COVER SHEET

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(Company's Full Name)

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

Atty. Fabiola B. Villa

(Contract Person)

(02) 5-301-3453

(Company Telephone Number)

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Month			*Day*	

(Fiscal Year)

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Month			*Day*	

(Annual Meeting)

(Secondary License Type, If Applicable)

MSRD

Dept. Requiring this Doc.

Not Applicable

Amended Articles Number/section

51*

Total No. of Stockholders

**as of 31 December 2025*

Total Amount of Borrowings

	-
Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

NOTICE OF ANNUAL STOCKHOLDERS' MEETING

The Annual Meeting of the Stockholders of EAGLE CEMENT CORPORATION (the "Company") will be held on **Thursday, 25 June 2026** at **2:00 p.m.** It will be conducted via remote communication using the Microsoft Teams platform and livestreamed from the principal office of the Company.

The Agenda for the Meeting is as follows:

1. Certification of Notice and Quorum
2. Approval of Minutes of Previous Meeting
3. Presentation of the Annual Report
4. Ratification of Acts and Resolutions of the Board of Directors and Corporate Officers
5. Appointment of External Auditors
6. Election of the Members of the Board of Directors
7. Other Matters
8. Adjournment

A brief discussion of the rationale of each of the relevant agenda item is set forth in the Information Statement.

The Information Statement, SEC Form 17A, Minutes of the Annual Stockholders' Meeting held on 24 June 2025, and other pertinent materials for the Annual Stockholders' Meeting will be accessible online through the Company's website (https://www.eaglecement.com.ph/governance/annual-stockholders-meeting/), and made available in print upon written request of the stockholder.

Stockholders can participate in the meeting *via* remote communication and cast their votes electronically or *in absentia,* or through appointing the Chairman of the Meeting as proxy.

Stockholders of record as of 25 May 2026 who intend to attend the meeting through remote communication are requested to notify the Company and register by email at corporatesecretary@eagle-cement.com.ph no later than 15 June 2026. The email should contain the name, email address, and a scanned copy of any valid government-issued identification (ID) with photo of the stockholder. The videoconference link to the meeting will be provided to registered stockholders.

Questions and comments to the Board of Directors and/or Management should be sent in advance or during the meeting by email to corporatesecretary@eagle-cement.com.ph.

Duly accomplished ballots and proxies can be submitted through any of the following:

1. e-mail to corporatesecretary@eagle-cement.com.ph; or
2. ordinary mail to the office of the Corporate Secretary at 2/F SMITS Corporate Center, No. 155 EDSA, Brgy. Wack-Wack, Mandaluyong City.

The deadline for submission of ballots and proxies is on 15 June 2026 at 2:00 p.m. For individuals, ballots and proxies must be accompanied by a valid government-issued ID with a photo. For corporations, ballots, and proxies must be accompanied by their Corporate Secretary's certification stating the corporate officer's authority to represent the corporation in the meeting. Ballots and proxies need not be notarized. Validation of ballots and proxies will be on 19 June 2026 at 5:00 p.m. at the office of the Company's Corporate Secretary.

FABIOLA B. VILLA
Corporate Secretary

EXPLANATION AND RATIONALE OF AGENDA ITEMS FOR THE ANNUAL MEETING OF STOCKHOLDERS OF EAGLE CEMENT CORPORATION (the "Company")

1. Certification of Notice and Quorum

   The Corporate Secretary will certify that notice of the meeting and Definitive Information Statement were sent to stockholders of record in accordance with applicable laws, SEC regulations and the Company's By-Laws, and that there is a quorum for the transaction of business.

2. Approval of Minutes of Previous Meeting

   The minutes of the previous stockholders' meeting held on 24 June 2025 will be presented to the stockholders for approval.

3. Presentation of the Annual Report

   The CFO and/or the President will present the Management Report to provide stockholders with an overview of the operating and financial performance of the Company in 2025 and in the first quarter of 2026. The report will also include significant developments in the Company.

4. Ratification of Acts and Resolutions of the Board of Directors and Corporate Officers

   All acts and resolutions of the Board of Directors and management taken or adopted from the date of the last annual stockholders' meeting until the date of this meeting will be submitted to the stockholders for ratification. A summary of the resolutions and actions is set forth in this Information Statement.

5. Appointment of External Auditor

   The appointment of the Company's external auditor for the ensuing year will be submitted to the stockholders for approval.

6. Election of the Members of the Board of Directors (including independent directors)

   The Corporate Secretary will present the nominees for election as directors of the Company, including independent directors. The stockholders must elect 11 members of the Board of Directors, with at least 4 independent directors. The Corporate Governance Committee evaluated the qualifications of all persons nominated to the Board.

7. Other Matters

   The Chairman will open the floor for comments and/or questions by the stockholders. Only queries from stockholders emailed to the Office of the Corporate Secretary will be entertained.

8. Adjournment

SAMPLE BALLOT / PROXY

☐ Vote by Ballot: The undersigned stockholder of Eagle Cement Corporation (the "Company") casts his/her/its vote on the agenda items for the 2026 Annual Stockholders' Meeting, as expressly indicated with "X" in this ballot.

☐ Vote by Proxy: The undersigned stockholder of Eagle Cement Corporation (the "Company") hereby appoints _____ or in his/her absence, the Chairman of the meeting, *as attorney-in-fact and proxy*, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Meeting of Stockholders of the Company on 25 June 2026 and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of the minutes of previous meeting
   __ Yes __ No __ Abstain

2. Approval of the 2025 Annual Report
   __ Yes __ No __ Abstain

3. Ratification of Acts and Resolutions of the Board of Directors and Corporate Officers
   __ Yes __ No __ Abstain

4. Appointment of External Auditor
   __ Yes __ No __ Abstain

5. Election of the Members of the Board of Directors, including the Independent Directors

	No. of Votes
Ramon S. Ang	_____
John Paul L. Ang	_____
Manny C. Teng	_____
Monica L. Ang-Mercado	_____
Manuel P. Daway	_____
Mario K. Surio	_____
Luis A. Vera Cruz, Jr.	_____
Teresita J. Leonardo- De Castro	_____
Estela Perlas-Bernabe	_____
Consuelo Ynares- Santiago	_____
Jaime J. Bautista	_____

6. At his/her discretion, the proxy named above are authorized to vote upon such other matters as may be properly come before the meeting.
   __ Yes __ No __ Abstain

Question/Comment: _____

_____
Printed Name and Signature of Stockholder
Date:

The ballot of those who will attend the meeting via videoconference should be submitted to the Corporate Secretary, or by e-mail to corporatesecretary@eagle-cement.com.ph, or by ordinary mail to the Office of the Corporate Secretary of Eagle Cement Corporation at 2/F SMITS Corporate Center, No. 155 EDSA, Brgy. Wack-Wack, Mandaluyong City, on or before 2:00 p.m. of 15 June 2026.

This proxy should be received by the Corporate Secretary on or before 2:00 p.m. of **15 June 2026**, the deadline for submission of proxies. For corporate stockholders, please attach to this proxy form the secretary's certificate on the authority of the signatory to appoint the proxy and sign this form.

This ballot/proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction was made, this ballot/proxy will be voted for the election of all nominees and/or the approval of the matters stated above and such other matters as may properly come before the meeting in the manner described in the Information Statement and/or as recommended by management or board of directors.

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

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 **EAGLE CEMENT CORPORATION**

3. Province, country or other jurisdiction of incorporation or organization

   METRO MANILA, PHILIPPINES

4. SEC Identification Number **ASO95005885**

5. BIR Tax Identification Code **004-731-637-000**

6. Address of principal office Postal Code

   2/F SMITS Corporate Center, No. 155 EDSA, Brgy. Wack-Wack, Mandaluyong City 1554

7. Registrant's telephone number, including area code: **(02) 5301-3453**

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

   25 June 2026, 2:00 p.m., via remote communication

8. Approximate date on which the Information Statement is first to be sent or given to security holders:

   3 June 2026

10. **In case of Proxy Solicitation**

    Name of Person Filing the Statement: **N/A**

    Address: **N/A**

    Telephone No.: **N/A**

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

Title of Each Class	Number of Shares of Common Stock Outstanding (as of 25 May 2026)
COMMON	**5,000,000,006**

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

    Yes [ ] No [✓]

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

GENERAL INFORMATION

Date, Time and Place of Annual Meeting

The annual stockholders' meeting of Eagle Cement Corporation (the "Corporation" or "Company") will be held on 25 June 2026, 2:00 p.m., via remote communication using the Microsoft Teams platform and livestreamed from the principal office of the Corporation.

The Corporation's complete mailing address is 2/F SMITS Corporate Center, No. 155 EDSA, Barangay Wack-Wack, Mandaluyong City.

The information statement will be made available on the Company's website beginning 3 June 2026, or as soon as approved by the Securities and Exchange Commission (SEC). Stockholders wishing to obtain printed copies of the Definitive Information Statement must signify their intent by notifying the Corporate Secretary through e-mail at corporatesecretary@eagle-cement.com.ph.

The Notice of Meeting will be published in the business section of two (2) newspaper of general circulation, in print and online format, for two (2) consecutive days.

The Corporation is not soliciting proxies.

Dissenters' Right of Appraisal

Under Sections 80 and 81, Title X of the Revised Corporation Code of the Philippines, stockholders dissenting from and voting against the proposed corporate actions may, within thirty (30) days, from the date on which the vote was taken, exercise the right of appraisal by making a written demand on the Company for payment of the fair value of their shares as of the day prior to the date on which the vote was taken for such corporate action. These corporate actions are: (a) amendment to the corporation's articles and by-laws that has the effect of changing and restricting the rights of any shareholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (b) sale, lease, mortgage or other disposition of all or substantially all of the corporation's asset; (c) merger or consolidation; and (d) investment of corporate funds in another corporation or business or for any purpose other than its primary purpose.

There are no matters to be acted upon by the stockholders which could give rise to the exercise of the appraisal right.

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

No director, nominee for election as director, or associate of the nominee or executive officer of the Company has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon in the meeting, other than election to office.

No incumbent director has informed the Company of an intention to oppose any action to be taken by the Corporation at the meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

The Corporation has Five Billion and Six (5,000,000,006) outstanding common shares as of 1 April 2026.

All stockholders of record as of 25 May 2026 are entitled to receive notice of, and to vote on, the matters to be acted upon during the stockholders' meeting.

Every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing in his own name on the stock and transfer book of the corporation. The stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many

candidates as he shall see fit. The total number of votes cast by a stockholder shall not exceed the number of shares owned by him as shown in the books of the corporation multiplied by the whole number of directors to be elected. No delinquent stock shall be voted. Candidates receiving the highest number of votes shall be declared elected.

The deadline for submission of proxies is on 15 June 2026. Validation of proxies will be on 19 June 2026 at 5:00 p.m. at the office of the Company's Corporate Secretary.

Security Ownership of Beneficial Owners of more than 5%

There are no record and beneficial owners of more than five percent (5%) of the Corporation's voting stock as of 25 May 2026 except the following:

Title of Class	Names and addresses of record owner and relationship with the Corporation	Names of beneficial owner and relationship with record owner	Citizenship	Number of shares	Percent
Common	San Miguel Equity Investments, Inc.	Ang, Ramon See	Filipino	4,997,903,671	99.96%
		Zobel, Inigo Urquijo			

San Miguel Equity Investments, Inc. shall be represented by its Chairman, Ramon S. Ang, who is authorized to vote its shares.

Security Ownership of Management

The security ownership of the Corporation's Board of Directors and Management as of 25 May 2026 is as follows:

Name of Owner	Type of Share	Amount and Nature of Ownership	Citizenship	% to Total Outstanding
Ramon S. Ang	Common	1(Direct)	Filipino	-
John Paul L. Ang	Common	1(Direct)	Filipino	-
Manny C. Teng	Common	1(Direct)	Filipino	-
Monica L. Ang-Mercado	Common	1(Direct)	Filipino	-
Manuel P. Daway	Common	1(Direct)	Filipino	-
Mario K. Surio	Common	1(Direct)	Filipino	-
Luis A. Vera Cruz, Jr.	Common	1(Direct)	Filipino	-
Melinda Gonzales- Manto	Common	1(Direct)	Filipino	-
Ricardo C. Marquez	Common	1(Direct)	Filipino	-
Martin S. Villarama, Jr.	Common	1(Direct)	Filipino	-
Teresita J. Leonardo-De Castro	Common	1(Direct)	Filipino	-
	Total	11		

Voting Trust Holders of 5% or More

There is no person holding more than five percent (5%) of the Corporation's outstanding capital stock under a voting trust agreement.

Changes in Control

San Miguel Equity Investments, Inc. took control of the Corporation on 14 December 2022 by way of share purchase and tender offer of shares. The Corporation is not aware of any change or arrangement that may result in a change in control of the Corporation.

DIRECTORS AND EXECUTIVE OFFICERS

Board of Directors

The Board consists of eleven (11) directors, four (4) of whom are independent directors, as follows:

Name	Position	Age	Citizenship	Date First Elected	Period Served/Years
Ramon S. Ang	Chairman	72	Filipino	10/5/2007	19
John Paul L. Ang	Member	46	Filipino	11/30/2010	16
Manny C. Teng	Member	53	Filipino	6/21/1995	31
Monica L. Ang-Mercado	Member	37	Filipino	6/3/2013	13
Mario K. Surio	Member	79	Filipino	1/14/2011	15
Luis A. Vera Cruz, Jr.	Member	74	Filipino	2/23/2017	9
Manuel P. Daway	Member	79	Filipino	2/13/2017	9
Melinda Gonzales-Manto	Independent	73	Filipino	12/22/2016	9
Ricardo C. Marquez	Independent	65	Filipino	2/13/2017	9
Martin S. Villarama, Jr.	Independent	79	Filipino	2/13/2017	9
Teresita J. Leonardo-De Castro	Independent	77	Filipino	07/18/2024	2

Ramon S. Ang has been the Chairman of the Board since his first election on 5 October 2007. He is also the Chairman of Solid North Mineral Corporation, Armstrong Fly-Ash and Logistics Company, Inc. and South Western Cement Corporation. He is also the Chairman and CEO of San Miguel Corporation and SMC Asia Car Distributors Corp.; President and Chief Executive Officer (CEO) of Petron Corporation, Top Frontier Investment Holdings, Inc. and New NAIA Infra Corporation; Chairman and CEO, President and Chief Operating Officer (COO) of San Miguel Global Power Holdings Corp.; and, Chairman, President and CEO of SMC TPLEX Corp. He is also the Chairman and President of San Miguel Beverages, Inc., San Miguel Properties, Inc., San Miguel Electric Corporation, San Miguel Infrastructure Corporation, SMC Skyway Corporation, and other SMC subsidiaries. Mr. Ang is the Chairman of San Miguel Brewery Inc., San Miguel Brewery Hong Kong Ltd., San Miguel Food and Beverage, Inc., San Miguel Yamamura Packaging Corporation, San Miguel Equity Investments, Inc., Northern Cement Corporation, Petron Malaysia Refining & Marketing Bhd., Clariden Holdings, Inc., Anchor Insurance Brokerage Corporation, Philippine Diamond Hotel & Resort, Inc., and other SMC subsidiaries. He is the President of Ginebra San Miguel, Inc., and a Director of San Miguel Beer (Thailand) Ltd. and Metro Pacific Investments Corporation. Mr. Ang held directorships in other various domestic and international subsidiaries of SMC in the last five years. He has a Bachelor of Science degree in Mechanical Engineering from Far Eastern University.

John Paul L. Ang has been a director of the Company since 30 November 2010, and President and CEO since 17 June 2016. He served as the COO and General Manager from 2008 to 2016. He is the Chairman of the Executive Committee. He is also the President and CEO of the Company's subsidiaries, South Western Cement Corporation, Solid North Mineral Corporation and Armstrong Fly-Ash and Logistics Company, Inc. Mr. Paul Ang is the President, COO and Vice Chairman of San Miguel Corporation, President and CEO of San Miguel Food and Beverage, Inc., Vice Chairman and Director of San Miguel Global Power Holdings Corporation, and President of San Miguel Equity Investments, Inc., Northern

Cement Corporation, Clariden Holdings, Inc. and Pacific Nickel Philippines, Inc. He is a Director of Petron Corporation, Top Frontier Investment Holdings, Inc., San Miguel Brewery, Inc., Ginebra San Miguel, Inc., San Miguel Holdings Corporation, SMC Skyway Corporation, SMC NAIAX Corporation, KB Space Holdings, Inc. and Buildnet Construction, Inc., among others. Mr. Paul Ang was the Managing Director of then Sarawak Clinker Sdn Bhd (Malaysia) from 2003 to 2007. He has a Bachelor of Arts degree in Interdisciplinary Studies, Minor in Economics and Finance, from the Ateneo de Manila University.

Manny C. Teng has been a director of the Company since 21 June 1995. He is currently the General Manager and COO, and member of the Executive Committee and the Audit and Risk Committee. He served as President of the Company from 2009 to 2016. Mr. Teng is also a director of South Western Cement Corporation, Solid North Mineral Corporation, Armstrong Fly-Ash and Logistics Company, Inc., and KB Space Holdings, Inc. He previously held positions as Technical Services Manager of Ginebra San Miguel, Inc. and San Miguel Beverages; Product Development Manager of San Miguel Beverages; Purchasing Head of Cement Management Corporation; and, Purchasing Officer of Standard Construction and Rebuilding Corporation. He has a Bachelor of Science degree in Chemical Engineering from the University of Santo Tomas.

Monica L. Ang-Mercado has been a director of the Company since 3 June 2013. She is the Chief Finance Officer, Treasurer, Executive Vice-President for Business Support Group, and the Risk Oversight Officer of the Company. She is a member of the Executive Committee and the Corporate Governance Committee. She is also the CFO, Treasurer and Chief Risk Officer of San Miguel Food and Beverage, Inc., Chairperson of Buildnet Construction, Inc., and Director and Treasurer of South Western Cement Corporation, Solid North Mineral Corporation, and Armstrong Fly-Ash and Logistics Company, Inc. She is also a Director of KB Space Holdings, Inc., Pacific Nickel Philippines Inc. and V.I.L. Mines, Inc. Ms. Ang-Mercado has a Bachelor of Science degree in Management, Minor in Enterprise Development, from the Ateneo de Manila University, and an Executive Master of Business Administration (MBA) degree from Kelogg-Hong Kong University of Science and Technology.

Mario K. Surio has been a director of the Corporation since 2011. He was previously a Technical Consultant for the Office of the President and Chief Operating Officer of San Miguel Corporation, Vice-Chairman and Director of Private Infrastructure Development Corporation - Tarlac-Pangasinan-La Union Expressway (PDIC/TPLEX), director of South Luzon Expressway (SLTC/SLEX), Ginebra San Miguel, Inc., and San Miguel Yamamura Packaging Corporation Mr. Surio is a licensed Chemical Engineer with a Bachelor of Science degree in Chemical Engineering from the University of Santo Tomas.

Luis A. Vera Cruz, Jr. has been a director of the Company since 23 February 2017. He is a member of the Related Party Transactions Committee and the Audit and Risk Committee. He is also a director of Cyber Bay Corporation and Agribusiness Banking Corporation. He previously served as Co-Managing Partner of Angara Abello Concepcion Regala & Cruz and Director of ACCRA Holdings, Inc. Atty. Vera-Cruz holds a Master of Laws from Cornell University, and Bachelor of Laws degree and Bachelor of Science degree in Business Administration from the University of the Philippines.

Manuel P. Daway has been a director of the Company since 13 February 2017. He was previously the Vice-President for Operations and is now an Adviser for expansion projects and other special projects of the Company. He previously held the positions of Project Director of CEMA Consultancy, Vice-President for External Relations of Lafarge Cement Services Philippines Inc., and Vice-President for Operations of Lafarge/Republic Cement Corporation. Mr. Daway is a Professional Electrical Engineer and holds a Bachelor of Science degree in Electrical Engineering from the Mapua Institute of Technology.

Melinda Gonzales-Manto has been an Independent Director of the Company since 2016. She is the Lead Independent Director, Chairperson of the Audit and Risk Committee, and a member of the Related Party Transactions Committee of the Company. She is a Director of Bank of Commerce, and the Lead Independent Director and Chairman of the Audit and Risk Oversight Committee of Petrogen Insurance Corporation. She is also a Director and Vice-President of Linferd & Company, Inc. and ACB Corabern Holdings Corp., and Treasurer of Compsych Philippines, Inc. Ms. Manto was a Partner in the Assurance and Advisory Business Services Division of SyCip, Gorres, Velayo & Co., Director and Auditor of the Philippine Retailers Association, and Director of GSIS Family Bank. Ms. Manto is a Certified Public Accountant and holds a Bachelor of Science degree in Business Administration from the Philippine School of Business Administration. She completed the Management Development Program at the Asian Institute of Management.

Ricardo C. Marquez has been an Independent Director of the Company since 2017. He is the Chairman of the Corporate Governance Committee. He is an Independent Director and Chairman of the Risk

Oversight Committee of San Miguel Food and Beverage, Inc., and an Independent Director of Petron Corporation and Top Frontier Holdings, Inc. General Marquez held several positions in the Philippine National Police (PNP) before he became the Chief of PNP. He completed various leadership programs and courses from the University of the Philippines Open University, Harvard Kennedy School, University of Asia and the Pacific, Federal Bureau of Investigation National Academy, and Department of Homeland Security in Washington DC. He graduated from the Philippine Military Academy and holds a Master in Management Degree from the Philippine Christian University.

Martin S. Villarama, Jr. has been an Independent Director of the Company since 2017. He is the Chairman of the Related Party Transactions Committee, and member of the Audit and Risk Committee. He is currently a member of the Board of Advisers of San Miguel Brewery Hongkong Ltd., and a member of the Association of Retired Justices of the Supreme Court of the Philippines. He was the 166th member of the Supreme Court and served as a Supreme Court Justice from 2009 to 2016. He was also a lecturer at the Philippine Judicial Academy. He obtained his Bachelor of Laws degree from the Manuel L. Quezon University, and Bachelor of Science degree in Business Administration from De La Salle University.

Teresita J. Leonardo-De Castro has been an Independent Director of the Company since 2024. She is the Chairman of the Corporate Governance Committee, and a member of the Audit and Risk Committee. She serves as an Independent Director of Top Frontier Investment Holdings, Inc., Philippine Stock Exchange, Inc., and the Securities Clearing Corporation of the Philippines. She is a Member of the Association of Retired Supreme Court Justices, Officer/Member of the International Association of Women Judges, and Associate Member of the Philippine Women Judges Association. She served as the Chief Justice of the Supreme Court of the Philippines (2018), Associate Justice of the Supreme Court of the Philippines (2007-2008), Presiding Justice of the Sandiganbayan (2004-2007), and Associate Justice of the Sandiganbayan (1997-2004). She obtained her Bachelor of Laws degree from the University of the Philippines, College of Law.

The attendance of directors in board and committee meetings is set out in the attached ***Annex A***.

Officers

The principal officers of the Company are as follows:

Name	Position	Age	Citizenship
John Paul L. Ang	President and Chief Executive Officer	46	Filipino
Manny C. Teng	General Manager and Chief Operating Officer	53	Filipino
Monica L. Ang-Mercado	Chief Finance Officer/Treasurer/ Executive Vice-President for Business Support Group/Risk Oversight Officer	37	Filipino
Jens Christian Enemark Lund	Manufacturing Transformation Director	68	Danish
Erwin Alberto C. Dearos	Vice-President for Logistics	51	Filipino
Fabiola B. Villa	Compliance Officer/Corporate Secretary	61	Filipino
Marlon P. Javarro	Assistant Corporate Secretary/Related Party Transaction Officer	47	Filipino

Jens Christian Enemark Lund is the Company's Manufacturing Transformation Director. He was previously an Operations Manager of Hume Cement Sdn Bhd in Malaysia and Plant Director and Technical Support Director of Cemex Holdings Philippines, Inc. He was the Senior Field Engineer of FLSmidth D/K in Denmark. He obtained his degree in Bachelor of Technology Management and Marine Engineering from Svendborg Maritime Academy. He has been with the Corporation since 2019.

Erwin Alberto C. Dearos is the Company's Vice-President for Logistics since 2018. He was previously with San Miguel Equity Investments, Inc. as Executive for the Supply Chain. Mr. Dearos held various positions in Sales, Logistics, Shipping and Special Projects in Solid Cement Corporation, APO Cement Corporation and CEMEX Holdings Philippines, Inc. from 1999 to 20116, and was the Logistics Operations Head in the Philippines from 2012-2016. He holds a degree in Business Management Engineering from

the Ateneo de Manila University, and completed the Executive Management Development Program from Asian Institute of Management.

Fabiola B. Villa is the Company's Compliance Officer, Corporate Secretary, Data Privacy Officer, and Head of Legal and Compliance. She is also the Corporate Secretary of Solid North Mineral Corp., South Western Cement Corp., KB Space Holdings, Inc., and Pacific Nickel Philippines, Inc. She was previously Vice-President for Legal of United Overseas Bank Philippines and an Associate at Picazo Buyco Tan Fider and Santos Law Offices. She obtained her degrees in Bachelor of Arts and Bachelor of Laws from the University of the Philippines.

Marlon P. Javarro is the Company's Assistant Vice President and Head of Finance, Assistant Corporate Secretary, and Related Party Transaction Officer. He also served as the Finance Manager of the Company from 2008 to 2018. He is a director of South Western Cement Corporation. Prior to joining the Company, he was a Finance Manager at Sarawak Clinker Sdn Berhad in Malaysia from 2005 to 2007. He is a Certified Public Account and holds a Bachelor of Science degree in Accountancy from Colegio de San Agustin. He completed the Leadership and Management Development Program from Ateneo De Manila University Graduate School of Business.

List of Nominees to the Board of Directors

The nominees for election to the Board of Directors on 25 June 2026 are as follows:

1. Ramon S. Ang
2. John Paul L. Ang
3. Manny C. Teng
4. Monica L. Ang-Mercado
5. Mario K. Surio
6. Manuel P. Daway
7. Luis A. Vera Cruz, Jr.
8. Teresita J. Leonardo-De Castro - Independent Director
9. Estela M. Perlas-Bernabe - Independent Director
10. Consuelo Ynares-Santiago- Independent Director
11. Jaime J. Bautista- Independent Director

Independent Directors

The nominees for election as independent directors of the Board of Directors on 25 June 2026 are as follows:

Nominee for Independent Director (a)	Citizenship	Person/Group recommending nomination (b)	Relation of (a) and (b)
Teresita J. Leonardo De-Castro*	Filipino	Ramon S. Ang	None
Estela M. Perlas-Bernabe **	Filipino	Ramon S. Ang	None
Consuelo Ynares-Santiago**	Filipino	Ramon S. Ang	None
Jaime J. Bautista**	Filipino	Ramon S. Ang	None

**Incumbent independent director*

***New Nominees have executed Subscription Agreements for the qualifying shares. Issuance and/or transfer of shares, including recording in the books, is currently being processed.*

The nominees for independent directors have certified that they possess all the qualifications and none of the disqualifications provided for in the Securities Regulation Code (SRC). The Certifications of the nominees for independent directors are attached as ***Annexes B-1, B-2, B-3*** and ***B-4***.

In approving the nominations for independent directors, the Corporate Governance Committee took into consideration the guidelines and procedures on the nomination of independent directors prescribed in Rule 38 of the SRC and the Manual for Corporate Governance of the Corporation.

The Corporate Secretary received the recommendations for independent directors. The nominations were forwarded to the Corporate Governance Committee which determined the qualifications of the nominees and prepared the final list of nominees eligible for election. No other nominations are entertained after the final list of candidates is prepared.

All the nominees for election to the Board of Directors satisfy the mandatory requirements specified under the law, the Corporation's by-laws and Manual for Corporate Governance.

Significant Employees

There are no persons who are not executive officers of the Corporation who are expected to make a significant contribution to the business.

Family Relationships

John Paul L. Ang and Monica L. Ang-Mercado are children of Ramon S. Ang. Manny C. Teng is a nephew of Ramon S. Ang, and cousin of John Paul L. Ang and Monica L. Ang-Mercado.

Other than those disclosed above, no family relationships up to the fourth civil degree, either by consanguinity or affinity, exist among the directors, executive officers, or nominees for election to the Board.

Certain Relationships and Related Transactions

There were no transactions with directors, officers or any principal stockholders (owning at least ten per cent (10%) of the total outstanding shares of the Corporation) which are not in the Corporation's ordinary course of business.

Based on the records and information available to the Corporation, none of the directors or officers are connected with any government agency or its instrumentality. Corporate Secretary's Certification to this effect is attached herein as ***Annex C***.

There were no self-dealings or related party transactions involving any director during the period covered by this Information Statement.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

None of the directors, nominees for election and executive officers have been the subject of (a) bankruptcy petition; (b) conviction by final judgment in a criminal proceeding; (c) order, judgment or decree barring, suspending or limiting involvement in any type of business, securities, commodities or banking activities; or (d) judgment for violation of a securities or commodities law or regulation, during the past five (5) years up to the latest date that is material to the evaluation of their ability or integrity to hold relevant positions in the Corporation.

Resignation/Disagreement

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

Compensation of Directors

Article III, Section 10 of the by-laws of the Corporation provides that by resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than ten percent (10%) of the net income before income tax of the Corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper, subject to the approval of stockholders representing at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.

The aggregate compensation paid or incurred during the last two fiscal years, as well as those estimated to be paid in the ensuing fiscal year, to the Corporation's CEO and other key officers are as follows:

NAME	YEAR	SALARY	BONUS	OTHERS	TOTAL
CEO and the four (4) most highly compensated officers*	2026**	₱ 12.9 Million	₱ 2.2 Million	₱ 1.0 Million	₱ 16.1 Million
	2025	₱ 14.6 Million	₱ 3.6 Million	₱ 0.7 Million	₱18.9 Million
	2024	₱ 16.8 Million	₱ 5.6 Million	₱ 5.2 Million	₱ 27.6 Million
All other officers and Directors as a group unnamed	2026*	₱ 9.0 Million	₱ 1.5 Million	₱ 2.9 Million	₱ 13.4 Million
	2025	₱ 15.8 Million	₱ 4.0 Million	₱ 1.1 Million	₱ 20.9 Million
	2024	₱ 17.6 Million	₱ 5.5 Million	₱ 3.5 Million	₱ 26.6 Million
TOTAL	2026*	₱ 21.9 Million	₱ 3.7 Million	₱ 3.9 Million	₱ 29.5 Million
	2025	₱ 30.4 Million	₱ 7.6 Million	₱ 1.8 Million	₱ 39.8 Million
	2024	₱ 34.4 Million	₱ 11.1 Million	₱ 8.7 Million	₱ 54.2 Million

**These are John Paul Ang, Manny Teng, Monica Ang-Mercado, Jens Christian Enemark Lund and Geneser Aves, the CEO, General Manager and COO, CFO, Manufacturing Transformation Director and Plant Manager, respectively, of the Corporation.*

.

***Estimated Compensation only of the Manufacturing Transformation Director and Plant Manager. CEO, General Manager and CFO receive actual compensation from the parent companies, San Miguel Corporation and San Miguel Equity Investments, Inc., where they are also key officers.*

Each director receives a *per diem* of Thirty Thousand Pesos (₱30,000.00) for each Board meeting attended. For each Committee meeting, the Committee Chairperson receives Fifteen Thousand Pesos (₱15,000.00), while the Committee members receive Ten Thousand Pesos (₱10,000.00) each.

There are no other arrangements pursuant to which any director was compensated or is to be compensated, directly or indirectly, for services rendered during the last fiscal year, and the ensuing fiscal year.

There are no outstanding warrants or options held by the Corporation's President, executive officers and all directors and officers as a group.

There were neither employment contracts nor compensatory plans or arrangements between the Corporation and any named executive officer.

INDEPENDENT PUBLIC ACCOUNTANTS

The Corporation's independent public accountant for the fiscal year 2025 is the accounting firm of Reyes Tacandong and Co. (RTCo). The engagement of RTCo as external auditor was approved during the Annual Stockholders' Meeting on 24 June 2025. RTCo has been the Corporation's external auditors since 2015.

The current handling partner of RTCo that has been engaged by the Corporation since the 2023 fiscal year is Belinda B. Fernando. In 2022, RTCo. changed the signing partner assigned to the Corporation, in accordance with SRC Rule 68 Part I (3)(B)(iv)(ix), as amended. The re-engagement of any signing partner or individual auditor is further subject to the two-year cooling off period required under the aforementioned provision of SRC Rule 68.

There were no disagreements with the external auditor on any accounting and financial disclosure during the period covered by the audited financial statements.

The appointment of external auditor for the ensuing year will be presented to the stockholders for approval in the stockholders' meeting on 25 June 2026. Representatives of the external auditor are expected to be

present at the annual stockholders' meeting to respond to appropriate questions.

ISSUANCE AND EXCHANGE OF SECURITIES

There were no issuance and exchange securities as of 25 May 2026.

ACTION WITH RESPECT TO REPORTS

The approval of the following will be considered and acted upon at the meeting:

1. Management Report of the Corporation for the year ended 31 December 2025
2. Minutes of the 2025 Annual Stockholders' Meeting with the following items:

    a. Certification of Notice and Quorum
    b. Approval of Minutes of Previous Meeting
    c. Presentation of the Annual Report
    d. Ratification of Acts and Resolutions of the Board of Directors and Corporate Officers
    e. Appointment of External Auditors
    f. Election of the Members of the Board of Directors
    g. Other Matters

3. Ratification of all the acts of the Board of Directors and Officers since the 2025 Annual Stockholders' Meeting
4. Appointment of External Auditor
5. Election of Members of the Board of Directors

A copy of the Minutes of the 2025 Annual Stockholders' Meeting is attached in this Information Statement as ***Annex D*****,** and will also be made available for viewing and examination on the Company's website (https://www.eaglecement.com.ph/governance/disclosures/). The resolutions of the Board of Directors since the date of the 2025 Annual Stockholders' Meeting will also be available for examination during office hours at the Office of the Corporate Secretary.

MERGER, CONSOLIDATION, ACQUISITION & SIMILAR MATTERS

There is no action to be taken with respect to any transactions involving mergers, consolidation, acquisitions or similar matters.

VOTING PROCEDURES

Shareholders vote by ballot or proxy submitted on or before 15 June 2026 at 5:00 p.m., and approved by the majority of the shareholders present through remote communication or represented at the meeting as the method of voting for any or all of the proposals or matters submitted to a vote at the meeting.

In all proposals or matters for approval except for election of directors, each share of stock entitles its registered owner (who is entitled to vote on such particular matter) to one vote. In case of election of directors, cumulative voting shall be adopted. Eleven (11) nominees with the greatest number of votes will be elected as directors.

Counting of the votes will be done by the Corporate Secretary or Assistant Corporate Secretary with the assistance of the independent auditors and the stock transfer agent of the Corporation.

FINANCIAL AND OTHER INFORMATION

Financial Statements

The SEC Form 17-A (Annual Report) or the results of the financial position of the Corporation as of 31 December 2025, together with the Audited Consolidated Financial Statements as of 31 December 2025 and the Statement of Management's Responsibility, is attached to this Information Statement as ***Annex E.*** The Management's Discussion and Analysis as of 31 December 2025 is contained in the Annual Report.

The SEC Form 17-Q or the quarterly report of the Corporation as at and for the period ended 31 March 2026 is attached to this Information Statement as ***Annex F.*** The Management's Discussion and Analysis as of 31 March 2026 is contained in the said report.

The Management Report is attached to this Information Statement as ***Annex G***.

Audit and Audit Related Fees

The Company paid the external auditors the following fees for the last three (3) years for professional services rendered:

	2025	2024	2023
Audit and other audit related fees	**₱3,845,000**	₱3,800,000	₱3,800,000
Tax fees	**360,000**	360,000	360,000

Prior to the commencement of the audit, the Audit and Risk Committee (Committee) reviews and evaluates the annual audit plan and discusses with the External Auditor the nature, scope and expenses of the audit. The Committee evaluates and determines the non-audit work, if any, of the External Auditor, and periodically reviews the non-audit fees paid to the External Auditor in relation to the total fees paid to the firm and to the Company's overall consultancy expenses. The engagement, appointment, reappointment, removal, and fees of the external auditor are subject to the Committee's pre-approval, approved by the Board, and ratified by the shareholders, in accordance with applicable laws, regulations, the Company's Manual of Corporate Governance and Audit and Risk Committee Charter.

During the period covered by this Information Statement, all services rendered by the external auditor were approved by the Audit Committee.

Dividends on Common Shares and Related Stockholder Matters

On 7 April 2021, the Board of Directors approved the amendment of the Dividend Policy increasing the amount of dividend that may be declared by the Board from 50% to up to 100% of the audited net income of the previous year.

Below is a summary of the cash dividend declarations in the past three years:

Date of Declaration	**Class of Shares**	**Rate per share (₱)**	**Total Amount (₱)**	**Record Date**
19 July 2023	Common	0.56	2,800,000,002.80	2 August 2023
14 November 2023	Common	0.56	2,800,000,002.80	11 December 2023
12 March 12 2024	Common	0.20	1,000,000,001.00	26 March 2024
18 July 18 2024	Common	0.20	1,000,000,001.20	1 August 2024
15 August 2024	Common	0.20	1,000,000,001.20	3 September 2024
12 November 2024	Common	0.20	1,000,000,001.20	26 November 2024
3 December 2024	Common	0.54	2,700,000,003.24	17 December 2024
11 March 2025	Common	0.20	1,000,000,001.20	25 March 2025
5 May 2025	Common	0.20	1,000,000,001.20	19 May 2025
12 August 2025	Common	0.20	1,000,000,001.20	27 August 2025
11 November 2025	Common	0.20	1,000,000,001.20	25 November 2025

The list of the top 20 common stockholders as of 25 May 2026 is as follows:

	Name of Stockholder	**Type of Share**	**No. of Shares**	**Percentage of ownership**
1	San Miguel Equity Investments Inc.	Common	4,997,903,671	99.96%
2	PCD Nominee Corp – Non-Filipino	Common	1,072,500	0.02%
3	PCD Nominee Corp - Filipino	Common	761,004	0.01%
4	Pete Erwin B. Lim	Common	100,800	0.00%
5	Raul S. Hernandez	Common	35,000	0.00%

	Name of Stockholder	Type of Share	No. of Shares	Percentage of ownership
6	Lito R. Lacambal, Jr.	Common	27,000	0.00%
7	Renato O. Chiu	Common	20,000	0.00%
8	Katherine G. Mahawan	Common	15,400	0.00%
9	Shirley Go Tan or Joseph Allen Sy Suan Tan	Common	10,000	0.00%
10	Daniel M. Isla	Common	6,600	0.00%
11	Vicente L. Rabo and/or Vlamir S. Rabo	Common	6,500	0.00%
12	Jupiter R. Junio	Common	4,700	0.00%
13	Jonathan P. Geminiano	Common	4,200	0.00%
14	Janet A. Dodd	Common	3,400	0.00%
15	Anita Q. Estioko	Common	3,300	0.00%
16	Joseph Vincent W. Cochien	Common	3,000	0.00%
17	Manolette S. Cruz	Common	3,000	0.00%
18	Clarence C. Rillo	Common	3,000	0.00%
19	Jonathan J. Cordova	Common	2,100	0.00%
20	Renato D. Munez	Common	2,000	0.00%
TOTAL			**4,999,987,175**	**99.99%**

Other than the foregoing, there are no securities being sold by the Corporation which were not registered in accordance with the Securities Regulation Code.

Compliance with Best Practices on Corporate Governance

The evaluation by the Company to measure and determine the level of compliance of the Board of Directors and top-level management with its Manual on Corporate Governance (Manual) is vested by the Board of Directors on the Compliance Officer. The Compliance Officer certifies that the Company has substantially adopted the provisions of the Manual. Pursuant to its commitment to good governance and business practice, the Company continues to review and strengthen its policies and procedures, giving due consideration to developments in corporate governance which it determines to be in the best interests of the Company and its stockholders.

The Company's Manual on Corporate Governance was approved by the Board of Directors on 13 February 2017 following practices, programs and policies on good corporate governance. The Board and the Management regularly adopt and/or update company policies and practices to comply with relevant rules and regulations of the SEC and other regulatory bodies, and to align with the recommendations and principles under the ASEAN Corporate Governance Scorecard. In accordance with SEC Memorandum Circular No. 24, Series of 2019 and SEC Memorandum Circular No. 19, Series of 2020, the Annual Corporate Governance Report (ACGR) of the Company for 2025 shall be filed on or before 30 June 2026.

Annual Continuing Training for Directors and Officers

To ensure that the Company is headed by competent working board and management, the Board of Directors and key officers of the Company participate in Corporate Governance trainings conducted by the Center for Global Best Practices, Ateneo De Manila University Center for Continuing Education, SGV & Co., or other SEC-accredited Corporate Governance training providers.

Corporate Governance Performance Assessments

In compliance with the Code of Corporate Governance for Public Companies and Registered Issuers and the Manual on Corporate Governance, the Company, through the Office of Compliance Officer, conducted the annual self-assessment of the performance and the effectiveness of the Board, the committees and the key officers of the Company for the year 2025. The self-assessment forms were distributed to all directors and key officers on 5 March 2026, and completed forms were all received by the Compliance Officer. Overall, the directors, committee members and key officers believe that they have, individually and collectively, performed well and effectively.

There has been no known deviation from the Company's Manual on Corporate Governance.

The Board remains committed to enhancing the Company's corporate governance by continuously refining existing and adopting new policies in accordance with the leading practices on Corporate Governance.

UNDERTAKING

The Company will post and make available for download the full version of this SEC Form 20-IS (Definitive Information Statement), together with all its annexes, including the 2025 Consolidated Audited Financial Statements of the Company and the SEC Report 17-Q for the period ended 31 March 2026, on the company website www.eaglecement.com.ph, upon its approval by the Securities and Exchange Commission.

Upon written request of stockholder, the Company will provide, without charge, a printed or electronic copy of SEC Form 17-A. Written request shall be directed to:

The Corporate Secretary
EAGLE CEMENT CORPORATION
2/F SMITS Corporate Center, 155 EDSA, Brgy. Wack-wack, Mandaluyong City
corporatesecretary@eagle-cement.com.ph

or

fbvilla@eagle-cement.com.ph

SIGNATURE

After reasonable inquiry and to the best of my knowledge and on behalf of the Corporation, I certify that the information set forth in this report is true, complete and correct. This report is signed in Mandaluyong City on 3 June 2026.

EAGLE CEMENT CORPORATION

By:

FABIOLA B. VILLA
Corporate Secretary

ANNEX A

REPUBLIC OF THE PHILIPPINES)
Mandaluyong City)S.S.

CERTIFICATION

I, FABIOLA B. VILLA, of legal age, Filipino, and with office address at 155 EDSA, Barangay Wack-Wack, Mandaluyong City 1550, after being sworn in accordance with law, hereby certify that:

1. I am the Corporate Secretary of EAGLE CEMENT CORPORATION (Corporation), a corporation duly organized and existing under the laws of the Republic of the Philippines, with office address at 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City 1550.

2. From 01 January 2025 to 31 December 2025, the Board of Directors (BOD) of the Corporation held the following meetings:

Date of Meeting	Type of Meeting
11 March 2025	Regular BOD Meeting
5 May 2025	Regular BOD Meeting
24 June 2025	Organizational Meeting of the BOD
12 August 2025	Regular BOD Meeting
11 November 2025	Regular BOD Meeting

3. The records of attendance of the Board of Directors in the board and committee meetings are as follows:

A. 2025 Meetings of the Board of Directors

Name of Directors	11 Mar	05 May	24 Jun	12 Aug	11 Nov	18 Dec
Ramon S. Ang	✓	✓	✓	✓	✓	✓
John Paul L. Ang	✓	✓	✓	✓	✓	✓
Manny C. Teng	✓	✓	✓	✓	✓	✓
Monica L. Ang-Mercado	✓	✓	✓	✓	✓	✓
Mario K. Surio	✓	✓	✓	✓	✓	✓
Manuel P. Daway	✓	✓	✓	✓	✓	✓
Luis A. Vera Cruz, Jr.	✓	✓	✓	✓	✓	✓
Melinda Gonzales-Manto	✓	✓	✓	✓	✓	✓
Ricardo C. Marquez	✓	✓	✓	✓	✓	✓
Martin S. Villarama, Jr.	✓	✓	✓	✓	✓	✓
Teresita J. Leonardo-De Castro	✓	✓	✓	✓	✓	✓

B. 2025 Meetings of the Board Committees

Audit and Risk Committee					
Name of Directors	11 Mar	05 May	12 Aug	11 Nov	18 Dec
Melinda Gonzales-Manto	✓	✓	✓	✓	✓
Manny C. Teng	✓	✓	✓	✓	✓
Luis A. Vera Cruz, Jr.	✓	✓	✓	✓	✓
Martin S. Villarama, Jr.	✓	✓	✓	✓	✓
Teresita J. Leonardo-De Castro	✓	✓	✓	✓	✓

Corporate Governance and Nomination Committee	
Name of Directors	**5 May 2025**
Monica L. Ang-Merado	✓
Ricardo C. Marquez	✓
Teresita J. Leonardo-De Castro	✓

4. The foregoing are in accordance with the records of the Corporation.

IN WITNESS WHEREOF, I have affixed my signature this _____ day of MAY 2 5 2026 in Mandaluyong City

FABIOLA B. VILLA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this ____ day of MAY 2 5 2026 in Mandaluyong City affiant personally appeared before me and exhibited to me competent evidence of her identity in the form of Integrated bar of the Philippines ID with No. 43038.

Doc. No. 168;
Page No. 35;
Book No. I;
Series of 2026

DOCUMENTARY STAMP TAX PAID
Serial No.: 15793767
Date: MAY 2 5 2026
Original DST affixed on the first copy.

GENNELYN M. ABAO NOTARY PUBLIC ROLL NO. 70176 MANDALUYONG CITY, PHILIPPINES

ATTY. GENNELYN M. ABAO
Commission No. 0631-26
Notary Public for Mandaluyong City
Until December 31, 2027
3rd Floor, 155 EDSA, Brgy. Wack-Wack, Mandaluyong City
Roll No. 70176
PTR No. 6045320; 01/07/2026; Mandaluyong City
IBP O.R. No. 564426; 12/10/2025
MCLE Compliance No. VIII-0011395 until April 14, 2028

ANNEX "B-1"

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **TERESITA J. LEONARDO-DE CASTRO**, Filipino, of legal age and a resident of , after having been sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **EAGLE CEMENT CORPORATION**.

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

COMPANY/ ORGANIZATION	POSITION/ RELATIONSHIP	PERIOD OF SERVICE
Petron Corporation	Independent Director	May 2026 to Present
SMC Tollways Corporation	Independent Director	May 2026 to Present
Eagle Cement Corporation	Independent Director	July 2024 to Present
Save the Parañaque River Foundation	Member	January 2023 to Present
Philippine Stock Exchange Foundation, Inc.	Trustee	December 2021 to Present
Philippine Stock Exchange, Inc.	Independent Director	November 2020 to Present
Securities Clearing Corporation of the Philippines	Independent Director	November 2020 to Present
Top Frontier Investment Holdings, Inc.	Independent Director	July 2019 to Present
UP Sigma Alpha Alumnae Association, Inc.	President	July 2018 to Present
International Association of Women Judges (IAWJ)	President	2014 to 2016
	Member, Executive Council	2014 to 2018
	Member	2018 to Present
Philippine Women Judges Association (PWJA)	President	2009 to 2018
	Association Member	2018 to Present
Association of Retired Supreme Court Justices	Member	2018 to Present

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

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

5. 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.

6. I shall inform the Corporate Secretary of EAGLE CEMENT CORPORATION of any changes in the abovementioned information within five days from its occurrence.

Done this JUN 03 2026 in QUEZON CITY.

Teresita Leonardo de Castro
TERESITA J. LEONARDO-DE CASTRO
Affiant

SUBSCRIBED AND SWORN to before me this JUN 03 2026 in QUEZON CITY, affiant having exhibited to me her Philippine Passport No. P3540390B issued by DFA Manila on 16 October 2019 as competent evidence of her identity.

Doc. No. 2;
Page No. 2;
Book No. II;
Series of 2026.

ATTY. KARES P. SALENDREZ-PANGILINAN
Notary Public
Commission until 31 December 2027
AM. Matter No. 361(2026-2027)
Unit 332 Eagles Court Condominium, Brgy. Central, Quezon City
MCLE Compliance No. VIII-0025023
PTR No. 8362403, 1/6/2026, QC
IBP No. 590561, 1/6/2026, QC

ANNEX "B-2"

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ESTELA M. PERLAS-BERNABE**, Filipino, of legal age and a resident of after having been sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **EAGLE CEMENT CORPORATION**.

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

COMPANY/ ORGANIZATION	POSITION/ RELATIONSHIP	PERIOD OF SERVICE
Singapore International Arbitration Center Panel of Arbitrators	Member	February 2025 to Present
PHILJA (Philippine Judicial Academy) Development Center, Inc.	Director	November 2023 to Present
Converge Information and Communications Technology Solutions, Inc.	Independent Director/ Chairman	May 2023 to Present
Petrogen Insurance Corporation	Independent Director	March 2023 to Present
Foundation for Liberty and Prosperity	Trustee	December 2022 to Present
San Miguel Food and Beverage, Inc.	Independent Director	August 2023 to Present
BDO Unibank, Inc.	Independent Director	July 2022 to Present
BDO Private Bank	Independent Director	April 2025 to Present
Aboitiz Power	Independent Director	April 2025 to Present
SM Prime Holdings, Inc	Independent Director	August 2025 to Present

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

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

5. 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.

6. I shall inform the Corporate Secretary of EAGLE CEMENT CORPORATION of any changes in the abovementioned information within five days from its occurrence.

Done this JUN 03 2026 in QUEZON CITY.

ESTELA M. PERLAS-BERNABE
Affiant

SUBSCRIBED AND SWORN to before me this JUN 03 2026 in QUEZON CITY, affiant having exhibited to me her Philippine Passport with No. P6843338A issued by DFA Manila on 19 April 2018 as competent evidence of her identity.

Doc. No. 3;
Page No. 2;
Book No. II;
Series of 2026.

ATTY. KARES P. SALENDREZ-PANGILINAN
Notary Public
Commission until 31 December 2027
AM. Matter No. 361(2026-2027)
Unit 332 Eagles Court Condominium, Brgy. Central, Quezon City
MCLE Compliance No. VIII-0025023
PTR No. 8362403, 1/6/2026, QC
IBP No. 590561, 1/6/2026, QC

ANNEX "B-3"

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **CONSUELO M. YNARES-SANTIAGO**, Filipino, of legal age and a resident of after having been sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **EAGLE CEMENT CORPORATION**.

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

COMPANY/ ORGANIZATION	POSITION/ RELATIONSHIP	PERIOD OF SERVICE
Petron Corporation	Independent Director	2026
Linseed Field Corporation	Independent Director	2025 to present
Excellent Energy Resources Inc.	Independent Director	2025 to present
South Premiere Power Corp.	Independent Director	2025 to present
Tahanan Outreach Program Services (TOPS)	Member, Board of Directors	2014 to present
Phoenix Petroleum Phil. Inc.	Independent Director	2013 to present
Anchor Insurance Brokerage Corporation	Independent Director	2012 to present
National Sandigan Foundation of the Philippines	Legal Consultant	2009 to present
Retired Supreme Court Justices Association of the Philippines	Member	2009 to present
UP Women Lawyers' Circle (WILOCI)	Consultant	2002 to present
Apostleship of Prayer Association	Member	2002 to present
Women's Lawyers Association of the Philippines	Member	1990 to present
Federacion International de Abogadas	Member	1990 to present

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

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

5. 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.

6. I shall inform the Corporate Secretary of EAGLE CEMENT CORPORATION of any changes in the abovementioned information within five days from its occurrence.

Done this JUN 03 2026 in QUEZON CITY.

CONSUELO YNARES-SANTIAGO
Affiant

SUBSCRIBED AND SWORN to before me this JUN 03 2026 in QUEZON CITY, affiant having exhibited to me her Philippine Passport with No. P9683307A issued by DFA Manila on 23 November 2018 as competent evidence of her identity.

Doc. No. 1;
Page No. 2;
Book No. II;
Series of 2026.

ATTY. KARES P. SALENDREZ-PANGILINAN
Notary Public
Commission until 31 December 2027
AM. Matter No. 361(2026-2027)
Unit 332 Eagles Court Condominium, Brgy. Central, Quezon City
MCLE Compliance No. VIII-0025023
PTR No. 8362403, 1/6/2026, QC
IBP No. 590561, 1/6/2026, QC

ANNEX "B-4"

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **JAIME J. BAUTISTA**, Filipino, of legal age and a resident of
after having been sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of EAGLE CEMENT CORPORATION.
2. I am affiliated with the following companies or organizations:

COMPANY/ ORGANIZATION	POSITION/ RELATIONSHIP	PERIOD OF SERVICE
San Miguel Food and Beverage, Inc.	Independent Director	February 2026
SKAL International Makati	Chairman of the Board	
Manila Golf and Country Club	Member, Board of Directors	
Management Association of the Philippines	Member, Board of Governors	

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

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

5. 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.

6. I shall inform the Corporate Secretary of EAGLE CEMENT CORPORATION of any changes in the abovementioned information within five days from its occurrence.

Done this JUN 03 2026 in QUEZON CITY.

JAIME J. BAUTISTA
Affiant

SUBSCRIBED AND SWORN to before me this JUN 03 2026 in QUEZON CITY, affiant having exhibited to me his Philippine Passport with Number P9883308B issued by DFA Manila on 02 May 2022 as competent evidence of her identity.

Doc. No. 4;
Page No. 2;
Book No. II;
Series of 2026.

ATTY. KARES P. SALENDREZ-PANGILINAN
Notary Public
Commission until 31 December 2027
AM. Matter No. 361(2026-2027)
Unit 332 Eagles Court Condominium, Brgy. Central, Quezon City
MCLE Compliance No. VIII-0025023
PTR No. 8362403, 1/6/2026, QC
IBP No. 590561, 1/6/2026, QC

ANNEX C

REPUBLIC OF THE PHILIPPINES)
Mandaluyong City) S.S.

CERTIFICATION

I, **FABIOLA B. VILLA**, of legal age, Filipino, and with office address at 155 EDSA, Wack Wack, Mandaluyong City, after having been sworn in accordance with law, certify that:

1. I am the Corporate Secretary of **EAGLE CEMENT CORPORATION** (the "Corporation"), a corporation duly organized and existing under laws of the Philippines, with office address at 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack Wack, Mandaluyong City.

2. As of date of this certification, none of the members of the Board of Directors or Officers of the Corporation are employed by or connected with any government agencies or instrumentalities.

3. This certification is issued in connection with the submission of the Corporation's Definitive Information Statement.

IN WITNESS WHEREOF, I have affixed my signature this MAY 2 5 2026 day of May 2026 in Mandaluyong City.

FABIOLA B. VILLA
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 2 5 2026 day of May 2026 in Mandaluyong Ci affiant exhibiting to me her Integrated Bar of the Philippines ID with No. 43038.

Doc No. 169;
Page No. 35;
Book No. I;
Series of 2026.

DOCUMENTARY STAMP TAX PAID
Serial No.: 15793768
Date: MAY 2 5 2026
Original DST affixed on the first copy.

GENNELYN M. ABAO NOTARY PUBLIC ROLL NO. 70176 MANDALUYONG CITY, PHILIPPINES

ATTY. GENNELYN M. ABAO
Commission No. 0631-26
Notary Public for Mandaluyong City
Until December 31, 2027
3rd Floor, 155 EDSA, Brgy. Wack-Wack, Mandaluyong City
Roll No. 70176
PTR No. 6045320; 01/07/2026; Mandaluyong City
IBP O.R. No. 564426; 12/10/2025
MCLE Compliance No. VIII-0011395 until April 14, 2028

EAGLE CEMENT CORPORATION
Minutes of the Annual Meeting of the Stockholders
24 June 2025; Tuesday; 2:00 PM
At the Principal Office
via Videoconference

STOCKHOLDERS PRESENT:	TYPE OF SHARES	NO. OF SHARES
In Person:		
Ramon S. Ang	Common	1
John Paul L. Ang	Common	1
Manny C. Teng	Common	1
Monica L. Ang-Mercado	Common	1
Mario K. Surio	Common	1
Manuel P. Daway	Common	1
Luis A. Vera Cruz, Jr.	Common	1
Melinda Gonzales-Manto	Common	1
Ricardo C. Marquez	Common	1
Martin S. Villarama, Jr.	Common	1
Teresita J. Leonardo-de Castro	Common	1
By Proxy:		
San Miguel Equity Investments Inc. Represented by: Ramon S. Ang	Common	4,997,903,671
Total No. of Shares Present or Represented at the Meeting	Common	4,997,903,682
Total No. of Shares Issued and Outstanding	Common	5,000,000,005
Percentage of Shares of Stock Present	Common	99.96%

DIRECTORS PRESENT:

RAMON S. ANG
JOHN PAUL L. ANG
MANNY C. TENG
MONICA L. ANG-MERCADO
MARIO K. SURIO
MANUEL P. DAWAY
LUIS A. VERA CRUZ, JR.
MELINDA GONZALES-MANTO (ID)
RICARDO C. MARQUEZ (ID)
MARTIN S. VILLARAMA, JR. (ID)
TERESITA J. LEONARDO-DE CASTRO (ID)

ALSO PRESENT:

FERDINAND K. CONSTANTINO
FABIOLA B. VILLA
MARLON P. JAVARRO
CHERYL S. SALDAÑA-DE LEON
JULIAN ELIZAR D. TORCUATOR

VOTING RESULTS: Please see ***Annex A***

DRAFT

I. NATIONAL ANTHEM AND INVOCATION

The Philippine national anthem was played via livestream. Afterwards, Director Melinda Gonzales-Manto led the invocation.

II. CALL TO ORDER

The President and CEO, Mr. John Paul L. Ang, was appointed as the Chairman of the Meeting, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Fabiola B. Villa, recorded the minutes of the meeting.

III. CERTIFICATION OF NOTICE AND QUORUM

The Board of Directors approved a resolution dated 05 May 2025 authorizing the holding of the meeting by remote communication pursuant to Section 57 of the Revised Corporation Code, and the Securities and Exchange Commission (SEC) Memorandum Circular No. 06, Series of 2020. The Corporate Secretary advised the stockholders that, in compliance with the requirements of the SEC for meetings held through remote communication, the meeting was being recorded, which recording would form part of the records of the Corporation. The Corporate Secretary likewise ensured that the proceedings were effectively livestreamed, and that all registered participants could see and hear the livestream from their individual devices.

The Corporate Secretary certified that the notice of annual meeting of the stockholders, along with the procedure for participation and casting of votes through remote communication, was published in the business section of two (2) newspapers of general circulation, in print and online format, for two (2) consecutive days, or on 25 and 26 June 2025. The Corporate Secretary noted that copies of the Information Statement, Management Report, Minutes of the 2024 Annual Stockholders' Meeting, and Annual Report were available and could be accessed through the Corporation's website.

In accordance with the Information Statement, the votes of stockholders cast through ballots or proxies submitted on or before 13 June 2025 at 2:00PM, were verified and tabulated by the Office of the Corporate Secretary, ascertaining the votes on each agenda item for approval, as further discussed below.

As confirmed by the Corporation's Stock Transfer Agent, San Miguel Corporation Stock Transfer Corporation, the Corporate Secretary certified that out of 5,000,000,005 issued and outstanding common shares, stockholders owning a total of 4,997,903,682 common shares, representing 99.96% of the total issued and outstanding common shares of the Corporation, were present through remote communication and by proxy. Proxies and the votes on each agenda item were tabulated by the office of the Corporate Secretary. There was, therefore, a quorum present for the transaction of business.

IV. APPROVAL OF THE PREVIOUS STOCKHOLDERS' MEETING MINUTES

The Chairman of the Meeting presented the minutes of the previous stockholders' meeting held on 18 July 2024 for ratification by the stockholders. Following validation of votes cast, and upon motion duly made and seconded, the stockholders passed and approved the following resolution:

> "RESOLVED, that the minutes of the Annual Meeting of Stockholders held on 18 July 2024 be approved and ratified."

V. PRESENTATION OF THE ANNUAL REPORT

The Chairman of the Meeting called the Chief Operating Officer, Director Manny C. Teng, to deliver the Annual Report to the stockholders.

A. 2024 and First-Quarter 2025 Financial and Operational Performance

Mr. Teng announced that the Corporation reported a 6% net sales decline from 2023. Revenue was mainly driven by sales of bagged cement, which accounted for 82% of total sales, while bulk cement sales contributed the

remaining 18%. The Corporation posted a gross profit margin of 30% for 2024. EBITDA reflected a 19% decline from the previous year, with a margin of 25%. Net income ended lower by 17%, with a reduced net margin at 18%.

For the first quarter of 2025, EBITDA dropped by 18% and net income dropped by 30%.

Mr. Teng also reported that the Corporation continues to remain strong and well-capitalized. The Corporation's total liabilities declined by 13% from the previous year, while equity stood at ₱37.0 billion.

B. Sustainable Development and Corporate Social Responsibility

Mr. Teng reported that Eagle Cement continues to be deeply committed to sustainability, striving to create positive impact and deliver lasting value to the community while actively mitigating the environmental effects of the Corporation's operations through the following activities:

1. *Awards and Recognitions* – In 2024, the Corporation was honored with the Presidential Mineral Industry Environmental Award and achieved 1st runner-up for the Best Mining Forest Program Contest. In November 2024, the Philippine Red Cross honored the Corporation with the Outstanding Blood Service Award in recognition of their steadfast support for voluntary blood donation drives. Additionally, the Corporation was conferred the Highest Taxpayer Award for both Business and Real Property Tax by the Province of Bulacan.

2. *Partnership with the Philippine Eagle Foundation* – Since the Corporation's adoption journey in 2016, they have welcomed four eagles into their care: Viggo, Lyra, Nalya, and Taylor. Each eagle they adopted receives lifelong care, with regular updates from the Philippine Eagle Foundation keeping them connected to their progress.

   In addition to adoption, the Corporation actively supports the foundation's efforts to rehabilitate and release eagles back into the wild and safeguard their forest habitats.

3. *Family and Community* – The Corporation conducts feeding programs for children from low-income families, aiming to promote health and nutrition. The Corporation also conducts regular community outreach activities and provides leadership skills for community scholars.

4. *Livelihood and Environment-related Programs* – The Corporation also provides vegetable seedlings to farmers to help enhance their economic opportunities. Additionally, the Corporation supports the Akle Women's League in recycling and reselling scrap materials. These initiatives aim to boost economic stability, promote sustainable practices, and improve the overall quality of life for residents in the local communities.

5. *Technology and Education* – The Corporation continues to implement its scholarship program, which aims to provide enriching learning opportunities for local communities. In partnership with TESDA, 30 scholars have successfully completed their 10-day training program, with the majority now employed at the Corporation.

   The Corporation also constructed a two-classroom building in Brgy. Gabihan. They also installed a roof over a basketball court and improved a road in Barangay Talbak.

6. *The Flight Program* – The Corporation constructed 32 classrooms since 2010, provided meals to 1,100 children through their feeding program, trained 480 locals in skills development and livelihood programs, supported 920 students through scholarships, and donated 42,000 bags for various community projects.

C. Business Updates

1. *Expansion – New Coal Mill* – In the first quarter of 2025, the Corporation commissioned a new Coal Mill to replace the outdated Coal Mill 1. This upgrade will enable reduced fuel costs by utilizing low-grade coal for Line 1.

2. *Expansion – Roto 14* – The construction of Rotopacker 14 is currently underway and is expected to increase the packing capacity by an additional 23 million bags.

3. *Other Major Projects* – The Corporation is also undertaking several major construction projects, including a new mobile crusher, a new coal reclaimer, and the replacement of Kiln Shell 3.

The Chairman thanked Mr. Teng and opened the floor for questions. Stockholders were allowed to send questions to the Corporate Secretary's email before and during the meeting. There being no questions, and upon motion duly made and seconded, the following resolution was approved:

Following validation of votes cast, there being no questions, and upon motion duly made and seconded, the stockholders passed and approved the following resolution:

"RESOLVED, that the Annual Report of the Corporation, as presented, be approved."

VI. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND CORPORATE OFFICERS

The Chairman requested the Corporate Secretary to present a summary of all acts of the Board and Management from 18 July 2024 up to the date of this meeting. The summary was shown on screen. The stockholders approved and ratified the acts as presented.

Following validation of votes cast, and upon motion duly made and seconded, the following resolution was approved:

"RESOLVED, that the acts of the Corporation's Officers and Board of Directors embodied in the resolutions that have been issued in accordance with the procedures provided in the Corporation's By-Laws from 18 July 2024 up to 24 June 2025 be approved, confirmed, and ratified."

VII. RE-APPOINTMENT OF EXTERNAL AUDITORS

The Chairman requested Director Melinda Gonzales-Manto, Chairperson of the Audit and Risk Committee, to recommend an external auditor. She recommended the re-appointment of Reyes Tacandong & Co., CPAs.

Following validation of votes cast, and upon motion duly made and seconded, the following resolution was approved:

"RESOLVED, that the professional services firm of Reyes Tacandong & Co., CPAs, is hereby appointed as the Corporation's external auditor for the year 2025."

VIII. ELECTION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Corporate Secretary presented the list of nominees for Independent Directors pre-qualified by the Corporate Governance Committee and the list of other nominees for election to the Board of Directors. All nominees possess the required qualifications and none of the disqualifications under law, the Corporation's By-Laws, and Manual on Corporate Governance.

Nominee	Position
Ramon S. Ang	Director
John Paul L. Ang	Director
Manny C. Teng	Director
Monica L. Ang-Mercado	Director
Manuel P. Daway	Director
Mario K. Surio	Director
Luis A. Vera Cruz, Jr.	Director
Melinda Gonzales-Manto	Independent Director
Gen. Ricardo C. Marquez (Ret.)	Independent Director
Justice Martin S. Villarama, Jr. (Ret.)	Independent Director
Chief Justice Teresita J. Leonardo-de Castro (Ret.)	Independent Director

Ballots and proxies were received by the Office of the Corporate Secretary and were thereafter verified and tabulated. Considering that the number of directors to be elected was eleven (11) and there were only eleven (11) nominees, upon motion duly made and seconded, all eleven (11) nominees were considered unanimously elected as Directors of the Corporation for the ensuing year, until their successors are elected and qualified. The votes of the stockholders present and represented by proxies were distributed and recorded accordingly.

IX. ADJOURNMENT

There being no other matters to discuss and upon motion duly made and seconded, the meeting was adjourned.

Certified true and correct:

FABIOLA B. VILLA
Corporate Secretary

Attested:

JOHN PAUL L. ANG
Acting Chairman

DRAFT

ANNEX A

VOTING RESULTS

Election of the Board of Directors			
No.	**Nominee**	**Position**	**Total**
1	Ramon S. Ang	Director	4,997,903,682
2	John Paul L. Ang	Director	4,997,903,682
3	Manny C. Teng	Director	4,997,903,682
4	Monica L. Ang-Mercado	Director	4,997,903,682
5	Manuel P. Daway	Director	4,997,903,682
6	Mario K. Surio	Director	4,997,903,682
7	Luis A. Vera Cruz, Jr.	Director	4,997,903,682
8	Melinda Gonzales-Manto	Independent Director	4,997,903,682
9	Gen. Ricardo C. Marquez (Ret.)	Independent Director	4,997,903,682
10	Justice Martin S. Villarama, Jr. (Ret.)	Independent Director	4,997,903,682
11	Chief Justice Teresita J. Leonardo-de Castro (Ret.)	Independent Director	4,997,903,682

Approval of Resolutions	**For**		**Against**		**Abstain**		**Total**
Approval of the Previous Stockholders' Meeting Minutes	4,997,903,682	99.96%	0	0%	0	0%	4,997,903,682
Approval of the Annual Report of the Corporation for the year ended December 31, 2024	4,997,903,682	99.96%	0	0%	0	0%	4,997,903,682
Approval and Ratification of Acts and Proceedings of the Board of Directors and Management	4,997,903,682	99.96%	0	0%	0	0%	4,997,903,682
Re-appointment of Reyes Tacandong & Co., CPAs as external auditors of the Corporation for the year 2024	4,997,903,682	99.96%	0	0%	0	0%	4,997,903,682

DRAFT

Annex E

SECURITIES AND EXCHANGE COMMISSION
THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

The following document has been received:

Receiving: DONNA ENCARNADO
Receipt Date and Time: April 28, 2026 02:17:28 PM

Company Information

SEC Registration No.: AS95005885
Company Name: EAGLE CEMENT CORPORATION
Industry Classification: D26950
Company Type: Stock Corporation

Document Information

Document ID: OST104282026811274146
Document Type: ANNUAL_REPORT
Document Code: SEC_Form_17-A
Period Covered: December 31, 2025
Submission Type: Original Filing
Remarks: with fs-c

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

S.E.C. Number

File Number

EAGLE CEMENT CORPORATION

(Company's Full Name)

2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City,1554

(Company's Address)

(632) 5 3013453

(Telephone Numbers)

December 31

(Fiscal Year Ending) (month & day)

SEC FORM 17-A – Annual Report

Form Type

Amendment Delegation (If applicable)

December 31, 2025

Period Ended Date

(Secondary License Type and File Number)

COVER SHEET

A	S	O	9	5	-	0	0	5	8	8	5

SEC Registration Number

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

(Company's Full Name)

2	F		S	M	I	T	S		C	O	R	P	O	R	A	T	E		C	E	N	T	E	R	,							
1	5	5			E	D	S	A		B	A	R	A	N	G	A	Y		W	A	C	K	-	W	A	C	K	,				
M	A	N	D	A	L	U	Y	O	N	G		C	I	T	Y																		

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

Marlon P. Javarro	(02) 5 301-3453
(Contact Person)	(Company Telephone Number)

1	2	3	1	1	7	-	A		0	7	1	8
Month	*Day*								*Month*	*Day*		
(Fiscal Year)				(Form Type) For the year ended 31 December 2025					(Annual Meeting)			

Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

(Secondary License Type, If Applicable)

MSRD	Not Applicable
Dept. Requiring this Doc.	Amended Articles Number/section

53	Total Amount of Borrowings: -	-
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number	LCU
Document ID	Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

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

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE
AND SECTION 171 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the calendar year ended: **December 31, 2025**
2. Commission identification number: **AS095-005885**
3. BIR Tax Identification No.: **004-731-637-000**
4. Exact name of issuer as specified in its charter : **EAGLE CEMENT CORPORATION**
5. Province, country or other jurisdiction of incorporation or organization
   Mandaluyong, Philippines
6. (SEC Use Only [ ] Classification Code:
7. **2/F SMITS Corporate Center, 155 EDSA, Barangay Wack Wack, Mandaluyong City**
   Address of issuer's principal office Postal Code : **1554**
8. **(632) 5 301-3453**
   Issuer's telephone number, including area code
9. Former name, former address and former fiscal year, if changed since last report : **NA**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Issued and/or Outstanding
COMMON (OUTSTANDING)	**5,000,000,006**

* The total issued and outstanding shares as at December 31, 2025 are:
Common 5,000,000,006

11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No [X]
If yes, state the name of such Stock Exchange and the classes of securities listed therein:

12. Indicate by check mark whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

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

Yes [X] No [ ]

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN
INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS
DURING THE PRECEDING FIVE YEARS:

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

Yes [ ] No [X] This item is not applicable to the Company.

DOCUMENTS INCORPORATED BY REFERENCE

14. Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the document is incorporated:

Please refer to Exhibits identified in this report.

PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. BUSINESS

Eagle Cement Corporation (the "Company") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 21, 1995. It is primarily engaged in the business of manufacturing, marketing, sale and distribution of cement products.

The Company was listed on the Philippine Stock Exchange (PSE) in May 2017. In December 2022, San Miguel Equity Investments, Inc. (SMEII) became the owner of 99.9581% of the common shares in the Company by way of share purchase and tender offer of shares. SMEII is a wholly-owned subsidiary of San Miguel Corporation (SMC).

Following SMEII's acquisition of 99.9581% equity interest in the Company, the latter filed a petition for voluntary delisting of its common shares listed on the main board of the PSE. In January 2023, the PSE approved the delisting of the Company effective end of business on February 28, 2023.

The Company holds office at 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City, Metro Manila. It operates a cement manufacturing plant in Barangay Akle, San Ildefonso, Bulacan.

The Company has three (3) subsidiaries:

1. South Western Cement Corporation (SWCC) was incorporated in the Philippines on December 26, 1994. Its primary purpose is to engage in manufacturing, marketing, sale and distribution of cement, cement products and by-products. The Company acquired 100% equity interest in SWCC in December 2016. To date, SWCC has not commenced commercial operations.

2. Solid North Mineral Corporation (SNMC) was incorporated in the Philippines on July 19, 1995. It is engaged in the business of mining, quarrying, and processing of limestones. It was acquired by the Company on November 4, 2021.

3. Armstrong Fly Ash and Logistics Company Inc. (AFALCI) was incorporated in the Philippines on June 2, 2015. It is engaged in the business of manufacturing, processing, sale and distribution of fly-ash, bottom ash, hi-carbon and other by-products. The Company acquired 100% equity interest in AFALCI in December 2022.

The Company and its subsidiaries are hereafter collectively referred to as the "Group".

Business Description

The Company is primarily engaged in the business of manufacturing, developing, processing,marketing, sale and distribution of cement, cement products, minerals and other by-products. It is one of the largest players in the Philippine cement industry and has the fastest growing market share amongst all competitors in the industry since it started its commercial operations in 2010.

The competitive strength of Eagle Cement is founded on its end-to-end production strategy, which seamlessly integrates critical raw material sourcing with modern manufacturing technology resulting in one of the most efficient cement manufacturing operations in the country. It has the newest, state-of-the-art, and single largest fully-integrated cement production facility in the Philippines located in Barangay Akle, San Ildefonso, Bulacan (the "Bulacan Cement Plant"). The Bulacan Cement Plant consists of three (3) integrated production lines with a combined annual cement production capacity of approximately Eight Million Six Hundred Thousand (8,600,000) Metric Tonnes (MT) or Two Hundred Fifteen Million (215,000,000) bags per annum. It is strategically located near demand-centric areas and in close proximity to rich limestone, pozzolan and shale reserves covered by exclusive mineral rights of the Group.

About sixty-two percent (62%) of the country's total cement demand comes from Luzon region. Eagle Cement currently distributes its products in National Capital Region (NCR), Region I (Pangasinan), Region II (Cagayan, Isabela, and Nueva Vizcaya), Region III (Nueva Ecija, Bulacan, Pampanga, Tarlac, Bataan, Zambales and Aurora), and Region IV (Cavite, Laguna, Batangas, Occidental Mindoro, Oriental

Mindoro and Quezon). As of 2025, NCR still serves as the center of construction and infrastructure activities in the country. The Company is considered as one of the leading players in areas with the highest economic activity in the Philippines with an estimated market share of 30% in Luzon, based on internal market survey.

SNMC, a subsidiary of the Company, operates a limestone, shale and pozzolan quarry, and a Limestone Pulverizing Plant (in San Ildefonso, Bulacan) with an annual capacity of one million (1,000,000) metric tonnes. Bulk of its production is used as raw materials in the Company's cement production and supplied to power companies.

AFALCI, another subsidiary of the Company, is operating a Flyash Separator Plant that processes waste flyash into product usable for ready mixed concrete and cement production.

Products and Brands

The Company offers Blended (Type 1P/Type 1T) and Ordinary Portland [OPC] (Type 1) Cement to distributors and top Philippine real estate developers under the *Eagle Cement* brand that has become synonymous with strength, durability, reliability and world-class quality. As a testament to the quality of its products, *Eagle Cement Strongcem* is being used in concrete designs of up to a high of twelve thousand pounds per square inch (12,000 PSI).

Eagle Cement Advance (Type 1P/Type 1T) is a blended cement used for general construction applications such as floorings, plastering, as well as the production of concrete products like hollow blocks, culverts and concrete pipes. This type of cement is available in 40-kg bag. Distribution of said product is generally done through direct plant pick-up or delivery to cement dealers and distributors who also sell to various customers, like retailers, contractors, and home builders.

Eagle Cement Strongcem (Type 1) is a Type 1 portland cement which is available in bulk and a one-tonner bag. This type of cement is usually used for cement and concrete applications that require higher compressive and early strength development such as concrete slabs, foundations and matting in high rise buildings and infrastructures like roads and bridges. Distribution of said product is done through direct plant pick-up or truck delivery to institutional customers such as ready mix concrete suppliers, real estate and infrastructure developers and contractors.

Distribution Methods

Eagle Cement has two (2) distribution centers located in Cavite and Batangas in Region IVA. These are complemented by a fleet of more than 500 cargo trucks, trailers, and bulk carriers operated by third party service providers comprising a network that can efficiently reach the most important markets in NCR and its developing suburban areas as well as nearby fast-growing provincial markets. The distribution network of the Company supplies cement products to about 100 dealers and sub-dealers all over NCR, Region 2, Region 3 and Region IVA.

Competition

Current Domestic Supply

As of December 2025, the Philippine cement industry has an estimated annual cement capacity of 53 Million MT based on nameplate capacities of integrated cement manufacturing and grinding plants in the country. The top four (4) industry players (Holcim Philippines, Inc., Cemex Holdings Philippines, Inc., Republic Cement and Building Materials, Inc., and Eagle Cement Corporation) account for about 69% of cement domestic production.

In Luzon region, the top four industry players account for about 68% share of the market. While the Company has 30% share of the Luzon market, it has an estimated market share of 24%, 44%, 42% and 50% in NCR, Region 2, Region 3 and Region 4A, respectively. The Company has been considered as one of the leading cement players in areas with the highest economic activities in the Philippines.

The Company has a diverse customer base and is not dependent on any single customer. No single customer accounts for 20% or more of its total revenues.

Imports

The Philippine cement market has seen significant growth in imports of both clinker and cement. These imports are brought into the country either by existing industry players or independent importers. As part of the measures to address the rising imports, the Department of Trade and Industry (DTI) issued Department Administrative Order (DAO) No. 25-13, as implemented under Bureau of Customs Memorandum Circular No. 262-2025, for the continued imposition of definitive anti-dumping duties on imports of ordinary portland cement (Type 1) and Blended Cement (Type 1P) originating from Viet Nam. The DTI also issued DAO No. 25-15 ordering a three-year definitive safeguard duty on imported ordinary portland cement and blended cement from various countries.

Sources and availability of raw materials

Raw materials such as limestone, shale and pozzolan are sourced primarily from the Group's own reserves pursuant to its mineral rights. The reserves are co-located or within proximity of the Bulacan Cement Plant thereby minimizing transportation and hauling costs.

The Company also procures gypsum, silica, and other raw materials from local and foreign suppliers.

Employees and Labor Relations

As of December 31, 2025, the Company has a total of 581 regular employees.

The Company maintains a good relationship with its workforce. Neither the Company nor any of its subsidiaries has experienced a work stoppage as a result of labor disagreements. None of the employees belong to a union.

The Company has a rewards and recognition policy that is competitive with industry standards in the Philippines. The Company also provides other benefits for the increased security of its employees.

Transactions with Related Parties

For transactions with or involving related parties, please refer to Note 17 (Related Party Transactions) of the Consolidated Financial Statements as of year ended December 31, 2025 in the accompanying Audited Financial Statements.

The Related Party Transactions (RPT) and Audit and Risk Committees of the Company ensure that RPTs are in the ordinary course of business, under reasonable terms, and do not include financial assistance or loans to Board Directors, affiliates or related entities.

Intellectual Properties

All marks, names and other related intellectual property rights used by the Company are registered in its name and are valid to date, such as the names/marks "Eagle", "Eagle Cement", "Eagle Cement Exceed", "Eagle Cement Strongcem", Eagle Cement High sa Tibay", among others.

Compliance with Regulatory and Environmental Laws

The Company complies with all applicable laws and regulations relating to the protection of the environment, health and safety, including those governing air emissions, water and wastewater discharges, and odor emissions and the management and disposal of hazardous materials.

Eagle Cement was certified to the following ISO standards for the manufacturing of Portland and Blended Hydraulic Cement:

- ISO 9001:2015 (Quality Management System)
- ISO 14001:2015 (Environmental Management System)
- ISO 45001:2018 (Occupational Health and Safety Management System)
- ISO 50001:2018 (Energy Management System)

The Company has the necessary permits, clearances and licenses for its business, products, and projects.

ITEM 2. PROPERTIES

The Company has three (3) integrated cement lines, which include three kilns, five cement mills, three packhouses, five cement silos, and other support production facilities, such as waste heat recovery facility, raw materials storage, clinker silos and buildings, in its Bulacan Cement Plant. It owns the lands on which those facilities and equipment are located. It also owns other support facilities, such as IT Center, Administration, Logistics, and EHS Buildings, Motor Pool, Fabrication Facilities, Warehouses, Guest House and Employees Quarters. The Company also owns a grinding and packaging facility in Limay, Bataan.

Its subsidiary, SNMC, owns lands and other equipment, buildings and improvements in San Ildefonso, Bulacan, which include, among others, a Limestone Pulverizing Plant, staff housing units, and a warehouse.

AFALCI owns a Flyash Separator Plant in San Ildefonso, Bulacan. SWCC owns parcels of land in Malabuyoc and Ginatilan, Cebu.

ITEM 3. LEGAL PROCEEDINGS

The Company is a plaintiff in a civil case for Fraud. It sought to enjoin defendants from claiming under a Letter of Credit in the amount of Nine Hundred Four Thousand US Dollars (US$904,000.00), and defendant bank from releasing payment under the said Letter of Credit.

A writ of preliminary injunction was issued by the Regional Trial Court of Mandaluyong, Branch 211, enjoining defendants from claiming payment from the defendant bank.

As of December 31, 2025, the trial of the case is continuously being held.

ITEM 4. SUBMISSION OF MATTERS TO VOTE OF SECURITY HOLDERS

There were no matters that were submitted to a vote of the security holders, through the solicitation of proxies or otherwise, other than those items taken up during the Annual Meeting of the Stockholders on June 24, 2025. The Company did not solicit proxies and all of the members of the board of directors of the previous year were reelected during the last Stockholders' Meeting.

PART II - FINANCIAL INFORMATION

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS

Market Information

The Company's common equity is no longer traded in the Philippine Stock Exchange (PSE). In January 2023, the PSE approved the Petition for Delisting of the Company's shares effective end of business on February 28, 2023.

As of December 31, 2025, there are Five Billion and six (5,000,000,006) issued and outstanding common shares which are registered securities pursuant to Sections 8 and 12 of the Securities Regulations Code.

Stockholders

The Top Twenty (20) Stockholders (Common) of the Company as of December 31, 2025 are as follows:

	Name of Stockholder	Nationality	No. of Shares	Percentage to total O/S (%)
1	San Miguel Equity Investments Inc.	Filipino	4,997,903,671	99.9581%
2	PCD Nominee Corp. – Non Filipino	Non-Filipino	1,072,500	0.02%
3	PCD Nominee Corp. – FIlipino	Filipino	767,804	0.15%
4	Pete Erwin Bieles Lim	Filipino	100,800	0.002016%
5	Raul Salavaria Hernandez	Filipino	35,000	0.000700%
6	Lito R. Lacambacal	Filipino	27,000	0.000540%
7	Renato Ong Chiu	Filipino	20,000	0.000400%
8	Katherine Genovesa Mahawan	Filipino	15,400	0.000308%
9	Shirley Go Tan or Joseph Allen Sy Suan Tan	Filipino	10,000	0.000200%
10	Daniel M. Isla	Filipino	6,600	0.000132%
11	Vicente Lee Rabo and/or Vlamir Sy Rabo	Filipino	6,500	0.000130%
12	Jupiter Rellama Junio	Filipino	4,700	NIL
13	Jonathan P. Geminiano	Filipino	4,200	NIL
14	Anita Quizon Estioko	Filipino	3,300	NIL
15	Josef Vincent Wongchuking Cochien	Filipino	3,000	NIL
16	Manolette S. Cruz	Filipino	3,000	NIL
17	Jonathan J. Cordova	Filipino	2,100	NIL
18	Renato D. Munez	Filipino	2,000	NIL
19	Gina Malitic Cruz	Filipino	1,600	NIL
20	Lolita Siao-Ignacio	Filipino	1,600	NIL
	Total		**4,999,990,375**	**99.99%**

Cash Dividends

Below is a summary of the cash dividend declarations of the Company in the past three years:

Date of Declaration	Class of Shares	Rate per share (₱)	Total Amount (₱)	Record Date
July 19, 2023	Common	0.56	2,800,000,002.80	August 2, 2023
November 14, 2023	Common	0.56	2,800,000,002.80	December 11, 2023
March 12, 2024	Common	0.20	1,000,000,001.00	March 26, 2024
July 18, 2024	Common	0.20	1,000,000,001.20	August 1, 2024
August 15, 2024	Common	0.20	1,000,000,001.20	September 3, 2024
November 12, 2024	Common	0.20	1,000,000,001.20	November 26, 2024
December 3, 2024	Common	0.54	2,700,000,003.24	December 17, 2024
March 11, 2025	Common	0.20	1,000,000,001.20	March 25, 2025
May 5, 2025	Common	0.20	1,000,000,001.20	May 19, 2025
August 12, 2025	Common	0.20	1,000,000,001.20	August 27, 2025
November 11, 2025	Common	0.20	1,000,000,001.20	November 25, 2025

Recent Sale of Unregistered or Exempt Securities

There were no sales of unregistered or exempt securities as of December 31, 2025.

ITEM 6. MANAGEMENT DISCUSSION AND ANALYSIS

The following discussion and analysis relate to the consolidated financial position and results of operations of the Group and should be read in conjunction with the accompanying audited consolidated financial statements and related notes. The audited consolidated financial statements have been prepared in compliance with the Philippine Financial Reporting Standards (PFRS).

The financial information in this report and in the accompanying audited consolidated financial statements is presented in Philippine pesos, the Group's functional and presentation currency, as defined under PFRS. All values are rounded to the nearest million pesos, except when otherwise indicated.

RESULTS OF OPERATIONS (2025 VS. 2024)

The Group posted a full-year consolidated revenues of ₱22.26 billion, 7% lower against the ₱23.87 billion in previous year primarily due to the decline in selling price and lower sales volume.

Cost of goods sold and services increased by 3% to ₱17.16 billion from ₱16.72 billion, primarily driven by higher power rates and changes in the accounting treatment of product handling costs, offset by the impact of improvements in major input cost, such as coal and other raw materials, and the decline in other manufacturing expenses, particularly repairs and maintenance and depreciation costs.

As a result of the decline in revenues, the gross profit likewise declined by 29% to ₱5.10 billion, with gross profit margin contracting from 30% in 2024 to 23% in 2025.

Operating expenses (OPEX) decreased by 59% to ₱1.12 billion from ₱2.70 billion, primarily reflecting the change in accounting treatment for product handling costs and efficiency measures implemented across discretionary spending, including advertising and promotions.

Finance costs rose by 77% to ₱12.41 million from ₱7.01 million in the previous year primarily due to the payment of trust fees and the recognition of net interest on defined benefit liability.

Interest income declined by 39% to ₱418.39 million reflecting lower investment balances and softer yields on short-term placements, in line with prevailing market conditions.

Other income decreased by 92% to ₱7.85 million, largely due to unfavorable foreign exchange rates.

The income tax provision decreased by 1% to ₱796.33 million from ₱807.69 million in line with the lower taxable income.

Net income after tax (NIAT) decreased by 18% to ₱3.60 billion from ₱4.41 billion last year. This translates to earnings per share (EPS) of ₱0.72, representing 18% decrease from ₱0.88 in the previous year.

For the fourth quarter of 2025, the Group reported revenues of ₱5.05 billion, down by 8% compared to the same quarter in the prior year. Gross profit is down by 16% to ₱1.06 billion while Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and NIAT dropped by 4% and 36% to ₱1.03 billion and ₱548.05 million, respectively.

The table below summarizes the consolidated results of operations of the Group for the years ended December 31, 2025 and 2024.

	For the Year Ended December 31 *(in Millions of Philippine Pesos, except percentages)*			
	2025	**2024**	**Change**	**% of Change**
Revenues	22,255	23,874	(1,619)	-7%
Cost of Goods Sold and Service	17,158	16,720	438	3%
Gross Profit	5,097	7,154	(2,057)	-29%
Operating Expenses	1,119	2,705	(1,586)	-59%
Income from Operations	3,978	4,449	(471)	-11%
Finance costs	12	7	5	77%
Interest Income	418	682	(264)	-39%
Other income – net	8	95	(87)	-92%
Income Before Income Tax	4,392	5,219	(827)	-16%
Income Tax Expense	796	808	(12)	-1%
Net Income	3,596	4,411	(815)	-18%

Calculation of EBITDA

	For the year ended	
	December 31, 2025	**December 31, 2024**
Net income	₱3,596	₱4,411
Add:		
Income tax expense	796	808
Depreciation and amortization	1,457	1,516
Finance costs	12	7
Less:		
Interest income	418	682
Foreign exchange gain (loss)	(19)	72
EBITDA	₱5,462	₱5,988

FINANCIAL CONDITION

Comparative balances as of December 31, 2025 and December 31, 2024

The financial position of the Group for the year ended December 31, 2025 remains stable with total assets just slightly declining by 0.5% to ₱41.14 billion, compared to ₱41.33 billion as at end of 2024.

Cash and cash equivalents declined by 3% to ₱8.26 billion mainly due to the ₱4.00 billion dividend payments to shareholders and ₱1.32 billion payment for acquisition of assets. This was partially offset by the ₱4.81 billion cash generated from operations, ₱150 million proceeds from matured investments and ₱100 million collections of receivable from a related party.

Current assets rose by 4% to ₱14.53 billion.

Non-current assets decreased slightly by 3% to ₱26.61 billion, reflecting the decline in book value of property, plant and equipment caused by normal depreciation during the period.

Current liabilities increased by 4% to ₱4.24 billion driven by a higher income tax payable compared to the previous year following the expiration of the Group's Income Tax Holiday (ITH) this year.

Non-current liabilities likewise rose by 12% to ₱280.15 million due to higher retirement benefits liability following the improvements made to the Group's retirement plan.

Overall, total liabilities amounted to ₱4.52 billion, representing a 4% increase from ₱4.34 billion in 2024.

After accounting for net income, cash dividends payments and other equity reserves, consolidated stockholders' equity decreased by 1% to ₱36.62 billion.

The Group's debt-to-equity ratio stood at a conservative 0.12x., providing ample financial flexibility to support future investment plans. The current ratio remains strong at 3.43x, while return on equity ended at 10%.

SUMMARY OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31			
	2025	**2024**	**Increase/ (Decrease)**	**Percentage of Change**
	(in Millions of Philippine Pesos, except percentages)			
Current Assets	14,531	14,033	498	4%
Noncurrent Assets	26,606	27,299	(693)	-3%
Total Assets	**41,137**	**41,332**	**(195)**	**0%**
Current Liabilities	4,237	4,089	148	4%
Noncurrent Liabilities	280	249	31	12%
Total Liabilities	**4,517**	**4,338**	179	4%
Equity	**36,620**	**36,994**	(374)	-1%
Total Liabilities and Equity	**41,137**	**41,332**	**(195)**	**0%**

COMPANY PERFORMANCE AND PROFITABILITY AND LIQUIDITY

Key Performance Indicators

Relevant Financial Ratios

The table below shows the comparative key performance indicator of the Group:

Financial KPI	Formula	2025	2024	2023 – As restated
Current/liquidity ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	**3.43**	3.43	3.55
Solvency ratio	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	**1.12**	1.37	1.16
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	**0.12**	0.12	0.13
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	**1.12**	1.12	1.13
Return on asset ratio	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	**0.09**	0.10	0.10
Return on equity ratio	$\frac{\text{Net income}}{\text{Average total equity}}$	**0.10**	0.12	0.11

Capital Expenditure

The total capital expenditure of the Group in 2025 amounted to ₱1.29 billion. Of that amount, 95% was spent for plant machinery and equipment, building and improvement, transportation equipment, furniture, fixtures and office equipment, while the remaining 5% was accounted for land acquisition.

Liquidity and Capital Resources

Cash Flows

The primary sources and uses of cash of the Group for calendar years 2025, 2024 and 2023 were as follows:

	For the years ended December 31		
	2025	2024	2023 – As restated
	(in Millions of Philippine Pesos)		
Cash flows provided by operating activities	4,812	4,742	7,144
Cash flows provided by (used in) investing activities	(1,057)	(228)	4,019
Cash flows used in financing activities	(4,026)	(6,726)	(9,948)
Net effect of exchange rate changes on cash and cash equivalents	(4)	1	(15)
Net increase (decrease) in cash and cash equivalents	(275)	(2,211)	1,200
Cash and cash equivalents at beginning of year	8,536	10,747	9,547
Cash and cash equivalents at end of year	8,261	8,536	10,747

Cash Flows From Operating Activities
Internal cash generated from operations this year amounted to ₱4.81 billion. This was primarily the result of net income before taxes of ₱4.39 billion, adjusted for non-cash items and changes in working capital, including depreciation and amortization of ₱1.45 billion, income taxes paid of ₱441.69 million and interest received of ₱436.29 million.

Cash Flow From Investing Activities
Cash used in investing activities amounted to ₱1.06 billion. This was mainly due to cash spent for the acquisition of property, plant and equipment and intangible assets amounting to ₱1.32 billion, partially offset by the maturity of ₱150.00 million investments and ₱100 million collections of receivable from a related party.

Cash Flow From Financing Activities
Cash utilized for financing activities totaled ₱4.03 billion. This mainly comprised of cash dividend payments of ₱4.00 billion and payment for leases of ₱19.57 million.

Consolidated ending cash closed at ₱8.26 billion, 3% decrease from beginning balance of ₱8.54 billion.

RESULTS OF OPERATIONS (2024 VS. 2023)

The Group posted a full-year consolidated revenues of ₱23.87 billion, 6% lower against the ₱25.44 billion in previous year despite higher sales volume primarily due to the decline in selling price.

Cost of sales slightly increased by 0.4% to ₱16.72 billion from ₱16.66 billion, driven by an increase in other manufacturing expenses, partially offset by the improvements in major input cost, particularly coal and power.

As a result, the gross profit declined by 19% to ₱7.15 billion, with gross profit margin contracting from 35% in 2023 to 30% in 2024.

OPEX decreased by 8% to ₱2.70 billion from ₱2.94 billion, mainly due to lower advertising and distribution costs.

Finance costs declined by 97% to ₱7.01 million from ₱202.89 million in the previous year. This was attributed to the full prepayment of the Term Loan Facility and Security Agreement (TLFSA) in May 2023, which included ₱97.87 million in pre-termination fees recognized in that year.

Interest income rose by 5% to ₱681.99 million, benefiting from higher value and yields on short-term investments.

Other income increased by 111% to ₱94.53 million, largely due to absence of losses from the disposal of assets and liabilities held for sale, which were recognized in the prior year.

The income tax provision decreased by 24% to ₱807.69 million from ₱1.07 billion in line with the lower taxable income.

NIAT increased by 2% to ₱4.41 billion from ₱4.32 billion last year. This translates to EPS of ₱0.88, 2% increase from ₱0.86 in the previous year.

For the fourth quarter of 2024, the Group reported net sales of ₱5.48 billion, down 5% compared to the same quarter in the prior year. Gross profit is down by 33% to ₱1.27 billion while EBITDA and NIAT also dropped by 28% and 14% to ₱1.07 billion and ₱858.67 million, respectively.

The table below summarizes the consolidated results of operations of the Group for the years ended December 31, 2024 and 2023.

	For the Year Ended December 31 *(in Millions of Philippine Pesos, except percentages)*			
	2024	**2023**	**Change**	**% of Change**
Net Sales	23,874	25,443	(1,569)	-6%
Cost of Goods Sold	16,720	16,658	62	0%
Gross Profit	7,154	8,785	(1,631)	-19%
Operating Expenses	2,705	2,942	(237)	-8%
Income from Operations	4,449	5,843	(1,394)	-24%
Finance costs	7	203	(196)	-97%
Interest Income	682	648	34	5%
Other income (loss) – net	95	(897)	992	111%
Income Before Income Tax	5,219	5,391	(172)	-3%
Income Tax Expense	808	1,069	(261)	-24%
Net Income	4,411	4,322	89	2%

Calculation of EBITDA

	For the year ended	
	December 31, 2024	**December 31, 2023**
Net income	₱4,411	₱4,322
Add:		
Income tax expense	808	1,069
Depreciation and amortization	1,516	1,474
Finance costs	7	203
Less:		
Interest income	682	648
Foreign exchange gain	72	
EBITDA	₱5,988	₱6,420

FINANCIAL CONDITION

Comparative balances as of December 31, 2024 and December 31, 2023

The financial position of the Group for the year ended December 31, 2024 remains stable despite the 7% decline in total assets to ₱41.33 billion, compared to ₱44.25 billion as at end of 2023.

Cash and cash equivalents declined by 21% to ₱8.54 billion mainly due to lower cash generated from operations and the ₱6.70 billion dividend payments to shareholders. This was partially offset by the ₱725 million proceeds from matured investments. As a result, current assets declined by 18% to ₱14.03 billion.

Non-current assets increased slightly by 1% to ₱27.30 billion, reflecting the Group's acquisition of additional assets during the year.

Current liabilities fell by 15% to ₱4.09 billion driven by settlement of payables for completed projects and a reduction in income tax payable compared to the previous year.

Non-current liabilities rose by 30% to ₱249.79 million, due to increased lease liabilities and provision for mine rehabilitation. The latter is related to the newly approved mining plan under the existing Mineral Production Sharing Agreement (MPSA) of the Company.

Overall, total liabilities amounted to ₱4.34 billion, representing a 13% decrease from ₱5.00 billion in 2023.

After accounting for net income, cash dividends payments and other equity reserves, consolidated stockholders' equity decreased by 6% to ₱36.99 billion.

The Group's debt-to-equity ratio stood at a conservative 0.12x., providing ample financial flexibility to support future investment plans. The current ratio remain strong at 3.43x, while return on equity ended at 12%.

SUMMARY OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31			
	2024	**2023 – As restated**	**Increase/ (Decrease)**	**Percentage of Change**
	(in Millions of Philippine Pesos, except percentages)			
Current Assets	14,033	17,089	(3,056)	-18%
Noncurrent Assets	27,299	27,159	140	1%
Total Assets	**41,332**	**44,248**	**(2,916)**	**-7%**
Current Liabilities	4,089	4,809	(720)	-15%
Noncurrent Liabilities	249	192	57	30%
Total Liabilities	**4,338**	**5,001**	(663)	-13%
Equity	**36,994**	**39,247**	(2,253)	-6%
Total Liabilities and Equity	**41,332**	**44,248**	**(2,916)**	**-7%**

COMPANY PERFORMANCE AND PROFITABILITY AND LIQUIDITY

Key Performance Indicators

Relevant Financial Ratios

The table below shows the comparative key performance indicator of the Group:

Financial KPI	Formula	2024	2023 – As restated	2022 – As restated
Current/liquidity ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	**3.43**	3.55	3.80
Solvency ratio	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	**1.37**	1.16	0.76
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	**0.12**	0.13	0.22
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	**1.12**	1.13	1.22
Return on asset ratio	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	**0.10**	0.10	0.11
Return on equity ratio	$\frac{\text{Net income}}{\text{Average total equity}}$	**0.12**	0.11	0.13

Capital Expenditure

The total capital expenditure of the Group in 2024 amounted to ₱1.60 billion. Of that amount, 90% was spent for plant machinery and equipment, while the remaining 10% was accounted for land, building and improvement, transportation equipment, furniture, fixtures and office equipment.

Liquidity and Capital Resources

Cash Flows

The primary sources and uses of cash of the Group for calendar years 2024, 2023 and 2022 were as follows:

	For the years ended December 31		
	2024	2023 – As restated	2022 – As restated
	(in Millions of Philippine Pesos)		
Cash flows provided by operating activities	4,742	7,144	5,696
Cash flows provided by (used in) investing activities	(228)	4,019	(2,195)
Cash flows used in financing activities	(6,726)	(9,948)	(5,501)
Net effect of exchange rate changes on cash and cash equivalents	1	(15)	19
Net increase (decrease) in cash and cash equivalents	(2,211)	1,200	(1,981)
Cash included in asset held for sale			(117)
Cash and cash equivalents at beginning of year	10,747	9,547	11,645
Cash and cash equivalents at end of year	8,536	10,747	9,547

Cash Flows From Operating Activities
Internal cash generated from operations this year amounted to ₱4.74 billion. This was primarily the result of net income before taxes of ₱5.22 billion, adjusted for non-cash items and changes in working capital, including depreciation and amortization of ₱1.52 billion, income taxes paid of ₱681.52 million and interest received of ₱719.29 million.

Cash Flow From Investing Activities
Cash used in investing activities amounted to ₱227.82 million. This was mainly because of the cash spent on the acquisition of property, plant and equipment and intangible assets amounting to ₱961.28 million, partially offset by the maturity of ₱725.00 million investments.

Cash Flow From Financing Activities
Cash utilized for financing activities totaled ₱6.73 billion. This mainly comprised of cash dividend payments of ₱6.70 billion and payment for leases of ₱23.23 million.

Consolidated ending cash closed at ₱8.54 billion, 21% decrease from beginning balance of ₱10.75 billion.

ITEM 7 – FINANCIAL STATEMENTS

The Group's Accompanying Audited Consolidated Financial Statements as at and for the year ended December 31, 2025 are filed as part of this Form 17-A (Annual Report) as Annex A.

ITEM 8 - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There are no disagreements with the Group's respective external auditors on accounting and financial disclosure.

Audit and Audit Related Fees

The Company paid the external auditors the following fees for the last three years for professional services rendered:

	2025	2024	2023
Audit and other audit related fees	₱3,845,000	₱3,800,000	₱3,800,000
Tax fees	360,000	360,000	360,000

PART III- CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS AND OFFICERS

The present Board of Directors (Board) of Eagle Cement consists of eleven (11) directors, four (4) of whom are independent directors, as follows:

Name	Position	Age	Citizenship
Ramon S. Ang	Chairman	72	Filipino
John Paul L. Ang	President & Chief Executive Officer	46	Filipino
Manny C. Teng	General Manager & Chief Operating Officer	53	Filipino
Monica L. Ang-Mercado	Chief Finance Officer/ Treasurer/ Executive Vice President for Business Support Group/ Risk Oversight Officer	37	Filipino
Mario K. Surio	Director	79	Filipino
Luis A. Vera Cruz, Jr.	Director	74	Filipino
Manuel P. Daway	Director	79	Filipino
Melinda Gonzales-Manto	Independent Director	73	Filipino
Ricardo C. Marquez	Independent Director	65	Filipino
Martin S. Villarama, Jr.	Independent Director	79	Filipino
Teresita J. Leonardo-de Castro	Independent Director	77	Filipino

Ramon S. Ang has been the Chairman of the Board since his first election on October 5, 2007. He is also the Chairman of the Board of San Miguel Equity Investments, Inc. and Northern Cement Corp, and the Company's subsidiaries, Solid North Mineral Corporation, Armstrong Fly-Ash and Logistics Company, Inc. and South Western Cement Corp. Mr. Ang is also the Chairman and CEO of San Miguel Corporation and SMC Asia Car Distributors Corp.; President and Chief Executive Officer (CEO) of Petron Corporation, Top Frontier Investment Holdings, Inc. and New NAIA Infra Corp.; Chairman and CEO, President and Chief Operating Officer (COO) of San Miguel Global Power Holdings Corp.; and, Chairman, President and CEO of SMC TPLEX Corp. He is also the Chairman and President of San Miguel Beverages, Inc., San Miguel Properties, Inc., San Miguel Electric Corp., San Miguel Infrastructure Corp., SMC Skyway Corp., and other SMC subsidiaries. Mr. Ang is the Chairman of San Miguel Brewery Inc., San Miguel Brewery Hong Kong Ltd., San Miguel Food and Beverage, Inc., San Miguel Yamamura Packaging Corporation, Petron Malaysia Refining & Marketing Bhd., Clariden Holdings, Inc., Anchor Insurance Brokerage Corporation, Philippine Diamond Hotel & Resort, Inc., and other SMC subsidiaries. He is the President of Ginebra San Miguel, Inc., and a Director of San Miguel Beer (Thailand) Ltd. and Metro Pacific Investments Corp. Mr. Ang held directorships in other various domestic and international subsidiaries of SMC in the last five years. He has a Bachelor of Science degree in Mechanical Engineering from Far Eastern University.

John Paul L. Ang has been a director of the Company since November 30, 2010, and is the President and CEO since June 17, 2016. He served as the COO and General Manager from 2008 to 2016. He is the Chairman of the Executive Committee. He is also the President and CEO of the Company's subsidiaries, South Western Cement Corporation, Solid North Mineral Corp. and Armstrong Fly-Ash and Logistics Company, Inc. Mr. Paul Ang is the President, COO and Vice Chairman of San Miguel Corporation, President and CEO of San Miguel Food and Beverage, Inc., Vice Chairman and Director of San Miguel Global Power Holdings Corp., and President of San Miguel Equity Investments, Inc., Northern Cement Corp., Clariden Holdings, Inc. and Pacific Nickel Philippines, Inc. He is a Director of Petron Corporation, Top Frontier Investment Holdings, Inc., San Miguel Brewery, Inc., Ginebra San Miguel, Inc., San Miguel Holdings Corp., SMC Skyway Corp., SMC NAIAX Corp., KB Space Holdings, Inc. and Buildnet Construction, Inc., among others Mr. Paul Ang was the Managing Director of then Sarawak Clinker Sdn Bhd (Malaysia) from 2003 to 2007. He has a Bachelor of Arts degree in Interdisciplinary Studies, Minor in Economics and Finance, from the Ateneo de Manila University.

Manny C. Teng has been a director of the Company since June 21, 1995. He is currently the General Manager and COO of the Company, and is a member of the Executive Committee and the Audit and Risk Committee. He served as President of the Company from 2009 to 2016. Mr. Teng is also a director of South Western Cement Corp., Solid North Mineral Corp., Armstrong Fly-Ash and Logistics Company, Inc. and KB Space Holdings, Inc. He previously held positions as Technical Services Manager of Ginebra San Miguel, Inc. and San Miguel Beverages; Product Development Manager of San Miguel Beverages; Purchasing Head of Cement Management Corp.; and, Purchasing Officer of Standard Construction and Rebuilding Corporation. He has a Bachelor of Science degree in Chemical Engineering from the University of Santo Tomas.

Monica L. Ang-Mercado has been a director of the Company since June 3, 2013. She is the Chief Finance Officer, Treasurer, Executive Vice-President for Business Support Group, and the Risk Oversight Officer of the Company. She is a member of the Executive Committee and the Corporate Governance Committee. Ms. Ang-Mercado is the CFO, Treasurer and Chief Risk Officer of San Miguel Food and Beverage, Inc., She is the Chairperson of Buildnet Construction, Inc,. and Director and Treasurer of South Western Cement Corporation, Solid North Mineral Corp., and Armstrong Fly-Ash and Logistics Company, Inc. She is also a Director of KB Space Holdings, Inc., Pacific Nickel Philippines Inc. and V.I.L. Mines, Inc. . Ms. Ang-Mercado has a Bachelor of Science degree in Management, Minor in Enterprise Development, from the Ateneo de Manila University, and an Executive Master of Business Administration (MBA) degree from Kelogg-Hong Kong University of Science and Technology

Mario K. Surio has been a director of the Company since January 14, 2011. He was previously a Director of San Miguel Yamamura Packaging Corp. and Ginebra San Miguel, Inc. He was also previously the Quality Control Head, Production Manager, and Plant Manager of Northern Cement Corporation; and, Laboratory Technician a for Republic Cement Corporation. Mr. Surio is a licensed Chemical Engineer with a Bachelor of Science degree in Chemical Engineering from the University of Santo Tomas.

Luis A. Vera Cruz, Jr. has been a director of the Company since February 23, 2017. He is a member of the Related Party Transactions Committee and the Audit and Risk Committee. He is also a director of Cyber Bay Corporation and Agribusiness Banking Corporation. He previously served as Co-Managing Partner of Angara Abello Concepcion Regala & Cruz and Director of ACCRA Holdings, Inc. Atty. Vera-Cruz holds a Master of Laws from Cornell University, and Bachelor of Laws degree and Bachelor of Science degree in Business Administration from the University of the Philippines.

Manuel P. Daway has been a director of the Company since February 13, 2017. He was previously the Vice-President for Operations and is now an Adviser for expansion projects and other special projects of the Company. He previously held the positions of Project Director of CEMA Consultancy, Vice-President for External Relations of Lafarge Cement Services Philippines Inc., and Vice-President for Operations of Lafarge/Republic Cement Corporation. Mr. Daway is a Professional Electrical Engineer and holds a Bachelor of Science degree in Electrical Engineering from the Mapua Institute of Technology.

Melinda Gonzales-Manto has been an Independent Director of the Company since 2016. She is the Lead Independendent Director, Chairperson of the Audit and Risk Committee, and a member of the Related Party Transactions Committee of the Company. She is a Director of Bank of Commerce, and the Lead Independent Director and Chairman of the Audit and Risk Oversight Committee of Petrogen Insurance Corporation. She is also a Director and Vice-President of Linferd & Company, Inc. and ACB Corabern Holdings Corp., and Treasurer of Compsych Philippines, Inc. She also serves as the Resident Agent of other multinational companies in the Philippines. Ms. Manto previously held positions as Partner in the Assurance and Advisory Business Services Division of SyCip, Gorres, Velayo & Co. (1974-2009), Director and Auditor of the Philippine Retailers Association, and Director of GSIS Family Bank. Ms. Manto is a Certified Public Accountant and holds a Bachelor of Science degree in Business Administration from the Philippine School of Business Administration. She completed the Management Development Program at the Asian Institute of Management.

Ricardo C. Marquez has been an Independent Director of the Company since 2017. He is the Chairman of the Corporate Governance Committee of the Company. He is an Independent Director and Chairman of the Risk Oversight Committee of San Miguel Food and Beverage, Inc., and an Independent Director of Petron Corporation and Top Frontier Holdings, Inc. General Marquez held several positions in the Philippine National Police (PNP) before he became the Chief of PNP. He completed various leadership

programs and courses from the University of the Philippines Open University, Harvard Kennedy School, University of Asia and the Pacific, Federal Bureau of Investigation National Academy, and Department of Homeland Security in Washington DC. He graduated from the Philippine Military Academy and holds a Master in Management Degree from the Philippine Christian University.

Martin S. Villarama, Jr. has been an Independent Director of the Company since 2017. He is the Chairman of the Related Party Transactions Committee, and member of the Audit and Risk Committee of the Company. He is currently a member of the Board of Advisers of San Miguel Brewery Hongkong Ltd., and a member of the Association of Retired Justices of the Supreme Court of the Philippines. He was the 166th member of the Supreme Court and served as a Supreme Court Justice from 2009 to 2016. He was also a lecturer at the Philippine Judicial Academy. He obtained his Bachelor of Laws degree from the Manuel L. Quezon University, and Bachelor of Science degree in Business Administration from De La Salle University.

Teresita J. Leonardo-De Castro has been an Independent Director of the Company since 2024. She is the Chairman of the Corporate Governance Committee, and amember of the Audit and Risk Committee. She serves as an Independent Director of Top Frontier Investment Holdings, Inc., Philippine Stock Exchange, Inc., and the Securities Clearing Corporation of the Philippines. She is the President of the UP Sigma Alpha Sorority Alumnae Association, Inc., Member of the Association of Retired Supreme Court Justices, Officer/Member of the International Association of Women Judges, and Associate Member of the Philippine Women Judges Association. She served as the Chief Justice of the Supreme Court of the Philippines (2018), Associate Justice of the Supreme Court of the Philippines (2007-2008), Presiding Justice of the Sandiganbayan (2004-2007), and Associate Justice of the Sandiganbayan (1997-2004). She obtained her Bachelor of Laws degree from the University of the Philippines, College of Law.

Term of Office

Pursuant to the Company's By-Laws, the directors are elected by the stockholders entitled to vote at each annual stockholders' meeting. Each director holds office until the next annual election and the successor is duly elected, unless he resigns, dies, or is removed prior to such election.

Officers

The principal officers of the Company are as follows:

Name	Position	Age	Citizenship
John Paul L. Ang	President and Chief Executive Officer	46	Filipino
Manny C. Teng	General Manager and Chief Operating Officer	53	Filipino
Monica L. Ang-Mercado	Chief Finance Officer/Treasurer/ Executive Vice-President for Business Support Group/Risk Oversight Officer	37	Filipino
Jens Christian Enemark Lund	Manufacturing Transformation Director	68	Danish
Erwin Alberto C. Dearos	Vice-President for Logistics	51	Filipino
Marlon P. Javarro	Assistant Corporate Secretary/Related Party Transaction Officer/AVP for Finance	46	Filipino
Fabiola B. Villa	Head of Legal and Compliance/Compliance Officer/Data Protection Officer/ Corporate Secretary	61	Filipino

Jens Christian Enemark Lund is the Company's Manufacturing Transformation Director. He was previously an Operations Manager of Hume Cement Sdn Bhd in Malaysia and Plant Director and Technical Support Director of Cemex Holdings Philippines, Inc. He was the Senior Field Engineer of

FLSmidth D/K in Denmark. He obtained his degree in Bachelor of Technology Management and Marine Engineering from Svendborg Maritime Academy. He has been with the Company since 2019.

Erwin Aberto C. Dearos is the Company's Vice-President for Logistics since 2018. He was previously with San Miguel Equity Investments, Inc. as Executive for the Supply Chain. Mr. Dearos held various positions in Sales, Logistics, Shipping and Special Projects in Solid Cement Corporation, APO Cement Corporation and CEMEX Holdings Philippines, Inc. from 1999 to 2016, and was the Logistics Operations Head in the Philippines from 2012-2016. He holds a degree in Business Management Engineering from the Ateneo de Manila University, and completed the Executive Management Development Program from Asian Institute of Management.

Fabiola B. Villa is the Company's Compliance Officer, Corporate Secretary, Data Privacy Officer, and Head of Legal and Compliance. She is also the Corporate Secretary of Solid North Mineral Corp., South Western Cement Corp., KB Space Holdings,Inc., and Pacific Nickel Philippines, Inc. She was previously Vice-President for Legal of United Overseas Bank Philippines and an Associate at Picazo Buyco Tan Fider and Santos Law Offices. She obtained her degrees in Bachelor of Arts and Bachelor of Laws from the University of the Philippines.

Marlon P. Javarro is the Assistant Vice President and Head for Finance, Assistant Corporate Secretary, and Related Party Transaction Officer of the Company. He also served as Finance Manager of the Company from 2008 to 2018. He is a director of South Western Cement Corporation. Prior to joining the Company, he was a Finance Manager at Sarawak Clinker Sdn Berhad in Malaysia from 2005 to 2007. He is a Certified Public Accountant and holds a Bachelor of Science degree in Accountancy from Colegio de San Agustin.

Significant Employees

The Group considers the collective efforts of its employees as vital to its success. The Group does not solely rely on key individuals for the conduct of its business. The resignation or loss of any non-executive employee will not have any significant or adverse effect on the business of the Group.

Family Relationships

The Chairman, Mr. Ramon S. Ang, is the parent of siblings John Paul L. Ang, CEO & President, and Monica L. Ang-Mercado, CFO and Treasurer.

Manny C. Teng, COO and General Manager, is the nephew of Mr. Ramon S. Ang.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

To the best of the Company's knowledge and belief, and after due inquiry, none of its directors and executive officers have been the subject of (a) bankruptcy petition; (b) conviction by final judgment in a criminal proceeding; (c) order, judgment or decree barring, suspending or limiting involvement in any type of business, securities, commodities or banking activities; or (d) judgment for violation of a securities or commodities law or regulation, for the past five (5) years up to the latest date that is material to the evaluation of their ability or integrity to hold relevant positions in the Company.

ITEM 10. COMPENSATION OF DIRECTORS AND EXECUTIVES

The aggregate compensation paid or incurred during the last three (3) fiscal years to the Company's CEO and executive officers are as follows:

NAME	YEAR	SALARY	BONUS	OTHERS	TOTAL
CEO and the four (4) most highly compensated officers	2025	₱14.6 Million	₱3.6 Million	₱0.7 Million	₱18.9 Million
	2024	₱16.8 Million	₱5.6 Million	₱5.2 Million	₱27.6 Million
	2023	₱33.4 Million	₱11.6 Million	₱3.0 Million	₱48.0 Million
All other officers and Directors as a group unnamed	2025	₱15.8 Million	₱4.0 Million	₱1.1 Million	₱20.9 Million
	2024	₱17.6 Million	₱5.5 Million	₱3.5 Million	₱26.6 Million
	2023	₱17.1 Million	₱7.5 Million	₱1.9 Million	₱26.5 Million
TOTAL	2025	₱30.4 Million	₱7.6 Million	₱1.8 Million	₱39.8 Million
	2024	₱34.4 Million	₱11.1 Million	₱8.7 Million	₱54.2 Million
	2023	₱50.5 Million	₱19.1 Million	₱4.9 Million	₱74.5 Million

Under the By-laws of the Company, each director is entitled to receive reasonable per diem for attendance at the meetings of the Board and the committees.

Each director receives a per diem of Thirty Thousand Pesos (₱30,000.00) and Ten thousand Pesos (P10,000.00) per attendance at Board and committee meetings, respectively.

There are no other arrangements pursuant to which any of the directors was compensated or is to be compensated, directly or indirectly, for services rendered during the last fiscal year, and the ensuing fiscal year.

There are no outstanding warrants or options held by the Company's President, named executive officers, and all directors and officers as a group.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

Beneficial Owners of more than five per cent (5%) of the Company's Voting Stock as of December 31, 2025 are as follows:

Title of Class	Names and addresses of record owners and relationship with the Corporation	Names of beneficial owner and relationship with record owner	Citizenship	Number of shares	% to Total Outstanding
Common	San Miguel Equity Investments Inc.	Ang, Ramon See	Filipino	4,997,903,671	99.96%
		Zobel, Inigo Urquijo			

Security Ownership by Management as of December 31, 2025 is as follows:

Title of Class	Names of beneficial owner	Position	Amount and nature of beneficial ownership	Citizenship	% to Total Outstanding
CEO and FOUR MOST HIGHLY COMPENSATED OFFICERS					
Common	John Paul L. Ang	President and Chief Executive Officer	1	Filipino	-
Common	Manny C. Teng	General Manager and Chief Operating Officer	1	Filipino	-
Common	Monica L. Ang-Mercado	Chief Finance Officer and Treasurer	1	Filipino	-
Common	Jens Christian Enemark Lund	Manufacturing Transformation Director	0	Filipino	-
Common	Erwin C. Dearos	Vice-President for Logistics	0	Filipino	-
OTHER DIRECTORS AND OFFICERS					
Common	Ramon S. Ang	Chairman	1	Filipino	-
Common	Mario K. Surio	Director	1	Filipino	-
Common	Luis A. Vera Cruz, Jr.	Director	1	Filipino	-
Common	Manuel P. Daway	Director	1	Filipino	-
Common	Melinda Gonzales-Manto	Independent Director	1	Filipino	-
Common	Ricardo C. Marquez	Independent Director	1	Filipino	-
Common	Martin S. Villarama, Jr.	Independent Director	1	Filipino	-
Common	Teresita J. Leonardo-de Castro	Independent Director	1	Filipino	-
		TOTAL	**11**		

Voting Trust Holders of Five Percent (5%) or More

There are no persons holding more than 5% of a class under a voting trust or similar agreement.

Changes in Control

San Miguel Equity Investments Inc. took control of the Company on 14 December 2022.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

There were no transactions with directors, officers or any principal stockholders (owning at least 10% of the total outstanding shares of the Company) which are not in the ordinary course of business. Please see Note 17 of the 2025 AFS.

PART IV – CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

The Company is committed to the principles of transparency, accountability, fairness and integrity in directing and running its business. Its Manual on Corporate Governance was adopted and approved by the Board of Directors on February 13, 2017.

The Company's Annual Corporate Governance Report for the year 2025 will be filed with the SEC on or before June 30, 2026 pursuant to SEC Memorandum Circular 13, Series of 2021 (Annual Corporate Governance Report for Public Companies and Registered Issuers), and will be posted on the Company's corporate website.

PART V- EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS AND REPORTS

a) Exhibits

ANNEX A – Consolidated Financial Statements as at and for the year ended December 31, 2025

ANNEX B – Independent Auditor's Report

b) Reports on SEC Form 17-C

The following is a list of reports filed by the Company in 2025:

Date	Title
March 11, 2025	Board Meeting Resolutions
April 11, 2025	Confirmation of New Corporate Secretary
May 06, 2025	Board Meeting Resolutions
June 25, 2026	Board Meeting Resolutions
August 13, 2025	Board Meeting Resolutions
November 13, 2024	Board Meeting Resolutions

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 171 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Mandaluyong City on the __th day of APR 13 2026 2026.

RAMON S. ANG
Chairman

JOHN PAUL L. ANG
President & CEO

MONICA L. ANG-MERCADO
CFO & Treasurer

MARLON P. JAVARRO
AVP and Head of Finance
Asst. Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ day of APR 13 2026 2026, affiants exhibiting to me the following:

Name	CTC/ Passport No. / SSS No. Date and Place of Issuance	Competent Evidence of Identity
Ramon S. Ang	PH Pasport ID No. P2247867B / 27 May 2019 DFA Manila	TIN 118-247-725
John Paul L. Ang	PH Passport ID No. P2247864B / 27 May 2019 DFA Manila	TIN 212-627-576
Monica L. Ang	PH Passport ID No. P026 02DD / 10 Dec 2021 DFA Manila	TIN 249-786-240
Marlon P. Javarro	PH Passport ID No. P3182805C / 7 Feb 2023 DFA La Union	TIN 165-102-272

Doc. No. 19;
Page No. 13;
Book No. I;
Series of 2026.

GENNELYN M. ABAO NOTARY PUBLIC MANDALUYONG CITY, PHILIPPINES ROLL NO. 70176

ATTY. GENNELYN M. ABAO
Commission No. 0631-26
Notary Public for Mandaluyong City
Until December 31, 2027
3rd Floor, 155 EDSA, Brgy. Wack-Wack, Mandaluyong City
Roll No. 70176
PTR No. 6045320; 01/07/2026; Mandaluyong City
IBP O.R. No. 564426; 12/10/2025
MCLE Compliance No. VIII-0011395 until April 14, 2028

DOCUMENTARY STAMP TAX PAID
Serial No.: 05267792
Date: APR 13 2026
Original DST affixed on the first copy.

EAGLE CEMENT CORPORATION
Head Office: 155 Brgy. Wack Wack, EDSA Mandaluyong City, Philippines
Plant: Bgy. Akle, San Ildefonso Bulacan, Philippines
Tel. No.: +632-301-3453
www.eaglecement.com.ph

"STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS"

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

In preparing the financial statements, management is responsible for assessing the 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 financial statements including schedules attached therein, and submits the same to the stockholders.

Reyes Tacandong & Co., the independent auditor and appointed by the Board of Directors, has audited the financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signature: _____
RAMON S. ANG, Chairman of the Board

Signature: _____
JOHN PAUL L. ANG, Chief Executive Officer

Signature: _____
MONICA L. ANG-MERCADO, Chief Financial Officer

Signed this 11 day of March 2026

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	O	9	5	0	0	5	8	8	5

COMPANY NAME

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

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

2/F SMITS Corporate Center, 155 EDSA Barangay Wack-Wack, Mandaluyong City

Form Type	Department Requiring the Report	Secondary License Type, If Applicable
AACFS	CRMD	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
corporatesecretary@eagle-cement.com.ph	(02) 5301-3453	0917-626-0828

No. of Stockholders	Annual Meeting (Month / Day)	Calendar Year (Month / Day)
53	1st Monday of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Marlon P. Javarro	mpjavarro@eagle-cement.com.ph	(02) 5301-3453	0917-598-8771

CONTACT PERSON'S ADDRESS

2/F SMITS Corporate Center, 155 EDSA Barangay Wack-Wack, Mandaluyong City

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

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

BOA/PRC Accreditation No. 4782
April 14, 2024, valid until June 6, 2026
SEC Accreditation No. 4782-SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

BDO Towers Valero
8741 Paseo de Roxas
Makati City 1209 Philippines
Phone : +632 8 982 9100
Fax : +632 8 982 9111
Website : www.reyestacandong.com

INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
Eagle Cement Corporation and Subsidiaries
2/F SMITS Corporate Center
155 EDSA Barangay Wack-Wack
Mandaluyong City

Opinion

We have audited the consolidated financial statements of Eagle Cement Corporation and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended December 31, 2025, 2024 and 2023, and notes to consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2025, 2024 and 2023 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of the consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the consolidated financial statements in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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), and SEC Form 17-A Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), and SEC Form 17-A Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit 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 audit, or otherwise appears to be materially misstated.

Reyes Tacandong & Co. is a member of the RSM network. Each member of the RSM network is an independent accounting and consulting firm, and practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

REYES TACANDONG & CO.

MANUEL P. BUENSUCESO, JR.
Partner
CPA Certificate No. 143561
Tax Identification No. 311-867-595-000
BOA Accreditation No. 4782/P-025; valid until June 6, 2026
SEC Accreditation No. 143561-SEC Group A
Issued August 17, 2023
Valid for Financial Periods 2023 to 2027
BIR Accreditation No. 08-005144-020-2024
Valid until November 26, 2027
PTR No. 10764011
Issued January 2, 2026, Makati City

March 11, 2026
Makati City, Metro Manila

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	December 31 2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	4	**₱8,260,618,616**	₱8,536,295,423
Financial assets at fair value through profit or loss (FVPL)	5	**397,754,794**	437,981,214
Trade and other receivables	6	**1,860,840,458**	2,103,779,533
Inventories	7	**2,872,843,350**	2,227,267,470
Due from related parties	16	**322,346,769**	334,132,935
Other current assets	8	**816,719,204**	393,446,586
Total Current Assets		**14,531,123,191**	14,032,903,161
Noncurrent Assets			
Property, plant and equipment	10	**23,600,177,345**	24,112,632,040
Intangible assets	11	**2,578,647,497**	2,605,701,395
Net retirement benefit asset	23	**101,070**	54,884,828
Financial assets at fair value through other comprehensive income (FVOCI)	9	**–**	97,745,550
Other noncurrent assets	12	**427,241,241**	428,304,628
Total Noncurrent Assets		**26,606,167,153**	27,299,268,441
		₱41,137,290,344	₱41,332,171,602
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	13	**₱4,223,063,796**	₱4,070,012,894
Current portion of lease liabilities	22	**14,294,472**	18,792,205
Total Current Liabilities		**4,237,358,268**	4,088,805,099
Noncurrent Liabilities			
Net retirement benefit liability	23	**25,131,796**	627,777
Net deferred tax liabilities	25	**105,262,575**	84,676,738
Other noncurrent liabilities	14	**149,751,906**	164,489,615
Total Noncurrent Liabilities		**280,146,277**	249,794,130
Total Liabilities		**4,517,504,545**	4,338,599,229
Equity	15		
Capital stock		**8,000,000,006**	8,000,000,006
Additional paid-in capital		**6,525,506,098**	6,525,506,098
Retained earnings:			
Appropriated		**16,600,000,000**	16,600,000,000
Unappropriated		**8,373,321,884**	8,777,574,795
Other equity reserves		**120,957,811**	90,491,474
Treasury stock - at cost		**(3,000,000,000)**	(3,000,000,000)
Total Equity		**36,619,785,799**	36,993,572,373
		₱41,137,290,344	₱41,332,171,602

See accompanying Notes to Consolidated Financial Statements.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	**2025**	2024	2023
REVENUES	17	**₱22,255,192,068**	₱23,874,540,902	₱25,442,956,660
COST OF GOODS SOLD AND SERVICES	18	**17,158,190,474**	16,720,234,897	16,658,178,476
GROSS PROFIT		**5,097,001,594**	7,154,306,005	8,784,778,184
OPERATING EXPENSES	19	**(1,118,756,712)**	(2,704,809,086)	(2,942,405,826)
INTEREST INCOME	4	**418,390,045**	681,990,463	648,395,163
FINANCE COSTS	14	**(12,410,689)**	(7,012,170)	(202,887,292)
OTHER INCOME (LOSS) - Net	20	**7,848,732**	94,543,487	(897,067,091)
INCOME BEFORE INCOME TAX		**4,392,072,970**	5,219,018,699	5,390,813,138
INCOME TAX EXPENSE (BENEFIT)	25			
Current		**785,139,836**	838,714,978	1,065,337,915
Deferred		**11,186,041**	(31,027,654)	3,461,072
		796,325,877	807,687,324	1,068,798,987
NET INCOME		**3,595,747,093**	4,411,331,375	4,322,014,151
OTHER COMPREHENSIVE INCOME (LOSS)				
Not to be reclassified to profit or loss in subsequent periods:				
Remeasurement gains (losses) on net retirement benefit asset and liability (net of deferred tax)	23	**28,199,387**	34,527,951	(19,298,302)
Realized / unrealized gains (losses) on financial assets at FVOCI	9	**2,266,950**	1,066,800	(3,333,750)
		30,466,337	35,594,751	(22,632,052)
TOTAL COMPREHENSIVE INCOME		**₱3,626,213,430**	₱4,446,926,126	₱4,299,382,099
Basic/Diluted Earnings Per Share (EPS)	29	**₱0.72**	₱0.88	₱0.86

See accompanying Notes to Consolidated Financial Statements.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

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

					Retained Earnings		Other Equity Reserves			
	Note	Capital Stock - ₱1 par value		Additional			Cumulative Remeasurement Gains (Losses) on Net Retirement Benefits Asset and Liability (Net of Deferred	Cumulative Unrealized Gains (Losses) on Financial Assets		
		Common Stock	Preferred Stock	Paid-in Capital	Appropriated	Unappropriated	Tax)	at FVOCI	Treasury Stocks	Total Equity
Balances as at December 31, 2024		**₱5,000,000,006**	**₱3,000,000,000**	**₱6,525,506,098**	**₱16,600,000,000**	**₱8,777,574,795**	**₱92,758,424**	**(₱2,266,950)**	**(₱3,000,000,000)**	**₱36,993,572,373**
Net income		**–**	**–**	**–**	**–**	**3,595,747,093**	**–**	**–**	**–**	**3,595,747,093**
Other comprehensive income		**–**	**–**	**–**	**–**	**–**	**28,199,387**	**2,266,950**	**–**	**30,466,337**
Cash dividends declared	15	**–**	**–**	**–**	**–**	**(4,000,000,004)**	**–**	**–**	**–**	**(4,000,000,004)**
Balances as at December 31, 2025		**₱5,000,000,006**	**₱3,000,000,000**	**₱6,525,506,098**	**₱16,600,000,000**	**₱8,373,321,884**	**₱120,957,811**	**₱–**	**(₱3,000,000,000)**	**₱36,619,785,799**
Balances as at December 31, 2023, as restated		₱5,000,000,005	₱3,000,000,000	₱6,525,506,098	₱16,600,000,000	₱11,066,243,428	₱58,230,473	(₱3,333,750)	(₱3,000,000,000)	₱39,246,646,254
Issuance during the year	15	1	–	–	–	–	–	–	–	1
Net income		–	–	–	–	4,411,331,375	–	–	–	4,411,331,375
Other comprehensive income		–	–	–	–	–	34,527,951	1,066,800	–	35,594,751
Cash dividends declared	15	–	–	–	–	(6,700,000,008)	–	–	–	(6,700,000,008)
Balances as at December 31, 2024		₱5,000,000,006	₱3,000,000,000	₱6,525,506,098	₱16,600,000,000	₱8,777,574,795	₱92,758,424	(₱2,266,950)	(₱3,000,000,000)	₱36,993,572,373
Balances as at December 31, 2022, as restated		₱5,000,000,005	₱3,000,000,000	₱6,525,506,098	₱16,000,000,000	₱12,944,229,283	₱77,528,775	₱–	(₱3,000,000,000)	₱40,547,264,161
Net income		–	–	–	–	4,322,014,151	–	–	–	4,322,014,151
Other comprehensive losses		–	–	–	–	–	(19,298,302)	(3,333,750)	–	(22,632,052)
Reversal of appropriation	15	–	–	–	(16,000,000,000)	16,000,000,000	–	–	–	–
Appropriation	15	–	–	–	16,600,000,000	(16,600,000,000)	–	–	–	–
Cash dividends declared	15	–	–	–	–	(5,600,000,006)	–	–	–	(5,600,000,006)
Balances as at December 31, 2023		₱5,000,000,005	₱3,000,000,000	₱6,525,506,098	₱16,600,000,000	₱11,066,243,428	₱58,230,473	(₱3,333,750)	(₱3,000,000,000)	₱39,246,646,254

See accompanying Notes to Consolidated Financial Statements.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	**2025**	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		**₱4,392,072,970**	₱5,219,018,699	₱5,390,813,138
Adjustments for:				
Depreciation and amortization	10	**1,453,389,300**	1,517,822,887	1,469,459,397
Interest income	4	**(418,390,045)**	(681,990,463)	(648,395,163)
Retirement benefit costs	23	**115,847,628**	22,375,066	18,842,603
Finance costs	14	**12,410,689**	7,012,170	202,987,548
Gains on financial assets at FVPL	5	**(9,774,495)**	(1,339,007)	(37,453,486)
Dividend income	5	**(5,106,038)**	(6,808,051)	(86,797,575)
Gain on sale of property, plant and equipment	10	**(1,301,211)**	(1,624,721)	(2,660,424)
Unrealized foreign exchange loss (gain)		**1,107,064**	(7,450,249)	16,383,641
Gain on lease termination	22	**(213,677)**	–	–
Loss on sale of asset held for sale	20	**–**	–	995,485,243
Operating income before working capital changes		**5,540,042,185**	6,067,016,331	7,318,664,922
Decrease (increase) in:				
Trade and other receivables		**123,338,190**	(123,655,516)	(167,540,660)
Inventories		**173,439,957**	1,091,377,621	682,915,065
Due from related parties		**11,786,167**	(5,216,997)	204,011,565
Other current assets		**(980,592,531)**	(1,158,681,915)	(580,679,397)
Other noncurrent assets		**(129,650,359)**	(563,678,310)	(370,679,875)
Increase (decrease) in trade and other payables		**79,141,985**	(601,738,415)	312,083,462
Net cash generated from operations		**4,817,505,594**	4,705,422,799	7,398,775,082
Interest received		**436,288,916**	719,286,748	585,895,755
Income taxes paid		**(441,688,342)**	(681,523,297)	(693,629,922)
Contribution to the retirement plan	23	**(485,521)**	(843,515)	(146,762,019)
Net cash provided by operating activities		**4,811,620,647**	4,742,342,735	7,144,278,896
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Property, plant and equipment	10	**(1,287,461,849)**	(877,308,292)	(890,368,365)
Intangible assets	11	**(36,745,548)**	(83,968,805)	(50,073,470)
Advances to a related party		**–**	–	(100,000,000)
Proceeds from sale of:				
Financial assets at FVOCI	9	**100,012,500**	–	–
Financial assets at FVPL		**50,000,914**	574,999,999	4,000,000,001
Property, plant and equipment	10	**9,940,766**	1,651,316	3,938,536
Long-term investment		**–**	150,000,000	500,000,000
Subsidiary		**–**	–	418,391,386
Collections of receivable from a related party	16	**100,000,000**	–	–
Dividends received		**6,808,051**	6,808,051	136,797,575
Collections of deposit for future investment		**–**	–	476,742
Net cash provided by (used in) investing activities		**(1,057,445,166)**	(227,817,731)	4,019,162,405

(Forward)

	Note	Years Ended December 31 **2025**	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES	14			
Payments of:				
Dividends	15	**(₱3,999,915,713)**	(₱6,699,867,320)	(₱5,600,000,006)
Lease liabilities	22	**(19,565,266)**	(23,230,512)	(17,320,716)
Installment payable	13	**(3,607,677)**	(3,334,239)	(4,113,600)
Interest		**(2,669,431)**	(176,260)	(198,091,968)
Loans payable		**–**	–	(4,049,500,000)
Advances from related parties		**–**	–	(79,892,821)
Net cash used in financing activities		**(4,025,758,087)**	(6,726,608,331)	(9,948,919,111)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(271,582,606)**	(2,212,083,327)	1,214,522,190
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(4,094,201)**	1,402,592	(14,831,546)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**8,536,295,423**	10,746,976,158	9,547,285,514
CASH AND CASH EQUIVALENTS AT END OF YEAR		**₱8,260,618,616**	₱8,536,295,423	₱10,746,976,158

See accompanying Notes to Consolidated Financial Statements.

1. General Information

Corporate Information

Eagle Cement Corporation (ECC or the Parent Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 21, 1995. The Parent Company is primarily engaged in the business of manufacturing, marketing, sale and distribution of cement products.

In October 2022, San Miguel Equity Investments Inc. (SMEII or the Immediate Parent Company) as buyer, and Far East Holdings, Inc. (FEHI), Ramon S. Ang, John Paul L. Ang and Monica Ang-Mercado, as sellers, entered into a Share Purchase Agreement for the purchase and sale of 4,425,123,001 common shares representing 88.50% of the total issued and outstanding shares of the Parent Company. During the Tender Offer Period from November to December 2022, a total of 572,780,677 common shares representing 11.46% of the total and outstanding shares were tendered and accepted by SMEII, resulting in SMEII's ownership of 99.96% of the common shares in the Parent Company as at December 31, 2022.

Furthermore, in December 2022, the Parent Company filed with the Philippine Stock Exchange (PSE) a petition for voluntary delisting of its common shares listed on the main board of the PSE. In January 2023, the PSE approved the delisting effective end of business on February 28, 2023.

The Immediate Parent Company is a wholly-owned subsidiary of San Miguel Corporation (SMC or the Intermediate Parent Company). SMC is a public company under Section 17.2 of the Securities Regulation Code (SRC), and its shares are listed in the PSE. The Ultimate Parent Company is Top Frontier Investment Holdings, Inc. (TFIHI), a holding company incorporated and domiciled in the Philippines and its shares are also listed in the PSE.

The registered office address of the Parent Company is 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City.

Subsidiaries

The following are the subsidiaries of the Parent Company, which are all incorporated in the Philippines and registered with the SEC:

		Percentage (%) of Ownership		
Name of Subsidiary	Principal Activity	2025	2024	2023
South Western Cement Corporation (SWCC)	Manufacturing, marketing, sale and distribution of cement products	**100**	100	100
Solid North Mineral Corp. (SNMC)	Mining activities and processing of limestones	**100**	100	100
Armstrong Fly-ash and Logistics Company, Inc. (Armstrong)	Processing of fly ash	**100**	100	100

The Parent Company and its subsidiaries are collectively referred to herein as "the Group".

SWCC has not started commercial operations as at March 11, 2026.

In December 2022, the Parent Company acquired 100% ownership of Armstrong for a total consideration of ₱1,284.3 million.

In November 2022, the Parent Company approved the sale of the 100% ownership over KB Space Holdings Inc. (KSHI). The sale transaction was executed in June 2023.

On November 4, 2021, the Parent Company acquired 100% ownership of SNMC for a total consideration of ₱3,572.0 million from related parties.

Status of Mining Operations

The Group has the following Mineral Production Sharing Agreements (MPSA) granted by the Philippine Government through the Mines and Geosciences Bureau (MGB) either through direct grant or through deed of assignment.

Grantee/Assignee	MPSA No.	Location	Date of Issuance/Renewal	Commodity	Status of Operations
Luzon sites:					
ECC*	245-2007-III	Dona Remedios Trinidad and San Ildefonso, Bulacan	July 25, 2007	Limestone	Commercial Operations
ECC**	181-2002-III	Akle, San Ildefonso, Bulacan	June 20, 2022	Limestone	Commercial Operations
SNMC**	161-00-III	Akle, San Ildefonso, Bulacan	September 12, 2000	Limestone, shale and pozzolan	Commercial Operations
Cebu sites:					
ECC	100-97-VII	Ginatilan, Cebu	December 29, 1997	Limestone	Exploration
ECC	101-97-VII	Ginatilan and Malabuyoc, Cebu	December 29, 1997	Limestone	Exploration
SWCC	059-96-VII	Lo-oc, Malabuyoc, Cebu	August 6, 2020	Limestone	Development
SWCC	060-96-VII	Lo-oc, Malabuyoc, Cebu	August 6, 2020	Limestone	Development

**Started commercial operations for the production of limestone in 2024.*
***Started commercial operations for the production of limestone in 2010.*
****Started commercial operations for the production of shale and pozzolan, and pulverized limestone in January 2016 and April 2019, respectively.*

The foregoing MPSAs have a term of 25 years from the issuance date and may be renewed thereafter for another term not exceeding 25 years.

In 2024, the Group secured a 25-year extension for its MPSA 181-2002-III. Furthermore, in May 2024 the Group began commercial operations under MPSA 245-2007-III after receiving approval for its mining plan.

In August 2022, the Group applied for an extension of the term of MPSAs 100-97-VII and 101-97-VII in Cebu sites. As at March 11, 2026, the Group has yet to receive the approval for the extension.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC).

The material accounting policies used in the preparation of the consolidated financial statements are consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements of the Group as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 were approved and authorized for issuance by the Board of Directors (BOD) of the Parent Company on March 11, 2026, upon endorsement by the Audit Committee on the same date.

Measurement Bases

The consolidated financial statements are presented in Philippine Peso (Peso), the Group's functional currency. All values are rounded to the nearest Peso, unless otherwise indicated.

The consolidated financial statements of the Group have been prepared on the historical cost basis, except for the following:

	Measurement Basis
Financial assets at fair value through profit or loss (FVPL)	Fair value
Financial assets at fair value through other comprehensive income (FVOCI)	Fair value
Net retirement benefit asset and liability	Present value of the defined benefit retirement obligation less the fair value of the plan assets
Provision for mine rehabilitation and decommissioning	Present value of expected rehabilitation and decommissioning costs
Lease liabilities	Present value of discounted future minimum lease payments

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Basis of Consolidation

The consolidated financial statements comprise of the financial statements of the Parent Company and its wholly-owned subsidiaries.

A subsidiary is an entity in which the Parent Company has control. The Parent Company controls a subsidiary if it is exposed, or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. In assessing control, the Parent Company takes into consideration potential voting rights that are currently exercisable. Subsidiaries are consolidated from the date on which control is transferred to the Parent Company, and continue to be consolidated until the date such control ceases.

All intra-group balances, transactions, income and expenses and unrealized gains and losses are eliminated. The financial statements of the subsidiaries are prepared for the same reporting year using uniform accounting policies as that of the Parent Company.

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

If there is a loss of control, the Group derecognizes the assets (including goodwill) and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognized in profit or loss. Any investment retained is recognized at fair value.

Adoption of Amendments to PFRS Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year. There are no amendments to PFRS Accounting Standards effective January 1, 2025 that have an impact on the Group's consolidated financial statements.

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

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

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

- Amendments to PFRS 9, *Financial Instruments,* and PFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Assets* – The amendment provides to clarify the requirements related to the date of recognition and derecognition of financial assets and financial liabilities, with an exception for derecognition of financial liabilities settled through cash using an electronic payment system. The amendments also clarify the requirements of assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features, and the characteristics of non-recourse loans and contractually linked instruments. The amendments also introduce additional disclosure requirements for equity instruments classified as financial asset measured at fair value through other comprehensive income (FVOCI) with contingent features. Earlier application is permitted.

- Annual Improvements to PFRS Accounting Standards Volume 11:

  - Amendments to PFRS 9, *Financial Instruments* – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, *Financial Instruments,* the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments apply to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted.

  - Amendments to PFRS 7, *Financial Instruments: Disclosures* – The amendments remove some obsolete references related to the gain or loss on derecognition on financial assets of an entity that has a continuing involvement and to the disclosure requirements on deferred differences between fair value and transaction price. The amendments also clarify that the illustrative guidance does not necessarily illustrate all the requirements for credit risk disclosure.

  - Amendments to PFRS 10, *Consolidated Financial Statements* – The amendments clarify that when the investor considers its de facto agent's decision-making rights and its indirect exposure, or rights, to variable returns is only an example in which judgement is required to determine whether a party is acting as a de facto agent.

Under prevailing circumstances, the adoption of the foregoing amendments to PFRS Accounting Standards is not expected to have any material effect on the consolidated financial statements. Additional disclosures will be included in the consolidated financial statements, as applicable.

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

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

  The adoption of PFRS 18 is not expected to have a material impact on the Group's financial position or financial performance. However, it will result in changes in the presentation, classification, and aggregation of items in the statements of comprehensive income and related disclosures.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current and noncurrent classification. An asset is current when it is: (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within 12 months after the reporting period; or (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is current when: (a) it is expected to be settled in the normal operating cycle; (b) it is held primarily for trading; (c) it is due to be settled within 12 months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other assets and liabilities as noncurrent. Deferred tax assets and liabilities are classified as noncurrent.

Financial Instruments

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

The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at the fair value of the consideration given or received. The initial measurement of financial instruments, except for financial assets and financial liabilities at FVPL, includes transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets

The Group classifies its financial assets, at initial recognition, as subsequently measured at amortized cost, FVOCI and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Group for managing the financial assets.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

As at December 31, 2025 and 2024, the Group's cash in banks and cash equivalents, trade and other receivables (except advances to officers and employees), restricted cash, deposit in escrow, refundable deposits and due from related parties are classified under this category (see Notes 4, 6, 12 and 16).

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Financial Assets at FVOCI. Investment in equity instruments is measured at FVOCI if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in the fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Financial assets at FVOCI are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income.

Dividends earned on holding an investment in equity instrument are recognized as dividend income in the consolidated statements of comprehensive income when the right to receive the payment has been established, unless the dividend clearly represents a recovery of the part of the cost of the investment. When investment in equity instruments at FVOCI is derecognized, the related accumulated gains or losses previously reported in the consolidated statements of changes in equity are never reclassified to the consolidated statements of comprehensive income.

As at December 31, 2024, the Group has quoted investments in equity securities which were irrevocably designated as financial assets at FVOCI because the Group considers these investments to be strategic in nature (see Note 9).

Financial Assets at FVPL. All financial assets not classified as measured at amortized cost or FVOCI are measured at FVPL. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVPL.

At initial recognition, the Group may irrevocably designate a financial asset as at FVPL if the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on different bases.

The Group carries financial assets at FVPL using their fair values. Attributable transaction costs are recognized in the consolidated statements of comprehensive income as incurred. Changes in fair value and realized gains or losses are recognized in the consolidated statements of comprehensive income. Any interest earned from investment in debt instrument designated as at FVPL is recognized in the consolidated statements of comprehensive income. Any dividend income from investment in equity instrument is recognized in the consolidated statements of comprehensive income when the right to receive payment has been established, unless the dividend clearly represents a recovery of the part of the cost of the investment.

As at December 31, 2025 and 2024, the Group's investments in listed debt securities are classified under this category (see Note 5).

Financial Liabilities

The Group determines the classification of its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

As at December 31, 2025 and 2024, the Group does not have liabilities at FVPL.

Financial Liabilities at Amortized Costs. This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial recognition, financial liabilities at amortized costs are measured using the effective interest method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability. The effective interest rate amortization is included in "Finance costs" account in the consolidated statements of income. Gains and losses are recognized in the consolidated statements of income when the liabilities are derecognized as well as through the amortization process.

As at December 31, 2025 and 2024, the Group's trade and other payables (except advances from customers, statutory payables, output VAT payable and deferred rent), installment payable, and lease liabilities classified under this category (see Notes 13, 14 and 22).

Derecognition of Financial Assets and Financial Liabilities

Financial Assets. A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- the rights to receive cash flows from the asset have expired; or

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

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

Impairment of Financial Assets

The Group recognizes allowance for expected credit loss (ECL) on financial assets at amortized cost.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Group recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group recognizes lifetime ECLs for receivables that do not contain significant financing component. The Group uses provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

At each reporting date, the Group assesses whether these financial assets at amortized cost is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;

- a breach of contract, such as a default or past due event;
- the restructuring of a financial asset by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

The Group considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Group directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in the consolidated statements of comprehensive income.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). The cost of raw materials, spare parts and supplies comprises all purchase price and other costs incurred in bringing the inventories to its present location and condition. The cost of finished goods and goods in process comprises raw materials, direct labor and other direct costs and related production overheads.

The cost of raw materials is calculated based on moving average method while the cost of goods in process and finished goods is calculated based on standard costing method. Standard cost is adjusted to reflect actual cost which is principally determined using the moving average method. The NRV of raw materials, goods in process and finished goods is the estimated selling price in the ordinary course of business, less the estimated costs of completion and of marketing and distribution.

Cost is determined using the moving average method for spare parts and supplies. The NRV of spare parts and supplies are their current replacement costs. Spare parts are carried as inventory and recognized in profit or loss as consumed.

When the NRV of the inventories is lower than its cost, the Group provides for an allowance for the decline in value of inventory and recognizes the write-down as an expense in profit or loss. The amount of any reversal of write-down of inventories, arising from an increase in NRV, is recognized in profit or loss in the period in which the reversal occurs.

Other Nonfinancial Current Assets

Other nonfinancial current assets include prepayments, advances to suppliers, deferred input VAT and other current assets.

Prepayments. Prepayments represent expenses not yet incurred but already paid in cash. These are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are recognized as expense in the consolidated statements of comprehensive income as they are consumed or expire with the passage of time.

Prepayments are classified as current assets when the cost of goods or services related to the prepayment are expected to be incurred within one (1) year or the Group's normal operating cycle. Otherwise, these are classified as noncurrent assets.

Advances to Suppliers. Advances to suppliers represent advance payments made in relation to purchase of raw materials and services and are carried at cost. These are to be applied against the suppliers' billing upon the receipt of materials or services.

Deferred Input VAT. Deferred input VAT represents the unamortized amount of input VAT on capital goods and on the unpaid portion of availed services. In accordance with the Revenue Regulation (RR) No. 16-2005, input VAT on purchases or imports of the Group with an aggregate acquisition cost (exclusive of VAT) in each of the calendar month exceeding ₱1,000,000 are claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods, whichever is shorter.

Deferred input VAT that are expected to be claimed against output VAT for no more than 12 months after the financial reporting period are classified as other current assets. Otherwise these are classified as other noncurrent assets. Where the aggregate acquisition cost (exclusive of VAT) of the existing or finished depreciable capital goods purchased or imported during any calendar month does not exceed ₱1,000,000, the total input VAT will be allowable as credit against output VAT in the month of acquisition.

Under Section 4.110-3 (c) of the RR 13-2018, the amortization of the input VAT shall only be allowed until December 31, 2021, after which, any unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same as scheduled until fully utilized. The input VAT on the purchases or imports of capital goods exceeding ₱1,000,000 subsequent to December 31, 2021 may be claimed outright.

Prior to the implementation of the Ease of Paying Taxes (EoPT) Law, VAT was calculated based on gross receipts. Following the enactment of the EoPT Law, the tax base for VAT was revised to gross revenues.

Other Current Assets. Other current assets pertain to assets which are expected to be realized within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included as part of "Operating expenses" account in the consolidated statements of comprehensive income.

When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

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

The Group measures goodwill at the acquisition date as: a) the fair value of the consideration transferred; plus b) the recognized amount of any non-controlling interests in the acquiree; plus c) if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less d) the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognized immediately in the consolidated statements of comprehensive income. Subsequently, goodwill is measured at cost less any accumulated impairment in value.

Goodwill is reviewed for impairment, annually or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in the consolidated statements of comprehensive income. Costs related to the acquisition, other than those associated with the issuance of debt or equity securities that the Group incurs in connection with a business combination, are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognized in the consolidated statements of comprehensive income.

Goodwill in a Business Combination

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units (CGU), or groups of CGU that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than an operating segment determined in accordance with PFRS 8, *Operating Segments.*

Impairment is determined by assessing the recoverable amount of the cash-generating unit or group of CGU, to which the goodwill relates. Where the recoverable amount of the cash-generating unit or group of CGU is less than the carrying amount, an impairment loss is recognized. Where goodwill forms part of a cash-generating unit or group of CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained. An impairment loss with respect to goodwill is not reversed.

Property, Plant and Equipment

Property, plant and equipment, except for land, are stated at cost less accumulated depreciation and amortization and any accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment at the time the cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day service. Land is stated at cost less impairment in value, if any.

In 2025, the Group performed an updated technical study on the classification of property, plant and equipment. As a result, the Group recognized reclassifications of certain items within the "Property, plant and equipment" account.

The initial cost of property, plant and equipment comprises its construction cost or purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Cost also includes related asset retirement obligation (ARO), if any. Expenditures incurred after the asset has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. Major repairs are capitalized as part of property, plant and equipment only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the items can be measured reliably.

Capital projects in progress (CPIP) represents the amount of accumulated expenditures on unfinished and/or ongoing projects. This includes the costs of construction and other direct costs. Borrowing costs that are directly attributable to the construction of plant and equipment are capitalized during the construction period. CPIP is not depreciated until such time that the relevant assets are ready for use.

Depreciation and amortization, which commence when the assets are available for their intended use, are computed using the straight-line method over the following estimated useful lives of the assets:

	Number of Years
Machinery and equipment	5 to 25
Building and improvements	5 to 50
Furniture, fixtures and other office equipment	5
Transportation equipment	5
Right-of-use (ROU) assets	2 to 10

In 2025, the Group revised the estimated useful lives of buildings and improvements from 5 to 30 years into 5 to 50 years, based on an updated technical assessment. This revision represents a change in accounting estimate and has been applied prospectively.

The remaining useful lives, residual values, and depreciation methods are reviewed and adjusted periodically, if appropriate, to ensure that such periods and methods of depreciation are consistent with the expected pattern of economic benefits from the items of property, plant and equipment.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Fully depreciated assets are retained in the accounts until they are no longer in use.

An item of property, plant and equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statements of comprehensive income in the period of retirement and disposal.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use:

- the Group has the right to obtain substantially all the economic benefits from use of the identified asset; and
- the Group has the right to direct the use of the identified asset.

Group as Lessee

The Group recognizes a ROU asset and a lease liability at the lease commencement date (i.e., the date the underlying asset is available for use). The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term, ranging from two (2) to ten (10) years.

In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. The carrying amount of the lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset or is recognized in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Group has elected not to recognize ROU assets and lease liabilities for short-term leases (i.e., lease that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. The Group recognizes the lease payments associated with these leases as expense on a straight-line basis over the lease term.

Group as Lessor
The Group determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the recognition exemption, it classifies the sublease as an operating lease.

The Group recognizes lease payments received under operating leases as rent income on a straight-line basis over the lease term.

Intangible Assets

Intangible assets include mining rights, computer software, and goodwill.

Mining Rights and Computer Software. Mining rights and computer software are stated at cost, which includes purchase price and other direct costs, less accumulated amortization and any impairment in value. Mining rights and computer software are amortized over their useful lives on a straight-line basis and assessed for impairment whenever there is an indication that the mining rights and computer software may be impaired.

The amortization period and the amortization method for intangible assets with finite useful life are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible assets with finite useful lives are recognized in profit or loss.

The useful life of intangible assets arising from contractual or other legal rights should not exceed the period of those rights but may be shorter depending on the period over which the intangible asset is expected to be used by the Group. The useful lives are as follows:

	Number of Years
Mining rights	10 to 25
Computer software	License life or 5 or 10 years whichever is shorter

When mining rights and computer software are retired or otherwise disposed of, the cost and the related accumulated amortization and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in profit or loss.

Goodwill. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

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

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

Stripping Costs

As part of its mining operations, the Group incurs stripping costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine before the production phase commences (development stripping) are capitalized as part of the cost of constructing the mine and subsequently amortized over its useful life using unit-of-production method. The capitalization of development stripping costs ceases when the mine is commissioned and ready for use as intended by management. After the commencement of production, further development of the mine may require a phase of unusually high stripping that is similar in nature to development phase stripping. The cost of such stripping is accounted for in the same way as development stripping.

Production stripping is generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realized in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realized in the form of improved access to the ore to be mined in the future, the costs are recognized as a noncurrent asset, referred to as a 'stripping activity asset', if the following criteria are met:

a. Future economic benefits (improved access to the ore body) are probable;
b. The component of the ore body for which access will be improved can be accurately identified; and
c. The costs associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are recognized in profit or loss as operating costs when incurred.

Deferred Exploration and Development Costs

Deferred exploration and development costs comprise of expenditures which are directly attributable to:

- Researching and analyzing existing exploration data;
- Conducting geological studies, exploratory drilling and sampling;
- Examining and testing extraction and treatment methods; and
- Compiling pre-feasibility and feasibility studies.

Deferred exploration and development costs also include expenditures incurred in acquiring mineral rights and evaluation assets, entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects.

Exploration assets are reassessed on a regular basis and tested for impairment provided that at least one of the following conditions is met:

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

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

If the project proceeds to development stage, the amounts included within deferred exploration and development costs are transferred to property, plant and equipment.

Deferred exploration and evaluation costs are assessed for impairment before these are reclassified to "Property, plant and equipment" account in the consolidated statements of financial position. Any impairment loss is recognized in profit or loss. If the mining property is found to contain no commercial reserves, the deferred exploration and evaluation costs are charged to profit or loss.

Investment Properties

Investment properties consist of land held to earn rentals and/or for capital appreciation but not for sale in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Land is stated at cost less any impairment in value.

Investment property is derecognized either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains and losses on the retirement and disposal of investment property are recognized in the statements of comprehensive income in the period of retirement and disposal.

Transfers are made to investment property when, and only when, there is an actual change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is an actual change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent accounting is its carrying amount at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Other Nonfinancial Noncurrent Assets

Other nonfinancial noncurrent assets include deposit on asset purchase and deposit for future investment.

Deposit on Asset Purchase. Deposit on asset purchase, measured at face amount less any allowance for impairment, represents advance payments for long-term supply of raw materials and advance payments for the purchase of property, plant and equipment. Deposit on asset purchase are applied against acquisition of property, plant and equipment and long-term deposit for inventory acquisition.

Deposit for Future Investment. Deposit for future investment represents funds paid in advance for future acquisition of the investee's capital stocks which is measured at cost less any allowance for impairment. Deposit for future investment is applied against subscription to common shares of stock of a business entity.

Impairment of Nonfinancial Assets

The carrying amounts of prepayments, deferred input VAT, other current assets, advances, property, plant and equipment, ROU assets, investment property, other intangible assets with finite useful lives, deferred exploration and development costs are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment annually either individually or at the cash-generating unit level. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, the assets or CGU are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statements of comprehensive income. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. An impairment loss with respect to goodwill is not reversed.

Advances from Customers

Advances from customers consist of amounts received by the Group from its customers as advance payments for the sale of goods. These are recorded at face amount in the consolidated statements of financial position and recognized as revenue in the consolidated statements of comprehensive income when the goods for which the advances were made are delivered to the customers.

Fair Value Measurements

The Group measures financial and non-financial assets and liabilities at fair value at each reporting date.

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: (a) in the principal market for the asset or liability; or (b) in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Group.

The fair value of an asset or 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. 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 prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy (see Note 27).

Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of past events; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate of the amount of the obligation can be made. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Provision for Mine Rehabilitation and Decommissioning.

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 properties. The Group assesses its provision for mine rehabilitation and decommissioning at each reporting date. The Group recognizes a provision where: it has a legal and constructive obligation as a result of past events; 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 rehabilitation activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closing plant and waste sites, and restoring, reclaiming and revegetating affected areas.

The obligation generally arises when the mining asset is installed, or the ground or 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 is incurred as a result of the development or construction of the mine.

Changes in the estimated timing of rehabilitation or changes in the estimated future costs are recognized prospectively as an adjustment to the provision for mine rehabilitation and decommissioning and the related mining asset.
Any decrease in the provision for mine rehabilitation and decommissioning and, therefore, any deduction from the asset may not exceed the carrying amount of the related mining asset. Any excess over the carrying amount is recognized in profit or loss.

If the change in estimate results in an increase in the provision for mine rehabilitation and decommissioning and, therefore, an addition to the carrying amount of the mining asset, the Group considers whether there is an indication of impairment of the asset as a whole. If any such indication exists and when the revised estimate for the mining asset (net of rehabilitation provisions) exceeds the recoverable amount, the increase is recognized as expense.

The discounted provision for mine rehabilitation and decommissioning 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 accretion of the discount is recognized in profit or loss as part of finance cost.

Rehabilitation funds committed for use in satisfying environmental obligations are classified as "Restricted cash" included in "Other noncurrent assets" account in the consolidated statements of financial position (see Note 12).

Equity

Common Stock
Common stock is classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preferred Stock
Preferred stock is classified as equity if they are non-redeemable, or redeemable only at the option of the Parent Company, and any dividends thereon are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the BOD of the Parent Company.

Preferred stock is classified as a liability if they are redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in the consolidated statements of comprehensive income as accrued.

Additional Paid-in Capital
When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Parent Company, the shares are measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Retained Earnings
Retained earnings represent the accumulated net income or losses, net of any dividend distributions and other capital adjustments. Appropriated retained earnings represent that portion which is restricted and therefore not available for any dividend declaration.

The Group recognizes a liability to pay dividends when the distribution is authorized and no longer at the discretion of the Group. A corresponding amount is recognized directly in equity.

Treasury Stock
Own equity instruments which are reacquired are carried at cost and deducted from equity. No gain or loss is recognized on the purchase, sale, reissuance or cancellation of the Parent Company's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Other Equity Reserves
Other equity reserves comprise items of income and expense, net of any deferred tax expense or benefit, that are not recognized in profit or loss in accordance with PFRS Accounting Standards. Other equity reserves of the Group pertain to cumulative remeasurement gains or losses on net retirement benefit liability (asset) and cumulative unrealized gain (loss) on financial assets at FVOCI.

Dividends Declaration
Dividends are recognized as a liability and deducted from equity upon declaration. Dividends for the year that are declared after the reporting date are dealt with as an event after the reporting date.

Revenue
The Group recognizes revenue from contracts with customers 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, excluding amounts collected on behalf of third parties.

The transfer of control can occur over time or at a point in time. Revenue is recognized at a point in time unless one of the following criteria is met, in which case it is recognized over time: (a) the customer simultaneously receives and consumes the benefits as the Group performs its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it acts as a principal as it controls the goods or services before transferring to the customer.

Beginning 2025, the Group entered into separate contracts with customers for delivery services related to the sale of cement products. Accordingly, revenue from delivery services is recognized separately from revenue from the sale of cement products when such services are contracted and billed independently from the sale of goods. Delivery services are treated as a distinct performance obligation and revenue is recognized when the related services are rendered in accordance with the terms of the contract with customers.

The following specific recognition criteria must also be met before revenue is recognized.

Sale of Goods. Revenue from sale of goods is recognized at a point in time when control of the goods has been transferred, when the products are delivered to the buyer, and the seller has no obligation that could affect the buyer's acceptance of goods.

Sale of Services. Revenue from sale of services is recognized when the related services are rendered.

The following are the specific recognition criteria for other revenues outside the scope of PFRS 15, *Revenue from Contracts with Customers*:

Interest Income. Interest income is recognized using the effective interest method. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset.

Dividend Income. Dividend income is recognized when the Group's right to receive the payment is established.

Other Income. Income from other sources is recognized when earned during the period.

Sales Rebates. The Group provides sales rebates to certain customers based on the level of their purchases which may be applied against the amount of their existing or future payables to the Group. The sales rebates granted by the Group are considered as a variable consideration as defined in PFRS 15. Accordingly, the Group's sales rebates are recognized as a reduction of the transaction price and measured at the amount expected to be claimed by customers against future sales transactions.

The Group's accrual for sales rebates is included as part of "Trade and other payables" account in the consolidated statements of financial position (see Note 13).

Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the reporting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are recognized when incurred.

Cost of Goods Sold. Cost of goods sold is recognized as expense when the related goods are delivered to and accepted by customers.

Cost of Services. Cost of services is recognized as expense when the related services are rendered.

Operating Expenses. Operating expenses constitute cost of administering the business and cost incurred to sell and market the goods. These include advertising and freight and handling, among others. These are expensed as incurred.

Other Expenses. Other expenses are recognized when incurred during the period.

Finance Costs

Finance costs include interest charges and other costs incurred in connection with the borrowing of funds. Finance costs also include any interest expense resulting from adjusting the amortized cost of financial liabilities based on the effective interest method.

All finance costs, other than capitalizable borrowing costs, are recognized in profit or loss in the period they are incurred.

Employee Benefits

Short-term Employee Benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Retirement Costs
The net defined benefit retirement liability or asset is the aggregate of the present value of the amount of future benefit that employees have earned in return for their service in the current and prior periods, reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of economic benefits available in the form of reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit retirement plan is actuarially determined using the projected unit credit method. Projected unit credit method reflects services rendered by employees to the date of valuation and incorporates assumptions concerning projected salaries of employees. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in equity and are not reclassified to profit or loss in subsequent period.

Defined benefit costs comprise the following:

- Service costs
- Net interest on the defined benefit retirement liability or asset; and
- Remeasurements of defined benefit retirement liability or asset.

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

Net interest on the net defined benefit retirement liability or asset is the change during the period as a result of contributions and benefit payments, which is determined by applying the discount rate based on the government bonds to the net defined benefit retirement liability or asset. Net interest on the net defined benefit retirement liability or asset is recognized as expense or income in the consolidated statements of comprehensive income.

Beginning 2025, interest cost on net retirement benefit liability (asset) is presented as part of “Finance costs” account in the consolidated statements of comprehensive income (see Note 14). Management assessed that the impact of reclassification is not material to the consolidated financial statements. Accordingly, the change in presentation of interest cost on the on retirement benefit liability (asset) was applied prospectively.

Remeasurements of net defined benefit retirement liability or asset comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest) are recognized immediately in other comprehensive income and accumulated in equity in the period in which they arise. Remeasurements are not reclassified to consolidated statements of comprehensive income in subsequent periods.
When the benefits of a plan are changed, or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the consolidated statements of comprehensive income. The Group recognizes gains and losses on the settlement of a defined benefit retirement plan when the settlement occurs.

Foreign Currency Translation
Transactions in foreign currencies are initially recorded in the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and monetary liabilities denominated in foreign currencies are translated to the functional currency at exchange rate at the reporting date.

Non-monetary assets and non-monetary liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognized in the consolidated statements of comprehensive income, except for differences arising on the translation of monetary items that in substance form part of a net investment in a foreign operation and hedging instruments in a qualifying cash flow hedge or hedge of a net investment in a foreign operation, which are recognized in other comprehensive income.

Taxes

Current Tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred Tax. Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- With respect to taxable temporary differences associated with investments in shares of stock of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits - minimum corporate income tax (MCIT) and unused tax losses - net operating loss carry over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of MCIT and 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; and

- with respect to deductible temporary differences associated with investments in shares of stock of subsidiaries 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 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 future taxable profit will allow the deferred tax asset to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 reporting date.

Current tax and deferred tax are recognized in the consolidated statements of comprehensive income, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

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.

VAT. Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of VAT payable to the taxation authority is included as part of “Trade and other payables” account in the consolidated statements of financial position (see Note 13).

Related Parties
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. Related parties may be individuals or corporate entities.

Basic and Diluted Earnings Per Common Share (EPS)
Basic EPS is computed by dividing the net income for the period attributable to equity holders of the Parent Company, net of dividends on preferred shares and distributions to holders of RPS and SPCS, by the weighted average number of issued and outstanding common shares during the period, with retroactive adjustment for any stock dividends declared.

Diluted EPS is computed in the same manner, adjusted for the effect of all potential dilutive debt or equity instruments.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date
Events after the reporting date that provide additional information about the Group's financial position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

3. Significant Judgments, Accounting Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS Accounting Standards requires management to exercise judgments, make accounting estimates and use assumptions that affect the amounts reported in the consolidated financial statements and related notes. However, uncertainty about these judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Judgments and estimates 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. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

The following are the significant judgments, accounting estimates and assumptions made by the Group:

Judgments

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

Classification of Financial Instruments. The Group exercises judgment in classifying financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the consolidated statements of financial position.

The Group uses its judgment in determining the classification of financial assets based on its business model in which assets are managed and their cash flow characteristics. The classification and fair values of financial assets and financial liabilities are presented in Notes 5, 9 and 27 to the consolidated financial statements.

Distinction Between Investment Property and Owner-occupied Property. The Group determines whether a property qualifies as investment property or owner-occupied property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in marketing or administrative functions. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in marketing or for administrative purposes. If the portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the supply of services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Assessment of Production Start Date. The Group assesses the stage of development of the mine site to determine the start of production phase or the substantial completion of mining site development or production. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of the project and its location. The Group considers various relevant criteria to assess when the production phase is considered to have commenced.

The criteria used to identify the production start date include, but are not limited to:

- Level of capital expenditure incurred compared with construction cost estimate;
- Completion of a reasonable period of testing of the property, plant and equipment; and
- Ability to sustain ongoing production of limestone.

When a mine development project moves into the production phase, the capitalization of certain mine development costs ceases and costs are either capitalized as part of the cost of inventory or expensed, except for costs that qualify for capitalization relating to mining asset additions or improvements, mine development, or mineable reserve development. It is also at this point that depreciation or amortization commences.

As at March 11, 2026, the Cebu mining sites have not yet started commercial operations.

Determination of Lease Commitments - the Group as Lessor. The Group has entered into the following lease agreements:

a. *Parcels of Land.* The Group has parcels of land recognized as investment properties which are leased to related parties. In this arrangement, the Group retains all the significant risks and rewards from the properties. Accordingly, the lease is accounted for as operating lease.

b. *Office Space.* The Group entered into a lease agreement for its office space with a related party. A portion of the office space was subsequently leased to another related party under a sublease agreement. In this arrangement, the Group determined that the risks and rewards from the leased office space has been transferred to the sub-lessee. Accordingly, the lease agreement is accounted for as finance lease.

Capitalization of Exploration and Evaluation Expenditures. The Group makes judgments in determining whether there are future economic benefits from either future exploration or sale of mineral reserves to capitalize exploration and evaluation expenditures. The Group further applies estimates and assumptions about future events and circumstances to determine whether an economically viable extraction operation can be established.

Deferred exploration and evaluation costs, presented as part of "Other noncurrent assets" account in the consolidated statements of financial position, amounted to ₱60.0 million and ₱60.2 million as at December 31, 2025 and 2024, respectively (see Note 12).

Estimates and Assumptions

Assessment for ECL on Trade Receivables. The Group, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Group also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Group then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Group has assessed that the forward-looking default rate component of its ECL is not material because substantial amount of trade receivables are normally collected within one year. Moreover, based on management's assessment, current conditions and forward-looking information do not indicate a significant increase in credit risk exposure of the Group from its trade receivables.

The determination of the relationship between historical default rates and forecasted economic conditions is a significant accounting estimate. Accordingly, the provision for ECL on trade receivables is sensitive to changes in assumptions about forecasted economic conditions.

The Group has assessed that the ECL on trade receivables is not material because substantial amount of receivables are normally collected within one (1) year while none of the remaining balances are written off or credit impaired as at reporting date. Accordingly, no provision for ECL on trade receivables was recognized in 2025, 2024 and 2023. The carrying amount of trade receivables amounted to ₱622.5 million and ₱691.7 million as at December 31, 2025 and 2024, respectively (see Note 6).

Assessment for ECL on Other Financial Assets at Amortized Cost. The Group determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of other financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12-months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the counterparty.

The Group also considers financial assets that are more than 60 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty.

The Group has assessed that the ECL on other financial assets at amortized cost is not material because the transactions with respect to these financial assets were entered into by the Group only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized in 2025, 2024 and 2023.

The carrying amounts of other financial assets at amortized cost are as follows:

	Note	**2025**	2024
Cash in banks and cash equivalents	4	**₱8,259,777,616**	₱8,535,330,189
Other receivables*	6	**1,232,164,877**	1,402,689,941
Restricted cash	12	**127,699,609**	108,746,619
Refundable deposits	12	**56,209,509**	83,073,487
Deposit in escrow	12	**59,021,536**	56,034,399

**Includes receivable from a related party, interest receivable, dividends receivable and other receivables.*

Fair Value Measurement of Financial Instruments. The fair values of securities that are actively traded in organized financial markets are determined by reference to unadjusted quoted market prices at the close of business on the reporting date.

When the fair values of financial assets recorded in the consolidated statements of financial position cannot be measured based on quoted prices in active market, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to this model are taken from observable market when possible, but when this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

In accordance with the amendments to PFRS 7, disclosures about the level in the fair value hierarchy are required in which the fair value measurements are categorized for assets and liabilities measured in the consolidated statements of financial position.

Assumptions and methods of determining the fair values of financial instruments are presented in Note 27 to the consolidated financial statements.

Determination of NRV of Inventories. The Group writes down the cost of inventories whenever the NRV of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, change in price levels or other causes. The Group reviews the lower of cost and NRV of inventories on a periodic basis. NRV represents the estimated selling price of the product based on prevailing prices at the end of the reporting period, less estimated costs to complete production and bring the product to sale. NRV test for spare parts and supplies is also performed annually. The NRV of spare parts and supplies is assessed with reference to their replacement cost where the inventory is not expected to be recovered through the sale of finished goods. An increase in allowance for inventory obsolescence and market decline would increase recorded operating expense and decrease current assets.

As at December 31, 2025 and 2024, the cost of inventories is lower than its NRV. The carrying amount of inventories is ₱2,872.8 million and ₱2,227.3 million as at December 31, 2025 and 2024, respectively (see Note 7).

Estimation of the Useful Lives of Depreciable Property, Plant and Equipment and Intangible Assets. The Group estimates the useful lives of its depreciable property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use.

The Group reviews annually the estimated useful lives of depreciable property, plant and equipment and intangible assets based on factors that include asset utilization, internal technical evaluation, technological changes, environmental changes, and anticipated use of the assets. In addition, the estimation of the useful lives of depreciable property, plant and equipment and intangible assets is based on internal technical evaluation, and experience with similar assets. The Group amortizes mining rights for ten (10) to twenty five (25) years, in line with the expiration of MPSAs as approved by the MGB.

It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of depreciable property, plant and equipment and intangible assets would increase the recorded depreciation and amortization expenses and decrease noncurrent assets.

In 2025, the Group revised the estimated useful lives of certain items of property, plant and equipment based on an updated technical assessment. The revision represents a change in accounting estimate and has been applied prospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. The change resulted in a decrease in depreciation and amortization expense of ₱71.9 million in 2025.

The carrying amounts of depreciable property, plant and equipment and intangible assets are as follows:

	Note	**2025**	2024
Property, plant and equipment*	10	**₱21,111,912,724**	₱20,670,752,600
Mining rights	11	**1,096,448,761**	1,138,165,804
Computer software	11	**223,246,032**	208,582,887

**Excluding land and capital projects in progress aggregating to ₱2,488.3 million and ₱3,441.9 million as at December 31, 2025 and 2024, respectively.*

Leases – Estimation of the Incremental Borrowing Rate (IBR). The Group uses its 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 ROU asset in a similar economic environment. The Group estimates the IBR using available observable inputs (such as the prevailing BVAL interest rates) adjusted for entity-specific estimates, to reflect the terms and conditions of the lease.

The Group has applied IBR ranging from 2.25% to 8.31% for the computation of lease liabilities. Lease liabilities amounted to ₱61.1 million and ₱80.2 million as at December 31, 2025 and 2024, respectively (see Note 22).

Assessment for Impairment of Nonfinancial Assets (Excluding Goodwill). PFRS Accounting Standards requires that an impairment review be performed non-financial assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Determining the recoverable amounts of these assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the financial performance.

The Group assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable. The relevant factors that the Group considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

The recoverable amount of the asset is the greater of the fair value less cost of disposal or value in use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

No impairment loss on nonfinancial assets was recognized in 2025, 2024 and 2023. The carrying amounts of nonfinancial assets are as follows:

	Note	**2025**	2024
Property, plant and equipment	10	**₱23,600,177,345**	₱24,112,632,040
Intangible assets*	11	**1,319,694,793**	1,346,748,691
Prepayments	8	**737,612,919**	243,922,947
Deposit on asset purchase	12	**115,000,977**	142,267,455
Deferred exploration and evaluation costs	12	**60,002,395**	60,199,195
Advances to suppliers	8	**50,106,655**	26,054,887
Deferred input VAT	8	**18,832,750**	64,656,833
Advances to officers and employees	6	**6,225,201**	9,366,239
Other current assets	8	**10,166,880**	32,029,596
Deposit for future investment	12	**5,515,531**	4,765,796

**Excluding goodwill amounting to ₱1,259.0 million as at December 31, 2025 and 2024.*

Assessment of Goodwill Impairment. The Group determines whether goodwill is impaired at least annually. This requires the estimation of value in use of the CGU to which the goodwill is allocated. Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and to choose a suitable discount rate to calculate the present value of those cash flows.

No impairment loss was recognized in 2025, 2024 and 2023. The carrying amount of goodwill amounted to ₱1,259.0 million as at December 31, 2025 and 2024 (see Note 11).

Assessment of the Recoverability of Deferred Exploration and Evaluation Costs. Deferred exploration and evaluation costs are capitalized in the period incurred until it has been determined that a property has no sufficient economically recoverable reserves, in which case the costs are written off as impairment losses. The Group reviews the carrying amounts of its mineral property interests whenever events or changes in circumstances indicate that their carrying amounts may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying amount of those assets exceeds its recoverable amount.

No impairment loss on deferred exploration and evaluation costs was recognized in 2025, 2024, and 2023. As at December 31, 2025 and 2024, the carrying amount of deferred exploration and evaluation costs amounted to ₱60.0 million and ₱60.2 million, respectively (see Note 12).

Estimation of Provision for Mine Rehabilitation and Decommissioning. The ultimate cost of mine rehabilitation and decommissioning is uncertain, and cost estimates can vary in response to many factors including estimates of the extent and costs of rehabilitation activities, changes in the relevant legal requirements, emergence of new restoration techniques or experience, cost increases as compared to the inflation rates, and changes in discount rates. The expected timing of expenditure can also change in response to changes in quarry reserves or production rates.

These uncertainties may result in future actual expenditure different from the amounts currently provided. As a result, there could be significant adjustments in provision for mine rehabilitation and decommissioning, which would affect future financial results.

Provision for mine rehabilitation and decommissioning is based on estimated future costs of rehabilitating the mine site using information available at the reporting date.

Provision for mine rehabilitation and decommissioning amounted to ₱94.8 million and ₱91.2 million as at December 31, 2025 and 2024, respectively (see Note 14).

Determination of Net Retirement Benefit Liability (Asset). The determination of the net retirement benefit asset (liability) is dependent on the assumptions used by the actuary in calculating such amounts. These assumptions are described in Note 23 to the consolidated financial statements and include discount rate and salary increase rate. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement asset (liability).

Net retirement benefit asset amounted to ₱0.1 million and ₱54.9 million as at December 31, 2025 and 2024, respectively. Net retirement benefit liability amounted to ₱25.1 million and ₱0.6 million as at December 31, 2025 and 2024. Cumulative remeasurement gains on net retirement benefit liability (asset) (net of deferred tax) amounted to ₱121.0 million and ₱92.8 million as at December 31, 2025 and 2024, respectively (see Note 23).

Recognition of Deferred Tax Assets. The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets amounting to ₱17.2 million and ₱23.7 million were not recognized as at December 31, 2025 and 2024, respectively. Management believes that the Group will not have sufficient taxable income against which the benefits of the deferred tax assets can be utilized (see Note 25).

Deferred tax assets recognized amounted to ₱112.5 million and ₱162.2 million as at December 31, 2025 and 2024, respectively (see Note 25).

4. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	**₱841,000**	₱965,234
Cash in banks	**478,456,925**	760,360,228
Cash equivalents	**7,781,320,691**	7,774,969,961
	₱8,260,618,616	₱8,536,295,423

Cash on hand pertains to petty cash fund and revolving funds. Cash in banks earn interest at prevailing bank deposit rates and are immediately available for use in the current operations.

Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn annual interest at rates ranging from 2.88% to 8.00% in 2025, 2.25% to 8.00% in 2024, and 4.30% to 8.00% in 2023.

Interest income is recognized from the following:

	Note	**2025**	2024	2023
Cash in banks and cash equivalents*		**₱401,904,638**	₱656,435,925	₱599,357,327
Financial assets at FVPL	5	**16,485,407**	23,904,538	45,513,954
Long-term placements	12	**–**	1,650,000	3,462,310
Others		**–**	–	61,572
		₱418,390,045	₱681,990,463	₱648,395,163

**Includes interest income from deposit in escrow and restricted cash.*

5. Financial Assets at FVPL

The financial assets at FVPL is composed of quoted debt securities held for trading purposes amounting to ₱397.8 million and ₱438.0 million as at December 31, 2025 and 2024, respectively.

Debt securities are quoted and earn annual interest rate ranging from 4.63% to 5.91% in 2025, 4.63% to 6.25% in 2024 and 5.08% to 6.25% in 2023. Interest income on debt securities amounted to ₱16.5 million, ₱23.9 million and ₱45.5 million in 2025, 2024 and 2023, respectively (see Note 4).

The Group's quoted debt securities at FVPL as at December 31, 2025 and 2024 are carried at fair values based on quoted market or bidding dealer price quotations from active markets as at the reporting period. The fair valuation is classified under Level 1 category (see Note 27).

On July 1, 2020, the Group subscribed to an unquoted perpetual redeemable securities of a related party amounting to ₱4,000.0 million with a distribution rate of 5.0% per annum to be distributed quarterly starting October 1, 2020. In May 2023, the Group redeemed its unquoted redeemable perpetual securities resulting in a realized gain of ₱38.9 million, which is classified as part of net trading gain (loss) on financial assets at FVPL in the consolidated statements of comprehensive income.

Dividend income is recognized from the following equity securities (see Note 20):

	Note	**2025**	2024	2023
Financial asset at FVOCI	9	**₱5,106,038**	₱6,808,051	₱6,797,575
Financial asset at FVPL		**–**	–	80,000,000
		₱5,106,038	₱6,808,051	₱86,797,575

Trading gains on financial assets at FVPL are as follows (see Note 20):

	2025	2024	2023
Net unrealized gains on fair value changes	**₱8,994,580**	₱1,314,695	₱14,017,288
Net realized gains on sale of securities	**779,915**	24,312	23,436,198
	₱9,774,495	₱1,339,007	₱37,453,486

6. Trade and Other Receivables

This account consists of:

	Note	2025	2024
Trade:			
Third parties		**₱330,225,875**	₱432,588,682
Related parties	16	**292,224,505**	259,134,671
Receivable from a related party	16	**1,200,000,000**	1,300,000,000
Interest receivable		**28,317,218**	46,216,089
Advances to officers and employees		**6,225,201**	9,366,239
Dividends receivable	16	**–**	1,702,013
Others		**3,847,659**	54,771,839
		₱1,860,840,458	₱2,103,779,533

Trade receivables are noninterest-bearing and are generally on a 60-day credit term.

Interest receivable pertains to interest income earned but not yet received by the Group and are normally settled within 35 days.

Advances to officers and employees are subject to liquidation within a period of seven (7) days after the transaction has occurred or through salary deduction.

Other receivables are noninterest-bearing and normally settled within 12 months from the reporting date.

7. Inventories

This account consists of:

	2025	2024
Spare parts	**₱1,120,753,207**	₱517,157,162
Raw materials	**837,494,511**	917,016,102
Goods in process	**530,253,646**	462,625,873
Supplies	**355,966,667**	288,637,541
Finished goods	**28,375,319**	41,830,792
	₱2,872,843,350	₱2,227,267,470

Cost of inventories as at December 31, 2025 and 2024 is lower than its NRV. Cost of inventories sold amounted to ₱8,488.8 million, ₱9,161.3 million and ₱9,227.7 million in 2025, 2024 and 2023, respectively (see Note 18).

Advance payments for purchases of inventories that are applied against subsequent deliveries amounted to ₱291.1 million and ₱1,133.0 million in 2025 and 2024, respectively (see Note 8).

In 2025, the Group reclassified items of machinery and equipment to spare parts amounting to ₱527.9 million as these are expected to be consumed in the production process (see Note 10).

These reclassifications are considered as noncash financial information excluded from the consolidated statements of cash flows.

8. Other Current Assets

This account consists of:

	Note	2025	2024
Prepayments for:			
Shutdown costs		**₱505,540,508**	₱–
Real property taxes		**218,766,663**	226,832,654
Insurance and subscriptions		**13,305,748**	17,090,293
Advances to suppliers		**50,106,655**	26,054,887
Deferred input VAT		**18,832,750**	64,656,833
Current portion of refundable deposits	12	**–**	26,782,323
Others		**10,166,880**	32,029,596
		₱816,719,204	₱393,446,586

Shutdown Costs
Shutdown costs pertain to expenditures incurred for the manufacturing plant's annual major repairs and maintenance activities. These costs are expected to provide economic benefits to the Group within one year and are amortized over the period of expected benefit.

Advances to Suppliers
Advances to suppliers represent advance payments for purchases of inventories and services that are applied against subsequent deliveries. The amounts have been outstanding for less than one (1) year from initial recognition. These are reversed upon receipt of goods and services from suppliers.

The balances and movements in this account are as follows:

	Note	2025	2024
Balance at beginning of year		**₱26,054,887**	₱138,718,894
Additions		**315,195,614**	1,020,327,092
Applied	7	**(291,143,846)**	(1,132,991,099)
Balance at end of year		**₱50,106,655**	₱26,054,887

The application of advances to suppliers to inventory is considered as noncash financial information excluded from the consolidated statements of cash flows.

9. Financial Assets at FVOCI

This account consists of quoted equity securities amounting to ₱97.7 million as at December 31, 2024 (see Note 16). In 2025, the quoted equity securities was redeemed by the Group.

Dividend income earned from financial assets at FVOCI amounted to ₱5.1 million in 2025 and ₱6.8 million in 2024 and 2023 (see Note 5).

Rollforward analysis of cumulative unrealized gains (losses) on financial assets at FVOCI is shown below:

	2025	2024	2023
Balance at beginning of year	**(₱2,266,950)**	(₱3,333,750)	**₱–**
Realized loss	**2,266,950**	–	–
Unrealized gain (loss)	**–**	1,066,800	(3,333,750)
Balance at end of year	**₱–**	(₱2,266,950)	(₱3,333,750)

The Group's financial assets at FVOCI as at December 31, 2024 are carried at fair value based on quoted market prices or bidding dealer price quotations from active markets as at the reporting date. The fair valuation is classified under Level 1 category (see Note 27).

10. Property, Plant and Equipment

The balances and movements in this account are as follows:

	2025							
	Land	Machinery and Equipment	Building and Improvements	Furniture, Fixtures, and Other Office Equipment	Transportation Equipment	ROU Assets (see Note 22)	CPIP	Total
Cost								
Balances at beginning of year	**₱2,265,180,592**	**₱25,989,386,495**	**₱5,377,031,541**	**₱347,045,899**	**₱189,529,118**	**₱154,184,141**	**₱1,176,698,848**	**₱35,499,056,634**
Additions	**65,340,053**	**139,886,700**	**–**	**–**	**–**	**–**	**1,215,935,978**	**1,421,162,731**
Reclassifications	**(3,791,684)**	**(5,507,942,308)**	**4,992,229,046**	**(151,751,458)**	**(5,236,296)**	**–**	**–**	**(676,492,700)**
Disposals	**–**	**(257,404,655)**	**(3,699,141)**	**(31,748,489)**	**(29,599,635)**	**(12,661,900)**	**–**	**(335,113,820)**
Settlement of CPIP	**–**	**2,025,835,527**	**174,001,352**	**21,705,062**	**9,557,224**	**–**	**(2,231,099,165)**	**–**
Balances at end of year	**2,326,728,961**	**22,389,761,759**	**10,539,562,798**	**185,251,014**	**164,250,411**	**141,522,241**	**161,535,661**	**35,908,612,845**
Accumulated Depreciation and Amortization								
Balances at beginning of year	**–**	**8,714,686,711**	**2,147,595,870**	**267,534,564**	**177,674,256**	**78,933,193**	**–**	**11,386,424,594**
Depreciation and amortization	**–**	**1,102,529,649**	**213,685,130**	**21,246,498**	**2,931,072**	**16,043,306**	**–**	**1,356,435,655**
Disposals	**–**	**(256,458,866)**	**(3,699,138)**	**(26,514,921)**	**(27,139,440)**	**(8,937,558)**	**–**	**(322,749,923)**
Reclassifications	**–**	**(1,292,730,437)**	**1,299,157,845**	**(114,033,734)**	**(4,068,500)**	–	**–**	**(111,674,826)**
Balances at end of year	**–**	**8,268,027,057**	**3,656,739,707**	**148,232,407**	**149,397,388**	**86,038,941**	**–**	**12,308,435,500**
Carrying Amounts	**₱2,326,728,961**	**₱14,121,734,702**	**₱6,882,823,091**	**₱37,018,607**	**₱14,853,023**	**₱55,483,300**	**₱161,535,660**	**₱23,600,177,345**

	2024							
	Land	Machinery and Equipment	Building and Improvements	Furniture, Fixtures, and Other Office Equipment	Transportation Equipment	ROU Assets (see Note 22)	CPIP	Total
Cost								
Balances at beginning of year	₱2,126,579,496	₱25,131,811,744	₱5,198,766,678	₱310,757,084	₱210,093,566	₱86,711,199	₱861,509,660	₱33,926,229,427
Additions	–	262,785,663	35,161,476	364,581	–	67,472,942	1,263,556,209	1,629,340,871
Disposals	–	(2,669,118)	–	(609,472)	(30,557,945)	–	(18,511,708)	(52,348,243)
Reclassifications	(50,000)	–	–	(4,115,421)	–	–	–	(4,165,421)
Settlement of CPIP	138,651,096	597,458,206	143,103,387	40,649,127	9,993,497	–	(929,855,313)	–
Balances at end of year	2,265,180,592	25,989,386,495	5,377,031,541	347,045,899	189,529,118	154,184,141	1,176,698,848	35,499,056,634
Accumulated Depreciation and Amortization								
Balances at beginning of year	–	7,547,672,086	1,931,713,912	238,188,031	198,131,899	58,869,936	–	9,974,575,864
Depreciation and amortization	–	1,169,683,743	215,881,958	29,956,005	10,073,706	20,063,257	–	1,445,658,669
Disposals	–	(2,669,118)	–	(609,472)	(30,531,349)	–	–	(33,809,939)
Balances at end of year	–	8,714,686,711	2,147,595,870	267,534,564	177,674,256	78,933,193	–	11,386,424,594
Carrying Amounts	₱2,265,180,592	₱17,274,699,784	₱3,229,435,671	₱79,511,335	₱11,854,862	₱75,250,948	₱1,176,698,848	₱24,112,632,040

In 2025, the Group completed an updated technical study of its property, plant and equipment, which included a componentization review to identify significant parts of assets that are depreciated separately due to differing useful lives and consumption patterns. Consequently, the Group reclassified certain items, including related accumulated depreciation, among property, plant and equipment line items to reflect the appropriate asset components. These reclassifications affected the presentation within property, plant and equipment account but did not change its carrying amount as at December 31, 2025.

The Group reclassified items of machinery and equipment to spare parts classified under "Inventories" account amounting to ₱527.9 million in 2025 as these are expected to be consumed in the production process (see Note 7). These reclassifications are considered as noncash financial information excluded from the consolidated statements of cash flows.

Further, in 2025, the Group revised the estimated useful lives of buildings and improvements from 5 to 30 years into 5 to 50 years, based on an updated technical assessment. The revision represents a change in accounting estimate and has been applied prospectively. The change resulted in a decrease in depreciation and amortization expense of ₱71.9 million in 2025.

Capitalized Mine Rehabilitation and Decommissioning Costs

The Group recognized the present value of the estimated costs of mine rehabilitation and decommissioning under "Building and improvements" account. Movements in the balances of capitalized costs are as follows:

	Note	**2025**	2024
Cost			
Balance at beginning of year		**₱74,053,558**	₱39,848,491
Additions	14	**–**	34,205,067
Balance at end of year		**74,053,558**	74,053,558
Accumulated Amortization			
Balance at beginning of year		**33,414,011**	28,454,975
Amortization		**4,497,383**	4,959,036
Balance at end of year		**37,911,394**	33,414,011
Carrying Amount		**₱36,142,164**	₱40,639,547

In 2024, the Group secured a 25-year extension for its MPSA 181-2002-III. Furthermore, in May 2024, the Group began commercial operations under MPSA 245-2007-III after receiving approval for its mining plan.

Application of Deposit on Asset Purchase

As at December 31, 2025 and 2024, deposit on asset purchase amounting to ₱133.7 million and ₱627.7 million, respectively, were applied and included as additions to property, plant and equipment (see Note 12). This transaction is considered as a noncash financial information excluded from the consolidated statements of cash flows.

Disposals

In 2025, the Group sold various items of property, plant and equipment with carrying amounts aggregating ₱8.6 million for ₱9.9 million resulting to a gain on sale of property, plant and equipment of ₱1.3 million (see Note 20).

In 2024, the Group sold various items of property, plant and equipment with carrying amounts aggregating ₱26,595 for ₱1.7 million resulting to a gain on sale of property, plant and equipment of ₱1.6 million (see Note 20).

In 2023, the Group disposed various items of property, plant and equipment for ₱3.9 million resulting to a gain on sale of property, plant and equipment of ₱2.7 million (see Note 20).

Depreciation and Amortization

Details of depreciation and amortization are as follows:

	Note	**2025**	2024	2023
Included in profit or loss:				
Property, plant and equipment		**₱1,340,392,349**	₱1,425,595,412	₱1,395,518,011
Mining rights and computer software	11	**96,953,645**	72,164,218	59,634,118
ROU assets	22	**16,043,306**	20,063,257	14,307,268
		1,453,389,300	1,517,822,887	1,469,459,397
Recognized as component of inventories		**3,686,871**	(1,659,828)	6,306,443
		₱1,457,076,171	₱1,516,163,059	₱1,475,765,840

Depreciation and amortization are distributed in the consolidated statements of comprehensive income as follows:

	Note	**2025**	2024	2023
Cost of goods sold and services	18	**₱1,285,628,764**	₱1,356,948,796	₱1,318,313,004
Operating expenses	19	**171,447,407**	159,214,263	157,452,836
		₱1,457,076,171	₱1,516,163,059	₱1,475,765,840

CPIP

CPIP consists of the cost incurred in the construction of additional facilities and projects of the Group amounting to ₱161.5 million and ₱1,176.7 million as at December 31, 2025 and 2024, respectively.

The remaining contracted capital expenditures for the Group's outstanding capital projects as at December 31, 2025 and 2024 amounted to ₱779.0 million and ₱830.7 million, respectively.

11. Intangible Assets

The balances and movements in this account are as follows:

	Note	2025 Mining Rights	Computer Software	Goodwill	Total
Cost					
Balance at beginning of year		**₱1,264,065,906**	**₱298,977,729**	**₱1,258,952,704**	**₱2,821,996,339**
Reclassifications		**–**	**160,643,413**	**–**	**160,643,413**
Additions		**–**	**36,745,548**	**–**	**36,745,548**
Disposals		**–**	**(18,717,574)**	**–**	**(18,717,574)**
Balance at end of year		**1,264,065,906**	**477,649,116**	**1,258,952,704**	**3,000,667,726**
Accumulated Amortization					
Balance at beginning of year		**125,900,102**	**90,394,842**	**–**	**216,294,944**
Reclassifications		**–**	**127,489,214**	**–**	**127,489,214**
Amortization		**41,717,043**	**55,236,602**	**–**	**96,953,645**
Disposals		**–**	**(18,717,574)**	**–**	**(18,717,574)**
Balance at end of year		**167,617,145**	**254,403,084**	**–**	**422,020,229**
Carrying Amounts		**₱1,096,448,761**	**₱223,246,032**	**₱1,258,952,704**	**₱2,578,647,497**

	Note	2024 Mining Rights	Computer Software	Goodwill	Total
Cost					
Balance at beginning of year		₱1,209,969,143	₱269,105,687	₱1,258,952,704	₱2,738,027,534
Additions		54,096,763	29,872,042	–	83,968,805
Balance at end of year		1,264,065,906	298,977,729	1,258,952,704	2,821,996,339
Accumulated Amortization					
Balance at beginning of year		84,975,712	59,155,014	–	144,130,726
Amortization	10	40,924,390	31,239,828	–	72,164,218
Balance at end of year		125,900,102	90,394,842	–	216,294,944
Carrying Amounts		₱1,138,165,804	₱208,582,887	₱1,258,952,704	₱2,605,701,395

Mining Rights

Mining rights represent the Group's legal rights to undertake quarrying activities in the municipalities of San Ildefonso and Dona Remedios Trinidad in Bulacan, and municipalities of Ginatilan and Malabuyoc in Cebu.

In 2024, the Group incurred development costs amounting to ₱54.1 million related to drilling, exploration, and topographic surveying within the area covered by the existing MPSA.

No impairment loss on mining rights was recognized in 2025 and 2024.

Computer Software

This account pertains to enterprise resource planning (ERP) system.

Goodwill

Goodwill amounting to ₱927.4 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in Armstrong in 2022. Total net cash outflow of the Parent Company from acquiring Armstrong amounted to ₱420.1 million (net of cash acquired from Armstrong amounting to ₱87.9 million).

Goodwill amounting to ₱327.8 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in SNMC in 2021. Total net cash outflow of the Parent Company from acquiring SNMC amounted to ₱3,308.5 million (net of cash acquired from SNMC amounting to ₱263.5 million).

Goodwill amounting to ₱3.8 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in SWCC on December 23, 2016. Total net cash outflow of the Parent Company from acquiring SWCC amounted to ₱385.1 million (net of cash acquired from SWCC amounting to ₱64.9 million).

The recoverable amount of goodwill has been determined based on fair value less costs to sell or a valuation using cash flow projections (value in use) covering a five-year period based on long range plans approved by management. The values assigned to the key assumptions represent management's assessment of future trends in the industry and were based on historical data from both external and internal sources. Cash flows beyond the five-year period are extrapolated using a constant growth rate determined per individual CGUs to arrive at its terminal value. The growth rates used are 2.00% in 2025 and 2024 are based on strategies developed for each business and include the Group's expectations of market developments and past historical performance. The discount rates applied to after tax cash flow projections are 8.50% in 2025 and 2024. The discount rate also imputes the risk of the CGUs compared to the respective risk of the overall market and equity risk premium.

No impairment loss on goodwill was recognized in 2025, 2024 and 2023.

12. Other Noncurrent Assets

This account consists of:

	Note	**2025**	2024
Financial assets:			
Restricted cash		**₱127,699,609**	₱108,746,619
Deposit in escrow		**59,021,536**	56,034,399
Refundable deposits - noncurrent portion		**56,209,509**	56,291,164
Nonfinancial assets:			
Deposit on asset purchase		**115,000,977**	142,267,455
Deferred exploration and evaluation costs		**60,002,395**	60,199,195
Deposit for future investment		**5,515,531**	4,765,796
Investment properties	10	**3,791,684**	–
		₱427,241,241	₱428,304,628

Restricted Cash

Restricted cash pertains to rehabilitation funds established by the Group and deposited with a local bank for compliance with the Department of Environment and Natural Resources Administrative Order No. 2005-07 for environmental protection and enhancement.

Deposit in Escrow

Deposit in escrow pertains to cash in escrow account related to a pending legal case.

Refundable Deposits

Refundable deposits include bill deposits for electric charges of the Group's manufacturing plant which are refundable upon termination of service, and rental deposits related to long-term rentals of office space.

Refundable deposits are classified as follows:

	Note	**2025**	2024
Current portion	8	**₱–**	₱26,782,323
Noncurrent portion		**56,209,509**	56,291,164
		₱56,209,509	₱83,073,487

Deposit on Asset Purchase

Deposit on asset purchase represents advance payments for the acquisition of machinery and equipment and long-term deposits for inventory acquisition.

The balances and movements in this account are as follows:

	Note	**2025**	2024
Balance at beginning of year		**₱142,267,455**	₱227,972,602
Additions		**106,434,404**	541,972,293
Applied	10	**(133,700,882)**	(627,677,440)
Balance at end of year		**₱115,000,977**	₱142,267,455

The application of advances to suppliers to property, plant and equipment is considered as noncash financial information excluded from the consolidated statements of cash flows.

Deferred Exploration and Evaluation Costs

Deferred exploration and evaluation costs pertain to costs incurred for the exploration and development in the mining properties of the Group.

The carrying amount of deferred exploration and evaluation costs amounted to ₱60.0 million and ₱60.2 million as at December 31, 2025 and 2024, respectively. No impairment loss was recognized in 2025, 2024 and 2023.

The assets, expenses, operating and investing cash flows from the deferred exploration and evaluation costs are as follows:

	2025	2024
Total assets	**₱60,002,395**	₱60,199,195
Expenses	**11,805,210**	13,894,079
Net cash used in operating activities	**12,118,401**	12,535,517
Net cash used in investing activities	**–**	1,229,461

Investment Properties

In 2025, the Group reclassified parcel of land to investment properties amounting to ₱3.8 million due to change of its intended use (see Note 10). This reclassification is considered as a noncash financial information excluded from the consolidated statements of cash flows.

Long-term Placements

Long-term placements represent a 5-year investment in time deposits bearing an annual average interest of 5.50%. Interest income on long-term placements amounted to ₱1.7 million and ₱3.5 million in 2024 and 2023 respectively (see Note 4).

13. Trade and Other Payables

This account consists of:

	Note	**2025**	2024
Trade:			
Third parties		**₱1,538,838,249**	₱1,288,238,989
Related parties	16	**1,244,180,647**	1,184,650,187
Accruals for:			
Sales rebates		**426,053,845**	499,861,527
Personnel costs		**87,144,857**	148,937,021
Advertising and promotions		**73,348,811**	352,983,744
Advances from customers		**470,234,727**	321,204,549
Income tax payable		**143,203,780**	65,928,353
Output VAT payable		**129,821,562**	125,403,594
Statutory payables		**50,854,696**	46,299,516
Retention payable		**38,454,199**	26,746,797
Current portion of installment payable		**3,839,634**	3,607,677
Others		**17,088,789**	6,150,940
		₱4,223,063,796	₱4,070,012,894

Trade payables are noninterest-bearing, and are generally settled either on demand or within varying periods of up to one (1) year, depending on the arrangements with suppliers.

Accruals for sales rebates, outside services, personnel costs and interests are usually settled within one (1) year.

Advances from customers are collections received for inventory purchases to be delivered by the Group within 30 days after collection date.

Statutory payables include withholding taxes and statutory contributions that are remitted to the government agencies on a monthly or quarterly basis.

Retention payable represents retention fees of contractors and is normally settled within one (1) year.

Other payables are noninterest-bearing, and are normally settled within one (1) year.

Installment Payable

Installment payable pertains to an installment contract entered in 2016 with a third party for the supply and commissioning on site of a fly-ash carbon separator, the supply of belts for $3.8 million (₱173.5 million).

The balances and movements in this account are as follows:

	Note	2025	2024
Original Amount			
Balance at beginning of year		**₱17,353,500**	₱20,763,750
Payments		**(3,607,677)**	(3,334,239)
Foreign exchange adjustments		**(518,073)**	(76,011)
Balance at end of year		**13,227,750**	17,353,500
"Day 1" Difference			
Balance at beginning of year		**1,868,888**	2,644,004
Accretion of interest		**(730,698)**	(893,300)
Foreign exchange adjustments		**18,562**	118,184
Balance at end of year		**1,156,752**	1,868,888
		12,070,998	15,484,612
Less current portion		**3,839,634**	3,607,677
Noncurrent portion	14	**₱8,231,364**	₱11,876,935

Accretion of "Day 1" difference is included as "Finance Costs" in the consolidated statements of comprehensive income.

14. Other Noncurrent Liabilities

This account consists of:

	Note	2025	2024
Provision for mine rehabilitation and decommissioning		**₱94,755,059**	₱91,239,916
Lease liabilities - net of current portion	22	**46,765,483**	61,372,764
Installment payable - net of current portion	13	**8,231,364**	11,876,935
		₱149,751,906	₱164,489,615

Provision for Mine Rehabilitation and Decommissioning

The Group is required under its Environmental Compliance Certificate to perform rehabilitation and decommissioning of its cement manufacturing plant and quarry operation sites. Accordingly, the Group recognized its estimated liability for site rehabilitation and decommissioning. The provision is calculated based on the Group's estimate of expected costs to be incurred to rehabilitate and decommission the sites and is measured at its present value using discount rates ranging from 6.31% to 6.65% in 2025 and 2024.

The balance and movements in this account are as follows:

	Note	2025	2024
Balance at beginning of year		**₱91,239,916**	₱53,504,011
Accretion		**3,515,143**	3,530,838
Additions	10	**–**	34,205,067
Balance at end of year		**₱94,755,059**	₱91,239,916

Finance Costs

Details of finance costs charged to consolidated statements of comprehensive income are as follows:

	Note	**2025**	2024	2023
Interest expense on lease liabilities	22	**₱4,398,271**	₱2,411,772	₱2,723,794
Accretion of provision for mine rehabilitation and decommissioning		**3,515,143**	3,530,838	1,067,838
Bank charges		**2,669,431**	176,260	101,073,543
Interest cost on net retirement benefit liability (asset)	23	**1,097,146**	–	–
Interest expense on installment payable	13	**730,698**	893,300	1,003,692
Interest expense and other financing costs on loans payable		**–**	–	97,018,425
		₱12,410,689	₱7,012,170	₱202,887,292

Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activity, including both cash and noncash changes.

	2025		
	Installment Payable (see Note 13)	**Lease Liabilities** (see Note 22)	**Dividends Payable**
Balances at beginning of year	**₱15,484,612**	**₱80,164,969**	**₱132,688**
Noncash changes:			
Accretion of interest	**730,698**	**4,398,271**	**–**
Foreign exchange adjustments	**(536,635)**	**–**	**–**
Dividend declaration	**–**	**–**	**4,000,000,004**
Termination	**–**	**(3,938,019)**	**–**
Cash changes:			
Payment of dividends	**–**	**–**	**(3,999,915,713)**
Payment of liabilities	**(3,607,677)**	**(19,565,266)**	**–**
Balances at end of year	**₱12,070,998**	**₱61,059,955**	**₱216,979**

	2024		
	Installment Payable (see Note 13)	Lease Liabilities (see Note 22)	Dividends Payable
Balances at beginning of year	₱18,119,746	₱33,510,767	₱–
Noncash changes:			
Accretion of interest	893,300	2,411,772	–
Foreign exchange adjustments	(194,195)	–	–
Dividend declaration	–	–	6,700,000,008
Additions	–	67,472,942	–
Cash changes:			
Payment of dividends	–	–	(6,699,867,320)
Payment of liabilities	(3,334,239)	(23,230,512)	–
Balances at end of year	₱15,484,612	₱80,164,969	₱132,688

	2023				
	Loans Payable	Installment Payable	Lease Liabilities	Advances from a Related Party	Dividends Payable
Balances at beginning of year	₱4,040,380,818	₱21,327,670	₱35,445,789	₱79,892,821	₱–
Noncash changes:					
Amortization of debt issuance cost	9,119,182	–	–	–	–
Dividend declaration	–	–	–	–	5,600,000,006
Acquisition of a new subsidiary	–	–	–	–	–
Additions	–	–	12,661,900	–	–
Reclassification to trade payables	–	(4,113,600)	–	–	–
Foreign exchange adjustment	–	(98,016)	–	–	–
Accretion of interest	–	1,003,692	2,723,794	–	–
Cash changes:					
Payment of liabilities	(4,049,500,000)	–	(17,320,716)	(79,892,821)	–
Payment of dividends	–	–	–	–	(5,600,000,006)
Payment of interest	–	–	–	–	–
Balances at end of year	₱–	₱18,119,746	₱33,510,767	₱–	₱–

15. Equity

Capital Stock

The capital stock of the Parent Company as at December 31, 2025 and 2024 is as follows:

Common - stock - ₱1 par value	₱5,000,000,006
Preferred - stock - ₱1 par value	3,000,000,000
Treasury stock	(3,000,000,000)
	₱5,000,000,006

Common Stock

Details of the Parent Company's common stock at ₱1.00 par value as at December 31 are as follows:

	2025		2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount	Number of Shares	Amount
Authorized						
Balance at beginning and end of year	**5,500,000,000**	**₱5,500,000,000**	5,500,000,000	₱5,500,000,000	5,500,000,000	₱5,500,000,000
Issued						
Balance at beginning and end of year	**5,000,000,006**	**₱5,000,000,006**	5,000,000,005	₱5,000,000,005	5,000,000,005	₱5,000,000,005
Issuance	**–**	**–**	1	1	–	–
Balance at end of year	**5,000,000,006**	**₱5,000,000,006**	5,000,000,006	₱5,000,000,006	5,000,000,005	₱5,000,000,005

Preferred Stock
Details of the Parent Company's preferred stock at ₱1.00 par value are as follows:

	2025		2024		2023	
	Number of Shares	**Amount**	Number of Shares	Amount	Number of Shares	Amount
Authorized						
Balance at beginning and end of year	**3,000,000,000**	**₱3,000,000,000**	3,000,000,000	₱3,000,000,000	3,000,000,000	₱3,000,000,000

Preferred stock is cumulative, non-participating, non-voting, not convertible to common stock and redeemable at the option of the Parent Company at the end of fifth year from the issue date, at the price of issue value plus all accumulated and unpaid dividends. Subject to the availability of unrestricted retained earnings of the Parent Company, the preferred stockholders shall be paid a cash dividend of 6.00% per annum or such rate as may be fixed by its BOD.

Treasury Stock
On March 13, 2020, the Parent Company's BOD approved the redemption of its preferred stock amounting to ₱3,000.0 million on June 2, 2020, with a redemption price of ₱3,000.0 million, to be paid upon submission and surrender of the original stock certificates by the preferred shareholders. The redemption resulted to a recognition of treasury stock amounting to ₱3,000.0 million.

Section 8 of the SEC Rules Governing Redeemable and Treasury Shares states that redeemable shares may be issued by a corporation when expressly provided by the articles of incorporation. These shares may be redeemed from the holders upon expiration of a fixed period, and upon such other terms and conditions provided by the articles of incorporation and by the certificate of stock, subject to the rules of the SEC, regardless of the existence of unrestricted retained earnings. Accordingly, no appropriation of retained earnings was made upon redemption of the preferred shares.

Dividend Declaration
The Parent Company's BOD authorized the declaration of the following cash dividends as follows:

2025

Type	**Declaration Date**	**Record Date**	**Payment Date**	**Dividend Per Share**	**Amount**
Common	**March 11, 2025**	**March 25, 2025**	**April 23, 2025**	**₱0.20**	**₱1,000,000,001**
Common	**May 05, 2025**	**May 19, 2025**	**June 13, 2025**	**0.20**	**1,000,000,001**
Common	**August 12, 2025**	**August 27, 2025**	**September 22, 2025**	**0.20**	**1,000,000,001**
Common	**November 11, 2025**	**November 25, 2025**	**December 22, 2025**	**0.20**	**1,000,000,001**
					₱4,000,000,004

2024

Type	Declaration Date	Record Date	Payment Date	Dividend Per Share	Amount
Common	March 12, 2024	March 26, 2024	April 24, 2024	₱0.20	₱1,000,000,001
Common	July 18, 2024	August 01, 2024	August 08, 2024	0.20	1,000,000,001
Common	August 15, 2024	September 03, 2024	September 23, 2024	0.20	1,000,000,001
Common	November 12, 2024	November 26, 2024	December 09, 2024	0.20	1,000,000,001
Common	December 03, 2024	December 17, 2024	December 26, 2024	0.54	2,700,000,004
					₱6,700,000,008

2023

Type	Declaration Date	Record Date	Payment Date	Dividend Per Share	Amount
Common	July 19, 2023	August 2, 2023	August 9, 2023	₱0.56	₱2,800,000,003
Common	November 14, 2023	December 11, 2023	December 18, 2023	0.56	2,800,000,003
					₱5,600,000,006

Appropriation of Retained Earnings

ECC
Details of appropriated retained earnings as at December 31, 2025 are as follows:

Year of Appropriation	Amount	Project Completion
2023	₱8,500,000,000	To be completed in 2028
2023	5,000,000,000	To be completed in 2028
2023	2,500,000,000	To be completed in 2028
2023	500,000,000	To be completed in 2026
2023	100,000,000	To be completed in 2025
	₱16,600,000,000	

On November 14, 2023, the Group's BOD approved the release of the previously appropriated unrestricted retained earnings amounting to ₱16,000.0 million. On the same date, the Group's BOD approved the extension of previous appropriation of unrestricted retained earnings in the same amount to fund the construction of its fourth manufacturing line and production facility in Cebu, and other future expansion projects which are expected to be completed in 2028.

On March 11, 2026, the Group's BOD approved the release of the previously appropriated unrestricted retained earnings amounting to ₱100.0 million.

Other Equity Reserves
Details of the Group's other equity reserves are as follows:

	Note	**2025**	2024
Cumulative remeasurement gains on net retirement benefit asset (liability) (net of deferred tax)	23	**₱120,957,811**	₱92,758,424
Cumulative unrealized losses on financial assets at FVOCI	9	**–**	(2,266,950)
		₱120,957,811	₱90,491,474

16. Related Party Transactions

The Group has transactions with its related parties in the ordinary course of business. The outstanding balances and amount of transactions with related parties are as follows:

		2025		2024	
Nature of Relationship	Nature of Transactions	**Amount of Transactions**	**Outstanding Balance**	Amount of Transactions	Outstanding Balance
Cash and Cash Equivalents					
Entities under common key management	Cash deposits and cash equivalents	**₱202,098,315**	**₱3,627,772,325**	₱478,069,283	₱5,693,407,720
Financial Assets at FVPL					
Entity under common key management	Investment in quoted debt securities	**₱–**	**₱–**	₱–	₱49,221,000
Trade Receivables (see Note 6)					
Entities under common control	Sale of inventories	**₱787,543,102**	**₱282,718,856**	₱1,133,710,246	₱258,360,547
Entity under common key management	Sale of inventories	**134,083,119**	**8,462,849**	2,664,511	471,724
Intermediate Parent Company	Sale of inventories	**1,635,600**	**1,042,800**	1,999,316	302,400
			₱292,224,505		₱259,134,671
Receivable from a related party (see Note 6)					
Entity under common key management	Assignment of receivable	**₱–**	**₱1,200,000,000**	₱–	₱1,300,000,000
Due from Related Parties					
Entities under common key management	Working capital advances	**₱1,639,800**	**₱322,163,535**	₱–	₱334,132,935
Entities under common control	Working capital advances	**1,950,780**	**111,949**	–	–
Immediate Parent Company	Working capital advances	**–**	**71,285**	–	–
			₱322,346,769		₱334,132,935
Dividends Receivable (see Note 6)					
Intermediate Parent Company	Dividends earned	**₱5,106,038**	**₱–**	₱6,808,051	₱1,702,013
Advances to Suppliers					
Entity under common control	Purchase of services	**₱48,517,879**	**₱12,907,403**	₱600,000	₱600,000
Financial Assets at FVOCI (see Note 9)					
Intermediate Parent Company	Investments in quoted equity instruments	**₱–**	**₱–**	₱–	₱97,745,550
Refundable Deposits					
Entity under common control	Supply of services	**₱702,477**	**₱55,487,056**	₱17,990	₱55,548,062
Entities under common key management	Supply of services	**–**	**500,000**	–	500,000
			₱55,987,056		₱56,048,062
Trade and Other Payables (see Note 13)					
Entity under common control	Hauling, rental and other services	**₱4,592,744,218**	**₱834,455,601**	₱4,450,997,777	₱772,464,936
Entities under common key management	Purchase of raw materials and outside services	**1,199,256,353**	**349,583,303**	933,955,455	356,584,806
Immediate Parent Company	Management and technical fees	**888,563,415**	**60,141,743**	895,589,393	55,115,304
	Purchase of services	**–**	**–**	493,962	485,141
			₱1,244,180,647		₱1,184,650,187
Dividends Payable					
Immediate Parent Company	Dividends declared	**₱3,998,322,937**	**₱–**	₱6,697,190,919	**₱–**

Terms and Conditions of Transactions and Balances with Related Parties

Trade and other receivables, dividend receivable, trade payables, due to and from related parties and dividend payable are unsecured, noninterest-bearing except for cash and cash equivalents which earn interest at prevailing bank deposit rates and generally settled within the respective related parties' normal settlement period. No allowance for ECL was provided for trade and other receivables and due from related parties.

Advances to suppliers and deposit on asset purchase for payments of purchases of inventories and services, are settled upon delivery which are expected within one year from date of the advance payment.

Refundable deposits are noninterest-bearing and refundable upon termination of services.

Assignment of Receivables

On June 16, 2023, ECC assigns to FEHI the deposit for future subscription of ECC to the common shares of KSHI amounting to ₱1,300.0 million. Receivable from a related party is unsecured, noninterest-bearing, and shall be collectible on demand but within two (2) years.

In March 2026, the parties executed an amendment to the deed of assignment to revise the payment terms. Under the amendment, the consideration shall be paid by the assignee to the assignor on or before December 31, 2026, in accordance with a schedule mutually agreed by the Parties.

Financial Assets at FVPL and FVOCI

Financial assets at FVPL pertain to unquoted redeemable perpetual securities of a related party which earns dividend income with a distribution rate of 5.0% per annum to be distributed quarterly, and quoted debt securities of a related party which earns interest income at rates ranging from 4.63% to 5.91%. In May 2023, the Group redeemed the unquoted perpetual redeemable securities.

Financial assets at FVOCI pertain to quoted equity securities of a related party which earns dividend income.

Technical and Service Agreement

On July 31, 2023, the Group entered into an agreement with the Immediate Parent Company for the latter to provide technical assistance, training and research and development, with technical fees as consideration. On the same date, the Group also entered into a service agreement with the Immediate Parent Company for support services, human resource, and financial accounting and budgeting, payable in fixed quarterly management fees.

All related party transactions are in compliance with the related party transactions policy of the Group including the required approval process. This includes review of the related party committee and approval of the BOD for transactions exceeding certain thresholds and approval criteria.

Compensation of Key Management Personnel

The compensation of key management personnel consists of the following:

	2025	2024
Salaries and other employee benefits	**₱39,798,317**	₱54,171,739
Net retirement benefit liability	**13,758,843**	3,484,166
	₱53,557,160	₱57,655,905

17. Revenues

	2025	2024	2023
Sale of goods	**₱21,438,668,130**	₱23,874,540,902	₱25,442,956,660
Sale of services	**816,523,938**	–	–
	₱22,255,192,068	₱23,874,540,902	₱25,442,956,660

Sale of goods pertain to sale of cement products and pulverized limestone within Luzon area. These sales are recognized upon delivery to customers or at a point at which the Group has no more obligation that could affect the acceptance of goods by the customers.

Beginning 2025, the Group entered into separate contracts with customers for delivery services related to the sale of cement products. These delivery services are billed separately from the sale of cement products and are accounted for as a distinct performance obligation.

Revenue from delivery services is recognized over time as the related services are rendered, since customers simultaneously receive and consume the benefits provided by the Group's performance. The transaction price allocated to delivery services corresponds to the consideration specified in the respective contracts with customers.

18. Cost of Goods Sold and Services

This account consists of:

	2025	2024	2023
Cost of goods sold	**₱15,934,783,051**	₱16,720,234,897	₱16,658,178,476
Cost of services	**1,223,407,423**	–	–
	₱17,158,190,474	₱16,720,234,897	₱16,658,178,476

The components and nature of cost of goods sold and cost of services are as follows:

	Note	2025	2024	2023
Cost of inventories	7	**₱8,488,774,329**	₱9,161,282,309	₱9,227,689,056
Utilities		**3,437,446,674**	3,175,088,468	3,649,444,963
Delivery and hauling costs		**1,223,407,423**	–	–
Depreciation and amortization	10	**1,285,628,764**	1,356,948,796	1,318,313,004
Technical fees		**704,074,478**	710,347,672	325,620,481
Repairs and maintenance		**694,755,957**	827,772,733	934,939,056
Personnel costs	21	**428,220,824**	376,652,503	361,981,777
Outside services		**324,989,962**	293,073,872	300,487,866
Taxes and licenses		**259,942,186**	266,304,419	265,207,003
Fuel and oil		**186,616,643**	337,974,785	108,294,062
Insurance		**41,946,816**	47,217,993	56,017,700
Rental	22	**33,502,714**	66,517,055	54,219,098
Others		**48,883,704**	101,054,292	55,964,410
		₱17,158,190,474	₱16,720,234,897	₱16,658,178,476

Beginning 2025, costs incurred in fulfilling delivery services are recognized as cost of services when the related delivery services are rendered and are not included as part of inventory costs.

Others pertain to social development programs, trainings and seminars and other miscellaneous expenses.

19. **Operating Expenses**

This account consists of:

	Note	**2025**	2024	2023
Personnel costs	21	**₱276,405,679**	₱263,948,101	₱271,634,668
Depreciation and amortization	10	**171,447,407**	159,214,263	157,452,836
Advertising		**132,652,802**	183,011,546	265,719,557
Professional fees		**131,889,209**	139,062,104	88,773,181
Outside services		**113,530,545**	102,875,886	92,923,879
Dues and subscriptions		**57,166,985**	44,512,756	44,089,737
Freight, trucking, and handling		**38,644,495**	1,586,700,342	1,782,561,767
Transportation and travel		**19,362,799**	21,840,556	21,807,587
Rental	22	**18,196,855**	34,426,974	13,079,866
Repairs and maintenance		**16,442,745**	17,541,498	18,697,019
Taxes and licenses		**16,245,388**	15,371,752	17,067,353
Corporate social responsibility		**12,131,107**	24,221,369	29,573,258
Supplies		**10,466,366**	13,812,972	14,965,241
Communication		**10,327,828**	11,336,076	11,434,281
Representation		**7,201,953**	7,852,388	7,042,865
Utilities		**3,281,581**	3,752,257	6,639,309
Others		**83,362,968**	75,328,246	98,943,422
		₱1,118,756,712	₱2,704,809,086	₱2,942,405,826

Others pertain to insurance, safety and environment-related expenses and other miscellaneous expenses.

20. **Other Income (Loss)** - Net

This account consists of:

	Note	**2025**	2024	2023
Foreign exchange gain (loss) - net		**(₱18,762,109)**	₱71,877,074	(₱33,132,957)
Trading gains on financial assets at FVPL	5	**9,774,495**	1,339,007	37,453,486
Dividend income	5	**5,106,038**	6,808,051	86,797,575
Gain on sale of property, plant and equipment	10	**1,301,211**	1,624,721	2,660,424
Loss on sale of assets held for sale		**–**	–	(995,485,243)
Others		**10,429,097**	12,894,634	4,639,624
		₱7,848,732	₱94,543,487	(₱897,067,091)

In November 2022, the BOD of the Group approved the sale of the 100% ownership over KSHI to FEHI. As of December 31, 2022, the carrying amount of assets held for sale amounting to ₱2,614.0 million is lower than its fair value less cost to sell.

In June 2023, the sale transaction was executed for a consideration of ₱1,618.5 million resulting in a loss on sale of asset held for sale of ₱995.5 million.

21. Personnel Costs

This account consists of:

	Note	**2025**	2024	2023
Salaries and wages		**₱399,844,627**	₱404,786,836	₱396,076,012
Other short-term employee benefits		**184,735,854**	211,329,982	224,283,703
Retirement benefit costs	23	**115,847,628**	22,375,066	18,942,859
		₱700,428,109	₱638,491,884	₱639,302,574

	Note	**2025**	2024	2023
Included in profit or loss:				
Cost of goods sold and services	18	**₱428,220,824**	₱376,652,503	₱361,981,777
Operating expenses	19	**276,405,679**	263,948,101	271,634,668
		704,626,503	640,600,604	633,616,445
Recognized as component of inventories		**(4,198,394)**	(2,108,720)	5,686,129
		₱700,428,109	₱638,491,884	₱639,302,574

22. Leases

Group as a Lessee

The Group has various lease contracts for its office space, warehouses and land with lease terms ranging from two (2) to ten (10) years. The terms of some lease contracts include extension options, variable lease payments, and escalation rates ranging from 3% to 10%. In 2024, the Group entered into lease contracts for the rental of warehouse and parcels of land.

The carrying amount of the ROU assets (included as component of property, plant and equipment) are as follows (see Note 10):

	2025	2024
Balance at beginning of year	**₱75,250,948**	₱27,841,263
Amortization	**(16,043,306)**	(20,063,257)
Disposals	**(3,724,342)**	–
Additions	**–**	67,472,942
Balance at end of year	**₱55,483,300**	₱75,250,948

The carrying amount of lease liabilities and movements during the year are as follows:

	Note	**2025**	2024
Balance at beginning of year		**₱80,164,969**	₱33,510,767
Payments		**(19,565,266)**	(23,230,512)
Accretion of interest	14	**4,398,271**	2,411,772
Termination		**(3,938,019)**	–
Additions		**–**	67,472,942
Balance at end of year		**₱61,059,955**	₱80,164,969
Current		**₱14,294,472**	₱18,792,205
Non-current	14	**46,765,483**	61,372,764
		₱61,059,955	₱80,164,969

In 2025, the Group terminated a lease agreement and derecognized the related ROU asset and lease liability amounting to ₱3.7 million and ₱3.9 million, respectively. As a result, the Group recognized a gain on lease termination amounting to ₱0.2 million which is presented as part of "Others" under "Other Income (Loss) - Net" account in the consolidated statements of comprehensive income.

The Group also has short-term lease agreements of less than one (1) year which did not qualify under PFRS 16.

The Group recognized the following lease-related expenses:

	Note	**2025**	2024	2023
Variable lease payments		**₱50,380,676**	₱94,703,121	₱65,929,662
Amortization of ROU assets	10	**16,043,306**	20,063,257	14,307,268
Expense related to short-term leases		**2,859,788**	5,014,667	8,282,234
Interest expense on lease liabilities	14	**4,398,271**	2,411,772	2,723,794
		₱73,682,041	₱122,192,817	₱91,242,958

Consequently, the Group's lease-related expenses are distributed as follows:

	Note	**2025**	2024	2023
Included in profit or loss:				
Cost of goods sold and services	18	**₱33,502,714**	₱66,517,055	₱54,219,098
Operating expenses - rental	19	**18,196,855**	34,426,974	13,079,866
Operating expenses - depreciation	10	**16,043,306**	20,063,257	14,307,268
Finance costs	14	**4,398,271**	2,411,772	2,723,794
		72,141,146	123,419,058	84,330,026
Recognized as component of inventories		**1,540,895**	(1,226,241)	6,912,932
		₱73,682,041	₱122,192,817	₱91,242,958

The total cash outflows for leases in 2025, 2024 and 2023 amounted to ₱72.8 million, ₱122.9 million and ₱91.5 million, respectively.

Future minimum lease payments under the non-cancellable leases are as follows:

	2025	2024
Within one year	**₱17,584,894**	₱23,312,055
After one year but not more than five years	**39,820,065**	52,976,551
More than five years	**16,499,644**	21,904,439
	₱73,904,603	₱98,193,045

Group as a Lessor

On October 31, 2023, the Group entered into a lease agreement with an entity under common control covering parcels of land. The lease term is for five (5) years commencing on the start of operations of the lessee's manufacturing plant.

Deferred rent recognized in the consolidated statements of financial position amounted to ₱7.8 million as at December 31, 2023.

In 2024, the parties mutually agreed to terminate the agreement, resulting in a gain of ₱7.8 million is presented as "Others" under "Other income" account in the consolidated statements of comprehensive income.

23. Net Retirement Benefit Liability (Asset)

The Group has a funded, noncontributory defined benefit retirement plan covering substantially all of its qualified regular employees. The retirement benefit is based on a certain percentage of the final monthly basic salary for every year of credited service of the employees. The benefit obligation under the defined benefit retirement plan is determined using the projected unit credit method. The benefits to be received by the employees under the Company's defined benefit retirement plan meet the minimum mandated benefit under R.A. No. 7641, *The Retirement Pay Law.* Net retirement benefit liability as at December 31, 2025 is based on the actuarial valuation report dated December 23, 2025.

The plan is exposed to interest rate risks and changes in the life expectancy of qualified employees.

The plan is not exposed to significant concentrations of risk on the plan assets.

In 2025, the Group amended its defined benefit retirement plan, resulting in enhanced benefits through a revised salary and tenure eligibility formula. The plan amendment resulted in a past service cost of ₱87.5 million which has been recognized in profit or loss in the current period.

The components of retirement benefit costs included under "Personnel costs" account (see Note 21) in the consolidated statements of comprehensive income are as follows:

	2025	2024	2023
Past service cost - plan amendment	**₱87,480,418**	₱211,459	₱–
Current service cost	**28,367,210**	23,680,215	18,842,603
Net interest cost (income)	**–**	(1,664,489)	100,256
Interest on the effect of the asset ceiling	**–**	147,881	–
	₱115,847,628	₱22,375,066	₱18,942,859

Beginning 2025, interest cost on net retirement benefit liability (asset) is presented as part of "Finance costs" account in the consolidated statements of comprehensive income (see Note 14). Management assessed that the impact of reclassification is not material to the consolidated financial statements. Accordingly, the change in presentation of interest cost on net retirement benefit liability (asset) was applied prospectively.

Retirement benefit costs were distributed as follows:

	2025	2024	2023
Cost of goods sold and services	**₱68,647,589**	₱13,201,073	₱18,259,830
Operating expenses	**47,200,039**	9,173,993	683,029
	₱115,847,628	₱22,375,066	₱18,942,859

Net retirement benefit asset and liability presented in the consolidated statements of financial position as at December 31, 2025 and 2024 are as follows:

	2025	2024
Net retirement benefit asset	**₱101,070**	₱54,884,828
Net retirement benefit liability	**(25,131,796)**	(627,777)
	(₱25,030,726)	₱54,257,051

Movements in net retirement benefit liability (asset) recognized in the consolidated statements of financial position are as follows:

	2025	2024
Balance at beginning of year	**(₱54,257,051)**	(₱29,751,334)
Retirement benefit costs	**115,847,628**	22,375,066
Remeasurement losses (gains) on:		
Defined benefit obligation	**(31,448,619)**	(43,434,503)
Changes in the effect of asset ceiling	**(7,590,585)**	4,592,309
Plan assets	**1,867,728**	(7,195,074)
Interest cost on net retirement benefit liability (asset)	**1,097,146**	–
Contributions	**(485,521)**	(843,515)
Balance at end of year	**₱25,030,726**	(₱54,257,051)

The funded status of the retirement plan as at December 31 is as follows:

	2025	2024
Present value of defined benefits obligation (PVBO)	**₱221,620,196**	₱143,580,945
Fair value of plan assets (FVPA)	**(196,595,463)**	(204,998,499)
	25,024,733	(61,417,554)
Effect of asset ceiling	**5,993**	7,160,503
Retirement liability (Net retirement asset)	**₱25,030,726**	(₱54,257,051)

As of December 31, 2025, the Group expects to make any contributions to its retirement plan for 2026 amounting to ₱27.6 million.

The following tables present the changes in the PVBO and FVPA:

PVBO

	2025	2024
Balance at beginning of year	**₱143,580,945**	₱162,872,447
Past service cost - plan amendment	**87,480,418**	211,459
Current service cost	**28,367,210**	23,680,215
Benefit paid	**(18,943,202)**	(9,301,810)
Interest cost	**12,583,444**	9,980,843
Remeasurement losses (gains) recognized in OCI:		
Change in demographic assumptions	**(24,717,877)**	–
Change in financial assumptions	**(7,619,224)**	(19,430,479)
Experience adjustments	**888,482**	(24,431,730)
Balance at end of year	**₱221,620,196**	₱143,580,945

FVPA

	2025	2024
Balance at beginning of year	**₱204,998,499**	₱195,044,094
Benefits paid	**(18,943,202)**	(9,301,810)
Interest income	**11,922,373**	11,645,332
Remeasurement gain (loss)	**(1,867,728)**	6,767,368
Contributions paid	**485,521**	843,515
Balance at end of year	**₱196,595,463**	₱204,998,499
Actual return on plan assets	**₱10,054,645**	₱18,412,700

Plan assets consist of the following:

	2025	2024
Investments in:		
Debt instruments	**0.00%**	91.91%
Unit investment trust fund	**0.00%**	6.81%
Cash and cash equivalents	**51.69%**	1.28%
Others	**48.31%**	0.00%
	100.00%	100.00%

Other plan assets consist mainly of accrued investment income and receivables from fund managers, net of related payable.

The principal assumptions used in determining net retirement benefit liability are as follows:

	2025	2024
Discount rate	**6.20%**	6.09%
Future salary increase rate	**5.00%**	5.00%

Sensitivity analyses for principal assumptions as at December 31, 2025 and 2024 are as follows:

	Change in Assumption	Effect on Defined Benefit Obligation	
		2025	2024
Discount rate	+1.00%	**(₱18,570,415)**	(₱16,168,074)
	-1.00%	**21,705,474**	19,759,167
Salary increase rate	+1.00%	**₱21,807,281**	₱19,777,740
	-1.00%	**(18,976,318)**	(16,461,692)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the end of the reporting period.

The cumulative remeasurement gains on net retirement benefit liability (asset) recognized in the consolidated statements of comprehensive income are as follows:

	2025		
	Cumulative Remeasurement Gains	**Deferred Tax Expense** (see Note 25)	**Net**
Balances at beginning of year	**₱123,677,899**	**(₱30,919,475)**	**₱92,758,424**
Remeasurement gains	**37,599,183**	**(9,399,796)**	**28,199,387**
Balances at end of year	**₱161,277,082**	**(₱40,319,271)**	**₱120,957,811**

	2024		
	Cumulative Remeasurement Gains	Deferred Tax Expense (see Note 25)	Net
Balances at beginning of year	₱77,640,631	(₱19,410,158)	₱58,230,473
Remeasurement gains	46,037,268	(11,509,317)	34,527,951
Balances at end of year	₱123,677,899	(₱30,919,475)	₱92,758,424

	2023		
	Cumulative Remeasurement Gains	Deferred Tax Expense	Net
Balances at beginning of year	₱103,371,700	(₱25,842,925)	₱77,528,775
Remeasurement loss	(25,731,069)	6,432,767	(19,298,302)
Balances at end of year	₱77,640,631	(₱19,410,158)	₱58,230,473

Risks Associated with the Retirement Plan

The plan exposes the Group to actuarial risks such as investment and interest rate risk and longevity and salary risk.

Investment and Interest Rate Risks. The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities, and if the return on plan asset falls below this rate, it will create a deficit in the plan. Due to the long-term nature of the plan obligation, diversifying its investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

Longevity and Salary risks. The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

As at December 31, 2025, the maturity analysis of the undiscounted net retirement benefit liability (asset) expected to be paid for the next ten years is as follows:

Year	**2025**	2024
More than one year to five years	**₱129,547,567**	₱65,425,269
More than five years to ten years	**142,388,462**	63,101,804
	271,936,029	₱128,527,073

As at December 31, 2025 and 2024, the average duration of the net retirement benefit liability (asset) at the end of the reporting period is 6.5 years and 12.5 years, respectively.

24. Registration with the Board of Investments (BOI)

Parent Company

On September 14, 2022, the BOI approved the application of the Parent Company as an expanding producer of cement in under Tier 1, "All Qualified Manufacturing Activities including Agro-Processing" of the 2022 Strategic Investment Priority Plan (SIPP). The Parent Company's registration with the BOI entitled to provide for the following fiscal and nonfiscal incentives:

- ITH for income directly attributable to Finishing Mill 5 for two (2) years from December 2022 or actual start of commercial operations, whichever is earlier;
- After ITH, enhanced deductions for five (5) years;
- Duty exemption on importation of capital equipment, raw materials, spare parts, or accessories for 11 years from date of registration, unless otherwise extended in the Strategic Investment Priority Plan;
- Employment of foreign nationals; and,
- Simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies.

In 2024, the Parent Company availed benefits from ITH amounting to ₱397.8 million. In December 2024, the ITH incentive of the Parent Company expired.

SNMC

On March 23, 2018, the BOI approved the application of SNMC as a new producer of good, fine and coarse limestone on a non-pioneer status. SNMC's registration with the BOI entitles it to the following fiscal and nonfiscal incentives available to its registered project, among others:

- Four-year ITH incentive, starting April 1, 2019, for activities directly attributable in producing good, fine and coarse limestone;
- Importation of capital equipment, spare parts and accessories at zero duty;
- Additional deduction from taxable income of 50% of the wages corresponding to the increment in number of direct labor for skilled and unskilled workers in the year of availment as against the previous year if the project meets the requirements as stated in the BOI certificate;
- Importation of consigned equipment for a period of 10 years from date of registration, subject to posting of re-export bond;
- Exemption from wharfage dues, and any export tax, duty, impost and fee for a period of 10 years from date of registration; and
- Additional deduction from taxable income of expenses incurred in the development of necessary and major infrastructure facilities.

On October 5, 2020, the BOI granted the deferment of the Company's ITH availment for taxable year 2020 due to the adverse effects of the COVID-19 pandemic. The Company is entitled to its remaining ITH entitlement equivalent to three (3) years and three (3) months or from January 1, 2021 to March 31, 2024. In 2024, ITH incentives availed by the Company amounted to ₱16.3 million.

SWCC

On August 23, 2017, SWCC was registered with the BOI as a new producer of cement on a non-pioneer status but with pioneer incentives (the project being located in a less-developed area) under the heading "All Qualified Manufacturing Activities including Agro-Processing" of the 2017 Investment Priorities Plan under Executive Order No. 226. SWCC's registration with BOI entitles it to the following fiscal and non-fiscal incentives available to its registered project, among others:

- Income tax holiday (ITH) for six (6) years from May 2020 or actual start of commercial operations, whichever is earlier but in no case earlier than the date of registration;
- Importation of capital equipment, spare parts and accessories at zero duty under EO No. 22 and its implementing rules and regulations. Only equipment directly needed and exclusively used in its operation shall be entitled to capital equipment incentives;
- Additional deduction from taxable income of 50% of the wages corresponding to the increment in number of direct labor for skilled and unskilled workers in the year of availment as against the previous year, if the project meets the prescribed ratio of capital equipment to the number of workers set by the Board. This may be availed of for the first five years from date of registration but not simultaneously with ITH;
- Importation of consigned equipment for a period of 10 years from the date of registration, subject to posting of re-export bond;

- Tax credit equivalent to the national internal revenue taxes and duties paid on raw materials and suppliers and semi-manufactured products used in producing its export product and forming part thereof for a period of 10 years from start of commercial operations;
- Exemption from wharfage dues, and any export tax, duty, impost and fee for a period of 10 years from date of registration;
- Employment of foreign nationals may be allowed in supervisory, technical or advisory positions for five years from date of registration. The president, general manager and treasurer of foreign-owned registered enterprises or their equivalent shall not subject to the foregoing limitations;
- Simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies; and
- Additional deduction from taxable income equivalent to 100% of expenses incurred in the development of necessary and major infrastructure and facilities.

On August 26, 2020, the BOI approved the request of SWCC for the movement of start of commercial operation and ITH reckoning date of its registered activity from May 2020 to December 2023, due to the ongoing processing of permits in the Cebu site.

On September 6, 2022, the BOI approved the request of the Company for the movement of start of commercial operation from December 2023 to January 2027 and partially granted the request for the movement of ITH reckoning date of December 2023 to December 2025 noting that its operation has been affected by the COVID-19 pandemic for 2 years. Accordingly, no tax benefits from ITH incentives have been availed of in 2025 and 2024.

AFLCI

On December 1, 2017, the BOI approved the application of the Company as a New Producer of Hi Carbon Fly-ash (Ecotherm) and Low Carbon Fly-ash (ProAsh) on a Non-Pioneer Status. The Company's registration with the BOI entitled to provide for the following fiscal and nonfiscal incentives:

- Income Tax Holiday (ITH) for income directly attributable to the revenue generated from the registered project Ecotherm and ProAsh for four (4) years from May 2018 or actual start of commercial operations, whichever is earlier;
- Importation of capital equipment, spare parts and accessories at zero duty;
- Additional deduction from taxable income of 50% of the wages corresponding to the increment in number of direct labor for skilled and unskilled workers in the year of availment as against the previous year if the project meets the requirements as stated in the BOI certificate;
- Importation of consigned equipment for a period of 10 years from date of registration, subject to posting of re-export bond;
- Tax credit equivalent to the national internal revenue taxes and duties paid on raw materials and supplies and semi-manufactured products used in producing export product and forming part thereof for a period of 10 years from start of commercial operation;
- Exemption from wharfage dues, and any export tax, duty, impost and fee for a period of 10 years from date of registration;

- Employment of foreign nationals which may be allowed in supervisory, technical or advisory positions for (5) five years from the date of registration; and
- Simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies.

On May 1, 2018, the Company started its commercial operations.

On September 17, 2020, the BOI granted the deferment of the Company's ITH availment for taxable year 2020 up to April 2023 due to the adverse effects of the COVID-19 pandemic.

25. Income Taxes

The components of the income tax expense (benefit) are as follows:

	2025	2024
Reported in Profit or Loss		
Current	**₱785,139,836**	₱838,714,978
Deferred	**11,186,041**	(31,027,654)
	₱796,325,877	₱807,687,324
Reported in OCI		
Deferred tax expense on remeasurement gains on net retirement benefit liability (asset)	**₱9,399,796**	₱11,509,317

The components of the Group's net deferred tax liabilities are as follows:

	2025	2024
Deferred tax assets:		
Cumulative balance of proceeds from testing of property, plant and equipment	**₱40,560,916**	₱50,454,901
Provision for mine rehabilitation and decommissioning	**23,688,765**	22,809,980
Accrued expenses	**18,337,203**	72,560,503
Lease liabilities	**8,815,936**	9,348,412
Unrealized foreign exchange loss	**6,640,951**	871,523
Retirement liability	**6,282,949**	156,944
Excess of cost over fair value of financial assets at FVPL	**6,232,459**	3,983,814
Carrying amount of discount not capitalized	**1,989,600**	2,022,552
	₱112,548,779	₱162,208,629
Deferred tax liabilities:		
Excess of acquisition-date fair values over carrying amounts	**194,643,364**	194,643,364
Carrying amount of ROU assets	**13,870,825**	14,174,835
Carrying amount of capitalized mine rehabilitation and decommissioning costs	**9,035,541**	10,159,887
Unrealized foreign exchange gains	**236,356**	14,186,074
Net retirement benefit asset	**25,268**	13,721,207
	217,811,354	246,885,367
Net deferred tax liabilities	**₱105,262,575**	₱84,676,738

The components of the Group's unrecognized deferred tax assets are as follows:

	2025	2024
NOLCO	**₱10,764,923**	₱12,993,782
Lease liabilities	**6,449,053**	10,692,830
	₱17,213,976	₱23,686,612

Management believes that the Group will not have sufficient taxable income against which the benefits of the deferred tax assets can be utilized.

The reconciliation between the provision for income tax expense based on statutory income tax rate and effective income tax rate is as follows:

	2025	2024	2023
Income tax at statutory tax rate	**₱1,098,018,243**	₱1,304,754,675	₱1,347,703,285
Increase (decrease) in income tax resulting from:			
Difference arising from the use of optional standard deduction	**(203,334,154)**	69,870,793	23,438,240
Interest income subjected to final tax	**(104,597,511)**	(164,521,481)	(150,704,909)
Nondeductible expenses	**9,823,243**	6,093,245	31,410,062
Dividend income exempt from income tax	**(1,276,510)**	(1,702,013)	(21,699,394)
Taxable income subject to ITH	**–**	(411,453,263)	(163,669,489)
Others	**(2,307,434)**	4,645,368	2,321,192
Income tax at effective tax rate	**₱796,325,877**	₱807,687,324	₱1,068,798,987

26. Financial Risk Management Objectives and Policies

The Group's financial instruments consist mainly of cash in banks and cash equivalents, financial assets at FVPL, trade and other receivables (excluding advances to officers and employees), financial assets at FVOCI, deposit in escrow, restricted cash, refundable deposits, trade and other payables (excluding advances from customers and statutory payables), and lease liabilities.

The main financial risks arising from the Group's use of financial instruments include market risks, credit risk and liquidity risk. The Group's BOD regularly reviews and approves the appropriate policies for managing these financial risks.

Market Risks

The Group is exposed to market risks, primarily those related to foreign currency risk, equity price risk and interest rate risk. Management actively monitors these exposures, as follows:

Foreign Currency Risk. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's foreign exchange risk results primarily from movements of the Philippine Peso against the US Dollar and Euro with respect to foreign currency-denominated monetary financial assets and liability.

The following table shows the Group's US dollar-denominated financial assets and liabilities and their Philippine Peso equivalent:

	2025		2024	
	US Dollar	**Philippine Peso**	US Dollar	Philippine Peso
Financial assets:				
Cash in banks	**$1,741,838**	**₱102,402,669**	$570,167	₱32,981,286
Deposit in escrow	**1,003,938**	**59,021,536**	968,699	56,034,399
	2,745,776	**161,424,205**	1,538,866	89,015,685
Financial liabilities:				
Trade and other payables	**900,201**	**52,922,802**	459,766	26,595,162
Installment payable	**205,324**	**12,070,998**	267,691	15,484,612
	1,105,525	**64,993,800**	727,457	42,079,774
Net US Dollar-denominated financial assets	**$1,640,251**	**₱96,430,405**	$811,409	₱46,935,911

The following table shows the Group's Euro-denominated monetary financial asset and liability and their Philippine Peso equivalent:

	2025		2024	
	Euro	**Philippine Peso**	Euro	Philippine Peso
Financial asset -				
Cash in banks	**€202,621**	**₱14,031,504**	€6,649	₱402,088
Financial liability -				
Trade and other payables	**361,756**	**25,051,597**	754,641	45,633,130
Net Euro-denominated financial liability	**(€159,135)**	**(₱11,020,093)**	(€747,992)	(₱45,231,042)

For purposes of translating the outstanding balances of the Group's financial assets and liability denominated in a foreign currency, the exchange rates applied ₱58.79 per US $1 and ₱69.25 per €1 as at December 31, 2025 and ₱57.85 per US $1 and ₱60.47 per €1 as at December 31, 2024.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate, with all other variables held constant, of the Group's income before tax. There is no other impact on the Group's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate	Effect on Income before Tax
December 31, 2025	**+1.03**	**₱1,689,459**
	-1.03	**(1,689,459)**
December 31, 2024	+2.07	₱1,679,615
	-2.07	(1,679,615)
December 31, 2023	+2.55	(₱2,554)
	-2.55	2,554

The following table demonstrates the sensitivity to a reasonably possible change in the Euro exchange rate, with all other variables held constant, of the Group's income before tax. There is no other impact on the Group's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate	Effect on Income before Tax
December 31, 2025	**+2.93**	**(₱466,265)**
	-2.93	**466,265**
December 31, 2024	+1.58	(₱1,181,752)
	-1.58	1,181,752
December 31, 2023	+1.92	(₱955,216)
	-1.92	955,216

Equity Price Risk. Equity price risk is the risk that the Group will incur economic losses due to adverse changes in a particular stock or stock index. The Group's equity price risk arises from its quoted financial assets at FVOCI.

The Group's policy is to maintain the risk to an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

Exposure of the Group to changes in share price is insignificant.

Credit Risk

The Group's exposure to credit risk arises when a counterparty fails to fulfill its financial commitments to the Group under the prevailing contractual terms. Financial instruments that potentially subject the Group to credit risk consist primarily of trade receivables and other financial assets at amortized cost.

The carrying amounts of financial assets at amortized costs represent its maximum credit exposure.

Trade Receivables

Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms, and conditions are offered. The Group's credit policy includes available external ratings, financial statements, credit agency information, industry information and, in some cases, bank references. Credit limits are established for each customer and reviewed on a regular basis. Any sales on credit exceeding those limits require specific approval from upper level of management.

The Group limits its exposure to credit risk by transacting mainly with recognized and creditworthy customers that have undergone its credit evaluation and approval process. The Group provides credit limits to all its accredited customers to manage credit risk concentrations. Further, as a policy, the Group revenue transactions are significantly entered into on a cash basis to manage its credit risk exposure. The Group's cash sales account for an average of 81% of the total revenues for the past three (3) years. Historically, trade receivables are substantially collected within one (1) year and the Group has no experience of writing-off or impairing its trade receivables due to the effectiveness of its collection. In monitoring customer credit risk, the Group classifies its receivables as major term customers, related parties, and other regular term customers.

At December 31, 2025 and 2024, the exposure to credit risk for trade receivables by type of counterparty are as follows:

	2025		
	Neither Past due nor Impaired	**Past Due but not Impaired**	**Total**
Major term customers	**₱147,451,262**	**₱76,606,029**	**₱224,057,291**
Related parties	**78,038,457**	**214,186,048**	**292,224,505**
Others	**16,268,324**	**89,900,260**	**106,168,584**
	₱241,758,043	**₱380,692,337**	**₱622,450,380**

	2024		
	Neither Past due nor Impaired	Past Due but not Impaired	Total
Major term customers	₱160,582,695	₱223,659,346	₱384,242,041
Related parties	68,152,642	190,982,029	259,134,671
Others	17,900,036	30,446,605	48,346,641
	₱246,635,373	₱445,087,980	₱691,723,353

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments analyzed by customer type, credit terms, and offsetting arrangements. The Group adjusts historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment (i.e., gross national income from real estate and construction industry). At each reporting date, the observed historical default rates are updated and changes in the forward-looking estimates are analyzed.

Aging analysis of trade receivables that are past due but not impaired is as follows:

Days Past Due	**2025**	2024
1 to 30 Days	**₱205,145,567**	₱208,638,678
31 to 90 Days	**114,346,586**	130,134,430
91 to 365 Days	**50,366,912**	94,435,333
366 days or more	**10,833,272**	11,879,539
Total	**₱380,692,337**	₱445,087,980

Trade receivables that are past due were not considered to be in default, as management determined that the delays were primarily attributable to administrative processing issues rather than the borrower's financial difficulty. Accordingly, management assessed that the ECL on trade receivables are minimal, and no allowance for ECL on trade receivables was recognized as at December 31, 2025 and 2024.

Other Financial Assets at Amortized Cost
The Group's other financial assets at amortized cost are mostly composed of cash and placements in various banks such deposit in escrow, restricted cash.

The Group limits its exposure to credit risk by investing its cash only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments.

For refundable deposits and other receivables (including interest receivable, dividends receivable and other receivables), credit risk is low since the Group transacts only with reputable counterparties and with good credit standing.

It is the Group's policy to measure ECL on the above 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.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Group also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent significant credit risk such as when non-payment arises from administrative oversight rather than resulting from financial difficulty of the borrower.

Financial Assets at FVPL
The Group is also exposed to credit risk in relation to debt securities that are measured at FVPL. Debt securities measured at FVPL are entered into with counterparties that have high credit ratings. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

The table below presents the summary of the Group's exposure to credit risk and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

	2025				
	Financial Assets at Amortized Cost				
	12-month ECL	Lifetime ECL - Not Credit Impaired	Lifetime ECL - Credit Impaired	Financial Assets at FVPL	Total
Cash in banks and cash equivalents	**₱8,259,777,616**	**₱–**	**₱–**	**₱–**	**₱8,259,777,616**
Other receivables*	**1,232,164,877**	**–**	**–**	**–**	**1,232,164,877**
Due from related parties	**322,346,769**	**–**	**–**	**–**	**322,346,769**
Debt securities at FVPL	**–**	**–**	**–**	**397,754,794**	**397,754,794**
Restricted cash	**127,699,609**	**–**	**–**	**–**	**127,699,609**
Deposit in escrow	**59,021,536**	**–**	**–**	**–**	**59,021,536**
Refundable deposits	**56,209,509**	**–**	**–**	**–**	**56,209,509**
	₱10,057,219,916	**₱–**	**₱–**	**₱397,754,794**	**₱10,454,974,710**

**Includes receivable from a related party, interest receivable and other receivables.*

	2024				
	Financial Assets at Amortized Cost				
	12-month ECL	Lifetime ECL - Not Credit Impaired	Lifetime ECL - Credit Impaired	Financial Assets at FVPL	Total
Cash in banks and cash equivalents	₱8,535,330,189	₱–	₱–	₱–	₱8,535,330,189
Other receivables*	1,402,689,941	–	–	–	1,402,689,941
Due from related parties	334,132,935	–	–	–	334,132,935
Debt securities at FVPL	–	–	–	437,981,214	437,981,214
Restricted cash	108,746,619	–	–	–	108,746,619
Refundable deposits	83,073,487	–	–	–	83,073,487
Deposit in escrow	56,034,399	–	–	–	56,034,399
	₱10,520,007,570	₱–	₱–	₱437,981,214	₱10,957,988,784

**Includes receivable from a related party, interest receivable, dividends receivable and other receivables.*

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising adequate funds to meet its financial commitments at a reasonable cost. The Group's objectives in effectively managing its liquidity are: (a) to ensure that adequate funding is available at all times; (b) to meet the commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost.

The tables below present the maturity profile of the financial liabilities of the Group based on remaining contractual undiscounted obligations or on the estimated timing of net cash flows as at December 31:

	2025				
	On Demand	>1 to 3 Months	>3 to 12 Months	>1 to 5 Years	Total
Trade and other payables*	**₱2,479,058,340**	**₱544,917,789**	**₱370,448,761**	**₱34,524,141**	**₱3,428,949,031**
Installment payable	**–**	**–**	**2,135,744**	**11,092,006**	**13,227,750**
Lease liabilities	**1,489,745**	**3,907,319**	**12,187,830**	**56,319,709**	**73,904,603**
	₱2,480,548,085	**₱548,825,108**	**₱384,772,335**	**₱101,935,856**	**₱3,516,081,384**

**Excluding nonfinancial and statutory liabilities amounting to ₱794.1 million as at December 31, 2025.*

	2024				
	On Demand	>1 to 3 Months	>3 to 12 Months	>1 to 5 Years	Total
Trade and other payables*	₱3,089,294,020	₱398,615,496	₱23,267,366	₱–	₱3,511,176,882
Lease liabilities	1,811,968	3,370,659	18,129,428	74,880,990	98,193,045
Installment payable	–	–	3,445,075	13,908,425	17,353,500
	₱3,091,105,988	₱401,986,155	₱44,841,869	₱88,789,415	₱3,626,723,427

**Excluding nonfinancial and statutory liabilities amounting to ₱558.8 million as at December 31, 2024.*

Capital Management

The primary objective of the Group's capital management is to secure ongoing financial needs of the Group to continue as a going concern as well as to maintain a strong credit standing and healthy capital ratio in order to support the business and maximize stockholder value.

The Group considers equity contributions from stockholders and retained earnings as its capital totaling ₱36,498.8 million and ₱36,903.1 million as at December 31, 2025 and 2024, respectively. The Group manages the capital structure and makes adjustments when there are changes in economic conditions, business activities, expansion programs, and the risk characteristics of the underlying assets. In order to manage the capital structure, the Group may adjust its borrowings, adjust dividend payment to shareholders, or raise equity. The Group is not subject to any externally imposed capital requirements.

27. Fair Value Measurement

The following table presents the carrying amounts and fair values of the Group's assets measured at fair value and assets and liability for which fair value is disclosed and the corresponding fair value hierarchy:

		2025			
			Fair Value		
	Note	**Carrying Amount**	**Quoted Prices in Active Markets (Level 1)**	**Significant Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Financial Asset					
Quoted financial asset at FVPL	5	**₱397,754,794**	**₱397,754,794**	**₱–**	**₱–**

		2024			
			Fair Value		
	Note	Carrying Amount	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial Assets					
Quoted financial asset at FVPL	5	₱437,981,214	₱437,981,214	₱–	₱–
Financial assets at FVOCI	9	97,745,550	97,745,550	–	–
		₱535,726,764	₱535,726,764	₱–	₱–

Quoted Financial Assets at FVPL and Financial Assets at FVOCI. The Group's quoted financial assets at FVPL and financial assets at FVOCI as at December 31, 2025 and 2024 are carried at fair values based on quoted market prices from active markets classified under the Level 1 category.

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements in 2025 and 2024.

The table below presents the financial assets and liability whose carrying amounts approximate their fair values as at December 31:

	2025	2024
Financial assets at amortized cost:		
Cash in banks and cash equivalents	**₱8,259,777,616**	₱8,535,330,189
Trade and other receivables*	**1,854,615,257**	2,094,413,294
Due from related parties	**322,346,769**	334,132,935
Restricted cash	**127,699,609**	108,746,619
Refundable deposits	**56,209,509**	83,073,487
Deposit in escrow	**59,021,536**	56,034,399
	₱10,679,670,296	₱11,211,730,923
Financial liability at amortized cost -		
Trade and other payables**	**₱3,428,949,031**	₱3,511,176,882

**Excluding nonfinancial assets amounting to ₱6.2 million and ₱9.4 million as at December 31, 2025 and 2024, respectively.*

***Excluding nonfinancial liabilities amounting to ₱794.1 million and ₱558.8 million as at December 31, 2025 and 2024, respectively.*

Current Financial Assets and Liability. The carrying amounts of cash in banks and cash equivalents, due from related parties, trade and other receivables, and trade and other payables approximate their fair values due to the short-term nature of these financial instruments.

Other Noncurrent Assets and Lease Liabilities. The carrying amount of refundable deposits, deposit in escrow, restricted cash and lease liabilities approximate their fair values. Management believes that the effect of discounting the future receipts from these financial instruments using the prevailing market rates is not significant.

28. Commitments and Contingencies

MPSA

The Group has the following key commitments under its MPSA:

- Payment to the Philippine Government of 4% excise tax of the market value of the minerals or mineral products extracted from the area and annual occupation fee based on the rate provided in the existing rules and regulations.

  Excise taxes paid to the Philippine Government amounted to ₱57.6 million, ₱47.7 million, and ₱61.2 million in 2025, 2024 and 2023, respectively.

- Pursuant to Administrative Order No. 2010-21: "Revised Implementing Rules and Regulations of RA No. 7942, otherwise known as the Philippine Mining Act of 1995," the allotment for community development activities was revised to 1.5% of the operating costs.

  Allotment for community development activities amounted to ₱18.5 million, ₱13.6 million, and ₱6.6 million in 2025, 2024 and 2023, respectively.

Operating Lease Commitments

The Group has various operating lease agreements primarily for its office space, warehouse and heavy equipment with period of one (1) year. Future minimum lease commitments within one year under amounted to ₱18.2 million as at December 31, 2025.

Legal Claims

The Group is either a defendant or plaintiff in several civil cases primarily involving claims for damages. The outcomes of the legal proceedings for various cases are not presently determinable. Accordingly, no provision for any liability has been made in the consolidated financial statements.

In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's consolidated financial position and results of operations.

29. EPS

Basic and diluted EPS are calculated as follows:

	2025	2024	2023
Net income attributable to common stockholders of the Parent Company	**₱3,595,747,093**	₱4,411,331,375	₱4,322,014,151
Weighted average number of common shares outstanding	**5,000,000,006**	5,000,000,006	5,000,000,005
Per share amounts: Basic and diluted EPS	**₱0.72**	₱0.88	₱0.86

Diluted earnings per share are equal to the basic earnings per share since the Group does not have potential dilutive shares.

REYES TACANDONG & CO.
FIRM PRINCIPLES. WISE SOLUTIONS.

BOA/PRC Accreditation No. 4782
April 14, 2024, valid until June 6, 2026
SEC Accreditation No. 4782-SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

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REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY CONSOLIDATED FINANCIAL STATEMENTS FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION

The Stockholders and the Board of Directors
Eagle Cement Corporation and Subsidiaries
2/F SMITS Corporate Center
155 EDSA Barangay Wack-Wack
Mandaluyong City

We have audited the accompanying consolidated financial statements of Eagle Cement Corporation (the Parent Company) and Subsidiaries as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023, on which we have rendered our report dated March 11, 2026.

In compliance with the Revised Securities Regulation Code Rule 68, we are stating that the Parent Company has 36 stockholders owning 100 or more shares each.

REYES TACANDONG & CO.

MANUEL P. BUENSUCESO, JR.
Partner
CPA Certificate No. 143561
Tax Identification No. 311-867-595-000
BOA Accreditation No. 4782/P-025; valid until June 6, 2026
SEC Accreditation No. 143561-SEC Group A
Issued August 17, 2023
Valid for Financial Periods 2023 to 2027
BIR Accreditation No. 08-005144-020-2024
Valid until November 26, 2027
PTR No. 10764011
Issued January 2, 2026, Makati City

March 11, 2026
Makati City, Metro Manila

THE POWER OF BEING UNDERSTOOD
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RSM

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REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Eagle Cement Corporation and Subsidiaries
2/F SMITS Corporate Center
155 EDSA Barangay Wack-Wack
Mandaluyong City

We have audited in accordance with the Philippine Standards on Auditing, the basic consolidated financial statements of Eagle Cement Corporation and Subsidiaries (the Group) as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 and have issued our report dated March 11, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole.

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

- Schedules required by Part II of Revised SRC Rule 68 as at December 31, 2025
- Conglomerate Map
- Reconciliation of Retained Earnings Available for Dividend Declaration as at December 31, 2025
- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2025 and 2024

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

The Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. The financial soundness indicators are not measures of operating performance defined by the Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024.

REYES TACANDONG & CO.

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EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SEC SUPPLEMENTARY SCHEDULE AS REQUIRED BY PAR. 6 PART II OF THE REVISED SECURITIES REGULATION CODE RULE 68

DECEMBER 31, 2025

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Schedule	*Description*	*Page*
A	Financial Assets	N/A
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	N/A
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	3
D	Long-term Debt	N/A
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EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE A
FINANCIAL ASSETS
DECEMBER 31, 2025

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Value based on market quotation at the end of the reporting period	Income received and accrued
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*The greater of aggregate costs or the market value of the financial assets does not exceed 5% of Total Current Assets as presented in the Consolidated Statement of Financial Position as at December 31, 2025.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE B
AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES
AND PRINCIPAL STOCKHOLDERS
DECEMBER 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Noncurrent	Balance at End of Period
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*Total aggregate receivables from directors, officers, employees, related parties and principal stockholders does not exceed 1% of Total Assets or ₱1.0 million as shown in the Consolidated Statements of Financial Position as at December 31, 2025.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE C
AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written Off	Current	Noncurrent	Balance at End of Period
Solid North Mineral Corp.	₱154,805	₱3,460,442	₱3,598,686	₱–	₱16,561	₱–₱	16,561
Armstrong Fly-Ash and Logistics Company, Inc.	383,526	2,563,174	1,761,061	–	1,185,639	–	1,185,639
South Western Cement Corp.	120,654	–	120,654	–	–	–	–
	₱658,985	₱6,023,616	₱5,480,401	₱–	₱1,202,200	₱–	₱1,202,200

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE D
LONG-TERM DEBT
DECEMBER 31, 2025

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown Under Caption "Current Portion of Loans Payable" in Related Statements of Financial Position	Amount Shown Under Caption "Loans Payable - Net of Current Portion" in Related Statements of Financial Position	Interest Rate	Maturity Date
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE E
INDEBTEDNESS TO RELATED PARTIES
DECEMBER 31, 2025

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
Not Applicable	Not Applicable	Not Applicable

*Total indebtedness to related parties does not exceed 5% of Total Assets as shown in the Consolidated Statements of Financial Position as at December 31, 2025.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE F
GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2025

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SCHEDULE G
CAPITAL STOCK
DECEMBER 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as Shown Under Related Statements of Financial Position Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by Related Parties	Directors, Officers and Employees	Others
Common stock	5,500,000,000	5,000,000,006	–	4,997,903,671	13	2,096,322

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

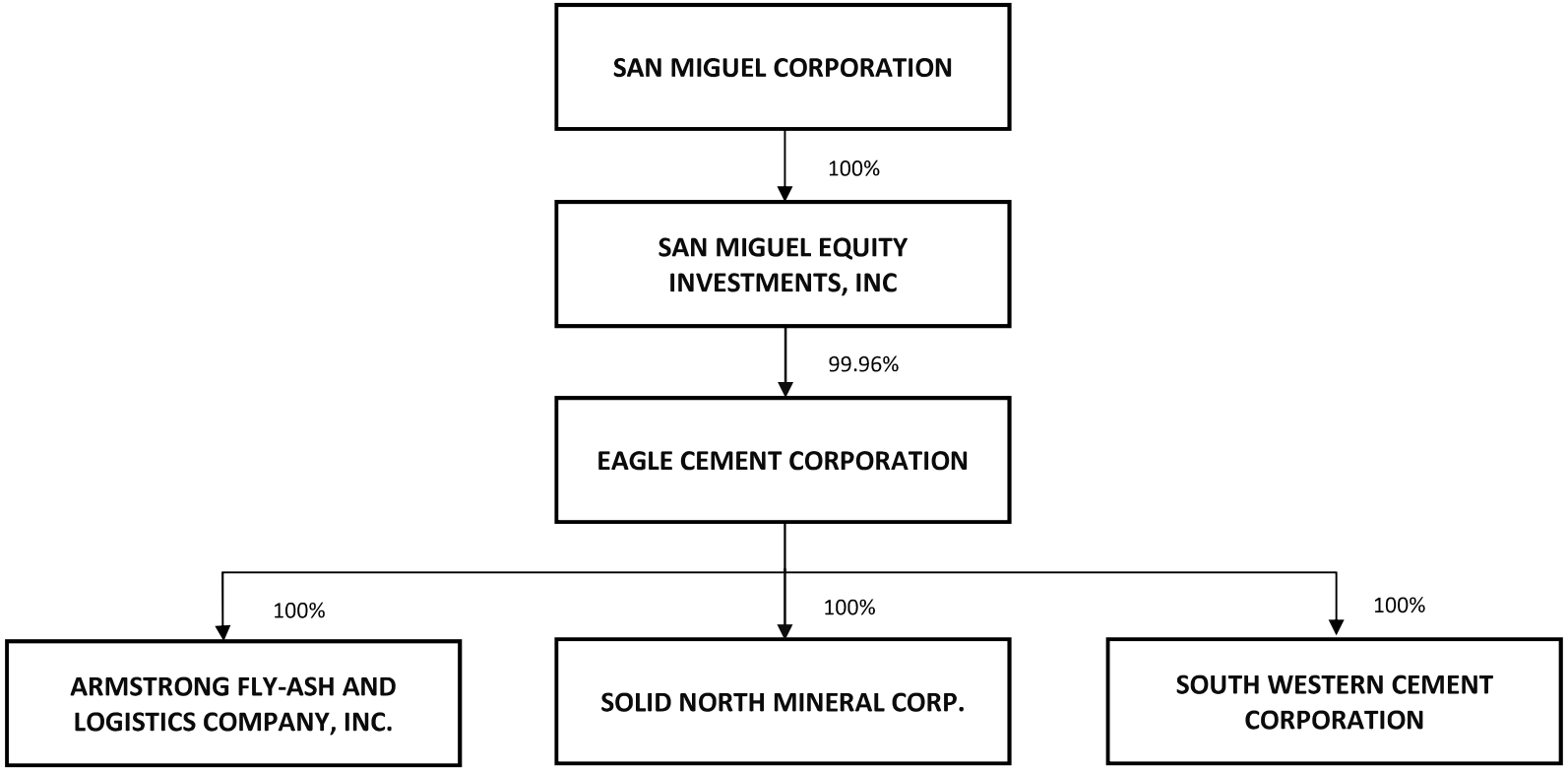
SCHEDULE H

SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION PURSUANT TO SEC MEMORANDUM CIRCULAR 18-2024

DECEMBER 31, 2025 AND 2024

	2025	2024
Total Audit Fees	**₱3,100,000**	₱3,100,000
Non-audit services fees:		
Other assurance services	**–**	–
Tax services	**–**	–
All other services	**–**	–
Total Non-audit Fees	**–**	–
TOTAL AUDIT AND NON-AUDIT FEES	**₱3,100,000**	₱3,100,000

EAGLE CEMENT CORPORATION
SUPPLEMENTARY SCHEDULE OF THE MAP OF THE CONGLOMERATE
DECEMBER 31, 2025



PARENT COMPANY'S RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

FOR THE REPORTING PERIOD ENDED DECEMBER 31, 2025

EAGLE CEMENT CORPORATION

2/F SMITS Corporate Center
155 EDSA Barangay Wack-Wack
Mandaluyong City

		Amount
Unappropriated retained earnings, beginning of reporting period		₱7,762,049,002
Less: Category B: Items that are directly debited to unappropriated retained earnings		
Dividend declaration during the reporting period		(4,000,000,004)
Unappropriated retained earnings, as adjusted		**3,762,048,998**
Add/less: Net income for the current year		**3,103,731,300**
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVPL)		(7,135,927)
Add: Category C.2: Unrealized income recognized in profit or loss in prior periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	4,615,938	
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVPL	11,889,521	
Sub-total		16,505,459
Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of net deferred tax asset not considered in the reconciling items under the previous categories		(42,866,562)
Adjusted net income		**3,155,967,394**
Total retained earnings, end of the reporting period available for dividend		**₱6,918,016,392**

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS UNDER THE REVISED SECURITIES REGULATION CODE RULE 68

DECEMBER 31, 2025 AND 2024

	2025	2024
Current/Liquidity Ratio	**3.43**	3.43
Current assets	**₱14,531,123,191**	₱14,032,903,161
Current liabilities	**4,237,358,268**	4,088,805,099
Solvency Ratio	**1.12**	1.37
Net income before depreciation and amortization	**₱5,049,136,393**	₱5,929,154,262
Total liabilities	**4,517,504,545**	4,338,599,229
Debt-to-Equity Ratio	**0.12**	0.12
Total liabilities	**₱4,517,504,545**	₱4,338,599,229
Total equity	**36,619,785,799**	36,993,572,373
Asset-to-Equity Ratio	**1.12**	1.12
Total assets	**₱41,137,290,344**	₱41,332,171,602
Total equity	**36,619,785,799**	36,993,572,373
Interest Rate Coverage Ratio	**354.89**	745.28
Net income before interest expense and taxes	**₱4,404,483,659**	₱5,226,030,869
Interest expense	**12,410,689**	7,012,170
Return on Asset Ratio	**0.09**	0.10
Net income	**₱3,595,747,093**	₱4,411,331,375
Average total assets	**41,234,730,973**	42,789,900,774
Return on Equity Ratio	**0.10**	0.12
Net income	**₱3,595,747,093**	₱4,411,331,375
Average total equity	**36,806,679,086**	38,120,109,313

ANNEX F

SECURITIES AND EXCHANGE COMMISSION
THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

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Company Information

SEC Registration No.: AS95005885
Company Name: EAGLE CEMENT CORPORATION
Industry Classification: D26950
Company Type: Stock Corporation

Document Information

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Period Covered: March 31, 2026
Submission Type: Original Filing
Remarks: None

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **31 March 2026**

2. Commission identification number **ASO95-005885** 3. BIR Tax Identification No. **004-731-637-000**

4. Exact name of issuer as specified in its charter
   EAGLE CEMENT CORPORATION

5. Province, country or other jurisdiction of incorporation or organization
   Mandaluyong, Philippines

6. Industry Classification Code: [ ] (SEC Use Only)

7. Address of issuer's principal office Postal Code
   2F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City 1554

8. Issuer's telephone number, including area code
   (632) 5301-3453

9. Former name, former address and former fiscal year, if changed since last report
   N.A.

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common (Outstanding)	**5,000,000,006**

* The total issued and outstanding shares as at March 31, 2026 are:

Common	5,000,000,006

11. Are any or all of the securities listed on a Stock Exchange?

    Yes [ ] No [**X**]

    If yes, state the name of such Stock Exchange and the classes of securities listed therein:

    N.A.

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

Yes [X] No [ ]

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

Yes [X] No [ ]

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

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

Yes [ ] No [X] This item is not applicable to the Company.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer:
EAGLE CEMENT CORPORATION

By:

JOHN PAUL L. ANG
President/Chief Executive Officer
Date: 12 May 2026

PART I--FINANCIAL INFORMATION

Financial Statements

1. Unaudited Interim Consolidated Statement of Financial Position as at March 31, 2026 and Audited Consolidated Statement of Financial Position as at December 31, 2025

2. Unaudited Interim Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2026 and 2025

3. Unaudited Interim Consolidated Statements of Changes in Equity for the Three Months Ended March 31, 2026 and 2025

4. Unaudited Interim Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2026 and 2025

5. Notes to Unaudited Interim Consolidated Financial Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 1. Financial Statements

The audited consolidated statement of financial position as at December 31, 2025, and the unaudited interim consolidated financial statements as at March 31, 2026 and for the three months ended March 31, 2026 and 2025 and selected notes to the unaudited interim consolidated financial statements of Eagle Cement Corporation (ECC or the Parent Company) and its subsidiaries (collectively referred to as the "Group") are filed as part of this Form 17-Q.

ECC is primarily engaged in the business of manufacturing, marketing, sale and distribution of cement products. The Parent Company is one of the largest players in the Philippine cement industry, with the fastest growing market share among all competitors in the industry since it started its commercial operations in 2010. The Parent Company was incorporated and registered with the Securities and Exchange Commission (SEC) on June 21, 1995.

The Group currently employs 597 individuals for its existing lines and business operations in Luzon. Neither ECC nor any of its subsidiaries has experienced a work stoppage as a result of labor disagreements. None of the employees of the Parent Company belong to a union since its incorporation in 1995.

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2026

(With Comparative Audited Figures as at December 31, 2025)

	Note	March 31, 2026	December 31, 2025
ASSETS			
Current Assets			
Cash and cash equivalents	5	**₱10,274,560,510**	₱8,260,618,616
Financial assets at fair value through profit or loss (FVPL)	6	**396,379,166**	397,754,794
Trade and other receivables	7	**2,210,894,614**	2,183,187,227
Inventories	8	**2,757,733,602**	2,872,843,350
Other current assets	9	**781,660,542**	816,719,204
Total Current Assets		**₱16,421,228,434**	₱14,531,123,191
Noncurrent Assets			
Property, plant and equipment	10	**23,441,105,374**	23,600,177,345
Intangible assets	11	**2,557,678,527**	2,578,647,497
Net retirement benefit asset		**461,562**	101,070
Other noncurrent assets	12	**475,412,129**	427,241,241
Total Noncurrent Assets		**26,474,657,592**	26,606,167,153
Total Assets		**₱42,895,886,026**	₱41,137,290,344
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	13	**₱6,096,241,811**	₱4,223,063,796
Current portion of lease liabilities		**12,151,015**	14,294,472
Total Current Liabilities		**6,108,392,826**	4,237,358,268
Noncurrent Liabilities			
Net deferred tax liabilities	17	**105,262,575**	105,262,575
Other noncurrent liabilities	14	**146,819,075**	149,751,906
Net retirement benefit liability		**4,813,836**	25,131,796
Total Noncurrent Liabilities		**256,895,486**	280,146,277
Total Liabilities		**₱6,365,288,312**	₱4,517,504,545
Equity	15		
Capital stock		**₱8,000,000,006**	₱8,000,000,006
Additional paid-in capital		**6,525,506,098**	6,525,506,098
Retained earnings:			
Appropriated		**16,500,000,000**	16,600,000,000
Unappropriated		**8,384,133,799**	8,373,321,884
Other equity reserves		**120,957,811**	120,957,811
Treasury stock		**(3,000,000,000)**	(3,000,000,000)
Total Equity		**36,530,597,714**	36,619,785,799
		₱42,895,886,026	₱41,137,290,344

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

	Note	2026	2025
REVENUES		**₱6,177,987,693**	₱6,002,741,882
COST OF GOODS SOLD AND SERVICES		**4,901,744,319**	4,465,899,493
GROSS PROFIT		**1,276,243,374**	1,536,842,389
OPERATING EXPENSES		**256,538,045**	569,647,641
INCOME FROM OPERATIONS		**1,019,705,329**	967,194,748
FINANCE COSTS		**(2,501,494)**	(2,844,939)
INTEREST INCOME	5	**91,116,639**	107,045,339
OTHER INCOME (EXPENSE) - Net		**(1,333,883)**	10,671,245
INCOME BEFORE INCOME TAX		**1,106,986,591**	1,082,066,393
INCOME TAX EXPENSE	17	**196,174,675**	232,827,135
NET INCOME		**910,811,916**	849,239,258
OTHER COMPREHENSIVE INCOME			
Unrealized gains on financial assets at FVOCI		**–**	933,450
		–	933,450
TOTAL COMPREHENSIVE INCOME		**₱910,811,916**	₱850,172,708
Basic/Diluted Earnings Per Share	18	**₱0.18**	₱0.17

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

							Other Equity Reserves			
		Capital Stock - ₱1 par value		Additional	Retained Earnings		Cumulative Remeasurement Gains on Net Retirement Benefits Liability (Net of	Cumulative Unrealized Gains (Losses) on Financial		
	Note	Common Stock	Preferred Stock	Paid-in Capital	Appropriated	Unappropriated	Deferred Tax)	Assets at FVOCI	Treasury Stock	Total Equity
Balances as at December 31, 2025		**₱5,000,000,006**	**₱3,000,000,000**	**₱6,525,506,098**	**₱16,600,000,000**	**₱8,373,321,884**	**₱120,957,811**	**₱–**	**(₱3,000,000,000)**	**₱36,619,785,799**
Net income		**–**	**–**	**–**	**–**	**910,811,916**	**–**	**–**	**–**	**910,811,916**
Reversal of Appropriated RE		**–**	**–**	**–**	**(100,000,000)**	**100,000,000**	**–**	**–**	**–**	**–**
Cash dividends declared	15	**–**	**–**	**–**	**–**	**(1,000,000,001)**	**–**	**–**	**–**	**(1,000,000,001)**
Balances as at March 31, 2026		**₱5,000,000,006**	**₱3,000,000,000**	**₱6,525,506,098**	**₱16,500,000,000**	**₱8,384,133,799**	**₱120,957,811**	**₱–**	**(₱3,000,000,000)**	**₱36,530,597,714**
Balances as at December 31, 2024		₱5,000,000,006	₱3,000,000,000	₱6,525,506,098	₱16,600,000,000	₱8,777,574,795	₱92,758,424	(₱2,266,950)	(₱3,000,000,000)	₱36,993,572,373
Net income		–	–	–	–	849,239,258	–	–	–	849,239,258
Other comprehensive income		–	–	–	–	–	–	933,450	–	933,450
Cash dividends declared	15	–	–	–	–	(1,000,000,001)	–	–	–	(1,000,000,001)
Balances as at March 31, 2025		₱5,000,000,006	₱3,000,000,000	₱6,525,506,098	₱16,600,000,000	₱8,626,814,052	₱92,758,424	(₱1,333,500)	(₱3,000,000,000)	₱36,843,745,080

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱1,106,986,591**	₱1,082,066,393
Adjustments for:		
Depreciation and amortization	**384,022,549**	390,279,644
Finance costs	**2,501,494**	2,844,939
Interest income	**(91,116,639)**	(107,045,339)
Dividend income	**–**	(1,702,013)
Trading losses (gains) on financial assets at FVPL	**1,375,628**	(4,019,919)
Unrealized foreign exchange loss (gain)	**2,683,315**	(59,848)
Retirement benefit costs	**6,923,121**	4,049,554
Gain on lease termination	**(1,799,806)**	–
Gain on sale of property, plant and equipment	**(271,656)**	(373,814)
Operating income before working capital changes	**1,411,304,597**	1,366,039,597
Decrease (increase) in:		
Trade and other receivables	**(31,907,543)**	265,727,980
Inventories	**154,446,683**	243,639,790
Other current assets	**(53,928,330)**	(289,284,663)
Other noncurrent assets	**(54,976,594)**	(77,318,521)
Increase (decrease) in trade and other payables	**726,927,507**	(6,592,180)
Net cash generated from operations	**2,151,866,320**	1,502,212,003
Interest received	**95,316,795**	127,237,164
Contribution to plan assets	**(27,601,573)**	(485,521)
Net cash provided by operating activities	**2,219,581,542**	1,628,963,646
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property, plant and equipment	**(193,084,723)**	(351,753,308)
Intangible asset	**(2,753,051)**	(11,064,554)
Dividends received	**–**	1,702,013
Proceeds from sale of:		
Property, plant and equipment	**280,572**	6,576,041
Net cash provided by (used in) investing activities	**(195,557,202)**	(354,539,808)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Lease liability	**(4,688,531)**	(9,370,272)
Interest	**(744,889)**	(8,572)
Installment payable	**–**	(4,499,554)
Net cash used in financing activities	**(5,433,420)**	(13,878,398)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**2,018,590,920**	1,260,545,440
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**(4,649,026)**	(2,788,983)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**8,260,618,616**	8,536,295,423
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱10,274,560,510**	₱9,794,051,880

EAGLE CEMENT CORPORATION AND SUBSIDIARIES

AGING OF TRADE AND OTHER RECEIVABLES

AS AT MARCH 31, 2026

	Total	Current	1- 30 Days	31- 90 Days	91-365 Days	365 Days or More
Trade	**₱657,829,529**	₱332,940,608	₱194,828,999	₱99,523,626	₱18,757,320	₱11,778,976
Nontrade	**1,548,287,693**	1,224,288,352	48,846	52,269	4,595,391	319,302,835
Others	**4,777,392**	3,817,263	180,650	163,584	279,418	336,477
Total	**₱2,210,894,614**	₱1,561,046,223	₱195,058,495	₱99,739,479	₱23,632,129	₱331,418,288

1. General Information

Corporate Information

Eagle Cement Corporation (ECC or the Parent Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 21, 1995. It is primarily engaged in the business of manufacturing, marketing, sale and distribution of cement products.

The Parent Company was listed on the Philippine Stock Exchange (PSE) in May 2017. In December 2022, San Miguel Equity Investments, Inc. (SMEII) became the owner of 99.9581% of the common shares in the Parent Company by way of share purchase and tender offer of shares.

Following SMEII's acquisition of 99.9581% equity interest in the Parent Company, the latter filed a petition for voluntary delisting of its common shares listed on the main board of the PSE. In January 2023, the PSE approved the delisting of the Parent Company effective end of business on February 28, 2023.

SMEII is a wholly-owned subsidiary of San Miguel Corporation (SMC or the Intermediate Parent Company). SMC is a public company under Section 17.2 of the Securities Regulation Code (SRC), and its shares are listed in the PSE. The Ultimate Parent Company is Top Frontier Investment Holdings, Inc. (TFIHI), a holding company incorporated and domiciled in the Philippines and its shares are also listed in the PSE.

The registered office address of the Parent Company is 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City, Metro Manila. It operates a cement manufacturing plant in Barangay Akle, San Ildefonso, Bulacan.

Subsidiaries

The following are the subsidiaries of the Parent Company, which are all incorporated in the Philippines and registered with the SEC:

		Percentage (%) of Ownership		
Name of Subsidiary	Principal Activity	**2026**	2025	2024
South Western Cement Corporation (SWCC)	Manufacturing, marketing, sale and distribution of cement products	**100**	100	100
Solid North Mineral Corp. (SNMC)	Mining activities and processing of limestones	**100**	100	100
Armstrong Fly-ash and Logistics Company, Inc. (AFLCI)	Processing of fly ash	**100**	100	100

The Parent Company and its subsidiaries are collectively referred to herein as "the Group".

SWCC has not started commercial operations as at May 12, 2026.

Status of Mining Operations

The Group has the following Mineral Production Sharing Agreements (MPSA) granted by the Philippine Government through the Mines and Geosciences Bureau (MGB) either through direct grant or through deed of assignment.

Grantee/ Assignee	MPSA No.	Location	Date of Issuance/Renewal	Commodity	Status of Operations
Luzon sites:					
ECC*	245-2007-III	Dona Remedios Trinidad and San Ildefonso, Bulacan	July 25, 2007	Limestone	Commercial Operations
ECC**	181-2002-III	Akle, San Ildefonso, Bulacan	June 20, 2022	Limestone	Commercial Operations
SNMC***	161-00-III	Akle, San Ildefonso, Bulacan	September 12, 2000	Limestone, shale and pozzolan	Commercial Operations
Cebu sites:					
ECC	100-97-VII	Ginatilan, Cebu	December 29, 1997	Limestone	Exploration
ECC	101-97-VII	Ginatilan and Malabuyoc, Cebu	December 29, 1997	Limestone	Exploration
SWCC	059-96-VII	Lo-oc, Malabuyoc, Cebu	August 6, 2020	Limestone	Development
SWCC	060-96-VII	Lo-oc, Malabuyoc, Cebu	August 6, 2020	Limestone	Development

** Started commercial operations for the production of limestone in 2024.*
***Started commercial operations for the production of limestone in 2010.*
****Started commercial operations for the production of shale and pozzolan, and pulverized limestone in January 2016 and April 2019, respectively.*

The foregoing MPSAs have a term of 25 years from the issuance date and may be renewed thereafter for another term not exceeding 25 years.

On August 6, 2020, the MGB approved the extension of the terms of the MPSAs 059-96-VII and 060-96-VII from Cebu sites for a period of nine (9) years until November 18, 2030.

In 2024, the Parent Company secured a 25-year extension for its MPSA 181-2002-III. Furthermore, in May 2024 the Parent Company began commercial operations under MPSA 245-2007-III after receiving approval for its mining plan.

In August 2022, the Group applied for an extension of the term of MPSAs 100-97-VII and 101-97-VII in Cebu sites. As at May 12, 2026, the Group has not yet received the approval for the extension.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The unaudited interim consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting* and do not include all the information required in the annual consolidated financial statements, and should be read in conjunction with the Group's audited consolidated financial statements as at December 31, 2025.

The unaudited interim consolidated financial statements were approved and authorized for issuance by the Board of Directors (BOD) of the Parent Company on May 12, 2026, upon endorsement by the Audit Committee on the same date.

The principal accounting policies adopted in the preparation of the unaudited interim consolidated financial statements of the Group are consistent with those followed in the most recent annual audited consolidated financial statements, except for the changes in accounting policies as explained below.

Measurement Bases

The unaudited interim consolidated financial statements are presented in Philippine Peso, the Group's functional currency. All values are rounded to the nearest Peso, unless otherwise indicated.

The unaudited interim consolidated financial statements of the Group have been prepared on the historical cost basis, except for the following:

	Measurement Bases
Financial assets at fair value through profit or loss (FVPL)	Fair Value
Net retirement benefit asset and liability	Present value of the defined benefit retirement obligation less the fair value of the plan assets
Provision for mine rehabilitation and decommissioning	Present value of expected rehabilitation and decommissioning cost
Lease liabilities	Present value of discounted minimum lease payments

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and fair value of the consideration received in exchange for incurring a liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Basis of Consolidation

The unaudited interim consolidated financial statements comprise of the financial statements of the Parent Company and its wholly-owned subsidiaries.

A subsidiary is an entity in which the Parent Company has control. The Parent Company controls a subsidiary if it is exposed, or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. In assessing control, the Parent Company takes into consideration potential voting rights that are currently exercisable. Subsidiaries are consolidated from the date on which control is transferred to the Parent Company, and continue to be consolidated until the date such control ceases.

All intra-group balances, transactions, income and expenses and unrealized gains and losses are eliminated. The financial statements of the subsidiaries are prepared for the same reporting year using uniform accounting policies as that of the Parent Company.

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

If there is a loss of control, the Group derecognizes the assets (including goodwill) and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognized in the unaudited interim consolidated statements of comprehensive income. Any investment retained is recognized at fair value.

Adoption of Amendments to PFRS Accounting Standards

The Group has adopted the following amendments to PFRS effective January 1, 2026 and accordingly, changed its accounting policies in the following areas:

- Disclosures about Uncertainties in the Financial Statements (Amendments to Illustrative Examples on PFRS 7, Financial Instruments: Disclosures, PFRS 18, Presentation and Disclosure in Financial Statements, PAS 1, Presentation of Financial Statements, PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, PAS 36, Impairment of Assets and PAS 37, Provisions, Contingent Liabilities and Contingent Assets). The amendments provide illustrative examples demonstrating how entities can apply PFRS Accounting Standards when reporting the effects of uncertainties in their financial statements. The examples use climate-

related scenarios as practical illustrations, but the underlying principles apply more broadly to all uncertainties.

- The illustrative examples are not an integral part of the PFRS Accounting Standards and do not have an effective date or transition requirements. Entities are expected to consider these examples in applying the disclosure requirements of the relevant standards on a timely basis.

- Classification and Measurement of Financial Instruments (Amendments to PFRS 9, Financial Instruments and PFRS 7). The amendments clarify that a financial liability is derecognized on the settlement date when the related obligation is discharged, cancelled or expires. The amendments also introduce an accounting policy option to derecognize financial liabilities settled through an electronic payment system before the settlement date, if certain specified conditions are met.

  The amendments also provide guidelines for assessing the contractual cash flow characteristics of financial assets that include environmental, social, and governance-linked features and other similar contingent features.

  Entities are required to disclose additional information about financial assets and financial liabilities with contingent features, and equity instruments classified at fair value through other comprehensive income.

- Contracts Referencing Nature-dependent Electricity (Amendments to PFRS 9 and PFRS 7). The amendments clarify the application of the own-use exemption for contracts referencing electricity from nature-dependent renewable energy sources, amend the hedge accounting requirements to allow these contracts to be designated as hedging instruments if certain conditions are met, and introduce additional disclosure requirements on the impact of these contracts on the financial performance and future cash flow.

- Annual Improvements to PFRS Accounting Standards - Volume 11. This cycle of improvements contains amendments to five standards, of which the following amendments are relevant to the Group:

  - Gain or Loss on Derecognition (Amendments to PFRS 7). The amendments replaced the reference to ‘inputs that were not based on observable market data’ in the obsolete paragraph 27A of PFRS 7, with reference to ‘unobservable inputs’ in paragraphs 72-73 of PFRS 13, Fair Value Measurement.

  - Derecognition of Lease Liabilities and Transaction Price (Amendments to PFRS 9). The amendments:

    - added a cross-reference to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee applies the requirement that the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in statement of income; and

    - replaced the term 'their transaction price (as defined in PFRS 15, Revenue from Contracts with Customers)' with 'the amount determined by applying PFRS 15' because a receivable might be initially measured at an amount that differs from the transaction price recognized as revenue, for example, when you recognize full amount for consideration that’s unconditionally receivable but at the same

time recognize expected refund liability with respect to retrospective rebates. Consequently, the definition of the transaction price has been deleted.

The adoption of the amendments to standards did not have a material effect on the unaudited interim consolidated financial statements.

New and Amendments to Standards Not Yet Adopted

A number of new and amendments to standards are effective for annual reporting periods beginning after January 1, 2026 and have not been applied in preparing the unaudited interim consolidated financial statements. Unless otherwise indicated, none of these is expected to have a significant effect on the unaudited interim consolidated financial statements.

The Group will adopt the following new and amendments to standards on the respective effective dates:

- PFRS 18, replaces PAS 1. The new standard introduces the following key requirements:

  - Entities are required to classify all income and expenses into five categories in the statement of income: operating, investing, financing, income tax, and discontinued operations. Subtotals and totals are presented in the statement of income for operating profit or loss, profit or loss before financing and income taxes, and profit or loss.

  - Management-defined performance measures are disclosed in a single note to the financial statements.

  - Enhanced guidance is provided on how to group information in the financial statements.

  Consequential amendments to PAS 7, Statement of Cash Flows, require the use of the operating profit or loss subtotal as the starting point when presenting operating cash flows under the indirect method and eliminate the options for classifying interest and dividend cash flows.

  PFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with retrospective application required. Early adoption is permitted.

- PFRS 17, Insurance Contracts, replaces the interim standard, PFRS 4, Insurance Contracts, and establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The new standard applies to all insurance contracts, regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  PFRS 17 aims to increase transparency and to reduce diversity in the accounting for insurance contracts. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by a specific adaptation for contracts with direct participation features (the variable fee approach) and simplified approach (the premium allocation approach) mainly for short-duration contracts.

  On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two years after its effective date as decided by the IASB.

On February 14, 2025, the FSRSC further deferred the date of initial application by two years, making PFRS 17 effective for annual reporting periods beginning on or after January 1, 2027, with comparative figures required. Early adoption is permitted. The Insurance Commission issued CL No. 2025-04, aligning with this deferral.

The Group continues to assess the impact of the above new and amendments to standards effective subsequent to 2026 on the unaudited interim consolidated financial statements in the period of initial application. Additional disclosures required by these amendments will be included in the unaudited interim consolidated financial statements when these amendments are adopted.

Current versus Noncurrent Classification

The Group presents assets and liabilities in the unaudited interim consolidated statements of financial position based on current and noncurrent classification. An asset is current when it is: (a) expected to be realized or intended to be sold or consumed in the normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within 12 months after the reporting period; or (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is current when: (a) it is expected to be settled in the normal operating cycle; (b) it is held primarily for trading; (c) it is due to be settled within 12 months after the reporting period; or (d) there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Group classifies all other assets and liabilities as noncurrent. Deferred tax assets and liabilities are classified as noncurrent.

Financial Instruments

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

The Group recognizes a financial asset or a financial liability in the unaudited interim consolidated statements of financial position when it becomes a party to the contractual provisions of the instrument.

A financial asset (unless a trade receivable without a significant financing component) or financial liability is initially measured at the fair value of the consideration given or received. The initial measurement of financial instruments, except for financial assets and financial liabilities at FVPL, includes transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets

The Group classifies its financial assets at initial recognition, as subsequently measured at amortized cost, FVOCI and FVPL. The classification depends on the contractual cash flow characteristics of the financial assets and the business model of the Group for managing the financial assets.

For purposes of subsequent measurement, financial assets are classified in the following categories: financial assets at amortized cost, financial assets at FVOCI (with or without recycling of cumulative gains and losses) and financial assets at FVPL.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVPL:

- it is held within a business model with the objective of holding financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

As at March 31, 2026 and December 31, 2025, the Group's cash in banks and cash equivalents, trade and other receivables (except advances to officers and employees), restricted cash, refundable deposits, deposit in escrow, and due from related parties are classified under this category (see Notes 5, 7, 9, 12 and 16).

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Financial Assets at FVOCI. Investment in equity instruments is measured at FVOCI if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in the fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Financial assets at FVOCI are subsequently measured at fair value. Changes in fair value are recognized in other comprehensive income

Dividends earned on holding an investment in equity instrument are recognized as dividend income in the unaudited interim consolidated statement of comprehensive income when the right to receive the payment has been established, unless the dividend clearly represents a recovery of the part of the cost of the investment. When investment in equity instruments at FVOCI is derecognized, the related accumulated gains or losses previously reported in the unaudited interim consolidated statement of changes in equity are never reclassified to the unaudited interim consolidated statements of comprehensive income.

As at March 31, 2026 and December 31, 2025, the Group does not have quoted investments in equity securities which were irrevocably designated as financial assets at FVOCI.

Financial Assets at FVPL. All financial assets not classified as measured at amortized cost or FVOCI are measured at FVPL. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVPL.

At initial recognition, the Group may irrevocably designate a financial asset as at FVPL if the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on different bases.

The Group carries financial assets at FVPL using their fair values. Attributable transaction costs are recognized in the unaudited interim consolidated statements of comprehensive income as incurred.

Changes in fair value and realized gains or losses are recognized in the unaudited interim consolidated statements of comprehensive income. Any interest earned from investment in debt instrument designated as at FVPL is recognized in the unaudited interim consolidated statements of comprehensive income. Any dividend income from investment in equity instrument is recognized in the unaudited interim consolidated statements of comprehensive income when the right to receive payment has been established, unless the dividend clearly represents a recovery of the part of the cost of the investment.

As at March 31, 2026 and December 31, 2025, the Group's investments in listed debt securities are classified under this category (see Note 6).

Financial Liabilities

The Group determines the classification of its financial liabilities, at initial recognition, in the following categories: financial liabilities at FVPL and other financial liabilities. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings, net of directly attributable transaction costs.

As at March 31, 2026 and December 31, 2025, the Group does not have liabilities at FVPL.

Financial Liabilities at Amortized Costs. This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial recognition, financial liabilities at amortized costs are measured using the effective interest method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability. The effective interest rate amortization is included in "Finance costs" account in the unaudited interim consolidated statements of income. Gains and losses are recognized in the unaudited interim consolidated statements of income when the liabilities are derecognized as well as through the amortization process.

As at March 31, 2026 and December 31, 2025, the Group's trade and other payables (except advances from customers, statutory payables and output VAT payable), installment payable and, lease liabilities are classified under this category (see Notes 13 and 14).

Derecognition of Financial Assets and Financial Liabilities

Financial Assets. A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- the rights to receive cash flows from the asset have expired; or

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

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

Impairment of Financial Assets

The Group recognizes allowance for expected credit loss (ECL) on financial assets at amortized cost.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive), discounted at the effective interest rate of the financial asset, and reflects reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

The Group recognizes an allowance for impairment based on either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group recognizes lifetime ECLs for receivables that do not contain significant financing component. The Group uses provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the borrowers and the economic environment.

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

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the restructuring of a financial asset by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

The Group considers a financial asset to be in default when a counterparty fails to pay its contractual obligations, or there is a breach of other contractual terms, such as covenants.

The Group directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering the contractual cash flows on a financial asset, either partially or in full. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The ECLs on financial assets at amortized cost are recognized as allowance for impairment losses against the gross carrying amount of the financial asset, with the resulting impairment losses (or reversals) recognized in the unaudited interim consolidated statements of comprehensive income.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the unaudited interim consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). The cost of raw materials, spare parts and supplies comprises all purchase price and other costs incurred in bringing the inventories to its present location and condition. The cost of finished goods and goods in process comprises raw materials, direct labor and other direct costs and related production overheads.

The cost of raw materials is calculated based on moving average method while the cost of goods in process and finished goods is calculated based on standard costing method. Standard cost is adjusted to reflect actual cost which is principally determined using the moving average method. The NRV of raw materials, goods in process and finished goods is the estimated selling price in the ordinary course of business, less the estimated costs of completion and of marketing and distribution.

Cost is determined using the moving average method for spare parts and supplies. The NRV of spare parts and supplies are their current replacement costs. Spare parts are carried as inventory and recognized in the unaudited interim consolidated statements of comprehensive income as consumed.

When the NRV of the inventories is lower than its cost, the Group provides for an allowance for the decline in value of inventory and recognizes the write-down as an expense in the unaudited interim consolidated statements of comprehensive income. The amount of any reversal of write-down of inventories, arising from an increase in NRV, is recognized in the unaudited interim consolidated statements of comprehensive income in the period in which the reversal occurs.

Other Nonfinancial Current Assets

Other nonfinancial current assets include prepayments, advances to suppliers, deferred input VAT and other current assets.

Prepayments. Prepayments represent expenses not yet incurred but already paid in cash. These are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are recognized as expense in the unaudited interim consolidated statements of comprehensive income as they are consumed or expire with the passage of time.

Prepayments are classified as current assets when the cost of goods or services related to the prepayment are expected to be incurred within one (1) year or the Group's normal operating cycle. Otherwise, these are classified as noncurrent assets.

Advances To Suppliers. Advances to suppliers represent advance payments made in relation to purchase of raw materials and services and are carried at cost. These are to be applied against the suppliers' billing upon the receipt of materials or services.

Deferred Input VAT. Deferred input VAT represents the unamortized amount of input VAT on capital goods and on the unpaid portion of availed services. In accordance with the Revenue Regulation (RR) No. 16-2005, input VAT on purchases or imports of the Group with an aggregate acquisition cost (exclusive of VAT) in each of the calendar month exceeding ₱1,000,000 are claimed as credit against output VAT over 60 months or the estimated useful lives of capital goods, whichever is shorter.

Deferred input VAT that are expected to be claimed against output VAT for no more than 12 months after the financial reporting period are classified as other current assets. Otherwise, these are classified as other noncurrent assets. Where the aggregate acquisition cost (exclusive of VAT) of the existing or finished depreciable capital goods purchased or imported during any calendar month does not exceed ₱1,000,000, the total input VAT will be allowable as credit against output VAT in the month of acquisition.

Under Section 4.110-3 (c) of the RR 13-2018, the amortization of the input VAT shall only be allowed until December 31, 2021, after which, any unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same as scheduled until fully utilized. The input VAT on the purchases or imports of capital goods exceeding ₱1,000,000 subsequent to December 31, 2021 may be claimed outright.

Prior to the implementation of the Ease of Paying Taxes (EoPT) Law, VAT was calculated based on gross receipts. Following the enactment of the EoPT Law, the tax base for VAT was revised to gross revenues.

Other Current Assets. Other current assets pertain to assets which are expected to be realized within 12 months after the reporting period. Otherwise, these are classified as noncurrent assets.

Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included as part of "Operating expenses" account in the unaudited interim consolidated statements of comprehensive income.

When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

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

The Group measures goodwill at the acquisition date as: a) the fair value of the consideration transferred; plus b) the recognized amount of any non-controlling interests in the acquiree; plus c) if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less d) the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognized immediately in the unaudited interim consolidated statements of comprehensive income. Subsequently, goodwill is measured at cost less any accumulated impairment in value.

Goodwill is reviewed for impairment, annually or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in the unaudited interim consolidated statements of comprehensive income. Costs related to the acquisition, other than those associated with the issuance of debt or equity securities that the Group incurs in connection with a business

combination, are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognized in the unaudited interim consolidated statements of comprehensive income.

Goodwill in a Business Combination
Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units (CGU), or groups of CGU that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and

- is not larger than an operating segment determined in accordance with PFRS 8, *Operating Segments.*

Impairment is determined by assessing the recoverable amount of the cash-generating unit or group of CGU, to which the goodwill relates. Where the recoverable amount of the cash-generating unit or group of CGU is less than the carrying amount, an impairment loss is recognized. Where goodwill forms part of a cash-generating unit or group of CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained. An impairment loss with respect to goodwill is not reversed.

Property, Plant and Equipment
Property, plant and equipment, except for land, are stated at cost less accumulated depreciation and any accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment at the time the cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day service. Land is stated at cost less impairment in value, if any.

In 2025, the Group performed an updated technical study on the classification of property, plant and equipment. As a result, the Group recognized reclassifications of certain items within the "Property, plant and equipment" account.

The initial cost of property, plant and equipment comprises its construction cost or purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use. Cost also includes related asset retirement obligation (ARO), if any. Expenditures incurred after the asset has been put into operation, such as repairs, maintenance and overhaul costs, are normally recognized as expense in the period the costs are incurred. Major repairs are capitalized as part of property, plant and equipment only when it is probable that future economic benefits associated with the items will flow to the Group and the cost of the items can be measured reliably.

Capital projects in progress (CPIP) represents the amount of accumulated expenditures on unfinished and/or ongoing projects. This includes the costs of construction and other direct costs. Borrowing costs that are directly attributable to the construction of plant and equipment are capitalized during the construction period. CPIP is not depreciated until such time that the relevant assets are ready for use.

Depreciation and amortization, which commence when the assets are available for their intended use, are computed using the straight-line method over the following estimated useful lives of the assets:

	Number of Years
Machinery and equipment	5 to 25
Building and improvements	5 to 50
Furniture, fixtures and other office equipment	5
Transportation equipment	5
Right-of-use (ROU) assets	2 to 10

In 2025, the Group revised the estimated useful lives of buildings and improvements from 5 to 30 years into 5 to 50 years, based on an updated technical assessment. This revision represents a change in accounting estimate and has been applied prospectively.

The remaining useful lives, residual values, and depreciation methods are reviewed and adjusted periodically, if appropriate, to ensure that such periods and method of depreciation are consistent with the expected pattern of economic benefits from the items of property, plant and equipment.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Fully-depreciated assets are retained in the accounts until they are no longer in use.

An item of property, plant and equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising from the retirement and disposal of an item of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the unaudited consolidated statements of comprehensive income in the period of retirement or disposal.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use:

- the Group has the right to obtain substantially all the economic benefits from the use of the identified asset; and

- the Group has the right to direct the use of the identified asset.

Group as Lessee

The Group recognizes an ROU asset and a lease liability at the lease commencement date (i.e., the date the underlying asset is available for use). The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term, ranging from two (2) to ten (10) years.

In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. The carrying amount of the lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recognized in the unaudited interim consolidated statements of comprehensive income if the carrying amount of the ROU asset has been reduced to zero.

The Group has elected not to recognize ROU assets and lease liabilities for short-term leases (i.e., lease that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. The Group recognizes the lease payments associated with these leases as expense on a straight-line basis over the lease term.

Group as Lessor
The Group determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease; if not, it is classified as an operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the ROU asset arising from the head

lease. If a head lease is a short-term lease to which the Group applies the recognition exemption, it classifies the sublease as an operating lease.

The Group recognizes lease payments received under operating leases as rent income on a straight-line basis over the lease term.

Intangible Assets

Intangible assets include mining rights, computer software, and goodwill.

Mining Rights and Computer Software. Mining rights and computer software are stated at cost, which includes purchase price and other direct costs, less accumulated amortization and any impairment in value. Mining rights and computer software are amortized over their useful lives on a straight-line basis and assessed for impairment whenever there is an indication that the mining rights and computer software may be impaired.

The amortization period and the amortization method for intangible assets with finite useful life are reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible assets with finite useful lives are recognized in the unaudited interim statements of comprehensive income.

The useful life of intangible assets arising from contractual or other legal rights should not exceed the period of those rights, but may be shorter depending on the period over which the intangible asset is expected to be used by the Group. The useful lives are as follows:

	Number of Years
Mining rights	10 to 25
Computer software	License life or 5 or 10 years whichever is shorter

When mining rights and computer software are retired or otherwise disposed of, the cost and the related accumulated amortization and any impairment in value are removed from the accounts. Any resulting gain or loss is recognized in the unaudited interim statements of comprehensive income.

Stripping Costs

As part of its mining operations, the Group incurs stripping costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine before the production phase commences (development stripping) are capitalized as part of the cost of constructing the mine and subsequently amortized over its useful life using unit-of-production method. The capitalization of development stripping costs ceases when the mine is commissioned and ready for use as intended by management. After the commencement of production, further development of the mine may require a phase of unusually high stripping that is similar in nature to development phase stripping. The cost of such stripping is accounted for in the same way as development stripping.

Production stripping is generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realized in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realized in the form of improved access to the ore to be mined in the future, the costs are recognized as a noncurrent asset, referred to as a 'stripping activity asset', if the following criteria are met:

a. Future economic benefits (improved access to the ore body) are probable;

b. The component of the ore body for which access will be improved can be accurately identified; and

c. The costs associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are recognized in profit or loss as operating costs when incurred.

Goodwill. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in the unaudited interim statements of comprehensive income.

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

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

Deferred Exploration and Development Costs

Deferred exploration and development costs comprise of expenditures which are directly attributable to:

- Researching and analyzing existing exploration data;
- Conducting geological studies, exploratory drilling and sampling;
- Examining and testing extraction and treatment methods; and
- Compiling pre-feasibility and feasibility studies.

Deferred exploration and development costs also include expenditures incurred in acquiring mineral rights and evaluation assets, entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects.

Exploration assets are reassessed on a regular basis and tested for impairment provided that at least one of the following conditions is met:

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or

- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If the project proceeds to development stage, the amounts included within deferred exploration and development costs are transferred to property, plant and equipment.

Deferred exploration and evaluation costs are assessed for impairment before these are reclassified to "Property, plant and equipment" account in the unaudited interim consolidated statements of financial position. Any impairment loss is recognized in the unaudited interim statements of comprehensive income. If the mining property is found to contain no commercial reserves, the deferred exploration and evaluation costs are charged to the unaudited interim statements of comprehensive income.

Investment Properties

Investment properties consist of land held to earn rentals and/or for capital appreciation but not for sale in the ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Land is stated at cost less any impairment in value.

Investment property is derecognized either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains and losses on the retirement and disposal of investment property are recognized in the statements of comprehensive income in the period of retirement and disposal.

Transfers are made to investment property when, and only when, there is an actual change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is an actual change in use, evidenced by commencement of the owner-occupation or commencement of development with a view to sell.

For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent accounting is its carrying amount at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Other Nonfinancial Noncurrent Assets

Other nonfinancial noncurrent assets include deposit on asset purchase and deposit for future investment.

Deposit on Asset Purchase. Deposit on asset purchase, measured at face amount less any allowance for impairment, represents advance payments for long-term supply of raw materials and advance payments for the purchase of property, plant and equipment. Deposit on asset purchase are applied against acquisition of property, plant and equipment and long-term deposit for inventory acquisition.

Deposit for Future Investment. Deposit for future investment represents funds paid in advance for future acquisition of the investee's capital stocks which is measured at cost less any allowance for impairment. Deposit for future investment is applied against subscription to common shares of stock of a business entity.

Impairment of Nonfinancial Assets

The carrying amounts of prepayments, deferred input VAT, other current assets, advances, property, plant and equipment, ROU assets, investment property, other intangible assets with finite useful lives, deferred exploration and development costs are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill with indefinite useful life is tested for impairment annually either individually or at the cash-generating unit level. If any such indication exists and if the carrying amount exceeds the estimated recoverable amount, the

assets or CGU are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Impairment losses are recognized in the unaudited interim consolidated statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the unaudited interim consolidated statements of comprehensive income. After such a reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. An impairment loss with respect to goodwill is not reversed.

Advances from Customers

Advances from customers consist of amounts received by the Group from its customers as advance payments for the sale of goods. These are recorded at face amount in the unaudited interim consolidated statements of financial position and recognized as revenue in the unaudited interim consolidated statements of comprehensive income when the goods for which the advances were made are delivered to the customers.

Fair Value Measurements

The Group measures financial and non-financial assets and liabilities at fair value at each reporting date.

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: (a) in the principal market for the asset or liability; or (b) in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or most advantageous market must be accessible to the Group.

The fair value of an asset or 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. 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 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 prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3: inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognized in the unaudited interim consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorization 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.

Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of past events; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate of the amount of the obligation can be made. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognized as a separate asset only when it is virtually certain that reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

Provision for Mine Rehabilitation and Decommissioning.

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 properties. The Group assesses its provision for mine rehabilitation and decommissioning at each reporting date. The Group recognizes a provision where: it has a legal and constructive obligation as a result of past events; 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 rehabilitation activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closing plant and waste sites, and restoring, reclaiming and revegetating affected areas.

The obligation generally arises when the mining asset is installed, or the ground or 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 is incurred as a result of the development or construction of the mine.

Changes in the estimated timing of rehabilitation or changes in the estimated future costs are recognized prospectively as an adjustment to the provision for mine rehabilitation and decommissioning and the related mining asset.

Any decrease in the provision for mine rehabilitation and decommissioning and, therefore, any deduction from the asset may not exceed the carrying amount of the related mining asset. Any excess over the carrying amount is recognized in the unaudited interim consolidated statements of comprehensive income.

If the change in estimate results in an increase in the provision for mine rehabilitation and decommissioning and, therefore, an addition to the carrying amount of the mining asset, the Group

considers whether there is an indication of impairment of the asset as a whole. If any such indication exists and when the revised estimate for the mining asset (net of rehabilitation provisions) exceeds the recoverable amount, the increase is recognized as expense.

The discounted provision for mine rehabilitation and decommissioning 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 accretion of the discount is recognized in the unaudited interim consolidated statements of comprehensive income as part of finance cost.

Rehabilitation funds committed for use in satisfying environmental obligations are classified as "Restricted cash" included in "Other noncurrent assets" account in the unaudited interim consolidated statements of financial position (see Note 12).

Equity

Common Stock
Common stock is classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Preferred Stock
Preferred stock is classified as equity if they are non-redeemable, or redeemable only at the option of the Parent Company, and any dividends thereon are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the BOD of the Parent Company.

Preferred stock is classified as a liability if they are redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in the unaudited interim consolidated statements of comprehensive income as accrued.

Additional Paid-in Capital
When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Parent Company, the shares are measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Retained Earnings
Retained earnings represent the accumulated net income or losses, net of any dividend distributions and other capital adjustments. Appropriated retained earnings represent that portion which is restricted and therefore not available for any dividend declaration

The Group recognizes a liability to pay dividends when the distribution is authorized and no longer at the discretion of the Group. A corresponding amount is recognized directly in equity.

Treasury Stock
Own equity instruments which are reacquired are carried at cost and deducted from equity. No gain or loss is recognized on the purchase, sale, reissuance or cancellation of the Parent Company's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Other Equity Reserves
Other equity reserves comprise of items of income and expense, net of any deferred tax expense or

benefit, that are not recognized in the unaudited interim statements of comprehensive income in accordance with PFRS Accounting Standards. Other equity reserves of the Group pertain to cumulative remeasurement gains or losses on net retirement benefits liability (asset) and cumulative unrealized gain (loss) on financial assets at FVOCI.

Dividends Declaration
Dividends are recognized as a liability and deducted from equity upon declaration. Dividends for the year that are declared after the reporting date are dealt with as an event after the reporting date.

Revenue
The Group recognized revenue from contracts with customers 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, excluding amounts collected on behalf of third parties.

The transfer of control can occur over time or at a point in time. Revenue is recognized at a point in time unless one of the following criteria is met, in which case it is recognized over time: (a) the customer simultaneously receives and consumes the benefits as the Group performs its obligations; (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it acts as a principal as it controls the goods or services before transferring to the customer.

Beginning 2025, the Group entered into separate contracts with customers for delivery services related to the sale of cement products. Accordingly, revenue from delivery services is recognized separately from revenue from the sale of cement products when such services are contracted and billed independently from the sale of goods. Delivery services are treated as a distinct performance obligation and revenue is recognized when the related services are rendered in accordance with the terms of the contract with customers.

The following specific recognition criteria must also be met before revenue is recognized.

Sale of Goods. Revenue from sale of goods is recognized at a point in time when control of the goods has been transferred, when the products are delivered to the buyer, and the seller has no obligation that could affect the buyer's acceptance of goods.

Sale of Services. Revenue from sale of services is recognized when the related services are rendered.

The following are the specific recognition criteria for other revenues outside the scope of PFRS 15, *Revenue from Contracts with Customers*:

Interest Income. Interest income is recognized using the effective interest method. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset.

Dividend Income. Dividend income is recognized when the Group's right to receive the payment is established.

Other Income. Income from other sources is recognized when earned during the period.

Sales Rebates. The Group provides sales rebates to certain customers based on the level of their purchases which may be applied against the amount of their existing or future payables to the Group. The sales rebates granted by the Group are not considered as a variable consideration as defined in

PFRS 15. Accordingly, the Group's sales rebates are recognized as a reduction of the transaction price and measured at the amount expected to be claimed by customers against future sales transactions.

The Group's accrual for sales rebates is included as part of "Trade and other payables" account in the unaudited interim consolidated statements of financial position (Note 13).

Cost and Expense Recognition

Costs and expenses are decreases in economic benefits during the reporting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Expenses are recognized when incurred.

Cost of Goods Sold. Cost of goods sold is recognized as expense when the related goods are delivered to and accepted by customers.

Cost of Services. Cost of services is recognized as expense when the related services are rendered.

Operating Expenses. Operating expenses constitute cost of administering the business and cost incurred to sell and market the goods. These include advertising and freight and handling, among others. These are expensed as incurred.

Other Expenses. Other expenses are recognized when incurred during the period.

Finance Costs

Finance costs include interest charges and other costs incurred in connection with the borrowing of funds. Finance costs also include any interest expense resulting from adjusting the amortized cost of financial liabilities based on the effective interest method.

All finance costs, other than capitalized borrowing costs, are recognized in the unaudited interim statements of comprehensive income in the period they are incurred.

Employee Benefit

Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Retirement Cost

The net defined benefit retirement liability or asset is the aggregate of the present value of the amount of future benefit that employees have earned in return for their service in the current and prior periods, reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of economic benefits available in the form of reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit retirement plan is actuarially determined using the projected unit credit method. Projected unit credit method reflects services rendered by employees to the date of valuation and incorporates assumptions concerning projected salaries of employees. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in equity and are not reclassified to profit or loss in subsequent period.

Defined benefit costs comprise the following:

- Service costs
- Net interest on the defined benefit retirement liability or asset; and
- Remeasurements of defined benefit retirement liability or asset.

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

Net interest on the net defined benefit retirement liability or asset is the change during the period as a result of contributions and benefit payments, which is determined by applying the discount rate based on the government bonds to the net defined benefit retirement liability or asset. Net interest on the net defined benefit retirement liability or asset is recognized as expense or income in the unaudited interim consolidated statements of comprehensive income.

Beginning 2025, interest cost on net retirement benefit liability (asset) is presented as part of "Finance costs" account in the unaudited interim consolidated statements of comprehensive income. Management assessed that the impact of reclassification is not material to the unaudited interim consolidated financial statements. Accordingly, the change in presentation of interest cost on retirement benefit liability (asset) was applied prospectively.

Remeasurements of the net retirement benefit liability or asset comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest) are recognized immediately in other comprehensive income and accumulated in equity in the period in which they arise. Remeasurements are not reclassified to the unaudited interim statements of comprehensive income in subsequent periods.

When the benefits of a plan are changed, or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the unaudited interim consolidated statements of comprehensive income. The Group recognizes gains and losses on the settlement of a defined benefit retirement plan when the settlement occurs.

Foreign Currency Translation

Transactions in foreign currencies are initially recorded in the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and monetary liabilities denominated in foreign currencies are translated to the functional currency at exchange rate at the reporting date.

Non-monetary assets and non-monetary liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognized in the unaudited interim consolidated statements of comprehensive income, except for differences arising on the translation of monetary items that in substance form part of a net investment in a foreign operation and hedging instruments in a qualifying cash flow hedge or hedge of a net investment in a foreign operation, which are recognized in other comprehensive income.

Taxes

Current Tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred Tax. Deferred tax is recognized using the liability method in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- with respect to taxable temporary differences associated with investments in shares of stock of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits - minimum corporate income tax (MCIT) and unused tax losses - net operating loss carry over (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward benefits of MCIT and 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; and

- with respect to deductible temporary differences associated with investments in shares of stock of subsidiaries 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 taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 reporting date.

Current tax and deferred tax are recognized in the unaudited interim consolidated statements of

comprehensive income, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

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.

Value-Added Tax (VAT). Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of tax included.

The net amount of VAT payable to the taxation authority is included as part of "Trade and other payables" account in the unaudited interim consolidated statements of financial position (see Note 13).

Related Parties

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. Related parties may be individuals or corporate entities.

Basic and Diluted Earnings Per Common Share (EPS)

Basic EPS is calculated by dividing the net income for the period attributable to equity holders of the Parent Company, net of dividends on preferred shares and distributions to holders of RPS and SPCS, by the weighted average number of issued and outstanding common shares during the period, with retroactive adjustment for any stock dividends declared.

Diluted EPS is computed in the same manner, adjusted for the effect of all potential dilutive debt or equity instruments.

Contingencies

Contingent liabilities are not recognized in the unaudited interim consolidated financial statements. They are disclosed in the notes to unaudited interim consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the unaudited interim consolidated financial statements but are disclosed in the notes to the unaudited interim consolidated financial statements when an inflow of economic benefits is probable.

Events After the Reporting Date

Events after the reporting date that provide additional information about the Group's financial position at the reporting date (adjusting events) are reflected in the unaudited interim consolidated financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes to the unaudited interim consolidated financial statements when material.

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

The preparation of the unaudited interim consolidated financial statements in accordance of PFRS Accounting Standards requires management to exercise judgments, make accounting estimates and use assumptions that affect the amounts reported in the unaudited interim consolidated financial statements and related notes. However, uncertainty about these judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Judgments and estimates 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. Revisions are recognized in the period in which the judgments and estimates are revised and in any future period affected.

The following are the significant judgments, accounting estimates and assumptions made by the Group:

Judgments

In the process of applying the accounting policies, the Group has made the following judgments, apart from those involving estimations, which have significant effect on the amounts recognized in the unaudited interim consolidated financial statements:

Classification of Financial Instruments. The Group exercises judgment in classifying financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability, or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the unaudited interim consolidated statements of financial position.

The Group uses its judgment in determining the classification of financial assets based on its business model in which assets are managed and their cash flow characteristics. The classification and fair values of financial assets and financial liabilities are presented in Note 6.

Distinction Between Investment Property and Owner-occupied Property. The Group determines whether a property qualifies as investment property or owner-occupied property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in marketing or administrative functions. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in marketing or for administrative purposes. If the portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for use in the supply of services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Assessment of Production Start Date. The Group assesses the stage of development of the mine site to determine the start of production phase or the substantial completion of mining site development or production. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of the project and its location. The Group considers various relevant criteria to assess when the production phase is considered to have commenced.

The criteria used to identify the production start date include, but are not limited to:

- Level of capital expenditure incurred compared with construction cost estimate;
- Completion of a reasonable period of testing of the property, plant and equipment; and
- Ability to sustain ongoing production of limestone.

When a mine development project moves into the production phase, the capitalization of certain mine development costs ceases and costs are either capitalized as part of the cost of inventory or expensed, except for costs that qualify for capitalization relating to mining asset additions or improvements, mine development, or mineable reserve development. It is also at this point that depreciation or amortization commences.

As at May 12, 2026, the Cebu mining sites have not yet started commercial operations.

Determination of Lease Commitments - the Group as Lessor. The Group has entered into the following lease agreements:

a. *Parcels of Land.* The Group has parcels of land recognized as investment properties which are leased to related parties. In this arrangement, the Group retains all the significant risks and rewards from the properties. Accordingly, the lease is accounted for as operating lease.

b. *Office Space.* The Group entered into a lease agreement for its office space with a related party. A portion of the office space was subsequently leased to another related party under a sublease agreement. In this arrangement, the Group determined that the risks and rewards from the leased office space have been transferred to the sub-lessee. Accordingly, the lease agreement is accounted for as finance lease.

Capitalization of Exploration and Evaluation Expenditures. The Group makes judgments in determining whether there are future economic benefits from either future exploration or sale of mineral reserves to capitalize exploration and evaluation expenditures. The Group further applies estimates and assumptions about future events and circumstances to determine whether an economically viable extraction operation can be established.

Deferred exploration and evaluation costs, presented under "Other noncurrent assets" account in the unaudited interim consolidated statements of financial position, amounted to ₱60.0 million as at March 31, 2026 and December 31, 2025 (see Note 12).

Estimates and Assumptions

Assessment for ECL on Trade Receivables. The Group, applying the simplified approach in the computation of ECL, initially uses a provision matrix based on historical default rates for trade receivables. The provision matrix specifies provision rates depending on the number of days that a trade receivable is past due. The Group also uses appropriate groupings if its historical credit loss experience shows significantly different loss patterns for different customer segments. The Group then adjusts the historical credit loss experience with forward-looking information on the basis of current observable data affecting each customer segment to reflect the effects of current and forecasted economic conditions.

The Group has assessed that the forward-looking default rate component of its ECL is not material because substantial amount of trade receivables are normally collected within one year. Moreover, based on management's assessment, current conditions and forward-looking information do not indicate a significant increase in credit risk exposure of the Group from its trade receivables.

The determination of the relationship between historical default rates and forecasted economic conditions is a significant accounting estimate. Accordingly, the provision for ECL on trade

receivables is sensitive to changes in assumptions about forecasted economic conditions.

The Group has assessed that the ECL on trade receivables is not material because substantial amount of receivables are normally collected within one (1) year while none of remaining balances are written-off or are credit impaired as at reporting date. Accordingly, no provision for ECL on trade receivables was recognized for the three months ended March 31, 2026 and 2025. The carrying amount of trade receivables is ₱657.8 million and ₱622.5 million as at March 31, 2026 and December 31, 2025, respectively (see Note 7).

Assessment for ECL on Other Financial Assets at Amortized Cost. The Group determines the allowance for ECL using general approach based on the probability-weighted estimate of the present value of all cash shortfalls over the expected life of financial assets at amortized cost. ECL is provided for credit losses that result from possible default events within the next 12-months unless there has been a significant increase in credit risk since initial recognition in which case ECL is provided based on lifetime ECL.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and,
- Actual or expected significant adverse changes in the operating results of the counterparty.

The Group also considers financial assets that are more than 60 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent a significant risk in credit risk such as when non-payment was an administrative oversight rather than resulting from financial difficulty of the counterparty.

The Group has assessed that the ECL on other financial assets at amortized cost is not material because the transactions with respect to these financial assets were entered into by the Group only with reputable banks and companies with good credit standing and relatively low risk of defaults. Accordingly, no provision for ECL on other financial assets at amortized cost was recognized as at March 31, 2026 and December 31, 2025.

The carrying amounts of other financial assets at amortized cost are as follows:

	Note	**March 31, 2026**	December 31, 2025
Cash in banks and cash equivalents	5	**₱10,273,716,510**	₱8,259,777,616
Other receivables*	7	**1,548,287,693**	1,554,511,646
Deposit in escrow	12	**60,987,247**	59,021,536
Refundable deposits	9, 12	**56,209,066**	56,209,509
Restricted cash	12	**139,931,722**	127,699,609

**Includes interest receivable, due from related parties, dividends receivable and other receivables*

Fair Value Measurement of Financial Instruments. The fair values of securities that are actively traded in organized financial markets are determined by reference to unadjusted quoted market prices at the close of business on the reporting date.

When the fair values of financial assets recorded in the unaudited interim consolidated statements of financial position cannot be measured based on quoted prices in active market, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to this model are taken from observable market when possible, but when this is not feasible, a degree of

judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

In accordance with the amendments to PFRS 7, disclosures about the level in the fair value hierarchy are required in which the fair value measurements are categorized for assets and liabilities measured in the unaudited interim consolidated statements of financial position.

Determination of NRV of Inventories. The Group writes down the cost of inventories whenever the NRV of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, change in price levels or other causes. The Group reviews the lower of cost and NRV of inventories on a periodic basis. NRV represents the estimated selling price of the product based on prevailing prices at the end of the reporting period, less estimated costs to complete production and bring the product to sale. NRV test for spare parts and supplies is also performed annually. The NRV of spare parts and supplies represents the current replacement cost where the inventory is not expected to be recovered through the sale of finished goods. An increase in allowance for inventory obsolescence and market decline would increase recorded operating expense and decrease current assets.

As at March 31, 2026 and December 31, 2025, the cost of inventories is lower than its NRV. The carrying amount of inventories is ₱2,757.7 million and ₱2,872.8 million as at March 31, 2026 and December 31, 2025, respectively (see Note 8).

Estimation of Useful Lives of Depreciable Property, Plant and Equipment and Intangible Assets. The Group estimates the useful lives of its depreciable property, plant and equipment and intangible assets based on the period over which the assets are expected to be available for use.

The Group reviews annually the estimated useful lives of depreciable property, plant and equipment and intangible assets based on factors that include asset utilization, internal technical evaluation, technological changes, environmental changes, and anticipated use of the assets. In addition, the estimation of the useful lives of depreciable property, plant and equipment and intangible assets is based on internal technical evaluation, and experience with similar assets. The Group amortizes mining rights for ten (10) to twenty-five (25) years, in line with the expiration of MPSAs as approved by the MGB.

It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of depreciable property, plant and equipment, mining rights and intangible assets would increase the recorded depreciation and amortization expenses and decrease noncurrent assets.

In 2025, the Group revised the estimated useful lives of certain items of property, plant and equipment based on an updated technical assessment. The revision represents a change in accounting estimate and has been applied prospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

The carrying amount of depreciable property, plant and equipment and intangible assets are as follows:

	Note	**March 31, 2026**	December 31, 2025
Property, plant and equipment*	10	**20,926,471,986**	₱21,111,912,724
Mining rights	11	**1,086,019,500**	1,096,448,761
Computer software	11	**212,706,323**	223,246,032

**excluding land and CPIP aggregating to ₱2,514.6 million and ₱2,488.3 million as at March 31, 2026 and December 31, 2025.*

Leases – Estimation of the Incremental Borrowing Rate (IBR). The Group uses its 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 ROU asset in a similar economic environment. The Group estimates the IBR using available observable inputs (such as the prevailing BVAL interest rates) adjusted for entity-specific estimates, to reflect the terms and conditions of the lease.

The Group has applied IBR ranging from 2.25% to 8.31% for the computation of lease liabilities. Lease liabilities amounted to ₱54.8 million and ₱61.1 million as at March 31, 2026 and December 31, 2025, respectively.

Assessment for Impairment of Nonfinancial Assets (Excluding Goodwill). PFRS Accounting Standards requires that an impairment review be performed non-financial assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Determining the recoverable amounts of these assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of fair values reflected in the unaudited interim consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment loss could have a material adverse impact on the financial performance.

The Group assesses impairment on nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of the assets or group of assets may not be recoverable. The relevant factors that the Group considers in deciding whether to perform an asset impairment review include, among others, the following:

- Significant underperformance of a business in relation to expectations;
- Significant negative industry or economic trends; and
- Significant changes or planned changes in the use of the assets.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized. Recoverable amounts are estimated for individual assets or, if it is not possible, for the CGU to which the asset belongs.

The recoverable amount of the asset is the greater of the fair value less cost of disposal or value in use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction. In assessing value in use, the estimated future cash flows are discounted to 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.

No impairment loss on nonfinancial assets was recognized for the three months ended March 31, 2026 and for the year ended December 31, 2025. The carrying amounts of nonfinancial assets are as follows:

	Note	**March 31, 2026**	December 31, 2025
Property, plant and equipment	10	**₱23,441,105,374**	₱23,600,177,345
Intangible assets*	11	**1,298,725,822**	1,319,694,793
Prepayments	9	**702,409,597**	737,612,919
Deposits on asset purchase	12	**148,824,444**	115,000,977
Deferred exploration and development costs	12	**60,002,395**	60,002,395
Advances to suppliers	9	**49,603,203**	50,106,655
Deferred input VAT	9	**17,188,394**	18,832,750
Deposits for future investment	12	**5,665,571**	5,515,531
Advances to officers and employees	7	**4,777,392**	6,225,201
Other current assets	9	**12,459,348**	10,166,880

**excluding goodwill amounting to 1,259.0 million as at March 31, 2026 and December 31, 2025.*

Assessment of Goodwill Impairment. The Group determines whether goodwill is impaired at least annually. This requires the estimation of value in use of the CGU to which the goodwill is allocated. Estimating value in use requires management to make an estimate of the expected future cash flows from the cash-generating unit and to choose a suitable discount rate to calculate the present value of those cash flows.

No impairment loss was recognized as at March 31, 2026 and December 31, 2025. The carrying amount of goodwill amounted to ₱1,259.0 million as at March 31, 2026 and December 31, 2025.

Assessment of the Recoverability of Deferred Exploration and Evaluation Costs. Deferred exploration and evaluation costs are capitalized in the period incurred until it has been determined that a property has no sufficient economically recoverable reserves, in which case the costs are written off as impairment losses. The Group reviews the carrying amounts of its mineral property interests whenever events or changes in circumstances indicate that their carrying amounts may exceed their estimated net recoverable amounts. An impairment loss is recognized when the carrying amount of those assets exceeds its recoverable amount.

No impairment loss on deferred exploration and evaluation costs was recognized as at March 31, 2026 and December 31, 2025. The carrying amount of deferred exploration and evaluation costs amounted to ₱60.0 million as at March 31, 2026 and December 31, 2025 (see Note 12).

Estimation of Provision for Mine Rehabilitation and Decommissioning. The ultimate cost of mine rehabilitation and decommissioning is uncertain, and cost estimates can vary in response to many factors including estimates of the extent and costs of rehabilitation activities, changes in the relevant legal requirements, emergence of new restoration techniques or experience, cost increases as compared to the inflation rates, and changes in discount rates. The expected timing of expenditure can also change in response to changes in quarry reserves or production rates.

These uncertainties may result in future actual expenditure different from the amounts currently provided. As a result, there could be significant adjustments in provision for mine rehabilitation and decommissioning, which would affect future financial results.

Provision for mine rehabilitation and decommissioning is based on estimated future costs of rehabilitating the mine site using information available at the reporting date.

Provision for mine rehabilitation and decommissioning amounted to ₱95.7 million and ₱94.8 million as at March 31, 2026 and December 31, 2025, respectively (see Note 14).

Determination of Net Retirement Benefit Liability (Asset). The determination of the net retirement benefit liability (asset) is dependent on the assumptions used by the actuary in calculating such amounts. These assumptions include, among others, discount rates and salary increase rates. While the Group believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the retirement benefit liability (asset).

Net retirement benefit asset amounted to and ₱0.5 million and ₱0.1 million as at March 31, 2026 and December 31, 2025, respectively. Retirement liability amounted to ₱4.8 million and P25.1 million as at March 31, 2026 and December 31, 2025, respectively. Cumulative remeasurement gains on net retirement liability (asset) (net of deferred tax) amounted to ₱121.0 million as at March 31, 2026 and December 31, 2025.

Recognition of Deferred Tax Assets. The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets amounting to ₱17.2 million were not recognized as at March 31, 2026 and December 31, 2025. Management believes that the Group will not have sufficient taxable income against which the benefits of the deferred tax assets can be utilized (see Note 17).

Deferred tax assets recognized amounted to ₱112.5 million as at March 31, 2026 and December 31, 2025 (see Note 17).

4. Financial Risk Management Objectives and Policies

The Group's financial instruments consist mainly of cash in banks and cash equivalents, financial assets at FVPL, trade and other receivables (excluding advances to officers and employees), deposit in escrow, restricted cash, refundable deposits, trade and other payables (excluding advances from customers and statutory payables), and lease liabilities.

The main financial risks arising from the Group's use of financial instruments include market risks, credit risk and liquidity risk. The BOD regularly reviews and approves the appropriate policies for managing these financial risks.

Market Risks

The Group is exposed to market risks, primarily those related to foreign currency risk, equity price risk and interest rate risk. Management actively monitors these exposures, as follows:

Foreign Currency Risk. Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's foreign exchange risk results primarily from movements of the Philippine Peso against the US Dollar and Euro with respect to foreign currency-denominated monetary financial assets and liability.

The following table shows the Group's US dollar-denominated monetary financial assets and liabilities and their Philippine Peso equivalent:

	March 31, 2026 (Unaudited)		December 31, 2025 (Audited)	
	US Dollar	**Philippine Peso**	US Dollar	Philippine Peso
Financial assets:				
Cash in banks	**$305,936**	**₱18,584,973**	$1,741,838	₱102,402,669
Deposit in escrow	**1,003,938**	**60,987,247**	1,003,938	59,021,536
	$1,309,874	**79,572,220**	2,745,776	161,424,205
Financial liabilities:				
Trade and other payables	**1,333,782**	**81,024,567**	900,201	52,922,802
Installment payable	**205,323**	**12,472,989**	205,324	12,070,998
	1,539,105	**93,497,556**	1,105,525	64,993,800
Net US Dollar-denominated financial assets	**($229,231)**	**(₱13,925,336)**	$1,640,251	₱96,430,405

The following table shows the Group's Euro-denominated monetary financial asset and liability and their Philippine Peso equivalent:

	March 31, 2026 (Unaudited)		December 31, 2025 (Audited)	
	Euro	**Philippine Peso**	Euro	Philippine Peso
Financial asset -				
Cash in banks	**€43,654**	**₱3,061,507**	€202,621	₱14,031,504
Financial liability -				
Trade and other payables	**656,036**	**46,008,879**	361,756	25,051,597
Net Euro-denominated financial liability	**(€612,383)**	**(₱42,947,372)**	(€159,135)	(₱11,020,093)

For purposes of translating the outstanding balances of the Group's financial assets and liability denominated in a foreign currency, the exchange rates applied were ₱60.75 per US $1 and ₱70.13 per €1 as at March 31, 2026 and ₱58.79 per US $1 and ₱69.25 per €1 as at December 31, 2025.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate, with all other variables held constant, of the Group's income before tax. There is no other impact on the Group's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate	Effect on Income before Tax
March 31, 2026	**+0.79**	**(₱181,093)**
	-0.79	**181,093**
December 31, 2025	+1.03	₱1,689,459
	-1.03	(1,689,459)

The following table demonstrates the sensitivity to a reasonably possible change in the Euro exchange rate, with all other variables held constant, of the Group's income before tax. There is no other impact on the Group's equity other than those already affecting profit or loss.

	Increase/Decrease in Exchange Rate	Effect on Income before Tax
March 31, 2026	**+0.75**	**(₱459,287)**
	-0.75	**459,287**
December 31, 2025	+2.93	(₱466,265)
	-2.93	466,265

Equity Price Risk. Equity price risk is the risk that the Group will incur economic losses due to adverse changes in a particular stock or stock index. The Group's equity price risk arises from its financial assets at FVPL.

The Group's policy is to maintain the risk to an acceptable level. Movement in share price is monitored regularly to determine the impact on its financial position.

Exposure of the Group to changes in share price is insignificant.

Interest Rate Risk. The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's interest-bearing loans payable to local financial institutions with fixed interest rates; exposure of the Group to changes in the interest rates is insignificant.

Credit Risk

The Group's exposure to credit risk arises when a counterparty fails to fulfill its financial commitments to the Group under the prevailing contractual terms. Financial instruments that potentially subject the Group to credit risk consist primarily of trade receivables and other financial assets at amortized cost.

The carrying amounts of financial assets at amortized costs represent its maximum credit exposure.

Trade Receivables

Management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms, and conditions are offered. The Group's credit policy includes available external ratings, financial statements, credit agency information, industry information and, in some cases, bank references. Credit limits are established for each customer and reviewed on a regular basis. Any sales on credit exceeding those limits require specific approval from upper level of management.

The Group limits its exposure to credit risk by transacting mainly with recognized and creditworthy customers that have undergone its credit evaluation and approval process. The Group provides credit limits to all its accredited customers to manage credit risk concentrations. Further, as a policy, the Group revenue transactions are significantly entered into on a cash basis to manage its credit risk exposure. The Group's cash sales account for an average of 82% of the total revenues for the past three years. Historically, trade receivables are substantially collected within one (1) year and the Group has no experience of writing-off or impairing its trade receivables due to the effectiveness of its collection. In monitoring customer credit risk, the Group classifies its receivables as major term customers, related parties, and other regular term customers.

At March 31, 2026 and December 31, 2025, the exposure to credit risk for trade receivables by type of counterparty are as follows:

	March 31, 2026		
	Neither Past due nor Impaired	**Past Due but not Impaired**	**Total**
Major term customers	**₱171,122,919**	**₱63,782,003**	**₱234,904,922**
Related parties	**120,720,599**	**172,718,281**	**293,438,880**
Others	**41,097,090**	**88,388,637**	**129,485,727**
	₱332,940,608	**₱324,888,921**	**₱657,829,529**

	December 31, 2025		
	Neither Past due nor Impaired	Past Due but not Impaired	Total
Major term customers	₱147,451,262	₱76,606,029	₱224,057,291
Related parties	78,038,457	214,186,048	292,224,505
Others	16,268,324	89,900,260	106,168,584
	₱241,758,043	₱380,692,337	₱622,450,380

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments analyzed by customer type, credit terms, and offsetting arrangements. The Group adjusts historical default rates to forward-looking default rate by determining the closely related economic factor affecting each customer segment (i.e., gross national income from real estate and construction industry). At each reporting date, the observed historical default rates are updated and changes in the forward-looking estimates are analyzed.

Aging Analysis of Trade Receivables that are Past Due but not Impaired

Days Past Due	**March 31, 2026**	December 31, 2025
1 to 30 Days	**₱ 194,828,999**	₱205,145,567
31 to 90 Days	**99,523,626**	114,346,586
91 to 365 Days	**18,757,320**	50,366,912
366 days or more	**11,778,976**	10,833,272
Total	**₱324,888,921**	₱380,692,337

Trade receivables that are past due were not considered in default as management determined that the delays were primarily attributable to administrative processing issues rather than the borrower's financial difficulty. Accordingly, management assessed that the ECL on trade receivables are minimal, and no allowance for ECL on trade receivables was recognized as at March 31, 2026 and December 31, 2025.

Other Financial Assets at Amortized Cost
The Group's other financial assets at amortized cost are mostly composed of cash and placements in various banks such as deposit in escrow and restricted cash.

The Group limits its exposure to credit risk by investing its cash only with banks that have good credit standing and reputation in the local and international banking industry. These instruments are graded in the top category by an acceptable credit rating agency and, therefore, are considered to be low credit risk investments.

For refundable deposits and other receivables (including interest receivable, dividends receivable and other receivables), credit risk is low since the Group transacts only with reputable counterparties and with good credit standing

It is the Group's policy to measure ECL on the above 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.

When determining if there has been a significant increase in credit risk, the Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed such as, but not limited to, the following factors:

- Actual or expected external and internal credit rating downgrade;
- Existing or forecasted adverse changes in business, financial or economic conditions; and
- Actual or expected significant adverse changes in the operating results of the borrower.

The Group also considers financial assets that are more than 30 days past due to be the latest point at which lifetime ECL should be recognized unless it can demonstrate that this does not represent significant credit risk such as when non-payment arising from administrative oversight rather than resulting from financial difficulty of the borrower.

Financial Assets at FVPL
The Group is also exposed to credit risk in relation to debt securities that are measured at FVPL. Debt securities measured at FVPL are entered into with counterparties that have high credit ratings. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

The table below presents the summary of the Group's exposure to credit risk and shows the credit quality of the assets by indicating whether the assets are subjected to 12-month ECL or lifetime ECL. Assets that are credit-impaired are separately presented.

	March 31, 2026				
	Financial Assets at Amortized Cost				
	12-Month ECL	Lifetime ECL - Not Credit Impaired	Lifetime ECL - Credit Impaired	Financial Assets at FVPL	Total
Cash in banks and cash equivalents	**₱10,273,716,510**	**₱–**	**₱–**	**₱–**	**₱10,273,716,510**
Other receivables*	**1,548,287,693**	**–**	**–**	**–**	**1,548,287,693**
Debt securities at FVPL	**–**	**–**	**–**	**396,379,166**	**396,379,166**
Restricted cash	**139,931,722**	**–**	**–**	**–**	**139,931,722**
Refundable deposits	**56,209,066**	**–**	**–**	**–**	**56,209,066**
Deposit in escrow	**60,987,247**	**–**	**–**	**–**	**60,987,247**
	₱12,079,132,238	**₱–**	**₱–**	**₱396,379,166**	**₱12,475,511,404**

**Includes due from related parties, interest receivable, and other receivables*

	December 31, 2025				
	Financial Assets at Amortized Cost				
	12-Month ECL	Lifetime ECL - Not Credit Impaired	Lifetime ECL - Credit Impaired	Financial Assets at FVPL	Total
Cash in banks and cash equivalents	₱8,259,777,616	₱–	₱–	₱–	₱8,259,777,616
Other receivables*	1,554,511,646	–	–	–	1,554,511,646
Debt securities at FVPL	–	–	–	397,754,794	397,754,794
Restricted cash	127,699,609	–	–	–	127,699,609
Refundable deposits	56,209,509	–	–	–	56,209,509
Deposit in escrow	59,021,536	–	–	–	59,021,536
	₱10,057,219,916	₱–	₱–	₱397,754,794	₱10,454,974,710

**Includes due from related parties, interest receivable, and other receivables*

Liquidity Risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising adequate funds to meet its financial commitments at a reasonable cost. The Group's objectives in effectively managing its liquidity are: (a) to ensure that adequate funding is available at all times; (b) to meet the commitments as they arise without incurring unnecessary costs; and (c) to be able to access funding when needed at the least possible cost.

The tables below present the maturity profile of the financial liabilities of the Group based on remaining contractual undiscounted obligations or on the estimated timing of net cash flows as at March 31, 2026 and December 31, 2025:

	March 31, 2026 (Unaudited)				
	On Demand	>1 to 3 Months	>3 to 12 Months	>1 to 5 Years	Total
Trade and other payables*	**₱4,050,527,675**	**₱610,778,717**	**₱201,074,980**	**₱–**	**₱4,862,381,372**
Installment payable	**–**	**–**	**4,556,100**	**9,112,200**	**13,668,300**
Lease liabilities	**1,716,606**	**5,149,819**	**9,824,144**	**94,559,982**	**111,250,551**
	₱4,052,244,281	**₱615,928,536**	**₱215,455,224**	**₱103,672,182**	**₱4,987,300,223**

**Excluding nonfinancial and statutory liabilities amounting to ₱1,233.9 million as at March 31, 2026.*

	December 31, 2025 (Audited)				
	On Demand	>1 to 3 Months	>3 to 12 Months	>1 to 5 Years	Total
Trade and other payables*	₱2,479,058,340	₱544,917,789	₱370,448,761	₱34,524,141	₱3,428,949,031
Installment payable	–	–	2,135,744	11,092,006	13,227,750
Lease liabilities	1,489,745	3,907,319	12,187,830	56,319,709	73,904,603
	₱2,480,548,085	₱548,825,108	₱384,772,335	₱101,935,856	₱3,516,081,384

**Excluding nonfinancial and statutory liabilities amounting to ₱794.1 million as at December 31, 2025.*

Capital Management

The primary objective of the Group's capital management is to secure ongoing financial needs of the Group to continue as a going concern as well as to maintain a strong credit standing and healthy capital ratio in order to support the business and maximize stockholder value.

The Group considers equity contributions from stockholders and retained earnings as its capital totaling to ₱36,409.6 million and ₱36,498.8 million as at March 31, 2026 and December 31, 2025, respectively. The Group manages the capital structure and makes adjustments when there are changes in economic conditions, business activities, expansion programs, and the risk characteristics of the underlying assets. In order to manage the capital structure, the Group may adjust its

borrowings, adjust dividend payment to shareholders, or raise equity. The Group is not subject to any externally imposed capital requirements.

5. Cash and Cash Equivalents

This account consists of:

	March 31, 2026	December 31, 2025
Cash on hand	**₱844,000**	₱841,000
Cash in banks	**1,050,378,040**	478,456,925
Cash equivalents	**9,223,338,470**	7,781,320,691
	₱10,274,560,510	₱8,260,618,616

Cash on hand pertains to petty cash fund and revolving funds. Cash in banks earn interest at prevailing bank deposit rates and are immediately available for use in the current operations.

Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn annual interest at rates ranging from 3.50% to 7.25% for the three months ended March 31, 2026 and 4.25% to 8.00% for the three months ended March 31, 2025.

Interest income is recognized from the following:

	Note	**March 31, 2026**	March 31, 2025
Cash in banks and cash equivalents*		**₱87,347,315**	₱102,716,495
Financial assets at FVPL	6	**3,769,324**	4,328,844
		₱91,116,639	₱107,045,339

**Includes interest income from deposit in escrow and restricted cash.*

6. Financial Assets at FVPL

The financial assets at FVPL is composed of quoted debt securities held for trading purposes amounting to ₱396.4 million and ₱397.8 million as at March 31, 2026 and December 31, 2025, respectively.

Debt securities are quoted and earn annual interest rate ranging from 4.63% to 4.88% for the three months ended March 31, 2026 and 2025. Interest income on debt securities amounted to ₱3.8 million and ₱4.3 million for the three months ended March 31, 2026 and 2025, respectively.

The Group's quoted debt securities at FVPL are carried at fair values based on quoted market or bidding dealer price quotations from active markets as at the reporting period.

Trading gains (losses) on financial assets at FVPL amounted to (₱1.4) million and ₱4.0 million for the three months ended March 31, 2026 and 2025, respectively.

7. Trade and Other Receivables

This account consists of:

	Note	March 31, 2026	December 31, 2025
Trade:			
Third parties		**₱364,390,649**	₱330,225,875
Related parties	16	**293,438,880**	292,224,505
Due from related parties	16	**1,520,775,008**	1,522,346,769
Interest receivable		**24,117,062**	28,317,218
Advances to officers and employees		**4,777,392**	6,225,201
Others		**3,395,623**	3,847,659
		₱2,210,894,614	₱2,183,187,227

Trade receivables are noninterest-bearing and are generally on a 60-day credit term.

Interest receivable pertains to interest income earned but not yet received by the Group and are normally settled within 35 days.

Advances to officers and employees are subject to liquidation within a period of seven (7) days after the transaction has occurred or through salary deduction.

Other receivables are non-interest bearing and normally settled within 12 months from the reporting date.

8. Inventories

This account consists of:

	March 31, 2026	December 31, 2025
Spare parts	**₱1,039,496,215**	₱1,120,753,207
Raw materials	**973,242,464**	837,494,511
Supplies	**387,264,194**	355,966,667
Goods in process	**336,570,398**	530,253,646
Finished goods	**21,160,331**	28,375,319
	₱2,757,733,602	₱2,872,843,350

Cost of inventories as at March 31, 2026 and December 31, 2025 is lower than its NRV.

Advance payments for purchases of inventories that are applied against subsequent deliveries amounted to ₱39.3 million and ₱291.1 million as at March 31, 2026 and December 31, 2025, respectively (see Note 9).

In 2025, the Group reclassified items of machinery and equipment to spare parts amounting to ₱527.9 million as these are expected to be consumed in the production process (see Note 10).

These reclassifications are considered as noncash financial information excluded from the unaudited interim consolidated statements of cash flows.

9. **Other Current Assets**

This account consists of:

	March 31, 2026	December 31, 2025
Prepayments for:		
Shutdown costs	**₱474,844,727**	₱505,540,508
Real property taxes	**201,592,933**	218,766,663
Insurance and subscriptions	**25,971,937**	13,305,748
Deferred input VAT	**17,188,394**	18,832,750
Advances to suppliers	**49,603,203**	50,106,655
Others	**12,459,348**	10,166,880
	₱781,660,542	₱816,719,204

Shutdown Costs

Shutdown costs pertain to expenditures incurred for the manufacturing plant's annual major repairs and maintenance activities. These costs are expected to provide economic benefits to the Group within one year and are amortized over the period of expected benefit.

Advances to suppliers

Advances to suppliers represent advance payments for purchases of inventories and services that are applied against subsequent deliveries. The amounts have been outstanding for less than one (1) year from initial recognition. These are reversed upon receipt of goods and services from suppliers.

The balances and movements in this account are as follows:

	Note	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**₱50,106,655**	₱26,054,887
Additions		**38,833,484**	315,195,614
Applied	8	**(39,336,936)**	(291,143,846)
Balance at end of year		**₱49,603,203**	₱50,106,655

The application of advances to suppliers to inventory is considered as noncash financial information excluded from the unaudited interim consolidated statements of cash flows.

10. **Property, Plant and Equipment**

The balances and movements in this account are as follows:

	March 31, 2026							
	Land	Machinery and Equipment	Building and Improvements	Furniture, Fixtures, and Other Office Equipment	Transportation Equipment	ROU Assets	CPIP	Total
Cost/Revalued Amount								
Balances at beginning of year	**₱2,326,728,961**	**₱22,389,761,759**	**₱10,539,562,798**	**₱185,251,014**	**₱164,250,411**	**₱141,522,241**	**₱161,535,661**	**₱35,908,612,845**
Additions	**502,936**	**112,310,143**	**112,117**	**–**	**–**	**17,721,530**	**88,930,946**	**219,577,672**
Disposals	**–**	**–**	**–**	**(60,717)**	**(2,716,439)**	**(44,704,580)**	**–**	**(47,481,736)**
Settlement of CPIP	**–**	**43,608,957**	**13,348,389**	**4,173,841**	**1,933,929**	**–**	**(63,065,116)**	**–**
Balances at end of year	**2,327,231,897**	**22,545,680,859**	**10,553,023,304**	**189,364,138**	**163,467,901**	**114,539,191**	**187,401,491**	**36,080,708,781**
Accumulated Depreciation and Amortization								
Balances at beginning of year	**–**	**8,268,027,057**	**3,656,739,707**	**148,232,407**	**149,397,388**	**86,038,941**	**–**	**12,308,435,500**
Depreciation and amortization	**–**	**298,881,671**	**53,510,075**	**3,153,938**	**929,560**	**3,825,285**	**–**	**360,300,529**
Disposals	**–**	**–**	**–**	**(60,717)**	**(2,707,523)**	**(26,364,382)**	**–**	**(29,132,622)**
Balances at end of year	**–**	**8,566,908,728**	**3,710,249,782**	**151,325,628**	**147,619,425**	**63,499,844**	**–**	**12,639,603,407**
Carrying Amounts	**₱2,327,231,897**	**₱13,978,772,131**	**₱6,842,773,522**	**₱38,038,510**	**₱15,848,476**	**₱51,039,347**	**₱187,401,491**	**₱23,441,105,374**

	December 31, 2025							
	Land	Machinery and Equipment	Building and Improvements	Furniture, Fixtures, and Other Office Equipment	Transportation Equipment	ROU Assets	CPIP	Total
Cost/Revalued Amount								
Balances at beginning of year	₱2,265,180,592	₱25,989,386,495	₱5,377,031,541	₱347,045,899	₱189,529,118	₱154,184,141	₱1,176,698,848	₱35,499,056,634
Additions	65,340,053	139,886,700	–	–	–	–	1,215,935,978	1,412,162,731
Reclassifications	(3,791,684)	(5,507,942,308)	4,992,229,046	(151,751,458)	(5,236,296)	–	–	(676,492,700)
Disposals	–	(257,404,655)	(3,699,141)	(31,748,489)	(29,599,635)	(12,661,900)	–	(335,113,820)
Settlement of CPIP	–	2,025,835,527	174,001,352	21,705,062	9,557,224	–	(2,231,099,165)	–
Balances at end of year	2,326,728,961	22,389,761,759	10,539,562,798	185,251,014	164,250,411	141,522,241	161,535,660	35,908,612,845
Accumulated Depreciation and Amortization								
Balances at beginning of year	–	8,714,686,711	2,147,595,870	267,534,564	177,674,256	78,933,193	–	11,386,424,594
Depreciation and amortization	–	1,102,529,649	213,685,130	21,246,498	2,931,072	16,043,306	–	1,356,435,655
Disposals	–	(256,458,866)	(3,699,138)	(26,514,921)	(27,139,440)	(8,937,558)	–	(322,749,923)
Reclassifications	–	(1,292,730,437)	1,299,157,845	(114,033,734)	(4,068,500)	–	–	(111,674,826)
Balances at end of year	–	8,268,027,057	3,656,739,707	148,232,407	149,397,388	86,038,941	–	12,308,435,500
Carrying Amounts	₱2,326,728,961	₱14,121,734,702	₱6,882,823,091	₱37,018,607	₱14,853,023	₱55,483,300	₱161,535,660	₱23,600,177,345

In 2025, the Group completed an updated technical study of its property, plant and equipment, which included a componentization review to identify significant parts of assets that are depreciated separately due to differing useful lives and consumption patterns. Consequently, the Group reclassified certain items, including related accumulated depreciation, among property, plant and equipment line items to reflect the appropriate asset components. These reclassifications affected the presentation within property, plant and equipment account but did not change its carrying amount as at December 31, 2025.

The Group reclassified items of machinery and equipment to spare parts classified under "Inventories" account amounting to ₱527.9 million in 2025 as these are expected to be consumed in the production process (see Note 8). These reclassifications are considered as noncash financial information excluded from the unaudited interim consolidated statements of cash flows.

Further, in 2025, the Group revised the estimated useful lives of buildings and improvements from 5 to 30 years into 5 to 50 years, based on an updated technical assessment. The revision represents a change in accounting estimate and has been applied prospectively.

Capitalized Mine Rehabilitation and Decommissioning Costs

The Group recognized the present value of the estimated costs of mine rehabilitation and decommissioning under "Building and improvements" account. Movement in the balances of capitalized costs are as follows:

	March 31, 2026	December 31, 2025
Cost		
Balance at beginning and end of year	**₱74,053,558**	₱74,053,558
Accumulated Amortization		
Balance at beginning of year	**37,911,394**	33,414,011
Amortization	**1,124,346**	4,497,383
Balance at end of year	**39,035,740**	37,911,394
Carrying Amount	**₱35,017,818**	₱36,142,164

Application of Deposit on Asset Purchase

As at March 31, 2026 and December 31, 2025, deposit on asset purchase amounting to ₱8.8 million and ₱133.7 million, respectively, were applied and included as additions to property, plant and equipment (see Note 12). This transaction is considered as a noncash financial information excluded from the unaudited interim consolidated statements of cash flows.

Depreciation and Amortization

Details of depreciation and amortization are as follows:

	Note	**March 31, 2026**	March 31, 2025
Included in profit or loss:			
Property, plant and equipment		**₱356,475,244**	₱366,146,363
Mining rights and computer software	11	**23,722,020**	19,606,826
ROU assets		**3,825,285**	4,526,455
		384,022,549	390,279,644
Recognized as component of inventories		**16,220,722**	10,916,960
		₱400,243,271	₱401,196,604

Depreciation and amortization are distributed in the unaudited interim consolidated statements of comprehensive income as follows:

	March 31, 2026	March 31, 2025
Cost of goods sold and services	**₱369,223,062**	₱360,140,051
Operating expenses	**31,020,209**	41,056,553
	₱400,243,271	₱401,196,604

CPIP

CPIP consists of the cost incurred in the construction of additional facilities and projects of the Group amounting to ₱187.4 million and ₱161.5 million as at March 31, 2026 and December 31, 2025, respectively.

11. Intangible Assets

The balances and movements in this account as at March 31, 2026 and for the year ended December 31, 2025 are as follows:

	March 31, 2026			
	Mining Rights	**Computer Software**	**Goodwill**	**Total**
Cost				
Balance at beginning of year	**₱1,264,065,906**	**₱477,649,116**	**₱1,258,952,704**	**₱3,000,667,726**
Additions	**–**	**2,753,051**	**–**	**2,753,051**
Balance at end of year	**1,264,065,906**	**480,402,167**	**1,258,952,704**	**3,003,420,777**
Accumulated Amortization				
Balance at beginning of year	**167,617,145**	**254,403,084**	**–**	**422,020,229**
Amortization	**10,429,261**	**13,292,760**	**–**	**23,722,021**
Balance at end of year	**178,046,406**	**267,695,844**	**–**	**445,742,250**
Carrying Amounts	**₱1,086,019,500**	**₱212,706,323**	**₱1,258,952,704**	**₱2,557,678,527**

	December 31, 2025			
	Mining Rights	Computer Software	Goodwill	Total
Cost				
Balance at beginning of year	₱1,264,065,906	₱298,977,729	₱1,258,952,704	₱2,821,996,339
Reclassifications	–	160,643,413	–	160,643,413
Additions	–	36,745,548	–	36,745,548
Disposals	–	(18,717,574)	–	(18,717,574)
Balance at end of year	1,264,065,906	477,649,116	1,258,952,704	3,000,667,726
Accumulated Amortization				
Balance at beginning of year	125,900,102	90,394,842	–	216,294,944
Reclassifications	–	127,489,214	–	127,489,214
Amortization	41,717,043	55,236,602	–	96,953,645
Disposals	–	(18,717,574)	–	(18,717,574)
Balance at end of year	167,617,145	254,403,084	–	422,020,229
Carrying Amounts	₱1,096,448,761	₱223,246,032	₱1,258,952,704	₱2,578,647,497

Mining Rights

Mining rights represent the Group's legal rights to undertake quarrying activities in the municipalities of San Ildefonso and Dona Remedios Trinidad in Bulacan, and municipalities of Ginatilan and Malabuyoc in Cebu.

No impairment loss on mining rights was recognized as at March 31 2026 and 2025.

Computer software
Computer software pertains to enterprise resource planning (ERP) system.

Goodwill
Goodwill amounting to ₱927.4 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in Armstrong in 2022. Total net cash outflow of the Parent Company from acquiring Armstrong amounted to ₱420.1 million (net of cash acquired from Armstrong amounting to ₱87.9 million).

Goodwill amounting to ₱327.8 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in SNMC in 2021. Total net cash outflow of the Parent Company from acquiring SNMC amounted to ₱3,308.5 million (net of cash acquired from SNMC amounting to ₱263.5 million).

Goodwill amounting to ₱3.8 million was recognized as a result of the acquisition by the Parent Company of 100% ownership in SWCC on December 23, 2016. Total net cash outflow of the Parent Company from acquiring SWCC amounted to ₱385.1 million (net of cash acquired from SWCC amounting to ₱64.9 million).

No impairment loss on goodwill was recognized as at March 31, 2026 and 2025.

12. Other Noncurrent Assets

This account consists of:

	March 31, 2026	December 31, 2025
Financial Assets:		
Restricted cash	**₱139,931,722**	₱127,699,609
Refundable deposits – noncurrent portion	**56,209,066**	56,209,509
Deposit in escrow	**60,987,247**	59,021,536
Nonfinancial assets:		
Deposit on asset purchase	**148,824,444**	115,000,977
Deferred exploration and evaluation costs	**60,002,395**	60,002,395
Deposit for future investment	**5,665,571**	5,515,531
Investment properties	**3,791,684**	3,791,684
	₱475,412,129	₱427,241,241

Restricted Cash
Restricted cash pertains to rehabilitation funds established by the Group and deposited with a local bank for compliance with the Department of Environment and Natural Resources Administrative Order No. 2005-07 for environmental protection and enhancement.

Refundable Deposits
Refundable deposits include bill deposits for electric charges of the Group's manufacturing plant which are refundable upon termination of service, and rental deposits related to long-term rentals of office space.

Deposit in Escrow
Deposit in escrow pertains to cash in escrow account related to a pending legal case.

Deposit on Asset Purchase

Deposit on asset purchase represents advance payments for the acquisition of machinery and equipment and long-term deposit for inventory acquisition.

The balances and movements in this account are as follows:

	Note	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**₱115,000,977**	₱142,267,455
Additions		**42,594,884**	106,434,404
Applied	10	**(8,771,417)**	(133,700,882)
Balance at end of year		**₱148,824,444**	₱115,000,977

The application of advances to suppliers to property, plant and equipment is considered as noncash financial information unaudited interim consolidated statements of cash flows.

Deferred Exploration and Evaluation

Deferred exploration and evaluation costs pertain to costs incurred for the exploration and development in the mining properties of the Group.

The carrying amount of deferred exploration and evaluation costs amounted to ₱60.0 million as at March 31, 2026 and December 31, 2025. No impairment loss was recognized for the three months ended March 31, 2026 and 2025.

Deposit for Future Investment

Deposit for future investment pertains to deposit made for future subscription to the common shares of stock of business entities the Group is planning to venture.

Investment Properties

In 2025, the Group reclassified parcel of land to investment properties amounting to ₱3.8 million due to change of its intended use (see Note 10). This reclassification is considered as a noncash financial information excluded from the unaudited interim consolidated statements of cash flows.

13. Trade and Other Payables

This account consists of:

	Note	**March 31, 2026**	December 31, 2025
Trade:			
Third parties		**₱1,650,601,285**	₱1,538,838,249
Related parties	16	**1,689,595,084**	1,244,180,647
Dividends payable		**1,000,143,340**	216,979
Advances from customers		**569,497,051**	470,234,727
Accrued Expenses		**463,082,795**	586,547,513
Output VAT payable		**320,891,985**	129,821,562
Income tax payable		**289,728,398**	143,203,780
Statutory payables		**53,743,004**	50,854,696
Retention payable		**32,769,158**	38,454,199
Current portion of installment payable		**3,967,513**	3,839,634
Others		**22,222,198**	16,871,810
		₱6,096,241,811	₱4,223,063,796

Trade payables are noninterest-bearing and are generally settled in varying periods, within one (1) year, depending on arrangements with suppliers.

Accrued expenses include accrual for sales rebates, personnel costs and advertising, which are usually settled within one (1) year.

Advances from customers are collections received for inventory purchases to be delivered by the Group within 30 days after collection date.

Retention payable represents retention fees of contractors and is normally settled within one (1) year.

Statutory payables include withholding taxes and statutory contributions that are remitted to the government agencies on a monthly or quarterly basis.

Other payables are noninterest-bearing and normally settled within one (1) year.

Installment Payable

Installment payable pertains to an installment contract entered in 2016 with a third party for the supply and commissioning on site of a fly-ash carbon separator, the supply of belts, and the provision of technical services for $3.8 million (₱173.5 million).

The balances and movements in this account are as follows:

	Note	**March 31, 2026**	December 31, 2025
Original Amount			
Balance at beginning of year		**₱13,227,750**	₱17,353,500
Payments		**–**	(3,607,677)
Foreign exchange adjustments		**440,518**	(518,073)
Balance at end of year		**13,668,268**	13,227,750
"Day 1" Difference			
Balance at beginning of year		**1,156,752**	1,868,888
Accretion of interest		**–**	(730,698)
Foreign exchange adjustments		**38,527**	18,562
Balance at end of year		**1,195,279**	1,156,752
		12,472,989	12,070,998
Less current portion		**3,967,513**	3,839,634
Noncurrent portion	14	**₱8,505,476**	₱8,231,364

Accretion of "Day 1" difference is included as "Finance Costs" in the unaudited interim consolidated statements of comprehensive income.

14. Other Noncurrent Liabilities

This account consists of:

	March 31, 2026	December 31, 2025
Provision for mine rehabilitation and decommissioning	**₱95,687,965**	₱94,755,059
Lease liabilities – net of current portion	**42,625,634**	46,765,483
Installment payable – net of current portion	**8,505,476**	8,231,364
	₱146,819,075	₱149,751,906

Provision for Mine Rehabilitation and Decommissioning

The Group is required under its Environmental Compliance Certificate to perform rehabilitation and decommissioning of its cement manufacturing plant and quarry operation sites. Accordingly, the Group recognized its estimated liability for site rehabilitation and decommissioning. The provision is calculated based on the Group's estimate of expected costs to be incurred to rehabilitate and decommission the sites and is measured at its present value using discount rates ranging from 6.31% to 6.65%.

The balance and movements in this account are as follows:

	Note	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**₱94,755,059**	₱91,239,916
Accretion		**932,906**	3,515,143
Balance at end of year		**₱95,687,965**	₱94,755,059

15. **Equity**

Capital Stock

The Parent Company's authorized, issued and outstanding capital stock as at March 31, 2026 and December 31, 2025 are as follows:

Common stock – ₱1 par value	₱5,000,000,006
Preferred stock – ₱1 par value	3,000,000,000
Treasury stock	(3,000,000,000)
	5,000,000,006

Dividends Declaration

The Parent Company's BOD authorized the declaration of the following cash dividends in 2026 and 2025:

2026

Type	Declaration Date	Record Date	Payment Date	Dividend Per Share	Amount
Common	**March 11, 2026**	**March 25, 2026**	**April 23, 2026**	**₱0.20**	**₱1,000,000,001**
					₱1,000,000,001

2025

Type	Declaration Date	Record Date	Payment Date	Dividend Per Share	Amount
Common	**March 11, 2025**	**March 25, 2025**	**April 23, 2025**	**₱0.20**	**₱1,000,000,001**
Common	**May 05, 2025**	**May 19, 2025**	**June 13, 2025**	**0.20**	**1,000,000,001**
Common	**August 12, 2025**	**August 27, 2025**	**September 22, 2025**	**0.20**	**1,000,000,001**
Common	**November 11, 2025**	**November 25, 2025**	**December 22, 2025**	**0.20**	**1,000,000,001**
					₱4,000,000,004

Appropriations of Retained Earnings

Details of appropriated retained earnings as at March 31, 2026 and December 31, 2025 are as follows:

March 31, 2026

Year of Appropriation	Amount	Project Completion
2023	₱8,500,000,000	To be completed in 2028
2023	5,000,000,000	To be completed in 2028
2023	2,500,000,000	To be completed in 2028
2023	500,000,000	To be completed in 2026
	₱16,500,000,000	

December 31, 2025

Year of Appropriation	Amount	Project Completion
2023	₱8,500,000,000	To be completed in 2028
2023	5,000,000,000	To be completed in 2028
2023	2,500,000,000	To be completed in 2028
2023	500,000,000	To be completed in 2026
2023	100,000,000	To be completed in 2025
	₱16,600,000,000	

On November 14, 2023, the Group's BOD approved the release of the previously appropriated unrestricted retained earnings amounting to ₱16,000.0 million. On the same date, the Group's BOD approved the extension of previous appropriation of unrestricted retained earnings in the same amount to fund the construction of its fourth manufacturing line and production facility in Cebu, and other future expansion projects which are expected to be completed in 2028.

On November 23, 2023, the Group's BOD approved appropriation of retained earnings amounting to ₱500.0 million to fund acquisitions of land, and expansion of manufacturing plant which are expected to be completed in 2026.

On March 11, 2026, the Group's BOD approved the release of the previously appropriated unrestricted retained earnings amounting to ₱100.0 million.

Other Equity Reserves

Other equity reserves of the Group pertain to cumulative remeasurement gains or losses on net retirement benefits liability (asset) amounting to ₱121.0 million as at March 31, 2026 and December 31, 2025.

16. Related Party Transactions

The Group has transactions with its related parties in the ordinary course of business. The outstanding balances and amount of transactions with related parties are as follows:

Nature of Relationship	Nature of Transactions	March 31, 2026		December 31, 2025	
		Amount of Transactions	**Outstanding Balance**	Amount of Transactions	Outstanding Balance
Cash and Cash Equivalents					
Entity under common key management	Cash deposits and cash equivalents	**₱38,935,846**	**₱3,588,526,782**	₱202,098,315	₱3,627,772,325
Trade Receivables (see Note 7)					
Entities under common control	Sale of inventories	**₱296,300,450**	**₱283,495,672**	₱787,543,102	₱282,718,856
Entity under common key management	Sale of inventories	**20,811,860**	**8,799,608**	134,083,119	8,462,849
Intermediate Parent Company	Sale of inventories	**100,800**	**1,143,600**	1,635,600	1,042,800
			₱293,438,880		₱292,224,505
Receivable from a related party (see Note 7)					
Entity under common key management	Assignment of receivable	**₱–**	**₱1,200,000,000**	₱–	₱1,200,000,000
Due from related parties (see Note 7)					
Entities under common key management	Working capital advances	**₱222,450**	**₱320,452,090**	₱1,639,800	₱322,163,535
Entities under common control	Working capital advances	**2,093,508**	**322,918**	1,950,780	111,949
Immediate Parent Company	Working capital advances	–	–	–	71,285
			₱320,775,008		₱322,346,769
Dividends receivable (see Note 7)					
Intermediate Parent Company	Dividends earned	**₱–**	**₱–**	₱5,106,038	₱–
Advances to Suppliers					
Entities under common control	Purchase of services	**₱14,537,600**	**₱600,000**	₱48,517,879	₱12,907,403
Refundable Deposits					
Entity under common control	Supply of services	**₱–**	**₱55,486,612**	₱702,477	₱55,487,056
Entities under common key management	Supply of services	**–**	**500,000**	–	500,000
			₱55,986,612		₱55,987,056
Trade Payables (see Note 13)					
Entities under common control	Hauling, rental and other services	**₱1,307,886,250**	**₱1,082,798,883**	₱4,592,744,218	₱834,455,601
Entities under common key management	Purchase of raw materials and outside services	**191,775,213**	**368,278,921**	1,199,256,353	349,583,303
Immediate Parent Company	Management and technical fees	**245,808,504**	**238,517,280**	888,563,415	60,141,743
			₱1,689,595,084		₱1,244,180,647
Dividends Payable					
Immediate Parent Company	Dividends declared	**₱999,580,734**	**₱999,580,734**	₱3,998,322,937	₱–

Terms and Conditions of Transactions and Balances with Related Parties

Trade and other receivables, dividend receivables, trade payables, due to and from related parties and dividend payable are unsecured, noninterest-bearing except for cash and cash equivalents which earn interest at prevailing bank deposit rates and generally settled within the respective related parties' normal settlement period. No allowance for ECL was provided for trade and other receivables and due from related parties.

Advances to suppliers and deposit on asset purchase for payments of purchases of inventories and services, are settled upon delivery which are expected within one year from date of the advance payment.

Refundable deposits are noninterest-bearing and refundable upon termination of services.

Assignment of Receivables

On June 16, 2023, ECC assigns to FEHI the deposit for future subscription of ECC to the common shares of KSHI amounting to ₱1,300.0 million. Receivable from a related party is unsecured, noninterest-bearing, and shall be collectible on demand but within two (2) years.

In March 2026, the parties executed an amendment to the deed of assignment to revise the payment terms. Under the amendment, the consideration shall be paid by the assignee to the assignor on or before December 31, 2026, in accordance with a schedule mutually agreed by the Parties.

Technical and Service Agreement

On July 31, 2023, the Group entered into an agreement with the Immediate Parent Company for the latter to provide technical assistance, training and research and development, with technical fees as consideration. On the same date, the Group also entered into a service agreement with the Immediate Parent Company for support services, human resource, and financial accounting and budgeting, payable in fixed quarterly management fees.

All related party transactions are in compliance with the related party transactions policy of the Group including the required approval process. This includes review of the related party committee and approval of the BOD for transactions exceeding certain thresholds and approval criteria.

Loan Agreement

On July 14, 2023, the Immediate Parent Company obtained a loan amounting to ₱30 billion from BDO Unibank, Inc. with ECC as co-borrower as covered by the Loan Agreement dated July 12, 2023. The loan was used to settle the Immediate Parent Company's existing short-term loan. The loan is subject to a flat interest rate of 7.1913% ("initial interest rate") from the borrowing date until May 10, 2028, the date of repricing. Thereafter, the final interest rate shall be the higher between the 5-year benchmark plus margin or the initial interest rate.

As of March 31, 2026, the loan has an outstanding balance of ₱25.7 billion.

17. Income Taxes

The components of income tax as reported in the unaudited interim consolidated statements of comprehensive income are as follows:

	For the Three-Month Periods Ended March 31	
	2026	2025
Reported in Profit or Loss		
Current tax expense	**₱196,174,675**	₱232,827,135

The components of the Group's net deferred tax liabilities are as follows:

	March 31, 2026	December 31, 2025
Deferred tax assets:		
Cumulative balance of proceeds from testing of property, plant and equipment	**₱40,560,916**	₱40,560,916
Provision for mine rehabilitation and decommissioning	**23,688,765**	23,688,765
Accrued expenses	**18,337,203**	18,337,203
Lease liabilities	**8,815,936**	8,815,936
Unrealized foreign exchange loss	**6,640,951**	6,640,951
Retirement liability	**6,282,949**	6,282,949
Excess of cost over fair value of financial assets at FVPL	**6,232,459**	6,232,459
Carrying amount of discount not capitalized	**1,989,600**	1,989,600
	₱112,548,779	₱112,548,779
Deferred tax liabilities:		
Excess of acquisition-date fair value over carrying amounts	**194,643,364**	194,643,364
Carrying amount of ROU assets	**13,870,825**	13,870,825
Carrying amount of capitalized mine rehabilitation and decommissioning costs	**9,035,541**	9,035,541
Unrealized foreign exchange gains	**236,356**	236,356
Net retirement benefit asset	**25,268**	25,268
	217,811,354	217,811,354
Net deferred tax liabilities	**₱105,262,575**	₱105,262,575

18. Earnings Per Share

Basic and diluted EPS are calculated as follows:

For the three months ended March 31

	2026	2025
Net income attributable to common stockholders	**₱910,811,916**	₱849,239,258
Weighted average number of common shares outstanding	**5,000,000,006**	5,000,000,006
Per share amounts: Basic and diluted EPS	**₱0.18**	₱0.17

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis relate to the unaudited interim consolidated statements of financial position and results of operations of the Group and should be read in conjunction with the accompanying unaudited interim consolidated financial statements and related notes. The unaudited interim consolidated financial statements have been prepared in compliance with PAS 34, *Interim Financial Reporting* and in compliance with PFRS issued by the Philippine Financial Reporting Standards Council and adopted by the SEC. This financial reporting framework includes PFRS, PAS and Philippine Interpretations from IFRIC and SEC provisions.

The financial information appearing in this report and in the accompanying unaudited interim consolidated financial statements is presented in Philippine pesos, the Group's functional and presentation currency, as defined under PFRS. All values are rounded to the nearest million pesos, except when otherwise indicated.

CONSOLIDATED RESULTS OF OPERATIONS

RESULTS OF OPERATIONS FOR THREE MONTHS ENDED MARCH 31, 2026 and MARCH 31, 2025

The Group delivered consolidated revenues of ₱6.18 billion during the period, a 3% increase over the previous year's ₱6.00 billion. This growth was driven primarily by higher sales volume, which offset the decline in selling price.

Cost of goods sold and services increased by 10% to ₱4.90 billion from ₱4.47 billion primarily due to higher power rates, increased delivery service costs, and increase in other manufacturing expenses, particularly repairs and maintenance and outside services.

As a result, the gross profit declined by 17% to ₱1.28 billion with gross profit margin contracting from 26% during the first quarter of 2025 to 21% in the first quarter of 2026.

Operating expenses (OPEX) decreased by 55% to ₱256.54 million from ₱569.65 million, primarily due to lower product handling and depreciation costs, and efficient cost management implemented across discretionary spending, including donations and corporate social responsibility (CSR) programs.

Finance costs dropped by 12% to ₱2.50 million from ₱2.84 million, attributed to a timing difference in installment settlements, resulting in lower recognized interest charges for the period.

Interest income fell by 15% to ₱91.12 million, reflecting lower investment balances and softer yields on short-term placements, in line with prevailing market conditions.

Other income decreased by 112% to ₱1.33 million, largely due to unfavorable foreign exchange rates.

The income tax provision decreased by 16% to ₱196.17 million from ₱232.83 million in line with the lower taxable income.

Net income after tax (NIAT) increased by 7% to ₱910.81 million from ₱849.24 million during the same period last year. This translates to earnings per share (EPS) of ₱0.18, representing a 6% increase from ₱0.17 in the previous year.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) likewise increased by 3% to ₱1.42 billion from ₱1.38 billion, with EBITDA margin registering at 23%.

The table below summarizes the unaudited interim consolidated results of operations of the Group for the three months ended March 31, 2026 and 2025.

	For the Three Months Ended March 31			
	2026	2025	Increase (Decrease)	Percentage of change
Net revenues	**₱6,177,987,693**	₱6,002,741,882	₱175,245,811	3%
Cost of goods sold	**4,901,744,319**	4,465,899,493	435,844,826	10%
Gross profit	**1,276,243,374**	1,536,842,389	(260,599,015)	-17%
Operating expenses	**256,538,045**	569,647,641	(313,109,596)	-55%
Income from operations	**1,019,705,329**	967,194,748	52,510,581	5%
Finance costs	**(2,501,494)**	(2,844,939)	343,445	-12%
Interest income	**91,116,639**	107,045,339	(15,928,700)	-15%
Other income (loss) - net	**(1,333,883)**	10,671,245	(12,005,128)	-112%
Income before income tax	**1,106,986,591**	1,082,066,393	24,920,198	2%
Less income tax expense	**196,174,675**	232,827,135	(36,652,460)	-16%
Net income	**₱910,811,916**	₱849,239,258	₱61,572,658	7%

Calculation of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

	For the Three Months Ended March 31	
	2026	2025
Net income	**₱910,811,916**	₱849,239,258
Add:		
Depreciation and amortization	**400,243,270**	401,196,604
Income tax expense	**196,174,675**	232,827,135
Finance costs	**2,501,494**	2,844,939
Foreign exchange losses (gains) -net	**4,457,409**	(1,975,261)
Less:		
Interest income	**91,116,639**	107,045,339
EBITDA	**₱1,423,072,125**	₱1,377,087,336

RESULTS OF OPERATIONS FOR THREE MONTHS ENDED MARCH 31, 2025 and MARCH 31, 2024

The Group posted consolidated revenues of ₱6.00 billion during the period, 5% lower against the ₱6.30 billion in previous year despite higher sales volume primarily due to the significant decline in selling price.

Cost of sales increased by 5% to ₱4.47 billion from ₱4.24 billion primarily due higher power rates, increased overhead costs, and additional depreciation from newly capitalized assets.

As a result, the gross profit declined by 25% to ₱1.54 billion with gross profit margin contracting from 33% during the first quarter of 2024 to 26% in the first quarter of 2025.

OPEX decreased by 25% to ₱569.65 million from ₱761.77 million, largely due to reduction in advertising and promotion spending during the quarter.

Finance costs rose by 68% to ₱2.84 million from ₱1.70 million, driven by the recognition of interest related to the asset retirement obligation under the company's newly approved mining plan, as outlined in the existing MPSA.

Interest income fell sharply by 36% to ₱107.05 million, reflecting lower investment values and declining yields on short-term placements.

Other income saw an 826% increase, largely due to realized and unrealized gains from foreign currency-denominated transactions and higher rates on bond investments.

Provision for income tax dropped by 6% to ₱232.83 million, in line with the lower taxable income for the period.

NIAT declined by 30% to ₱849.24 million from ₱1.21 billion last year. This translated to EPS of ₱0.17, lower than last year's ₱0.24 by 30%.

EBITDA likewise decreased by 18% to ₱1.38 billion from ₱1.68 billion, with EBITDA margin registering at 23%.

The table below summarizes the unaudited interim consolidated results of operations of the Group for the three months ended March 31, 2025 and 2024.

	For the Three Months Ended March 31			
	2025	2024	Increase (Decrease)	Percentage of change
Net sales	**₱6,002,741,882**	₱6,298,306,288	(₱295,564,406)	-5%
Cost of goods sold	**4,465,899,493**	4,240,043,704	225,855,789	5%
Gross profit	**1,536,842,389**	2,058,262,584	(521,420,195)	-25%
Operating expenses	**569,647,641**	761,773,450	(192,125,809)	-25%
Income from operations	**967,194,748**	1,296,489,134	(329,294,386)	-25%
Finance costs	**(2,844,939)**	(1,695,222)	(1,149,717)	68%
Interest income	**107,045,339**	166,510,659	(59,465,320)	-36%
Other income (loss) - net	**10,671,245**	(1,470,477)	12,141,722	826%
Income before income tax	**1,082,066,393**	1,459,834,094	(377,767,701)	-26%
Less income tax expense	**232,827,135**	247,237,345	(14,410,210)	-6%
Net income	**₱849,239,258**	₱1,212,596,749	(₱363,357,491)	-30%

Calculation of EBITDA

	For the Three Months Ended March 31	
	2025	2024
Net income	**₱849,239,258**	₱1,212,596,749
Add:		
Depreciation and amortization	**401,196,604**	366,489,477
Income tax expense	**232,827,135**	247,237,345
Finance costs	**2,844,939**	1,695,222
Foreign exchange losses (gains) -net	**(1,975,261)**	14,046,859
Less:		
Interest income	**107,045,339**	166,510,659
EBITDA	**₱1,377,087,336**	₱1,675,554,993

FINANCIAL POSITION

Comparative balances for March 31, 2026 and December 31, 2025

The Group maintained a solid financial position for the period ended March 31, 2026, with a 4% increase in total assets to ₱42.90 billion, compared to ₱41.14 billion as at end of 2025.

Cash and cash equivalents increased by 24% to ₱10.27 billion mainly due to higher cash generated from operations, partially offset by the ₱195.84 million spent on acquisition of assets.

Current assets rose by 13% to ₱16.42 billion, while non-current assets remain steady at ₱26.47 billion.

Current liabilities significantly increased by 44% to ₱6.11 billion driven by the ₱1.00 billion dividend payable to shareholders, higher freight and power cost, and the increase in VAT payable attributable to higher sales.

On the other hand, non-current liabilities dropped by 8% to ₱256.90 million, due to the actual contribution to the retirement plan which lowered the accrued retirement payable recognized during the period.

Overall, total liabilities amounted to ₱6.37 billion, representing a 41% increase from ₱4.52 billion in 2025.

Consolidated stockholders' equity decreased by ₱89.19 million to ₱36.53 billion primarily due to the declaration of cash dividends amounting to ₱1.00 billion, partially offset by the net income of ₱910.81 million during the period.

The Group's debt-to-equity ratio stood at a conservative 0.17x, providing ample financial flexibility to support future investment plans. The current ratio remains strong at 2.69x, while return on equity ended at 2%.

The below table summarizes the unaudited interim consolidated financial position of the Group as at March 31, 2026 (Unaudited) and December 31, 2025 (Audited):

	March 31, 2026	December 31, 2025	Increase (Decrease)	Percentage Change
Current Assets	**₱16,421,228,434**	₱14,531,123,191	₱1,890,105,243	13%
Noncurrent Assets	**26,474,657,592**	26,606,167,153	(131,509,561)	0%
Total Assets	**₱42,895,886,026**	41,137,290,344	₱1,758,595,682	4%
Current Liabilities	**6,108,392,826**	4,237,358,268	1,871,034,558	44%
Noncurrent Liabilities	**256,895,486**	280,146,277	(23,250,791)	-8%
Total Liabilities	**6,365,288,312**	4,517,504,545	1,847,783,767	41%
Equity	**36,530,597,714**	36,619,785,799	(89,188,085)	0%
Total Liabilities and Equity	**₱42,895,886,026**	₱41,137,290,344	₱1,758,595,682	4%

Key Performance Indicators

Relevant Financial Ratios

The following are the major financial indicators being used by the Group:

Financial KPI	Definition	2026	2025
Current/liquidity ratio*	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.69	3.43
Solvency ratio**	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	0.20	0.23
Debt-to-equity ratio*	$\frac{\text{Total liabilities}}{\text{Total equity}}$	0.17	0.12
Asset-to-equity ratio*	$\frac{\text{Total assets}}{\text{Total equity}}$	1.17	1.12
Return on asset ratio**	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	0.02	0.02
Return on equity ratio**	$\frac{\text{Net income}}{\text{Average total equity}}$	0.02	0.02

**Comparative balance for 2025 is as at December 31, 2025.*

***Comparative balance for 2025 is as at and for the three months ended March 31, 2025.*

Comparative balances for March 31, 2025 and December 31, 2024

The financial position of the Group for the period ended March 31, 2025 remains stable with the 2% increase in total assets to ₱42.35 billion, compared to ₱41.33 billion as at end of 2024.

Cash and cash equivalents increased by 15% to ₱9.79 billion mainly due to higher cash generated from operations, partially offset by the ₱409.69 million spent on acquisition of assets.

Non-current assets remain steady at ₱27.33 billion.

Current liabilities significantly rose by 29% to ₱5.26 billion driven by the ₱1.00 billion dividend payable to shareholders.

Non-current liabilities fell by 3% to ₱242.18 million, due to lease payments and annual payment related to the installment contract entered in 2016.

Overall, total liabilities amounted to ₱5.50 billion, representing a 27% increase from ₱4.34 billion in 2024.

After accounting for net income, cash dividend declaration and other equity reserves, consolidated stockholders' equity decreased by ₱149.83 million to ₱36.84 billion.

The Group's debt-to-equity ratio stood at a conservative 0.15x, providing ample financial flexibility to support future investment plans. The current ratio remains strong at 2.85x, while return on equity ended at 2%.

The below table summarizes the unaudited interim consolidated financial position of the Group as at March 31, 2025 (Unaudited) and December 31, 2024 (Audited):

	March 31, 2025	December 31, 2024	Increase (Decrease)	Percentage Change
Current Assets	**₱15,018,532,736**	₱14,032,903,161	₱985,629,575	7%
Noncurrent Assets	**27,329,015,821**	27,299,268,441	29,747,380	0%
Total Assets	**42,347,548,557**	41,332,171,602	1,015,376,955	2%
Current Liabilities	**5,261,621,181**	4,088,805,099	1,172,816,082	29%
Noncurrent Liabilities	**242,182,296**	249,794,130	(7,611,834)	-3%
Total Liabilities	**5,503,803,477**	4,338,599,229	1,165,204,248	27%
Equity	**36,843,745,080**	36,993,572,373	(149,827,293)	0%
Total Liabilities and Equity	**₱42,347,548,557**	₱41,332,171,602	₱1,015,376,955	2%

Key Performance Indicators

Relevant Financial Ratios

The following are the major financial indicators being used by the Group:

Financial KPI	Definition	2025	2024
Current/liquidity ratio*	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.85	3.43
Solvency ratio**	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	0.23	0.25
Debt-to-equity ratio*	$\frac{\text{Total liabilities}}{\text{Total equity}}$	0.15	0.12
Asset-to-equity ratio*	$\frac{\text{Total assets}}{\text{Total equity}}$	1.15	1.12
Return on asset ratio**	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	0.02	0.03
Return on equity ratio**	$\frac{\text{Net income}}{\text{Average total equity}}$	0.02	0.03

**Comparative balance for 2024 is as at December 31, 2024.*

***Comparative balance for 2024 is as at and for the three months ended March 31, 2024*

Liquidity and Capital Resources

Cash Flows

COMPARATIVE FOR THREE MONTHS ENDED MARCH 31, 2026 AND MARCH 31, 2025

The primary sources and uses of cash of the Group for the three months ended March 31, 2026 and 2025 are summarized below.

	March 31, 2026	March 31, 2025
Net cash provided by operating activities	**₱2,219,581,541**	₱1,628,963,646
Net cash used in investing activities	**(195,557,201)**	(354,539,808)
Net cash used in financing activities	**(5,433,420)**	(13,878,398)
Net increase (decrease) in cash and cash equivalents	**2,018,590,920**	1,260,545,440
Effects of exchange rate changes	**(4,649,026)**	(2,788,983)
Cash and cash equivalents at beginning of period	**8,260,618,616**	8,536,295,423
Cash and cash equivalents at end of period	**₱10,274,560,510**	₱9,794,051,880

Net cash provided by operating activities arises from the following:

	March 31, 2026	March 31, 2025
Operating income before working capital changes	**₱1,411,304,596**	₱1,366,039,597
Decrease/(Increase) in net working capital	**740,561,723**	136,172,406
Interest received	**95,316,795**	127,237,164
Contribution to plan assets	**(27,601,573)**	(485,521)
Net cash provided by operating activities	**₱2,219,581,541**	₱1,628,963,646

The net increase in net working capital pertains mainly to the increase in trade and other payables during the first three months of 2026.

Net cash used in investing activities are mainly attributable to the acquisition of capital expenditures and intangible assets amounting to ₱195.84 million.

Net cash used in financing activities consist of the ₱4.69 million lease payments and ₱0.74 million interest payments.

COMPARATIVE FOR THREE MONTHS ENDED MARCH 31, 2025 AND MARCH 31, 2024

The primary sources and uses of cash of the Group for the three months ended March 31, 2025 and 2024 are summarized below.

	March 31, 2025	March 31, 2024
Net cash provided by operating activities	**₱1,628,963,646**	₱1,460,879,207
Net cash provided by (used in) investing activities	**(354,539,808)**	219,522,315
Net cash used in financing activities	**(13,878,398)**	(7,163,283)
Net increase (decrease) in cash and cash equivalents	**1,260,545,440**	1,673,238,239
Effects of exchange rate changes	**(2,788,983)**	1,701,353
Cash and cash equivalents at beginning of period	**8,536,295,423**	10,746,976,158
Cash and cash equivalents at end of period	**₱9,794,051,880**	₱12,421,915,750

Net cash provided by operating activities arises from the following:

	March 31, 2025	March 31, 2024
Operating income before working capital changes	**₱1,366,039,597**	₱1,664,609,922
Decrease/(Increase) in net working capital	**136,172,406**	(362,419,563)
Interest received	**127,237,164**	158,688,848
Contribution to plan assets	**(485,521)**	–
Net cash provided by operating activities	**₱1,628,963,646**	₱1,460,879,207

The net increase in net working capital pertains mainly to the increase in receivables and inventories during the first three months of 2025.

Net cash used in investing activities are mainly attributable to the acquisition of capital expenditures and intangible assets amounting to ₱362.82 million.

Net cash used in financing activities consist of the ₱9.37 million lease payments and ₱4.50 million annual payment related to the installment contract entered in 2016 for a supply of equipment.

Capital Expenditure

The total capital expenditure of the Company for the three months ended March 31, 2026 amounted to ₱193.08 million. The total amount was spent for land, building, machinery and equipment.

ANNEX G

MANAGEMENT REPORT

Brief Description of the General Nature and Business of the Corporation

Eagle Cement Corporation (the "Company" or the "Corporation") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on June 21, 1995.

The Company was listed on the Philippine Stock Exchange (PSE) in May 2017. In December 2022, San Miguel Equity Investments, Inc. (SMEII) became the owner of 99.9581% of the common shares in the Company by way of share purchase and tender offer of shares. SMEII is a wholly-owned subsidiary of San Miguel Corporation (SMC).

Following SMEII's acquisition of 99.9581% equity interest in the Company, the latter filed a petition for voluntary delisting of its common shares listed on the main board of the PSE. In January 2023, the PSE approved the delisting of the Company effective end of business on February 28, 2023.

The Company holds office at 2/F SMITS Corporate Center, 155 EDSA, Barangay Wack-Wack, Mandaluyong City, Metro Manila. It operates its cement manufacturing plant in Barangay Akle, San Ildefonso, Bulacan.

The Company has three (3) subsidiaries:

1. South Western Cement Corporation (SWCC) was incorporated in the Philippines on December 26, 1994. Its primary purpose is to engage in manufacturing, marketing, sale and distribution of cement, cement products and by-products. The Company acquired 100% equity interest in SWCC in December 2016. To date, SWCC has not commenced commercial operations.

2. Solid North Mineral Corporation (SNMC) was incorporated in the Philippines on July 19, 1995. It is engaged in the business of mining and quarrying, and is authorized to manufacture and distribute cement products and other minerals. It was acquired by the Company on November 4, 2021.

3. Armstrong Flyash and Logistics Company, Inc. (AFALCI) was incorporated in the Philippines on June 2, 2015. It is engaged in the business of manufacturing, processing, sale and distribution of fly-ash, bottom ash, hi-carbon and other by-products. The Company acquired 100% equity interest in AFALCI in December 2022.

The Company, together with its three (3) subsidiaries, is hereafter collectively referred to as the "Group".

The Group has never been the subject of a bankruptcy, receivership or similar proceeding during the past five (5) years.

Business of Eagle Cement

The Company is primarily engaged in the business of manufacturing, developing, processing, marketing, sale and distribution of cement, cement products, minerals and other by-products. It is one of the largest players in the Philippine cement industry and has the fastest growing market share amongst all competitors in the industry.

It has the newest, state-of-the art, and single largest fully-integrated cement production facility in the Philippines located in Barangay Akle, San Ildefonso, Bulacan (the "Bulacan Cement Plant"). The Bulacan Cement Plant consists of three (3) integrated production lines with a combined annual cement production capacity of approximately Eight Million Six Hundred Thousand (8,600,000) Metric Tonnes (MT) or Two Hundred Fifteen Million (215,000,000) bags per annum. It is strategically located near demand-centric areas and in close proximity to rich limestone and shale reserves covered by the Group's mining rights under Mineral Production Sharing Agreements (MPSA) with the government.

About sixty-two percent (62%) of the country's total cement demand come from Luzon region. Eagle Cement currently distributes its products in National Capital Region (NCR), Region I (Pangasinan), Region

II (Cagayan, Isabela, and Nueva Vizcaya), Region III (Nueva Ecija, Bulacan, Pampanga, Tarlac, Bataan and Zambales), and Region IV (Cavite, Laguna, Batangas, Occidental Mindoro, Oriental Mindoro and Quezon). NCR serves as the center of construction and infrastructure activities in the country. The Company is considered as one of the leading players in areas with the highest economic activity in the Philippines with an estimated market share of 30% in Luzon, based on internal market survey.

SNMC, a subsidiary of the Company, is operating a limestone, shale and pozzolan quarry and a Limestone Pulverizing Plant in San Ildefonso, Bulacan with an annual capacity of one million (1,000,000) metric tonnes. Bulk of its production are used as raw materials in the Company's cement production and are supplied to power companies.

AFALCI, another subsidiary of the Company, is operating a Flyash Separator Plant that processes waste flyash into product usable for ready mixed concrete and cement production.

Products and Brands

The Company offers Blended Cement (Type 1P/Type 1T) and Ordinary Portland Cement (OPC) (Type 1) under the *Eagle Cement* brand that has become synonymous with strength, durability, reliability, and world-class quality. As a testament to the quality of its products, *Eagle Cement Strongcem* is being used in concrete designs of up to a high of twelve thousand pounds per square inch (12,000 PSI).

Eagle Cement Advance (Type 1P/Type 1T) is a blended cement used for general construction applications such as floorings, plastering, as well as the production of concrete products like hollow blocks, culverts and concrete pipes. This type of cement is available in 40-kg per bag. Distribution of this product is generally done through direct plant pick-up or delivery to cement retailers, dealers and distributors which in turn is sold to various customers like retailers, contractors, and home builders.

Eagle Cement Strongcem (Type 1) is a Type 1 portland cement which is available in bulk and a one-tonner bag. This type of cement is usually used for cement and concrete applications that require higher compressive and early strength development such as concrete slabs, foundations and matting in high rise buildings and infrastructures like roads and bridges. Distribution of this product is done through direct plant pick-up or truck delivery to institutional customers such as ready-mix concrete suppliers, real estate and infrastructure developers and contractors.

Distribution Methods

Eagle Cement has two (2) distribution centers located in Cavite and Batangas. These are complemented by a fleet of more than 500 cargo trucks, trailers, and bulk carriers operated by third party service providers comprising a network that can efficiently reach the most important markets in NCR and its developing suburban areas as well as nearby fast-growing provincial markets. The distribution network of the Company supplies cement products to about 100 dealers and sub-dealers all over NCR, Region 2, Region 3 and Region 4A.

Competition

Current Domestic Supply

As of December 2025, the Philippine cement industry has an estimated annual cement capacity of 53 Million MT based on nameplate capacities of integrated cement manufacturing and grinding plants in the country. The top four (4) industry players (Holcim Philippines, Inc., Cemex Holdings Philippines, Inc., Republic Cement and Building Materials, Inc., and Eagle Cement Corporation) account for about 68% of cement domestic production.

In the Luzon region, the top four industry players account for about 68% share of the market. While the Company has 30% share of the Luzon market, it has an estimated market share of 24%, 44% and 42% in NCR, Region 2, Region 3 and Region 4A, respectively.

The Company has a diverse customer base and is not dependent on any single customer. No single customer accounts for 20% or more of its total revenues.

Management's Discussion and Analysis

The following discussion and analysis relate to the consolidated financial position and results of operations of the Group and should be read in conjunction with the accompanying audited consolidated financial statements and related notes. The audited consolidated financial statements have been prepared in compliance with the Philippine Financial Reporting Standards ("PFRS").

The financial information appearing in this report and in the accompanying audited consolidated financial statements is presented in Philippine Pesos, the Group's functional and presentation currency, as defined under PFRS. All values are rounded to the nearest million pesos, except when otherwise indicated.

1Q 2026 vs. 2025

Results of Operations

	For the Three Months Ended March 31 *(in Millions of Philippine Pesos, except percentages)*			
	2026	**2025**	**Change**	**% of Change**
Revenues	₱6,178	₱6,003	₱175	3%
Cost of Goods Sold	4,902	4,466	436	10%
Gross Profit	1,276	1,537	(261)	-17%
Operating Expenses	256	570	(314)	-55%
Income from Operations	1,020	967	53	5%
Finance costs	(3)	(3)	(0)	-12%
Interest Income	91	107	(16)	-15%
Other income (loss) – net	(1)	11	(12)	-112%
Income Before Income Tax	1,107	1,082	25	2%
Income Tax Expense	196	233	(37)	-16%
Net Income	₱911	₱849	₱62	7%

The Group delivered consolidated revenues of ₱6.18 billion during the period, a 3% increase over the previous year's ₱6.00 billion. This growth was driven primarily by higher sales volume, which offset the decline in selling price.

Cost of goods sold and services increased by 10% to ₱4.90 billion from ₱4.47 billion primarily due to higher power rates, increased delivery service costs, and increase in other manufacturing expenses, particularly repairs and maintenance and outside services.

As a result, the gross profit declined by 17% to ₱1.28 billion with gross profit margin contracting from 26% during the first quarter of 2025 to 21% in the first quarter of 2026.

Operating expenses (OPEX) decreased by 55% to ₱256.54 million from ₱569.65 million, primarily due to lower product handling and depreciation costs, and efficient cost management implemented across discretionary spending, including donations and corporate social responsibility (CSR) programs.

Finance costs dropped by 12% to ₱2.50 million from ₱2.84 million, attributed to a timing difference in installment settlements, resulting in lower recognized interest charges for the period.

Interest income fell by 15% to ₱91.12 million, reflecting lower investment balances and softer yields on short-term placements, in line with prevailing market conditions.

Other income decreased by 112% to ₱1.33 million, largely due to unfavorable foreign exchange rates.

The income tax provision decreased by 16% to ₱196.17 million from ₱232.83 million in line with the lower taxable income.

Net income after tax (NIAT) increased by 7% to ₱910.81 million from ₱849.24 million during the same period last year. This translates to earnings per share (EPS) of ₱0.18, representing a 6% increase from ₱0.17 in the previous year.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) likewise increased by 3% to ₱1.42 billion from ₱1.38 billion, with EBITDA margin registering at 23%.

Financial Position

	March 31, 2026	December 31, 2025	Increase/ (Decrease)	Percentage of Change
	(in Millions of Philippine Pesos, except percentages)			
Current Assets	₱16,421	₱14,531	₱1,890	13%
Noncurrent Assets	26,475	26,606	(131)	0%
Total Assets	**42,896**	**41,137**	**1,759**	**4%**
Current Liabilities	6,108	4,237	1,871	44%
Noncurrent Liabilities	257	280	(23)	-8%
Total Liabilities	**6,365**	**4,517**	1,848	41%
Equity	**36,531**	**36,620**	(89)	0%
Total Liabilities and Equity	**₱42,896**	**₱41,137**	**₱1,759**	**4%**

The Group maintained a solid financial position for the period ended March 31, 2026, with a 4% increase in total assets to ₱42.90 billion, compared to ₱41.14 billion as at end of 2025.

Cash and cash equivalents increased by 24% to ₱10.27 billion mainly due to higher cash generated from operations, partially offset by the ₱195.84 million spent on acquisition of assets.

Current assets rose by 13% to ₱16.42 billion, while non-current assets remain steady at ₱26.47 billion.

Current liabilities significantly increased by 44% to ₱6.11 billion driven by the ₱1.00 billion dividend payable to shareholders, higher freight and power cost, and the increase in VAT payable attributable to higher sales.

On the other hand, non-current liabilities dropped by 8% to ₱256.90 million, due to the actual contribution to the retirement plan which lowered the accrued retirement payable recognized during the period.

Overall, total liabilities amounted to ₱6.37 billion, representing a 41% increase from ₱4.52 billion in 2025.

Consolidated stockholders' equity decreased by ₱89.19 million to ₱36.53 billion primarily due to the declaration of cash dividends amounting to ₱1.00 billion, partially offset by the net income of ₱910.81 million during the period.

The Group's debt-to-equity ratio stood at a conservative 0.17x, providing ample financial flexibility to support future investment plans. The current ratio remains strong at 2.69x, while return on equity ended at 2%.

Capital Expenditure

The total capital expenditure of the Company for the three months ended March 31, 2026 amounted to ₱193.08 million. The total amount was spent for land, building, machinery and equipment.

Liquidity and Capital Resources

The primary sources and uses of cash of the Group for the three months ended March 31, 2026 and 2025 are summarized below:

	For the three months ended March 31,	
	2026	**2025**
	(in Millions of Philippine Pesos)	
Net cash provided by operating activities	₱2,219	₱1,629
Net cash used in investing activities	(195)	(354)
Net cash used in financing activities	(5)	(14)
Net increase in cash and cash equivalents	2,019	1,261
Effects of exchange rate changes	(5)	(3)
Cash and cash equivalents at beginning of period	8,261	8,536
Cash and cash equivalents at end of period	₱10,275	₱9,794

The net increase in net working capital pertains mainly to the increase in trade and other payables during the first three months of 2026.

Net cash used in investing activities are mainly attributable to the acquisition of capital expenditures and intangible assets amounting to ₱195.84 million.

Net cash used in financing activities consist of the ₱4.69 million lease payments and ₱0.74 million interest payments.

Key Performance Indicators / Relevant Financial Ratios

Financial KPI	Definition	2026	2025
Current/liquidity ratio*	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.69	3.43
Solvency ratio**	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	0.20	0.23
Debt-to-equity ratio*	$\frac{\text{Total liabilities}}{\text{Total equity}}$	0.17	0.12
Asset-to-equity ratio*	$\frac{\text{Total assets}}{\text{Total equity}}$	1.17	1.12
Return on asset ratio**	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	0.02	0.02
Return on equity ratio**	$\frac{\text{Net income}}{\text{Average total equity}}$	0.02	0.02

**Comparative balance for 2025 is as at December 31, 2025.*
***Comparative balance for 2025 is as at and for the three months ended March 31, 2025.*

2025 vs. 2024

Results of Operations

	For the Year Ended December 31 *(in Millions of Philippine Pesos, except percentages)*			
	2025	**2024**	**Change**	**% of Change**

Revenues	22,255	23,874	(1,619)	-7%
Cost of Goods Sold and Service	17,158	16,720	438	3%
Gross Profit	5,097	7,154	(2,057)	-29%
Operating Expenses	1,119	2,705	(1,586)	-59%
Income from Operations	3,978	4,449	(471)	-11%
Finance costs	12	7	5	77%
Interest Income	418	682	(264)	-39%
Other income – net	8	95	(87)	-92%
Income Before Income Tax	4,392	5,219	(827)	-16%
Income Tax Expense	796	808	(12)	-1%
Net Income	3,596	4,411	(815)	-18%

The Group posted a full-year consolidated revenues of ₱22.26 billion, 7% lower against the ₱23.87 billion in previous year primarily due to the decline in selling price and lower sales volume.

Cost of goods sold and services increased by 3% to ₱17.16 billion from ₱16.72 billion, primarily driven by higher power rates and changes in the accounting treatment of product handling costs, offset by the impact of improvements in major input cost, such as coal and other raw materials, and the decline in other manufacturing expenses, particularly repairs and maintenance and depreciation costs.

As a result of the decline in revenues, the gross profit likewise declined by 29% to ₱5.10 billion, with gross profit margin contracting from 30% in 2024 to 23% in 2025.

OPEX decreased by 59% to ₱1.12 billion from ₱2.70 billion, primarily reflecting the change in accounting treatment for product handling costs and efficiency measures implemented across discretionary spending, including advertising and promotions.

Finance costs rose by 77% to ₱12.41 million from ₱7.01 million in the previous year primarily due to the payment of trust fees and the recognition of net interest on defined benefit liability.

Interest income declined by 39% to ₱418.39 million reflecting lower investment balances and softer yields on short-term placements, in line with prevailing market conditions.

Other income decreased by 92% to ₱7.85 million, largely due to unfavorable foreign exchange rates.

The income tax provision decreased by 1% to ₱796.33 million from ₱807.69 million in line with the lower taxable income.

NIAT decreased by 18% to ₱3.60 billion from ₱4.41 billion last year. This translates to EPS of ₱0.72, representing 18% decrease from ₱0.88 in the previous year.

Financial Position

	December 31			
	2025	**2024**	**Increase/ (Decrease)**	**Percentage of Change**
	(in Millions of Philippine Pesos, except percentages)			
Current Assets	14,531	14,033	498	4%
Noncurrent Assets	26,606	27,299	(693)	-3%
Total Assets	**41,137**	**41,332**	**(195)**	**0%**
Current Liabilities	4,237	4,089	148	4%
Noncurrent Liabilities	280	249	31	12%

Total Liabilities	**4,517**	**4,338**	179	4%
Equity	**36,620**	**36,994**	(374)	-1%
Total Liabilities and Equity	**41,137**	**41,332**	**(195)**	**0%**

The financial position of the Group for the year ended December 31, 2025 remains stable with total assets just slightly declining by 0.5% to ₱41.14 billion, compared to ₱41.33 billion as at end of 2024.

Cash and cash equivalents declined by 3% to ₱8.26 billion mainly due to the ₱4.00 billion dividend payments to shareholders and ₱1.32 billion payment for acquisition of assets. This was partially offset by the ₱4.81 billion cash generated from operations, ₱150 million proceeds from matured investments and ₱100 million collections of receivable from a related party.

Current assets rose by 4% to ₱14.53 billion.

Non-current assets decreased slightly by 3% to ₱26.61 billion, reflecting the decline in book value of property, plant and equipment caused by normal depreciation during the period.

Current liabilities increased by 4% to ₱4.24 billion driven by a higher income tax payable compared to the previous year following the expiration of the Group's Income Tax Holiday (ITH) this year.

Non-current liabilities likewise rose by 12% to ₱280.15 million due to higher retirement benefits liability following the improvements made to the Group's retirement plan.

Overall, total liabilities amounted to ₱4.52 billion, representing a 4% increase from ₱4.34 billion in 2024.

After accounting for net income, cash dividends payments and other equity reserves, consolidated stockholders' equity decreased by 1% to ₱36.62 billion.

The Group's debt-to-equity ratio stood at a conservative 0.12x., providing ample financial flexibility to support future investment plans. The current ratio remains strong at 3.43x, while return on equity ended at 10%.

Capital Expenditure

The total capital expenditure of the Group in 2025 amounted to ₱1.29 billion. Of that amount, 95% was spent for plant machinery and equipment, building and improvement, transportation equipment, furniture, fixtures and office equipment, while the remaining 5% was accounted for land acquisition.

Liquidity and Capital Resources

The primary sources and uses of cash of the Group for calendar years 2025, 2024 and 2023 were as follows:

	For the years ended December 31		
	2025	**2024**	**2023 – As restated**
	(in Millions of Philippine Pesos)		
Cash flows provided by operating activities	4,812	4,742	7,144
Cash flows provided by (used in) investing activities	(1,057)	(228)	4,019
Cash flows used in financing activities	(4,026)	(6,726)	(9,948)
Net effect of exchange rate changes on cash and cash equivalents	(4)	1	(15)
Net increase (decrease) in cash and cash equivalents	(275)	(2,211)	1,200
Cash and cash equivalents at beginning of year	8,536	10,747	9,547
Cash and cash equivalents at end of year	8,261	8,536	10,747

Internal cash generated from operations this year amounted to ₱4.81 billion. This was primarily the result of net income before taxes of ₱4.39 billion, adjusted for non-cash items and changes in working capital, including depreciation and amortization of ₱1.45 billion, income taxes paid of ₱441.69 million and interest received of ₱436.29 million.

Cash used in investing activities amounted to ₱1.06 billion. This was mainly due to cash spent for the acquisition of property, plant and equipment and intangible assets amounting to ₱1.32 billion, partially offset by the maturity of ₱150.00 million investments and ₱100 million collections of receivable from a related party.

Cash utilized for financing activities totaled ₱4.03 billion. This mainly comprised of cash dividend payments of ₱4.00 billion and payment for leases of ₱19.57 million.

Consolidated ending cash closed at ₱8.26 billion, 3% decrease from beginning balance of ₱8.54 billion.

Key Performance Indicators / Relevant Financial Ratios

Financial KPI	Formula	2025	2024	2023 – As restated
Current/liquidity ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	**3.43**	3.43	3.55
Solvency ratio	$\frac{\text{Net income before depreciation}}{\text{Total liabilities}}$	**1.12**	1.37	1.16
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	**0.12**	0.12	0.13
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	**1.12**	1.12	1.13
Return on asset ratio	$\frac{\text{Net income before interest expense after tax}}{\text{Average total assets}}$	**0.09**	0.10	0.10
Return on equity ratio	$\frac{\text{Net income}}{\text{Average total equity}}$	**0.10**	0.12	0.11

2024 vs. 2023

Results of Operations

	For the Year Ended December 31 *(in Millions of Philippine Pesos, except percentages)*			
	2024	**2023**	**Change**	**% of Change**
Net Sales	₱23,874	₱25,443	(₱1,569)	-6%
Cost of Goods Sold	16,720	16,658	62	0%
Gross Profit	7,154	8,785	(1,631)	-19%
Operating Expenses	2,705	2,942	(237)	-8%
Income from Operations	4,449	5,843	(1,394)	-24%
Finance costs	7	203	(196)	-97%
Interest Income	682	648	34	5%

Other income (loss) – net	95	(897)	992	111%
Income Before Income Tax	5,219	5,391	(172)	-3%
Income Tax Expense	808	1,069	(261)	-24%
Net Income	₱4,411	₱4,322	₱89	2%

The Group posted a full-year consolidated revenues of ₱23.87 billion, 6% lower against the ₱25.44 billion in previous year despite higher sales volume primarily due to the decline in selling price.

Cost of sales slightly increased by 0.4% to ₱16.72 billion from ₱16.66 billion, driven by an increase in other manufacturing expenses, partially offset by the improvements in major input cost, particularly coal and power

As a result, the gross profit declined by 19% to ₱7.15 billion, with gross profit margin contracting from 35% in 2023 to 30% in 2024.

OPEX decreased by 8% to ₱2.70 billion from ₱2.94 billion, mainly due to lower advertising and distribution costs.

Finance costs declined by 97% to ₱7.01 million from ₱202.89 million in the previous year. This was attributed to the full prepayment of the Term Loan Facility and Security Agreement (TLFSA) in May 2023, which included ₱97.87 million in pre-termination fees recognized in that year.

Interest income rose by 5% to ₱681.99 million, benefiting from higher value and yields on short-term investments.

Other income increased by 111% to ₱94.53 million, largely due to absence of losses from the disposal of assets and liabilities held for sale, which were recognized in the prior year.

The income tax provision decreased by 24% to ₱807.69 million from ₱1.07 billion in line with the lower taxable income.

NIAT increased by 2% to ₱4.41 billion from ₱4.32 billion last year. This translates to EPS of ₱0.88, 2% increase from ₱0.86 in the previous year.

For the fourth quarter of 2024, the Group reported net sales of ₱5.48 billion, down 5% compared to the same quarter in the prior year. Gross profit is down by 33% to ₱1.27 billion while EBITDA and NIAT also dropped by 28% and 14% to ₱1.07 billion and ₱858.67 million, respectively.

Financial Position

	December 31			
	2024	**2023 – As restated**	**Increase/ (Decrease)**	**Percentage of Change**
	(in Millions of Philippine Pesos, except percentages)			
Current Assets	₱14,033	₱17,089	(₱3,056)	-18%
Noncurrent Assets	27,299	27,159	140	1%
Total Assets	**41,332**	**44,248**	**(2,916)**	**-7%**
Current Liabilities	4,089	4,809	(720)	-15%
Noncurrent Liabilities	249	192	57	30%
Total Liabilities	**4,338**	**5,001**	**(663)**	**-13%**
Equity	**36,994**	**39,247**	**(2,253)**	**-6%**
Total Liabilities and Equity	**₱41,332**	**₱44,248**	**(₱2,916)**	**-7%**

The financial position of the Group for the year ended December 31, 2024 remains stable despite the 7% decline in total assets to ₱41.33 billion, compared to ₱44.25 billion as at end of 2023.

Cash and cash equivalents declined by 21% to ₱8.54 billion mainly due to lower cash generated from operations and the ₱6.70 billion dividend payments to shareholders. This was partially offset by the ₱725 million proceeds from matured investments. As a result, current assets declined by 18% to ₱14.03 billion.

Non-current assets increased slightly by 1% to ₱27.30 billion, reflecting the Group's acquisition of additional assets during the year.

Current liabilities fell by 15% to ₱4.09 billion driven by settlement of payables for completed projects and a reduction in income tax payable compared to the previous year.

Non-current liabilities rose by 30% to ₱249.79 million, due to increased lease liabilities and provision for mine rehabilitation. The latter is related to the newly approved mining plan under the existing Mineral Production Sharing Agreement (MPSA) of the Company.

Overall, total liabilities amounted to ₱4.34 billion, representing a 13% decrease from ₱5.00 billion in 2023.

After accounting for net income, cash dividends payments and other equity reserves, consolidated stockholders' equity decreased by 6% to ₱36.99 billion.

The Group's debt-to-equity ratio stood at a conservative 0.12x., providing ample financial flexibility to support future investment plans. The current ratio remains strong at 3.43x, while return on equity ended at 12%.

Capital Expenditure

The total capital expenditure of the Group in 2024 amounted to ₱1.60 billion. Of that amount, 90% was spent for plant machinery and equipment, while the remaining 10% was accounted for land, building and improvement, transportation equipment, furniture, fixtures and office equipment.

Liquidity and Capital Resources

Internal cash generated from operations this year amounted to ₱4.74 billion. This was primarily the result of net income before taxes of ₱5.22 billion, adjusted for non-cash items and changes in working capital, including depreciation and amortization of ₱1.52 billion, income taxes paid of ₱681.52 million and interest received of ₱719.29 million.

Cash used in investing activities amounted to ₱226.16 million. This was mainly because of the cash spent on the acquisition of property, plant and equipment and intangible assets amounting to ₱959.62 million, partially offset by the maturity of ₱725.00 million investments.

Cash utilized for financing activities totaled ₱6.73 billion. This mainly comprised of cash dividend payments of ₱6.70 billion and payment for leases of ₱23.23 million.

Consolidated ending cash closed at ₱8.54 billion, 21% decrease from beginning balance of ₱10.75 billion.

Financial Statements

The SEC Form 17-A (Annual Report) or the results of the financial position of the Corporation as of 31 December 2025, together with the Audited Consolidated Financial Statements as of 31 December 2025 and the Statement of Management's Responsibility, is attached to this Information Statement as ***Annex E.***

The SEC Form 17-Q or the quarterly report of the Corporation as at and for the period ended 31 March 2026 is attached to this Information Statement as ***Annex F.***

There is no action to be taken with respect to any transactions involving mergers, consolidation, acquisitions or similar matters. As such, there will be no effect on the amount or percentage of the present shareholdings of any owner of more than 5% of the Corporation's voting securities, any director, nominee for election, or officers, or all of them as a group.