the Province of La Union for its Woodspark expansion. Land conversion is on-going from agriculture to residential. The land development is projected to commence in October 2025.

BFC plans to continue to acquire and develop new lands as part of its objective to expand its real estate projects in La Union, Pangasinan and Tarlac.

Kelly Ecozone Project (KEP)

Phased development activities of the proposed Kelly Ecozone Project (KEP) are still on hold pending resolution of tenurial issues.

Updating and assessment of improvements of small-scale miners that will be affected by the KEP and consultation with the project-affected-people (PAP) and the local government units is a continuing program.

Assessment and evaluation of areas for the agroforestry component of KEP including site preparation and sourcing of spring to supply the water needs of the project is a work in progress. Establishment of coffee plantations is also being implemented in the area.

HEALTHCARE

BenguetCorp Laboratories Inc. (BCLI)

BCLI, the healthcare provider of the Company, generated ₱45.2 million revenue this year, lower against ₱47.1 million in 2023, ₱48.8 million in 2022, and ₱47.9 million in 2021. The decrease is attributed to lost bid to service the need of major client Texas Instruments for Clinic Management and Annual Physical Examination. BCLI's net income this year amounted to ₱4.0 million, comparable to the net income of ₱3.5 million in 2023, but lower against net income of ₱8.1 million in 2022, and net income of ₱6.7 million in 2021.

BCLI continue to serve its core customers, HMO (Health Maintenance Organization), corporate clients in Baguio City, and government agencies. To further improve its laboratory services, conform with the DOH-FDA requirements and augment its income, BCLI purchased one (1) Mobile X-ray with Digital Radiography system this year and also plans to purchase one (1) Threadmill Stress Test Machine.

BCLI passed the ISO 9001:2015 - Quality Management System recertification audit conducted by TUV Rheinland in November 3, 2023 valid from January 2024 to January 2, 2027. To-date BCLI is the only free standing private medical and diagnostic facility that is ISO certified in Baguio City since 2018.

BCLI received Certificates of Recognition and Appreciation from various agencies, including DOH-CAR, Social Security System, Pagibig Fund and Baguio City Health Services, for its active support and compliance with their programs and regulations.

BENGUETCORP INTERNATIONAL LIMITED (BIL) IN HONGKONG

In 1988, the Company acquired BenguetCorp International Limited (BIL), a Hongkong-based and wholly owned subsidiary for international operations, which remains largely inactive. BIL's subsidiary, BenguetCorp USA Limited's (BUSA) renewed its claims over 217 hectares of mineral property for gold/silver in Royston Hills, Nevada, USA. The Company engaged the services of Burgex, Inc. to provide and perform services as needed to identify and evaluate mineral interest and opportunities in the property.

C. KEY PERFORMANCE INDICATORS

The Company's considered the following top five key performance indicators:

Working Capital

Working capital (current assets less current liabilities) and current ratio (current assets over current liabilities) measures the liquidity or debt paying ability of the Company. As of December 31, 2024, the Company's current ratio is 5.74:1, 4.16:1 in 2023, 3.38:1 in 2022, and 2.08:1 in 2021.

Metal Price

The Company's revenue is largely dependent on the world market prices for gold and nickel. Favorable metal prices will also have a favorable impact on the Company's revenue. The market price of gold in the Bangko Sentral ng Pilipinas which is based on world spot market prices provided by the London Metal Exchange for gold is the key indicator in determining the Company's revenue level. Average market prices for gold sold were at US\$2,414.80 per ounce this year, US\$1,941.83 per ounce in 2023, US\$1,802.02 per ounce in 2022 and US\$ 1,806.68 per ounce in 2021. Nickel ore was sold at effective average price of US\$31.39/ton this year, US\$37.07/ton in 2023, US\$46.97/ton in 2022 and US\$47.38/ton in 2021.

Tons Milled and Ore Grade

Tons milled and ore grade are key measures of operating efficiency. A lower unit production cost both in ore milled and smelting operation will result in the Company meeting, if not exceeding, its profitability targets. Tons milled totaled 23,667 this year with average ore grade of 8.48 grams per ton of gold, lower compared to 29,195 in 2023 with average ore grade of 7.19 grams per ton of gold, 47,516 in 2022 with average ore grade of 7.35 grams per ton of gold and 56,753 in 2021 with average grade of 5.86 grams per ton of gold.

Gold sold in 2024 were 5,750.74 ounces, lower than 5,803.21 ounces in 2023, 9,363.56 ounces in 2022 and 10,685.25 ounces in 2021. BRMC sold nickel ore this year with an aggregate volume of 808,556 tons ranging from 1.3% to 1.4% grade nickel ores lower compared to 854,074 tons ranging from 1.3% to 1.4% grade nickel ores, lower than 1,169,328 ranging from 1.2% to 1.4% grade nickel ores in 2022 and lower than 1,175,050 tons of 1.2% to 1.5% grade nickel ores in 2021.

Foreign Exchange Rate

The Company's sales proceeds of its gold and nickel are mainly in U.S. dollars. A higher Philippine Peso to U.S. dollar exchange rate means higher Peso sales but would also reflect a foreign exchange loss on the restatement of the Company's dollar obligations. Conversely, a lower exchange rate reduces the Company's revenue in pesos but brings foreign exchange income on the loans. As of December 31, 2024, the peso to dollar exchange rate was at ₱57.845, ₱55.37 in 2023, ₱55.82 in 2022 and ₱50.99 in 2021.

Earnings Per Share

The earnings per share ultimately reflects the Company's financial and operational growth as a result of its performance in cost management, productivity and will provide investors comparable benchmarks relative to similar companies. The increase in the sale of gold and shipment of nickel ore will have a favorable impact on the Company's net sales and income. The reported Company earnings per share in 2024 is ₱0.61, ₱0.89 in 2023, ₱2.14 in 2022 and ₱2.29 in 2021.

D. KNOWN TRENDS, EVENTS OR UNCERTAINTIES

The Company does not foresee any cash flow or liquidity problems over the next twelve (12) months. BRMC continues its mining operations and bring to the market saleable nickel ores; ILP continues to maintain steady market for quicklime products; AGP is expected to boost gold production and provide positive financial results despite upsurge in operating costs caused by escalating price of commodities and services, exorbitant power charges, fuel hikes, materials and supplies and some services. The Company will pursue innovation and enhancement of milling processes, methods, and equipment. The Company and its subsidiaries have pending claims applicable tax refunds from the Bureau of Internal Revenue.

Within the next twelve (12) months, the Company anticipates slight changes in the number of employees due to hiring of Project/Seasonal workers for the Pantangan project, BRMC, AFCC and KPLMSC.

The known trends, demands, commitments, events or uncertainties that may have a material impact on net sales or revenues or income from the operations of the Company are the prices of nickel and gold in the world market, the dollar to peso exchange rate, changes in the DENR's rules and regulations, drastic changes in fuel prices and the present economic condition affected by global health issues, war and military conflicts.

There are no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation that have not been booked. The Company could be contingently liable for lawsuits and claims arising from the ordinary course of business which are unlikely to be substantial and not presently determinable. The Company has finally settled the remaining old debt subject of the 1993 Debt Restructuring Agreement on October 22, 2024.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationship of the Company with unconsolidated entities or other persons created during the reporting period.

Except for what has been noted in the preceding paragraph, there were no material events or uncertainties known to management that had material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- 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.

- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Material changes in the financial statements of the Company from the year ended December 31, 2024 vs December 31, 2023; and
- Seasonal aspects that had a material impact on the Company's financial condition or results of operations.

IV. NATURE AND SCOPE OF BUSINESS OF THE COMPANY AND ITS SUBSIDIARIES

Benguet Corporation (the "Company" or "Benguet") is a publicly-listed company that pioneered modern mining in the Philippines. It was established on August 12, 1903 to engage in gold mining. It has since expanded into refractory chromite operation in 1934, quicklime and hydrated lime production in 1950, copper production in 1971, and then into nickel mining operation in 2007. From Benguet Consolidated Mining Company in the 1900s to Benguet Consolidated, Inc. in the decades of the 1950s to 1980s, and finally to its present corporate name, Benguet Corporation, the Company looks with pride at its 122 years of existence as a testament to its enduring legacy in mining excellence, sustainable practices and community development in the face of challenges brought about by global events, natural phenomena, economic conditions, and industry trends.

Benguet operates gold mines in Benguet Province, nickel mines in Zambales Province and limestone production facility in Baguio City. It also continues to hold interests in Ampucao Copper-Gold in Itogon, Benguet Province, Pantingan Epithermal Gold in Bataan, Zamboanga Gold in Zamboanga Del Sur, Copper Gold in Agusan Del Norte, Surigao Coal in Surigao del Sur, the Ilocos Norte and Apayao FTAA prospects, all in the Philippines and as well as mining properties in Royston Hills, Nevada, USA. Aside from mining and mineral exploration, the Company is also into healthcare and diagnostics services through its subsidiary, Benguetcorp Laboratories, Inc. (BCLI) and port and shipping services through its subsidiary, Keystone Port Logistics and Management Services Corporation (KPLMSC) and land development through its subsidiaries Agua de Oro Ventures Corporation (AOVC) and BC Property Management, Inc. (BCPM). In 1980, the Company established Benguet Management Corporation (BMC), a wholly owned non-mining subsidiary, primarily to invest in projects and enterprises that diversify, stabilize and strengthen the investment portfolio of the Benguet Group of Companies. BMC is involved in other lines of business which include logistics services through its subsidiary, Arrow Freight and Construction Corporation (AFCC); trading of construction materials, equipment and supplies through its subsidiary, Benguettrade, Inc. (BTI); and real estate development and lime kiln operation through its subsidiary, BMC Forestry Corporation (BFC).

In 1950, Benguet acquired the Irian Lime Project (ILP) from Mr. Richard L. Lile (formerly Lime Products Manufacturing). ILP is engaged in the production and trading of quicklime and hydrated lime.

In 2002, Benguet reopened Benguet Gold Operation (BGO) on a limited scale through the Acupan Contract Mining Project (ACMP) now renamed as the Acupan Gold Project (AGP). ACMP was initially conceived as a community based underground mining operation which started commercial operation in January 2003.

In 2007, Benguet developed the Sta. Cruz Nickel Project (SCNP), a surface nickel mining operation in Zambales Province operated by its wholly owned subsidiary, Benguetcorp Resources Management Corporation (BRMC). On December 10, 2010, the Company transferred the mining permit denoted as Mineral Production Sharing Agreement (MPSA) No. 226-2005-III of its SCNP, to BRMC. The transfer of the MPSA was approved by the Mines and Geosciences Bureau (MGB) on January 16, 2012.

For the past three years, Benguet and its subsidiaries have not been involved in any bankruptcy, consolidation, or purchase/sale of significant amount of assets not in the ordinary course of business.

Properties

The Company owns private and patented lands, mining and milling equipment, various automotive units/vehicles and support facilities for its gold mining operations in Itogon, Benguet Province; and Irisan Lime Project in Baguio City; port, dump trucks and mining equipment in Zambales. The Company also owns various artworks, vehicles, office furniture and computer units in its corporate office in Makati City. It likewise owns milling and support facilities at Zamboanga Gold Prospect in R.T. Lim Zamboanga del Sur, which are currently on care and maintenance basis.

The Company continues to lease office space at the Universal Re Building, 106 Paseo de Roxas, Makati City where its Corporate Head Office is situated. Rental is ₱793,659.32 per month VAT inclusive subject to 10% escalation yearly up to June 30, 2025.

Subsidiaries: BRMC (formerly BNMI) is the holder of MPSA No. 226-2005-III with an area of 1,406.74 hectares located in Sta. Cruz, Zambales. It owns assaying/laboratory equipment and various automotive equipment/vehicles for its mining business operations. BRMC continues to lease at ₱82,760.61 per month for office occupancy in Sta. Cruz, Zambales. The lease is renewable every 5 years subject to escalation rate of 7.5% every two years. Also, it leases a property being used as staff house for ₱25,000 per month net of tax subject to 10% escalation rate every two years.

KPLMSC leases a property in Candelaria, Zambales at ₱9,284.22 per month subject to 5% escalation yearly.

BFC owns 2 office condominium units (Unit 304 with a floor area of 138.27 square meters and Unit 305 with a floor area of 186.20 square meters) located in 3rd Floor One Corporate Plaza Condominium, Pasay Road, Legaspi Village, Makati City. BFC continues to develop and sell the remaining three (3) lots with an aggregate area of 1,043 square meters in its real estate project called Woodspark Rosario Subdivision located in Rosario, La Union. BFC purchased a parcel of land located in Naguillian, La Union with an area of 60,882 square meters to be developed as housing project.

BTI owns 2 residential lots where a 3 storey residential building staff house is erected with a floor area of 283 square meters. The two (2) lots have an aggregate area of about 708 square meters and are located in Monterraza Village, Barangay Tuding, Itogon, Benguet.

BCLI, a wholly owned subsidiary of the Company owns various medical instruments, medical furniture/fixtures/appliances, office and laboratory equipment for its clinic operations. BCLI continues to lease for its business operation occupancies in SM Baguio at ₱466,754.40 per month, and in Centermall, Baguio City at ₱100,015.30 per month which ends on February 28, 2025.

AFCC owns various heavy equipment/vehicles for its logistics business operations. It leases a property at ₱25,330.84 per month for office occupancy at Sta. Maria, Bulacan subject to 10% yearly escalation rate up to February 15, 2026. It also leases office space and land for motorpool purposes at Sta. Cruz, Zambales for ₱22,000.00 per month.

The Company and its subsidiaries have no intention at present to acquire any significant property in the next 12 months.

Legal Proceedings

As of December 31, 2024, the Company and its subsidiaries have no pending legal proceedings where claims exceed ten percent (10%) of total assets on a consolidated basis. The Company and its subsidiaries are involved in litigation on a number of cases and are subject to certain claims which arise in the normal course of business, none of which, in the opinion of management, is expected to have a material adverse effect on each of the Company's operations.

V. DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

The discussion regarding identity of each of the Company's Directors and Executive Officers, including their principal occupation or employment, name and principal business of any organization by which such persons are employed is presented in Item 5 titled "Directors and Executive Officers" of this Information Statement.

VI. MARKET PRICE OF AND DIVIDENDS OF THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Outstanding Shares

As of September 30, 2025, there are 214,788 shares outstanding of the Company's Convertible Preferred Class A stock with a par value of ₱3.43 per share, 429,568,838 shares outstanding of Common Class A stock and 286,015,617 shares outstanding of Common Class B stock, both with a par value of ₱1.00 per share. Each share of stock outstanding is entitled to one vote. The Common Class A and Convertible Preferred Class A shares can be owned only by Philippine nationals and the Common Class B shares may be owned by anyone regardless of nationality. The shares are traded in the Philippine Stock Exchange (PSE) under the trading symbol of "BC" for Common Class A; "BCB" for Common Class B; and "BCP" for Convertible Preferred Class A shares.

Public Ownership / Foreign Ownership

- As of September 30, 2025, the public float is 40.19% of the total outstanding shares of the Company.
- As of September 30, 2025, of the 715,799,243 total outstanding shares of the Company, 10.97% are owned (78,534,596 common Class B shares) by foreign nationals.

Market Price

As of September 30, 2025, the closing price in the PSE of the Company's common Class A is ₱5.38 per share. Closing price of common Class B as of September 30, 2025 is ₱5.30 per share. The closing price of Convertible Preferred Class A was ₱36.55 per share as of last trading on September 3, 2025.

- For First, Second and Third of 2025, the high and low prices of the Company's shares in the PSE are as follows:

	1 st Quarter	2 nd Quarter	3 rd Quarter
	2025		
<u>CONVERTIBLE PREFERRED CLASS A *</u>			
Highest Price/Share	₱16.30	₱24.40	₱36.55
Lowest Price/Share	16.30	24.40	36.55
<u>COMMON CLASS A</u>			
Highest Price/Share	₱4.20	₱4.39	₱5.74
Lowest Price/Share	3.40	3.91	4.12
<u>COMMON CLASS B</u>			
Highest Price/Share	₱4.58	₱4.30	₱6.30
Lowest Price/Share	3.43	3.80	4.10

- b) For each Quarter of 2024 and 2023, the high and low prices of the Company's shares in the PSE are as follows:

	First Quarter		Second		Third Quarter		Fourth Quarter	
	2024	2023	2024	2023	2024	2023	2024	2023
<u>CONVERTIBLE PREFERRED CLASS A*</u>								
Highest Price/Share	P24.55	P-	P17.22	P-	P18.20	P-	P23.25	P34.95
Lowest Price/Share	24.55	-	12.08	-	18.10	-	23.25	34.90
<u>COMMON CLASS A</u>								
Highest Price/Share	P4.89	P5.70	P4.55	P4.88	P4.18	P4.70	P4.18	P5.20
Lowest Price/Share	4.15	4.05	3.85	4.38	3.46	3.80	3.31	3.80
<u>COMMON CLASS B</u>								
Highest Price/Share	P5.34	P5.40	P4.83	P4.90	P4.14	P4.73	P4.19	P5.49
Lowest Price/Share	4.10	4.06	3.80	4.36	3.34	3.90	3.09	3.81

(*) No trading transactions in First, Second and Third Quarters of 2023.

- c) For each Quarter of 2022 and 2021, the high and low prices of the Company's shares in the PSE are as follows:

	First Quarter		Second		Third Quarter		Fourth Quarter	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>CONVERTIBLE PREFERRED CLASS A*</u>								
Highest Price/Share	P47.30	P27.00	P-	P30.00	P-	P45.00	P33.20	P31.55
Lowest Price/Share	47.30	18.00	-	18.90	-	45.00	23.30	31.55
<u>COMMON CLASS A</u>								
Highest Price/Share	P7.20	P3.73	P7.68	P5.88	P5.89	P5.88	P5.05	P6.58
Lowest Price/Share	4.95	2.26	5.45	2.48	4.77	4.40	4.07	4.80
<u>COMMON CLASS B</u>								
Highest Price/Share	P7.00	P3.60	P7.77	P5.58	P5.95	P5.87	P5.44	P6.40
Lowest Price/Share	4.50	2.41	5.60	2.40	4.90	4.12	4.03	4.73

(*) No trading transactions in Second and Third Quarters of 2022.

Holders:

As of September 30, 2025, the total number of stockholders in the records of the Company's stock transfer agent, Stock Transfer Service Inc. (STSI) is 16,860 (consisting of 3,102 shareholders of Common Class A; 13,172 shareholders of Common Class B; and 586 shareholders of Convertible Preferred Class A). The list of top 20 stockholders for Common Class "A", Common Class "B" and Convertible Preferred Class "A" shares of the Company are as follows:

A. Common Class "A" Share

Name	Number of Shares Held	Percent to Total Outstanding/Class
PCD Nominee Corporation (Filipino)	191,058,641	44.48%
Palm Avenue Holding Company, Inc.	65,624,727	15.28%
Palm Avenue Holdings Co. and/or Palm Avenue Realty Corp.	63,920,490	14.88%
Red Earth Mineral Resources Corporation	53,000,000	12.34%
Palm Avenue Holdings Co. and/or Palm Avenue Realty Corp.	30,834,375	7.18%

FEBTC TA 4113-000204-5 (ESPP)	5,067,846	1.18%
FEBTC T/A 4113-00204-5	3,016,623	0.70%
Sysmart Corporation	2,036,181	0.47%
Cynthia Manalili Manalang	1,500,000	0.35%
Jose Lim Ong, Jr.	844,000	0.20%
Paredes, Gabriel M. or Paredes, Marianne G.	564,900	0.13%
Sun Hung Kai Sec. A/C# Yu034	356,625	0.08%
Marilex Realty Development Corporation	331,200	0.08%
Hermogene H. Real	240,600	0.06%
Luis Juan L. Virata	234,003	0.05%
Francisco M. Vargas	219,000	0.05%
The First National Investment Corporation	188,130	0.04%
Ionian Realty and Development Corporation	148,500	0.03%
Estate of Alfonso T. Yuchengco	136,272	0.03%
Vital Ventures Management Corporation	135,000	0.03%

B. Common Class "B" Share

Name	Number of Shares Held	Percent to Total Outstanding/Class
PCD Nominee (Filipino)	123,305,483	43.11%
Palm Avenue Realty and Development Co.	43,680,000	15.27%
Red Earth Mineral Resources Corporation	37,000,000	12.94%
Cede & Co.	29,674,860	10.37%
PCD Nominee (Non-Filipino)	24,097,168	8.54%
Michael Vozar TOD Sharon K. Vozar Sub To Sta Tod Rules	736,260	0.26%
Charles F Carroll TTEE, UA 05/24/95FBO Carroll Family Trust 1	543,000	0.19%
National Financial Services	504,033	0.18%
Fairmount Real Estate, Inc.	484,257	0.17%
Independent Realty Corporation	483,441	0.17%
Evelyn B Stephanos TR UA 05/12/11 Elizabeth Bakas Irrev Trust	450,000	0.16%
Richard Soltis & Veronica T. Soltis JT Ten	396,000	0.14%
Arthur H Runk TTEE of Arthur H Runk Liv Tr U/A dtd 08/17/1990	354,000	0.12%
HSBC Private Bank (Suisse) SA9-17 Quai Des Bergues	303,795	0.11%
Garry A. Gil TTEE FBO Arthur Weir Gill Rev Tr	300,000	0.10%
William David Courtright	300,000	0.10%
Edmun S. Pomon	300,000	0.10%
William T. Coleman	300,000	0.10%
Sysmart Corporation	273,729	0.10%
Sanford E. Halperin	251,364	0.09%

C. Convertible Preferred Class "A" Share

Name	Number of Shares Held	Percent to Total Outstanding/Class
PCD Nominee Corporation (Filipino)	63,521	29.57%
Fairmount Real Estate	59,262	27.59%
Jose Concepcion, Jr.	5,000	2.33%
Reginaldo Amizola	1,737	0.81%
Evengeline Alave	1,720	0.80%
Maverick Marketing Corporation	1,720	0.80%
Jayme Jalandoni	1,380	0.64%
Rosendo U. Alanzo	1,376	0.64%
Romelda E. Asturias	1,376	0.64%
Rosalina O. Ariacho	1,324	0.62%

CMS Stock Brokerage Inc.	1,324	0.62%
Luisa Lim	1,238	0.58%
Delfin GDN Jalandoni	1,118	0.52%
Ventura O. Ducat	1,032	0.48%
Remedios Rufino	1,000	0.47%
Conchita Arms	1,000	0.47%
Carlos W. Ylanan	1,000	0.47%
Benito V. Jalbuena	1,000	0.47%
Equitiworld Securities, Inc	1,000	0.47%
B & M Incorporated	952	0.44%

Dividends

The dividend rights and restrictions of the Company's Convertible Preferred Class A, Common Class A and Common Class B stocks are contained in the Amended Articles of the Company, to wit:

"For a period of 10 years after issuance, the holders, the holders of each shares of Convertible Preferred Stock shall be entitled to receive out of surplus profits of the Corporation earned after issuance of such Stock, when and as declared by the Board of Directors, cash dividends equal to the peso amount of and payable at the same time as that declared on each share of Common Class A or Common Class B Stock. The total cash dividend payable at any given time on Common Class A, Common Class B, Convertible Preferred Stock shall not exceed seventy-five per centum (75%) of the total after-tax earnings for any current fiscal year of the Corporation from all sources.

Immediately upon the expiration of ten years from issuance, the holders of shares of Convertible Preferred Stock still outstanding shall be entitled to receive out of surplus profits of the Corporation, when and as declared by the Board of Directors, cash dividends at the fixed annual rate of eight per centum (8%) of the par value of such Stock before any cash dividends shall be declared or set apart for holders of Common Class A and Common Class B Stock. The balance of the net profits of the Corporation available for cash dividends shall be distributable exclusively to holders of Common Class A and Common Class B stock. Dividends and accrued and unpaid, if any on the Convertible Preferred Stock at the end of any given fiscal year of the Corporation shall be calculated, provided and to the extent that the net profits of the Corporation earned during such fiscal year are at least equal to the amount of such accrued and unpaid dividends; no cash dividends shall be declared and paid to holders of Common Class A and Common Class B Stock until after such accumulated, accrued and unpaid dividends on the Convertible Preferred Stock shall have been paid or provision for payment thereof made. Holders of Convertible Preferred Stock shall not be entitled to any part of stock dividends declared and issued on outstanding Common Class A and Common Class B and no stock dividends may be declared and issued on Convertible Preferred Stock."

1) Cash dividends

The Company has not declared any dividends in fiscal year 2023, 2022, and 2021 due to restrictions provided in Section 13(d) of the 1993 Debt Restructuring Agreement with the Creditors in which the Company is not allowed to declare or pay dividends to its stockholders during the pendency of the debt.

For the year 2024, the Company declared during its Special Board Meeting on October 29, 2025, cash dividend equivalent to ₱0.28 per share of the Company's outstanding Preferred Class "A" shares, and ₱0.20 per share of the Company's outstanding Common Class "A" and "B" shares with November 14, 2024 as record date for stockholders entitled to dividends and payment date set on December 10, 2024. The cash dividend was paid from Unrestricted Retained Earnings as of December 31, 2023. The cash dividend was declared after the Company has terminated on October 22, 2024, its Debt Restructuring Agreement dated 20 December 1993 and the loan security: Mortgage Trust Indenture dated 20 December 1993, Real Estate Mortgage dated 18 March 1994 and Chattel Mortgage dated 18 March 1993.

2) Stock Dividends

On August 26, 2025, the Company's Board of Directors approved the declaration of stock dividend equivalent to 25% of its outstanding common shares on record date to be determined after all regulatory approvals have been secured. This will be sourced from the increase of Authorized Capital Stock of the Company. Retained Earnings available for dividends as of December 31, 2024 is the basis of the declaration.

Recent Sales of Unregistered or Exempt Securities

- A. Under the present implementation of the Company's Stock Option Plan (the "Plan"), below are the transactions of sold stocks/exercised options in the past four years ended December 31, 2024, 2023, 2022, and 2021:
1. In the May 3, 2011 stock option grant:
 - a) 600,697 Class "A" shares at option price of ₱1.69/share with par value of ₱1.00/share;
 - b) 515,876 Class "B" shares at option price of ₱1.91/share with par value of ₱1.00/share.
 2. In the March 17, 2017 stock option grant:
 - a) 3,779,350 Class "A" shares at option price of P1.38/share with par value of P1.00/share;
 - b) 2,517,023 Class "B" shares at option price of P1.43/share with par value of P1.00/share.
- B. In 2024, the Company sold 53,000,000 shares of Common Class "A" and 37,000,000 shares of Common Class "B" in relation to the private placement of Red Earth Mineral Resources Corporation ("Red Earth").

Other than the above transactions, the Company has not sold or issued any securities within the past four years ended December 31, 2024, 2023, 2022 and 2021 which are not registered under the SRC including the sales of reacquired securities, securities issued in exchange of property, services or other securities, and new securities resulting from the modifications of outstanding securities. The shares previously granted under the Company's Stock Option Plan were exempted from registration under SEC Resolution No. 084 dated March 31, 2008 and SEC-MSRD Resolution No. 5 Series of 2020 and the listing of the shares was approved by the PSE. The shares sold to Red Earth Mineral Resources Corporation were exempted from registration requirements under Section 8 of the Securities Regulation code per SEC-MSRD letter dated August 6, 2025. The Company filed application for additional listing of stocks for subject shares in the PSE.

VII. COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

The Company continues to further improve its current code of corporate governance practices and develop an efficient and effective evaluation system and processes to measure the performance of the Board of Directors and management or determine the level of compliance of the Board of Directors and management with the Manual of Corporate Governance (the "Manual") of the Company. The Manual was adopted to institutionalize the principles of good corporate governance in the entire organization and in compliance with SEC Memorandum Circular No. 19, S2016, Corporate Governance Code for Publicly Listed Companies. The Company submitted its 2023 Integrated Annual Corporate Governance Report (2023 I-ACGR) to the Commission and the Exchange on May 30, 2024. The 2024 Integrated Annual Corporate Governance Report (2024 I-ACGR) was submitted to the Commission and the Exchange on May 30, 2025.

The directors, officers and employees adhere to leading practices and principles of good corporate governance. Corporate governance policies and principles were established to ensure that the interest of stakeholders is always taken into account; that directors, officers and employees are conducting business in a safe and sound manner; and that transactions entered into between the Company and related interests are conducted at arm's length basis and in the regular course of business. The Company confirms full compliance with its Manual of Corporate Governance. There is no incidence of deviation from the Company's Manual requiring disclosure as to the person/s and sanction/s imposed.

The Company's Corporate Governance Committee is composed of three (3) independent directors and one compliance officer namely: Dr. Bernardo M. Villegas is the Chairman and members are: Atty. Rhodora L. Dapula and Atty. Elmer B. Serrano; the Compliance Officer is Mr. Max D. Arceño.

UNDERTAKING TO PROVIDE COPIES OF THE ANNUAL REPORT AND INTERIM FINANCIAL STATEMENTS

Upon the written request of the Stockholder, the Company undertakes to provide said Stockholder without charge a printed copy of the Company's Annual Report 2024 (SEC Form 17-A) and/or the Company's Second Quarter Report (SEC Form 17-Q) for the period ended June 30, 2025 as filed with the Securities and Exchange Commission. Such written request should be addressed to: THE MANAGER, Stockholder Relations Office, Benguet Corporation, 7th Floor Universal Re-Building, 106 Paseo de Roxas, 1226 Makati City, Philippines. The Company's Information Statement (SEC Form 20-IS), Annual Report (SEC Form 17-A), and Quarterly Report (SEC Form 17-Q) are posted and downloadable on the Company's website: www.benguetcorp.com and may be accessed in the online system of PSE Edge Portal <https://edge.pse.com.ph>.

**INTERIM REPORT /
UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 30, 2025**

Information on the Company’s financial results and results of operations contained in the Interim Unaudited Consolidated Financial Statements for the period ended June 30, 2025 as filed with the SEC and PSE in the 2025 Second Quarter Report under SEC Form 17-Q are as follows:

A. REVIEW OF FINANCIAL RESULTS

a. Financial Performance

SECOND QUARTER 2025 VS. SECOND QUARTER 2024

CONSOLIDATED RESULTS OF OPERATIONS

The Company sustained its strong performance in the second quarter of 2025. Consolidated net income for the second quarter of 2025 jumped by 72.3% to ₱370.5 million, from the net income of ₱215.0 million for the same quarter in 2024. Likewise, the net income for the first six months of 2025, climbed more than 2 times from ₱267.7 million in 2024 to ₱623.9 million in 2025. The increase in net income was the net effect of the following:

Revenues

The Company registered consolidated revenues of ₱1.1 billion for the second quarter and ₱2.1 billion for the first semester of 2025, both higher compared to the revenue of ₱825.2 million and ₱1.3 billion for the same respective periods in 2024. The increases in revenue both for the second quarter and first half of this year are attributed to the continued soaring of price of gold, recovery of nickel prices and higher volume of nickel ore and gold sold during the quarter. BRMC exported 6 boatloads of nickel ore sold during the quarter with aggregate volume of 329,400 tons valued at ₱776.4 million and 13 boatloads with an aggregate volume of 709,170 tons valued at ₱1.5 billion during the first semester of 2025, compared to 7 boatloads with an aggregate volume of 372,660 tons valued at ₱659.6 million and 10 boatloads with an aggregate tonnage of 537,000 tons valued at ₱944.4 million for the first six months period in 2024. Nickel ore was sold at an average price of US\$37.63/ton for the first semester of 2025, higher compared to US\$30.93/ton for the same period last year. The Acupan Gold Project (AGP) on the other hand, contributed to revenue ₱312.2 million in the second quarter of 2025 and ₱548.7 million year to date, 133% and 92% growth from the previous year’s ₱133.92 million and ₱285.8 million. AGP sold 1,699.03 ounces of gold at an average price of US\$3,274.14 per ounce in the second quarter of 2025, better than the 1,009.67 ounces of gold sold at an average price of US\$2,312.77 in the second quarter of 2024. In the first half of 2025, AGP sold 3,122.98 oz of gold, 35% higher than last year’s 2,313.06 oz.

Operating and Other Expenses

Cost and operating expenses in the second quarter this year amounted to ₱639.0 million, higher compared to ₱588.5 million for the same quarter in 2024. For the first semester this year, cost and operating expenses increased by 34% to ₱1.4 billion from ₱1.0 billion for the same period last year. The increase/decrease was the net effect of the following:

Cost of mine products sold increased both for the second quarter and first half this year. The increase was due to the higher shipments of nickel ore.

Cost of merchandise sold, and services increased both for the second quarter and first semester this year. The increase is due to higher shipments of nickel ore handled by the Logistics subsidiaries of the Company.

Selling and general expenses increased both for the second quarter and first semester this year on account of higher volume of nickel ore sold.

Increased in taxes on revenue is attributed to higher revenue from nickel ore shipments.

Other income for the second quarter and first semester this year amounted to ₱194 thousand and ₱22.73 million, respectively. Other income this year, came from interest income on money market placements. In contrast, other income for the second quarter and first semester of 2024 amounted to ₱33.2 million and ₱55.9 million, respectively.

Provision for income tax of ₱190.5 million for the first semester this year pertain to the regular corporate income tax of Benguet Corporation, Benguetcorp Resources Management Corporation (BRMC), Arrow Freight and Construction Corporation (AFCC), Keystone Port Logistics and Management Services Corporation (KPLMSC) and BMC Forestry Corporation (BFC).

Three Months Ended June 30, 2025

Comparative figures for June 30, 2025 and June 30, 2024

Amount in Millions

	2025	2024	Change	% of Change
Revenues	1,120.7	825.2	295.5	35.8%
Cost and Operating Expenses				
Costs of mine products sold	250.7	218.9	31.8	14.5%
Costs of merchandise sold and services	38.8	26.9	11.9	44.2%
Selling and general	267.4	277.5	(10.1)	(3.6%)
Taxes on revenue	82.2	65.2	17.0	26.1%
	639.0	588.5	50.5	8.6%
Income (Loss) from Operations	481.7	236.7	245.0	103.5%
Other Income (Expense)				
Interest Income	14.9	5.3	9.6	181.1%
Foreign Exchange gain	(16.0)	10.6	(26.6)	(250.9%)
Miscellaneous – net	1.2	17.3	(16.1)	(93.1%)
	0.2	33.2	(33.0)	(99.4%)
Income before income tax	481.9	269.9	212.0	78.5%
Provision for income tax	111.4	54.8	56.6	103.3%
Net Income	370.5	215.0	155.5	72.3%

Six Months Ended June 30, 2025

Comparative figures for June 30, 2025 and June 30, 2024

Amount in Millions

	2025	2024	Change	% of Change
Revenues	2,147.4	1,295.3	852.1	65.8%
Cost and Operating Expenses				
Costs of mine products sold	544.9	409.8	135.1	33.0%

Costs of merchandise sold and services	64.1	46.4	17.7	38.1%
Selling and general	587.3	458.2	129.1	28.2%
Taxes on revenue	159.5	97.0	62.5	64.4%
	1,355.8	1,011.4	344.4	34.1%
Income (Loss) from Operations	791.6	283.9	507.7	178.8%
Other Income (Expense)				
Interest Income	25.7	7.8	17.9	229.5%
Foreign Exchange gain	(26.8)	25.6	(52.4)	(205%)
Miscellaneous – net	23.9	22.6	1.3	5.8%
	22.7	55.9	(33.2)	(59%)
Income before income tax	814.3	339.8	474.5	139.6%
Provision for income tax	190.5	72.0	118.5	164.6%
Net Income	623.9	267.7	356.2	133.0%

The 133% increase in net income pushed earnings per share from ₱0.43 to 2024 to ₱0.87 per share as of June 30, 2025.

SECOND QUARTER 2024 Vs. SECOND QUARTER 2023

CONSOLIDATED RESULTS OF OPERATION

Consolidated net income for the second quarter of 2024 amounted to ₱215.0 million, over six times the net income of ₱30.0 million in the same quarter in 2023. Net income for the first six months of 2024, however, declined from ₱438.6 million in 2023 to ₱267.7 million in 2024. The increase/decrease in net income was the net effect of the following:

Revenues

Consolidated revenues in the second quarter of 2024 rose to ₱825.2 million more than twice the ₱344.0 million revenue in the same quarter in 2023. The increase in 2024 is attributed to the seven boatloads of nickel ore sold during the quarter and the positive performance of the Acupan Gold Project in Itogon Province after restructuring its operation effective March 2024. For the first half of year 2024, consolidated revenues amounted to ₱1.3 billion, 19% lower compared to ₱1.6 billion for the same period in 2023. The decrease was due to lower price of nickel and lower volume of nickel ore sold in 2024. BRMC sold ten boatloads of nickel ore with aggregate volume of 537,000 tons valued at ₱944.4 million compared to eleven boatloads of nickel ore with aggregate volume of 586,294 tons valued at ₱1.2 billion for the first semester of 2023. For June 2024, nickel ore was sold at an average price of US\$30.938/ton versus US\$38.313/ton in 2023

Operating and Other Expenses

Cost and operating expenses in the second quarter in 2024 amounted to ₱588.7 million, higher compared to ₱352.2 million for the same quarter in 2023. For the first semester in 2024, cost and operating expenses decreased by 4% against ₱1,054.2 million for the same period in 2023. The increase/decrease was the net effect of the following:

Cost of mine products sold increased by 62% during the quarter of 2024. The increase was due to higher volume of nickel ore exported in 2024.

Cost of merchandise sold, and services increased both for the second quarter of 2024 and first semester of 2024. The increase is due to higher volume of nickel shipments managed by the Logistics Subsidiaries of the Company.

Selling and general expenses increased both for the second quarter and first semester of 2024, on account of higher volume of nickel ore sold.

Decrease in taxes on revenue in 2024 is attributed to lower revenue from nickel ore shipments on account of lower nickel price.

Other income for the second quarter and first semester in 2024 amounted to ₱33.2 million and ₱55.9 million, respectively. Comparatively, other income for the second quarter and first semester of 2023 amounted to ₱41.3 million and ₱28.6 million, respectively. Other income for the second quarter and first semester in 2024 came from the foreign exchange gain on the Company's export of nickel ore exports.

Provision for income tax of ₱72.1 million for the first semester of 2024 pertains to the regular corporate income tax of Benguet Corporation (BC), Benguetcorp Resources Management Corporation (BRMC), Arrow Freight and Construction Corporation (AFCC), Keystone Port Logistics and Management Services Corporation (KPLMSC) and BMC Forestry Corporation (BFC).

Three Months Ended June 30, 2024

Comparative figures for June 30, 2024 and June 30, 2023

Amount in Millions

	2024	2023	Change	% of Change
Revenues	825.2	344.0	481.2	139.9%
Cost and Operating Expenses				
Costs of mine products sold	218.9	135.5	83.4	61.5%
Costs of merchandise sold and services	26.9	17.8	9.1	51.1%
Selling and general	277.5	177.2	100.3	56.6%
Taxes on revenue	65.2	21.7	43.5	200.5%
	588.5	352.2	236.3	67.1%
Income (Loss) from Operations	236.7	(8.2)	228.5	(2,786.6%)
Interest Expense	0	0.0	(0.0)	(0.0%)
Other Income (Expense)				
Interest Income	5.3	1.2	4.1	341.7%
Foreign Exchange gain	10.6	17.5	(6.9)	(39.4%)
Miscellaneous – net	17.3	22.7	(5.4)	(23.8%)
	33.2	41.3	(8.1)	(19.6%)
Income before income tax	269.9	33.1	236.8	715.4%
Provision for income tax	54.8	3.1	51.7	16.7%
Net Income	215.0	30.0	185.0	616.%

Six Months Ended June 30, 2024

Comparative figures for June 30, 2024 and June 30, 2023

Amount in Millions

	2024	2023	Change	% of Change
Revenues	1,295.3	1,603.2	(307.9)	(19.2%)
Cost and Operating Expenses				
Costs of mine products sold	409.8	342.4	67.4	19.7%

Costs of merchandise sold and services	46.4	45.2	1.2	2.6%
Selling and general	458.2	544.3	(86.1)	(15.8%)
Taxes on revenue	97.0	122.3	(25.3)	(20.7%)
	1,011.4	1,054.2	(42.8)	(4.1%)
Income (Loss) from Operations	283.9	548.8	(264.9)	(48.3%)
Interest Expense	0.0	0.3	(0.3)	(100.0%)
Other Income (Expense)				
Interest Income	7.8	1.9	5.9	310.5%
Foreign Exchange gain	25.6	3.4	22.2	652.9%
Miscellaneous – net	22.6	23.2	(0.6)	(2.6%)
	55.9	28.6	27.3	95.4%
Income before income tax	339.8	577.2	(237.4)	(41.1%)
Provision for income tax	72.0	138.6	(66.6)	(48.0%)
Net Income	267.7	438.6	(170.9)	(39.0%)

b. FINANCIAL CONDITION

SIX MONTHS ENDED 2025 Vs. YEAR ENDED DECEMBER 31, 2024

Assets

The Company ended the second quarter of 2025 with consolidated total assets of ₱11.4 billion, higher than ₱10.9 billion in 2024. The increase is the net effect of the following:

Cash and cash equivalent increased by 42% primarily from cash generated from operation.

Receivables decreased from ₱741.3 million to ₱686.5 million, from collection of receivables from nickel customers.

Decrease in Financial Assets at Fair Value through Profit and Loss (FVPL) pertains to UITF.

Decrease in inventories is from the sale of nickel ore and no production of nickel ore in the first quarter this year.

Decrease in other current assets is due to VAT claim for the year 2023.

Deferred mine exploration costs increased from ₱550.5 million to ₱571.0 million. The increase is due to drilling expenses in the Pantingan Gold Prospect in Bataan.

Decrease in deferred tax assets pertain to deferred tax set up on unrealized fair value gain on Unit Investment Trust Fund (UITF).

Increase in other noncurrent assets is attributed to the additional funding of Final Mine Rehabilitation Decommissioning Plan.

Liabilities

Total consolidated liabilities as of June 30, 2025, decreased to ₱1.6 billion from ₱1.7 billion as of December 31, 2025. The decrease was due to the following:

Trade and other payables decreased by 29% from ₱604.3 million to ₱431.9 million. The decrease pertains to payment to various suppliers and contractors.

Decrease in lease liability is due to payment of rentals/leases.

Income tax payable pertain to Benguetcorp Resources Management Corporation income tax liability for the second quarter of 2025.

Equity

Retained earnings increased by 10% from the net income from operation generated this first semester.

Equity increased from ₱9.2 billion in 2024 to ₱9.8 billion from the net income generated during the first semester of this year amounting to ₱623.87 million.

Consolidated Cash Flows

The net cash provided by operating activities for the second quarter and first half of 2025 amounted to ₱259.1 million and ₱779.0 million, respectively. Comparatively, the net cash provided by operating activities in the second quarter and first semester of 2024 amounted to ₱146.9 million and ₱89.9 million, respectively.

For the first semester this year, the Company spent ₱20.5 million in exploration activities, ₱58.0 million in acquisition of property, plant equipment, and ₱71.4 million in other assets. In contrast, the Company spent ₱22.2 million in exploration activities, ₱15.3 million in other assets.

Net cash used in financing activities amounted to ₱543 thousand in the second quarter of 2025. Net cash provided from financing activities for the first half of 2025 amounted to ₱2.7 million. On the other hand, net cash used in financing activities amounted to ₱58.73 in the second quarter and ₱59.8 million for the first semester of 2024. Cash was used to pay outstanding liabilities with LS Networks Co. Ltd and retirement liability.

Comparative Figures for June 30, 2025 and December 31, 2024

Amounts in Millions

	2025	2024	Change	% of Change
Assets				
Current Assets				
Cash and cash equivalent	2,487.3	1,753.7	733.6	41.8%
Trade and other receivables	686.5	741.3	(54.8)	(7.4%)
Inventories	67.4	191.9	(124.5)	(64.9%)
Financial assets at fair value through profit or loss (FVPL)	617.1	704.6	(87.5)	(12.4%)
Other current assets	291.7	368.7	(77.0)	(20.9%)
Total Current Assets	4,150.1	3,760.3	389.8	10.4%
Noncurrent Assets				
Property, plant and equipment	2,757.8	2,716.5	41.3	1.5%
Deferred mine exploration costs	571.0	550.5	20.5	3.7%
Investment property	3,324.8	3,324.8	0.0	0%
Deferred tax assets – net	8.6	8.6	0.0	0%
Other noncurrent assets	578.0	506.6	71.4	14.1%
Total Noncurrent Assets	7,240.2	7,107.0	133.2	1.9%
Total Assets	11,390.2	10,867.3	522.9	4.8%

Liabilities and Equity				
Current Liabilities				
Loans payable	0.0	0.0	0.0	0.0%
Trade and other payables	431.9	604.3	(172.4)	(28.5%)
Lease liabilities – current	6.3	7.1	(0.8)	(11.3%)
Liability for mine rehabilitation – current	4.9	4.9	0.0	0.0%
Income tax payable	102.3	38.8	63.5	163.7%
Total Current Liabilities	545.4	655.1	(109.7)	(16.7%)
Noncurrent Liabilities				
Lease liabilities – net of current portion	8.0	8.2	(0.2)	(2.4%)
Liability for mine rehabilitation – net of current portion	48.2	48.2	0.0	0.0%
Pension liability	39.9	39.9	0.0	0.0%
Deferred income tax liabilities – net	826.8	826.8	0.0	0.0%
Other noncurrent liabilities	119.5	119.9	(0.4)	0.3%
Total Noncurrent Liabilities	1,041.9	1,042.9	(1.0)	(0.1%)
Total Liabilities	1,587.3	1,698.1	(110.8)	(7%)
Equity				
Capital Stock	716.7	714.3	2.4	0.3%
Capital Surplus	689.2	686.6	2.6	0.4%
Cost of Share-Based payment	8.2	8.2	0.0	0.0%
Other components of equity	1,573.3	1,568.4	4.9	0.3%
Retained earnings	6,823.6	6,199.7	623.9	10.1%
Treasury shares	(8.0)	(8.0)	0.0	0.0%
Total Equity	9,802.9	9,169.2	633.7	6.9%
Total Liabilities and Equity	11,390.2	10,867.3	522.9	4.8%

SIX MONTHS ENDED 2024 Vs. DECEMBER 31, 2023

Assets

The Company ended the second quarter of 2024 with consolidated total assets of ₱10.44 billion, higher than the ₱10.34 billion total assets in 2023. The increase is the net effect of the following:

Increase in Financial Assets at Fair Value through Profit and Loss (FVPL) pertains to increase in fair value of UITF.

Decrease in inventories is due to the sale of nickel ore.

Other current assets increased to ₱748.5 million from ₱660.6 million due to additional input tax from various purchases of goods and services and increase in short term investments.

Increase in deferred mine exploration expenses pertain to drilling expenses incurred in the Pantingan Gold Prospect in Bataan.

Increase in other noncurrent assets is attributed to additional long-term investments.

Liabilities

Total consolidated liabilities as of June 30, 2024, decreased to ₱1.8 billion from ₱1.97 billion as of December 31, 2023. The decrease was due to the following:

Trade and other payables decreased by 27% to ₱371.95 million from ₱507.8 million in 2023 due to payment of various payables to suppliers and contractors.

Decrease in lease liability is due to payment of rentals/leases.

Decline in income tax payable is attributed to payment of year 2023 liability of ₱33.3 million.

Pension liability slightly decreased due to payment of retirement liability.

Increase in Deferred Income tax Liabilities pertain to deferred income tax in relation to the increase to Fair Value of UITFs.

Other noncurrent liabilities decreased by 31% to ₱128.4 million from ₱185.7 million in 2023 due to payment of advances from nickel off-taker.

Equity

Retained earnings increased by 5% from the net income from operation generated the first semester of 2024.

Equity increased from ₱8.4 billion in 2023 to ₱8.6 billion arising from net income generated during the first semester of 2024 amounting to ₱267.7 million.

Consolidated Cash Flows

The net cash provided by operating activities for the second quarter and first half of 2024 amounted to ₱146.9 million and ₱89.9 million, respectively. On the other hand, the net cash used by operating activities in the second quarter of 2023 amounted to ₱277.5 million while the net cash provided for the first semester amounted to ₱224.7 million.

For the first semester of 2024, the Company spent ₱22.2 million in exploration activities, and ₱15.3 million in other assets. In comparison, the Company spent ₱22.9 million in exploration activities, ₱25.0 million in acquisition of property, plant equipment, ₱21.9 million in other assets and placed ₱126.5 million in UITF in the first half of 2023.

Net cash used in financing activities amounted to ₱58.7 million in the second quarter of 2024 and ₱59.8 million for the first semester of 2024. Payments were made on the outstanding liabilities with LS Networks Co., Ltd. and retirement liability.

Comparative Figures for June 30, 2024 and December 31, 2023**Amounts in Millions**

	2024	2023	Change	% of Change
Assets				
Current Assets				
Cash and cash equivalent	772.8	774.2	(1.4)	(0.2%)
Trade and other receivables	753.4	746.7	6.7	(0.9%)
Inventories	215.2	248.0	(32.8)	(13.2%)

Financial assets at fair value through profit or loss (FVPL)	1,357.2	1,328.8	28.4	2.1%
Other current assets	748.5	660.6	87.9	13.3%
Total Current Assets	3,847.2	3,758.2	89.0	2.4%
Noncurrent Assets				
Property, plant and equipment	2,536.1	2,566.5	(30.4)	(1.2%)
Deferred mine exploration costs	542.5	520.4	22.1	4.2%
Investment property	2,997.9	2,997.9	0.0	0.0%
Deferred tax assets – net	5.6	5.6	0.0	0.0%
Other noncurrent assets	508.7	488.9	19.8	4.0%
Total Noncurrent Assets	6,590.8	6,579.4	11.4	0.2%
Total Assets	10,438.0	10,337.6	100.4	0.9%
Liabilities and Equity				
Current Liabilities				
Loans payable	339.2	339.2	0.0	0.0%
Trade and other payables	371.9	507.8	(135.9)	(26.8%)
Lease liabilities – current	3.6	4.2	(0.6)	(14.2%)
Liability for mine rehabilitation – current	17.6	17.8	(0.2)	(1.1%)
Income tax payable	47.4	33.3	14.1	42.3%
Total Current Liabilities	779.8	902.4	(122.6)	(13.6%)
Noncurrent Liabilities				
Lease liabilities – net of current portion	4.1	4.1	0.0	0.0%
Liability for mine rehabilitation – net of current portion	44.3	44.3	0.0	0.0%
Pension liability	56.5	58.2	(1.7)	(2.9%)
Deferred income tax liabilities – net	787.3	775.9	(11.4)	(1.5%)
Other noncurrent liabilities	128.4	185.7	(57.3)	(30.9%)
Total Noncurrent Liabilities	1,020.7	1,068.2	(47.5)	(4.4%)
Total Liabilities	1,800.5	1,970.6	(170.1)	(8.6%)
Equity				
Capital Stock	624.3	624.3	0.0	0.0%
Capital Surplus	415.5	415.5	0.0	0.0%
Cost of Share-Based payment	8.1	8.1	0.0	0.0%
Other components of equity	1,422.3	1,419.5	2.8	0.2%
Retained earnings	6,175.3	5,907.6	267.7	4.5%
	8,645.5	8,375.0	270.5	3.2%
Treasury shares	(8.0)	(8.0)	0.0	0.0%
Total Equity	8,637.5	8,367.0	270.5	3.2%
Total Liabilities and Equity	10,438.0	10,337.6	100.4	1.0%

B. OPERATIONAL REVIEW

Mining

Acupan Gold Project (AGP)

On the back of the continued soaring price of gold, AGP reported a strong profit in the second quarter and first semester this year. Pre-tax income of ₱78.1 million this quarter was six times higher than the pre-tax income of ₱13.0 million in the same period in 2024. Pre-tax income for the first semester

amounted to ₱137.7 million, 137% higher than the pre-tax income of ₱16.3 million in the same period in 2024.

AGP reported higher revenue for the second quarter and first half of 2025. Net revenue for the second quarter and first half of 2025 amounted to ₱312.5 million and ₱548.7 million, respectively, both higher compared to ₱133.7 million and ₱285.5 million for the same respective periods in 2024. Increase in revenues was due to higher volume and price of gold sold this year. AGP sold 1,699.03 ounces for the second quarter and 3,122.98 ounces for the first semester in 2025. On the other hand, AGP sold 1,009.67 ounces and 2,313.06 ounces for the same respective periods in 2024. Average price of gold in the second quarter of 2025 rose to US\$3,274.14 per ounce from US\$2,312.77 per ounce for the same quarter in 2024. Likewise, for the six months period this year, the average price of gold went up to US\$3,080.45 per ounce from US\$2,181.88 for the same period last year.

Gold production in the second quarter and first half of 2025 reached 1,570.98 ounces and 3,035.60 ounces, respectively, higher compared to 1,032.71 ounces and 2,175.79 ounces for the same respective periods in 2024. Increase in production was due to higher volume of ore milled this year. AGP milled a combined 6,922.96 tons at average mill head of 8.67 grams per ton in the second quarter, higher compared to 4,307.21 tons with an average mill head of 8.79 grams per ton for the same quarter in 2024. Likewise, for the first semester, AGP milled a combined 13,189.67 tons at an average mill head of 8.22 grams per ton, compared with 9,421.18 tons at an average mill head of 8.16 grams per ton in the same period in 2024.

AGP is continuously studying its plan to mine below Level 2000 on level-by-level approach.

On the Balatoc Tailings Project, search for modern technologies that will yield higher recovery of gold is still on-going. Previous study conducted using ultra fine grinding will yield only 63% recovery.

AGP is continuously reviewing its security and safety programs to protect its property from intrusion of illegal miners/squatters and accident in the area. To implement its new security plan and program, AGP engaged another security agency.

Sta. Cruz Nickel Project (SCNP)

SCNP under its wholly owned subsidiary Benguetcorp Resources Mineral Corporation (BRMC), likewise reported significant revenue growth year on year. Revenue during the second quarter and first semester of 2025 amounted to ₱776.4 million and ₱1.5 billion, respectively, higher than ₱659.6 million and ₱944.39 million for the same respective periods in 2024.

The increase is attributed to higher volume and higher price of nickel ore sold during the quarter and first half of this year. SCNP exported six boatloads of nickel ore aggregating 329,400 tons of 1.25% to 1.5% nickel in the second quarter of 2025 versus seven boatloads of nickel ore aggregating 372,660 tons of 1.4% nickel for the same quarter last year. For the first semester this year, thirteen boatloads were sold aggregating 709,170 tons of 1.25% to 1.5% nickel against ten boatloads aggregating 537,000 tons of 1.35% to 1.45% nickel for the same period last year. Nickel ore was sold at an average price of US\$37.62/ton for the first semester of 2025, higher compared to US\$30.92/ton for the same period last year. Net income for the second quarter amounted to ₱280.2 million, more than double than the net income of ₱121.1 million for the same quarter in 2024. For the first half of 2025, net income of ₱415.3 million is almost three times higher than the net income of ₱154.7 million for the same period in 2024.

Irisan Lime Project (ILP)

The Company's ILP generated ₱20.9 million revenue for the second quarter this year, slightly higher than ₱20.0 million for the same period in 2024. For the six-month period of 2025, revenue decreased

by 9% to ₱40.6 million from ₱44.3 million for the same period in 2024. Decrease in revenue is attributable to lower volume of lime sold in 2025. For the first half of 2025, ILP sold 2,584 metric tons lower against 2,821 metric tons of lime sold in the same period in 2024. Pre-tax income for the second quarter and first semester of 2025 amounted to ₱3.6 million and ₱8.6 million, respectively, comparable to the pre-tax income for the same respective periods in 2024 amounted to ₱3.5 million and ₱8.8 million, respectively.

Benguet Antamok Gold Operation (BAGO)

Having obtained the approval of its Final Mine Rehabilitation and Decommissioning Plan (FMRDP) from the Mines and Geosciences-Cordillera Administrative Region (MGB-CAR) and the Contingent Liability and Rehabilitation Fund Steering Committee (CFLRSC), the Benguet Antamok Gold Operations (BAGO) continues to implement its environmental protection and enhancement programs under the Care and Maintenance Program (CMP). BAGO continuously implemented activities related to nursery maintenance, seedling propagation, reforestation, greening initiatives, water quality monitoring, watershed protection, and the maintenance of environmental structures. The Company has submitted its first year work and financial program for the remaining FMRDP fund for evaluation and approval by CLFRSC prior to implementation.

The FMRDP is instrumental in ensuring the implementation of its activities geared towards the sustainability of previously operated mine site areas. For the quarter in review, the Company spent ₱0.09 million for the care and maintenance of BAGO.

EXPLORATION, RESEARCH AND DEVELOPMENT

Pantangan Property

Gold Prospect

The Pantangan property, located in Bataan peninsula, is covered by MPSA No. 154-2000-III. It remains to be a viable prospect for epithermal gold mineralization and aggregates. During the quarter, the Company continued to implement the Phase 2 drilling program upon showing of encouraging results from earlier drilling data and to continue to further trace the lateral extension of the interpreted potential veining systems in the project area. Three drill holes are still in progress. Other accompanying works undertaken with the drilling operation were geological mapping and sampling, opening and maintenance of more access roads and drill pads, hole to hole transfer and mobilization of the drill-rigs coring operation, hauling of core-boxes, quick structural logging of cores, cutting of cores into halves and sampling.

Aggregates Prospect

On the aggregates prospect, the Company continues its permitting activities including permit for road-right-of-way in the 30 hectares Quarry Permit Area (QPA) outside the MPSA. Permit of 6 QPAs areas are in the final stages. The large-scale quarry in PAB-1 and 2 still needs drilling for Declaration of Mining Project Feasibility (DMPF). In the QPA area, the MGB has issued area clearance while the NCIP has issued Certificate of Non-Overlap (CNO) and the Environment and Management Bureau (EMB) has approved and released the ECC. The Company is working on LGU consent, tree inventory for Tree Cutting Permit. Upon completion of the requirements for 6QPAs, the Company will proceed on permitting of another 8 QPAs.

Zamboanga Gold Prospect

The property is about 150 kilometers from Zamboanga City and is covered by Exploration Permit No. EP-012-2023-IX. The Company has an operating agreement with Orelina Mining Corporation to explore

and operate the property comprising of 399.0288 hectares. The Company continues the implementation of the Exploration Work Program submitted to MGB region IX and will soon be preparing a resource report for DMPF.

Surigao Coal Project

The Company is holding a coal property in Surigao del Sur through a Royalty Agreement with Diversified Mining Company. The property consists of 12-coal blocks with a total area of 12,000 hectares. Six-(6) coal blocks were extensively explored by way of mapping, trenching, drilling, electrical logging and topographic surveying. The ground evaluation works of the Company resulted in the delineation of resource consisting of seven (7) coal seams of lignitic to sub-bituminous coal quality (steam grade). In the Company's application for a new Coal Operating Contract (COC), the Department of Energy (DoE) has declared it has passed the required bidding process. The Company awaits for the issuance of the new COC subject to FPIC compliance. Market prospects for local coal with low BTU remains to be a concern, considering DoE's preference for clean energy and global shift to net-zero emissions.

Asiga Copper and Gold Prospect

The property is located in Municipality of Santiago, Agusan Del Norte and covered by Exploration Permit Application No. 000259-XIII. The Company signed an operating agreement with Asiga Mining Corporation to explore and operate the property consisting of 3,483 hectares claim holdings. The Company is in the process of complying with the documentary requirements of the Exploration Permit (EP) application denominated as EXPA-000259-XIII (conversion from APSA-00001-XIII).

SUBSIDIARIES AND AFFILIATES

Logistics

Arrow Freight and Construction Corporation (AFCC)

AFCC, the logistics provider of the Company generated revenue of ₱38.9 million for the second quarter and ₱76.2 million for the first half this year, higher as compared to the revenues of ₱29.1 million and ₱50.8 million for the same periods in 2024. The revenue this quarter was derived from the ore loading and hauling contract amounting to ₱10.2 million, earth moving contract ₱15.3 million and the management fees of ₱11.7 million earned for providing and supervising BRMC-needed earthmoving equipment and dump trucks for its various mining activities. Net income for the second quarter this year amounted to ₱9.5 million, lower versus net income of ₱12.0 million for the same period in 2024. Net income for the first half of 2025 amounted to ₱27.6 million, higher compared to ₱21.1 million for the same period in 2024.

AFCC will continue to oversee the dredging activities in the Candelaria Port in October 2025.

Likewise, AFCC is now preparing for its first construction project in La Union. AFCC was tapped by BMC Forestry Corporation to manage the Land Development of its Woodspark Expansion Project in La Union.

Keystone Port Logistics and Management Services Corporation (KPLMSC)

KPLMSC, the port and barging services provider of the Company reported revenue of ₱25.0 million for the second quarter and ₱54.7 million for the first half this year, compared to the revenue of ₱29.4 million and ₱41.9 million for the same respective periods last year. Increase in revenues is on account of the higher tonnage of nickel ore exports managed from 537,000 tons in the first semester of 2024 to 709,170 tons for the same period in 2025.

Net income for the second quarter and first semester of 2025 amounted to ₱14.3 million and ₱29.0 million, respectively, against the net income of ₱13.6 million and ₱16.1 million for the same respective periods in 2024.

Dredging of the Candelaria Port will continue in October 2025 and expected to be completed as soon as the issue on transferring of dredge materials is resolved.

Real Estate

BMC Forestry Corporation (BFC)

BFC reported a net income of ₱536 thousand for the first half in 2025, lower compared to net income of ₱621 thousand for the same period in 2024. BFC continues to receive monthly installment payments from the sale of Woodspark Subdivision lots and is in the process of selling the remaining three lots, covering a total area of 1,043 square meters, with a combined valuation of ₱5.3 million.

BFC acquired a 6-hectare property in the Province of La Union for its Woodspark expansion. The land development is expected to commence in October 2025.

BFC plans to continue to acquire and develop new lands as part of its plan to expand its real estate projects in La Union, Pangasinan and Tarlac.

Kelly Ecozone Project (KEP)

Phased development activities of the proposed Kelly Ecozone Project (KEP) are still on hold pending resolution of tenurial issues.

Updating and assessment of improvements of small-scale miners that will be affected by the KEP and consultation with the project-affected-people (PAP) and the local government units are continuing programs.

Assessment and evaluation of areas for the agroforestry component of KEP including determination of potential areas for land development, site preparation and sourcing of spring to supply water needs of the project are in progress.

Healthcare

Benguetcorp Laboratories, Inc. (BCLI)

BCLI reported revenue of ₱13.4 million for the second quarter and ₱23.5 million for the first half this year, higher versus ₱10.6 million and ₱20.7 million for the same periods last year. BCLI reported net income of ₱3.2 million for the second quarter of 2025, higher against ₱643 thousand net income for the same quarter last year. For the same reason, net income for the first half of 2025 amounted to ₱3.7 million, three times higher compared to net income of ₱1.2 million for the same period of 2024.

BCLI Center Mall Clinic in Baguio City has been experiencing losses since the pandemic in 2021. To mitigate further losses, the management recommended the closure of the clinic. The permanent closure was approved by the Board of Directors on January 15, 2025.

Benguetcorp International Limited

In 1988, the Company acquired BenguetCorp International Limited (BIL), a Hongkong-based and wholly owned subsidiary for international operations, which remains largely inactive. BIL's subsidiary, BenguetCorp USA Limited's (BUSA) renewed its claims over 217 hectares of mineral property for

gold/silver in Royston Hills, Nevada, USA. The Company engaged the services of Burgex, Inc. to provide and perform services as needed to identify and evaluate mineral interests and opportunities available for the project.

C. ENVIRONMENTAL PROTECTION AND COMMUNITY RELATIONS

The Company continues to implement the respective environmental protection and enhancement program for the second quarter of this year for its nickel, gold and lime operations. These programs and activities include massive reforestation in support of the Government's National Greening Program, Mining Forest Program, and Bamboo Plantation Program, enhancement of land resources which includes progressive maintenance of various environmental structures such as the Tailings Storage Facility and its appurtenances, drainage tunnels, and strict implementation of hazardous and solid waste management, and water, air and noise quality monitoring. These efforts are regularly monitored and validated by the Multi-Partite Monitoring Team (MMT), and the Mine Rehabilitation fund Committee (MRFC). The Company spent a total of P7.9 million for these purposes for the second quarter this year.

The Company continued to partner with its host and neighboring communities in the implementation of its Social Development and Management Programs (SDMP). Such programs include educational support, medical assistance, infrastructure development, disaster risk reduction programs and monitoring activities, and continuing support on various activities concerning Information Education Communication (IEC) and Development of Mining Technologies and Geosciences (DMTG). The total expenditure for the second quarter of 2025 for these activities was P3.6 million.

D. KEY PERFORMANCE INDICATORS

The Company's management intends to analyze future results of operations through the following

1. **Working Capital**
Working capital (current assets less current liabilities) and current ratio (current assets over current liabilities) measures the liquidity or debt paying ability of the Company. As of June 30, 2025, the Company's current ratio is 7.61:1 versus 4.93:1 for the same period in 2024, 4.32:1 in 2023, and 3.16:1 in 2022.
2. **Metal Price**
The Company's revenue is largely dependent on the world market prices for gold and nickel. Favorable metal prices will also have a favorable impact on the Company's revenues. The market price of gold used by the Bangko Sentral ng Pilipinas is based on world spot market prices provided by the London Metal Exchange. The price of gold is the key indicator in determining the Company's revenue level. The average market prices for gold sold were at US\$3,274.14 per ounce this quarter, as compared to average price of US\$2,312.77 per ounce, US\$1,998.89 per ounce and US\$1,888.30 per ounce for the same period in 2024, 2023 and 2022. Nickel ores were sold at average price of US\$41.45/ton this quarter against US\$30.94/ton, US\$29.48/ton, and US\$52.01/ton for the same periods in 2024, 2023 and 2022.
3. **Tons Mill and Ore Grade**
Tons milled and ore grade are key determinant of gold sales volume. The higher tons milled and ore grade are directly proportional to revenue level. For this quarter, tons milled were 6,923 tons of ore with average grade of 8.67 grams per ton gold, tons milled were 4,307 tons of ore with average grade of 8.79 grams per ton gold, as compared to 6,700 tons of ore with average grade of 5.91 grams per ton gold, and 13,219 tons of ore with average grade of 5.87 grams per ton gold for the

same periods in 2024, 2023 and 2022. Gold sold this second quarter were 1,699.03 ounces versus 1,009.67 ounces, 1,074.08 ounces, and 2,493.16 ounces for the same period in 2024, 2023 and 2022. Nickel ores produced depend on customer specification or market demand which price is also dependent on the nickel content classified as high-grade and low-grade nickel ore. Nickel ore sold this 2025 second quarter were 329,400 tons compared to 372,660 tons, 109,080 tons, and 427,193 tons in the same periods in 2024, 2023 and 2022.

4. Foreign Exchange Rate

The Company's sales proceeds are denominated mainly in U.S. dollars. A higher Philippine peso to U.S. dollar exchange rate means higher peso sales but would also reflect a foreign exchange loss on the restatement of the Company's dollar obligations. Conversely, a lower exchange rate reduces the Company's revenue in pesos but brings foreign exchange income on the loans. As of June 30, 2025, the peso to dollar exchange rate was at ₱56.33 as compared to ₱58.61, ₱55.20 and ₱54.975 for the same period in 2024, 2023 and 2022. The volatility of the foreign currency exchange rates will continue to affect the Company's results of operations in the foreseeable future.

5. Earnings Per Share

The Company's earnings per share ultimately reflects the Company's financial and operational growth as a result of its performance, cost management, productivity and will provide investors comparable benchmarks relative to similar companies. The reported Company earnings per share this semester is ₱0.87 as compared to ₱0.43, ₱0.70 and ₱1.56 earnings per share in the same periods in 2024, 2023 and 2022.

6. The key performance indicator used for the Company's subsidiaries is Net Income, which is discussed in the Subsidiaries and Affiliate portion of the Operational Review of this report.

E. KNOWN TRENDS, EVENTS OR UNCERTAINTIES

The Company does not foresee any cash flow or liquidity problems over the next twelve (12) months. BRMC will continue to market saleable nickel ores inventory from stockpile areas. ILP continues to have steady market for quicklime products, while AGP is expected to improve gold production due to coordinated effort between departments in the enhancement of milling processes, methods and equipment. The Company and its subsidiaries continue to claim available tax refunds from the Bureau of Internal Revenue.

Within the next twelve months, the Company anticipates changes in the number of employees due to hiring of Project/Seasonal workers for the Pantingan project, BRMC, AFCC, KPLMSC and BCLI.

The known trends, demands, commitments, events or uncertainties that may have a material impact on net sales or revenues or income from continuing operations of the Company are the prices of nickel and gold in the world market, the dollar to peso exchange rate, changes in the DENR's rules and regulations, effects of climate change, drastic changes in fuel prices, and present economic condition affected by global health issues, wars and military conflicts.

There are no known events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation that have not been booked although, the Company could be contingently liable for lawsuits and claims arising from ordinary course of business which are not presently determinable.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationship of the Company with unconsolidated entities of other persons created during the reporting period.

The Company continues to fund the capital requirements of its Acupan mine expansion program to enhance mining and milling efficiency and exploration and development of Pantingan Gold Prospect. The sales of gold, nickel ore and quicklime are the sources of funds for capital expenditures. The increase in the sales of gold and shipment of nickel will have a favorable impact on the Company's net sales and income.

Except for what has been noted in the preceding paragraph, there were no material events or uncertainties known to management that had material impact on past performance, or that would have a material impact on the future operations, in respect of the following:

- Significant elements of income or loss that did not arise from the Company's continuing operations;
- Material commitments for capital expenditures that are reasonably expected to have a material impact on the Company's short-term or long-term liquidity;
- Seasonal aspects that had a material impact on the Company's results of operations; and
- Material changes in the financial statements of the Company.

BENGUET CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025 AND DECEMBER 31, 2024
(Amounts in Thousands)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	₱2,487,277	₱1,753,715
Trade and other receivables	686,506	741,276
Inventories	67,391	191,940
Financial assets at fair value through profit or loss (FVPL)	617,148	704,637
Other current assets	291,744	368,716
Total Current Assets	4,150,066	3,760,284
Noncurrent Assets		
Property, plant and equipment	2,757,793	2,716,511
Deferred mine exploration costs	571,019	550,505
Investment property	3,324,759	3,324,759
Deferred tax assets - net	8,581	8,685
Other noncurrent assets	578,007	506,577
Total Noncurrent Assets	7,240,159	7,107,037
TOTAL ASSETS	₱11,390,225	₱10,867,321
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱431,900	₱604,319
Lease liabilities – current	6,332	7,107
Liability for mine rehabilitation – current	4,869	4,869
Income tax payable	102,256	38,849
Total Current Liabilities	545,357	655,144
Noncurrent Liabilities		
Lease liabilities – net of current portion	8,034	8,158
Liability for mine rehabilitation – net of current portion	48,151	48,151
Pension liability	39,963	39,963
Deferred income tax liabilities - net	826,288	826,761
Other noncurrent liabilities	119,511	119,939
Total Noncurrent Liabilities	1,041,947	1,042,972
Total Liabilities	1,587,304	1,698,116
Equity		
Capital stock	716,666	714,277
Capital surplus	689,236	686,627
Cost of share-based payment	8,225	8,225
Retained earnings	6,823,555	6,199,684
Other components of equity	1,573,255	1,568,408
	9,810,937	9,177,221
Cost of 116,023 shares held in treasury, ₱69 per share	(8,016)	(8,016)
Total Equity	9,802,921	9,169,205
TOTAL LIABILITIES AND EQUITY	₱11,390,225	₱10,867,321

BENGUET CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(With Comparative Figures for the six months ended June 30, 2024)
(Amounts in Thousands)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30		JUNE 30	
	2025	2024	2025	2024
REVENUES	₱1,120,782	₱825,190	₱2,147,367	₱1,295,265
COSTS AND OPERATING EXPENSES				
Costs of mine products sold	250,715	218,888	544,911	409,783
Costs of merchandise sold and services	38,809	26,865	64,127	46,394
Selling and general	267,356	277,542	587,267	458,240
Taxes on revenue	82,154	65,237	159,453	96,992
	639,034	588,532	1,355,758	1,011,409
INCOME (LOSS) FROM OPERATIONS	481,748	236,658	791,609	283,856
OTHER INCOME (EXPENSE)				
Interest income	14,985	5,323	25,658	7,792
Foreign exchange gains (losses) – net	(16,032)	10,563	(26,846)	25,554
Miscellaneous – net	1,241	17,320	23,913	22,578
	194	33,206	22,725	55,924
INCOME BEFORE INCOME TAX	481,942	269,864	814,334	339,780
PROVISION FOR INCOME TAX	111,405	54,824	190,463	72,046
NET INCOME	₱370,537	₱215,040	₱623,871	₱267,734
BASIC EARNINGS PER SHARE	₱0.52	₱0.35	₱0.87	₱0.43
DILUTED EARNINGS PER SHARE	₱0.52	₱0.34	₱0.87	₱0.43

BENGUET CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(With Comparative Figures for the six months ended June 30, 2024)
(Amounts in Thousands)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30		JUNE 30	
	2025	2024	2025	2024
NET INCOME	₱370,537	₱215,040	₱623,871	₱267,734
OTHER COMPREHENSIVE INCOME				
(LOSS)				
<i>Items to be reclassified to profit or loss in subsequent periods:</i>				
Translation adjustment on foreign subsidiaries	(2,833)	2,083	(2,809)	2,793
OTHER COMPREHENSIVE INCOME				
(LOSS)	(2,833)	2,083	(2,809)	2,793
TOTAL COMPREHENSIVE INCOME	₱367,704	₱217,123	₱621,062	₱270,527

BENGUET CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED JUNE 30, 2025
(With Comparative Figures for the six months ended June 30, 2024)
(Amounts in Thousands)

	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	December 31, 2024 (Audited)
CAPITAL STOCK	₱716,666	₱624,211	₱714,277
CAPITAL SURPLUS	689,236	415,189	686,627
REVALUATION INCREMENT	1,512,073	1,362,051	1,504,417
CUMULATIVE TRANSLATION ADJUSTMENT			
Balance at beginning of period	43,319	41,064	41,064
Translation adjustment	(2,809)	2,793	2,255
Balance at end of period	40,510	43,857	43,319
COST OF SHARE-BASED PAYMENT			
Balance at beginning of period	8,225	8,104	8,104
Stock options vested	–	–	1,201
Cancellation of stock options	–	–	(1,080)
Balance at end of period	8,225	8,104	8,225
UNREALIZED GAIN ON FINANCIAL ASSETS AT FVOCI			
Balance at beginning of period	165	371	371
Other comprehensive income (loss)	–	–	(206)
Balance at end of period	165	371	165
REMEASUREMENT LOSS ON PENSION LIABILITY	20,399	15,908	20,399
UNREALIZED GAIN ON INTANGIBLE ASSET	108	108	108
RETAINED EARNINGS			
Balance at beginning of period	6,199,684	5,907,571	5,907,571
Dividend declaration	–	–	(143,557)
Net income for the period	623,871	267,734	435,670
Balance at end of period	6,823,555	6,175,305	6,199,684
TREASURY SHARES	(8,016)	(8,016)	(8,016)
TOTAL EQUITY	₱9,802,921	₱8,637,512	₱9,169,205

BENGUET CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(With Comparative Figures for the six months ended June 30, 2024)
(Amounts in Thousands)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30		JUNE 30	
	2025	2024	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	₱481,942	₱269,864	₱814,334	₱339,780
Adjustments for:				
Depreciation, depletion and amortization	12,797	9,711	21,383	24,471
Unrealized foreign exchange loss	(3,195)	2,083	1,800	2,793
Fair value gain on financial assets at FVPL	(6,204)	(21,445)	(14,304)	(21,445)
Decrease (increase) in:				
Trade and other receivables	(42,081)	(23,195)	52,643	(6,709)
Inventories	3,048	70,902	124,549	32,717
Prepaid expenses and other current assets	(9,387)	(21,901)	68,167	(87,938)
Decrease in trade and other payables	(59,926)	(81,201)	(171,682)	(135,854)
Payment of income tax	(117,907)	(57,948)	(117,907)	(57,948)
Net cash from (used in) operating activities	259,087	146,870	778,983	89,867
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in:				
Property, plant and equipment	(53,881)	6,089	(57,983)	5,983
Deferred exploration costs	(4,802)	s(17,910)	(20,514)	(22,163)
Other assets	(79,453)	(42)	(71,430)	(15,303)
Financial assets at FVPL	93,693	15,628	101,793	—
Net cash from (used in) investing activities	(44,443)	3,765	(48,134)	(31,483)
CASH FLOWS FROM FINANCING ACTIVITIES				
Exercise of stock options	629	—	4,998	—
Increase (decrease) in:				
Lease liabilities	(744)	(304)	(1,857)	(620)
Liability for mine rehabilitation	—	(203)	—	(203)
Pension liability	—	—	—	(1,675)
Other noncurrent liabilities	(428)	(58,225)	(428)	(57,283)
Net cash used in financing activities	(543)	(58,732)	2,713	(59,781)
NET DECREASE IN CASH AND CASH EQUIVALENTS	214,101	91,903	733,562	(1,397)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,273,176	680,892	1,753,715	774,192
CASH AND CASH EQUIVALENTS AT END OF PERIOD	₱2,487,277	₱772,795	₱2,487,277	₱772,795

BENGUET CORPORATION AND SUBSIDIARIES**EARNINGS PER SHARE COMPUTATION****FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024****(Amounts in Thousands, Except for the Number of Shares)**

	June 30	
	2025	2024
Net income	₱623,871	₱267,734

Number of shares for computation of:

	June 30	
	2025	2024
<u>Basic earnings per share</u>		
Weighted average common shares issued	714,481,447	623,532,198
Less treasury stock	348,069	348,069
Weighted average common shares outstanding	714,133,378	623,184,129
<u>Diluted earnings per share</u>		
Weighted average common shares issued	714,481,447	623,532,198
Less treasury stock	348,069	348,069
	714,133,378	623,184,129
Conversion of preferred stock	2,037,801	2,059,366
Stock options	1,214,853	3,472,170
	717,386,032	628,715,665
Basic earnings per share	₱0.87	₱0.43
Diluted earnings per share	₱0.87	₱0.43

BENGUET CORPORATION AND SUBSIDIARIES

FINANCIAL SOUNDNESS INDICATORS

FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

	June 30	
	2025	2024
Profitability Ratio		
Return on asset	0.05:1	0.03:1
Return on equity	0.06:1	0.03:1
Gross profit margin	0.72:1	0.65:1
Operating profit margin	0.37:1	0.22:1
Net profit margin	0.29:1	0.21:1
Liquidity and Solvency Ratio		
Current ratio	7.61:1	4.93:1
Quick ratio	5.82:1	1.96:1
Solvency ratio	7.18:1	5.80:1
Financial Leverage Ratio		
Asset to equity ratio	1.16:1	1.21:1
Debt ratio	0.14:1	0.17:1
Debt to equity ratio	0.16:1	0.21:1
Interest coverage ratio	0.00:1	0:1

BENGUET CORPORATION AND SUBSIDIARIES**AGING OF RECEIVABLES****AS OF JUNE 30, 2025****(Amounts in Thousands)**

TYPE OF RECEIVABLES	LESS THAN 30 DAYS	30 TO 60 DAYS	LESS THAN ONE YEAR	ONE TO TWO YEARS	THREE TO FIVE YEARS	MORE THAN FIVE YEARS	TOTAL
Trade receivables	₱68,003	₱7,985	₱17,018	₱8,593	₱18,653	₱77,862	₱198,114
Allowance for doubtful accounts	–	–	–	–	–	(31,905)	(31,905)
Trade receivables – net	68,003	7,985	17,018	8,593	18,653	45,957	166,209
Nontrade receivables:							
Officers and employees	10,868	3,441	5,401	–	3,495	105,216	128,421
Others	1,068	6,824	7,645	–	19,232	488,063	522,832
Total	11,936	10,265	13,046	–	22,727	593,279	651,253
Allowance for doubtful accounts	–	–	–	–	–	(130,956)	(130,956)
Nontrade receivables - net	11,936	10,265	13,046	–	22,727	462,323	520,297
Trade and other receivables - net	₱79,939	₱18,250	₱30,064	₱8,593	₱41,380	₱508,280	₱686,506

BENGUET CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

1. Corporate Information

Benguet Corporation (the Ultimate Parent Company) was incorporated on August 12, 1903 was listed in the Philippine Stock Exchange (PSE) on January 4, 1950. On June 18, 1956 and June 19, 2006, the Philippines Securities and Exchange Commission (SEC) approved the extension of the Parent Company's corporate life for another 50 years.

The Parent Company is currently engaged in gold, nickel, and other metallic and nonmetallic mineral production, exploration, research and development and natural resource projects. The nature of business of the Parent Company's subsidiaries are summarized in Note 2 to the consolidated financial statements.

The Parent Company's registered office address is 7th Floor Universal Re Building, 106 Paseo de Roxas, 1226 Makati City.

2. Summary of Significant Accounting Policies

Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis, except for land and artworks classified as property, plant and equipment, which have been measured at revalued amounts, financial assets at fair value through other comprehensive income (FVOCI), financial assets at fair value through profit or loss (FVPL), intangible asset under "other noncurrent assets" and investment properties, which have been measured at fair value. The unaudited interim condensed consolidated financial statements are presented in Philippine peso, the Company's functional currency under Philippine Financial Reporting Standards (PFRS) and as adopted by the Philippine SEC. All amounts are rounded to the nearest thousands (₱000), except when otherwise indicated.

Statement of Compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. Accordingly, the unaudited interim condensed consolidated financial statements of Benguet Corporation (the Company) and its subsidiaries (the Group) do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2024.

Changes in Accounting Standards and Interpretation

Effective beginning on or after January 1, 2025

- *Amendments to PAS 21, Lack of exchangeability*

Adoption of the pronouncement did not have any significant impact on the Group's financial position or performance.

Financial Assets

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and FVPL.

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 FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payment 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. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model.

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

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortized cost (debt instruments)

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 receivables, loan receivable, receivables from lessees of bunkhouses and short-term investments under "Other current assets".

Financial assets at FVPL

Financial assets at FVPL 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.

The Group's financial assets at FVPL include its investments in unit investment trust fund (UITF).

Financial assets at FVOCI

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in the consolidated statement of comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group's financial assets at FVOCI include investments in quoted shares.

Impairment

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

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

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 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 publicly available ratings to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other receivables, the Group calculates ECLs at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs.

At each 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 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 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 also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

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

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

Subsequent Measurement - Financial liabilities at amortized cost (loans and borrowings)

After initial measurement, interest-bearing loans, non-interest-bearing liabilities and borrowings 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.

The Group's financial liabilities include loans payable, trade payables and accrued expenses under "trade and other payables", lease liabilities and equity of claim owners on contract operations under "other noncurrent liabilities".

Fair Value Measurement

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

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

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

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

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

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

3. Summary of Significant Accounting Judgments, Estimates and Assumptions

The preparation of the unaudited interim condensed consolidated financial statements in accordance with PFRS requires the Group to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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. Actual results could differ from such estimates.

Judgments

In the process of applying the Group's accounting policies, management has made following judgments, which have the most significant effect on the amounts recognized in the unaudited interim condensed consolidated financial statements.

Assessing Provisions and Contingencies

The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the Group's defense in these matters and is based upon an analysis of potential results. The Group assessed that these proceedings will not have a material adverse effect on its financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

Distinction between Investment Property and Owner-Occupied Property

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property is not occupied substantially for use by, or in operations of the Group, not for sale in the ordinary course of business, but is held primarily to earn rental income or capital appreciation. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in the production or supply.

Principal versus Agent Considerations

The Group enters into contracts with customers wherein the Group charges the customers for the services rendered. The Group determined that it does not control the goods or services before they are transferred to customers, and it does not have the ability to direct the use of the services or obtain benefits from the services. The following factors indicate that the Group does not control the services before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.

- The Group is not primarily responsible for fulfilling the promise to provide the professional services.
- The Group has no discretion in establishing the price for the services provided. The Group's consideration in these contracts is only based on the difference between the Group and the customer.

The Group determined that it is an agent with respect to the professional fees of its tenant doctors. Meanwhile, the Group concluded that it is the principal in all its other revenue streams.

Assessing Recoverability of Deferred Mine Exploration Costs

The Group reviews the recoverability of deferred mine exploration costs when events or changes in circumstances indicate that the carrying amount of deferred mine exploration costs may exceed its estimated recoverable amount. The Group considers the following factors, among others, in its assessment:

- Status of each mine exploration project and plans on exploration and evaluation activities
- Validity of the licenses, permits and correspondences related to each mine exploration project
- Plans to abandon existing mine areas and plans to discontinue exploration activities
- Availability of information suggesting that the recovery of expenditure is unlikely

The Group's ability to realize its deferred exploration costs depends on the success of exploration and development work in proving the viability of its mining properties to produce minerals in commercial quantities, and the success of converting the Group's exploration permits to new mineral agreements, which cannot be determined at this time. The consolidated financial statements do not include any adjustment that might result from these uncertainties.

As at June 30, 2025 and December 31, 2024, deferred mine exploration costs amounted to ₱571.02 million and ₱550.51 million, respectively.

Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year, are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when these occur.

Provision for Expected Credit Losses on Trade and Other Receivables

The Group uses the simplified approach in the assessment of the ECL for its trade receivables and general approach model for its other receivables excluding advances to officers and employees. An assessment of the ECL relating to this financial asset is undertaken upon initial recognition and each financial year and involves exercise of significant judgment. Key areas of judgment include defining default, determining assumptions to be used such as timing and amounts of expected net recoveries from defaulted accounts, determining debtor's capacity to pay, and incorporating forward looking information.

The carrying amount of trade and other receivables, excluding advances to officers and employees, amounted to ₱618.49 million and ₱683.06 million as at June 30, 2025 and December 31, 2024, respectively.

Estimating Ore Reserves

Ore reserves estimates are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies. 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 Group also makes estimates and assumptions regarding a number of economic and technical factors affecting ore reserves estimates, such as production rates, grades, foreign exchange rates, production and transport costs, and commodity prices.

These geological, economic and technical estimates and assumptions may change in the future in ways, which can affect the quality and quantity of the ore reserves. The Group reviews and updates estimates as required 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 gold prices or production costs, and other factors.

Changes in the ore reserves estimates may impact the carrying values of mine and mining properties under “property, plant and equipment, liability for mine rehabilitation and decommissioning and depletion charges.

As at June 30, 2025 and December 31, 2024, carrying values of mine and mining properties amounted to ₱638.49 million and ₱645.36 million, respectively.

As at June 30, 2025 and December 31, 2024, liability for mine rehabilitation amounted to ₱53.02 million.

Estimating Recoverability of Property, Plant and Equipment

The Group assesses impairment on property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

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

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

In determining the present value of estimated future cash flows expected to be generated from the continued use of the property, plant and equipment, the Group is required to make estimates and assumptions such as commodity prices (considering current and historical prices, price trends and related factors), discount rates and foreign currency exchange rates, operating costs, future production levels and costs. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets. In such circumstances, some or all of the carrying amount of the assets may be further impaired or the impairment charge reduced with the impact recognized in the consolidated statement of income.

As at June 30, 2025 and December 31, 2024, property, plant and equipment (at cost) amounted to ₱781.13 million and ₱743.91 million, respectively.

Estimating Allowance for Inventory Obsolescence

The Group maintains allowance for inventory losses at a level considered adequate to reflect the excess of cost of inventories over their NRV. NRV of inventories are assessed regularly based on prevailing estimated selling prices of inventories and the corresponding cost of disposal. Decrease in the NRV of inventories resulting in an amount lower than the original acquisition cost is accounted for as an impairment loss that is recognized in profit or loss.

As at June 30, 2025 and December 31, 2024, the carrying value of inventories amounted to ₱67.39 million and ₱191.94 million, respectively.

Assessing Impairment of Input VAT under Other Current Assets and Advances to Contractors and Suppliers and Input VAT under Noncurrent Assets

The Group provides allowance for impairment losses on input VAT under other current assets and advances to contractors and supplies and input VAT under noncurrent assets when these can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for probable loss would increase recorded expenses and decrease other current and noncurrent assets.

The total carrying value of input VAT under other current assets and advances to contractors and suppliers and input VAT under noncurrent assets amounted to ₱574.21 million and ₱491.55 million as at June 30, 2025 and December 31, 2024, respectively.

Revaluation of Property, Plant and Equipment and Investment Properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in the consolidated statement of income. In addition, it measures the land and artworks at revalued amounts, with changes in fair value being recognized in other comprehensive income. The land, artworks and investment properties were valued using the sales comparison approach. The determination of the fair values of these properties involves significant management judgment and estimations. The valuation also requires the assistance of external appraisers whose calculations also depend on certain assumptions, such as sales and listing of comparable properties registered within the vicinity and adjustments to sales price based on internal and external factors.

As at June 30, 2025 and December 31, 2024, the appraised value of land and artworks, and investment properties amounted to ₱5,301.42 million and ₱5,297.36 million, respectively.

Unit-of-production (UOP) depreciation

Estimated economically recoverable reserves are used in determining the depreciation and/or amortization of mine-specific assets. This results in a depreciation/amortization charge proportional to the depletion of the anticipated remaining life-of-mine production. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation/amortization could be impacted to the extent that actual production in the future is different from current forecast production based on economically recoverable reserves, or if future capital expenditure estimates change. Changes to economically recoverable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on economically recoverable reserves of differences between actual commodity prices and commodity price assumptions
- Unforeseen operational issues

Changes in estimates are accounted for prospectively.

As at June 30, 2025 and December 31, 2024, the carrying amount of mine and mining properties amounted to ₱638.49 million and ₱645.36 million, respectively. Carrying amount of mine rehabilitation asset amounted to ₱25.67 million as of June 30, 2025 and December 31, 2024.

Leases – Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR 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 right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

The Group’s lease liabilities amounted to ₱14.37 million and ₱15.27 million as at June 30, 2025 and December 31, 2024, respectively.

Estimating Liability for Mine Rehabilitation

The Group estimates the costs of mine rehabilitation based on previous experience in rehabilitating fully mined areas in sections of the mine site. These costs are adjusted for inflation factor based on the average annual inflation rate as of adoption date or re-evaluation of the asset dismantlement, removal or restoration costs. Such adjusted costs are then measured at present value using the market interest rate for a comparable instrument adjusted for the Group’s credit standing. While management believes that its assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in the assumptions may materially affect the Group’s liability for mine rehabilitation.

Liability for mine rehabilitation amounted to ₱53.02 million as at June 30, 2025 and December 31, 2024.

Estimating Pension Benefits

The cost of defined benefit pension benefits as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at the end of each reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases, and pension increases are based on expected future inflation rates for the Philippines.

Net pension liability of the Group amounted to ₱39.96 million as at June 30, 2025 and December 31, 2024.

Assessing Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each end of the reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Management believes that there is no assurance that the Group will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized.

The Group recognized deferred tax assets amounting to ₱103.59 million as at June 30, 2025 and December 31, 2024.

4. Financial Risk Management Objectives and Policies

The Group has various other financial instruments such as cash and cash equivalents, trade receivables, receivable from lessees of bunkhouses, and loan receivable under “other noncurrent assets”, trade and accrued expenses under trade and other payables and lease liabilities, which arise directly from its operations. Other financial assets include financial assets at FVPL and FVOCI.

The significant risks arising from the Group’s financial instruments are liquidity risk, credit risk and interest rate risk. The BOD reviews and agrees policies for managing each of these risks and these are summarized below.

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and availment of suppliers’ credit. The long-term relationship of the Group to its suppliers gives it the advantage to negotiate the payment terms.

As part of its liquidity risk management, the Group has access to sufficient external funding and loans payable maturing within 12 months can be rolled over with existing lenders. It also continuously assesses conditions in the financial markets for opportunities to avail bank loans and capital market issues. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions. As at June 30, 2025 and December 31, 2024, cash and cash equivalents may be withdrawn anytime while quoted FVOCI may be converted to cash by selling them during the normal trading hours in any business day.

The tables below summarize the maturity profile of the Group’s financial liabilities as of June 30, 2025 and December 31, 2024 based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Group’s financial assets in order to provide a complete view of the Group’s contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates.

	June 30, 2025				Total
	On demand	0-90 days	91-365 days	More than one year	
Financial assets					
Cash and cash equivalents					
Cash on hand and in banks	₱714,870	₱–	₱–	₱–	₱ 714,870
Short-term deposits	–	1,772,407	–	–	1,772,407
Trade and other receivables*	69,071	14,809	24,663	509,941	618,484
FVPL	617,148	–	–	–	617,148
Short-term deposits under “other current assets”	–	–	1,727	–	1,727
FVOCI	–	–	–	794	794
	₱1,401,089	₱1,787,216	₱26,390	₱510,735	₱3,725,430

(Forward)

	June 30, 2025				
	On demand	0-90 days	91-365 days	More than one year	Total
Financial liabilities					
Trade and other payables					
Trade	P–	P302,811	P–	P–	P302,811
Nontrade**	22,782	–	–	–	22,782
Accrued expenses	–	23,080	56,278	–	79,358
Lease liabilities	–	2,369	3,963	8,034	14,366
Other noncurrent liabilities					
Equity of claimowner incontract operations	–	–	–	49,136	49,136
	22,782	328,260	60,241	57,170	468,453
Net financial assets (liabilities)	P1,378,307	P1,458,956	(P33,851)	P453,565	P3,256,977

*Excluding advances to officers and employees

**Excluding statutory payables

	December 31, 2024				
	On demand	0-90 days	91-365 days	More than one year	Total
Financial assets					
Cash and cash equivalents					
Cash on hand and in banks	P832,105	P–	P–	P–	P832,105
Short-term deposits	–	921,610	–	–	921,610
Trade and other receivables*	104,557	439,800	196,919	–	741,276
FVPL	704,637	–	–	–	704,637
Short-term deposits under “other current assets”	–	–	26,908	–	26,908
FVOCI	–	–	–	794	794
	1,641,299	1,361,410	223,827	794	3,227,330
Financial liabilities					
Trade and other payables					
Trade	–	277,569	–	–	277,569
Nontrade**	3,721	–	–	–	3,721
Accrued expenses	–	23,615	28,691	–	52,306
Lease liabilities	–	2,269	–	4,450	6,719
Other noncurrent liabilities					
Equity of claimowner incontract operations	–	–	–	49,136	49,136
	3,721	303,453	28,691	53,586	389,451
Net financial assets (liabilities)	P1,637,578	P1,057,957	P195,136	(P52,792)	P2,837,879

*Excluding advances to officers and employees

**Excluding statutory payables

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as these falls due. It is inherent to the business that potential losses may arise due to the failure of its customers and counterparties to fulfill their obligations on maturity dates or due to adverse market conditions.

The Group trades only with recognized, creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

With respect to credit risk arising from other financial assets of the Group, which comprise of cash and cash equivalents, trade receivables, receivables from lessees of bunkhouses and loans receivable under trade and other receivables and advances under other noncurrent assets, the Group’s exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades only with recognized third parties, there is no requirement for collateral.

The table below shows the maximum exposure to credit risk for the components of the consolidated statements of financial position. The maximum exposure is shown at each instrument's carrying amount, before the effect of mitigation through the use of master netting and collateral agreements.

	June 30, 2025	December 31, 2024
Cash and cash equivalents		
Cash in banks	₱714,870	₱832,105
Short-term deposits	1,772,407	921,610
Trade and other receivables, except advances to officers and employees	618,484	741,276
Short-term investments under “other current assets”	1,727	26,908
	₱3,107,488	₱2,521,899

Impairment of financial assets

The Group has financial assets consisting of cash and cash equivalents, trade receivables, receivables from lessees of bunkhouses, and loans receivable that are subjected to ECL model.

General Approach

Cash and cash equivalents

The ECL relating to the cash of the Group is minimal as these are deposited in reputable banks which have good credit rating, and are considered to have lower credit risk.

Other receivables and loans receivable

The Group provided an allowance for ECLs for these financial assets amounted to ₱102.43 million and ₱101.82 million as at June 30, 2025 and December 31, 2024, respectively.

Simplified Approach

Trade receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of trade receivables. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group establishes credit limits at the level of the individual borrower, corporate relationship and industry sector. It also provides for credit terms with the consideration for possible application of intercompany accounts between affiliated companies. Also, the Group transacts only with related parties and recognized third parties, hence, there is no requirement for collateral.

Below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix as of June 30, 2025 and December 31, 2024:

June 30, 2025

	Current	Past due			Specific Identification	Total
		30 days	60 days	>90 days		
Expected credit loss rate	0%	4%	6%	21%	100%	
Estimated total gross carrying amount at default	₱68,003	₱7,985	₱29,215	₱79,845	₱13,066	₱198,114
	₱—	₱319	₱1,753	₱16,767	₱13,066	₱31,905

December 31, 2024

	Current	Past due			Specific Identification	Total
		30 days	60 days	>90 days		
Expected credit loss rate	0%	4%	6%	22%	100%	
Estimated total gross carrying amount at default	₱85,566	₱20,352	₱31,690	₱114,213	₱4,823	₱256,644
	₱—	₱954	₱1,582	₱30,315	₱4,823	₱37,674

Market Risks

Foreign Currency Risk

Foreign currency risk is the risk to earnings or capital arising from changes in foreign exchange rates. The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial performance and cash flows.

The Group has transactional currency exposures. Such exposure arises from the sale of gold and nickel ore and the purchase of certain goods and services denominated in US\$.

All sales of gold and nickel ore are denominated in US\$. Dollar conversion of metal sales to Philippine peso is based on the prevailing exchange rate at the time of sale.

The Group's policy is to maintain foreign currency exposure within acceptable limits. The Group believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for an institution engaged in the type of business in which the Group is involved. The Group did not seek to hedge the exposure on the change in foreign exchange rates between the US\$ and the Philippine peso. The Group believes that active currency hedging would not provide long-term benefits to stockholders.

The Group's foreign currency-denominated monetary assets and liabilities as at June 30, 2025 and December 31, 2024 follow:

	June 30, 2025		December 31, 2024	
	US\$	Peso equivalent	US\$	Peso equivalent
<u>Financial Assets</u>				
Cash in banks	\$1,213	₱68,328	\$5,015	₱290,106
Trade receivables under "trade and other receivables"	1,311	73,849	1,478	85,473
Short-term investments	16,860	949,724	—	—
Interest receivables	—	—	11	652
<u>Total monetary assets</u>	<u>\$19,384</u>	<u>₱1,091,878</u>	<u>\$6,504</u>	<u>₱376,231</u>

As at June 30, 2025 and December 31, 2024, the exchange rates of the Philippine peso to the US\$ based on the Bankers Association of the Philippines are ₱56.33 and ₱57.85, respectively.

The sensitivity to a reasonably possible change in the US\$ exchange rate, with all other variables held constant, of the Group's income before income tax as at June 30, 2025 and December 31, 2024 is as follows:

June 30, 2025	Change in foreign exchange rate	Income before income tax effect
	Strengthens by- 2.08%	₱22,712
	Weaken by -1.82%	(19,873)
December 31, 2024	Change in foreign exchange rate	Income before income tax effect
	Strengthens by 2.08%	₱14,229
	Weaken by -1.82%	(12,458)

Equity Price Risk

Equity price risk is the risk to earnings or capital arising from changes in stock exchange indices relating to its quoted equity securities. The Group's exposure to equity price risk relates primarily to its quoted shares under financial assets at FVOCI.

The Group's policy is to maintain its risk to an acceptable level. Movement of share prices is monitored regularly to determine impact on the unaudited interim condensed consolidated statement of financial position.

Since the amount of financial assets at FVOCI subject to equity price risk is not significant relative to the unaudited interim condensed consolidated financial statements, management deemed that it is not necessary to disclose equity price risk sensitivity analysis.

Capital Management

The Group maintains a capital base to cover risks inherent in the business. The primary objective of the Group's capital management is to optimize the use and earnings potential of the Group's resources, ensuring that the Group complies with externally imposed capital requirements, if any, and considering changes in economic conditions and the risk characteristics of the Group's activities.

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 obtain additional advances from stockholders or issue new shares. No changes were made in the objectives, policies or processes in 2025 and 2024. The Group monitors capital using the consolidated financial statements. As at June 30, 2025 and December 31, 2024, the Group has met its capital management objectives.

The following table summarizes the total capital considered by the Group:

	June 30, 2025	December 31, 2024
Capital stock	₱716,666	₱714,277
Capital surplus	689,236	686,627
Retained earnings	6,823,555	6,199,684
Cost of share-based payment	8,225	8,225
Other components of equity	1,573,255	1,568,408
Treasury shares	(8,016)	(8,016)
	₱9,802,921	₱9,169,205

Further, the Group monitors capital using debt to equity ratio, which is total liabilities divided by total equity. Debt to equity ratios of the Group as at June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025	December 31, 2024
Total liabilities (a)	₱1,587,304	₱1,698,116
Total equity (b)	9,802,921	9,169,205
Debt-to-equity ratio (a/b)	0.14:1	0.19:1

5. **Seasonality and Cyclicalilty of Interim Operation**

There are no significant seasonality or cyclicalilty in its business operation that would have material effect on the Groups's financial condition or results of operations.

6. **Events After End of Reporting Period**

There are no significant event after end of reporting period.

ADDITIONAL DISCLOSURE TO THE FINANCIAL STATEMENTS OF THE COMPANY
(For the Second Quarter ended June 30, 2025)

- i.) The disclosure on significant accounting principles, policies, and practices are substantially the same with the disclosure made in 2024 financial statements. Additional disclosures on the significant changes of accounts and subsequent events are presented in the Management Discussion and Analysis.
- ii.) During the Second Quarter of 2025, there were no seasonal or cyclical aspects that materially affected the operation of the Company, no substantial nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, and no unusual items that materially affected the Company's assets, liabilities, equity, net income or cash flows.
- iii.) Issuances, Repurchases, Repayments of Debt and Equity Securities – During the Second Quarter of 2025, there were no securities sold by the Company which were not registered under the Securities Regulation Code (SRC) including the sales of reacquired securities, new issues, securities issued in exchange of property, services or other securities and new securities resulting from the modification of outstanding securities.
- iv.) Dividends – No cash dividends were declared during the Second Quarter 2025.
- v.) Segment Information - The Company is principally engaged in mining. Its operating revenues as of June 30, 2025 mainly consist of sales of gold to Bangko Sentral Ng Pilipinas amounting to ₱547.91 million and nickel ores amounting to ₱1,535.23 million.
- vi.) Subsequent Material Events - There were no material events subsequent to the end of the quarter that have been reflected in the financial statements for the period.
- vii.) There were no changes in the composition of the Company, no business combinations, acquisition or disposal of subsidiaries and
- viii.) Long-term investments and no substantial changes in contingent liabilities and contingent assets from 2024.

To: All Concerned Stakeholders
From: Tomas D. Malihan
Subject: Summary of Exploration Results for the 2nd Quarter 2025
(SEC Form 17-Q)
Date: August 19, 2025

For the second quarter of 2025, Benguet Corporation reports that its exploration activities were focused on 2 projects, namely: (a) Pantingan Gold Prospect in Bataan; and (b) BOLCO Gold Prospect in Zamboanga Sibugay. In Pantingan, Phase 2 Diamond Drilling is still in progress. As of the end of the quarter, a total of 5 drill holes were completed with average depth of 722.50 meters. Drilling operation will continue in the next several quarters despite challenges from the weather and the remote conditions of the exploration site, to further trace lateral extension of the interpreted potential veining system in the target area. In BOLCO, with the approval of the Exploration Permit (EP) last December 5, 2023, the Company continues the conduct of Tunneling or Aditing activities in the approved work program. Exploration winze sinking following the down dip trend of the mined out veins of the small-scale miners in their abandoned working areas has reached more than 126 meters depth as of quarter end.

As for the other exploration projects, both the Surigao Coal Project in Surigao del Sur and ASIGA Gold Prospect in Agusan del Norte, are still awaiting the approval / issuance of necessary permits by MGB.

The Company is committed to move these projects forward and to advance the information of these properties to defined resource stage.

For your information and reference:



TOMAS D. MALIHAN

PMRC/GSP-Accredited Competent Person (ACP)

Accreditation No. 07-08-06

Registered Geologist – Professional Regulation Commission

PRC – registration No. 00387

PTR No. 7621939

Issued at: Baguio City

Issued on: 02 January 2025

ACCREDITED COMPETENT PERSON'S CONSENT FORM AND
CONSENT STATEMENT AND CERTIFICATES

Accredited Competent Person's Consent Form

Pursuant to the requirements under the prevailing The Philippine Stock Exchange, Inc.'s Consolidated Listing and Disclosure Rules, as amended, and Clause 10 of the Philippine Mineral Reporting Code 2020 Edition (the "Consent Statement")

Public Report or Technical Report Name to the Publicly - released:
Summary of Exploration Results for the 2nd Quarter 2025 in SEC 17-Q

Name of Company Releasing the Report:
Benguet Corporation

Name of Mineral Deposit to which the Report refers to:
Pantingan Gold Prospect in Bataan
Zamboanga Gold Prospect in Zamboanga Sibugay
Surigao Coal Project in Surigao Del Sur
ASIGA Gold Prospect in Agusan del Norte

Data Cut-off Date:
June 30, 2025

Report Date:
August 19, 2025

Consent Statement

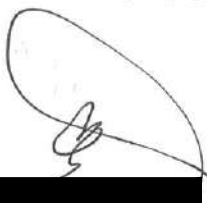
I, **Tomas D. Malihan**, of legal age, with postal address at 410 Lower Pias, Camp 7, Kennon Road, Baguio City, do hereby certify that:

- I am a registered Professional Geologist (Reg. No. 0387) under the Philippine Professional Regulation Commission (PRC) and a member in good standing of the Geological Society of the Philippines (GSP)
- I am an Accredited Competent Person (ACP) under the definition of the Philippines Mineral Reporting Code (PMRC Reg. No. 07-08-06) with validity until March 7, 2028.
- 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).
- The Report is based on available data and information as of June 30, 2025 and the report has been prepared in accordance with the PMRC 2020 Edition and its Implementing Rules and Regulations.
- I assume full responsibility for the Public Report entitled "Summary of the Exploration Results for the Second Quarter 2025".
- I verify that the Public Report is based on, and fairly and accurately reflect in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources and to the best of my knowledge, all technical information that are required to make thus Public Report not misleading, false, inaccurate, or incorrect, have been included.
- I am a Consultant Geologist of Benguet Corporation.
- I have no vested interest in any property or concessions held by Benguet Corporation.
- The content of this report are valid from the date of signing of the ACP. If any new geological information arises that may have direct or indirect implication on the exploration results, this report may be rendered inaccurate and should therefore be treated with caution.

- I have attached to this Consent Statement copies of my relevant 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 Public Report and this Consent Statement by the Board of Directors of BENGUET CORPORATION, for reporting the summary of exploration results for 2nd Quarter 2025 in SEC 17-Q.




Tomas D. Malihan
Accredited Competent Person

August 19,
Date

Geological Society of the Philippines
Professional Representative Organization of the ACP

PRC PIC Registration No. 0387/ Valid
Until March 7, 2028

ACP ID/ Certificate No. 07-08-06/ Valid
Until March 7, 2028

Professional Tax Receipt No. 7621939 /
Issued at Baguio City on 02 January, 2025

ACKNOWLEDGEMENT

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

BEFORE ME, this AUG 19 2025, personally appeared before me **TOMAS D. MALIHAN** with PRC Professional Identification Card with Registration No. 0000387 valid March 7, 2028, known to me the same person who executed this instrument, which he acknowledge 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. 290 ;
Page No. 59 ;
Book No. J ;
Series of 2025.



SHEILA C. CENIT-BELGICA

Commission No. M-234

Notary Public for Makati City

Until December 31, 2025

7F Universal Re Building

106 Paseo de Roxas, Makati City

Roll No. 53476

IBP Life Member No. 014470 / 02.18.16

PTR No. MKT 10469596 dated January 3, 2025

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.

24-7866632

CHARITO A. ZAMORA
Chairperson

Signature of Professional

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.

TOMAS D. MALIHAN

CICRONA ANGELES, JR.
Chair

KEVIN L. DARAS, PhD
President

Competent Person Accreditation Committee

Geological Society of the Philippines

If found, kindly email: competent@prc.gov.ph or write message to: <https://www.facebook.com/geosocphil> or <https://www.geosocphil.com>

Email: prc@prc.gov.ph
Website: www.prc.gov.ph



PROFESSIONAL REGULATION COMMISSION
PROFESSIONAL IDENTIFICATION CARD

LAST NAME: MALIHAN
FIRST NAME: TOMAS
MIDDLE NAME: DUA
REGISTRATION NO.: 1
REGISTRATION DATE: 11/29/1973
VALID UNTIL: 03/07/2028

GEOLOGIST

ACCREDITED COMPETENT PERSON
GEOLOGIST

NAME: TOMAS D. MALIHAN
ACF No.: [REDACTED]
PRC ID No.: [REDACTED]
VALID UNTIL: MARCH 07, 2028

PMRC

OFFICIAL RECEIPT
Republic of the Philippines
BAGUIO CITY
OFFICE OF THE TREASURER

Accountable Form No. 51
Revised January, 1992

ORIGINAL

DATE

PAYOR

Malihan, Tomas D

NATURE OF COLLECTION

FUND AND
ACCOUNT
CODE

AMOUNT

PTP - Geologist

200-

total — P 200-

AMOUNT IN WORDS

two hundred pesos only

Received the Amount Stated

DETAILS:

☒ CASH ☐ TREASURY WARRANT ☐ CHECK ☐ MONEY ORDER

Atty. Amig-20

COLLECTING OFFICE

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

ANNEX “C”

RULES AND PROCEDURE FOR PARTICIPATION AND VOTING IN THE 2025 ANNUAL STOCKHOLDERS’ MEETING

The 2025 Annual Stockholders’ Meeting (ASM) of Benguet Corporation (the “Company”) is scheduled on November 18, 2025 at 3:00pm and the Board of Directors of the Company has approved the holding of ASM by remote communication with record date of September 29, 2025 for stockholders entitled to notice of and to vote at this meeting. The Board has also authorized stockholders to participate in the virtual ASM through remote communication and to exercise their rights to vote in absentia pursuant to the provisions of the Securities and Exchange Commission (SEC).

A. Registration:

Stockholders intending to participate by remote communication in the virtual ASM and to exercise their right to vote in absentia should notify the Company by registering at the Company’s <https://benguetcorp.com/investor-relations/annual-stockholders-meeting/> on or before November 11, 2025, and by submitting thereat the following supporting documents/information, subject to verification and validation.:

:

- a) Individual Stockholders
 - i. Copy of valid government-issued ID of stockholder/proxy.
 - ii. If appointing a proxy, copy of proxy form duly signed by stockholder.
 - iii. Valid and active email address and contact number of stockholder/proxy.
- b) Stockholders with Joint Accounts
 - i. Copy of valid government-issued ID of stockholder/proxy
 - ii. Proof of authority of stockholder voting the shares signed by the other registered stockholders, for shares registered in the name of multiple stockholders.
 - iii. Valid and active email address and contact number of stockholder/proxy.
- c) Corporate Stockholders
 - i. A secretary’s certificate appointing and authorizing proxy to participate in the ASM.
 - ii. Copy of valid government-issued ID of the representative.
 - iii. Valid and active email address and contact number of authorized representative.
- d) Stockholders under PCD Participant/Brokers account
 - i. A broker certification on the stockholder’s number of shareholdings.
 - ii. Copy of stockholder’s valid government issued ID.
 - iii. If appointing a proxy, copy of proxy form duly signed by stockholder.
 - iv. Valid and active email address and contact number of stockholder or proxy.

Note: The Company reserves the right to withhold processing of registration and deny access to ASM facilities for incomplete documents or for any discrepancy found in the information provided. Stockholders who have successfully registered will receive an electronic invitation via email containing the Meeting ID and Password, including the rules and procedures for the ASM.

B. Participation in the ASM by Remote Communications

- a.) Only registered stockholders are entitled to attend and participate and to vote through remote communication or in absentia during the ASM.

- b.) As the ASM will be conducted virtually, questions and/or comments limited to the items in the Agenda of the meeting may be sent prior to or during the ASM to webadmin@benquetcorp.com.
- c.) During the virtual meeting, the Company will have an Open Forum. Stockholders will be given an opportunity to raise their questions/comments limited to the items in the Agenda. The Company will exert best efforts to answer as many of the questions/comments received from stockholders as time will allow. Any additional questions or questions received but not entertained during the open forum due to time constraints will be addressed by the Company through the specified email address provided by the stockholder.

C. Voting in Absentia

- a.) Stockholders voting in absentia, who are duly registered and whose shareholdings have been authenticated and verified, may cast their votes electronically using a digital version of the ballot through the Company's website any time prior to or during the meeting.
- b.) Registered stockholder may cast their votes using a digital ballot where they can write their votes on every item in the Agenda or proposed resolution and shall submit duly accomplished ballot to the Office of the Corporate Secretary / Stockholders Relation Office, Benguet Corporation, 7th Floor Universal Re-Building, 106 Paseo de Roxas, Makati City by mail, or by email to webadmin@benquetcorp.com for validation. Ballot forms are downloadable in the Company's website at www.benquetcorp.com.
- c.) Registered stockholders who wish to appoint a proxy should submit duly accomplished proxy form on or before 3:00 O'clock PM on November 17, 2025, to the Office of the Corporate Secretary / Stockholders Relation Office, Benguet Corporation, 7th Floor Universal Re-Building, 106 Paseo de Roxas, Makati City by mail or by email to webadmin@benquetcorp.com for validation.
- d.) Proxy forms are downloadable in the Company's website at www.benquetcorp.com.

Important Notes:

- a.) The Company will not hold a physical meeting and will conduct the ASM virtually through livestreaming. Stockholders can therefore only participate by remote communication, by voting through ballots sent by email or by proxy.
- b.) Stockholders of record as of September 29, 2025 who have registered and whose shares have been verified and proxies validated shall be counted in the determination of a quorum at the ASM. By participating remotely by proxy, stockholder shall be deemed present for the purpose of quorum.
- c.) The Company shall ensure confidentiality of all votes for tabulation, including those cast by proxy, with assistance from the Company's stock transfer agent (Stock Transfer Service, Inc.) and subject to validation by SGV & Co.
- d.) The ASM proceedings will be recorded in audio and video format and a copy of which shall be made available to the stockholder upon request.
- e.) Electronic Copies of Relevant Documents – Pursuant to SEC Notice issued on March 12, 2025, electronic copies of the Notice of Meeting, Definitive Information Statement and Management Report, 2024 Annual Report (SEC Form 17-A), 2025 Second Quarter Report (SEC Form 17-Q) and other related documents in connection with the virtual ASM may be accessed through the Company's website www.benquetcorp.com and through the PSE Edge Portal <https://edge.pse.com>.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **BERNARDO M. VILLEGAS**, Filipino, of legal age and a resident of 6 Tyler St., North Greenhills, San Juan City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of BENGUET CORPORATION (the "Company") and have been its independent director since 2002 to present.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Listed		
Filipino Fund, Inc.	Chairman and Independent Director	2009 to present
DMCI Holdings, Inc.	Independent Director	2023 to present
Abacore Capital Holdings, Inc.	Independent Director	2017 to present
First Metro Philippine Equity Exchange Traded Fund, Inc.	Independent Director	2010 to 2022
Non-Listed		
University of Asia and the Pacific	University Professor/Board Member	1989 to present
Center for Research and Communications	Resear Director	2000 to present
Cuervo Appraisers, Inc.	Chairman and Director	2015 to present
Benguetcorp Resources Management Corporation	Independent Director	2012 to present
Transnational Diversified, Inc.	Director and Consultant	1998 to present
PHINMA Properties	Director	2011 to present
Manila Bulletin	Columnist	1964 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Benguet Corporation, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to 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 Securities Regulation Code.
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.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

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

Done, this SEP 30 2025 at Makati City


BERNARDO M. VILLEGAS
Affiant

SUBSCRIBED AND SWORN to before me this SEP 30 2025 at Makati City affiant personally appeared before me and exhibited to me his SSS ID No. 03-1245504-2 issued in the Republic of the Philippines.

Doc. No. 334 ;
Page No. 68 ;
Book No. 1 ;
Series of 2025.




SHEILA C. CENIT-BELGICA
Commission No. M-234
Notary Public for Makati City
Until December 31, 2025
7F Universal Re Building
106 Paseo de Roxas, Makati City
Roll No. 53476
IBP Life Member No. 014470 / 02,18,16
TR No. MKT 10469596 dated January 3, 2025

Annex "E"

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **RHODORA L. DAPULA**, Filipino, of legal age, with office address at Unit 7L OPL Building, 100 C. Palanca St., Legaspi Village, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of BENGUET CORPORATION (the "Company") and have been its independent director since August 2018.
2. I am affiliated with the following companies or organizations:

COMPANY/ORGANIZATION	POSITION/RELATIONSHIP	PERIOD OF SERVICE
Dapula, Dapula and Associates Law Offices	Partner	2007 to present
G.D. Brains and Castles Inc.	President/CEO	2017 to present
Proficientlink Realty Corporation	President/CEO	2017 to present
Bright Kindle Resources & Investment Inc.	Independent Director	2021 to present
Right Synergy Holdings, Inc.	Director	2023 to present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Company provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to 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 Securities Regulation Code.
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.
7. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
8. I shall inform the Corporate Secretary of the Company of any changes in the abovementioned information within five days from its occurrence.

Done, this SEP 30 2025 at Makati City


RHODORA L. DAPULA
Affiant

SUBSCRIBED AND SWORN to before me this SEP 30 2025 at Makati City affiant personally appeared before me and exhibited to me her Philippine Identification Card No. 6279-6410-5184-7185 issued by the Republic of the Philippines.

Doc. No. 333;
Page No. 68;
Book No. I;
Series of 2025.




SHEILA C. CENIT-BELGICA
Commission No. M-234
Notary Public for Makati City
Until December 31, 2025
7F Universal Re Building
106 Paseo de Roxas, Makati City
Roll No. 53476

IBP Life Member No. 014470 / 02.18.16
PTR No. MKT 104E9596 dated January 3, 2025

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ATTY. ELMER B. SERRANO**, Filipino, of legal age with office address at 1105 High Street South Corporate Plaza Tower 2, 11th Avenue cor. 26th Street BGC, Taguig City after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of Benguet Corporation and have been its Independent Director since 30 August 2023.
2. I am currently affiliated with the following companies or organizations:

COMPANY	POSITIONS
Serrano Law	Managing Partner
2GO Group, Inc.	Director, Corporate Secretary and Corporate Information Officer
ACG Metal Holdings	Director and Treasurer
Ashdale Holdings Inc.	Corporate Secretary
Atlas Consolidated Mining and Development Corporation	Corporate Secretary
Battenburg Holdings Inc.	Corporate Secretary
BDO Unibank, Inc.	Corporate Information Officer
BDO Capital & Investment Corp.	Corporate Secretary
BDO Equitable Tower Condominium Corp.	Corporate Secretary
BDO Insurance Brokers, Inc.	Corporate Secretary
BDO Life Assurance Company, Inc.	Corporate Secretary
BDO Towers Condoclub INC.	Corporate Secretary
BDO Towers Paseo Condominium Corp.	Corporate Secretary
BDO Towers Valero Condominium Corp.	Corporate Secretary
Chatam Holdings Inc.	Corporate Secretary
Consynergy Holdings, Inc.	Corporate Secretary
Copperbelt Equity Holdings, Inc.	Corporate Secretary
Devonport Holdings, Inc.	Corporate Secretary
DFNN Inc.	Director and Corporate Secretary
Dominion Holdings, Inc.	Chairman
EEL Corporation	Independent Director
Efficient Realty Holdings, Inc.	Corporate Secretary
Elstow Holding Inc.	Corporate Secretary
ES Consultancy Group Inc.	Chairman and President
First Heritage Energy Holdings, Inc.	Corporate Secretary
Foundation Capital Resources, Inc.	Corporate Secretary
Human Managed Phils. Inc. (formerly, Invicta Cyber Defense Corporation)	Chairman and Treasurer
JACCS Finance Philippines Corporation	Corporate Secretary
Kingsbridge Equity Ventures, Inc.	Corporate Secretary
Linkenergy Inc.	Corporate Secretary
Marblefield Holdings, Inc.	Corporate Secretary
Monte Sur Equity Holdings, Inc.	Corporate Secretary
N Lima BGC Properties Inc.	Corporate Secretary
N Park BGC Land Inc.	Corporate Secretary
N Park BGC Properties Inc.	Corporate Secretary
N One BGC Properties Inc.	Corporate Secretary
N Square BGC Properties Inc.	Corporate Secretary
N Cube BGC Properties Inc.	Corporate Secretary
N Quad BGC Properties Inc.	Corporate Secretary
N Plaza BGC Land, Inc.	Corporate Secretary
N Quad BGC Land, Inc.	Corporate Secretary
N Cube BGC Land Inc.	Corporate Secretary

N Plaza BGC Properties, Inc.	Corporate Secretary
N Square BGC Land Inc.	Corporate Secretary
N One BGC Land Inc.	Corporate Secretary
PCD Nominee Corp.	Corporate Secretary
Philippine Telegraph & Telephone Corporation	Independent Director
Philippine Payments Management Inc.	Corporate Secretary
Philippine Dealing System Holdings Corp.	Corporate Secretary
Philippine Dealing & Exchange Corp.	Corporate Secretary
Philippine Depository & Trust Corp.	Corporate Secretary
Premium Leisure Inc.	Corporate Secretary & Corporate Information Officer
Premium Leisure Amusement Inc.	Corporate Secretary
Sinophil Leisure and Resorts	Corporate Secretary
SC4 Shores	Treasurer
SM Investments Corporation	Corporate Secretary
SM Prime Holdings, Inc.	Corporate Secretary and Alternate Compliance Officer
Synfuel Holdings, Inc.	Corporate Secretary
Three Angels Holding Corporation	Chairman and President
Three Point Star Holdings, Inc.	Chairman and President

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

4. I am not related to any of the directors, officers and substantial shareholders of Benguet Corporation, its subsidiaries, and affiliates.

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

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

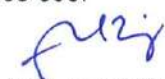
7. I shall inform the Corporate Secretary of Benguet Corporation of any changes in the abovementioned information within five days of its occurrence.

Done this SEP 29 2025 at Taguig City, Philippines.


ELMER B. SERRANO
Affiant

SUBSCRIBED AND SWORN to before me this SEP 29 2025 at Taguig City, affiant personally appeared before me and exhibited to me his TIN 153-406-995.

Doc. No. 210
Page No. 57
Book No. 11
Series of 2025.


PAUL B. BINAG
Appointment No. 151 (2024-2025)
Notary Public for Taguig City
Until December 31, 2025
Attorney's Roll No. 90383
1105 Tower 2, High Street South Corporate Plaza
26th Street, Bonifacio Global City, Taguig City
PTR Receipt No. A-6396476; 01.03.25; Taguig City
IBP Receipt No. 496513; 01.03.25; Quezon City
MCLE Compliance No. VIII-0032825 valid until 04.14.2028



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Tungk Line No:02-5322-7695 Email Us: www.sec.gov.ph/message@sec.gov.ph



ANNEX "G"

The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: April 30, 2025 08:38:09 AM

Company Information

SEC Registration No.: 0000011341

Company Name: BENGUET CORP.

Industry Classification: G51000

Company Type: Stock Corporation

Document Information

Document ID: OST10430202583230101

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2024

Submission Type: Consolidated

Remarks: None

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



BenguetCorp

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

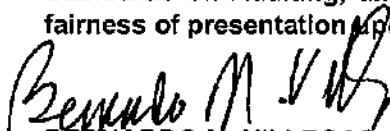
The management of BENGUET CORPORATION and its Subsidiaries (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

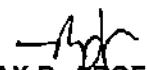
The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

Sycip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the 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.


BERNARDO M. VILLEGAS
Chairman of the Board


LINA G. FERNANDEZ
President


MAX D. ARCEÑO
Senior Vice President – Finance & Treasurer

Signed this March 26, 2025.

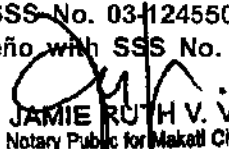
ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
City of Makati) S.S.

SUBSCRIBED AND SWORN to before me this MAR 26 2025 at Makati City, affiants exhibited to me their valid identification: Mr. Bernardo M. Villegas with SSS No. 03-12455042; Atty. Lina G. Fernandez with SSS No. 03-7537025-8; and Mr. Max D. Arceño with SSS No. 03-82056688, all issued by the Office of the Social Security System, Philippines.

Doc. No. 37;
Page No. 9;
Book No. 1;
Series of 2025.

DOCUMENTARY STAMP TAX PAID
SERIAL NO. 20167138
DATE: MAR 26 2025


ATTY. JAMIE RUTH V. VIVERO
Notary Public for Makati City
Appointment No. M-213 until December 31, 2026
D.S. Tantulco & Associates, 3rd Floor, Universal Re Building,
106 Paseo de Roxas, Makati City
Roll No. 80094

Universal Re-Building, 106 Paseo de Roxas, 1226 Makati City Philippines
MCPO Box 3488 • Phone: +632.812.1380 • Fax: +632.752.0717
IBP No. 485926, December 20, 2024, Leyte
MKT No. MKT 10489748, Makati City, January 8, 2025
MCLE Compliance VIII - 0015422 valid until April 14, 2028

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	1	3	4	1					
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COMPANY NAME

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

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

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a	k	a	t	i		C	i	t	y																				

Form Type

A	A	C	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A	
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COMPANY INFORMATION

Company's Email Address

bccorpsec@benguetcorp.com

Company's Telephone Number

(02) 8812-1380

Mobile Number

09166100630

No. of Stockholders

16,857

Annual Meeting (Month / Day)

December 20

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Mr. Reynaldo P. Mendoza

Email Address

rey_men777@yahoo.com

Telephone Number/s

(02) 8812-1220

Mobile Number

N/A

CONTACT PERSON's ADDRESS

5 Atipolo Bend St. Phase 2, Greenwoods Executive Village, Cainta, Rizal

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

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



INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Benguet Corporation
7th Floor, Universal Re-Building
106 Paseo de Roxas, Makati City

Opinion

We have audited the consolidated financial statements of Benguet Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, 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, 2024, 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, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 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) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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.

Valuation of Land at Fair Value

The Group accounts for its land as investment properties using the fair value model and as property, plant and equipment using the revaluation model. As at December 31, 2024, land classified as investment properties amounting to ₱3,324.76 million and land classified as property, plant and equipment amounting to ₱1,919.55 million represented 31% and 18% of the consolidated total assets, respectively. The determination of the fair values of these properties involves significant management judgment and estimations. The valuation also requires the assistance of external appraisers whose calculations also depend on certain assumptions, such as sales and listing of comparable properties registered within the vicinity and adjustments to sales price based on internal and external factors. Thus, we considered the valuation of land as a key audit matter.

The disclosures relating to investment properties are included in Note 11 while those relating to property, plant and equipment are included in Note 9 to the consolidated financial statements.

Audit Response

We evaluated the competence, capabilities and objectivity of the external appraiser by considering their qualifications, experience and reporting responsibilities. We evaluated the methodology and assumptions used in the valuation of the investment properties and property, plant and equipment. We assessed the methodology adopted by referencing common valuation models and reviewed the relevant information supporting the sales and listings of comparable properties. We also inquired from the external appraisers the basis of adjustments made to the sales price.

Recoverability of Deferred Mine Exploration Costs

As at December 31, 2024, the carrying value of the Group's deferred mine exploration costs amounted to ₱550.50 million. These deferred mine exploration costs pertain to the expenditures incurred by the Group for the mining properties located in Benguet, Bataan and Nevada, USA. Under PFRS 6, *Exploration and Evaluation of Mineral Resources*, these deferred mine exploration costs shall be assessed for impairment when facts and circumstances suggest that the carrying amounts exceed the recoverable amounts. The ability of the Group to recover its deferred mine exploration costs would depend on the commercial viability of the projects. We considered this as a key audit matter because of the materiality of the amount involved, and the significant judgment required in assessing whether there is any indication of impairment.



The Group's disclosures in relation to deferred mine exploration costs are included in Note 10 to the consolidated financial statements.

Audit Response

We obtained management's assessment on whether there is any indication that deferred mine exploration costs may be impaired. We inspected the summary of the status of each exploration project as of December 31, 2024, as certified by the Group's technical group head, the type of expenses incurred, and assessed whether ongoing exploration activities exist to support the continued capitalization of these assets under the Group's accounting policies, and compared it with the disclosures submitted to regulatory agencies. We inspected contracts and agreements, inquired with management whether further evaluation is required in advance of a development decision and that such exploration is continuing, made reference with existing drilling results and inspected the approved budget for continuing the exploration and development costs. We inspected the licenses/permits of each exploration project to determine that the period for which the Group has the right to explore in the specific area has not expired, will not expire in the near future, and will be renewed accordingly. We also inquired about the existing concession areas that are expected to be abandoned or any exploration activities that are planned to be discontinued in those areas.

Impairment Testing of Property, Plant and Equipment

As at December 31, 2024 the Group's net assets exceeded its market capitalization. In the event that an impairment indicator is identified, the assessment of the recoverable amount of property, plant and equipment requires significant judgment and involves estimation and assumptions about future production levels and costs, as well as external inputs such as commodity prices, discount rate, and foreign currency exchange rates. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to property, plant and equipment are included in Note 9 to the consolidated financial statements.

Audit Response

We involved our internal specialist in evaluating the methodologies and the assumptions used. These assumptions include the expected life of the mining projects, future production levels and costs as well as external inputs such as commodity prices, discount rate and foreign currency exchange rates. We compared the key assumptions used against the mine life based on the ore reserve reports, production reports from the operations departments, forecasted average market price of gold and nickel, discount rate based on industry weighted average capital cost, and forecasted foreign currency exchange rates of various financial institutions. 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 amount of property, plant and equipment.



Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 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, related safeguards.



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

The engagement partner on the audit resulting in this independent auditor's report is
Peter John R. Ventura.

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Peter John R. Ventura

Partner

CPA Certificate No. 0113172

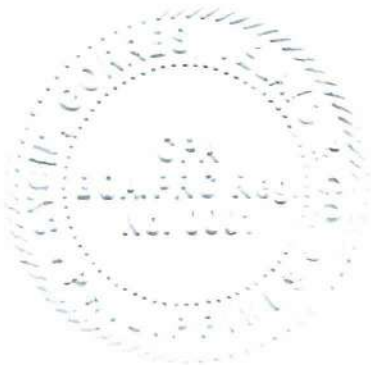
Tax Identification No. 301-106-741

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

BIR Accreditation No. 08-001998-158-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465400, January 2, 2025, Makati City

March 26, 2025



BENGUET CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱1,753,715	₱774,192
Trade and other receivables (Note 5)	741,276	746,726
Inventories (Note 6)	191,940	247,959
Financial assets at fair value through profit or loss (Note 7)	704,637	1,328,780
Other current assets (Note 8)	368,716	660,569
Total Current Assets	3,760,284	3,758,226
Noncurrent Assets		
Property, plant and equipment (Note 9)		
At revalued amount	1,972,598	1,776,614
At cost	743,913	789,935
Deferred mine exploration costs (Note 10)	550,505	520,367
Investment properties (Note 11)	3,324,759	2,997,953
Deferred tax assets - net (Note 30)	8,685	5,571
Other noncurrent assets (Note 12)	506,577	488,952
Total Noncurrent Assets	7,107,037	6,579,392
TOTAL ASSETS	₱10,867,321	₱10,337,618
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 13)	₱604,319	₱507,801
Loans payable (Note 14)	—	339,238
Lease liabilities - current (Note 15)	7,107	4,238
Liability for mine rehabilitation - current (Note 16)	4,869	17,783
Income tax payable	38,849	33,340
Total Current Liabilities	655,144	902,400
Noncurrent Liabilities		
Lease liabilities - net of current portion (Note 15)	8,158	4,093
Liability for mine rehabilitation - net of current portion (Note 16)	48,151	44,347
Pension liability (Note 29)	39,963	58,194
Deferred tax liabilities - net (Note 30)	826,761	775,867
Other noncurrent liabilities (Note 17)	119,939	185,732
Total Noncurrent Liabilities	1,042,972	1,068,233
Total Liabilities	1,698,116	1,970,633
Equity		
Capital stock (Note 18)	714,277	624,277
Capital surplus	686,627	415,547
Cost of share-based payment (Note 19)	8,225	8,104
Retained earnings	6,199,684	5,907,571
Other components of equity (Note 18)	1,568,408	1,419,502
	9,177,221	8,375,001
Treasury shares (Note 18)	(8,016)	(8,016)
Total Equity	9,169,205	8,366,985
TOTAL LIABILITIES AND EQUITY	₱10,867,321	₱10,337,618

See accompanying Notes to Consolidated Financial Statements.



BENGUET CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, Except Earnings Per Share)

	Years Ended December 31		
	2024	2023	2022
REVENUE (Note 20)	₱2,385,872	₱2,531,358	₱4,025,195
COSTS AND OPERATING EXPENSES			
Costs of mine products sold (Note 21)	(822,241)	(680,471)	(970,388)
Costs of services and other sales (Note 22)	(85,361)	(84,056)	(80,158)
Selling and general expenses (Note 23)	(866,539)	(906,015)	(1,078,542)
Excise taxes and royalty fees (Notes 20)	(162,311)	(182,425)	(299,747)
	(1,936,452)	(1,852,967)	(2,428,835)
INTEREST EXPENSE (Notes 14 and 15)	(7,355)	(2,776)	(1,102)
OTHER INCOME - net (Note 26)	106,908	56,994	164,014
INCOME BEFORE INCOME TAX	548,973	732,609	1,759,272
PROVISION FOR INCOME TAX (Note 30)	113,303	178,466	428,225
NET INCOME	₱435,670	₱554,143	₱1,331,047
BASIC EARNINGS PER SHARE (Note 31)	₱0.61	₱0.89	₱2.14
DILUTED EARNINGS PER SHARE (Note 31)	₱0.61	₱0.88	₱2.12

See accompanying Notes to Consolidated Financial Statements.



BENGUET CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Years Ended December 31		
	2024	2023	2022
NET INCOME	₱435,670	₱554,143	₱1,331,047
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX			
<i>Item to be reclassified to profit or loss in subsequent periods:</i>			
Translation adjustment on foreign subsidiaries	2,255	(336)	5,192
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Revaluation of land, net of tax (Note 9)	141,642	36,066	20,700
Remeasurement gain (loss) on pension liability, net of tax (Note 29)	4,491	(1,725)	6,960
Revaluation of artworks, net of tax (Note 9)	724	—	—
Unrealized gain (loss) on equity instruments designated at fair value through other comprehensive income (FVOCI) (Note 12)	(206)	43	603
Unrealized loss on intangible asset	—	—	(27)
	146,651	34,384	28,236
TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAX	148,906	34,048	33,428
TOTAL COMPREHENSIVE INCOME	₱584,576	₱588,191	₱1,364,475

See accompanying Notes to Consolidated Financial Statements.



BENGUET CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

(Amounts in Thousands)

	Capital stock (Note 18)	Capital surplus	Cost of share-based payment	Retained earnings	Other components of equity					Total other components of equity	Treasury shares (Note 18)	Total
					Revaluation increment on land and artworks (Note 18)	Cumulative translation adjustment on foreign subsidiaries (Note 18)	Remeasurement gain on pension liability (Notes 18 and 29)	Unrealized gain (loss) on financial assets at FVOCI (Notes 12 and 18)	Unrealized gain on intangible asset (Notes 12 and 18)			
Balances at January 1, 2022	₱624,015	₱409,929	₱9,198	₱4,021,846	₱1,305,820	₱36,208	₱10,673	(₱275)	₱135	₱1,352,561	(₱8,016)	₱6,409,533
Stock options expense (Notes 19 and 24)	—	—	2,258	—	—	—	—	—	—	—	—	2,258
Cancellation of stock options	—	5,181	(5,181)	—	—	—	—	—	—	—	—	—
Transfer of fair value reserve on financial asset at FVOCI (Note 12)	—	—	—	535	(535)	—	—	—	—	(535)	—	—
Net income	—	—	—	1,331,047	—	—	—	—	—	—	—	1,331,047
Other comprehensive income (loss)	—	—	—	—	20,700	5,192	6,960	603	(27)	33,428	—	33,428
Total comprehensive income (loss)	—	—	—	1,331,047	20,700	5,192	6,960	603	(27)	33,428	—	1,364,475
Balances at December 31, 2022	624,015	415,110	6,275	5,353,428	1,325,985	41,400	17,633	328	108	1,385,454	(8,016)	7,776,266
Stock options expense (Notes 19 and 24)	—	—	2,260	—	—	—	—	—	—	—	—	2,260
Exercise of stock options (Notes 18 and 19)	262	437	(431)	—	—	—	—	—	—	—	—	268
Net income	—	—	—	554,143	—	—	—	—	—	—	—	554,143
Other comprehensive income (loss)	—	—	—	—	36,066	(336)	(1,725)	43	—	34,048	—	34,048
Total comprehensive income (loss)	—	—	—	554,143	36,066	(336)	(1,725)	43	—	34,048	—	588,191
Balances at December 31, 2023	624,277	415,547	8,104	5,907,571	1,362,051	41,064	15,908	371	108	1,419,502	(8,016)	8,366,985
Stock issuance (Note 18)	90,000	270,000	—	—	—	—	—	—	—	—	—	360,000
Dividend declaration (Note 18)	—	—	—	(143,557)	—	—	—	—	—	—	—	(143,557)
Stock options expense (Notes 19 and 24)	—	—	1,201	—	—	—	—	—	—	—	—	1,201
Cancellation of stock options (Note 19)	—	1,080	(1,080)	—	—	—	—	—	—	—	—	—
Net income	—	—	—	435,670	—	—	—	—	—	—	—	435,670
Other comprehensive income (loss)	—	—	—	—	142,366	2,255	4,491	(206)	—	148,906	—	148,906
Total comprehensive income (loss)	—	—	—	435,670	142,366	2,255	4,491	(206)	—	148,906	—	584,576
Balances at December 31, 2024	₱714,277	₱686,627	₱8,225	₱6,199,684	₱1,504,417	₱43,319	₱20,399	₱165	₱108	₱1,568,408	(₱8,016)	₱9,169,205

See accompanying Notes to Consolidated Financial Statements.



BENGUET CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱548,973	₱732,609	₱1,759,272
Adjustments for:			
Depreciation and depletion (Notes 9 and 25)	62,644	55,630	81,214
Interest income (Notes 4, 12 and 26)	(41,699)	(10,592)	(2,089)
Movements in pension liability	(12,244)	(123)	(6,486)
Movements in liability for mine rehabilitation	(11,687)	8,014	18,604
Interest expense (Notes 14 and 16)	7,330	2,776	1,102
Provision for (reversal of) impairment loss on other noncurrent assets (Notes 12, 23 and 26)	(2,281)	—	938
Stock options expense (Notes 19 and 26)	1,201	2,260	2,258
Loss (gain) on:			
Revaluation of investment properties (Notes 11 and 26)	(314,491)	136	(85,332)
Settlement of loans (Notes 14 and 26)	309,396	—	—
Change in fair value of financial assets at fair value through profit or loss (FVPL) (Notes 7 and 26)	(55,500)	(51,893)	(18,213)
Unrealized foreign currency exchange (Note 26)	(11,333)	5,929	2,655
Disposal of intangible assets (Notes 12 and 26)	—	(150)	—
Disposal of property, plant and equipment (Notes 9 and 26)	—	(105)	11,238
Sale of investment properties (Notes 11 and 26)	—	—	(619)
Operating income before working capital changes	480,309	744,491	1,764,542
Decrease (increase) in:			
Trade and other receivables	5,450	35,779	(56,894)
Inventories	56,019	(67,387)	(38,467)
Input value-added taxes and creditable withholding taxes	(78,556)	131,824	76,837
Other current assets	(78,443)	11,473	129,260
Increase (decrease) in:			
Trade and other payables	(29,727)	(47,911)	(113,686)
Noncurrent contract liabilities	—	(52,082)	(53,986)
Net cash flows generated from operations	355,052	756,187	1,707,606
Income taxes paid	(35,780)	(228,743)	(445,168)
Interest received	41,699	10,592	2,089
Interest paid	(814)	(573)	(1,102)
Net cash flows generated from operating activities	360,157	537,463	1,263,425
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of:			
Financial assets at FVPL (Note 7)	699,307	—	59,311
Short-term investments (Note 8)	390,819	—	—
Intangible assets (Note 12)	—	380	—
Property, plant and equipment (Note 9)	—	105	157
Investment properties (Note 11)	—	—	4,630
Additions to:			
Short-term investments (Note 8)	(10,194)	(406,540)	—
Financial assets at FVPL (Note 7)	(19,664)	(162,276)	(480,732)
Investment properties (Note 11)	(18,540)	(6,225)	—
Deferred mine exploration costs (Note 10)	(27,131)	(28,310)	(31,221)
Property, plant and equipment (Note 9)	(1,710)	(68,253)	(45,383)
Payments of advances to supplier of aircraft (Note 12)	—	(4,054)	(257,889)
Increase in other noncurrent assets	(16,235)	(79,586)	(99,581)
Net cash flows generated from (used in) investing activities	996,652	(754,759)	(850,708)

(Forward)



	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Loans payable (Note 14)	(P655,150)	P—	P—
Dividend declared (Note 18)	(108,068)	—	—
Principal portion of lease liabilities (Note 15)	(5,401)	(5,828)	(P8,366)
Proceeds from:			
Issuance of shares (Note 18)	360,000	—	—
Deposit for future stock subscription (Note 18)	20,000	—	—
Employees' exercise of stock options (Note 19)	—	268	—
Net cash flows used in financing activities	(388,619)	(5,560)	(8,366)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	968,190	(222,856)	404,351
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	11,333	(5,702)	(4,849)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	774,192	1,002,750	603,248
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P1,753,715	P774,192	P1,002,750

See accompanying Notes to Consolidated Financial Statements.



BENGUET CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, except number of shares, per share data and when indicated)

1. Corporate Information and Status of Business Operations

Corporate Information

Benguet Corporation (the Parent Company) was incorporated in the Philippines on August 12, 1903 and was listed in the Philippine Stock Exchange (PSE) on January 4, 1950.

The Parent Company is currently engaged in gold, nickel, and other metallic and nonmetallic mineral production, exploration, research and development and natural resource projects. The nature of business of the Parent Company's subsidiaries are summarized in Note 2 to the consolidated financial statements.

The Parent Company's registered office address is 7th Floor Universal Re-Building, 106 Paseo de Roxas, 1226 Makati City.

Status of Business Operations

Quasi-reorganization

On December 5, 2011, the Philippine Securities and Exchange Commission (SEC) approved the application of the Parent Company for quasi-reorganization to wipe out its deficit as at December 31, 2010, setting it off against its capital surplus and revaluation increment as follows:

	<i>Prior to quasi-reorganization</i>	<i>Effect of quasi-reorganization</i>	<i>After quasi-reorganization</i>
Capital surplus	₱1,153,579	(₱1,153,579)	₱—
Revaluation increment	1,561,048	(1,010,848)	550,200
Deficit	(2,164,427)	2,164,427	—

For purposes of dividend declaration, the retained earnings of the Parent Company shall be restricted to the extent of the deficit wiped out by the revaluation increment amounting to ₱1.01 billion until the asset to which the revaluation increment relates is disposed. In addition, the retained earnings of the Parent Company shall be restricted further by the accumulated fair valuation gains of investment properties of the Parent Company amounting to ₱1,262.69 million and ₱978.96 million as at December 31, 2024 and 2023, respectively.

Significant developments in the Parent Company and its subsidiaries' (collectively, the Group) operations follow:

a. Mining Projects

Benguet Gold Operations (BGO)

The Group produces gold from the Benguet mines, consisting of the Acupan and Kelly underground mines, that were suspended in 1992, following the 1991 earthquake, that flooded the said underground mines. In 2003, BGO resumed operations and production is partly carried out through independent mining contractors in Acupan Contract Mining Project (ACMP) which is a community-based underground mining project.



The Parent Company is currently working on exploration and drilling programs to upgrade BGO's capacity. The exploration and geology group completed the design for the surface and underground diamond drilling program for the Phase 1 of the Greater Acupan Project.

The related feasibility study for Greater Acupan Project was approved in 2013 and the Parent Company is still raising the necessary funds to start the execution of the project.

On October 28, 2016, the Parent Company received from the Department of Environment and Natural Resources (DENR) the mine audit report dated October 21, 2016, which was conducted pursuant to DENR Memorandum Circular No. 2016-01 requiring audit of all operating mines. The audit report recommended the suspension of the Parent Company's mining operations and required the Parent Company to submit an explanation. On November 1, 2016, the Parent Company submitted an explanation to the DENR stating that there are no legal and factual bases to suspend BGO's operations.

On February 14, 2017, the Parent Company received from DENR cancellation order dated February 8, 2017 which cancel the patent authority to undertake mining operations (PC-ACMP-002-CAR) in BGO for violation of mining and environmental laws, rules and regulations.

On February 22, 2017, the Parent Company filed Notice of Appeal before the Office of the President, which stayed the execution of the cancellation order. On March 22, 2017, the Parent Company submitted to the Office of the President its Appeal Memorandum. As of March 26, 2025, the Office of the President has not yet resolved the appeal.

In November 2019, the DENR directed the regional offices of the Mines and Geosciences Bureau (MGB) and Environmental Management Bureau (EMB) to validate the environmental compliance of BGO as input to early resolution of the appeal. In January 2020, MGB submitted a favorable validation report to DENR and recommended to set aside the cancellation order which was favorably acted upon. Hence as at December 31, 2024, the Parent Company continues to mine and operate.

On April 17 to 18, 2024, NQA Philippines, Inc. (NQA), an independent evaluation and certification body, conducted ISO 14001:2015 Surveillance Audit for BGO. The ISO certification is valid until March 15, 2025. As at March 26, 2025, BGO is in the process of rescheduling its recertification with NQA.

Sta. Cruz Nickel Project (SCNP)

On July 8, 2016, Benguetcorp Resources Management Corporation (BRMC) received from the regional offices of the DENR, MGB, and Environmental Management Bureau (EMB) a joint suspension order, which suspended the mining operations in Sta. Cruz, Zambales.

The Writ of Kalikasan case was referred by Supreme Court to the Court of Appeals for trial proceedings.

On October 18, 2016, BRMC received from DENR the mine audit report dated October 3, 2016 which was conducted pursuant to DENR Memorandum Circular No. 2016 -01 requiring audit of all operating mines. The audit report recommended the suspension of the Company's mining operations and required the Company to submit an explanation.



BRMC replied to the DENR taking strong exception to the mine audit report particularly on the recommendation to maintain the status quo of the Suspension Order issued by the DENR on July 7, 2016.

On November 1, 2016, the Company submitted an explanation to the DENR stating that there are no legal and factual basis to suspend BRMC's operations.

On February 13, 2017, BRMC received from the DENR a order cancelling its Mineral Production Sharing Agreement (MPSA). The cancellation order alleged that BRMC's operations had overlapped a watershed in the area and violated certain provisions of laws and regulations, majority of which were previously raised in the mine audit report.

On February 22, 2017, BRMC filed Notice of Appeal before the Office of the President to set aside the cancellation order. BRMC's nickel project is operated outside of any known critical or declared watershed. BRMC is operating within the Zambales Chromite Mineral Reservation, a mineral reservation which has been excluded from government declared watersheds. BRMC filed before the Office of the President its appeal memorandum on March 21, 2017.

On March 28, 2017, the local government of Zambales issued a Manifestation of Consent which lifted the moratorium and allowed BRMC to proceed with hauling and shipment of its nickel ore inventory, which was mined before the suspension took effect, to avoid any adverse impact on the environment.

On May 22, 2017, the Court of Appeals denied the petition for the Writ of Kalikasan case considering the case has become moot due to the DENR closure orders. Thereafter, the petitioners filed a Motion for Reconsideration.

On December 14, 2017, the Court of Appeals denied the Motion for Reconsideration. Accordingly, the prohibitory injunctive provisional Writ on the Kalikasan case issued by the Supreme Court was lifted. The denial of the petition was questioned in the Supreme Court then a Petition for Review by Certiorari. In March 2022, the Supreme Court gave due course to the Certiorari by remanding the case to the Court of Appeals for continuation of the proceedings. The case was set for preliminary conference.

On July 2, 2020, MGB Regional Office No. III in its Memorandum recommended granting the appeal of BRMC on the DENR order dated February 8, 2017 cancelling the MPSA agreement.

In August 2020, the DENR has determined that BRMC has fully addressed the violations and has complied with the recommendations of the Mining Industry Coordinating Council (MICC) Review Team. The recommendation was also approved by the Secretary of the DENR.

On October 29, 2020, BRMC received a Memorandum dated October 20, 2020 from DENR-MGB Regional Office No. III stating that the Regional Director DENR-MGB Regional Office No. III concurs with the directives of MGB Acting Director to lift the current suspension order subject to its compliance with the certain requirements.

On November 17, 2020, BRMC further notified the MGB Regional Office No. III through a letter dated November 18, 2020 the planned resumption of its mining operations on November 20, 2020.

BRMC now operates in Areas 2 and 3 of its MPSA, implementing activities pursuant to the Three-year Development and Work Program that it resubmitted on December 15, 2020, after



getting the previous version approved last July 1, 2020 by the Director of MGB Regional Office No. III.

Starting 2021, BRMC was able to fully operate its nickel mining project and continued to transport and hauled for shipment the ore inventory stockpiles in Areas 1 and 3 of the MPSA which were given Ore Transport Permit (OTP).

On October 10, 2022, NQA issued to BRMC ISO 14001:2015 Recertification audit. The certification is valid until February 3, 2026. This certification makes BRMC fully compliant with DAO 2015-07.

Irisan Lime Project (ILP)

The Parent Company's ILP in Irisan, Baguio is engaged in the production and trading of quicklime. ILP produced 6,177 tons, 6,553 tons and 7,340 tons of quicklime in 2024, 2023 and 2022, respectively. On March 22, 2022, the Mineral Processing Permit (MPP) for the ILP was renewed for a period of five years or until March 21, 2027.

Benguet Antamok Gold Operation (BAGO)

The Parent Company's BAGO in Itogon, Benguet has been suspended since August 1998. BAGO has an estimated resource of about 12.4 million tons, averaging 3.45 grams of gold per ton, at the end of 1999. Pursuant to DAO No. 2010-04, the Parent Company's Application for Mineral Production Sharing Agreement (APSA) in the Cordillera Administrative Region (CAR) was denied on February 8, 2011. Subsequently, the Parent Company filed an appeal on April 15, 2011 with MGB Central Office and elevated the appeal to the DENR. On October 5, 2021, the DENR granted the appeal and the APSA was reinstated back to the Parent Company.

In October 2016, a leak occurred in BAGO's tailings dam, which affected the Liang River. In response to the DENR show cause letter dated November 23, 2016, the Parent Company explained that there was no negligence because the incident was due to force majeure and the tailings leak was immediately remediated. The Parent Company also emphasized that it has no existing mining operations in BAGO as it has long been suspended. The BAGO open pit mine and the BAGO underground mine has not operated since 1998 and 1989, respectively. The Parent Company contended that its infrastructure in BAGO is under care and maintenance. On January 1, 2017, the case was elevated to the Pollution Adjudication Board (PAB) from the Environmental Management Bureau (EMB), where the Parent Company submitted its Position Paper. No subsequent updates as of March 26, 2025.

Masinloc Chromite Operation (MCO)

From 1934 to 2007, the Parent Company managed the Coto mines under an operating agreement with its claimowner, Consolidated Mines, Inc. (CMI). With the expiration of the operating agreement on July 8, 2007, the Parent Company has transferred back the mine to CMI. As at March 26, 2025, the Parent Company is still engaged in discussion with CMI over the liquidation of MCO's assets.

b. Exploration, Research and Development Projects

Balatoc Tailings Project (BTP)

The Parent Company's Board of Directors (BOD) approved an initial ₱10.0 million research and development fund for the BTP in Itogon, Benguet for the study on the feasibility of reprocessing 16.7 million tons of tailings resource with an average of 0.69 grams gold per ton and is estimated to contain 371,000 ounces of gold. A core research and development team, together with the



Beijing Geological Research Institute of Mining and Metallurgy, has done the analysis toward the preparation and completion of the bankable feasibility study.

On October 21, 2009, the Parent Company appointed ATR Kim Eng Capital Partners, Inc. as financial advisor to raise additional development capital for the BTP.

On the same date, the Parent Company entered into a processing agreement with Balatoc Gold Resources Corporation (BGRC), a subsidiary, to implement the BTP. The Parent Company has completed the bankable feasibility study of the BTP and engaged external Competent Persons to prepare and review reports as required under the Philippine Mineral Reporting Code modeled after the Joint Ore Reserve Committee of Australia.

In September 2010, the Parent Company signed a Deed of Assignment with BGRC, to transfer Mineral Processing Permit (MPP) No. 13-2010-Cordillera Administrative Region (CAR) covering the BTP and was approved by DENR-MGB in November 2011.

BGRC continued the activities on expansion and rehabilitation of its penstocks at Tailings Pond Nos. 2 and 3 and earthmoving works on the silt dam at Gold Creek and the Ambalanga River pumping station, and the ridge enhancement works on Tailings Ponds Nos. 2 and 3.

On January 17, 2013, the Parent Company's BOD authorized and approved the deed of exchange between the Parent Company and BGRC covering all of the Parent Company's rights and interest in BTP in exchange of BGRC's shares.

Following the expiration of MPP No. 13-2010-CAR, BGRC reconveyed to the Parent Company on March 16, 2016 and this was approved by the DENR-MGB on May 31, 2016.

Antamok Tailings Project (ATP)

The ATP, which targeted the BAGO mill tailings pond, was conceived as a possible additional resource that could be developed similar to BTP. The BAGO tailings pond, located a few hundred meters downstream from the BAGO open pit mine, contains some 7.64 million tons of tailings produced from the BAGO milling operations. In addition, a considerable tonnage of extraneous materials, estimated at about 1.95 million tons washed from the BAGO pit over the years from the Otek marginal grade material dump and from the numerous illegal miners' workings, found its way into the pond and is now resting on top of the tailings deposit. A preliminary sampling of these extraneous materials showed that these can be considered for exploitation together with the original tailings in the pond. More core drilling, however, may be required to firm up the resource estimate of these impounded materials.

The Parent Company has approved an initial ₱7.50 million research fund for the ATP for the feasibility study on the reprocessing. The Parent Company is conducting a feasibility study on the reprocessing of tailings from the BAGO, which are impounded in the tailings pond downstream of the old BAGO mill. The initial drilling conducted to test the impounded materials indicates a grade of 4.0 grams of gold per ton.

Surigao Coal Prospect (SCP)

Pre-development activities for the SCP were put on hold in 2011 due to DENR Circular Executive Order (EO) 23, series of 2011, which declares a moratorium on the cutting of timber in the natural and residual forests. The City Environment and Natural Resources Office of the Municipality of Lianga denied the Parent Company's request for a tree inventory, which is preparatory to the application for a cutting permit. The decision was reversed in January 2012 after the issuance of a memorandum from the Executive Secretary, which exempted exploration



and mining activities from the said EO. The Parent Company is in the process of completing the requirements to secure permits for the development of the project. A preliminary hydrology study was done at the nearby Hubo river's water source to assess if the volume capacity of the river system can support a hydro plant, which will complement the Coal Power Plant Study. The Parent Company's application for new Coal Operating Contract (CoC) with the Department of Energy can now proceed with the submission of Certificate of No Mining Ban from the provincial Local Government Unit (LGU).

Ampucao Copper-Gold Prospect (Ampucao Prospect)

The Ampucao prospect is partly located inside the contract claims of Pugo Mining Company in the southern part of Benguet's Acupan gold mine. The initial exploration work conducted by the Parent Company's geologists indicates a porphyry copper-gold mineralization hosted in diorite below the 2000 level. Two test holes have been programmed to be drilled within the area, but have been put on-hold pending the approval of the Exploration Permit Application (EXPA).

Pantangan Copper Gold Prospect (PGP)

The PGP in Balanga, Bataan consists of 1,410 hectares covered by MPSA No. 154-2000-III. The property is under an operating agreement with Option to Purchase, with Balanga Bataan Minerals Corporation, signed in March 1996. Surface mineralization consists of quartz and clay veins, ranging from 0.70 meters to 10 meters wide, with gold and silver values. The Parent Company has implemented drilling programs in the property starting in 2020. On October 14, 2024, the DENR approved the renewal of the MPSA for the second 25-year term commencing March 31, 2025.

Recent geological works in the Pantangan property have also led to the identification of two parcels composed of Block-1 and Block-3 area called PAB-1 and PAB-2 located inside the mineral tenement hosting high quality mountain rock deposits with favorable potential for rock aggregates. The potential rock formations are composed of consolidated volcanic conglomerate and massive andesite units based on their actual ground analysis. The large-scale quarry in PAB-1 and PAB-2 within the MPSA still needs drilling for Declaration of Mining Project Feasibility (DMPF).

On the aggregates prospect outside the MPSA, the Parent Company continues to do topographical/road surveys and apply for permits including for road-right-of-way in the 40-hectares and 30-hectares Quarry Permit Area (QPA). The MGB has issued area clearance in the 30-hectares QPA, EMB has approved the ECC, and NCIP has given a certificate of non-coverage. The Parent Company is working on LGU consent and tree inventory.

BOLCO Gold Prospect (BOLCO)

BOLCO in R.T. Lim, Zamboanga Sibugay consists of 340.3 hectares of land area and is under an operating agreement with Orelina Mining Corporation (OMC). An exploration program to evaluate the mineral potential of the main structure at depth is being undertaken following the DENR approval of the Exploration Permit (EP) on December 5, 2023. Before, the APSA was denied on May 12, 2010 and subject of an appeal on January 30, 2013, until it was reinstated by the DENR on November 4, 2020. It was afterwards converted to EXPA.

Financial or Technical Assistance Agreement (FTAA) Application

The Parent Company and its subsidiary, Sagittarius Alpha Realty Corporation (SARC), have two pending FTAA applications consisting of land area totaling 72,806,291 hectares. The FTAA application in Ilocos Norte (denominated as AFTA-000003-1) and Apayao (denominated as AFTA No. 033-CAR) are undergoing Free, Prior and Informed consent requirement through the



Regional Office of the NCIP. Exploration work for the two areas will be undertaken as soon as the applications have been approved by the Philippine government.

c. Water Projects

Baguio City Bulk Water Supply Project (BCBWSP)

On August 16, 2005, the BOD of the Baguio Water District (BWD) issued to the Parent Company a Notice of Award covering the BCBWSP. The Parent Company's proposal is to convert its mined-out 440 Vein Open Pit into a water reservoir to supply 50,000 cubic meters of potable water per day to Baguio City.

On September 7, 2007, the BWD issued Board Resolution Number 30-2007, which resolved to terminate the bulk water supply contract negotiation and to scrap the project. The Parent Company filed request for reconsideration on September 13, 2007.

On November 29, 2007, the BWD issued a Board Resolution denying the request for reconsideration. The Parent Company then filed a case against BWD with the Regional Trial Court.

In 2020, pursuant to a Memorandum of Agreement (MOA) with Manila Water Company, Inc. (MWCI) regarding the assignment of water rights in Laboy River in connection with MWCI's bulk water supply proposal to Baguio City, the Parent Company withdrew the case against BWD without prejudice to filing of a new case for recovery of cost and damages due to the aborted bidding award. The MOA with MWCI lapsed in 2023 and the Parent Company invoked the long stop date of 3 years to demand reversion of water rights over Laboy River. In February 2024, MWCI and the Parent Company executed a Deed of Assignment for the reconveyance of the Water Permit subject for National Water and Resources Board (NWRB) approval of the transfer.

Water Rights of Agua de Oro Ventures Corporation (ADOVC)

ADOVC, a subsidiary of BMC, has water permits in various locations in Tuba, Benguet: Kairuz Spring granted on September 12, 2001, Amliang Spring granted on October 17, 2002, and Kias Creek granted on August 13, 2004.

The water permits give ADOVC water access to these water sources, except for Kairuz Spring. The owner sold the water source on August 2012. The new owner denied ADOVC to access the water source. In an order dated September 12, 2001, the transfer of the water permit was approved subject to the rights of ADOVC equivalent to 11.60 liters per second. The diversion of the water shall be from the source and for the purpose indicated in the permit and in no case should said use exceed the quantity and period indicated therein. As of March 26, 2025, management is still awaiting resolution of the issue.

As at December 31, 2024 and 2023, the cost and accumulated amortization of the water rights amounted to ₱4.59 million. ADOVC accrued and paid water permit fees amounting to ₱0.05 million and ₱0.04 million in 2024 and 2023, respectively.

d. Land Development Project

Kelly Special Economic Zone (KSEZ)

The Parent Company has approved an initial ₱4.90 million for the feasibility study covering the KSEZ and the potential of other real estate project of the Group. The Parent Company plans to transfer the said properties to BC Property Management, Inc. (BCPMI), a subsidiary of BMC. The capital expenditures related to the implementation of the project will then be infused as



equity of the Parent Company in BCPMI. As at March 26, 2025, the said project has not yet materialized.

e. Logistics Services

On August 31, 2017, the BOD approved the dissolution of Calhorr 1 Marine Services Corporation (CMSC) and Calhorr 2 Marine Services Inc. (CMSI), wholly owned subsidiaries of Keystone Port Logistics and Management Services Corporation (KPLMSC), by shortening their corporate term until September 30, 2017. CMSC and CMSI are awaiting the clearance letter from the Bureau of Internal Revenue (BIR) before it could apply for liquidation with the Philippine SEC. Final liquidation will take place after the Philippine SEC's approval of the said application. In 2021, CMSC and CMSI received the clearance letter from the BIR. As at March 26, 2025, CMSC and CMSI have not yet filed the application of liquidation with the Philippine SEC.

f. Health Care Services

The Parent Company spun off its Benguet Laboratories (BL) Division on September 19, 2012 through its wholly owned subsidiary, Benguetcorp Laboratories, Inc. (BLI), to undertake the expansion of BL into a distinct operating unit that can raise the necessary development funds and create value for the Group. BLI operates two full-fledged tertiary multi-specialty facilities in Baguio under the trade name Benguet Laboratories.

Authorization for the Issuance of the Consolidated Financial Statements

The consolidated financial statements of the Group as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issuance by the Parent Company's BOD on March 26, 2025.

2. Summary of Material Accounting Policies

Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for land and artworks classified as property, plant and equipment, financial assets at FVOCI, financial assets at FVPL and investment properties, which have been measured at fair value. The consolidated financial statements are presented in Philippine peso, which is the Parent Company's functional and presentation currency. All values are rounded to the nearest thousands (₱000), except when otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS) Accounting Standards.



Basis of Consolidation and Group Information

As at December 31, 2024 and 2023, the consolidated financial statements include the accounts of the Parent Company and the following subsidiaries:

	Nature of business	Country of incorporation	Effective percentage of ownership
Berec Land Resources Inc. (BLRI)*	Exploration and development	Philippines	100.00
BRMC	Exploration and development	Philippines	100.00
ADOVC*	Selling of treated and untreated water	Philippines	100.00
BCPMI*	Management services	Philippines	100.00
BMC*	Foundry	Philippines	100.00
BMC's Subsidiaries:			
Arrow Freight and Construction Corporation (AFCC)	Logistics	Philippines	100.00
Benguetrade, Inc. (BTI)*	Trading	Philippines	100.00
BMC Forestry Corporation (BFC)	Real estate	Philippines	100.00
BPGC*	Exploration and development	Philippines	100.00
KPLMSC	Logistics	Philippines	100.00
KPLMSC's Subsidiaries:			
CMSC**	Logistics	Philippines	100.00
CMSI**	Logistics	Philippines	100.00
Media Management Corporation (MMC)*	Management services	Philippines	100.00
BenguetCorp International Limited (BIL)*	Holding company	Hong Kong	100.00
Aglao Development Corporation (ADC)	Land use development	Philippines	100.00
BIL Subsidiaries:			
Benguet United States of America (USA), Inc.*	Exploration and development	USA	100.00
Benguet Canada Limited*	Exploration and development	Canada	100.00
Pillars of Exemplary Consultants, Inc. (PECT)*	Professional services	Philippines	100.00
SARC*	Real estate holding	Philippines	100.00
SARC's Subsidiary:			
BGRC*	Exploration and development	Philippines	100.00
Benguetcorp Construction and Development Corporation (BCDC) (formerly Batong Buhay Mineral Resources Corporation)*	Exploration and development	Philippines	100.00
Ifaratoc Mineral Resources Corporation (IMRC)*	Exploration and development	Philippines	100.00
Acupan Gold Mines Inc.*	Exploration and development	Philippines	100.00
Benguetcorp Laboratories Inc. (BLI)	Health services	Philippines	100.00
Samar Agricultural Farm Corporation (SAFC)	Agriculture	Philippines	100.00
* Non-operating			
** In process of liquidation			

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



New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amended standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Adoption of these amended standards did not have an impact on the consolidated financial statements of the Group:

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

Standards issued but not yet effective

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

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

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

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

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*

Financial Instruments

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and FVPL.

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 FVPL, transaction costs. Trade receivables that do not contain a



significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

- *Financial assets at amortized cost (debt instruments)*
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 receivables, loan receivable, receivables from lessees of bunkhouses and short-term investments under "Other current assets" (see Notes 4, 5 and 8).

- *Financial assets at FVPL*
Financial assets at FVPL 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.

The Group's financial assets at FVPL include its investments in unit investment trust fund (UITF) (see Note 7).

- *Financial assets at FVOCI*
Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in the consolidated statement of comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group's financial assets at FVOCI include investments in quoted shares (see Note 12).

Impairment

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

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

For cash and cash equivalents and short-term investments, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 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 publicly



available ratings to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other receivables, the Group calculates ECLs at initial recognition by considering the consequences and probabilities of possible defaults only for the next 12 months, rather than the life of the asset. It continues to apply this method until a significant increase in credit risk has occurred, at which point the loss allowance is measured based on lifetime ECLs.

At each 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 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 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 also reverses any previously assessed significant increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial recognition, measurement

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

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

Subsequent Measurement - Financial liabilities at amortized cost (loans and borrowings)

After initial measurement, loans and borrowings and payables 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.



The Group's financial liabilities include loans payable, trade payables and accrued expenses under "Trade and other payables", lease liabilities and equity of claim owners on contract operations under "Other noncurrent liabilities" (see Notes 13, 14, 15 and 17).

Fair Value Measurement

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

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

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

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

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

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



Inventories

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

Materials and supplies	-	at purchase price less purchase discount, returns and rebates on a first-in, first-out method
Beneficiated nickel ore	-	at cost on a moving average production method during the year exceeding a determined cut-off grade
Quicklime and slakelime	-	at cost on a moving average production method
Gold buttons	-	at cost on a moving average production method
Subdivision lots	-	at land costs, amounts paid to contractors for costs incurred in the development and improvement of the properties (planning and design costs, cost of site preparation, professional fees, property taxes, construction overheads and other related costs)

Net realizable value (NRV) for materials and supplies represents the current replacement cost. NRV for beneficiated nickel ore, quicklime and slakelime, gold bullions or buttons, and subdivision lots is the estimated selling price in the ordinary course of business less costs of completion and estimated costs necessary to make the sale.

Value-added Taxes (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 to the extent of the recoverable amount.

Deferred Mine Exploration Costs

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

Exploration and evaluation activity include:

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

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

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



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

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

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

When a project is abandoned, the related deferred mine exploration costs are written off. Exploration areas are considered permanently abandoned if the related permits of the exploration have expired and/or there are no definite plans for further exploration and/or development.

Property, Plant and Equipment

Property, plant and equipment, except land and artworks, are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation, depletion and amortization and accumulated impairment in value, if any. Such cost includes the cost of replacing part of such property, plant and equipment if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates, depletes and amortizes them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the consolidated statement of income when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

CIP is recorded at cost. This includes costs of construction and other direct costs. CIP is not depreciated until such time that the relevant asset is completed, transferred to the appropriate account and put into operational use.

Land is carried at revalued amount less any impairment in value. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

Artworks, which the Group holds for aesthetic purposes, are also stated at revalued amount less any accumulated depreciation and accumulated impairment in value. Depreciable amount is determined after considering the residual value. The initial cost of artworks includes purchase consideration, the fair value in the case of vested assets, and those costs that are directly attributable to bringing the asset to its location and condition necessary for its intended purpose.



The increment from valuation of land and artworks, net of deferred tax liability, resulting from the revaluation is credited to revaluation increment under the other components of equity caption included in the equity section in the consolidated statement of financial position. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in the consolidated statement of income, the increase is recognized in consolidated statement of income. A revaluation deficit is recognized in the consolidated statement of income, except to the extent that it offsets an existing surplus on the same asset recognized in the revaluation increment. Upon derecognition of the revalued property, the relevant portion of the revaluation increment realized in respect of previous valuations is released from the revaluation increment directly to retained earnings.

Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Number of years
Port facilities	25
Land improvements	3-25
Buildings	5-20
Machinery, tools and equipment	2-15

Right-of-Use Assets

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

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

Leased assets	Lease terms
Land	10 to 25 years
Office spaces	5 to 8 years
Clinic spaces	3 years
Vehicle	2 years

Right-of-use assets are subject to impairment.

The estimated useful lives, residual values and depreciation and amortization method are reviewed periodically to ensure these are consistent with the expected pattern of economic benefits from items of property, plant and equipment. The useful lives and residual values are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

Fully depreciated assets are retained in the accounts until these are no longer in use. No further depreciation is charged to current operation for these items.



Mine and Mining Properties

Capitalized expenditure is assessed for impairment and is transferred from deferred exploration costs to mine development costs when it has been established that a mineral deposit is commercially mineable, development sanctioned, and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit).

After transfer of the deferred exploration costs, all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalized in mine development costs. Development expenditure includes costs considered integral to the development of the mine. Any costs incurred in testing the assets to determine if they are functioning as intended, are capitalized, while any proceeds received from selling any product during testing shall be recognized in the consolidated statement of income.

No depletion is charged during the mine development phases.

When the Group has already achieved commercial levels of production, mine development costs are moved to mine and mining properties. Commercial production is deemed to have commenced when management determines that the completion of operational commissioning of major mine and plant components is completed, operating results are being achieved consistently for a period of time and that there are indicators that these operating results will be continued.

The carrying value of mine and mining properties represents total expenditures incurred to date on the area of interest, less accumulated depletion and any impairment.

When a mine construction project moves into the production phase, the capitalization of certain mine construction costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalization relating to mining asset additions, improvements or new developments, underground mine development or mineable reserve development.

Mine and mining properties are subject to depletion, which is computed using the units-of-production method based on the economically recoverable reserves. Mine and mining properties include the initial estimate of provision for mine rehabilitation and decommissioning, for which the Group is constructively liable.

Investment Properties

Investment properties pertain to properties, which are held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of income in the period in which these arise. Fair values are determined based on the revaluation performed by an accredited external independent appraiser. Upon derecognition of the investment property, the portion of the revaluation increment realized in respect of previous valuation is released from the revaluation increment directly to retained earnings.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment property is recognized in the consolidated statement of income in the year of retirement or disposal.



Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. Transfers between investment property and owner-occupied property do not change the carrying amount of the investment property transferred and they do not change the cost of the property.

If an owner-occupied property becomes an investment property that will be carried at fair value, the Group shall apply PAS 16, *Property, Plant and Equipment*, up to the date of change in use. The Group shall treat any difference at that date between the carrying amount of the property and its fair value in the same way as a revaluation in accordance with PAS 16. On subsequent disposal of the investment property, the revaluation surplus included in equity shall be transferred to retained earnings.

Impairment of Nonfinancial Assets

The Group assesses, at the end of each reporting period, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the consolidated statement of income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to consolidated statement of comprehensive income. For such properties, the impairment is recognized in consolidated statement of comprehensive income up to the amount of any previous revaluation.

For the other assets, an assessment is made at the end of each reporting period to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, depletion or amortization, had no impairment loss been recognized for that asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.



Deferred Mine Exploration Costs

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

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area, and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the deferred mine exploration costs is unlikely to be recovered in full of successful development or by sale

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

Recovery of impairment losses recognized in prior years is recorded if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The recovery is recorded in the consolidated statement of income.

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

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

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

The Group has elected to classify interest paid on lease liabilities as cash flows from operating activities.



Short-term Leases

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

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. When the Group expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a 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, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense in the consolidated statement of income.

Liability for Mine Rehabilitation

Mine rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities and mine and mining properties. The Group assesses its mine rehabilitation provision at each reporting date. The Group recognizes a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes: dismantling and removing structures; rehabilitating mines and tailings dams; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and re-vegetating affected areas.

The obligation generally arises when the asset is installed, or the ground/environment is disturbed at the mining operation's location. When the liability is initially recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development or construction of the mine. Any rehabilitation obligations that arise through the production of inventory are recognized as part of the related inventory item. Additional disturbances that arise due to further development or construction at the mine are recognized as additions or charges to the corresponding assets and rehabilitation liability when these occur. Costs related to restoration of site damage (subsequent to start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognized in the consolidated statement of income as extraction progresses.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognizing an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognized as part of an asset measured in accordance with PAS 16.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of income.

If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of



the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in the consolidated statement of income as part of interest expense.

For closed sites, changes to estimated costs are recognized immediately in the consolidated statement of income.

Rehabilitation trust funds committed for use in satisfying environmental obligations are included in other noncurrent assets in the consolidated statement of financial position.

Capital Stock and Capital Surplus

Common and preferred shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds. The excess of proceeds from issuance of shares over the par value of shares less any incremental costs directly attributable to the issuance, net of tax, is credited to capital surplus.

Revenue Recognition

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

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

Sale of Mine Products

Revenue from sale of mine products is recognized at the point in time when the control of the asset is transferred to the customer which is normally at the time of shipment, and the selling prices are known or can be reasonably estimated. Revenue from sale of gold is measured at the prevailing international gold buying price and prevailing Philippine peso to United States dollar buying rate set by the Bangko Sentral ng Pilipinas (BSP) Treasury department on a daily basis and is recognized based on the initial weight and assay tests, which represent the best estimate. Revenue from sale of nickel ore is measured based on contract at the prevailing price at Ferro Alloy and prevailing Philippine peso to United States dollar buying rate and is recognized based on the initial weight and assay tests, which represent the best estimate. Subsequent adjustments to revenue due to quantity and/or quality changes are recognized upon determination of the final weight and assay tests.

BSP Refining Charges

BSP refining charges are deducted from revenue to arrive at revenue from contracts with customers since BSP refining charges are necessary expenses by BSP in determining the final gold content.

Despatch/Demurrage

Despatch/demurrage is added/deducted from revenue to arrive at revenue from contracts with customers. Despatch is earned when shipment is loaded earlier than the allowable lay time while demurrage is incurred when shipment is not loaded on time.



Medical and Dental Services

The Group has contracts with customers to provide medical and dental services. Each individual service is either sold separately or bundled together with other medical services. In determining the transaction price for the sale of medical and dental services, the Group considers the effects of variable consideration.

Revenue from medical and dental services are recognized over the period in which the medical and dental services are provided, and are included as part of the Group's sale of goods and services in Note 20.

Trucking Services

The Group provides trucking services for the transportation of mining materials and construction supplies.

Revenue from trucking services is computed as actual delivered cubic meters multiplied by the contract price. The Group has concluded that revenue from trucking services is recognized over time since the customers simultaneously benefits as the Group performs the services. Revenue from trucking services is included as part of the Group's sale of goods and services.

Port Services

Revenue from port service is recognized over time upon loading of ores to the vessel and is included as part of the Group's sale of goods and services.

Excise Taxes and Royalty Fees

Excise taxes and royalty fees pertain to the taxes paid or accrued by the Group arising from the production of gold and nickel ore. These taxes and royalties are recognized once revenue from the sale of the related mine product is recognized.

Pension and Other Post-employment Benefits

The Parent Company, BRMC, BLI and AFCC have separate, noncontributory, defined benefit pension plans, covering all permanent, regular and full-time employees.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets, 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 plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains or losses, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which these occur. Remeasurements are not reclassified to consolidated statement of income in subsequent periods.

Past services costs are recognized in the consolidated statement of income on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs



Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under “costs of mine products sold”, “costs of services and other sales” and “selling and general expenses” in the consolidated statement of income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

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.

Share-based Payment Transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, in employee benefits expense.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The profit and loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits.

No expense is recognized for awards that do not ultimately vest, except for equity settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense computed based on the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately in the consolidated statement of income.

When the terms of an equity-settled award are cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the



date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Where an equity-settled award expires or is cancelled, its cost is transferred to capital surplus.

Forfeitures revise the expense to reflect the best available estimate of the number of equity instruments expected to vest.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Foreign Currencies

The Group's consolidated financial statements are presented in Philippine peso, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and Balances

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in consolidated statement of income with the exception of monetary items that are designated as part of the hedge of the Group's net investment of foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to consolidated statement of income. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss on translation of non-monetary items measured at fair value of the item is treated in line with the recognition of the gain or loss arising on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or consolidated statement of income are also recognized in OCI or consolidated statement of income, respectively).

Foreign Subsidiaries

On consolidation, the assets and liabilities of foreign operations are translated into Philippine peso at the rate of exchange prevailing at the reporting date and their statements of income are translated at the average exchange rates for the year. The exchange differences arising on the translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the consolidated statement of income.



Income Taxes

Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as of the end of the reporting period in the country where the Group operates and generates taxable income.

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

Deferred Tax

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

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

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

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

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the 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 at the end of the reporting period.

Deferred tax relating to items recognized outside consolidated statement of income is recognized outside consolidated statement of income. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.



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

Uncertainty Over Income Tax Treatments

The Group assesses at the end of each financial reporting period whether it has any uncertain tax treatments by reviewing the assumptions about the examination of tax treatments by the taxation authority, determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, and considering changes in relevant facts and circumstances. The Group then evaluates how likely is it that a certain tax treatment will be accepted by the taxation authority. If it is probable that the taxation authority will accept a certain tax treatment, the Group concludes that it has no uncertain tax treatment and will measure tax amounts in line with the income tax filings. If it is not probable that the taxation authority will accept a certain tax treatment, the Group measures tax amounts based on the 'most likely amount' method (better predicts uncertainty if the possible outcomes are binary or are concentrated on one value) or 'expected value' method (better predicts uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value). The Group presents uncertain tax as part of current income tax liabilities or deferred income tax liabilities.

Earnings Per Share (EPS)

Basic EPS amount is calculated by dividing net income for the year 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.

Diluted EPS amount is calculated by dividing the net profit attributable to ordinary equity holders of the Parent Company (after deducting interest on the convertible cumulative preference shares) by the weighted average number of ordinary shares outstanding, adjusted for any stock dividends declared during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

If the number of ordinary or potential ordinary shares outstanding increases as a result of a capitalization, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. If these changes occur after the reporting period but before the financial statements are authorized for issue, the per share calculations for those and any prior period financial statements presented shall be based on the new number of shares. The fact that per share calculations reflect such changes in the number of shares shall be disclosed. In addition, basic and diluted earnings per share of all periods presented shall be adjusted for the effects of errors and adjustments resulting from changes in accounting policies accounted for retrospectively.

Operating Segments

The Group's operating businesses are recognized and managed according to the nature of the products or services offered, with each segment representing a strategic business unit that serves different markets.

Segment assets include operating assets used by a segment and consist principally of operating cash, trade and other receivables, inventories and property, plant and equipment, net of allowances and provisions.

Segment liabilities include all operating liabilities and consist principally of trade and other payables, accrued expenses and bank loans. Segment assets and liabilities do not include deferred taxes.



Segment revenue, expenses and profit include transfers between business segments. The transfers are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in the consolidation.

Events After the Reporting Period

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

3. Summary of Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS Accounting Standards requires the Group to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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. Actual results could differ from such estimates.

Judgments

In the process of applying the Group's accounting policies, management has made following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

Assessing Provisions and Contingencies

The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the Group's defense in these matters and is based upon an analysis of potential results. The Group assessed that these proceedings will not have a material adverse effect on its financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings (see Note 36).

Distinction between Investment Property and Owner-Occupied Property

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property is not occupied substantially for use by, or in operations of the Group, not for sale in the ordinary course of business, but is held primarily to earn rental income or capital appreciation. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in the production or supply.

Principal versus Agent Considerations

The Group enters into contracts with customers wherein the Group charges the customers for the services rendered. The Group determined that it does not control the goods or services before they are transferred to customers, and it does not have the ability to direct the use of the services or obtain benefits from the services. The following factors indicate that the Group does not control the services before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.



- The Group is not primarily responsible for fulfilling the promise to provide the professional services.
- The Group has no discretion in establishing the price for the services provided. The Group's consideration in these contracts is only based on the difference between the Group and the customer.

The Group determined that it is an agent with respect to the professional fees of its tenant doctors. Meanwhile, the Group concluded that it is the principal in all its other revenue streams.

Assessing Recoverability of Deferred Mine Exploration Costs

The Group reviews the recoverability of deferred mine exploration costs when events or changes in circumstances indicate that the carrying amount of deferred mine exploration costs may exceed its estimated recoverable amount. The Group considers the following factors, among others, in its assessment:

- Status of each mine exploration project and plans on exploration and evaluation activities
- Validity of the licenses, permits and correspondences related to each mine exploration project
- Plans to abandon existing mine areas and plans to discontinue exploration activities
- Availability of information suggesting that the recovery of expenditure is unlikely

The Group's ability to realize its deferred exploration costs depends on the success of exploration and development work in proving the viability of its mining properties to produce minerals in commercial quantities, and the success of converting the Group's exploration permits to new mineral agreements, which cannot be determined at this time. The consolidated financial statements do not include any adjustment that might result from these uncertainties.

As at December 31, 2024 and 2023, deferred mine exploration costs amounted to ₱550.51 million and ₱520.37 million, respectively (see Note 10).

Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year, are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when these occur.

Provision for ECL on Trade and Other Receivables

The Group uses the simplified approach in the assessment of the ECL for its trade receivables and general approach model for its other receivables excluding advances to officers and employees. An assessment of the ECL relating to this financial asset is undertaken upon initial recognition and each financial year and involves exercise of significant judgment. Key areas of judgment include defining default, determining assumptions to be used such as timing and amounts of expected net recoveries from defaulted accounts, determining debtor's capacity to pay, and incorporating forward looking information.

The Group recognized provision for ECL amounting to ₱4.83 million in 2024 while provision, net of recoveries, amounting to ₱0.92 million in 2023. The carrying amount of trade and other receivables, excluding advances to officers and employees, amounted to ₱683.06 million and ₱601.91 million as at December 31, 2024 and 2023, respectively (see Note 5).



Estimating Ore Reserves

Ore reserves estimates are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies. 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 Group also makes estimates and assumptions regarding a number of economic and technical factors affecting ore reserves estimates, such as production rates, grades, foreign exchange rates, production and transport costs, and commodity prices.

These geological, economic and technical estimates and assumptions may change in the future in ways, which can affect the quality and quantity of the ore reserves. The Group reviews and updates estimates as required 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 gold prices or production costs, and other factors.

Changes in the ore reserves estimates may impact the carrying values of mine and mining properties under “property, plant and equipment, liability for mine rehabilitation and decommissioning and depletion charges.

As at December 31, 2024 and 2023, carrying values of mine and mining properties amounted to ₱645.36 million and ₱651.56 million, respectively (see Note 9). Depletion charges recognized amounted to ₱25.67 million, ₱25.92 million and ₱41.76 million in 2024, 2023 and 2022, respectively (see Notes 9 and 25).

As at December 31, 2024 and 2023, liability for mine rehabilitation amounted to ₱53.02 million and ₱62.13 million, respectively (see Note 16).

Estimating Recoverability of Property, Plant and Equipment

The Group assesses impairment on property, plant and equipment whenever events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable.

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

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

In determining the present value of estimated future cash flows expected to be generated from the continued use of the property, plant and equipment, the Group is required to make estimates and assumptions such as commodity prices (considering current and historical prices, price trends and related factors), discount rates and foreign currency exchange rates, operating costs, future production levels and costs. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets. In such circumstances, some or all of the carrying amount of the assets may be further impaired or the impairment charge reduced with the impact recognized in the consolidated statement of income.



The Group did not recognize any impairment loss in 2024, 2023 and 2022 on property, plant and equipment.

As at December 31, 2024 and 2023, property, plant and equipment (at cost) amounted to ₱743.91 million and ₱789.94 million, respectively (see Note 9).

Estimating Allowance for Inventory Obsolescence

The Group maintains allowance for inventory losses at a level considered adequate to reflect the excess of cost of inventories over their NRV. NRV of inventories are assessed regularly based on prevailing estimated selling prices of inventories and the corresponding cost of disposal. Decrease in the NRV of inventories resulting in an amount lower than the original acquisition cost is accounted for as an impairment loss that is recognized in profit or loss.

As at December 31, 2024 and 2023, the carrying value of inventories amounted to ₱191.94 million and ₱247.96 million, respectively (see Note 6).

Assessing Impairment of Input VAT and Advances to Contractors and Suppliers

The Group provides allowance for impairment losses on input VAT under other current assets and advances to contractors and supplies and input VAT under noncurrent assets when these can no longer be realized. The amounts and timing of recorded expenses for any period would differ if the Group made different judgments or utilized different estimates. An increase in allowance for probable loss would increase recorded expenses and decrease other current and noncurrent assets.

The total carrying value of input VAT and advances to contractors and suppliers amounted to ₱582.13 million and ₱450.58 million as at December 31, 2024 and 2023, respectively (see Notes 8 and 12).

Revaluation of Property, Plant and Equipment and Investment Properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in the consolidated statement of income. In addition, it measures the land and artworks at revalued amounts, with changes in fair value being recognized in other comprehensive income. The land, artworks and investment properties were valued using the sales comparison approach. The determination of the fair values of these properties involves significant management judgment and estimations. The valuation also requires the assistance of external appraisers whose calculations also depend on certain assumptions, such as sales and listing of comparable properties registered within the vicinity and adjustments to sales price based on internal and external factors.

As at December 31, 2024 and 2023, the appraised value of land and artworks, and investment properties amounted to ₱5,297.36 million and ₱4,774.57 million, respectively (see Notes 9 and 11).

Unit-of-production (UOP) depreciation

Estimated economically recoverable reserves are used in determining the depreciation and/or amortization of mine-specific assets. This results in a depreciation/amortization charge proportional to the depletion of the anticipated remaining life-of-mine production. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation/amortization could be impacted to the extent that actual production in the future is different from current forecast production based on economically recoverable reserves, or if future capital expenditure estimates change. Changes to economically recoverable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:



- The effect on economically recoverable reserves of differences between actual commodity prices and commodity price assumptions
- Unforeseen operational issues

Changes in estimates are accounted for prospectively.

As at December 31, 2024 and 2023, the carrying amount of mine and mining properties amounted to ₱645.36 million and ₱651.56 million, respectively (see Note 9).

Leases – Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR 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 right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

The Group’s lease liabilities amounted to ₱15.27 million and ₱8.33 million as at December 31, 2024 and 2023, respectively (see Note 15).

Estimating Liability for Mine Rehabilitation

The Group estimates the costs of mine rehabilitation based on previous experience in rehabilitating fully mined areas in sections of the mine site. These costs are adjusted for inflation factor based on the average annual inflation rate as of adoption date or re-evaluation of the asset dismantlement, removal or restoration costs. Such adjusted costs are then measured at present value using the market interest rate for a comparable instrument adjusted for the Group’s credit standing. While management believes that its assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in the assumptions may materially affect the Group’s liability for mine rehabilitation.

Liability for mine rehabilitation amounted to ₱53.02 million and ₱62.13 million as at December 31, 2024 and 2023, respectively (see Note 16).

Estimating Pension Benefits

The cost of defined benefit pension benefits as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at the end of each reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases, and pension increases are based on expected future inflation rates for the Philippines.



Further details about the assumptions used are provided in Note 29.

Net pension liability of the Group amounted to ₱39.96 million and ₱58.19 million as at December 31, 2024 and 2023 respectively (see Note 29).

Assessing Realizability of Deferred Tax Assets

The Group reviews the carrying amounts of deferred tax assets at each end of the reporting period and reduces deferred tax assets to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Management believes that there is no assurance that the Group will generate sufficient taxable profit to allow all or part of its deferred tax assets to be utilized.

The Group recognized deferred tax assets amounting to ₱103.59 million and ₱105.07 million as at December 31, 2024 and 2023, respectively (see Note 30).

The Group did not recognize deferred tax assets on the remaining unused NOLCO and excess MCIT and deductible temporary differences amounting to ₱407.90 million and ₱399.41 million as at December 31, 2024 and 2023, respectively (see Note 30).

4. Cash and Cash Equivalents

	2023	2022
Cash on hand and in banks	₱832,105	₱630,810
Short-term deposits	921,610	143,382
	₱1,753,715	₱774,192

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Interest income from cash and cash equivalents amounted to ₱38.66 million, ₱3.34 million and ₱1.35 million in 2024, 2023, and 2022, respectively (see Note 26).

5. Trade and Other Receivables

	2023	2022
Trade	₱256,643	₱183,429
Nontrade	251,290	230,250
Loan receivable	246,682	258,622
Advances to officers and employees	60,048	146,649
Employee stock ownership incentive plan (ESOIP) (Note 27)	58,416	58,416
Receivables from lessees of bunkhouses	9,972	9,648
Others	20,447	17,101
	903,498	904,115
Less allowance for ECLs and impairment losses	162,222	157,389
	₱741,276	₱746,726

Trade and nontrade receivables, and receivables from lessees of bunkhouses are noninterest-bearing and are generally collectible within a period of one year.



Loan Receivable

On March 3, 2010, MMC granted an unsecured loan facility which is payable on demand, to a third party with an interest rate of 9% per annum. Outstanding receivable from this loan, including accrued interest, amounted to ₱196.92 million and ₱208.86 million, net of allowance amounting to ₱49.76 million as at December 31, 2024 and 2023, respectively. No interest earned for this loan in 2024, 2023 and 2022.

Other receivables comprise various receivables of the Group which are normally settled within the period, while advances to officers and employees pertain to cash advances that are used in the operations of the Group and are subject to liquidation.

Movements in allowance for ECL and impairment losses in 2024 and 2023 are as follows:

2024								
	Trade Receivables	Nontrade Receivables	Advances to officers and employees	ESOIP (Note 27)	Loans receivable	Receivables from lessees of bunkhouses	Others	Total
Balances at beginning of year	₱32,996	₱8,409	₱1,830	₱58,416	₱49,763	₱3,855	₱2,120	₱157,389
Provisions (Note 23)	4,678	—	2	—	—	153	—	4,833
Balances at end of year	₱37,674	₱8,409	₱1,832	₱58,416	₱49,763	₱4,008	₱2,120	₱162,222

2023								
	Trade Receivables	Nontrade Receivables	Advances to officers and employees	ESOIP (Note 27)	Loans receivable	Receivables from lessees of bunkhouses	Others	Total
Balances at beginning of year	₱31,890	₱8,409	₱1,830	₱58,416	₱49,763	₱3,855	₱2,302	₱156,465
Provisions (Note 23)	1,118	—	—	—	—	—	—	1,118
Recoveries (Note 23)	(12)	—	—	—	—	—	(182)	(194)
Balances at end of year	₱32,996	₱8,409	₱1,830	₱58,416	₱49,763	₱3,855	₱2,120	₱157,389

Except for those impaired accounts, the Group assessed trade and other receivables as collectible and in good standing.

6. Inventories

	2024	2023
At Cost:		
Beneficiated nickel ore	₱149,212	₱193,506
Quicklime and slakelime	6,902	8,850
Subdivision lots and housing units for sale	1,122	1,122
	157,236	203,478
At NRV:		
Materials and supplies	191,445	201,095
Less provision for inventory obsolescence	(156,741)	(156,614)
	34,704	44,481
	₱191,940	₱247,959

As at December 31, 2024 and 2023, the NRV of the Group's beneficiated nickel ore, gold button, quicklime and slakelime, and subdivision lots is higher than the related cost.



The amount of beneficiated nickel ore inventory recognized as expense, included in the costs of mine products sold in the consolidated statements of income amounted to ₱224.85 million, ₱120.79 million and ₱152.00 million in 2024, 2023 and 2022, respectively.

The aggregate cost of beneficiated nickel ore inventory that decreased cost of mine products sold amounted to ₱72.13 million in 2023 and increased cost of mine products sold amounted to ₱43.48 million and ₱5.09 million in 2024 and 2022, respectively. (see Note 21).

Movements of provision for inventory obsolescence on materials and supplies are as follows:

	2024	2023
Balances at beginning of year	₱156,614	₱156,614
Provision (Note 23)	127	—
Balances at end of year	₱156,741	₱156,614

Materials and supplies charged to current operations amounted to ₱175.02 million, ₱205.95 million and ₱283.31 million in 2024, 2023 and 2022, respectively (see Notes 21, 22 and 23). There are no purchase commitments related to inventories or inventories pledged as security for liabilities as at December 31, 2024 and 2023.

7. Financial Assets at FVPL

The Group's financial assets at FVPL are investments in UITF.

Movements in financial assets at FVPL are as follows:

	2024	2023
Beginning balance	₱1,328,780	₱1,114,611
Additions	19,664	162,276
Disposals	(699,307)	—
Changes in fair value (Note 26)	55,500	51,893
Ending balance	₱704,637	₱1,328,780

Movements in cumulative gain from change in fair value are as follows:

	2024	2023
Beginning balance	₱59,340	₱7,447
Realized gain on disposals	(65,462)	—
Changes in fair value (Note 26)	55,500	51,893
Ending balance	₱49,378	₱59,340



8. Other Current Assets

	2024	2023
Input VAT - net	₱172,855	₱175,276
Input VAT refund	112,043	—
CWTs	40,567	28,400
Short-term investments	26,908	407,533
Deferred input VAT	9,508	43,482
Prepaid expenses	5,300	3,714
Others	12,264	10,888
	379,445	669,293
Less allowance for impairment losses on input VAT	10,729	8,724
	₱368,716	₱660,569

In 2024, BRMC applied for input VAT refund for the taxable year 2023 amounting to ₱112.04 million. On February 27, 2025, the BIR granted the refund. BRMC determined that input VAT amounting to ₱5.02 million does not have sufficient supports or does not meet invoicing requirement, thus, written off as a loss in 2024 (see Note 23).

In 2023, BRMC applied for input VAT refund for taxable years 2020 and 2022. The BIR disallowed input VAT claims amounting to 7.95 million and ₱12.69 million, thus, written off as a loss in 2023 and 2024, respectively (see Notes 23 and 26).

Short-term investments pertain to time deposits with maturities of more than three (3) months but less than one (1) year and earn interest at the respective short-term placement rates.

Movement in short-term investments are as follows:

	2024	2023
Beginning balance	₱407,533	₱—
Additions	10,194	407,533
Disposal	(390,819)	—
Ending balance	₱26,908	₱407,533

Interest income from short-term investments amounted to ₱3.02 million, ₱6.56 million and nil in 2024, 2023 and 2022, respectively (see Note 26).

Deferred input VAT arises from the Group's unsettled purchase of services and will be claimed as input VAT upon payment.

Others include surety bonds and security deposits. Surety bonds pertain to the agreement to guarantee compliance with MGB in putting a trust fund for Mineral Ore Export Permit issuance. This is valid for one year and is subject for renewal. Security deposits are deposits to satisfy lease obligation of the Group. These are refundable at the end of the lease term.

In 2024 and 2023, the Group recognized provision for impairment losses on input VAT amounting to ₱2.01 million and ₱0.01 million while in 2022, the Group recognized reversal for impairment loss on advances to contractors amounting to ₱39.25 million (see Notes 23 and 26).



Movements of allowance for impairment loss on other current assets are as follows:

	2024	2023
Balances at beginning of year	₱8,724	₱8,719
Provision (Note 23)	2,005	5
Balances at end of year	₱10,729	₱8,724

9. Property, Plant and Equipment

a. Property, plant and equipment – at revalued amount

The Group's property, plant and equipment items carried at revalued amounts are as follows:

	2024	2023
Land	₱1,919,554	₱1,724,475
Artworks	53,044	52,139
	₱1,972,598	₱1,776,614

Land – at revalued amount

The Group engaged independent firms of appraisers to determine the fair value of its land and artworks classified under property, plant and equipment in the consolidated statements of financial position. The appraisers determined the fair value of the Group's land based on its market value in 2024 and is categorized under level 3. The assigned values were estimated using the sales comparison approach, which considers the sales of similar or substitute properties and their related market values and establishes value estimates through processes involving comparisons.

	2024		
	Cost	Revaluation increment	Total
Balances at beginning of year	₱68,518	₱1,655,957	₱1,724,475
Change in fair value	–	188,854	188,854
Reclassification (Note 11)	6,225	–	6,225
Balances at end of year	₱74,743	₱1,844,811	₱1,919,554

	2023		
	Cost	Revaluation increment	Total
Balances at beginning of year	₱68,398	₱1,609,167	₱1,677,565
Change in fair value	–	46,790	46,790
Reclassification (Note 11)	120	–	120
Balances at end of year	₱68,518	₱1,655,957	₱1,724,475

Artworks – at revalued amount

Independent revaluations are performed every three to five years by an independent appraiser. The latest appraisal was performed by Heritage Arts & Antiquities, Inc., an independent appraiser for the year ended December 31, 2024, in which the fair value measurement is categorized under Level 3. The assigned value was estimated using the sales comparison approach, which considers the sales of similar or substitute properties and related market values and establishes value estimates by processes involving comparisons. In general, a property being valued is compared



with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered.

Carrying values of artworks at revalued amounts amounted to ₱53.04 million and ₱52.14 million as at December 31, 2024 and 2023, respectively.

The artworks would have been recorded at ₱0.90 million in the consolidated statement of financial position had these been carried at cost.

Management assessed that the residual value of the artworks approximates the revalued amount as at December 31, 2024 and 2023, and therefore, no depreciation was recognized in both years.

	2024		
	Cost	Revaluation increment	Total
Balances at beginning of year	₱896	₱51,243	₱52,139
Change in fair value	–	905	905
Balances at end of year	₱896	₱52,148	₱53,044

	2023		
	Cost	Revaluation increment	Total
Balances at beginning and end of year	₱896	₱51,243	₱52,139

Movements in the revaluation increment on land and artworks shown as part of other components of equity are as follows:

	2024	2023	2022
Beginning balance	₱1,362,051	₱1,325,985	₱1,305,820
Revaluation during the year	142,366	36,066	20,700
Transfer to retained earnings (Note 11)	–	–	(535)
Ending balance	₱1,504,417	₱1,362,051	₱1,325,985



b. Property, Plant and Equipment – at cost

	2024							
	Land improvements	Buildings	Machinery, tools and equipment	Mine and mining properties	Port facilities	CIP	Right-of-use assets (Note 15)	Total
Cost:								
Beginning balance	₱75,209	₱311,773	₱1,043,410	₱1,664,511	₱117,142	₱21,143	₱17,157	₱3,250,345
Additions	–	499	81	1,130	–	–	12,335	14,045
Derecognition	–	–	–	–	–	–	(5,310)	(5,310)
Reclassification	–	–	449	15,768	–	(16,217)	–	–
Change in estimate of the liability for mine rehabilitation (Note 16)	–	–	–	2,577	–	–	–	2,577
Ending balance	75,209	312,272	1,043,940	1,683,986	117,142	4,926	24,182	3,261,657
Accumulated depreciation and depletion:								
Beginning balance	75,209	311,773	1,006,325	1,012,954	44,422	–	9,727	2,460,410
Depreciation and depletion (Note 25)	–	499	25,529	25,672	5,387	–	5,557	62,644
Derecognition	–	–	–	–	–	–	(5,310)	(5,310)
Ending balance	75,209	312,272	1,031,854	1,038,626	49,809	–	9,974	2,517,744
Net book values	₱–	₱–	₱12,086	₱645,360	₱67,333	₱4,926	₱14,208	₱743,913



	2023							
	Land improvements	Buildings	Machinery, tools and equipment	Mine and mining properties	Port facilities	CIP	Right-of-use assets (Note 15)	Total
Cost:								
Beginning balance	₱75,209	₱311,390	₱1,024,797	₱1,633,095	₱101,517	₱24,912	₱31,090	₱3,202,010
Additions	–	196	19,658	36,356	–	12,043	2,052	70,305
Disposals and derecognition	–	–	(1,045)	–	–	–	(15,985)	(17,030)
Reclassification	–	187	–	–	15,625	(15,812)	–	–
Change in estimate of the liability for mine rehabilitation (Note 16)	–	–	–	(4,940)	–	–	–	(4,940)
Ending balance	75,209	311,773	1,043,410	1,664,511	117,142	21,143	17,157	3,250,345
Accumulated depreciation and depletion:								
Beginning balance	75,209	310,757	988,594	987,031	40,091	–	20,128	2,421,810
Depreciation and depletion (Note 25)	–	1,016	18,776	25,923	4,331	–	5,584	55,630
Disposals and derecognition	–	–	(1,045)	–	–	–	(15,985)	(17,030)
Ending balance	75,209	311,773	1,006,325	1,012,954	44,422	–	9,727	2,460,410
Net book values	₱–	₱–	₱37,085	₱651,557	₱72,720	₱21,143	₱7,430	₱789,935



The Group's CIP includes the development of an enhanced mill production line in Balatoc, Benguet to increase the milling capacity of its gold operations.

Proceeds totaling ₱0.11 million and ₱0.16 million in 2023 and 2022, respectively, from the disposal of fully depreciated property, plant and equipment resulted in net gain of ₱0.11 million and ₱0.16 million in 2023 and 2022, respectively (see Note 26). There is no disposal of property, plant and equipment in 2024.

The cost of fully depreciated property, plant and equipment still being used in the Group's operations amounted to ₱725.47 million and ₱701.74 million as at December 31, 2024 and 2023, respectively.

Movements in mine and mining properties in 2024 and 2023 are as follows:

2024				
	Mine and mining properties	Mine rehabilitation asset		Total
Cost:				
Balances at beginning of year	₱1,581,835	₱82,676		₱1,664,511
Addition	1,130	—		1,130
Reclassification	15,768	—		15,768
Change in estimate of the liability for mine rehabilitation (Note 16)	—	2,577		2,577
Balances at end of year	1,598,733	85,253		1,683,986
Accumulated depletion:				
Balances at beginning of year	965,973	46,981		1,012,954
Depletion (Note 25)	24,155	1,517		25,672
Balances at end of year	990,128	48,498		1,038,626
Net book values	₱608,605	₱36,755		₱645,360

2023				
	Mine and mining properties	Mine development cost	Mine rehabilitation asset	Total
Cost:				
Balances at beginning of year	₱1,521,554	₱23,925	₱87,616	₱1,633,095
Addition	36,356	—	—	36,356
Reclassification	23,925	(23,925)	—	—
Change in estimate of the liability for mine rehabilitation (Note 16)	—	—	(4,940)	(4,940)
Balances at end of year	1,581,835	—	82,676	1,664,511
Accumulated depletion:				
Balances at beginning of year	941,373	—	45,658	987,031
Depletion (Note 25)	24,600	—	1,323	25,923
Balances at end of year	965,973	—	46,981	1,012,954
Net book values	₱615,862	₱—	₱35,695	₱651,557



Movements in right-of-use of assets in 2024 and 2023 are as follows:

	2024				
	Office Space	Clinic Space	Transportation Equipment	Land	Total
Cost:					
Balances at beginning of year	₱4,439	₱5,310	₱2,052	₱5,356	₱17,157
Additions	–	12,335	–	–	12,335
Termination	–	(5,310)	–	–	(5,310)
Balances at end of year	4,439	12,335	2,052	5,356	24,182
Accumulated depreciation:					
Balances at beginning of year	2,220	4,773	239	2,495	9,727
Depreciation (Note 15)	887	3,760	171	739	5,557
Termination	–	(5,310)	–	–	(5,310)
Balances at end of year	3,107	3,223	410	3,234	9,974
Net book values	₱1,332	₱9,112	₱1,642	₱2,122	₱14,208

	2023				
	Office Space	Clinic Space	Transportation Equipment	Land	Total
Cost:					
Balances at beginning of year	₱20,424	₱5,310	₱–	₱5,356	₱31,090
Additions	–	–	2,052	–	2,052
Termination	(15,985)	–	–	–	(15,985)
Balances at end of year	4,439	5,310	2,052	5,356	17,157
Accumulated depreciation:					
Balances at beginning of year	14,072	3,924	–	2,132	20,128
Depreciation (Note 15)	4,133	849	239	363	5,584
Termination	(15,985)	–	–	–	(15,985)
Balances at end of year	2,220	4,773	239	2,495	9,727
Net book values	₱2,219	₱537	₱1,813	₱2,861	₱7,430

10. Deferred Mine Exploration Costs

Movements in deferred mine exploration costs are as follows:

	2024	2023
Balances at beginning of year	₱687,356	₱659,494
Additions	27,131	28,310
Translation adjustment	3,007	(448)
Balances at end of year	717,494	687,356
Less allowance for impairment losses	166,989	166,989
Net book value	₱550,505	₱520,367

Additions pertain to drilling, hauling, and other ongoing exploration and evaluation activities of the Group.

No movement in allowance for impairment loss on deferred mine exploration costs in 2024 and 2023.



11. Investment Properties

	2024	2023
Balances at beginning of year	₱2,997,953	₱2,991,984
Addition	18,540	6,225
Revaluation (Note 26)	314,491	(136)
Reclassification (Note 9)	(6,225)	(120)
Balances at end of year	₱3,324,759	₱2,997,953

Investment properties include parcels of land located in Itogon, Benguet, Irisan, Baguio City and San Pedro, Laguna.

In April 2022, AFCC sold its parcel of land located in Barangay San Antonio, San Pedro, Laguna with an area of 2,045 sqm for ₱2,500 per sqm. The corresponding revaluation increment on this land amounting to ₱0.54 million recognized under other comprehensive income was transferred to retained earnings upon sale. The proceeds from the sale amounted to ₱4.63 million resulting in a gain amounting to ₱0.62 million (see Note 26).

In 2023, AFCC reclassified investment property amounting to ₱0.12 million into property and equipment due to the change in use of the property from being an investment property that is no longer held for long-term capital appreciation.

The Group engaged an independent appraiser to assess the fair market value of land under investment properties as at December 31, 2024 and 2023, respectively. The appraisal was performed by Cuervo Appraisers, Inc. and Top Consult, Inc., an independent appraiser. The fair value of the investment properties was estimated using the sales comparative approach, which considers the sales of similar or substitute properties and related market values and establishes value estimates by processes involving comparisons (level 3).

Movements in accumulated fair valuation gains of investment properties are as follows:

	2024	2023
Balances at beginning of year	₱1,405,028	₱1,405,164
Revaluation (Note 26)	314,491	(136)
Balances at end of year	₱1,719,519	₱1,405,028

12. Other Noncurrent Assets

	2024	2023
Advances to contractors and suppliers	₱447,428	₱407,665
Mine rehabilitation fund (MRF)	85,961	78,165
CWTs	75,469	97,483
Input VAT	19,996	47,589
Prepaid rent	2,343	2,334
Financial assets at FVOCI	794	1,110
Others	34,049	25,833
	666,040	660,179
Less allowance for ECLs and impairment losses	159,463	171,227
	₱506,577	₱488,952



The Group made advance payments to a supplier of aircraft amounting ₱4.05 million and ₱245.95 million in 2023 and 2022, respectively, bringing the total balance to ₱250.00 million and as at December 31, 2024 and 2023, respectively. Meanwhile, the rest of the advances to contractors and supplier are for exploration and other related activities and projects.

In 2014 and 2015, AFCC applied for refund of CWTs totaling ₱51.97 million.

On November 15, 2021, a notice of decision was received which partially granted as refundable amount representing excess and unutilized CWTs for the taxable year 2014 amounting to ₱15.59 million. On May 6, 2022, AFCC filed a Petition for Review with the CTA En Banc to appeal the denial of the Motion for Partial Reconsideration.

On December 7, 2020, AFCC received a notice of decision was received which partially grants the Company ₱9.20 million as refundable amount representing excess and unutilized CWTs for the taxable year 2015. On March 26, 2024, CTA Special First Division issued Amended Writ of Execution to implement the Decision dated December 7, 2020, and ordered the Commission on Internal Revenue to refund AFCC the amount of ₱9.20 million. The Decision dated December 7, 2020, is final and executory. As at March 26, 2025, the Company is currently processing the issuance of the refund with the BIR.

In 2024, AFCC has written off its allowance for unrecoverable CWTs for the taxable year 2015 amounting to ₱9.48 million while BLI has reversed an allowance for impairment of input VAT amounting to ₱2.28 million (see Note 23).

MRF pertains to accounts opened with local banks in compliance with the requirements of DAO No. 2010-21, otherwise known as The Revised Implementing Rules and Regulations of the Philippine Mining Act of 1995. The MRF shall be used for physical and social rehabilitation of areas and communities affected by the mine operations, and for research in the social, technical and preventive aspects of the mine's rehabilitation. The funds earn interest at the respective bank deposit rates. Interest income earned from MRF amounted to ₱0.02 million, ₱0.69 million and ₱0.74 million in 2024, 2023 and 2022, respectively (see Note 26).

Financial assets at FVOCI pertain to investments in nonlisted and listed shares of stock in the Philippine Stock Exchange and Toronto Stock Exchange, which are carried at fair value based on bid market prices.

Movements in financial assets at FVOCI in 2024 and 2023 are as follows:

	2024	2023
Balances at beginning of year	₱1,110	₱1,709
Change in fair value	(206)	43
Disposals	(110)	(642)
Balances at end of year	₱794	₱1,110

The unrealized gain amounting to ₱0.17 million and ₱0.37 million representing the change in fair value of these financial assets as at December 31, 2024 and 2023 is shown as part of the other components of equity in the consolidated statements of financial position and in the consolidated statements of changes in equity (see Note 18). The fluctuations in value of these investments are also reported as part of other comprehensive income in the consolidated statements of comprehensive income.



Movements in unrealized gains (losses) on financial assets at FVOCI recognized as a separate component of equity are as follows (see Note 18):

	2024	2023	2022
Balances at beginning of year	₱371	₱328	(₱275)
Change in fair value	(206)	43	603
Balances at end of year	₱165	₱371	₱328

In 2023, the Group sold the intangible asset with a net carrying amount of ₱0.23 million for a cash consideration of ₱0.38 million, thus, recognizing a gain amounting to ₱0.15 million (see Note 26).

Others pertain to various assets of the Group, which are individually insignificant and are expected to be realized beyond 12 months after the reporting period.

Movements in the allowance for impairment loss on advances to contractors and suppliers and input VAT are as follows:

2024			
	Advances to contractors and suppliers	Input VAT	Total
Balances at beginning of year	₱140,976	₱30,251	₱171,227
Write-off	—	(9,483)	(9,483)
Reversal (Note 23)	—	(2,281)	(2,281)
Balances at end of year	₱140,976	₱18,487	₱159,463

2023			
	Advances to contractors and suppliers	Input VAT	Total
Balances at beginning and end of year	₱140,976	₱30,251	₱171,227

13. Trade and Other Payables

	2024	2023
Trade	₱277,569	₱345,933
Nontrade	57,674	53,003
Accrued expenses:		
Power and utilities	20,984	10,226
Taxes, fees and licenses	19,969	9,872
Payroll	2,631	3,315
Professional fees and contracted services	998	671
Others	372	58
Excise taxes and royalties	18,782	15,716
Contract liabilities – current	164,579	—
Dividends payable (Note 18)	35,490	—
Output VAT - net	2,866	60,392
Others	2,405	8,615
	₱604,319	₱507,801



Trade payables include import and local purchases of equipment, inventories and various parts and supplies used in the operations of the Group. These are noninterest-bearing and are normally settled in 60 to 90 days' terms.

Nontrade payables represent withholding taxes and other payables to regulatory agencies which are normally settled within one year.

Accrued expenses pertain to liabilities for professional fees, power and utilities, taxes, fees and licenses, unclaimed wages, accrued vacation and sick leave credits, payroll and other administrative expenses which are normally settled within 60-90 days.

Excise taxes and royalties pertain to taxes payable by the Group for its legal obligation arising from the production of mine products.

Contract liabilities pertain to advances from the off take agreements and downpayments made by BRMC's customers for the sale of nickel. On April 11, 2014, BRMC entered into an off-take agreement with a Korean trading company for a total amount of US\$6.00 million in exchange for future shipments. The advances under the said offtake agreement are noninterest-bearing and will be settled through deductions from the selling price of every shipment. (see Note 17).

Movements in contract liabilities are shown below:

	2024	2023
Balances at beginning of year	₱104,596	₱203,912
Additions during the year	136,442	155,606
Effect of foreign exchange	(3,019)	(1,640)
Revenue recognized	(54,637)	(253,282)
Balance at end of year	183,382	104,596
Less noncurrent portion (Note 17)	18,803	104,596
Current portion	₱164,579	₱—

Others include individually insignificant payables which are normally settled within one year.

14. Loans Payable

	2024	2023
Secured loan	₱—	₱48,348
Unsecured loan	—	36,715
Accrued interest and penalties	—	254,175
	₱—	₱339,238

Secured loan

The Parent Company has a loan secured by investment properties with carrying value of ₱2,553.62 million as at December 31, 2023.

Nominal interest rates vary from floating rate of 91-day Philippine PhP T-bill rate for peso loans and 3-month Sterling Overnight Indexed Average (SONIA) for foreign loans, plus margin of 2.5%.



Unsecured loan

The Parent Company has an unsecured loan from a third party with interest rate of 3% per annum which is due and demandable.

On September 3, 2024, the Parent Company signed an Amendment to Mortgage Trust Indenture and Deed of Chattel Mortgage with Philippine Veterans Bank replacing Philippine National Bank as trustee in connection with the loan.

On October 22, 2024, the Parent Company executed with the remaining creditors a mutual rescission agreement terminating the loans payable and release from mortgage the investment properties by settling its secured and unsecured loans in full amounting to ₱600.00 million and ₱55.15 million, respectively. The carrying amount of secured and unsecured loans paid off amounted to ₱290.60 million and ₱55.15 million, respectively. This resulted to a loss on debt settlement for secured and unsecured loans amounting to ₱309.40 million in 2024 (see Note 26).

Total interest expense recognized in consolidated statement of income amounted to ₱6.55 million, ₱2.20 million and nil in 2024, 2023 and 2022, respectively.

15. Lease Commitments

Lease Agreements

Group as a lessee

The Group has lease contracts for various office spaces, clinic spaces, transportation equipment, and land. The lease terms of these lease contracts are ranging from 2 years to 25 years. The renewals of these leases are subject to the mutual agreement of the parties. Lease payments are fixed.

The Group also has certain leases of clinic space with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption for these leases. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The following are the amounts recognized in consolidated statement of income:

	2024	2023	2022
Depreciation expense of right-of-use assets included in property, plant and equipment (Note 9)	₱5,557	₱5,584	₱8,829
Expenses related to short-term leases included in selling and general expenses (Note 23)	13,219	45,299	54,646
Expenses related to short-term leases included in cost of services (Note 22)	3,631	6,578	4,293
Interest expense on lease liabilities	814	573	1,102
Total amount recognized in the consolidated statements of income	₱23,221	₱58,034	₱68,870



The rollforward analysis of lease liabilities follows:

	2024	2023
Balances at beginning of year	₱8,331	₱12,107
Additions	12,335	2,052
Interest expense	814	573
Payments of:		
Principal portion	(5,401)	(5,828)
Interest portion	(814)	(573)
Balances at the end of the year	15,265	8,331
Less noncurrent portion	8,158	4,093
Current portion	₱7,107	₱4,238

Shown below is the maturity analysis of the undiscounted lease payments:

	2024	2023
Lease payments due in:		
Less than one year	₱2,269	₱3,717
Between one to two years	1,793	2,269
Between two to three years	1,281	1,793
Between three to four years	1,376	1,281
More than five years	—	1,376

Non-cancellable lease agreements pertain to the Parent's lease of land in Itogon, Benguet for the easement and right of way agreement over the land which the Parent Company needs for its existing water pipelines, and other future installation it may deem desirable for its operations.

Group as a lessor

The Group rented its condominium units under investment properties condominium units as office spaces. The Group has entered into lease contracts, which typically have a lease term of one (1) year. The lease agreements are renewable upon mutual agreement between the Group and its lessees. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

Rent income from these leases amounted to ₱0.79 million, ₱0.87 million and ₱0.88 million in 2024, 2023 and 2022, respectively (Note 20).

Future minimum rentals receivable under non-cancellable operating leases as at December 31, 2024 and 2023 are as follows:

	2024	2023
Within one year	₱153	₱170



16. Liability for Mine Rehabilitation

Movements in this account are as follows:

	2024	2023
Balances at beginning of year	₱62,130	₱59,056
Actual rehabilitation costs	(14,117)	(6,990)
Change in estimate:		
Recognized as adjustment to the mine rehabilitation asset (Note 9)	2,577	(4,940)
Recognized in consolidated statement of income (Note 26)	(163)	12,826
Accretion (Note 26)	2,593	2,178
Balances at end of year	53,020	62,130
Less noncurrent portion	48,151	44,347
Current portion	₱4,869	₱17,783

This provision is based on the Group's estimates. Assumptions based on the current economic environment have been made, which management believes are reasonable bases upon which to estimate the future liability.

In 2022, the revised Antamok Final Mine Rehabilitation and Decommissioning Plan (FMRDP) was endorsed by the MGB-CAR to the Contingent Liability and Rehabilitation Fund Steering Committee (CLRFSC) for approval based on new development, particularly on the actual rehabilitation needs considering the current physical status and condition of the area. The total cost to be incurred over a 4-year period of rehabilitation was reduced from ₱43.0 million to ₱30.0 million. The aim of the FMRDP is principally to mitigate environmental risks and provide a sustainable final land use over the area. It includes long-term programs including Minahang Bayan. The Parent Company implemented various activities such as continuous propagation of various seedlings in nurseries and maintenance of its established reforestation areas. In 2023, the Parent Company's additional activities included progressive rehabilitation of waste dumps and other areas of the mine.

The final rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes and changes in inflation rates (3.20% in 2024 and 3.03% in 2023) and changes in discount rates (4.90% in 2024 and 5.43% 2023).

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provision established that could affect future financial results.

The provision at the end of each reporting period represents management best estimate of the present value of the future rehabilitation cost required. This estimate is reviewed regularly to take into account any material changes in 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. 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 gold and nickel prices, which are inherently uncertain.



17. Other Noncurrent Liabilities

	2024	2023
Contract liabilities (Note 13)	₱18,803	₱104,596
Equity of claimowners in contract operations	49,136	49,136
Deposits for future stock subscriptions	52,000	32,000
	₱119,939	₱185,732

Contract liabilities of BRMC may be settled through future nickel ore shipments to its customers. The current portion of the said advances is presented as part of trade and other payables.

As at December 31, 2024 and 2023, the US\$ denominated portion of the advances amounted to US\$1.54 million (₱85.27 million) and US\$1.54 million (₱85.27 million), respectively, while the rest of advances are denominated in peso.

Equity of claim owners in contract operations pertain to the outstanding equity of CMI, gross of advances. Discussions on the settlement of said liability are still on-going as at March 26, 2025.

In 2024, the Parent Company received cash as deposit for future stock subscriptions from Red Earth Mineral Resources Corporation, a third party, amounted to ₱20.00 million (see Note 18). In 2016, deposit for future stock subscriptions was received by BLI from Almega Management and Investment, Inc., a third party, amounted to ₱32.00 million. The related increase in authorized capital stock of BLI has been approved by BLI's BOD and majority of its stockholders on March 16, 2016. As of March 26, 2025, the Parent Company and BLI were yet to submit its application for increase in authorized capital stock with the Philippine SEC.

18. Equity

Capital stock as at December 31, 2024 and 2023 follows:

	2024		2023	
	No. of shares	Amount	No. of shares	Amount
Authorized				
Convertible Preferred				
Class A – ₱3.43 par value	19,652,912	₱67,500	19,652,912	₱67,500
Common Class A – ₱1 par value	430,380,000	430,380	430,380,000	430,380
Common Class B – ₱1 par value	286,920,000	286,920	286,920,000	286,920
	736,952,912	₱784,800	736,952,912	₱784,800
Issued				
Convertible Preferred Class "A"	217,061	₱745	217,061	₱745
Common Class "A"	428,430,802	428,431	375,430,802	375,431
Common Class "B"	285,101,396	285,101	248,101,396	248,101
Total shares issued and subscribed	713,749,259	₱714,277	623,749,259	₱624,277
Treasury Shares				
Common Class "A"	310,794	₱7,158	310,794	₱7,158
Common Class "B"	37,275	858	37,275	858
Total treasury shares	348,069	₱8,016	348,069	₱8,016
Outstanding				
Convertible Preferred Class "A"	217,061	₱745	217,061	₱745
Common Class "A"	428,120,008	421,273	375,120,008	368,273
Common Class "B"	285,064,121	284,243	248,064,121	247,243
Total outstanding shares	713,401,190	₱706,261	623,401,190	₱616,261



The amount of unrestricted retained earnings equivalent to the cost of the treasury shares being held shall be restricted from being declared and issued as dividends.

No movement in the Parent Company's authorized and treasury shares in 2024 and 2023. The movement in the Parent Company's issued shares in 2024, 2023 and 2022 are as follows:

2024			
	Balance at beginning of year	Issuance of shares through subscription	Balance at end of year
Convertible Preferred Class "A"	217,061	—	217,061
Common Class "A"	375,430,802	53,000,000	428,430,802
Common Class "B"	248,101,396	37,000,000	285,101,396
	623,749,259	90,000,000	713,749,259

2023			
	Balance at beginning of year	Issuance of shares for stock options exercised (Note 19)	Balance at end of year
Convertible Preferred Class "A"	217,061	—	217,061
Common Class "A"	375,307,052	123,750	375,430,802
Common Class "B"	247,963,396	138,000	248,101,396
	623,487,509	261,750	623,749,259

2022			
	Balance at beginning of year	Issuance of shares for stock options exercised (Note 19)	Balance at end of year
Convertible Preferred Class "A"	217,061	—	217,061
Common Class "A"	375,307,052	—	375,307,052
Common Class "B"	247,963,396	—	247,963,396
	623,487,509	—	623,487,509

The two classes of common shares of the Parent Company are identical in all respects, except that ownership of Common Class A is restricted to Philippine nationals.

The convertible preferred shares are limited to Philippine nationals and convertible into Common Class A shares at a conversion premium of ₱12.83 per share. Each preferred share is convertible into nine (9.4875) Common Class A shares. The convertible preferred shares are also entitled to have one vote for each full share of Common Class A stock into which such share of convertible preferred stock is, at any stockholders' meeting, then convertible. It does not enjoy the same dividend right as the two classes of common stock but is entitled to a fixed cumulative dividend of 8% a year if there is surplus profit and when declared by the BOD.

On March 21, 2018, the BOD approved the increase in the Parent Company's authorized capital stock from ₱717.30 million (consisting of 430,380,000 Common Class A shares and 286,920,000 Common Class B shares, both having a par value of ₱1.00 each) to ₱762.30 million (consisting of 475,380,000 Common Class A shares and 286,920,000 Common Class B shares, both having a par value of ₱1.00 each). The application for the increase was approved by the stockholders during the annual meeting held last November 8, 2018.



On August 29, 2024, the BOD approved the increase in the Parent Company's authorized capital stock of ₱2,400.0 million, which is inclusive of ₱45.0 million capital increase previously approved by the BOD on March 21, 2018, or 2,400,000,000 shares (consisting of 1,440,000,000 Common Class A shares and 960,000,000 Common Class B shares, both having a par value of ₱1.00 each). The increase was approved by the stockholders during the annual meeting held last December 20, 2024.

After the amendment, the total authorized capital stock of the Parent Company will increase from ₱784.80 million to ₱3,184.8 million. As at March 26, 2025, the Company has not yet filed its application for the increase in authorized capital stock with the Philippine SEC.

In 2021, the Parent Company issued 4,086,798 Common Class A shares and 2,713,199 Common Class B shares as a result of employees' exercise of stock options at a total consideration of ₱9.81 million; ₱1.37 million of which were from 431,198 Common Class A shares and from 334,176 Common Class B at an average selling price of ₱1.80 per share and ₱8.45 million from 3,655,600 Common Class A shares and 2,379,023 Common Class B shares at an average exercise price of ₱1.41 per share. As at December 31, 2021, total shares issued and outstanding for Common Class A and B shares are 374,996,258 and 247,926,121 respectively.

In 2023, the Parent Company issued 123,750 Common Class A shares and 138,000 Common Class B shares as a result of employees' exercise of stock options at a total consideration of ₱0.27 million, net of lodging fee of ₱0.10 million, ₱0.17 million of which was from 123,750 Common Class A shares at an average selling price of ₱1.38 per share and ₱0.20 million from 138,000 Common Class B at an average selling price of ₱1.43 per share.

In 2024, Red Earth made additional subscription to the proposed increase in capital stock of 20,000,000 shares (consisting of 13,000,000 Common Class A shares and 7,000,000 Common Class B shares, both having a par value of ₱1.00 each) at subscription price of ₱4.00 per share. The Parent Company received cash amounting to ₱20.0 million as deposit for future stock subscription. The balance of deposit for future stock subscription related to this private placement as December 31, 2024 amounted to ₱20.0 million (see Note 17).

On October 29, 2024, in its special Board meeting, the Company's BOD approved the declaration of cash dividend amounting to ₱143.56 million or equivalent to ₱0.28 per share of the Company's Convertible Preferred Class A shares and ₱0.20 per share of outstanding Common Class A and B shares to stockholders of record as of November 14, 2024 with the payment set date on December 10, 2024. Total amount of dividend paid and still outstanding as at December 31, 2024 amounted to ₱108.07 million and ₱35.49 million, respectively.

On November 5, 2024, Red Earth Mineral Resources Corporation (Red Earth) subscribed to 53,000,000 Common Class A unissued shares and 37,000,000 Common Class B unissued shares of the Parent Company at a subscription price of ₱4.00 per share. The total consideration for this subscription amounted to ₱360.0 million.

As at December 31, 2024, total shares issued and outstanding for Common Class A and B shares are 428,120,008 and 285,064,121 respectively.



Below is the Parent Company's track record of registration of securities under the Philippine SEC:

Date of Registration (SEC Approval)	Description	Number of shares	Par value per share	Total amount (in 000's)
June 18, 1956	Capital upon registration: Common shares	18,000,000	₱1.00	₱18,000
November 25, 1960	Increase in number and par value of common shares: Common shares	20,000,000	2.00	40,000
November 9, 1964	Increase in par value of common shares: Common shares	20,000,000	3.00	60,000
October 22, 1968	Increase in number of common shares and introduction of preferred shares: Common shares Preferred shares	50,000,000 6,000,000	3.00 5.00	150,000 30,000
March 12, 1974	Split of common share into two classes and change in number and par value and addition of conversion feature to the preferred shares: Common class A Common class B Convertible preferred shares	30,000,000 20,000,000 19,652,912	3.00 3.00 3.43	90,000 60,000 67,500
July 27, 1989	Increase in number of common shares Common class A Common class B Convertible preferred shares	120,000,000 80,000,000 19,652,912	3.00 3.00 3.43	360,000 240,000 67,500
September 28, 2015	Increase in number of common shares Common class A Common class B Convertible preferred shares	143,460,000 95,640,000 19,652,912	3.00 3.00 3.43	430,380 286,920 67,500
July 29, 2016	Increase in number of common shares and reduction in par value Common class A Common class B Convertible preferred shares	430,380,000 286,920,000 19,652,912	1.00 1.00 3.43	430,380 286,920 67,500
As at December 31, 2024	Common class A Common class B Convertible preferred shares	430,380,000 286,920,000 19,652,912	₱1.00 1.00 3.43	₱430,380 286,920 67,500

As at December 31, 2024 and 2023, the Parent Company has 16,857 and 16,870 stockholders, respectively.

As at December 31, 2024 and 2023, the Parent Company has 348,069 shares held in treasury amounting to ₱8.02 million at ₱23 per share

Other Components of Equity

	2024	2023
Revaluation increment on land and artworks	₱1,504,417	₱1,362,051
Cumulative translation adjustments of foreign subsidiaries	43,319	41,064
Remeasurement gain on pension liability (Note 29)	20,399	15,908
Unrealized gain on financial assets at FVOCI (Note 12)	165	371
Unrealized gain on intangible asset	108	108
	₱1,568,408	₱1,419,502



19. Stock Option Plan

Under the 1975 Nonqualified Stock Option Plan (Plan), as amended, 9,906,661 shares of the unissued common stock of the Parent Company have been reserved for stock options to selected managers, directors and consultants of the Parent Company. The option price is payable on exercise date and should not be less than the fair market value of the shares quoted on the date of the grant. The Plan, valid up to May 31, 1998, allows a maximum of 632,500 shares to be available to any one optionee. On May 26, 1998, the BOD and the stockholders approved the extension of the Plan until May 31, 2003, which was extended further on December 18, 2002 with the BOD and the stockholders' approval until May 31, 2008. On December 18, 2007, the BOD and the stockholders approved a further extension of the Plan until May 31, 2013.

On March 23, 2012, the BOD and the stockholders approved the proposed amendments to the existing Amended Stock Option Plan and to extend the termination date of the existing Plan for five years or until May 31, 2018.

The amendments include an increase in the maximum award per employee from 200,000 shares over the life of the plan to 500,000 shares per grant and an increase in the shares reserved for issuance under the Plan from the total of 9,906,661 shares to 22,000,000 shares.

Options granted to Filipino optionees are exercisable in the form of 60% Common Class A and 40% Common Class B shares. Options for Common Class B shares may be exercised only if Common Class A shares had been previously or simultaneously exercised so as to maintain a minimum 60:40 ratio of Common Class A to Common Class B shares.

The options under the Plan are non-transferable and are exercisable to the extent of 30% after one year from the date of the grant, 60% after two years from the date of the grant, and 100% after three years from the date of grant. The options authorized under this plan is exercisable for a period of 10 years from the date of grant.

On November 8, 2018, the BOD and the stockholders approved the proposed amendment to the existing Amended Stock Option Plan to extend the termination date of the existing Plan for five years or until May 31, 2023.

On August 24, 2022, the BOD approved the proposed amendment to the existing Amended Stock Option Plan to extend the termination date of the existing Plan for eight (8) years or until May 31, 2031, which the stockholders ratified on November 9, 2022.

On March 17, 2017, upon endorsement of the Stock Option Committee, the BOD approved a new stock option grant to the Group's qualified directors, officer, employees and consultant, provided they have rendered at least two years of service as of March 11, 2017. Total number of common shares available for distribution under the plan is 8,414,375 shares at an exercise price of ₱1.38 and ₱1.43 for Class "A" and Class "B" shares, respectively.

On March 18, 2021, upon endorsement of the Stock Option Committee, the BOD approved a new stock option grant to the Group's officer, employees and consultant and to all members of the BOD, provided they have rendered at least two years of service as of March 15, 2021. Total number of common shares available for distribution under the plan is 3,003,612 shares at an exercise price of ₱2.19 and ₱2.05 for Class "A" and Class "B" shares, respectively.



Exercisable share options per grant are as follows:

		Exercisable share options as at January 1, 2024	Additions	Cancelled/ Expired in 2024	Exercisable share options as at December 31, 2024
Class A	- May 2014 Grant	648,000	—	(648,000)	—
	- March 2017 Grant	352,475	—	—	352,475
	- March 2021 Grant	1,081,308	720,871	—	1,802,179
Class B	- May 2014 Grant	432,000	—	(432,000)	—
	- March 2017 Grant	237,527	—	—	237,527
	- March 2021 Grant	720,860	480,573	—	1,201,433
Total		3,472,170	1,201,444	(1,080,000)	3,593,614

		Exercisable share options as at January 1, 2023	Additions	Exercised in 2023	Exercisable share options as at December 31, 2023
Class A	- May 2014 Grant	648,000	—	—	648,000
	- March 2017 Grant	476,225	—	(123,750)	352,475
	- March 2021 Grant	540,654	540,654	—	1,081,308
Class B	- May 2014 Grant	432,000	—	—	432,000
	- March 2017 Grant	375,527	—	(138,000)	237,527
	- March 2021 Grant	360,430	360,430	—	720,860
Total		2,832,836	901,084	(261,750)	3,472,170

On August 31, 2016, the Parent Company's BOD approved the following amendments to the Plan due to the effect of the share split on July 29, 2016:

- change in the exercise price of outstanding options
- change in the maximum number of shares per grant from 500,000 to 1,500,000
- repricing of the unexercised share options brought about by the low turn-out in the availment of the grant due to high exercise price compared to market price. The repricing was based on the closing price on August 18, 2016 of Class A and Class B common shares amounting to ₱2.25 and ₱2.55, respectively, less 25% discount pursuant to the provisions of the amended stock option plan of the Parent Company.
- change in the shares reserved issuance under the Plan from 22,000,000 shares to 66,000,000 shares.

The exercise prices of outstanding options consider the effect of the stock split and the change in exercise prices, are as follows:

		At grant date	After effect of stock split	As modified
Class A	- September 2012 Grant	₱17.96	₱5.99	₱1.69
	- May 2014 Grant	7.13	2.38	1.69
	- March 2017 Grant	1.38	n/a	n/a
	- March 2021 Grant	2.19	n/a	n/a
Class B	- September 2012 Grant	17.63	5.88	1.91
	- May 2014 Grant	7.13	2.38	1.91
	- March 2017 Grant	1.43	n/a	n/a
	- March 2021 Grant	2.05	n/a	n/a

Average exercise price per share in 2024 and 2023 amounted to ₱1.92 and ₱1.90, respectively. Total number of shares available for future option grants is 41,069,864 and 39,989,864 shares as at December 31, 2024 and 2023.

Stock option expense relating to the Plan recognized amounted to ₱1.20 million in 2024 and ₱2.26 million in 2023 and 2022 (see Note 24).



A summary of the number of shares under the Plan is shown below:

	2024	2023
Outstanding at beginning of year	4,673,614	4,935,364
Cancellation/expiration	(1,080,000)	—
Exercised during the year	—	(261,750)
Outstanding at end of year	3,593,614	4,673,614
Exercisable at end of year	3,593,614	3,472,170

The Parent Company used the binomial options pricing model to determine the fair value of the stock options.

The following assumptions were used to determine the fair value of the stock options:

		Share price	Exercise price	Expected volatility increase (decrease)	Option life	Expected Dividends	Risk-free Interest rate
Sep 9, 2012 Grant	A	23.95	17.96	57.35%	10 years	0.00%	4.80%
	B	23.50	17.63	65.53%	10 years	0.00%	4.80%
May 26, 2014 Grant	A	9.50	7.13	77.28%	10 years	0.00%	3.90%
	B	9.50	7.13	84.29%	10 years	0.00%	3.90%
May 17, 2017 Grant	A	1.83	1.38	95.46%	10 years	0.00%	5.09%
	B	1.90	1.43	101.96%	10 years	0.00%	5.09%
May 18, 2021 Grant	A	2.92	2.19	(106.57%)	10 years	0.00%	4.44%
	B	2.73	2.05	92.75%	10 years	0.00%	4.44%

The expected volatility measured at the standard deviation of expected share price returns was based on the analysis of share prices for the past 365 days. The cost of share-based payment amounted to ₱8.23 million and ₱8.10 million as at December 31, 2024 and 2023, respectively.

20. Revenue

	2024	2023	2022
Revenue from contracts with customers:			
Sale of mine products	₱2,339,861	₱2,481,560	₱3,967,002
Sale of goods and services	45,222	47,128	55,470
Sale of land	—	1,800	1,844
Total revenue from contracts with customers	2,385,083	2,530,488	4,024,316
Rental income (Note 15)	789	870	879
	₱2,385,872	₱2,531,358	₱4,025,195

Sale of mine products includes sales of nickel, gold, silver and lime, which are subject to 4% excise tax based on gross revenues in 2024, 2023 and 2022.

As a requirement under DAO No. 2010-21, 'The Mining Act Implementing Rules and Regulations', BRMC pays royalty to the MGB for every shipment of nickel ore equivalent to 5% of the peso equivalent of the nickel ore shipped since the SCNP is within a Mineral Reservation.

Excise taxes and royalty fees related to the sale of mine products amounted to ₱162.31 million, ₱182.43 million and ₱299.75 million in 2024, 2023 and 2022, respectively.



Set out below is the disaggregation of the Group's revenue from contracts with customers in 2024, 2023 and 2022:

Segments	2024		
	Mining	Health Services	Total
Type of product:			
Nickel	₱1,451,350	₱—	₱1,451,350
Gold	790,474	—	790,474
Lime	96,765	—	96,765
Silver	1,272	—	1,272
Health services	—	45,222	45,222
Total revenue from contracts with customers	₱2,339,861	₱45,222	₱2,385,083
Location of customer:			
Within the Philippines	₱888,511	₱45,222	₱933,733
Outside the Philippines	1,451,350	—	1,451,350
Total revenue from contracts with customers	₱2,339,861	₱45,222	₱2,385,083
Timing of revenue recognition:			
Transferred at a point in time	₱2,339,861	₱—	₱2,339,861
Transferred overtime	—	45,222	45,222
Total revenue from contracts with customers	₱2,339,861	₱45,222	₱2,385,083

Segments	2023		
	Mining	Health Services	Total
Type of product:			
Nickel	₱1,757,578	₱—	₱1,757,578
Gold	623,399	—	623,399
Lime	96,516	—	96,516
Silver	4,067	—	4,067
Health services	—	47,128	47,128
Land	1,800	—	1,800
Total revenue from contracts with customers	₱2,483,360	₱47,128	₱2,530,488
Location of customer:			
Within the Philippines	₱725,782	₱47,128	₱772,910
Outside the Philippines	1,757,578	—	1,757,578
Total revenue from contracts with customers	₱2,483,360	₱47,128	₱2,530,488
Timing of revenue recognition:			
Transferred at a point in time	₱2,483,360	₱—	₱2,483,360
Transferred overtime	—	47,128	47,128
Total revenue from contracts with customers	₱2,483,360	₱47,128	₱2,530,488



Segments	2022		Total
	Mining	Health Services	
Type of product:			
Gold	₱2,952,272	₱–	₱2,952,272
Nickel	911,594	–	911,594
Lime	99,976	–	99,976
Silver	3,160	–	3,160
Health services	–	55,470	55,470
Land	1,844	–	1,844
Total revenue from contracts with customers	₱3,968,846	₱55,470	₱4,024,316
Location of customer:			
Within the Philippines	₱1,016,574	₱55,470	₱1,072,044
Outside the Philippines	2,952,272	–	2,952,272
Total revenue from contracts with customers	₱3,968,846	₱55,470	₱4,024,316
Timing of revenue recognition:			
Transferred at a point in time	₱3,968,846	₱–	₱3,968,846
Transferred overtime	–	55,470	55,470
Total revenue from contracts with customers	₱3,968,846	₱55,470	₱4,024,316

21. Costs of Mine Products Sold

	2024	2023	2022
Outside services	₱328,584	₱255,347	₱302,738
Materials and supplies (Note 6)	114,454	144,396	219,320
Contractor fees	100,605	109,262	101,447
Personnel expenses (Note 24)	77,129	94,647	86,100
Power, rent and utilities	56,007	58,365	107,092
Depreciation and depletion (Note 25)	35,332	28,410	54,440
Contractor labor	24,955	13,583	23,241
Taxes and licenses	19,886	22,316	28,315
Repairs and maintenance	12,603	19,007	32,370
Smelting, refining and marketing	7,958	4,858	7,154
Travel and transportation	204	212	200
Others	1,040	2,197	2,882
	778,757	752,600	965,299
Net change in benefited nickel ore (Note 6)	43,484	(72,129)	5,089
	₱822,241	₱680,471	₱970,388

Outside services pertain to the amounts paid to service providers involved in the mining operations of the Group.

Other expenses consist of various direct charges to cost of mine products, which are individually insignificant.



22. Cost of Services and Other Sales

	2024	2023	2022
Materials and supplies (Note 6)	₱18,910	₱20,671	₱19,259
Personnel expenses (Note 24)	18,735	20,819	19,604
Depreciation and depletion (Note 25)	18,364	13,711	8,534
Outside services	12,109	6,899	9,648
Retainers and consultancy fees	9,681	10,963	15,458
Rent (Note 15)	3,631	6,578	4,293
Professional fees	1,070	1,100	1,595
Travel and transportation	957	1,242	977
Taxes and licenses	325	303	159
Repairs and maintenance	303	232	136
Cost of real estate sold	—	387	387
Others	1,276	1,151	108
	₱85,361	₱84,056	₱80,158

Others consist of various direct charges, which are individually insignificant.

23. Selling and General Expenses

	2024	2023	2022
Outside services	₱433,164	₱440,555	₱572,927
Personnel expenses (Note 24)	141,701	141,154	136,625
Taxes and licenses	51,620	31,199	26,391
Community development programs	49,507	54,477	53,193
Materials and supplies (Note 6)	41,653	40,885	44,729
Professional fees	27,652	20,432	35,218
Wharfage fees	18,738	19,795	10,770
Repairs and maintenance	18,246	23,098	17,173
Contract labor	15,011	—	63
Rent (Note 15)	13,219	45,299	54,646
Depreciation and depletion (Note 25)	8,948	13,509	18,240
Representation	8,946	17,287	19,818
Communication, light and power	8,938	10,113	15,075
Transportation and travel	7,450	8,698	5,592
Loss on disallowance of input VAT (Note 8)	5,022	7,946	—
Provision of allowance for ECLs – net (Note 5)	4,833	924	—
Insurance	1,600	3,225	4,173
Provision (reversal) for impairment on input VAT - net (Notes 8 and 12)	(276)	5	—
Penalties	223	1,431	—
Provision for inventory obsolescence (Note 6)	127	—	—
Freight and handling	4	1,111	3,959
Subscription and membership fees	—	2,907	2,907
Others	10,213	21,965	57,043
	₱866,539	₱906,015	₱1,078,542



Others consist of various administrative expenses, which are individually insignificant.

24. Personnel Expenses

	2024	2023	2022
Salaries and wages	₱180,467	₱220,612	₱184,810
Benefits and allowances	51,727	20,819	41,014
Pension expense (Note 29)	4,170	12,929	14,247
Stock option expense (Note 19)	1,201	2,260	2,258
	₱237,565	₱256,620	₱242,329

Total personnel expenses were distributed as follows:

	2024	2023	2022
Cost of mine products sold (Note 21)	₱77,129	₱94,647	₱86,100
Cost of services and other sales (Note 22)	18,735	20,819	19,604
Selling and general expenses (Note 23)	141,701	141,154	136,625
	₱237,565	₱256,620	₱242,329

25. Depreciation and Depletion

Total depreciation and depletion are composed of the following (see Notes 6 and 9):

	2024	2023	2022
Depreciation	₱36,972	₱29,707	₱39,498
Depletion	25,672	25,923	41,762
	₱62,644	₱55,630	₱81,260

Depreciation and depletion are broken down as follows:

	2024	2023	2022
Cost of mine products sold (Note 21)	₱35,332	₱28,410	₱54,440
Cost of services and other sales (Note 22)	18,364	13,711	8,534
Selling and general expenses (Note 23)	8,948	13,509	18,240
Gold button inventory (Note 6)	—	—	46
	₱62,644	₱55,630	₱81,260



26. Other Income (Charges) – net

	2024	2023	2022
Gains (losses) on:			
Revaluation of investment properties (Note 11)	₱314,491	(₱136)	₱85,332
Settlement of loans (Note 14)	(309,396)	–	–
Foreign currency exchange	11,333	8,061	39,676
Disposal of property, plant and equipment (Note 9)	–	105	157
Disposal of intangible asset (Note 12)	–	150	–
Loss on disallowed input VAT (Note 8)	–	–	(12,687)
Write-off of CIP	–	–	(11,395)
Sale of investment properties (Note 11)	–	–	619
Change in fair value of financial assets at FVPL (Note 7)	55,500	51,893	18,213
Interest income (Notes 4, 8 and 12)	41,699	10,592	2,089
Accretion on the liability for mine rehabilitation (Note 16)	(2,593)	(2,178)	(1,746)
Change in estimate of liability for mine rehabilitation (Note 16)	163	(12,826)	(16,858)
Provision for (recovery of):			
Impairment on loss on advances to contractors (Note 8)	–	–	39,253
Inventory obsolescence	–	–	18,888
ECLs	–	–	6,659
Impairment on other noncurrent assets	–	–	(938)
Others – net	(4,289)	1,333	(3,248)
	₱106,908	₱56,994	₱164,014

Others consist of various income and expenses, which are not directly related to the operations of the Group.

27. ESOIP

The ESOIP, as approved by the stockholders in 1986, allows employees of the Parent Company to buy up to 6,000,000 shares of the Common Class A shares of the Parent Company at either of two prices. If the shares are acquired by the Parent Company from a seller or are treasury shares, these can be bought at acquisition cost. If the shares are sourced from the authorized but unissued shares of the Parent Company, these can be bought at the average closing price quoted in the PSE on the last day that such shares were traded prior to the start of the purchase period. Payment for the shares purchased shall be advanced by the Parent Company on behalf of the employees and repaid through salary deduction without interest. The shares acquired by employees under the ESOIP may be subjected to a holding period from the date of purchase.

In January 1990, the BOD approved the Employees Stock Purchase Plan, which allows the employees of the Parent Company (but excluding directors of the Parent Company) to buy, basically under similar terms and conditions as that of the ESOIP, 2,000,000 shares of the Common Class A shares of the Parent Company.



The balance of the employees' stock ownership pursuant to the said plan shown as part of the trade and other receivables in the consolidated statements of financial position amounted to ₱58.42 million as at December 31, 2024 and 2023 and was provided an allowance for the same amount (see Note 5).

28. Related Party Disclosure

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Group's related party transactions which are, individually or in aggregate over a 12-month period, 10% and above of the latest audited consolidated total assets are reviewed and evaluated by the Related Party Transaction Committee and Management Committee. Afterwards, these are approved by at least two-thirds (2/3) vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transaction. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the majority vote of the shareholders, or two-thirds (2/3) of the outstanding capital stock.

All intercompany transactions are eliminated at the consolidated level. Items eliminated are separately disclosed in a schedule in accordance with Philippine SEC requirements under the Revised SRC Rule 68.

Compensation of Key Management Personnel of the Group

The Group considered all senior officers as key management personnel. Below are the details of compensation of the Group's key management personnel.

	2024	2023	2022
Short-term benefits	₱40,133	₱39,869	₱38,730
Post-employment benefits	14,445	12,297	16,638
	₱54,578	₱52,166	₱55,368

Short-term benefits include salaries and stock compensation expense. Post-employment benefits include net pension expense.

29. Pension Benefits Plans

The existing regulatory framework, RA No. 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 Group noncontributory pension benefit plan covering substantially all of their regular employees. The benefits are based on a certain percentage of the final monthly basic salary for every year of credited service of the employees in accordance with RA 7641. The defined pension benefit obligation is determined using the projected unit credit method.

The following tables summarize the components of net pension benefit in the consolidated statements of income and fund status, and the amounts recognized in the consolidated statements of financial position.

The component of pension expense is as follows:

	2024	2023	2022
Current service cost	₱10,869	₱12,355	₱10,597
Net interest cost	3,518	574	3,650
Past service cost	(10,217)	—	—
Pension expense	₱4,170	₱12,929	₱14,247

Pension liability as at December 31, 2024 and 2023 are as follows:

	2024	2023
Present value of defined benefit obligation	108,377	₱114,701
Fair value of plan assets	(68,414)	(56,507)
Pension liability	₱39,963	₱58,194

Movements of remeasurement gains on pension liability recognized in OCI:

	2024	2023	2022
Balances at beginning of year	₱15,908	₱17,633	₱10,673
Loss (gain) on remeasurement of pension liability	(5,987)	(2,301)	9,571
Tax effect	1,496	576	(2,611)
Remeasurement loss (gain) on pension liability - net of tax	4,491	(1,725)	6,960
Balances at end of year	₱20,399	₱15,908	₱17,633

Changes in the present value of defined benefits obligation are as follow:

	2024	2023
Balances at beginning of year	₱114,701	₱102,004
Interest cost	6,939	1,040
Current service cost	10,869	12,355
Past service cost	(10,217)	—
Actuarial losses (gains)	(8,001)	2,353
Benefits paid	(5,914)	(3,051)
Balances at end of year	₱108,377	₱114,701



Breakdown of actuarial gains (losses) on defined benefits obligation are as follows:

	2024	2023
Change in financial assumptions	(P347)	(P10,414)
Experience adjustments	(7,654)	8,061
	(P8,001)	(P2,353)

Fair value of plan assets of the Group follows:

	2024	2023
Balances at beginning of year	P56,507	P45,989
Contributions	10,500	10,000
Remeasurement gain (loss)	(2,014)	52
Asset return in net interest cost	3,421	466
Balances at end of year	P68,414	P56,507

The Parent Company, BRMC and BLI's plan assets are being managed by a trustee bank. The retirement fund includes cash in bank only as at December 31, 2024 and 2023. The Parent Company, BRMC and BLI has no transactions with its retirement fund and the retirement fund has no investments in shares of stocks of the Parent Company.

The Group expects to contribute P19.91 million to the defined benefits retirement plan in 2025.

Shown below is the maturity analysis of the undiscounted benefit payments as at December 31, 2024 and 2023:

Plan Year	2024	2023
Less than 1 year	P76,327	P77,668
More than 1 year to 5 years	6,744	14,321
More than 5 years to 10 years	24,313	27,143
More than 10 years to 15 years	54,539	52,333
More than 15 years to 20 years	106,975	124,323
More than 20 years	573,603	735,633
	P842,501	P1,031,421

The overall expected rate of return on assets is determined based on the market prices prevailing on the date applicable to the period over which the obligation is to be settled. The average duration of the defined benefit obligations of the Group is 9-22 years in 2024 and 8-22 years in 2023.

The principal assumptions used in determining the pension liability of the Group's plans are shown below.

	2024	2023
Discount rate	6.11% to 6.15%	5.98% to 6.07%
Salary increase rate	5.00% to 11.00%	5.00% to 11.00%



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

		December 31, 2024
	Increase (decrease)	Present value of the defined benefit obligation
Discount rates	7.11% to 7.15% (+1.00%)	₱103,135
	6.11% to 6.15% (actual)	108,463
	5.11% to 5.15% (-1.00%)	114,309
Salary increase rate	6.00% to 12.00% (+1.00%)	₱114,362
	5.00% to 11.00% (actual)	108,463
	4.00% to 10.00% (-1.00%)	103,378
		December 31, 2023
	Increase (decrease)	Present value of the defined benefit obligation
Discount rates	6.98% to 7.07% (+1.00%)	₱108,823
	5.98% to 6.07% (actual)	114,701
	4.98% to 5.07% (-1.00%)	121,776
Salary increase rate	6.00% to 12.00% (+1.00%)	₱121,441
	5.00% to 11.00% (actual)	114,701
	4.00% to 10.00% (-1.00%)	109,002

30. Income Taxes

The provision for current and deferred tax in 2024, 2023 and 2022 include the following:

	2024	2023	2022
Provision for current taxes:			
RCIT	₱110,201	₱177,595	₱413,073
MCIT	—	130	138
	110,201	177,725	413,211
Provision for deferred taxes	3,102	741	15,014
Total	₱113,303	₱178,466	₱428,225



The components of the Group's deferred tax assets and liabilities are as follows:

	Deferred tax assets – net		Deferred tax liabilities - net	
	2024	2023	2024	2023
<i>Deferred tax assets on:</i>				
Allowance for impairment losses on:				
Trade and other receivables	₱10,546	₱9,005	₱16,170	₱16,140
Other current assets	2,003	2,371	–	–
Inventories	–	–	39,185	39,153
Liability for mine rehabilitation	5,795	5,762	7,460	9,768
Lease liabilities	2,711	608	1,105	–
Amortization of past service cost	2,504	882	2,472	1,229
Unrealized foreign exchange loss	1,580	1,426	–	–
Pension liability	1,386	1,504	8,605	13,882
Share-based payment	–	–	2,056	2,026
Unearned rental	–	–	9	1,318
	26,525	21,558	77,062	83,516
<i>Deferred tax liabilities on:</i>				
Cumulative fair value gain of financial assets at FVPL	14,185	14,099	1,301	415
Right-of-use assets	2,611	555	941	1,169
Unrealized foreign exchange gain	1,044	1,060	–	–
Mine rehabilitation asset	–	273	9,189	8,650
Revaluation increment on property, plant and equipment	–	–	867,501	825,212
Revaluation increment on artworks	–	–	10,430	10,249
Unearned revenue	–	–	22	–
Cumulative translation adjustment of foreign subsidiaries	–	–	14,439	13,688
	17,840	15,987	903,823	859,383
Net deferred tax assets (liabilities)	₱8,685	₱5,571	(₱826,761)	(₱775,867)

The Group did not recognize deferred tax assets relating to the following temporary differences because management believes that it is more likely than not that the carry-forward benefits will not be realized in the near future:

	2024	2023	2022
Allowance for inventory loss impairment loss and others	₱351,415	₱353,194	₱353,936
NOLCO	47,857	37,188	60,498
Accrued expenses	8,002	8,002	8,002
Lease liabilities	627	627	387
Unrealized foreign exchange losses	3	–	1
Straight-line amortization of accrued rent	–	–	250
MCIT	–	396	226
Share-based payment	–	–	9,198
	₱407,904	₱399,407	₱432,498

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.



As of December 31, 2024, the Group has incurred NOLCO in taxable years 2021 and 2020 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Year/s	NOLCO Expired	NOLCO Applied Current year	NOLCO Unapplied
2020	2021-2025	₱18,637	(₱3,189)	₱-	(₱491)	₱14,957
2021	2022-2026	4,515	-	-	-	4,515
		₱23,152	(₱3,189)	₱-	(₱491)	₱19,472

As of December 31, 2024, the Group has incurred NOLCO after taxable year 2021 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Year/s	NOLCO Expired	NOLCO Applied Current year	NOLCO Unapplied
2022	2023-2025	₱8,308	₱-	₱-	₱-	₱8,308
2023	2024-2026	8,917	-	-	-	8,917
2024	2024-2027	11,160	-	-	-	11,160
		₱28,385	₱-	₱-	₱-	₱28,385

As of December 31, 2024, the Group has MCIT that can be applied against payment of regular income tax as follows:

Year Incurred	Availment Period	Amount	MCIT Applied Previous Year/s	MCIT Expired	MCIT Applied Current year	MCIT Unapplied
2020	2021-2023	₱-	₱-	₱-	₱-	₱-
2021	2022-2024	128	-	-	(128)	-
2022	2023-2025	138	-	-	(138)	-
2023	2024-2026	130	-	-	(130)	-
		₱396	₱-	₱-	(₱396)	₱-

Movements of NOLCO are as follow:

	2024	2023	2022
Balances at beginning of year	₱37,188	₱31,460	₱60,498
Additions	11,160	8,917	8,308
Application	(491)	(3,189)	-
Expirations	-	-	(37,346)
Balances at end of year	₱47,857	₱37,188	₱31,460

Movements of MCIT are as follow:

	2024	2023	2022
Balances at beginning of year	₱396	₱345	₱226
Expirations	(396)	(79)	(19)
Additions	-	130	138
Balances at end of year	₱-	₱396	₱345



The reconciliation of pretax income computed at the statutory income tax rate to provision for income tax shown in the consolidated statements of income is as follows:

	2024	2023	2022
Tax computed at statutory rate	₱129,997	₱169,775	₱439,818
Add (deduct) effects of:			
Nontaxable income	(91,252)	(14,782)	(21,333)
Nondeductible expenses	84,224	5,035	18,153
Interest income subject to final tax	(9,749)	(1,629)	(522)
Unrealized gain on financial assets at FVPL	3,557	14,451	—
Changes in unrecognized deferred tax assets	(2,559)	4,477	(17,247)
Deductible expenses	(1,252)	—	—
Application of MCIT	396	—	—
Application of NOLCO	(123)	(797)	—
Effect of change in tax rates	64	—	—
Additional of MCIT	—	1,857	—
Expiration of MCIT	—	79	19
Expiration of NOLCO	—	—	9,337
	₱113,303	₱178,466	₱428,225

31. Basic/Diluted EPS

Basic EPS is calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of common shares on issue during the year, excluding any ordinary shares purchased by the Parent Company and held as treasury shares.

In computing for the 2024 and 2023 diluted EPS, the Parent Company considered the effect of stock options outstanding since these are dilutive.

	2024	2023	2022
Net income	₱435,670	₱554,143	₱1,331,047
Current dividends on preference shares	(60)	(60)	(60)
Adjusted net income	₱435,610	₱554,083	₱1,330,987

Number of shares for computation of EPS as a result of stock split:

	2024	2023	2022
Basic EPS			
Weighted average common shares issued	713,532,198	623,532,198	623,270,448
Less: treasury shares	348,069	348,069	348,069
Weighted average common shares outstanding	713,184,129	623,184,129	622,922,379
Diluted EPS			
Weighted average common shares issued	713,532,198	623,532,198	623,270,448
Less: treasury shares	348,069	348,069	348,069
	713,184,129	623,184,129	622,922,379
Convertible preferred shares	2,059,366	2,059,366	2,059,366
Stock options	3,593,614	3,472,170	2,832,836
Weighted average common shares outstanding	718,837,109	628,715,665	627,814,581
Basic EPS	₱0.61	₱0.89	₱2.14
Diluted EPS	₱0.61	₱0.88	₱2.12



32. Segment Information

PFRS 8, *Operating Segments*, requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, who is the President of the Parent Company.

For management purposes, the Group is organized into business units based on its products and services and has four reportable segments, as follows:

- The mining segment is engaged in exploration, nickel and gold mining operations.
- The health services segment is engaged in the business of offering medical and clinical diagnostic examinations and health care services on pre-employment.
- The logistics segment is engaged in logistics services to the supply-chain requirements of various industries.
- The other segments comprise aggregated operating segments of the Group engaged in research, development, real estate and water projects.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating income or loss and is measured consistently with income or loss before income tax as reported in the consolidated financial statements.

Intersegment revenues are eliminated upon consolidation and reflected in the 'eliminations' column. All other adjustments and eliminations are presented in the table below.

Segment assets include operating assets used by a segment and consist principally of operating, trade and other receivables, inventories and property, plant and equipment, net of allowances and provisions. Segment liabilities include all operating liabilities and consist principally of trade and other payables, accrued expenses and bank loans. Segment assets and liabilities do not include deferred taxes.

Business Segments

Segment reporting is consistent in all periods presented as there are no changes in the structure of the Group's internal organization that will cause the composition of its reportable segment to change.

	2024						
	Mining	Health services	Logistics	Others	Total	Eliminations	Consolidated
Revenue							
External customers	₱2,339,861	₱45,222	₱—	₱918	₱2,386,001	(₱129)	₱2,385,872
Interest income	36,959	—	512	1,881	39,352	2,347	41,699
Inter-segment	—	—	139,850	2,807	142,657	(142,657)	—
Other income	477,421	—	91	113,637	590,949	(212,823)	378,126
	2,854,041	45,222	140,453	119,243	3,158,959	(353,262)	2,805,697
Cost and Expenses							
Interest expense	7,004	—	—	351	7,355	—	7,355
Direct costs	801,030	—	33,683	33,314	868,027	(14,121)	853,906
Selling and general expenses	1,068,473	761	26,807	16,429	1,112,470	(255,491)	856,979
Accretion expense	2,593	—	—	—	2,593	—	2,593
Impairment losses	589	—	—	23	612	—	612
Depreciation, depletion and amortization (Note 25)	107,255	—	13,392	6,003	126,650	(64,006)	62,644
Excise taxes and royalty fees (Note 20)	162,311	—	—	—	162,311	—	162,311
Other expenses	314,418	13	30	3,314	317,775	(7,451)	310,324
Income before tax	389,386	44,448	66,541	59,809	561,166	(12,193)	548,973
Provision for income tax	100,917	—	14,623	(2,301)	113,239	10	113,303
Net income	₱289,397	₱44,448	₱51,918	₱62,110	₱447,873	(₱12,203)	₱435,670
Operating assets	₱13,101,952	₱2,321	₱454,833	₱2,061,852	₱15,620,958	(₱4,762,322)	₱10,858,636
Operating liabilities	(₱1,920,844)	(₱619)	(₱254,235)	(₱934,001)	(₱3,109,699)	₱2,238,344	(₱871,355)
Other disclosure:							
Capital expenditure	₱16,065	₱—	₱12,776	₱—	₱28,841	₱—	₱28,841



2023							
	Mining	Health services	Logistics	Others	Total	Eliminations	Consolidated
Revenue							
External customers	P2,481,560	P47,128	P—	P2,670	P2,531,358	P—	P2,531,358
Interest income	9,848	3	2	739	10,592	—	10,592
Inter-segment	—	—	156,295	3,276	159,571	(159,571)	—
Other income	698,969	2	12	80,961	779,944	(736,961)	42,983
	3,190,377	47,133	156,309	87,646	3,481,465	(896,532)	2,584,933
Cost and Expenses							
Interest expense	2,575	131	68	2	2,776	—	2,776
Direct costs	691,493	36,715	46,826	387	775,421	(53,015)	722,406
Selling and general expenses	1,095,738	4,840	8,598	6,114	1,115,290	(243,446)	871,844
Accretion expense	2,178	—	—	—	2,178	—	2,178
Impairment losses	843	—	—	80	923	—	923
Depreciation, depletion and amortization (Note 25)	106,403	1,865	13,609	1,826	123,703	(68,073)	55,630
Excise taxes and royalty fees (Note 20)	182,425	—	—	—	182,425	—	182,425
Other expenses	28,087	—	1,665	3,594	33,346	(19,204)	14,142
Income before tax	1,080,635	3,582	85,543	75,643	1,245,403	(512,794)	732,609
Provision for income tax	155,347	128	21,716	1,275	178,466	—	178,466
Net income	P925,288	P3,454	P63,827	P74,368	P1,066,937	(P512,794)	P554,143
Operating assets	P12,343,859	P36,280	P424,751	P1,923,452	P14,728,342	(P4,396,294)	P10,332,048
Operating liabilities	(P1,795,417)	(P62,713)	(P279,160)	(P871,614)	(P3,008,904)	P1,814,138	(P1,194,766)
Other disclosure:							
Capital expenditure	P71,900	P137	P24,526	P—	P96,563	P—	P96,563

2022							
	Mining	Health services	Logistics	Others	Total	Eliminations	Consolidated
Revenue							
External customers	P3,967,002	P55,470	P—	P2,723	P4,025,195	P—	P4,025,195
Interest income	1,631	3	2	453	2,089	—	2,089
Inter-segment	—	—	165,882	—	165,882	(165,882)	—
Other income	840,489	22	2,304	18,573	861,388	(640,740)	220,648
	4,809,122	55,495	168,188	21,749	5,054,554	(806,622)	4,247,932
Cost and Expenses							
Interest expense	1,102	—	—	—	1,102	—	1,102
Direct costs	952,312	40,254	31,032	386	1,023,984	(36,412)	987,572
Selling and general expenses	1,284,869	5,761	21,968	13,289	1,325,887	(265,581)	1,060,306
Impairment losses	—	—	—	—	1,746	—	1,746
Accretion expense	—	—	—	196	196	—	196
Depreciation, depletion and amortization (Note 25)	134,589	1,268	10,117	1,953	147,927	(66,667)	81,260
Excise taxes and royalty fees (Note 20)	299,747	—	—	—	299,747	—	299,747
Other expenses	44,938	24	10,714	1,042	56,718	13	56,731
Income (loss) before tax	2,091,565	8,188	94,357	3,137	2,197,247	(437,975)	1,759,272
Provision for income tax	89,943	138	11,860	6	101,883	—	101,883
Net income (loss)	P2,001,622	P8,114	P82,497	P3,131	P2,095,364	(P437,975)	1,657,389
Operating assets	P10,093,544	P31,131	P414,919	P1,409,636	P11,026,296	(P4,553,726)	P7,372,570
Operating liabilities	(P2,617,380)	(P75,897)	(P365,202)	(P878,517)	(P3,920,256)	P2,203,530	(P1,716,726)
Other disclosure:							
Capital expenditure	P41,652	P2,752	P27,999	P4,201	P76,604	P—	P76,604

Notes to operating segments:

- Inter-segment revenue, cost and expenses, assets and liabilities are eliminated upon consolidation and reflected in the 'eliminations' column.
- Capital expenditures consist of additions to property, plant and equipment and deferred mine exploration costs.
- Further information of the Group's revenue about products and services as well as geographical areas are presented in Note 20.



- d. Gross revenues from each of the customers from the mining segment that exceeded 10% of the Group's revenue for the years ended December 31, 2024, 2023 and 2022 are presented below:

	2024	2023	2022
Customer 1	₱790,474	₱623,399	₱911,594
Customer 2	1,451,350	1,744,009	2,920,734
	₱2,241,824	₱2,367,408	₱3,832,328

33. Financial Risk Management Objectives and Policies

The Group has various other financial instruments such as cash and cash equivalents, trade receivables, receivable from lessees of bunkhouses, and loan receivable under "other noncurrent assets", trade and accrued expenses under trade and other payables and lease liabilities, which arise directly from its operations. Other financial assets include financial assets at FVPL and FVOCI.

The significant risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk. The BOD reviews and agrees policies for managing each of these risks and these are summarized below.

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and availment of suppliers' credit. The long-term relationship of the Group to its suppliers gives it the advantage to negotiate the payment terms.

As part of its liquidity risk management, the Group has access to sufficient external funding and loans payable maturing within 12 months can be rolled over with existing lenders. It also continuously assesses conditions in the financial markets for opportunities to avail bank loans and capital market issues. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions. As at December 31, 2024 and 2023, cash and cash equivalents may be withdrawn anytime while quoted FVOCI may be converted to cash by selling them during the normal trading hours in any business day.

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2024 and 2023 based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Group's financial assets in order to provide a complete view of the Group's contractual commitments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates

	2024				
	On demand	0-90 days	91-365 days	More than one year	Total
<i>Financial assets</i>					
Cash and cash equivalents					
Cash on hand and in banks	₱832,105	₱—	₱—	₱—	₱832,105
Short-term deposits	—	921,610	—	—	921,610
Trade and other receivables*	104,557	439,800	196,919	—	741,276
FVPL	704,637	—	—	—	704,637
Short-term deposits under "other current assets"	—	—	26,908	—	26,908
FVOCI	—	—	—	794	794
	₱1,641,299	₱1,361,410	₱223,827	₱794	₱3,227,330



	2024				
	On demand	0-90 days	91-365 days	More than one year	Total
<i>Financial liabilities</i>					
Trade and other payables					
Trade	P–	P277,569	P–	P–	P277,569
Nontrade**	3,721	–	–	–	3,721
Accrued expenses	–	23,615	28,691	–	52,306
Lease liabilities	–	2,269	–	4,450	6,719
Other noncurrent liabilities					
Equity of claimowners in contract operations	–	–	–	49,136	49,136
	3,721	303,453	28,691	53,586	389,451
Net financial assets (liabilities)	P1,637,578	P1,057,957	P195,136	(P52,792)	P2,837,879

*Excluding advances to officers and employees

**Excluding statutory payables

	2023				
	On demand	0-90 days	91-365 days	More than one year	Total
<i>Financial assets</i>					
Cash and cash equivalents					
Cash on hand and in banks	P630,810	P–	P–	P–	P630,810
Short-term deposits	–	143,382	–	–	143,382
Trade and other receivables*	330,074	62,974	208,859	–	601,907
FVPL	1,328,780	–	–	–	1,328,780
Short-term deposits under “other current assets”	–	–	407,533	–	407,533
FVOCI	–	–	–	1,110	1,110
	2,289,664	206,356	616,392	1,110	3,113,522
<i>Financial liabilities</i>					
Loans payable	339,238	–	–	–	339,238
Trade and other payables					
Trade	–	345,933	–	–	345,933
Nontrade**	4,093	–	–	–	4,093
Accrued expenses	–	14,212	9,930	–	24,142
Lease liabilities	–	929	2,788	6,719	10,436
Other noncurrent liabilities					
Equity of claimowner in contract operations	–	–	–	49,136	49,136
	343,331	361,074	12,718	55,855	772,978
Net financial assets (liabilities)	P1,946,333	(P154,718)	P603,674	(P54,745)	P2,340,544

*Excluding advances to officers and employees

**Excluding statutory payables

Credit Risk

Credit risk refers to the potential loss arising from any failure by counterparties to fulfill their obligations as these falls due. It is inherent to the business that potential losses may arise due to the failure of its customers and counterparties to fulfill their obligations on maturity dates or due to adverse market conditions.

The Group trades only with recognized, creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

With respect to credit risk arising from other financial assets of the Group, which comprise of cash and cash equivalents, trade receivables, receivables from lessees of bunkhouses and loans receivable under trade and other receivables and advances under other noncurrent assets, the Group’s exposure



to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades only with recognized third parties, there is no requirement for collateral.

The table below shows the maximum exposure to credit risk for the components of the consolidated statements of financial position. The maximum exposure is shown at each instrument's carrying amount, before the effect of mitigation through the use of master netting and collateral agreements.

	2024	2023
Cash and cash equivalents		
Cash in banks	₱832,105	₱630,028
Short-term deposits	921,610	143,382
Trade and other receivables, except advances to officers and employees	741,276	601,907
Short-term investments under "other current assets"	26,908	407,533
	₱2,521,899	₱1,782,850

Impairment of financial assets

The Group has financial assets consisting of cash and cash equivalents, trade receivables, receivables from lessees of bunkhouses, and loans receivable that are subjected to ECL model.

General Approach

Cash and cash equivalents

The ECL relating to the cash of the Group is minimal as these are deposited in reputable banks which have good credit rating, and are considered to have lower credit risk.

Other receivables and loans receivable

The Group has an allowance for ECLs for these financial assets amounting to ₱122.72 million and ₱122.56 million as at December 31, 2024 and 2023, respectively.

Simplified Approach

Trade receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of trade receivables. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group establishes credit limits at the level of the individual borrower, corporate relationship and industry sector. It also provides for credit terms with the consideration for possible application of intercompany accounts between affiliated companies. Also, the Group transacts only with related parties and recognized third parties, hence, there is no requirement for collateral.



Below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at December 31, 2024

	Current	Past due			Specific Identification	Total
		30 days	60 days	>90 days		
Expected credit loss rate	0%	4%	6%	22%	100%	
Estimated total gross carrying amount at default	₱85,566	₱20,352	₱31,690	₱114,213	₱4,823	₱256,644
	₱—	₱954	₱1,582	₱30,315	₱4,823	₱37,674

As at December 31, 2023

	Current	Past due			Specific Identification	Total
		30 days	60 days	>90 days		
Expected credit loss rate	2%	7%	6%	23%	100%	
Estimated total gross carrying amount at default	₱43,243	₱20,723	₱1,290	₱113,350	₱4,823	₱183,429
	₱1,042	₱1,419	₱74	₱25,638	₱4,823	₱32,996

Market Risks

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk relates primarily to the Group's long-term debt obligations with floating interest rates.

As at December 31, 2024 and 2023, the Group's exposure to the risk for changes in market interest rate relates primarily to its secured bank loans. The Group regularly monitors its interest due to exposure from interest rates movements.

The Group's unsecured loans payable are both payable on demand. Nominal interest rates vary from floating rate of 91-day Philippine Php T-bill rate for peso loans and 3-month SONIA foreign loans, plus a margin of 3.5% for unsecured loans. The Group has no material exposure to interest rate risk as at December 31, 2024 and 2023.

Foreign Currency Risk

Foreign currency risk is the risk to earnings or capital arising from changes in foreign exchange rates. The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial performance and cash flows.

The Group has transactional currency exposures. Such exposure arises from the sale of gold and nickel ore and the purchase of certain goods and services denominated in US\$.

All sales of gold and nickel ore are denominated in US\$. Dollar conversion of metal sales to Philippine peso is based on the prevailing exchange rate at the time of sale.

The Group's policy is to maintain foreign currency exposure within acceptable limits. The Group believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits for an institution engaged in the type of business in which the Group is involved. The Group did not seek to hedge the exposure on the change in foreign exchange rates between the US\$ and the Philippine peso. The Group believes that active currency hedging would not provide long-term benefits to stockholders.



The Group's foreign currency-denominated monetary assets and liabilities as at December 31, 2024 and 2023 follow:

	2024		2023	
	US\$	Peso equivalent	US\$	Peso equivalent
Cash in banks	\$5,015	₱290,106	\$5,581	₱309,020
Trade receivables under "trade and other receivables"	1,478	85,473	538	13,178
Short-term investments	—	—	6,000	332,220
Interest receivables	11	652	34	1,883
Total monetary assets	\$6,504	₱376,231	\$12,153	₱656,301

As at December 31, 2024 and 2023, the exchange rates of the Philippine peso to the US\$ based on the Bankers Association of the Philippines are ₱57.85 and ₱55.37, respectively.

The sensitivity to a reasonably possible change in the US\$ exchange rate, with all other variables held constant, of the Group's income before income tax as at December 31, 2024 and 2023 is as follows:

	Change in dollar exchange rate	Increase (decrease) of income before income tax
2024	Strengthens by 2.08%	₱14,229
	Weaken by -1.82%	(12,458)
2023	Change in dollar exchange rate	Increase (decrease) of income before income tax
	Strengthens by 0.60%	₱1,993
	Weaken by -2.56%	(8,510)

Equity Price Risk

Equity price risk is the risk to earnings or capital arising from changes in stock exchange indices relating to its quoted equity securities. The Group's exposure to equity price risk relates primarily to its quoted shares under financial assets at FVOCI.

The Group's policy is to maintain its risk to an acceptable level. Movement of share prices is monitored regularly to determine impact on the consolidated statement of financial position.

Since the amount of financial assets at FVOCI subject to equity price risk is not significant relative to the consolidated financial statements, management deemed that it is not necessary to disclose equity price risk sensitivity analysis for 2024 and 2023.



Capital Management

The Group maintains a capital base to cover risks inherent in the business. The primary objective of the Group's capital management is to optimize the use and earnings potential of the Group's resources, ensuring that the Group complies with externally imposed capital requirements, if any, and considering changes in economic conditions and the risk characteristics of the Group's activities.

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 obtain additional advances from stockholders or issue new shares. No changes were made in the objectives, policies or processes in 2024, 2023 and 2022. The Group monitors capital using the consolidated financial statements. As at December 31, 2024 and 2023, the Group has met its capital management objectives.

The following table summarizes the total capital considered by the Group:

	2024	2023
Capital stock	₱714,277	₱624,277
Capital surplus	686,627	415,547
Retained earnings	6,199,684	5,907,571
Cost of share-based payment	8,225	8,104
Other components of equity	1,568,408	1,419,502
Treasury shares	(8,016)	(8,016)
	₱9,169,205	₱8,366,985

Further, the Group monitors capital using debt to equity ratio, which is total liabilities divided by total equity. Debt to equity ratios of the Group as at December 31, 2024 and 2023 are as follows:

	2024	2023
Total liabilities (a)	₱1,698,116	₱1,970,633
Total equity (b)	9,169,205	8,366,985
Debt-to-equity ratio (a/b)	0.19:1	0.24:1

34. Changes in Liabilities arising from Financing Activities

Movements on the reconciliation of liabilities arising from financing activities are as follows:

	January 1, 2024	Cash flows	Additions	Others	December 31, 2024
Loans payable	₱339,238	(655,150)	₱—	₱315,912	₱—
Dividends payable	—	(108,068)	143,557	—	35,489
Lease liabilities-current	4,238	(5,401)	—	8,270	7,107
Lease liabilities-net of current portion	4,093	—	12,335	(8,270)	8,158
	₱347,569	(₱768,619)	₱155,892	₱315,912	(₱50,754)

	January 1, 2023	Cash flows	Additions	Others	December 31, 2023
Loans payable	₱337,035	₱—	₱—	₱2,203	₱339,238
Lease liabilities-current	6,309	(5,828)	—	3,757	4,238
Lease liabilities-net of current portion	5,798	—	2,052	(3,757)	4,093
	₱349,142	(₱5,828)	₱2,052	₱2,203	₱347,569



Others include interest expense (see Notes 14 and 15).

35. Fair Value Measurement

Fair Values

Set out below is a comparison by category and class of carrying amounts and estimated fair values of the Group's significant financial assets and liabilities as at December 31, 2024 and 2023:

	Carrying amounts		Fair values	
	2024	2023	2024	2023
Financial Assets:				
FVPL	₱704,637	₱1,328,780	₱704,637	₱1,328,780
FVOCI	794	1,110	794	1,110
Loan receivable	196,919	208,859	196,919	208,859

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, Trade receivables and receivables from lessees of bunkhouses under Trade and Other Receivables, Loan receivable and Advances under Other Current Assets, and trade and accrued expenses under Trade and Other Payables

The fair values of these instruments approximate their carrying amounts as of reporting date due to the short-term nature.

Equity of claimowner in contract operations under Other Noncurrent Liabilities

The estimated fair value of equity of claimowner is based on the discounted value of future cash flows using the interest rate of 1% per annum.

Financial assets measured at FVPL

The fair value of investments is based on published net asset value per unit or the price per unit of the UITF.

Financial assets measured at FVOCI

The fair value of investments that are actively traded in organized markets is determined by reference to quoted market bid prices at the close of business on reporting date.

Fair Value Hierarchy

Set out below is the fair value hierarchy of the Group's assets measured at fair value.

	2024		
	Fair value measurement using		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Land at revalued amounts	₱—	₱—	₱1,919,554
Artworks at revalued amounts	—	—	53,044
Investment properties	—	—	3,324,759
Financial assets at FVPL	704,637	—	—
Financial assets at FVOCI	794	—	—
Lease liabilities	—	—	15,565



	2023		
	Fair value measurement using		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Land at revalued amounts	₱—	₱—	₱1,724,475
Artworks at revalued amounts	—	—	52,139
Investment properties	—	—	2,997,953
Financial assets at FVPL	1,328,780	—	—
Financial assets at FVOCI	1,110	—	—
Lease liabilities	—	—	8,331

Sensitivity of the fair value measurements that are categorized within Level 3

A 5% increase (decrease) in internal factors used in determining the price per square meter such as use, size and location would decrease (increase) the fair value of land at revalued amounts and investment properties by ₱249.27 million (₱245.52 million) and ₱641.87 million (₱615.14 million) as at December 31, 2024 and 2023, respectively.

A 5% increase (decrease) in leeway discount in determining the price of each artwork would decrease (increase) the fair value of artworks by ₱3.08 million (₱3.08 million) as at December 31, 2024 and 2023.

As at December 31, 2024 and 2023, the fair value of land at revalued amounts, artworks at revalued amounts and investment property are calculated using the sales comparative approach, which resulted in measurement being classified as Level 3 in the fair value hierarchy.

As at December 31, 2024 and 2023, the Group's financial assets at FVPL and FVOCI are classified under Level 1 of the fair value hierarchy since these are based on quoted market prices or binding dealer price quotations.

There are no other assets and liabilities measured at fair value using any of the valuation techniques as at December 31, 2024 and 2023. There were no transfers between levels in 2024 and 2023.

36. Agreements and Contingencies

- a. The Parent Company and certain subsidiaries are contingently liable for liabilities arising from lawsuits or claims (mostly labor, civil, mines administrative and ports related cases) filed by third parties, which are either pending decision by the courts or are subject to settlement agreements. The outcome of these lawsuits or claims cannot be presently determined. In the opinion of management and its legal counsel, the eventual liability from these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Benguet Corporation
7th Floor Universal Re-Building
106 Paseo de Roxas, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Benguet Corporation (the Company) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Company's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Peter John R. Ventura

Partner

CPA Certificate No. 0113172

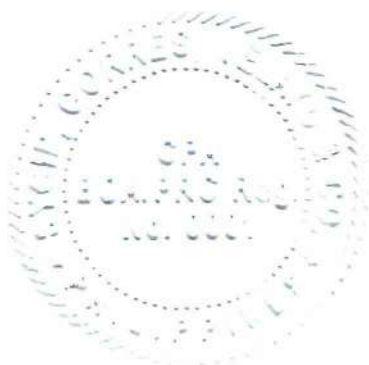
Tax Identification No. 301-106-741

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

BIR Accreditation No. 08-001998-158-2024, October 2, 2024, valid until October 1, 2027

PTR No. 10465400, January 2, 2025, Makati City

March 26, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Benguet Corporation
7th Floor Universal Re-Building
106 Paseo de Roxas, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Benguet Corporation (the Company) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule 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 basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Company's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Peter John R. Ventura

Peter John R. Ventura
Partner

CPA Certificate No. 0113172

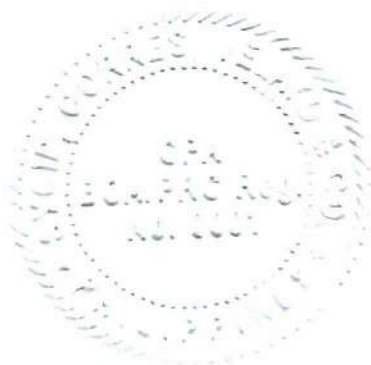
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PTR No. 10465400, January 2, 2025, Makati City

March 26, 2025



BENGUET CORPORATION AND SUBSIDIARIES
FINANCIAL RATIOS
PURSUANT TO REVISED SRC RULE 68
DECEMBER 31, 2024

Ratio	Formula	December 2024	December 2023	2024	2023
<u>Profitability Ratio</u>					
Return to assets	$\frac{\text{Net income}}{\text{Total average asset}}$	$\frac{\text{₱435,670}}{10,602,470}$	$\frac{\text{₱554,143}}{10,123,347}$	4.11%	5.47%
Return on equity	$\frac{\text{Net income}}{\text{Total shareholder's equity}}$	$\frac{\text{₱435,670}}{9,169,205}$	$\frac{\text{₱554,143}}{8,366,985}$	4.75%	6.62%
Gross profit margin	$\frac{\text{Total revenue} - \text{Less: Cost of mine products sold} - \text{Cost of services and other sales} - \text{Excise tax and royalties' fees}}{\text{Total revenue}}$	$\frac{\text{₱2,385,872} - 822,241 - 85,361 - 162,311}{2,385,872}$	$\frac{\text{₱2,531,358} - 680,471 - 84,056 - 182,425}{2,531,358}$	55.16%	62.59%
	$\frac{\text{Gross Profit}}{\text{Total revenue}}$	$\frac{1,069,913}{2,385,872}$	$\frac{946,952}{2,531,358}$		
	$\frac{\text{Gross Profit}}{\text{Total revenue}}$	$\frac{1,315,959}{2,385,872}$	$\frac{1,584,406}{2,531,358}$		
Operating profit margin	$\frac{\text{Total revenue} - \text{Less: Operating costs and expenses}}{\text{Total revenue}}$	$\frac{\text{₱2,385,872} - 1,936,452}{2,385,872}$	$\frac{\text{₱2,531,358} - 1,852,967}{2,531,358}$	18.84%	26.80%
	$\frac{\text{Operating income}}{\text{Total revenue}}$	$\frac{449,420}{2,385,872}$	$\frac{678,391}{2,531,358}$		
Net Profit Margin	$\frac{\text{Net income}}{\text{Total revenue}}$	$\frac{\text{₱435,670}}{2,385,872}$	$\frac{\text{₱554,143}}{2,531,358}$	18.26%	21.89%
<u>Liquidity and Solvency Ratio</u>					
Current ratio	$\frac{\text{Total current assets}}{\text{Total current liabilities}}$	$\frac{\text{₱3,760,284}}{655,144}$	$\frac{\text{₱3,758,226}}{902,400}$	5.74:1	4.16:1

Quick ratio	Total current assets	₱3,760,284	₱3,758,226	3.81:1	1.69:1
	Less: Inventories	191,940	247,959		
	Other current assets	1,073,353	1,989,349		
		1,265,293	2,237,308		
	Quick assets	2,494,991	1,520,918		
	Quick assets	2,494,991	1,520,918		
	Total current liabilities	655,144	902,400		

Solvency Ratio	Total assets	₱10,867,321	₱10,337,618	6.40:1	5.25:1
	Total liabilities	1,698,116	1,970,633		

Financial Leverage Ratio

Asset to equity ratio	Total assets	₱10,867,321	₱10,337,618	1.19:1	1.24:1
	Total equity	9,169,205	8,366,985		

Debt ratio	Total liabilities	₱1,698,116	₱1,970,633	0.16:1	0.19:1
	Total assets	10,867,321	10,337,618		

Debt to equity ratio	Total liabilities	₱1,698,116	₱1,970,633	0.19:1	0.24:1
	Total equity	9,169,205	8,366,985		

Interest Coverage ratio	Income before income tax and interest	₱541,618	₱735,385	73.64:1	264.91:1
	Total interest expense	7,355	2,776		

BENGUET CORPORATION AND SUBSIDIARIES

INDEX TO THE SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Schedule</u>
Reconciliation of retained earnings available for dividend declaration	I
Map showing the relationships of the Companies within the Group	II
Supplementary Schedules Required by Annex 68-J	
Financial assets	A
Amounts receivable from directors, officers, employees, related parties and principal stockholders	B
Amounts receivable from related parties which are eliminated during the consolidation of financial statements	C
Long-term debt	D
Indebtedness to related parties	E
Guarantees of securities of other issuers	F
Capital stock	G
Schedule of external auditor fee-related information	H

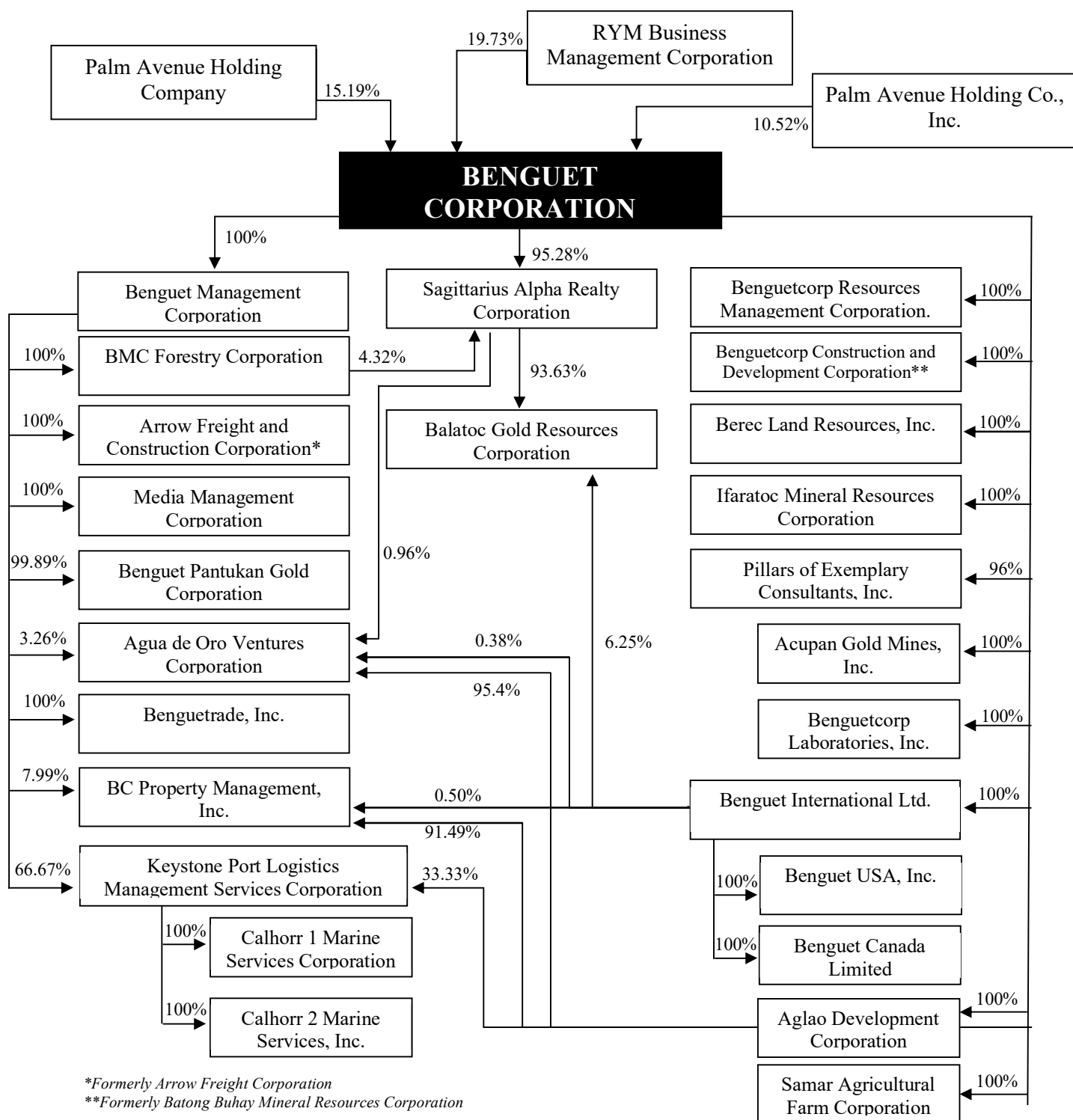
SCHEDULE I
Reconciliation of Retained Earnings Available for Dividend Declaration

For the reporting period ended December 31, 2024
(Amount in Thousands)

Benguet Corporation
7th Floor Universal Re-Building, 106 Paseo de Roxas, Makati City

Unappropriated Retained Earnings, beginning	₱2,070,835
Add: Category A: Items that are directly credited to unappropriated retained earnings:	
Reversal of Retained Earnings Appropriation/s	—
Effect of restatements or prior-period adjustments	—
Others	—
Less: Category B: Items that are directly debited to unappropriated retained earnings	
Dividend declaration during the reporting period	143,557
Retained earnings appropriated during the reporting period	—
Effect of restatements or prior-period adjustments	—
Others	—
Subtotal	143,557
Unappropriated retained earnings, as adjusted	1,927,278
Add: Net income actually earned/realized during the period	83,363
Less: Category C.1: Unrealized income recognized in profit or loss during the reporting period	
Unrealized fair value gain of Investment Property	283,735
Adjusted Net income	(200,372)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period	
Loss on fair value adjustment of investment property	—
Add: Category F: Other items that should be excluded from the determination of the amount of retained earnings available for dividend distribution	
Net movement in recognized deferred tax asset not considered in the reconciling items under the previous categories	4,715
Net movement in recognized deferred tax liability related to excess of mine rehabilitation asset over liability for mine rehabilitation	1,103
Subtotal	5,818
TOTAL RETAINED EARNINGS, END AVAILABLE FOR DIVIDEND	₱1,732,724

SCHEDULE II
BENGUET CORPORATION AND SUBSIDIARIES
MAP SHOWING THE RELATIONSHIPS OF THE
COMPANIES WITHIN THE GROUP
PURSUANT TO SRC RULE 68, AS AMENDED
DECEMBER 31, 2024



SCHEDULE A

BENGUET CORPORATION AND SUBSIDIARIES
FINANCIAL ASSETS
DECEMBER 31, 2024
(Amounts in Thousands)

Name of Issuing Entity and Association of Each Issue	Number of Share or Principal Amount of Bonds and Notes	Amount in the Statement of Financial Position	Income Received and Accrued
Financial assets at amortized cost			
A. Cash in banks			
BDO Unibank, Inc.	—	593,094	14,115
Malayan Savings Bank	—	4,939	117
Metropolitan Bank & Trust Company	—	18,401	438
Union Bank of the Philippines	—	141	3
China Banking Corporation	—	187	4
Philippine National Bank	—	7,986	190
Rizal Commercial Banking Corporation	—	184,341	4,383
United Coconut Planters Bank	—	—	—
Landbank of the Philippines	—	20,837	495
Others	—	835	20
B. Short Term Deposits			
BDO Unibank, Inc.	310,000	329,103	7,826
Malayan Savings Bank	90,000	92,317	2,195
Metropolitan Bank & Trust Company	500,000	500,049	11,891
Others	—	141	3
C. Trade and Other receivables			
Trade	—	218,969	—
Loan receivable	—	196,919	—
Nontrade	—	242,881	—
Receivables from lessees of bunkhouses	—	5,964	—
Others	—	18,327	—
D. Short-term investments under “other current assets”	10,000	26,908	—
E. Financial assets at fair value through profit or loss (FVPL)	—	—	—
Unit Investment Trust Fund	—	704,637	—
F. Financial assets at fair value through Other Comprehensive Income (FVOCI)			
PLDT, Inc.	—	267	—
Sherwood Hills Development, Incorporated	—	300	—
TVI Pacific	—	227	—

SCHEDULE B

BENGUET CORPORATION AND SUBSIDIARIES AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) DECEMBER 31, 2024 (Amounts in Thousands)

Name and Designation of Debtor	Balance at beginning period	Additions	Amounts collected / settlements	Amounts written off	Current	Not current	Balance at end period
Max D. Arceno <i>SVP - Accounting & Treasurer</i>	₱392	₱—	₱—	₱—	₱392	₱—	₱392
Reynaldo P. Mendoza <i>EVP & Asst. Corporate Secretary</i>	1,281	8	13	—	1,276	—	1,276
Cynthia Lazaro <i>Sec. Mgr - Insurance (Treasury)</i>	536	—	1	—	535	—	535
Sheena Irish Barra <i>Division Manager – Accounting & Budget</i>	403	8	43	—	368	—	368
Eden Barcelona <i>Section Manager-Stockholders Relation Office</i>	111	200	85	—	226	—	226
Marlene Q. Villanueva <i>Unit Manager – Purchasing Assistant</i>	99	—	44	—	55	—	55
Jessa P. Repasa <i>Asst. Unit Manager – Admin. Asst. to the President</i>	195	8	111	—	92	—	92
Maricel Ulep <i>Group Asst for SVP-Finance & SVP Nickel Op'n</i>	119	—	—	—	119	—	119
Gaudencio P. Repasa <i>Company Driver – Admin</i>	—	50	17	—	33	—	33

SCHEDULE C

BENGUET CORPORATION AND SUBSIDIARIES
AMOUNTS RECEIVABLE FROM RELATED PARTIES
WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2024
(Amounts in Thousands)

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts collected/ settlements	Amounts Written off	Current	Not Current	Balance at end period
Benguetcorp Resources Management Corporation	₱32,021	₱139,763	601,407	₱–	(₱429,623)	₱–	(₱429,623)
Balatoc Gold Resources Corporation	78,626	1	–	–	78,627	–	78,627
Benguetrade, Inc.	15,560	–	201	–	15,359	–	15,359
Benguetcorp Laboratories, Inc.	48,547	–	4,781	–	43,766	–	43,766
Berec Land Resources, Inc.	(35,147)	–	2,122	–	(37,269)	–	(37,269)
BC Property Management, Inc.	30,584	63	–	–	30,647	–	30,647
Ifaratoc Mineral Resources Corporation	36,196	–	20	–	36,176	–	36,176
Benguet-Pantukan Gold Corporation	29,746	113	–	–	29,859	–	29,859
BMC Forestry Corporation	(23,275)	–	3,760	–	(27,035)	–	(27,035)
Media Management Corporation	100,183	2	–	–	100,185	–	100,185
Arrow Freight Corporation	(5,393)	890	780	–	(5,283)	–	(5,283)
Benguet Management Corporation	100,416	215	–	–	100,631	–	100,631
Agua de Oro Ventures Corporation	12,970	6	–	–	12,976	–	12,976
Keystone Port Logistics Management Services Corporation	18,818	–	28	–	18,790	–	18,790
BenguetCorp International Limited	8,653	778	–	–	9,431	–	9,431
Sagittarius Alpha Realty Corporation	(100,890)	–	9	–	(100,899)	–	(100,899)
Batong Buhay Mineral Resources Corporation	3,216	2	–	–	3,218	–	3,218
Acupan Gold Mines, Inc.	81	40	–	–	121	–	121
Pillars of Exemplary Consultants, Inc.	865	47	–	–	912	–	912
Samar Agricultural Farm Corporation	–	802	–	–	802	–	802
	₱351,777	₱142,722	₱613,108	₱–	(₱118,609)	₱–	(₱118,609)

SCHEDULE D

**BENGUET CORPORATION AND SUBSIDIARIES
LONG-TERM DEBT
DECEMBER 31, 2024
(Amounts in Thousands)**

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under the caption	Amount shown under the caption
		‘Current Portion of long-term borrowings’ in related balance sheet	‘Long-term borrowings - net of current portion’ in related balance sheet
NOT APPLICABLE			

SCHEDULE E

**BENGUET CORPORATION AND SUBSIDIARIES
INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2024**

Name of related party	Balance at beginning of period	Balance at end of period
	NOT APPLICABLE	

SCHEDULE F

**BENGUET CORPORATION AND SUBSIDIARIES
GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2024**

Name of issuing entity of securities guaranteed by the Group for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
NOT APPLICABLE				

SCHEDULE G**BENGUET CORPORATION AND SUBSIDIARIES
CAPITAL STOCK
DECEMBER 31, 2024**

The Parent Company's authorized share capital is ₱784.8 million divided into 737.0 million shares consisting of 19.7 million Convertible Preferred Class A shares with par value of ₱3.43 each and 430.4 million Class A common shares and 286.9 million Class B common shares with par value of ₱1.00 each. As at December 31, 2024, shares issued and outstanding totaled 713,401,190 held by 16,857 shareholders.

Title of Issue	Number of shares authorized	Number of shares issued and outstanding as shown under related financial condition caption	Number of shares reserved for option, warrants, conversions and other rights	No of shares held by:		
				Affiliates	Directors and Officers	Others
Convertible Preferred Stock						
Class A	19,652,912	217,061	—	—	—	217,061
Common Stock						
Class A	430,380,000	428,120,008	—	—	920,655	427,199,353
Class B	286,920,000	285,064,121	—	—	479,007	284,585,114

SCHEDULE H

BENGUET CORPORATION AND SUBSIDIARIES
SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2024

	Current Year (2024)	Prior Year (2023)
Total Audit Fees	₱5,540,000	₱5,320,000
Non-audit service fees:		
Tax Services	—	—
All other services	—	—
Total Non-audit fees	—	—
Total Audit and Non-audit fees	₱5,540,000	₱5,320,000

	Current Year (2024)	Prior Year (2023)
Audit and Non-audit fees of other related entities		
Audit fees	₱—	₱—
Non-audit service fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Audit and Non-Audit Fees of other related entities	₱—	₱—