



SECURITIES AND EXCHANGE COMMISSION

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COMPANY NAME

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

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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

orientalpetroleum@opmc.com.ph

Company's Telephone Number

8633-7631

Mobile Number

-

No. of Stockholders

11,483

Annual Meeting (Month / Day)

June 4, 2026

Calendar Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Ma. Riana Caratay-Infante

Email Address

Riana.Caratay@urc.com.ph

Telephone Number/s

8633-7631

Mobile Number

-

CONTACT PERSON'S ADDRESS

34th Floor, Robinsons Equitable Tower, ADB Avenue, corner Poveda Street, Ortigas Center, Pasig City

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

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

12. Indicate by check mark whether the registrant:

(a) Has filed 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 [] No []

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

Yes [] No []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant.

The aggregate market value of the voting stock held by non-affiliates is **₱1,442,061,181** (based on closing price of Oriental Petroleum and Minerals Corporation's common shares and outstanding shares owned by the public as of December 31, 2025).

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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Description of Business

Oriental Petroleum and Minerals Corporation (OPMC) is a Philippine corporation incorporated on December 22, 1969 with the purpose of exploring, developing and producing petroleum and mineral resources in the Philippines. As an exploration company, OPMC's operational activities depend principally on its Service Contracts with the government.

Oil Exploration

The Company, together with other oil exploration companies (collectively referred to as "a or the Contractor"), entered into a Service Contract (SC) with the Philippine Government, through the Department of Energy (DOE), for the exploration, development and exploitation of certain contract areas situated in offshore Palawan where oil discoveries were made.

The Company's petroleum revenues and production and related expenses are derived from SC 14 Contract Area. SC 14 is composed of four Blocks, Block - A (Nido), Block - B (Matinloc), Block - C (Galoc & West Linapacan) and Block - D (designated as the Retention Area). West Linapacan and Block - D are the non-producing areas. West Linapacan is currently under evaluation for re-activation after it was shut-in in 1995 due to water intrusion.

After reaching its economic limits, production in the Nido and Matinloc oilfields was terminated permanently in March 2019 and seven production wells in Nido (3 out of 5), Matinloc (3), and North Matinloc (1) were successfully plugged and abandoned in May 2019. The plug and abandonment of the two remaining wells in Nido oilfield was completed in 2020.

In February 2021, SC 14 - A Nido, B/B1 Matinloc, and D Retention Block were relinquished to the DOE. By the end of December 31, 2021, the Nido-AP/AW, Nido-BW and Matinloc platforms have been turned over to the DOE after the production wells have been plugged and abandoned, and the processing equipment and wellheads have been removed.

As of December 31, 2024, the Group holds participating interest of 7.78505% in the Galoc oilfield (SC 14C1). Following the expiration of the service contract on December 17, 2025, OPMC has resolved not to participate in the new Development and Production Petroleum Service Contract (DPPSC) application covering the SC14 C1 - Galoc Oil Field. Accordingly, the Group holds no participating interest in the Galoc oilfield as of December 31, 2025.

Nickel Mining

In January 2022, the Company ventured into Nickel Mining securing Exploration Permits (EP) from the Mines and Geosciences Bureau (MGB). The Company has submitted applications to the MGB-Regional Office No. III for five (5) areas in Zambales with a total area of approximately 13,816 hectares. Three out of the five areas in Zambales were already designated by MGB Regional Office No. III as Exploration Permit Application (EXPA) No. 000231-III, EXPA No. 000232-III and EXPA No. 000233-III. Moreover, OPMC also submitted applications to MGB Regional Office No. XIII for two (2) areas in Dinagat Islands with a total area of approximately 863 hectares.

In April 2022, the remaining two (2) areas in Zambales were designated as EXPA No. 000240-III and EXPA No. 000241-III. Moreover, one (1) out of two (2) areas in Dinagat Island was also designated by MGB-Regional Office No. XIII as EXPA No. 000248-XIII.

In March 2024, the Department of Environment and Natural Resources (DENR) has granted the clearance to Mines and Geosciences Bureau Central Office (MGB CO) to approve and convert the EXPA No. 248-XIII in Libjo, Dinagat Islands (with total area of 358 hectares) of Oriental Petroleum and Minerals Corporation (OPMC) to an Exploration Permit.

Sale of Crude Oil Data for 2025 and 2024

Area	Volume (in bbls.)		Average Selling Price (in US\$/bbl.)	
	2025	2024	2025	2024
Galoc	414,124	498,168	70.48	79.05

Production from Galoc were sold and delivered to various customers. Sale is effected through physical transfer/delivery of crude oil from offshore production site storage and processing ship to oil tanker of the buyer.

SCs and Geophysical Survey and Exploration Contracts (GSECs) are the principal properties of the Company and owned by the State.

The contractors are bound to comply in the work obligations provided in the contract with the DOE. They should provide at their own risk the financing, technology and services needed in the performance of their obligations. Failure to comply with their work obligations means that they should pay the government the amount they should have spent had they pushed through with their undertaking. Operating agreement among the participating companies governs their rights and obligations under the contract.

For the year ended December 31, 2025, the Company recorded total revenue from petroleum operations of US\$2.30 million from US\$3.11 million in 2024 from its share in the Galoc operation. The decline in petroleum revenue was attributable to both lower crude oil prices and a decrease in the volume of crude oil delivered.

Employees

As of December 31, 2025, OPMC has sixteen (17) employees – eleven (11) executives, and six (6) rank and file personnel. The Company is not expecting any change in the number of employees it presently employs. The Company has not entered into any Collective Bargaining Agreements (CBA).

Risks

It is a common knowledge in the industry that the major risk involved in the business of oil exploration, such as OPMC, is in the success of exploration ventures. The ratio of successful exploration is estimated to be 1 out of every 400 wells explored. The Company together with its partners in the various SCs, conduct technical studies and evaluation of the areas believed to have oil reserves.

Another risk identified is when there is a decline in volume of oil and/or in oil price. The decline in production volume is a result of natural decline in the oil reserve while the decline in oil price is due to oversupply of oil in the common market. These risks are common for the industry the Company operates in.

Another risk involved in the business of oil exploration and production is the risk that accidents may occur during operations. The Company together with its partners in various

SCs, continue to take precautionary measures to mitigate accidents, like oil spill. Platform personnel regularly attend safety trainings and seminars. Likewise, platforms are supplied with equipment like oil spill boom, in case oil spill happens. The Consortia, in which the Company is part of, maintain sufficient funds to cover emergencies and accidents, apart from the insurance coverage of each operation/platform.

The Company organized three (3) wholly-owned subsidiaries:

a) ORIENTAL MAHOGANY WOODWORKS, INC. (OMWI)

The Company was incorporated and started commercial operations on May 2, 1988 with the principal objective of supplying overseas manufacturers, importers and designers with high quality furniture. On March 31, 1994, the Board of Directors approved the cessation of the Company's manufacturing operations effective May 1, 1994 due to continued operating losses. The management has no definite future plans for the Company's operations.

b) LINAPACAN OIL GAS AND POWER CORPORATION (LOGPOCOR)

The Company was incorporated on January 19, 1993 to engage in energy project and carry on and conduct the business relative to the exploration, extraction, production, transporting, marketing, utilization, conservation, stockpiling of any forms of energy products and resources. The Company was organized primarily to hold a certain percentage of OPMC's working interest in Blocks A, B and C of SC 14. However, OPMC suspended the transfer of operations and control of the all the assigned working interest from OPMC to the Company. Furthermore, because of the said suspension, OPMC continues to recognize revenues arising from the operations of the said assigned working interest. However, all related capitalizable expenses on such working interest continue to be capitalized to the Company's assigned costs of such working interest. On the other hand, depletion of such costs is transferred to OPMC and shown as a reduction of the assigned costs.

c) ORIENTAL LAND CORPORATION (OLC)

The Company was incorporated on February 24, 1989 as realty arm of OPMC. It has remained dormant since incorporation.

Item 2. Properties

The principal properties of the Company consist of petroleum exploration areas in the Philippines, onshore and offshore.

The contracts listed pertain to pending applications under the Philippine Conventional Energy Contracting Program of the Department of Energy, in which the Company is a member/participant, as of December 31, 2025.

CONTRACT	Expiration Date	OPMC Share (%)
NDP-1 DP-PSC <i>(formerly as Service Contract No. 6B – Cadlao Bonita Block)</i>	February 28, 2024	4.9092%

CONTRACT	Expiration Date	OPMC Share (%)
NDP-3 DP-PSC (formerly as Service Contract No. 14C2 – West Linapacan Block)	December 17, 2025	30.288%

Development and Production Petroleum Service Contract (DPPSC)

On January 5, 2024, the Service Contract 6 and 6B (Bonita and Cadlao) Joint Venture Parties, through Nido Petroleum Philippines Pty. Ltd. (Operator), submitted a Letter of Intent with the Department of Energy (DOE) to apply for a DPPSC under DOE Circular 2023-12-0033 entitled “Guidelines on the Awarding of Petroleum Service Contracts for Development and Production.” Section 4.2 of the said Circular provides that, “An Operator of a PSC with producible petroleum reserves that would last beyond the Operator’s remaining production term, as validated by the DOE, shall have the option to apply for a DPPSC through direct negotiation with the DOE, provided, that the application be made prior to the expiration of the remaining production term.”

On January 25, 2024, the SC6 and 6B Joint Venture Parties, through its Operator, submitted the pertinent financial, technical and legal documents required under DPPSC. The SC 6B Cadlao Block has reached its 50-year contract limit and expired last February 28, 2024. OPMC held a participating interest of 4.9092% in SC6 and 6B Cadlao and Bonita Block.

On May 30, 2024, the SC6B Consortium, through its Operator, received a letter from the DOE that the Consortium is legally, financially and technically qualified to enter into a DPPSC. The DOE and the Consortium have finished negotiating the DPPSC’s terms and conditions. As of audit report date, the NDP-1 Cadlao DPPSC has been endorsed to the Office of the President for signature.

On November 17, 2025, the Consortium, through its Operator, The Philodrill Corporation, submitted a Letter of Intent to apply for a DPPSC for the West Linapacan oilfield under the DOE Department Circular 2023-12-0033. SC 14C2 expired on December 17, 2025. As of audit report date, the application of the renewal of SC 14C2 is in progress.

The Company is a holder/permittee of the following valid and subsisting mining applications/tenements:

A. Exploration Permit (EP)

Denomination	Date Issued	Area (in hectares / Location)	Commodity	Status of application
EP-40-XIII	June 5, 2024	357.7157 Libjo Dinagat Islands	Nickel and other associated minerals	Under original term and ongoing exploration

B. Exploration Permit Application (EXPA)

Denomination	Date Filed	Area (in hectares / Location)	Commodity	Status
EXPA-231-III	November 23, 2021	3,716.4745 Cabangan and Botolan, Zambales	Nickel and other associated minerals	Under evaluation in the Mines and Geosciences Bureau (MGB) Regional Office (RO) No. III
EXPA-232-III	November 23, 2021	4,118.8290 Candelaria and Sta. Cruz, Zambales	Nickel and other associated minerals	Under evaluation in the MGB RO No. III
EXPA-233-III	November 23, 2021	462.4043 Candelaria, Zambales	Nickel and other associated minerals	Under evaluation in the MGB RO No. III
EXPA-240-III	February 16, 2022	1,686.3376 San Antonio, Zambales	Nickel and other associated minerals	Under evaluation in the MGB RO No. III
EXPA-241-III	February 16, 2022	4,073.0000 Masinloc, Zambales	Nickel and other associated minerals	Under evaluation in the MGB RO No. III

Item 3. Legal Proceedings

As of December 31, 2025, there are no pending material legal proceedings to which the Company is a party.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the year covered by this report.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Company’s Common Equity, Market Price, Dividends and Related Stockholder Matters

Principal Market or Markets where the Issuer’s Common Equity is Traded

The common stock of the Company is listed and traded at the Philippine Stock Exchange. The high and low prices for each quarter within the last two fiscal years are as follows:

STOCK PRICES (in pesos)	CLASS A		CLASS B	
	High	Low	High	Low
2025				
First Quarter	0.0080	0.0067	0.0080	0.0069
Second Quarter	0.0110	0.0072	0.0110	0.0071
Third Quarter	0.0120	0.0093	0.0120	0.0090
Fourth Quarter	0.0120	0.0110	0.0120	0.0110
2024				
First Quarter	0.0097	0.0078	0.0092	0.0076
Second Quarter	0.0093	0.0080	0.0092	0.0082
Third Quarter	0.0086	0.0070	0.0085	0.0068
Fourth Quarter	0.0088	0.0067	0.0087	0.0067
2023				
First Quarter	0.0120	0.0100	0.0120	0.0100
Second Quarter	0.0110	0.0092	0.0110	0.0093
Third Quarter	0.0110	0.0076	0.0099	0.0077
Fourth Quarter	0.0088	0.0073	0.0089	0.0081
VOLUME (in billion shares)				
2025				
First Quarter	1.545		0.369	
Second Quarter	2.250		0.299	
Third Quarter	4.410		1.185	
Fourth Quarter	1.231		0.310	
2024				
First Quarter	0.695		0.080	
Second Quarter	0.944		0.105	
Third Quarter	1.033		0.331	
Fourth Quarter	1.253		0.324	
2023				
First Quarter	0.780		0.118	
Second Quarter	0.829		0.746	
Third Quarter	2.000		0.056	
Fourth Quarter	0.474		0.122	

As of December 31, 2025, there are approximately **11,483** stockholders both for Class "A" and "B" shares. The closing stock price of the Company's shares as of March 31, 2026 is PhP0.013 for Class A and PhP0.012 for Class B.

List of Top 20 Stockholders as of December 31, 2025

Name of Stockholders	No. of Common Shares Held	% to Total Outstanding (Common)
1. PCD NOMINEE CORPORATION	96,039,496,323	48.02
2. JG SUMMIT CAPITAL SERVICES CORP.	37,051,952,896	18.53
3. R. COYIUTO SECURITIES, INC.	21,611,641,422	10.81
4. PRUDENTIAL GUARANTEE & ASSURANCE, INC.	12,892,285,272	6.45
5. JAMES L. GO	2,511,000,001	1.26
6. J.G. SUMMIT HOLDINGS, INC.	1,756,248,841	0.88
7. PCD NOMINEE CORPORATION (NON-FILIPINO)	1,349,232,943	0.68
8. PAULINO G. PE	935,000,000	0.47
9. MARGARET S. CHUA CHIACO	663,400,000	0.33
10. TIONG KENG CHING	622,512,998	0.31
11. ROBERT COYIUTO, JR.	565,664,986	0.28
12. JAMES UY, INC.	471,843,600	0.24
13. DAVID GO SECURITIES CORP.	452,623,823	0.23
14. ERNESSON S. CHUA CHIACO	441,600,000	0.22
15. GENEVIEVE S. CHUA CHIACO	441,600,000	0.22
16. MANUEL S. CHILIP	360,842,316	0.18
17. CONSTANTINE TANCHAN ERNESTO CHUA CHIACO &/OR	333,025,609	0.17
18. MARGARET S. CHUA CHIACO	299,000,000	0.15
19. SANTIAGO TANCHAN III	298,546,547	0.15
20. PIEDRAS PETROLEUM CO., INC.	281,169,600	0.14
	179,378,687,177	89.72
Other stockholders	17,182,512,823	10.28
Total Outstanding	196,561,200,000	100.00

Cash Dividends per Share

The Company declares dividends on common shares upon approval by the Board of Directors. The following are the dividends declared on the Company's common shares:

Cash Dividend per share	Declaration Date	Record Date	Payment Date
PhP0.0005	June 4, 2025	July 2, 2025	July 29, 2025
PhP0.0005	May 24, 2024	June 21, 2024	July 12, 2024
PhP0.0005	June 28, 2023	July 27, 2023	August 18, 2023
PhP0.0005	June 23, 2022	July 22, 2022	August 16, 2022
PhP0.0005	June 29, 2021	July 28, 2021	August 20, 2021
PhP0.0005	June 25, 2020	July 24, 2020	August 18, 2020
PhP0.0005	June 27, 2019	July 26, 2019	August 20, 2019

Recent Sales of Unregistered Securities

Not applicable. There are no recent sales of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction. All shares of the Company are listed on the Philippine Stock Exchange.

Description of Registrant's Securities

Common Stock - all shares of stock of the Company enjoy the same rights and privileges, except that Class A shares shall be issued solely to Filipino citizens, whereas Class B shares can be issued to Filipino citizens or foreigners.

Item 6. Management's Discussion and Analysis or Plan of Operations

The following discussion and analysis should be read in conjunction with the accompanying consolidated financial statements and notes thereto as of and for the years ended December 31, 2025, 2024 and 2023, which form part of this Report.

Results of Operations

For the Years Ended December 31, 2025 vs. 2024

Revenue from petroleum operations in 2025, which amounted to US\$2.30 million, decreased by 26% from US\$3.11 million in 2024. The decline was primarily driven by lower crude oil prices, which fell from US\$79.04 to US\$70.48 per barrel, as well as the natural production decline of the Galoc field.

Petroleum production costs totaled US\$1.87 million in 2025, lower than US\$2.30 million in 2024. These production costs mainly consist of floating, production, storage and offloading (FPSO) charges, field and platform operating costs, management and technical fees, helicopter services, insurance, marketing fees, and repairs and maintenance, including inventory movements.

Depletion expense increased to US\$0.43 million in 2025 from US\$0.34 million in 2024, mainly due to the accelerated depletion of the remaining depletable cost of the Galoc Field.

Interest and dividend income slightly increased to US\$4.33 million in 2025 from US\$4.23 million in 2024. This consists of dividend received from investment in equity instruments at fair value through other comprehensive income and interest received from debt instruments at amortized cost and money market placements, reflecting stable returns from the Group's investment portfolio.

The Group recognized a net foreign exchange (FX) loss of US\$0.12 million in 2025, a significant improvement compared to the US\$1.57 million net foreign exchange loss in 2024. The lower FX loss was mainly due to relatively less volatility in the Philippine Peso against the U.S. Dollar during the year. The FX exposure mainly resulted to the translated peso-denominated monetary assets and liabilities.

For the Years Ended December 31, 2024 vs. 2023

Revenue from petroleum operations in 2024, which amounted to US\$3.11 million, slightly increased by 3% from US\$3.02 million in 2023. Galoc field's sale of crude oil volume for 2024 was 498,168 barrels which was slightly higher than the total sale of 475,183 barrels in 2023, which was mainly due to timing difference in shipment. Meanwhile, average price per barrel sold slightly decreased to US\$79.05 in 2024 as compared to US\$80.47 in 2023.

Petroleum production costs totaled US\$2.30 million and US\$1.95 million in 2024 and 2023, respectively. These production costs mainly include floating, production, storage and

offloading (FPSO) charges, field/platform operation costs, management and technical fees, helicopter services, insurance expenses, marketing fees, repairs and maintenance and other general and administrative expenses of the Galoc consortium. These also include the cost of beginning inventory, net of ending.

Depletion expense totaled US\$0.34 million, which slightly decreased from US\$0.40 million in 2023 due to lower volume of crude oil production. The estimated remaining proved and probable oil reserves totaled 0.40 million and 0.89 million barrels for Galoc oil field as of December 31, 2024 and 2023, respectively.

Interest and dividend income held steady at US\$4.23 million in 2024 from US\$4.15 million in 2023. This comprised of dividend received from investment in equity instruments at fair value through other comprehensive income and interest received from debt instruments at amortized cost and money market placements.

The Group has a foreign exchange (FX) exposure associated with fluctuations in the value of the Philippine Peso against the U.S. Dollar. The unfavorable closing rate of the peso from PhP55.57 to a dollar in December 2023 to PhP58.01 to a dollar in December 2024 resulted in a FX loss of around US\$1.57 million in 2024. Meanwhile, the appreciation of the peso from PhP56.12 to a dollar in December 2022 to PhP55.57 to a dollar in December 2023 resulted in a FX gain of US\$0.38 million in 2023. The FX exposure mainly resulted to the translated peso-denominated monetary assets and liabilities.

For the Years Ended December 31, 2023 vs. 2022

Revenue from petroleum operations in 2023, which amounted to US\$3.02 million, decreased by 16% from US\$3.61 million in 2022. The decrease in crude oil prices mainly led to the decrease in petroleum revenue. Average price per barrel decreased to US\$80.47 in 2023 as compared to US\$95.34 in 2022. The drop in oil prices was affected by the slow demand growth brought by inflation, interest rate hikes, and significant increase in global supply from US, Guyana and Brazil. This was despite threats of supply disruptions brought by the Ukraine- Russia War, Israel- Hamas conflict and multiple supply cuts from the OPEC+.

Petroleum production costs totaled US\$1.95 million and US\$1.63 million in 2023 and 2022, respectively. These production costs mainly include floating, production, storage and offloading (FPSO) charges, field/platform operation costs, management and technical fees, helicopter services, insurance expenses, marketing fees, repairs and maintenance and other general and administrative expenses of the Galoc consortium.

Depletion expense totaled US\$0.40 million, which slightly decreased from US\$0.49 million in 2022 due to lower volume of crude oil production. The estimated remaining proved and probable oil reserves totaled 0.89 million and 1.43 million barrels for Galoc oil field as of December 31, 2023 and 2022, respectively.

Interest and dividend income reached US\$4.15 million in 2023 from US\$3.75 million in 2022 mainly due to higher interest rates on peso and dollar placements ranging from 3.40% p.a. to 6.38% p.a. during 2023 as against same period last year of 0.10% p.a. to 5.50% p.a. This comprised of interest received from investment in equity instruments at fair value through other comprehensive income, debt instruments at amortized cost and money market placements.

The Group has a foreign exchange (FX) exposure associated with fluctuations in the value of the Philippine Peso against the U.S. Dollar. The favorable closing rate of the peso

from PhP56.12 to a dollar in December 2022 to PhP55.57 to a dollar in December 2023 resulted in a FX gain of around US\$0.38 million in 2023. Meanwhile, the depreciation of the peso from PhP50.77 to a dollar in December 2021 to PhP56.12 to a dollar in December 2022 resulted in a FX loss of US\$3.40 million in 2022. The FX exposure mainly resulted to the translated peso-denominated monetary assets and liabilities.

Financial Position

As at December 31, 2025 vs. 2024

The Company's consolidated assets at the end of 2025 amounted to US\$90.44 million, slightly higher by US\$0.14 million compared to US\$90.30 million as at December 31, 2024. The increase was mainly due to higher cash and cash equivalents of US\$23.91 million, up from US\$22.91 million in 2024, driven by net receipts from investment income and Galoc petroleum operations during the year.

The increase in total assets was partly offset by the decrease in the following accounts:

- Debt instruments at amortized cost totaled US\$33.58 million, lower than last year's US\$35.24 million, mainly due to maturities of bond investments during the year.
- Property and equipment amounted to US\$10.18 million, slightly lower compared to US\$10.88 million in 2024 due to continued depletion and depreciation.
- Crude oil inventory decreased to US\$0.42 million from US\$0.64 million in 2024, primarily due to lower production levels and timing of liftings.

Provision for plug and abandonment decreased to US\$0.85 million from US\$1.12 million in 2024 due to lower cost estimates from the most recent plug and abandonment study.

As at December 31, 2024 vs. 2023

The Company's consolidated assets at the end of 2024, which amounted to US\$90.30 million, was slightly higher by US\$0.47 million compared to US\$89.83 million as at December 31, 2023 mainly due to cash and cash equivalents of US\$22.91 million, which increased from US\$17.19 million as of the end of 2023. The increase was due to net receipts from Galoc petroleum operations and investment income.

The increase in cash and cash equivalents was partly offset by the decrease in the following accounts:

- Inventory of US\$0.64 million was lower compared to US\$0.98 million in 2023
- Equity instruments at fair value through other comprehensive income amounted to US\$18.31 million, lower than last year's US\$21.21 million due to the redemption of called preferred shares by the issuing company.
- Debt instruments at amortized cost totaled US\$35.24 million, 4% lower than last year's US\$36.82 million due to redemption of matured bonds, offset by the acquisition of additional investments made during the year, and conversion of these peso-denominated bonds at closing rate at the year ended.
- Consolidated property and equipment amounted to US\$10.88 million, slightly lower as compared to last year's US\$11.32 million due to continuous depletion and depreciation charges.

Accounts and other payables of US\$0.95 million was higher compared to US\$0.87 million mainly due to outstanding payable from dividend declaration.

Reserve for changes in value of equity instruments at fair value through other comprehensive income account had negative reserve of US\$5.07 million due to changes in market value of investments in listed preferred shares, adjusted by closing foreign exchange rate at the end of the reporting period.

As at December 31, 2023 vs. 2022

The Company's consolidated assets at the end of 2023, which amounted to US\$89.83 million, was slightly higher by 2% or US\$1.52 million compared to US\$88.31 million as at December 31, 2022 due to the following movements:

- Cash and cash equivalents of US\$17.19 million as of this reporting period slightly increased from US\$16.37 million as of the end of 2022. The increase was due to receipts from petroleum operations and investment income, offset by acquisition of additional investments in bonds and equities, classified as debt instruments at amortized cost and equity instruments at fair value through other comprehensive income.
- Receivables of US\$0.63 million was higher compared to US\$0.39 million in 2022 mainly due to awaiting collection of income from dividends.
- Debt instruments at amortized cost totaled US\$36.82 million, 20% higher than last year's US\$30.61 million due to acquisition of additional investments in bonds made during the year.

The above-mentioned increase in assets was partly offset by the decrease in the following accounts:

- Equity instruments at fair value through other comprehensive income amounted to US\$21.21 million, lower than last year's US\$26.62 million due to the redemption of preferred shares by the issuing company, offset by the acquisition of additional investments in equities made during the year.
- Consolidated property and equipment amounted to US\$11.32 million, slightly lower as compared to last year's US\$11.75 million due to continuous depletion and depreciation charges.

Accounts and other payables of US\$0.87 million was higher compared to US\$0.62 million due to outstanding payable from dividend declaration.

Pension liability increased to US\$0.10 million from US\$0.03 million due to pension expense recognized during the year. In 2022, the Company made contributions to the retirement fund asset.

Reserve for changes in value of equity instruments at fair value through other comprehensive income account had further negative reserve of US\$5.39 million due to changes in market value of investments in listed preferred shares, adjusted by closing foreign exchange rate at the end of the reporting period.

The causes for material changes of December 31, 2025 figures as compared to December 31, 2024 figures of the following accounts are:

Accounts	December 31, 2025	December 31, 2024	Change	%	Remarks
Financial Position					
Cash and cash equivalents	\$23,905,966	\$22,914,117	\$991,849	4%	Slight increase was due to net receipts from investments income and Galoc petroleum operations.
Debt instruments at amortized cost	33,575,462	35,243,734	(1,668,272)	(6%)	Decrease was mainly due to maturities of bond investments during the year.
Property and equipment	10,182,926	10,882,575	(699,649)	(6%)	Decrease was mainly due to continuous depletion and depreciation charges.
Reserve for changes in value of equity instruments at fair value through other comprehensive income	(5,164,524)	(5,068,828)	(95,696)	(2%)	Negative reserve was due to the changes in market value of investments in listed preferred shares, adjusted by closing foreign exchange rate at the end of the reporting period.
Income Statement					
Revenue from petroleum operations	\$2,298,068	3,106,984	(\$808,916)	(26%)	The decline was primarily driven by lower crude oil prices, which fell from US\$79.04 to US\$70.48 per barrel, as well as the natural production decline of the Galoc field.
Petroleum production costs	1,867,641	2,295,545	(427,904)	19%	These production costs mainly include FPSO charges, field/platform operation costs, management and technical fees, helicopter services, insurance expenses, marketing fees, and repairs and maintenance.
Interest and dividend income	4,330,437	4,234,205	96,232	2%	This comprised of dividend received from investments in equity instruments at FVOCI and interest received from debt instruments and money market placements.
Foreign exchange gain (loss)	(118,440)	(1,574,905)	1,456,465	92%	The lower FX loss was mainly due to relatively less volatility in the Philippine Peso against the U.S. Dollar during the year.

Key Financial Indicators

	2025	2024	2023
Revenue from Petroleum Operations	\$2,298,068	\$3,106,984	\$3,020,421
Petroleum Production Costs	1,867,641	2,295,546	1,946,240
Interest and Dividend Income	4,330,437	4,234,205	4,153,130
Core income (before FX gain/loss and taxes)	3,466,188	3,895,005	3,914,429
Foreign exchange gain (loss) - net	(118,440)	(1,574,905)	375,774
Net income	\$2,678,988	\$1,689,157	\$3,896,582

The exchange rates used to convert the Group's Philippine Peso-denominated assets and liabilities into US Dollar:

	2025	2024	2023
US dollar-Philippine peso exchange rate	PhP58.805 to US\$1.00	PhP58.014 to US\$1.00	PhP55.567 to US\$1.00

	2025	2024	2023
Current Ratio	31:1	30:1	29:1
Acid Test Ratio	30:1	29:1	28:1
Debt-to-Equity Ratio		Not Applicable	
Asset-to-Equity Ratio	1.03:1	1.04:1	1.04:1
Interest Rate Coverage		Not Applicable	
Return on Equity	3.07%	1.94%	4.52%
Return on Assets	2.96%	1.88%	4.37%
Gross Profit Margin	0.03%	14.13%	21.08%
Net Working Capital Ratio	0.32:1	0.31:1	0.27:1

Figures are based on Audited Financial Statements. The manner in which the Group calculates the above indicators are as follows:

- Current ratios are computed by dividing current assets over current liabilities.
- Acid test ratios are computed by dividing current assets less inventory and prepayments over current liabilities.
- Percentage of debt to equity resulted from dividing total borrowings (short-term & long-term borrowings) over stockholder's equity.
- Percentage of asset to equity resulted from dividing total assets over total stockholder's equity.
- Return on equity percentage pertains to net income over average total stockholder's equity.
- Return on assets percentage is computed by dividing net income over average total assets.
- Gross profit margins are computed by dividing gross income over total revenues.
- Net working capital ratios are derived at by getting the difference of current assets and current liabilities divided by total assets.

- I. The Company has no knowledge of any events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.
- II. There are no material off-balance sheet transactions, arrangements, obligations and other relationships of the company with unconsolidated entities or other persons created during the reporting period.
- III. There are no significant Capital expenditures during the reporting period.
- IV. There are no significant elements of income or loss that did not arise from the Company's continuing operations.
- V. There are no seasonal aspects that had a material effect on the Company's financial condition or results of operation.

Item 7. Financial Statements

The Audited Consolidated Financial Statements and Schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this report.

Item 8. Information on Independent Accountant and Other Related Matters

A. External Audit Fees and Services

Independent Public Accountants

During OPMC's regular meeting held on May 15, 2025, the Board of Directors of the Company, upon the endorsement of the Audit Committee, approved the change in external auditor for the year ending December 31, 2025 from SyCip Gorres Velayo & Co. to Mendoza Tugano & Co.

The change was made in line with corporate governance best practices and in compliance with the requirement on the rotation of external auditors. To the best of the Company's knowledge, there were no disagreements with the former auditor on any matters relating to accounting principles or practices, financial statement disclosures, or auditing scope and procedures.

Audit and Audit-related Fees

The following table sets out the aggregate fees billed to the Company for each of the last three (3) years for audit professional services.

	2025	2024	2023
Audit and Audit-related fees*			
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	US\$8,505	US\$10,811	US\$10,279

**(inclusive of out-of-pocket expenses and VAT)*

The audit committee's approval policies and procedures for the services rendered by the external auditors

The stockholders of the Company elect the external auditor during the Annual Stockholders Meeting. The Audit Committee ensures that other non-audit work provided by the external auditors is not in conflict with their functions as external auditors and ensures the compliance of the Company with acceptable auditing and accounting standards and regulations.

B. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in nor disagreements with accountants on accounting and financial disclosure as of the year ended December 31, 2025.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

As of December 31, 2025, the names and ages of directors and executive officers of the Company are as follows:

Directors

Position	Name	Age	Citizenship
Director, Chairman and Chief Executive Officer	James L. Go	86	Filipino
Director, Vice Chairman	Robert G. Coyiuto, Jr.	75	Filipino
Director, President and Chief Operating Officer	Benedicto T. Coyiuto	47	Filipino
Director	Lance Y. Gokongwei	59	Filipino
Director	Brian M. Go	52	Filipino
Director and Assistant Corporate Secretary	Perry L. Pe	64	Filipino
Director	James G. Coyiuto	72	Filipino
Director	Josephine V. Barcelon	66	Filipino
Director	Jose Victor Emmanuel A. De Dios	61	Filipino
Independent Director	Jose M. Layug, Jr.	55	Filipino

Position	Name	Age	Citizenship
Independent Director	Emmanuel C. Alcantara	72	Filipino

Executive Officers

Position	Name	Age	Citizenship
Finance Adviser	Aldrich T. Javellana	52	Filipino
Chief Financial, Compliance and Investors' Relation Officer	Ma. Riana Infante	46	Filipino
Treasurer	Teodora N. Santiago	59	Filipino
Vice President - Operations	Roy Ronald C. Luis	54	Filipino
Corporate Secretary and Corporate Information Officer	Vicente O. Caoile, Jr.	52	Filipino

The Company's independent directors are Messrs. Jose M. Layug, Jr. and Emmanuel C. Alcantara. They have possessed the qualifications of independent directors as set forth in the SRC Rule 38 – Independent Director, since the time of their initial election.

The Directors of the Company are elected at the annual stockholders' meeting to hold office until the next succeeding annual meeting and until their respective successors have been elected and qualified.

Officers are appointed or elected annually by the Board of Directors at its first meeting following the Annual Meeting of the Stockholders, each to hold office until the corresponding meeting of the Board of Directors in the next year or until successor shall have been elected, appointed or shall have qualified.

The following directors of the Corporation are expected to be nominated by management for re-election / election this year.

The independent directors of the Company are elected according to SRC Rule 38 – *Independent Directors*.

A brief discussion of the directors' and executive officers' business experience and other directorships held in other reporting companies are as follows:

Directors

1. **James L. Go**, 86, is the Chairman and Chief Executive Officer of the Company. He is also the Chairman, and Non-Executive and Non-Independent Director of JG Summit Holdings, Inc., the Vice Chairman of Robinsons Retail Holdings, Inc., and a Board Advisor of Cebu Air, Inc. He is the Chairman Emeritus of Universal Robina Corporation, Robinsons Land Corporation and JG Summit Olefins Corporation. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a Director of PLDT, Inc. since November 3, 2011, and is an Advisor to the Audit Committee and a member of the

Technology Strategy and Risk Committees. He was elected a Director of Manila Electric Company on December 16, 2013, and is a member of the Executive, Finance, Nomination and Governance, Audit, Risk Management, and Related Party Transactions Committees. Mr. James L. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA.

2. **Robert Coyiuto, Jr.**, 75, has been the Vice Chairman of the Company since June 2025. He was the Company's President and Chief Operating Officer since 1994. He is a Director of the Company. He is also the Chairman of the Board of Prudential Guarantee & Assurance, Inc. and PGA Sompo Japan Insurance, Inc. and the Sole Importer and Distributor of Audi, Porsche, Lamborghini and Bentley. He holds the positions of Vice Chairman of First Life Financial Co., Inc., Independent Director of Petrogen Insurance Corporation, and Independent Director of Canon (Philippines) Inc. He is a Nominee of R. Coyiuto Securities, Inc. He has a Bachelor of Science degree in Commerce from the San Beda College.
3. **Benedicto T. Coyiuto**, 47, is the President and Chief Operating Officer of the Company since June 2025. He has been a Director of the Company since 2013. He is also the President of PGA Cars, Inc. and also a Director of PGA Sompo Japan Insurance, Inc. He is the son of Mr. Robert Coyiuto, Jr.
4. **Lance Y. Gokongwei**, 59, has been a Director of the Company since 1994. He is the President and Chief Executive Officer, and Executive Director of JG Summit Holdings, Inc. since May 14, 2018. He is the Chairman of Cebu Air, Inc., Universal Robina Corporation, and Robinsons Land Corporation, and the Chairman, President and Chief Executive Officer of JG Summit Olefins Corporation effective October 1, 2025. He is a Director and Vice Chairman of Manila Electric Company, Vice Chairman of Maxicare Corporation and a member of the Advisory Council of Bank of the Philippine Islands since April 2023. He is also a Director of Singapore Land Group Limited, Shakey's Asia Pizza Ventures, Inc., SP New Energy Corporation, and was elected Director of Robinsons Retail Holdings, Inc. on July 25, 2025. He is a Trustee and the Chairman of the Gokongwei Brothers Foundation, Inc. He holds a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania.
5. **Brian M. Go**, 52, has been a Director of the Company since 2020. He is the Chief Finance and Risk Officer of JG Summit Holdings, Inc. since July 1, 2021. He was appointed Chairman of UNICON Insurance & Reinsurance Brokers Corporation effective January 1, 2026. He also serves as a Director of Maxicare Healthcare Corporation, Maxicare Life Insurance Inc., Maxicare Health Services Inc., Luzon International Premiere Airport Development (LIPAD), and JG Digital Equity Ventures, Inc. He began his professional career in New York City with Booz Allen Hamilton, where he was part of the Financial Services practice. He later returned to Manila and joined Digitel Telecommunications Philippines, Inc. (DTPI), where he worked in Corporate Planning and subsequently served as Managing Director of the Datacom business. From 2003 to 2013, Mr. Go was based in China, where he served as Finance Director and later as Chief Financial Officer of the Ding Feng Real Estate (DFRE) group of companies. Beginning in 2007, he concurrently assumed the role of General Manager of URC China and was later appointed General Manager for URC Malaysia and Singapore. He subsequently served as Vice President for URC's International Trading Operations based in Singapore. Mr. Go graduated from Harvard College in 1996. He earned an Executive MBA from the Kellogg School of Management at Northwestern University and the Hong Kong University of Science and Technology (Kellogg-HKUST) in 2007. He is a Chartered Financial Analyst (CFA) charterholder.

6. **Perry L. Pe**, 64, has been the Assistant Corporate Secretary of the Company since 1994 and a Director since 1995. He is also a Senior Partner of Romulo, Mabanta, Buenaventura, Sayoc, and Delos Angeles; Director of Ace Saatchi & Saatchi and AG&P Manila; and President and CEO of AGP Philippines Holdings I, Inc., an Independent Director of Salmon Bank and a Member of De La Salle Philippines investment committee. He also serves as Honorary Consul General of Denmark to the Philippines, Cebu Office.
7. **James G. Coyiuto**, 72, has been a Director of the Company since 2005. He is also a Director of Prudential Guarantee and Assurance, Inc., Guarantee Development Corporation and PGA, Sompo Japan Insurance Inc.
8. **Josephine V. Barcelon**, 66, has been a Director of the Company since 2014. She is the CEO and President of J.M. Barcelon & Co., Inc., a holdings company, and CEO of the Barcelon Group of Companies.
9. **Jose Victor Emmanuel A. De Dios**, 61, has been a Director of the Company since 2020. He is also the new President and CEO of Prime CoreGen, the gas power generation company of which majority interest was recently acquired by Mr. Enrique K. Razon. He assumed the role last January 1, 2026. Prior to this, he was President, CEO and a member of the Board of Manila Water Company, Inc. He also served as the Chairman of Boracay Island Water Company, Inc., Clark Water Company, Inc., and Manila Water Total Solutions Corp from Sept 1, 2021-Dec 31, 2025. He was also the President of the Manila Water Foundation, Inc., Vice-President of Laguna AAA Water Corporation, and Director of Manila Water Asia Pacific Pte. Ltd. He also served as a Trustee of the Philippine Disaster Resilience Foundation, Inc. He currently sits on the Board of Phoenix Petroleum Philippines, Inc. Prior to his stint in Manila Water he was Chief Executive Officer at Prime BMD Corporation. He previously served as Undersecretary at the Philippine Department of Energy, Chairman of the Philippine National Oil Company-Exploration Corp, CEO/Managing Director of Nido Petroleum Ltd and, Chairman and CEO of GE Philippines. He graduated from the Ateneo School of Law and obtained his Master of Laws degree from Harvard Law School.
10. **Jose M. Layug, Jr.**, 55, has been a Director of the Company since 2022. He is a Senior Partner of DivinaLaw Offices, President of the Developers of Renewable Energy for AdvanceMent, Inc. (DREAM) - the umbrella organization of renewable energy associations in the Philippines - and Dean of the University of Makati School of Law. He previously served as Chairman of the National Renewable Energy Board from 2016 to 2018. He was also the Undersecretary of the Department of Energy (DOE) from 2010 to 2012, where he oversaw several units, including the Renewable Energy Management Bureau and the Oil Industry Management Bureau. He helped lead the implementation of the National Renewable Energy Program, including the feed-in tariff system and the net metering program. Prior to joining the DOE, he was Senior Counsel for the Negotiations and Legal Department of the Australian Strategic Business Unit of Chevron Corporation and served as Malampaya Legal Manager of Chevron Malampaya LLC in Manila from 2007 to 2010. Earlier in his career, he served as an international legal consultant for the Asian Development Bank and was a Senior Associate at SyCip Salazar Hernandez & Gatmaitan. He obtained his Bachelor of Science in Business Economics (cum laude) in 1992 and his Bachelor of Laws in 1996 from the University of the Philippines, and his Master of Laws with honors from Cornell Law School in 2000. He is licensed to practice law in both the Philippines (since 1997) and New York (since 2000), having passed both the Philippine and New York bar examinations. He is a member of the International Bar Association, the Integrated Bar of the Philippines, the Association of the Bar of the City of New York, and the Cornell Law School Young Alumni Committee.

11. **Emmanuel C. Alcantara**, 72, has been a Director of the Company since 2022. He is the former Head of the Tax Services Group, General Counsel and Market Circle Leader of Sycip Gorres Velayo & Co. (SGV & Co.), where he has been a Tax Principal for 24 years. His expertise lies in general tax advisory, cross-border transactions, transfer pricing, corporate organization and reorganization, individual and corporate tax planning, and tax advocacy works. He was with SGV & Co. for 33 years (1981 to 2014). In 2011, he was named as one of the world's leading tax professionals in the newly published Guide to the World's Leading Tax Advisors and, in 2012 he was named by the Legal Media Group Inc. as one of the leading lawyers in Asia Pacific in the field of taxation. After retiring from SGV & Co. in 2014, he set up his own law office, Emmanuel C Alcantara & Associates Law Offices, specializing in tax and corporate works. He graduated with a Bachelor of Science degree in Business Administration, Major in Accounting from the University of the East in 1974 and accomplished his Bachelor of Laws degree from the San Beda College of Law in 1979. He also completed the Management Development Program of the Asian Institute of Management in 1989. In 2008, he participated in the EY Executive Program at the Kellogg School of Management in Northwestern University. Currently, he is also an Independent Director of several domestic corporations engaged in various industries and commercial activities.

Executive Officers

1. **Aldrich T. Javellana**, 52, is the Finance Adviser of the Company since 2016. He is also the Senior Vice President and Treasurer of JG Summit Holdings, Inc. (since 2017). He is also an Adviser to the Board of Directors of Maxicare Life Insurance Corp. (since 2023). Concurrently, he holds directorships at Lontide Holdings, Inc. (since 2023) and GoTyme Bank Corporation (since 2024). Prior to joining JGSHI in 2003, he worked in Corporate Finance with CLSA Exchange Capital. He graduated from De La Salle University with a degree in BS Accountancy, and is a Certified Public Accountant.
2. **Ma. Riana C. Infante**, 46, is the Chief Financial, Compliance and Investors' Relation Officer of the Company. She has been Chief Financial and Compliance Officer since February 16, 2016 and was appointed Investors' Relation Officer on May 27, 2024. She joined the Company in 2004 as an Accounting Manager. She is a Certified Public Accountant.
3. **Teodora N. Santiago**, 59, is the Treasurer of the Company since September 20, 2019. She is also currently the Head - Offshore and Short-Term Investments under Corporate Treasury of JG Summit Holdings Inc. Prior to joining JGSHI in 2005, she worked as Treasury Manager in Astoria Group and Treasury and Administration Manager in Del Monte Fresh Produce Phils., Inc. She graduated from University of Santo Tomas with a degree in BS Accountancy.
4. **Roy Ronald C. Luis**, 54, was appointed as Vice President for Operations on June 1, 2024. He joined the Company in 2019 as Director for Operations and Business Development. He is a licensed Geologist and an Accredited Competent Person in Geology by the Geological Society of the Philippines. He has a Master's Degree in Business Administration and a Master's Degree in Geology, both from the University of the Philippines.
5. **Vicente O. Caoile, Jr.**, 52, is the Corporate Secretary and Corporate Information Officer of the Company. He has been the Corporate Secretary since October 1, 2018 and was appointed Corporate Information Officer on May 27, 2024. He is the Managing Partner of Adarlo Caoile & Associates Law Offices (ACALaw). He is also the Corporate Secretary of PGA Cars, Inc., PGA Automobile, Inc., Autoextreme Performance, Inc., and Automaxx

Resources, Inc. He holds a Juris Doctor, second honors, from Ateneo de Manila University and Bachelor of Science in Commerce, Major in Legal Management from De La Salle University Manila.

Significant Employees

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

Involvement in Certain Legal Proceedings of Directors and Executive Officers

None of the directors and officers has been involved in any bankruptcy proceeding in the past five (5) years nor have they been convicted by final judgment in any criminal proceeding, or been subject to any order, judgment or decree of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limited their involvement in any type of business, securities, commodities or banking activities, nor found in action by any court of administrative bodies to have violated a securities or commodities law.

Family Relationships

1. Mr. James L. Go is the uncle of Mr. Lance Y. Gokongwei.
2. Mr. Brian M. Go is the son of Mr. James L. Go and cousin of Mr. Lance Y. Gokongwei.
3. Mr. Benedicto T. Coyiuto is the son of Mr. Robert G. Coyiuto, Jr.
4. Mr. Robert G. Coyiuto, Jr. is the brother of Mr. James G. Coyiuto.

Item 10. Executive Compensation

The aggregate compensation given to officers and directors of the Company for the last 2 years and projected for the ensuing year (2025) are as follows:

	PROJECTED (2026)				ACTUAL	
	Salary	Bonus	Directors' Fee	Total	2025	2024
CEO and Four (4) most highly compensated executive officers	\$327,977	\$-	6,453	\$334,430	\$334,430	\$309,618
All other officers and directors as a group unnamed	385,631	-	35,490	421,121	402,259	375,354

In 2025, the following constitute the Company's CEO and four most highly compensated executive officers:

1. Mr. James L. Go is the Chairman and Chief Executive Officer
2. Mr. Robert G. Coyiuto, Jr. is the Vice Chairman
3. Mr. Aldrich T. Javellana is a Finance Adviser
4. Ms. Ma. Riana C. Infante is the Chief Financial, Compliance and Investors' Relation Officer
5. Mr. Roy Ronald C. Luis is the Vice President-Operations

Standard Arrangements

Other than payment of reasonable per diem, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as a director for the last completed year and ensuing year.

Other Arrangements

There are no other arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services provided as a director for the last completed year and ensuing year.

Terms and Conditions of any Employment Contract or any Compensatory Plan or Arrangement between the Company and the Executive Officers

None.

Outstanding Warrants or Opinions Held by the Company's CEO, the Executive Officer and Directors

None.

Item 11. Security Ownership of Certain Record and Beneficial Owners and Management

As of December 31, 2025, the Company is not aware of anyone who beneficially owns in excess of 5% of the Company's common stock except as set forth in the table below.

1. Security Ownership of Certain Record and Beneficial Owners

Class	Name and Address Record/ Beneficial Owner	Amount and Nature of Ownership (Record and/or beneficial ownership)	Citizenship	% to Total	
Common	PCD Nominee Corporation ^a Old Makati Stock Exchange Bldg. Ayala Avenue, Makati City	<u>96,039,496,323</u>	Record	Filipino	<u>48.02%</u>
Common	JG Summit Capital Services Corp ^b 43rd Floor, Robinsons-PCI Bank, ADB Ave., corner Poveda Rd. Ortigas Center Pasig City	<u>37,051,952,896</u>	Record	Filipino	<u>18.53%</u>
Common	R. Coyiuto Securities, Inc. ^c 5th Flr., Corinthian Plaza Paseo de Roxas, Makati City	<u>21,611,641,422</u>	Record	Filipino	<u>10.81%</u>
Common	Prudential Guarantee & Assurance Inc. ^d 119C Palanca St. Legaspi Village, Makati City	<u>12,892,285,272</u>	Record	Filipino	<u>6.45%</u>

Notes:

- a. PCD Nominee Corporation, a wholly owned subsidiary of Philippine Central Depository, Inc. ("PCDI"), is the registered owner of the shares in the books of the Company's transfer agents in the Philippines. The beneficial owners of such shares are PCDI's participants, who hold the shares on their behalf, and their clients. PCDI is a private company organized by the major institutions

actively participating in the Philippine capital markets to implement an automated book-entry system of handling securities transactions in the Philippines.

- b. JG Summit Capital Services Corp (formerly Consolidated Robina Capital Corporation) is a 100% subsidiary of JG Summit Holdings, Inc. OPMC and JGSHI share the following common directors: Mr. James L. Go and Mr. Lance Gokongwei.
- Any one of the following directors of the Company is authorized to vote: Messrs., James Go, Lance Gokongwei.
 - Indirect ownership of Mr. James Go is 2 shares and Mr. Lance Gokongwei is 3 shares.
- c. R. Coyiuto Securities, Inc. is majority-owned by Mrs. Rosie Coyiuto, wife of Mr. Robert Coyiuto, Jr. Mr. Coyiuto is the President and COO of OPMC.
- Any one of the following is authorized to vote: Ms. Rosie Coyiuto, Messrs. Samuel Coyiuto, and James Coyiuto.
 - There are no participants in the above corporation who hold more than 5% of OPMC's outstanding capital stock.
- d. Prudential Guarantee & Assurance, Inc. is majority-owned by Coyiuto Brothers.
- Mr. Robert Coyiuto, Jr. is authorized to vote.

2. Security Ownership of Management as of December 31, 2025

Class	Name of Beneficial Owner	Position	Amount and Nature of Beneficial Ownership (Direct)			% to Total	Citizenship
			Class A	Class B	Total		
A. Named Executive Officers [1]							
Common	James L. Go*	Chairman and CEO	2,511,000,001	-	2,511,000,001	1.28%	Filipino
Common	Robert G. Coyiuto, Jr.*	Director, Vice Chairman	423,977,301	141,687,685	565,664,986	0.29%	Filipino
		<i>Sub-total</i>	2,934,977,302	141,687,685	3,076,664,987	1.57%	
B. Other Directors and Executive Officers							
Common	Lance Y. Gokongwei	Director	17,835	-	17,835	**	Filipino
Common	Brian M. Go	Director, President and COO	1	-	1	**	Filipino
Common	Perry L. Pe	Director and Asst. Corporate Secretary	513,621	-	513,621	0.00%	Filipino
Common	James G. Coyiuto	Director	1	-	1	**	Filipino
Common	Benedicto T. Coyiuto	Director	10,000	-	10,000	**	Filipino
Common	Jose Victor Emmanuel A. De Dios	Director	1	-	1	**	Filipino
Common	Josephine V. Barcelon	Director	100,000	-	100,000	0.00%	Filipino
Common	Jose M. Layug, Jr.	Director	1	-	1	**	Filipino
Common	Emmanuel C. Alcantara	Director	1	-	1	**	Filipino
		<i>Sub-total</i>	641,461	-	641,461	0.00%	
Total			2,935,618,763	141,687,685	3,077,306,448	1.57%	

[1] Chief Executive Officer and one (1) among the four (4) most highly compensated executive officers as of December 31, 2025.

*Company's executive officers

**less than 0.001%

The other Executive Officers of the Company have no beneficial ownership over any shares of the Company as of December 31, 2025, namely:

1. Aldrich T. Javellana - Finance Advisor
2. Ma. Riana C. Infante - Chief Financial, Compliance and Investors' Relation Officer
3. Teodora N. Santiago - Treasurer
4. Roy Ronald C. Luis - Vice President, Operations
5. Vicente O. Caoile, Jr. - Corporate Secretary

3. Voting Trust holders of 5% or More

As of December 31, 2025, there are no persons holding more than 5% or a class under a voting trust or similar agreement.

4. Changes in Control

There has been no change in the control of the registrant since the beginning of its calendar year.

Item 12. Certain Relationships and Related Transactions

A. Directors Disclosures on Self-Dealing and Related Party Transactions

There had been no material transactions during the last two years, nor is any material transaction presently proposed, to which the Company was or is to be a party, in which any director or executive officer of the Company or owner of more than 10% of the Company's voting securities, any relative or spouse of any such director or officer who shares the home of such director or executive officer or owner or more than 10% of the Company's voting securities, is involved.

No transaction, without proper disclosure, was undertaken by the Company in which any director or executive officer was involved or had a direct or indirect material interest. None of the Company's Directors have entered into self-dealing and related party transactions with or involving the Corporation in 2025.

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

B. Related Party Transactions with Subsidiaries and Affiliates

Parties are 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; and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Affiliates are related entities of the companies by virtue of common ownership and representation to management where significant influence is apparent.

The Company in the regular conduct of its business has entered into transactions with affiliates and other related parties principally consisting of leases. Under the policy of the Company and its subsidiaries, these transactions are made substantially on the same terms as with other individuals and businesses of comparable risks. The Company has not entered into any business transactions with any of its former senior management that will result to a more or less favorable terms that will have a material effect on the Company's financial position or financial performance.

As at December 31, 2025, the Company has an existing lease agreement with an affiliate covering the office space it occupies, which is renewable annually.

See Note 20 (Disclosure on Related Party Transactions) of the Notes to Consolidated Financial Statements filed as part of this report.

PART IV. CORPORATE GOVERNANCE

Item 13. Corporate Governance

The Board of Directors, officers, employees and stockholders of the Company believe that corporate governance is a necessary component of sound strategic business management and will therefore undertake every effort necessary to create awareness of and implement good corporate governance within the organization.

The Company upholds its commitment to doing business in accordance with good corporate governance and the highest ethical standards of always acting in good faith and in the best interest of all stakeholders. This is to assure the shareholders that the Company conducts its business with the highest level of integrity, transparency and accountability. This is embodied in its Articles of Incorporation, By-Laws, Revised Corporate Governance Manual and Code of Business Conduct.

The Company complies with corporate governance standards enshrined in the Securities and Exchange Commission’s (“SEC”) Code of Corporate Governance for Publicly-Listed Companies, among other SEC regulations and applicable laws. It likewise continuously seeks to improve and strengthen its corporate governance practices through policy engineering and implementation. Moreover, the Company consistently strives to raise its financial reporting standards by adopting and implementing prescribed Philippine Financial Reporting Standards (PFRSs).

To know more about the Company’s corporate governance and compliance programs and initiatives, please refer to the Corporate Governance Section in the annexed Sustainability Report.

Item 14. Sustainability Report

Oriental Petroleum and Minerals Corporation has prepared its Sustainability Report covering the period January 1, 2025 to December 31, 2025. Please refer to the attached Sustainability Report.

PART V. EXHIBITS AND SCHEDULES

Item 15. Exhibits and Reports on SEC Form 17-C

(a) Exhibits

None.

(b) Reports on SEC Form 17-C

The following is a list of disclosures filed by Oriental Petroleum and Minerals Corporation under SEC Form 17-C during 2025:

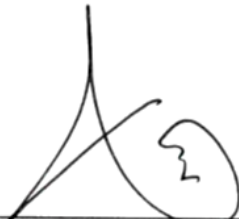
Date of Report	Item Reported / Description
May 15, 2025	Change in External Auditor
June 4, 2025	Declaration of Cash Dividend
June 4, 2025	Results of Annual Stockholders' Meeting
June 4, 2025	Results of Organizational Meeting of Board of Directors
June 4, 2025	Change in Directors and/or Officers
June 27, 2025	Material Information - Share Buyback Program
December 18, 2025	Material Information - Expiration of Service Contract 14C2 West Linapacan Block
December 19, 2025	Material Information - Expiration of SC14 C1- Galoc Block and Non-Participation to Development and Production Sharing Contract (DPPSC)

SIGNATURES


Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of PASIG CITY on the 24 of MAR, 2026.

ORIENTAL PETROLEUM AND MINERALS CORPORATION
Issuer


By:



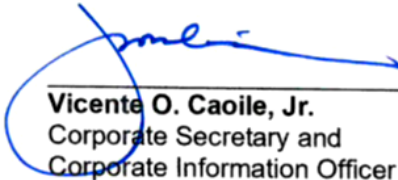
James L. Go
Chairman and Chief Executive Officer
Date signed: March 24, 2026



Benedicto T. Coyiuto
President and Chief Operating Officer
Date signed: March 24, 2026



Ma. Riana C. Infante
Chief Financial, Compliance and
Investors' Relation Officer
Date signed: March 24, 2026




Vicente O. Caoile, Jr.
Corporate Secretary and
Corporate Information Officer
Date signed: March 24, 2026

Subscribed and sworn to before this 24 day of MAR, 2026, affiants executed to me their CTC / government issued identification cards as follows:

Names	Passport No.	Date of Issue
James L. Go	P2019464B	June 20, 2019
Benedicto T. Coyiuto	P7764533A	July 2, 2018
Ma. Riana C. Infante	P0139536C	May 18, 2022
Vicente O. Caoile, Jr.	P2148769B	May 14, 2019

Notary Public

Doc. No. 521
Page No. 106
Book No. III
Series of 2026.


ATTY. JOSE FRANCIS R. MARASIGAN
NOTARY PUBLIC
UNTIL DECEMBER 31, 2027
ROLL NO. 88329
IBP NO. 554227 (28/09/2025)
PTR NO. 3841790 (01/03/2026)
APPOINTMENT NO. 044 (2026-2027)
MCLE COMPLIANCE NO. VIII-0007885
TIN NO. 273-491-142

**ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES**

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SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: April 20, 2026 10:31:41 AM

Company Information

SEC Registration No.: 0000040058

Company Name: ORIENTAL PETROLEUM AND MINERALS CORP.

Industry Classification: C11919

Company Type: Stock Corporation

Document Information

Document ID: OST104202026811241200

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2025

Submission Type: Consolidated, Annual

Remarks: None

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



ORIENTAL PETROLEUM AND MINERALS CORPORATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

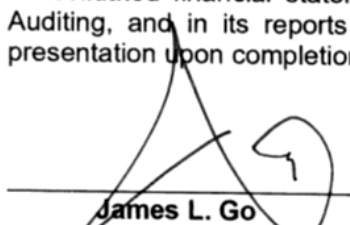
The management of **Oriental Petroleum and Minerals Corporation and Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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


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

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

Mendoza Tugano & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



James L. Go
Chairman of the Board and
Chief Executive Officer



Benedicto T. Coyiuto
President and
Chief Operating Officer




Ma. Riana C. Infante
Chief Financial,
Compliance and
Investors' Relation Officer

Signed this 24 day of MAR, 2026

SUBSCRIBED AND SWORN to before this 24 day of MAR, 2026 affiants executed to me their respective Passport as follows:

Name	Government ID No.	Date of Issue	Place of Issue
James L. Go	P2019464B	June 20, 2019	DFA NCR Central
Benedicto T. Coyiuto	P7764533A	July 2, 2018	DFA NCR East
Ma. Riana C. Infante	P0139536C	May 18, 2022	DFA Manila

Doc. No. 519
Page No. 101
Book No. III
Series of 2026.


Notary Public
ATTY. JOSE FRANCIS R. MARASIGAN
NOTARY PUBLIC
UNTIL DECEMBER 31, 2027
ROLL NO. 88329
IBP NO. 554227 (28/09/2025)
PTR NO. 3841790 (01/03/2026)
APPOINTMENT NO. 044 (2026-2027)
MCLE COMPLIANCE NO. VIII-0007885
TIN NO. 273-491-142



MENDOZA

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169
H.V. de la Costa Street, Salcedo
Village, Makati City, 1227 Philippines

(632) 8887-1888 | www.mtco.com.ph

PRC/BOA Accreditation No. 9682
November 22, 2023, valid until
July 18, 2026
SEC Accreditation No. 9862-SEC (Group A)
Issued February 26, 2026
Valid for Financial Periods 2025-2029

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Oriental Petroleum and Minerals Corporation and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of December 31, 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

Initial Audit Considerations

We considered this as a key audit matter as initial audit requires additional planning activities and considerations necessary to establish an appropriate audit plan and strategy, and the performance of audit procedures in addition to those performed in recurring audits. These include (a) gaining understanding of the Group and its business including its control environment and information systems; (b) evaluation of the selection and consistent application of the accounting policies; and (c) performing audit procedures on the opening balances.

Audit response

We obtained an understanding of the Group and its businesses, including its control environment, key processes, information systems and accounting policies and practices. Based on such understanding, we developed our audit risk assessments, audit strategy and detailed work plan. We engaged in discussions with management to understand their selection and application of accounting policies, focusing on those areas involving significant management estimates and judgments. We also communicated with the auditor of the prior periods. Further, we performed audit procedures on the material opening balances.

Impairment Assessment of Wells, Platforms and Other Facilities and Deferred Exploration Cost

As of December 31, 2025, the Consortium's license to operate under Service Contract (SC) 14C2, in which the Group has an interest, expired on December 17, 2025 and is currently pending approval by the Department of Energy (DOE) for extension under a Development and Production Petroleum Service Contract (DPPSC) submitted on November 17, 2025. As of December 31, 2025 and 2024, the carrying value of the Group's wells, platforms and other facilities related to SC 14C2 amounted to \$10.09 million and \$10.28 million, respectively.

SC 14C2 remains a non-producing block, and the expiration of the license, pending extension approval, indicates increased uncertainty over the recoverability of the related assets. In 2025, the Group assessed that the recoverable amount of wells, platforms and other facilities is lower than its carrying value and, accordingly, recognized an impairment loss amounting to \$255,120.

The Group also holds an interest in Service Contract (SC) 6B – Cadlao and Bonita Blocks, for which the license to operate expired on February 28, 2024 and is currently in the final stage of review and evaluation by the DOE for extension under a DPPSC submitted on December 27, 2023. The Group, through its operator, has received confirmation from the DOE that the Consortium is legally, financially, and technically qualified to enter into the DPPSC. Based on management's assessment, the recoverable amount of the deferred exploration costs under SC 6B exceeds their carrying value and, accordingly, no impairment was recognized.

The determination of the recoverable amount requires significant judgment and involves the use of key assumptions, including future production levels, operating and development costs, oil price forecasts, and discount rates. Accordingly, this matter was considered a key audit matter.

The disclosures in relation to wells, platforms and other facilities and deferred exploration cost are included in Notes 5, 8, 10 and 11 to the consolidated financial statements.

Audit Response

We evaluated the methodologies and key assumptions used by management in determining the recoverable amount. We also evaluated management's assessment that, for SC 14C2, the Group has previously operated the block and is currently seeking extension, and noted that the DOE approved the work program and budget in 2025. For SC 6B, we considered management's assessment that the DOE has initially determined that the Consortium is legally, financially, and technically qualified to enter into the DPPSC.

We compared future production levels with the reserves report prepared by the SC 14C2 and SC 6B operators and benchmarked oil price assumptions against observable market data. We assessed the

projected production costs against the approved work program and budget of the joint operating partners and relevant regulatory agency.

We tested the discount rate by comparing inputs against market data. We also assessed the adequacy of the related disclosures, particularly those relating to key assumptions and sensitivities that significantly affect the recoverable amount.

Provision for Plug and Abandonment Cost

The Group recognizes a provision for plug and abandonment (P&A) costs for SC 14C1 – Galoc Project based on a present obligation and reliable estimate of decommissioning costs. However, the Management assessed that, as of reporting date, the absence of a finalized abandonment plan and reliable cost estimates precludes the recognition of a provision for SC 14C2 – West Linapacan, despite the block having been long suspended and the license to operate having expired on December 17, 2025, with extension currently pending approval by the Department of Energy (DOE).

Under applicable accounting standards, a provision is required to be recognized when a present legal or constructive obligation exists as a result of a past event and the amount of the obligation can be reliably estimated. The absence of a recognized provision indicates that significant judgment is involved in assessing whether such an obligation exists and in estimating the timing and amount of any potential decommissioning costs.

Given the regulatory status of SC 14C2 and the potential obligation to decommission related assets, this matter required significant audit attention and was considered a key audit matter.

The disclosures in relation to Provision for Plug and Abandonment Cost are included in Note 13 to the consolidated financial statements

Audit Response

Our audit procedures included, among others, evaluating management's assessment of whether a present obligation exists to recognize a provision for plug and abandonment costs.

We reviewed the terms and conditions of the Service Contract and relevant regulatory requirements to assess the existence of legal or constructive obligations. We inquired with management regarding the status of the service contract, including plans for extension, abandonment, or decommissioning of the assets.

We evaluated management's rationale for not recognizing a provision and assessed its consistency with applicable accounting standards. Where relevant, we considered historical practices and industry guidance on decommissioning obligations.

We also assessed the adequacy of the Group's disclosures in respect of the absence of a provision and the related judgments and uncertainties.

Other Matter

The consolidated financial statements of the Group as of December 31, 2024, and for the years ended December 31, 2024 and 2023, included as comparative information, were audited by another auditor whose report dated April 14, 2025 expressed an unmodified opinion on those financial statements.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to 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.


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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements as of and for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Pamela Grace S. Tangso.

For the Firm: **MENDOZA TUGANO & CO.**


PAMELA GRACE S. TANGSO
Partner
CPA Certificate No. 118635
BOA accreditation No. 9682/P-003
Valid from May 08, 2024 to July 18, 2026
SEC Accreditation No. 118635-SEC (Group A),
February 26, 2026, valid until February 25, 2031
TIN 249-790-835
BIR Accreditation No. 08-008188-003-2024,
December 03, 2024, valid until December 02, 2027
PTR No. 10789462, January 27, 2026, Makati City

March 24, 2026

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
With Comparative Figures for 2024 and 2023
(Amounts in U.S. Dollars)

	Notes	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	4, 6, 21	\$23,905,966	\$22,914,117
Current portion of debt instruments at amortized cost	4, 9, 21	5,257,357	5,041,886
Receivables	4, 7, 21	532,080	582,520
Crude oil inventory	4, 8	417,978	635,154
Other current assets		24,685	26,573
Total Current Assets		30,138,066	29,200,250
Noncurrent Assets			
Debt instruments at amortized cost, net of current portion	4, 9, 21	28,318,105	30,201,848
Equity instruments at FVOCI	4, 9, 21	20,147,839	18,308,175
Property and equipment – net	4, 5, 10	10,182,926	10,882,575
Net pension asset	4, 5, 17	–	1,082
Other noncurrent assets	11	1,655,197	1,708,174
Total Noncurrent Assets		60,304,067	61,101,854
TOTAL ASSETS		\$90,442,133	\$90,302,104
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	4, 12, 21	\$972,273	\$954,076
Income tax payable		10,389	14,488
Total Current Liabilities		982,662	968,564
Noncurrent Liabilities			
Provision for plug and abandonment	4, 5, 8, 13	847,549	1,123,055
Net pension liability	4, 5, 17	139,253	–
Deferred tax liabilities – net	4, 5, 18	1,054,237	1,098,235
Total Noncurrent Liabilities		2,041,039	2,221,290
Total Liabilities		3,023,701	3,189,854
Equity			
Capital stock	4, 14	82,268,978	82,268,978
Subscriptions receivable	4, 14	(271,543)	(277,710)
Capital in excess of par value	4, 14	3,650,477	3,650,477
Retained earnings	4	6,675,693	5,647,252
Reserve for changes in value of equity instruments at FVOCI	4, 9	(5,164,524)	(5,068,828)
Remeasurement gains on pension liability	4, 17	148,591	225,267
Treasury stock, at cost	4, 14	(631,821)	–
Cumulative translation adjustment		742,580	666,814
Total Equity		87,418,431	87,112,250
TOTAL LIABILITIES AND EQUITY		\$90,442,132	\$90,302,104

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025
With Comparative Figures for 2024 and 2023
(Amounts in U.S. Dollars)

	Notes	2025	2024	2023
REVENUE FROM PETROLEUM OPERATIONS	4, 8	\$2,298,068	\$3,106,984	\$3,020,421
COST OF PETROLEUM OPERATIONS				
Petroleum production costs	4, 8	(1,867,641)	(2,295,545)	(1,946,240)
Depletion expense	4, 8, 10	(429,648)	(342,500)	(403,304)
		(2,297,289)	(2,638,045)	(2,349,544)
GROSS PROFIT		779	468,939	670,877
GENERAL AND ADMINISTRATIVE EXPENSES	4, 15	(873,578)	(775,266)	(850,288)
OTHER INCOME – NET				
Interest income	4, 6, 9	3,250,986	3,036,857	2,643,153
Dividend income	4, 9	1,079,451	1,197,348	1,509,977
Impairment loss	4, 10, 11	(275,784)	–	–
Other income (charges) – net	4, 16	284,334	(32,873)	(59,290)
		4,338,987	4,201,332	4,093,840
INCOME BEFORE INCOME TAX AND FOREIGN EXCHANGE GAIN OR LOSS		3,466,188	3,895,005	3,914,429
Foreign exchange gain (loss) – net		(118,440)	(1,574,905)	375,774
INCOME BEFORE INCOME TAX		3,347,748	2,320,100	4,290,203
PROVISION FOR (BENEFIT FROM) INCOME TAX				
Current	4, 18	593,555	536,389	500,560
Deferred	4, 18	75,205	94,554	(106,939)
		668,760	630,943	393,621
NET INCOME		\$2,678,988	\$1,689,157	\$3,896,582
Basic/Diluted Earnings Per Share	19	\$0.000013	\$0.000008	\$0.000019

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025
With Comparative Figures for 2024 and 2023
(Amounts in U.S. Dollars)

	Notes	2025	2024	2023
NET INCOME		\$2,678,988	\$1,689,157	\$3,896,582
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Item to be reclassified to profit or loss in subsequent periods</i>				
Changes in cumulative translation adjustment		75,766	(43,425)	(991)
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>				
Movements in reserve for fluctuation in value of equity instruments at fair value through other comprehensive income	4, 9	49,830	323,369	(824,428)
Remeasurement gain (loss) on pension liability	4, 17	(76,676)	75,976	(18,941)
		48,920	355,920	(844,360)
TOTAL COMPREHENSIVE INCOME		\$2,727,908	\$2,045,077	\$3,052,222

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2025

With Comparative Figures for 2024 and 2023

(Amounts in U.S. Dollars)

	Capital Stock (Note 14)	Subscriptions Receivable (Note 14)	Capital in Excess of Par Value (Note 14)	Retained Earnings	Reserve for Changes in Value of Equity Instruments at FVOCI (Note 9)	Remeasurement Gains (Losses) on Pension Liability – Net (Note 17)	Treasury Stock (Note 14)	Cumulative Translation Gain (Loss) Adjustment	Total
Balances as at December 31, 2022	\$82,268,978	(\$277,710)	\$3,650,477	\$3,573,359	(\$4,567,769)	\$168,232	\$–	\$711,230	\$85,526,797
Net income in 2023	–	–	–	3,896,582	–	–	–	–	3,896,582
Other comprehensive loss in 2023	–	–	–	–	(824,428)	(18,941)	–	(991)	(844,360)
Total comprehensive income in 2023	–	–	–	3,896,582	(824,428)	(18,941)	–	(991)	3,052,222
Cash dividends (Note 14)	–	–	–	(1,794,076)	–	–	–	–	(1,794,076)
Balances as at December 31, 2023	82,268,978	(277,710)	3,650,477	5,675,865	(5,392,197)	149,291	–	710,239	86,784,943
Net income in 2024	–	–	–	1,689,157	–	–	–	–	1,689,157
Other comprehensive income in 2024	–	–	–	–	323,369	75,976	–	(43,425)	355,920
Total comprehensive income in 2024	–	–	–	1,689,157	323,369	75,976	–	(43,425)	2,045,077
Cash dividends (Note 13)	–	–	–	(1,717,770)	–	–	–	–	(1,717,770)
Balances as at December 31, 2024	82,268,978	(277,710)	3,650,477	5,647,252	(5,068,828)	225,267	–	666,814	87,112,250
Net income in 2025	–	–	–	2,678,988	–	–	–	–	2,678,988
Other comprehensive income in 2025	–	–	–	–	49,830	(76,676)	–	75,766	48,920
Total comprehensive income in 2025	–	–	–	2,678,988	49,830	(76,676)	–	75,766	2,727,908
Subscriptions collected	–	6,167	–	–	–	–	–	–	6,167
Cash dividends (Note 14)	–	–	–	(1,796,073)	–	–	–	–	(1,796,073)
Realized gain from sale of equity instrument (Note 9)	–	–	–	145,526	(145,526)	–	–	–	–
Reacquired stocks (Note 14)	–	–	–	–	–	–	(631,821)	–	(631,821)
Balances as at December 31, 2025	\$82,268,978	(\$271,543)	\$3,650,477	\$6,675,693	(\$5,164,524)	\$148,591	(\$631,821)	\$742,580	\$87,418,431

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
With Comparative Figures for 2024 and 2023
(Amounts in U.S. Dollars)

	Notes	2025	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES				
Income before income tax		\$3,347,748	\$2,320,100	\$4,290,203
Adjustments for:				
Interest income	6, 9	(3,250,986)	(3,036,857)	(2,643,153)
Dividend income	9	(1,079,451)	(1,197,348)	(1,509,977)
Depletion, depreciation and amortization expenses	10	459,569	372,380	437,332
Impairment loss	10, 11	275,784	–	–
Reversal of provision for plug and abandonment – net	11, 13	(216,310)	–	–
Unrealized foreign exchange losses (gains) – net		116,638	1,571,928	(372,888)
Accretion of interest expense	13, 16	65,894	37,243	59,290
Pension expense	17	38,100	45,885	37,995
Operating income (loss) before working capital changes		(243,014)	113,331	298,802
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Receivables		(1,010)	(6,542)	1,375
Crude oil inventory		217,176	340,544	(63,880)
Other current assets		1,888	1,580	577
Decommissioning fund		(28,693)	(34,516)	(32,924)
Increase (decrease) in:				
Accounts and other payables		(77,872)	249	(32)
Cash flows generated from (used in) operations		(131,525)	414,646	203,918
Income tax paid		(691,298)	(531,343)	(488,611)
Net cash flows used in operating activities		(822,823)	(116,697)	(284,693)
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends received		1,126,695	1,201,966	1,375,372
Interest received		3,255,192	3,081,425	2,543,121
Proceeds from redemption/sale/maturity of:				
Equity instruments at FVOCI	9	7,233,593	6,816,795	5,779,750
Debt instruments at amortized cost	9	6,157,887	5,764,698	–
Acquisitions of/additions to:				
Debt instruments at amortized cost	9	(4,913,209)	(5,527,690)	(5,913,342)
Equity instruments at FVOCI	9	(9,023,427)	(3,589,146)	(1,199,845)
Deferred exploration costs	11	(64,084)	(9,353)	(1,207)
Property and equipment	10	(34,214)	(2,628)	–
Net cash provided by investing activities		3,738,433	7,736,067	2,583,849
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of cash dividends		(1,680,830)	(1,619,952)	(1,552,379)
Subscriptions collected		6,167	–	–
Reacquired stocks	14	(631,821)	–	–
Net cash used in financing activities		(2,306,484)	(1,619,952)	(1,552,379)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS				
		382,723	(272,016)	68,916
NET INCREASE IN CASH AND CASH EQUIVALENTS				
		991,849	5,727,402	815,693
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR				
		22,914,117	17,186,715	16,371,022
CASH AND CASH EQUIVALENTS AT END OF YEAR				
	6	\$23,905,966	\$22,914,117	\$17,186,715

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Status of Business Operations

Oriental Petroleum and Minerals Corporation (the Parent Company) and its subsidiaries (collectively referred to as “the Group”) were organized under the laws of the Republic of the Philippines to engage in oil exploration and development activities. The Parent Company was incorporated on December 22, 1969.

On March 26, 2018, during the special meeting of its stockholders, the stockholders ratified the amendments of the Second and Fourth Articles of the Articles of Incorporation (AOI) to engage in the business of power generation and exploration, development, utilization and commercialization of renewable energy resources. The amendments to the AOI were approved by the Securities and Exchange Commission (SEC) on July 4, 2018.

The Parent Company's principal office is located at 34th Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City. The Parent Company's shares are listed in the Philippine Stock Exchange (PSE) on October 14, 1970.

Service Contract (SC) 14

On December 15, 1975, pursuant to Section 7 of the Oil Exploration and Development Act of 1972 (Presidential Decree 87 dated November 21, 1972), the Parent Company, together with other participants (collectively referred to as the Consortium), entered into a service contract with the Philippine Government through the Petroleum Board, now the Department of Energy (DOE) for the exploration, exploitation and development of the contract area in offshore Northwest of Palawan Island, Philippines, which was amended from time to time. This contract area includes the Nido Block, Matinloc Block, West Linapacan Block and Galoc Block where significant hydrocarbon deposits were discovered.

The contract areas (i.e., Blocks A, B, B1, C1, C2 and D) covered by SC 14 are situated offshore Northwest of Palawan Island, Philippines. In 2020, Blocks A, B, B1 and D were already turned over to the DOE upon the oilfields reaching their economic limits and after plug and abandonment of the production well. Crude oil production in the West Linapacan Oilfield in Block C2 was shut-in in 1995 due to a significant decline in crude oil production caused by increasing water intrusion.

The Consortium continually conducts technical evaluation activities of the said area and submitted a work program and budget to DOE. Further, the Parent Company participates in the production of Galoc field. Total production from this field is modest but enough to cover operating and overhead expenses of SC 14C1.

The Galoc oilfield located in Block C was declared commercial on June 22, 2009 with effectivity on June 19, 2009.

In December 2010, the DOE extended the term of SC 14 for another 15 years or up to December 17, 2025. On December 12, 2024, the Joint Venture Partners of SC14C2 agreed that prior to the expiration of SC14C2 in December 2025, an application for a Development and Production Petroleum Service Contract (DPPSC) will be submitted to the DOE.

SC 14C1 - Galoc

As at December 31, 2025 and 2024, the total cumulative production of the Galoc oilfield has reached 24.82 million and 24.60 million barrels of oil since the start of production in October 2008.

Production initially came from two (2) wells, Galoc-3, and Galoc-4 (Phase 1, 2008-2013) then followed by additional two wells Galoc-5 and Galoc-6 (Phase-2, 2014-Present). The Galoc-4 Well ceased production due to technical problems and has been shut-in since February 2019.

An attempt was made in late September to early October 2021 to restore production of the Galoc-4 Well by Nitrogen Gas (N₂) lifting. However, the attempt was unsuccessful and the well failed to flow oil to the surface. Decision was then made to permanently shut-in the Galoc-4 Well.

In September 2022, G3 well also ceased flowing and was permanently shut in ready for plug and abandonment.

Galoc Mid-Area

In October 2016, the Galoc Block Consortium approved the drilling of Galoc-7 to test the Mid Galoc Prospect, which is estimated to contain oil resources of 6.2 million to 14.6 million barrels.

On November 8, 2016, the DOE approved the Galoc-7 drilling program, with an estimated budget amounting to US\$31 million. Galoc Production Company (GPC), drilled the Galoc-7 well and a sidetrack, Galoc-7ST, from March to April 2017 using the drillship Deepsea Metro I. The wells encountered 7-12 meters of net sand, which is below the prognosed thickness. In view of this, and in consideration of low fuel prices, the Consortium decided to temporarily suspend all activities related to a possible Phase III development and concentrate its efforts in optimizing oil production at the Galoc Field in order to sustain profitability and prolong the field's economic life.

Change in Galoc Block Operatorship

In mid-2018, there was a new Operator for the Galoc Block. In a Sale Purchase Agreement, Bangchak Corporation Public Co. (Thailand) which holds the 55.88% interest shares of GPC-1 and Nido Petroleum (Galoc) Pty Ltd. in the Galoc Block, sold their share to Tamarind Galoc Pte.

Tamarind Galoc Pte. Ltd. is headquartered in Kuala Lumpur, Malaysia. Tamarind initiated several projects which include production optimization, conduct of a more refined well test, renegotiate lease contract with the owners of the FPSO "Rubicon Intrepid", renegotiate terms of the helicopter contract with INAEC, and conduct feasibility studies for the fabrication of a Condensate Recovery Unit to be installed at the FPSO "Rubicon Intrepid".

Notice of Termination of Lease on FPSO

On March 25, 2020, the Rubicon Offshore International (ROI), owner of the Floating Production Storage Offloading (FPSO) tanker, gave a Notice of Termination to GPC1 and other members of the Consortium. The termination notice covered the period 25 March 2020 to 24 September 2020, or for 6 months.

After receipt of the Notice of Termination, GPC 1 started making plans for the disconnection of the FPSO from the Galoc Oilfield site. However, the FPSO disconnection was not implemented or carried out because a new strategy was developed to continue production operations in the Galoc Oilfield.

i. Continuation of Production Operations: During Transition Period from August 2020 to January 2021

Upon the initiative of the GPC 1, an alternative strategy was developed to continue production operations even before the end of the Termination Notice. GPC 1 brokered the purchase of ROI's FPSO Rubicon Intrepid by its mother company, Tamarind Resources Pte. Ltd., through a separate entity, Upstream Infrastructure Holdings (UIH). Tamarind Resources will have full control of the FPSO. The purchase was effective August 1, 2020.

Under the new ownership and management, the storage tanker was renamed “Intrepid Balanghai” from “Rubicon Intrepid”. An agreement was also formed with Three60 Energy to provide the operational and management (O&M) services of the FPSO storage tanker. GPC 1 also arranged a new bareboat charter between UIH and the Galoc Joint Venture at minimal rates.

ii. Continuation of Production Extension Period: February 1, 2021 to September 30, 2022

To further continue production operations in the Galoc Oilfield beyond the 6-month Transition Period, a new alliance was formed with Three60 Energy, an established international offshore operator. Three60 Energy is an independent specialist service provider with headquarters in Aberdeen, Scotland and has branch offices in Kuala Lumpur, Malaysia and Singapore. It has been engaged to provide the Operations and Management (O&M) of the FPSO for 18 months.

After the extension period, UIH and Tamarind Resources continue to supervise the operations of ROI and Three60 Energy. GPC 1’s FPSO Operations Advisor has been mobilized to assure and control the activities and work force of ROI and Three60 Energy.

iii. Withdrawal of GPC2 / KUFPEC

On September 14, 2020, GPC 2/Kuwait Foreign Petroleum Exploration Company (KUFPEC), communicated their withdrawal from SC14C1 - Galoc Block Joint Venture. KUFPEC before notice of withdrawal held a working interest of 26.4473% in SC - 14C1, Galoc Block.

As a result of KUFPEC’s withdrawal their working interest will be allocated to the remaining partners.

The Parent Company, together with LOGPOCOR, chose not to accept the pro rata interest and remained at a combined 7.78505% working interest.

Similarly, the Operator - GPC 1 elected not to get their allocated interest from KUFPEC and maintained their working interest at 33%. They passed on their allocation to Nido Production Galoc (NPG), a sister company of GPC 1 under Tamarind Resources Pte. Ltd.

The Department of Energy has acknowledged KUFPEC’s withdrawal from SC-14C1, Galoc Block.

iv. Resignation of GPC 1 as Operator

On December 23, 2020, Galoc Production Company - 1 (GPC1) announced their resignation as Operator of SC-14C1, Galoc Block and assigned their working interest to NPG Pty. Ltd. Nido Production Galoc Co. (NPG), a sister company under Tamarind Resources Pte. Ltd., has assumed the role as the new Operator.

v. Acquisition of NPG and UIH by Matahio Energy

On January 5, 2023, Matahio Energy completed its acquisition of NPG and UIH. Matahio Energy holds projects in Southeast Asia and New Zealand. The Sale and Purchase Agreements for both transactions were signed in March 2022.

As of December 31, 2024, the Group holds participating interest of 7.78505% in the Galoc oilfield (SC 14C1).

On March 26, 2025, the Consortium, through its Operator, NPG Pty Ltd, submitted a Letter of Intent and the required documentation to apply for a Development and Production Petroleum Service Contract (DPPSC) under DOE Department Circular No. 2023-12-0033 prior to expiration of its service contract on December 17, 2025.

On September 9, 2025, the Group decided not to participate in the DPPSC application for the Galoc Oil Field, as the risks associated with continued participation in the project outweigh the potential economic returns. However, the Group remains entitled to its proportionate share in the final oil lifting under Service Contract (SC) 14C1 Galoc until December 17, 2025, which is expected to be remitted in the first quarter of 2026. As of December 31, 2025, the Group has no further participating interest in the Galoc oilfield.

As at December 31, 2025 and 2024, provision for plug & abandonment costs recognized by the Group, with respect to the decommissioning plan for SC 14C1 - Galoc Block, amounted to \$0.85 million and \$1.12 million, respectively (see Note 12).

Following the expiration of the service contract on December 17, 2025, the Group elected to exit the consortium. Accordingly, the Group holds no participating interest in the Galoc oilfield as of December 31, 2025.

SC 14C2 - West Linapacan

West Linapacan A (WLA) Field lies at a water depth of 340 meters and was first drilled in 1991. It started production in May 1992 from 3 wells and 4 sidetrack wells. Total production amounted to 8.5 million barrels when the field was shut-in in 1996 due to high water intrusion. The WLA Field produced for 43 months.

Pitkin Petroleum Plc. had a 58.29% interest in this SC pursuant to a farm-in agreement signed in May 2008.

In February 2011, Pitkin farmed-out half of the 58.29% interest to Resources Management Associates Pty Ltd. of Australia (RMA). This transfer of interest was approved by the DOE in July 2011. The transfer of operatorship to RMA was approved by the DOE in April 2012. The Farmors continued to be carried free up to commercial first oil production. RMA carried technical studies that will lead to the drilling and re-development of the WLA structure. An independent third-party assessment was also commissioned to determine the range of recoverable reserves from the structure. In March 2015, the farm-in agreement with RMA was terminated and Pitkin returned all of its participating interest to the original parties to the SC.

On January 7, 2020, the Parent Company and other members of the Consortium entered into a Sale and Purchase Agreement (SPA) and Farm-Out Agreement (FOA) with Desert Rose Petroleum Ltd (DRPL).

However, DRPL failed to meet its obligations and the SPA and FOA were deemed rescinded/terminated on July 1, 2021. With the SPA and FAO with DRPL terminated, SC-14C2 West Linapacan Block reverted back to the original joint venture partners with Philodrill Corporation as Operator.

In 2022, the Consortium received proposals from Nido Petroleum Ltd. (Nido) and Matahio Energy to re-develop the field. After considering both proposals, the Consortium agreed that the offer of Nido will be more advantageous. Negotiations are still ongoing for Nido to increase its participating interest in West Linapacan. In return, Nido Petroleum will carry the farming-out Filipino partners free of cost for drilling and the EWT up to the declaration of field commerciality.

SC14C2 reached the end of its term on December 17, 2025. Prior to the expiration, the Consortium focused on the redevelopment of the West Linapacan-A field. The Consortium has allocated a portion of the 2025 work program and budget to prepare a revised static model for a resimulation of the dynamic model for West Linapacan-A. The evaluations served as the basis of the Plan of Development, which includes the well plan and design.

On November 17, 2025, the Consortium, through its Operator, The Philodrill Corporation, submitted a Letter of Intent (LOI) to apply for a DPPSC for the West Linapacan oilfield under the DOE Department Circular 2023-12-0033. The Consortium is currently in the process of completing the required legal, financial, and technical documentation, as well as conducting the necessary negotiations with the DOE.

As at December 31, 2025 and 2024, the Group holds a participating interest of 30.288% in West Linapacan. As of audit report date, the application for a DPPSC remains under regulatory review.

SC 14A, B & B-1 - Nido, Matinloc & North Matinloc

Production in the Nido and Matinloc fields was permanently terminated on March 13, 2019. Nido started oil production in 1979, while Matinloc commenced production in 1982. The final inception-to-date production figures for the two fields are 18,917,434 barrels for Nido and 12,582,585 barrels for Matinloc. The North Matinloc Field, which was in production from 1988 to 2017, produced a total of 649,765 barrels. The total production for the three fields is 32,149,784 barrels.

The Libro-1 and Tara South-1 wells were plugged and abandoned in early June 2018, while the seven production wells in Nido, three in Matinloc, and one in North Matinloc were successfully plugged and abandoned in October 2020.

In May 2022, the DOE approved the relinquishment of the blocks, and the blocks were returned to the government.

SC 6 and 6B - Cadlao and Bonita Block

SC 6B Bonita Block is part of the retained area of the original SC 6 granted in 1973. The 10-year exploration period and the subsequent 25-year production period initially expired in February 2009 and were extended for another 15 years by the DOE in 2009 (see Note 11).

The DOE approved last 19 December 2022 the:

- The reassignment of interest to the SC-6B Joint Venture after the exit of Manta Oil Co. (MOCL) from SC-6B.
- The Deed of Assignment (DOA) of participating interest in SC-6B and the transfer of operatorship from Philodrill Corporation to Nido Petroleum Phil Ltd., in compliance with the related Farm-In Agreement (FIA).
- The new participating interest of the Group after the withdrawal of MOCL and the transfer of operatorship to Nido Petroleum decreased to 4.9092%, from the previous 16.364%.

On December 7, 2023, the Department of Energy (DOE) released Department Circular (DC) No. DC2023-12-0033, "Guidelines on the Awarding of Petroleum Service Contracts for Development and Production." This circular emphasizes that an operator may apply for a Development and Production Petroleum Service Contract through direct negotiation with the DOE, provided that the application is made prior to the expiration of the remaining production term. The SC 6B production term reached its 50-year contract limit and expired on February 28, 2024. OPMC held a participating interest of 4.9092% in SC 6 and 6B Cadlao and Bonita Block.

The Consortium applied for a Development and Production Service Contract covering the present Cadlao Block. On December 27, 2023, the Consortium submitted the Plan of Development for the Cadlao Field.

Further, in January 2024, the Consortium submitted a Letter of Intent and the pertinent financial, technical, and legal documents to apply for a Development and Production Petroleum Service Contract under DC 2023-12-0033.

On May 30, 2024, the SC6B Consortium, through its Operator, received a letter from the DOE stating that the Consortium is legally, financially, and technically qualified to enter into a DPPSC. The DOE and the Consortium have completed the negotiation of the DPPSC's terms and conditions.

As of audit report date, the NDP-1 Cadlao DPPSC is in its final stage of review and has been endorsed to the Office of the President for signature.

Participating Interests

As at December 31, 2025 and 2024, the Group have the following participating interests in the various SCs (in percentage):

	2025	2024
SC 14 (Northwest Palawan)		
Block C1 (Galoc)	-	7.78505
Block C2 (West Linapacan)	30.288	30.288
SC 6B (Cadlao)	4.9092	4.9092

Among the other operations of the Group, the suspension of production activities in the West Linapacan Oilfield raises uncertainties as to the profitability of petroleum operations in the said oilfield. The profitability of petroleum operations related to this oilfield is dependent upon the discovery of oil in commercial quantities as a result of the success of its redevelopment activities thereof.

Approval of Financial Statements

The accompanying financial statements were approved and authorized for issue by the Board of Directors of the Group on March 24, 2026.

2. Basis of Preparation, Statement of Compliance and Basis of Consolidation

Basis of Preparation

The consolidated financial statements of the Parent Company and its wholly-owned subsidiaries, namely Linapacan Oil Gas and Power Corporation (LOGPOCOR), Oriental Mahogany Woodworks, Inc. (OMWI) and Oriental Land Corporation (OLC), collectively referred to as the “Group”, which include the share in the assets, liabilities, income and expenses of the joint operations covered by the SCs as discussed in Note 1 to the consolidated financial statements, have been prepared on a historical cost basis, except for equity instruments at fair value through other comprehensive income (FVOCI) that have been measured at fair value and crude oil inventory which is valued at net realizable value (NRV).

The consolidated financial statements are presented in U.S. Dollars, the Parent Company’s functional and presentation currency. All values are rounded to the nearest dollar, except when otherwise indicated.

For consolidation purposes, the financial statements of the Subsidiaries (OMWI and OLC) whose functional currency is Philippine Peso are translated to U.S. Dollars using the prevailing rate as of reporting date for consolidated statement of financial position accounts and the weighted average rate for the reporting period for the consolidated statement of income and statement of comprehensive income accounts. The exchange differences arising from the translation are recognized in other comprehensive income (OCI), until disposal at which time the cumulative translation adjustment recognized in OCI is included in the consolidated statement of income.

Any differences between the comparative amounts presented herein and those in the consolidated financial statements for the year ended December 31, 2024 are solely the result of reclassifications for comparative purposes and are not material.

Statement of Compliance

The consolidated financial statements have been prepared in compliance with PFRS Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024, and 2023. The subsidiaries are all incorporated in the Philippines.

Subsidiaries	Principal Activity	Effective Percentage of Ownership	
		2025	2024
LOGPOCOR	Oil exploration and development	100%	100%
OMWI	Furniture manufacturing and distribution	100%	100%
OLC	Real estate	100%	100%

As at December 31, 2025 and 2024, OMWI and OLC have ceased their operations.

The financial statements of LOGPOCOR, OMWI and OLC are prepared for the same reporting year as the Group, using consistent accounting policies.

3. Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements starting January 1, 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The new accounting pronouncements do not have significant impact to the consolidated financial statements, unless otherwise indicated:

- Amendments to Philippine Accounting Standard (PAS) 21, *Lack of Exchangeability*
The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

Standards and Interpretations Issued but not yet Effective

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

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards:
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lease Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred Effectivity

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

4. Summary of Material Accounting Policies

Presentation of Consolidated Financial Statements

The Group has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (consolidated statements of income) and a second statement beginning with profit or loss and displaying components of other comprehensive income (consolidated statements of comprehensive income).

Foreign Currency-denominated Transactions and Translations

The consolidated financial statements are presented in U.S. Dollar, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. However, monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency exchange rate prevailing at the reporting date. Exchange gains or losses arising from foreign currency translations are charged or credited to the consolidated statements of income.

All differences are taken to the consolidated statement of income with the exception of differences on foreign currency borrowings that provide, if any, a hedge against a net investment in a foreign entity. These are taken directly to equity until disposal of the net investment, at which time they are recognized in the consolidated statement of income. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

On consolidation, the assets and liabilities of subsidiaries with a different functional currency are translated into U.S. Dollar at the rate of exchange prevailing at the reporting date and their statements of income are translated at the average exchange rates for the year. The exchange differences arising on the translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the consolidated statement of income.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash in banks are stated at face amount and earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of changes in value.

Financial Instruments

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

Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through OCI (FVOCI), and fair value through profit or loss (FVTPL).

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

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

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

Subsequent Measurement

For purposes of subsequent measurement, the Group's financial assets are classified in the following categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at FVOCI with no recycling of cumulative gains and losses (equity instruments)
- Financial assets at FVTPL

As of December 31, 2025 and 2024, the Group's financial assets pertain to financial assets at amortized cost (debt instruments) and financial assets designated at fair value through OCI (equity instruments).

Financial assets at amortized cost (debt instruments)

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

The Group's financial assets at amortized cost include cash and cash equivalents, receivables, and debt instruments at amortized cost.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

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

As of December 31, 2025 and 2024, the Group elected to classify irrevocably its quoted equity instruments under this category (see Note 9).

Impairment of Financial Assets

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

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

For cash and cash equivalents and debt instruments at amortized cost, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL for cash and cash equivalents, short-term and long-term investments, and debt instruments, the Group uses the ratings published by a reputable rating agency.

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full, before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial Recognition and Measurement

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

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

Subsequent Measurement

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

- Financial liabilities at FVTPL
- Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at amortized cost (loans and borrowings)

This category is the most relevant to the Group. After initial recognition, loans, borrowings, and payables are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of income.

The Group's financial liabilities under this category include accounts and other payables.

Derecognition of Financial Assets and 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 (i.e., removed from the Group's consolidated statements of financial position) when:

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

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

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

Financial Liability

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

Offsetting of Financial Instruments

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

Fair Value Measurement

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

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

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

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

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

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

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

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

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

Crude Oil Inventory

Crude oil inventory is carried at NRV at the time of production. NRV is the estimated Brent oil selling price less cost to sell. The estimated selling price is the market value of crude oil inventory for the reporting month, adjusted taking into account fluctuations of price directly relating to events occurring after the end of the reporting period, to the extent that such events confirm conditions existing at the end of the reporting period. Estimated cost to sell is the cost incurred necessary to complete the sale (e.g., freight charges, transportation costs, etc.). The share in the ending crude oil inventory is not recognized as revenue and is charged against share in costs and operating expenses.

Property and Equipment

Transportation equipment, office furniture and equipment, and leasehold improvement are carried at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Subsequent costs are capitalized as part of these assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred. Wells, platforms, and other facilities are carried at cost less accumulated depletion and any impairment in value.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

When assets are retired or otherwise disposed of, the cost of the related accumulated depletion, depreciation, and amortization, and provision for impairment losses, if any, are removed from the accounts, and any resulting gain or loss is credited or charged against current operations.

Depreciation of property and equipment, other than wells, platforms, and other facilities, commences once the assets are put into operational use and is computed on a straight-line basis over the estimated useful lives (EUL) of the assets as follows:

<u>Property and Equipment</u>	<u>Years</u>
Transportation equipment	6
Office furniture and equipment	5-10
Leasehold improvement	5 or lease term, whichever is shorter

The EUL, depletion and depreciation, residual values, and amortization methods are reviewed periodically to ensure that the period and methods of depletion, depreciation, and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Depletion and depreciation of an item of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depletion and depreciation cease when an item of property and equipment is fully depleted or depreciated, or at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized. The Group uses the unit-of-production method in depleting its wells, platforms, and other facilities; hence, the charge can be zero while there is no production.

When assets are retired or otherwise disposed of, the cost and related accumulated depletion, depreciation, and any allowance for impairment are removed from the accounts, and any gain or loss resulting from their disposals is recognized in the consolidated statement of income.

The asset's reserves, useful lives, and depletion and depreciation methods are reviewed periodically to ensure that the periods and methods of depletion and depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are retained in the accounts until they are no longer in use, and no further depreciation is charged to current operations.

Other Noncurrent Assets

Deferred Exploration Costs

The Group follows the full cost method of accounting for exploration costs determined on the basis of each SC area. Under this method, all exploration costs relating to each SC are deferred pending determination of whether the contract area contains oil and gas reserves in commercial quantities. The exploration costs relating to the SC area where oil and gas in commercial quantities are discovered are subsequently capitalized as "Wells, platforms and other facilities" shown under the "Property and equipment" account in the consolidated statements of financial position upon commercial production. When the SC is permanently abandoned or the Group has withdrawn from the consortium, the related deferred oil exploration costs are written off. SCs are considered permanently abandoned if the SCs have expired and/or there are no definite plans for further exploration and/or development.

Interest in Joint Arrangements

PFRS Accounting Standards define a joint arrangement as an arrangement over which two or more parties have joint control over the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Joint Operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in joint operations, the Group recognizes its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly.

Impairment of Nonfinancial Assets

The Group assesses at each reporting date whether there is an indication that the Group's property and equipment and deferred exploration costs may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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 Group makes an estimate of recoverable amount. 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 depletion, depreciation, and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statements of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Equity

Capital Stock

Capital stock is measured at par value for all shares subscribed, issued, and outstanding. When the Group issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. When the Group issues shares in excess of par, the excess is recognized in the "Capital in excess of par value" account; any incremental costs incurred directly attributable to the issuance of new shares are treated as a deduction from it. If additional paid-in capital is not sufficient, the excess is charged against retained earnings.

Subscriptions Receivable

Subscriptions receivable represents the amount for which the shares were subscribed but not fully paid.

Retained Earnings

Retained earnings represents the cumulative balance of profit and losses of the Group, with consideration of any changes in accounting policies and errors applied retrospectively.

Treasury Stock

Treasury stock represents the Group's own shares that have been issued and subsequently reacquired but not cancelled. These shares are measured and recorded at cost. The total cost of treasury stock is presented as a deduction from the total equity of the Group.

Earnings Per Share (EPS)

EPS is determined by dividing net income by the weighted average number of shares outstanding for each year after retroactive adjustment for any stock dividends declared.

Other Comprehensive Income (OCI)

OCI are items of income and expense that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. The Group's OCI pertains to reserve for fluctuation in value of FVOCI, remeasurement gains (losses) on pension liability, and cumulative translation adjustment. Reserve for fluctuation in value of FVOCI and remeasurement gains (losses) on pension liability cannot be recycled to consolidated statements of income in the subsequent period. Upon derecognition, the cumulative translation adjustment is recycled to consolidated statements of income.

Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from Petroleum Operation

Revenue from petroleum operation is recognized at a point in time when the control of the goods has transferred from the Consortium Operator, on behalf of the sellers, to the buyer at the delivery point. Revenue is measured at the fair value of the consideration received or receivable.

The revenue recognized from the sale of petroleum products pertains to the Group's share in revenue from the joint operations. The revenue sharing is accounted for in accordance with PFRS 11, Joint Arrangements.

Interest Income

Interest income is recognized as it accrues using the EIR method, the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of that financial asset.

Dividend Income

Dividend income is recognized when the Group's right to receive the dividend is established, which is generally when the shareholders approve the dividend.

Costs and Expenses

Cost of services and general and administrative expenses are recognized in the consolidated statement of income when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. These are recognized:

- (a) on the basis of a direct association between the costs incurred and the earning of specific items of income;
- (b) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- (c) immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the consolidated statements of financial position as an asset.

Petroleum Production Cost

Petroleum production cost represents costs that are directly attributable in recognizing revenue from petroleum operations.

General and Administrative Expenses

General and administrative expenses constitute the costs of administering the business and are recognized when incurred.

Leases

Short-term leases and leases of low-value assets

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

Income Taxes

Current Income Tax

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

Current income tax is recognized in the consolidated statements of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity, respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred income tax is provided, using the balance sheet liability, on all temporary differences, with certain exceptions, at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward of unused tax credits from excess 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; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Accordingly, deferred tax relating to other comprehensive income and equity items are recognized directly in equity and other comprehensive income, respectively.

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.

Retirement Benefit Liability

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (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 any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service costs
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

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

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time, which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated statements of income.

Remeasurements, comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability), are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to the separate statement of income in subsequent periods. All remeasurements recognized in OCI account "Remeasurement gains on pension liabilities" are not reclassified to another equity account in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed for some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Operating Segments

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group's business and only operating segment pertains to oil exploration and development. Business segments involved in furniture manufacturing and distribution and real estate have ceased operations.

Provisions

Provisions are recognized only when the Group has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of the resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Events After the Reporting Date

Post year-end events up to the date of auditor's report that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to consolidated financial statements when material.

5. Material Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires the Group to make judgments, estimates and assumptions that affect the amount reported in the consolidated financial statements and accompanying notes. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

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

Determination and Classification of a Joint Arrangement

Judgment is required to determine when the Group has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to operations and capital decisions of the arrangement.

Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, the Group considers:

- The structure of the joint arrangement - whether structured through a separate vehicle.
- When the arrangement is structured through a separate vehicle, the Group considers the rights and obligations arising from:
 - a. The legal form of the separate vehicle;
 - b. The terms of the contractual arrangement; and
 - c. Other facts and circumstances (when relevant).

This assessment often requires significant judgment, and a different conclusion on joint control and also whether the arrangement is a joint operation or a joint venture may materially impact the accounting treatment for each assessment.

As at December 31, 2025 and 2024, there has been no change in the Group's joint arrangement classification and it remains in the form of a joint operation.

Determination of Functional Currency

The entities within the Group determine the functional currency based on economic substance of underlying circumstances relevant to each entity within the Group. The determination of functional currency was based on the primary economic environment in which each of the entities generates and expends cash. The Parent Company and LOGPOCOR's functional currency is the US Dollar while the functional currency of OMWI and OLC is the Philippine Peso.

As at December 31, 2025 and 2024, the Group's cumulative translation adjustment amounted to \$0.74 million and \$0.67 million, respectively.

Provisions and Contingencies

In the normal course of business, the Group is subject to certain exposure and claims by third parties. The Group does not believe that this exposure will have a probable material effect on the Group statements of financial position. It is possible, however, that future results of operations could be materially affected by changes in the judgment and estimates or in the effectiveness of the strategies relating to this exposure.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Estimation of Provision for ECLs of Receivables

The Group uses a provision matrix to calculate ECLs for its receivables and debt instruments measured at amortized cost, in line with the simplified approach in calculating ECL. The provision rates are based on days past due of each counterparty that have a similar loss pattern.

The provision matrix is initially based on the Group's historically observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product and inflation rate) are expected to deteriorate over the next year, which can lead to an increased number of defaults of the counterparties, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecast economic conditions, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the counterparty's actual default in the future.

No provision for ECL on the Group's receivables were recognized in 2025, 2024, and 2023. Total carrying value of receivables amounted to \$0.53 million and \$0.58 million as at December 31, 2025 and 2024, respectively (see Note 7).

Estimating Provision for Plug and Abandonment Costs

Significant estimates and assumptions are made in determining the provision for decommissioning. Factors affecting the ultimate amount of liability include estimates of the extent and costs of decommissioning activities, technological changes, regulatory changes, cost increases, and changes in discount and foreign exchange rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided.

The Group recognized provision for plug and abandonment costs amounting to \$0.85 million and \$1.12 million as at December 31, 2025 and 2024, respectively (see Note 13) with respect to the decommissioning plan for SC 14C1 - Galoc Block. There were no plug and abandonment costs incurred in 2025, 2024, and 2023 as SC 14C1, the sole operating block, is not yet due for plugging and abandonment.

Estimation of Oil Reserves

The estimation of oil reserves requires significant judgment and assumptions by management and engineers and has a material impact on the consolidated financial statements, particularly on the depletion of wells, platforms and other facilities and impairment testing. There is inherent uncertainty in estimating oil reserve quantities arising from the exercise of significant management judgment and consideration of inputs from geologists/engineers and complex contractual arrangements involved as regards the Group's share of reserves in the service contract area. This reserve estimate also depends on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of these data.

Estimates of reserves for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and depleted. As a field goes into production, the amount of proved reserves will be subject to future revision once additional information becomes available. As those fields are further developed, new information may lead to revisions.

The estimated remaining proved and probable oil reserves totaled 0.01 million and 0.40 million barrels for Galoc oil field as of December 31, 2025 and 2024, respectively. On March 13, 2019, production in the SC 14A, B&B-1 - Nido, Matinloc & North Matinloc fields were terminated permanently. The plug and abandonment of wells was completed in October 2020. Meanwhile, SC 14C2 remains without production, thus depletion charge is nil in 2025, 2024, and 2023.

All proved and probable reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms, or development plans. Estimates of reserves for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and depleted. As those fields are further developed, new information may lead to revisions.

The carrying value of wells, platforms and other facilities amounted to \$10.09 million and \$10.79 million as of December 31, 2025 and 2024, respectively. The Group recognized depletion expense amounting to \$0.43 million, \$0.34 million, and \$0.40 million in 2025, 2024, and 2023, respectively (see Notes 8 and 10).

Impairment of wells, platforms and other facilities of SC 14C2

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flows (DCF) model. The cash flows are derived from the budget for the next twelve years for SC 14C2 in 2025 and seven years for 2024 and 2023, and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested.

The calculation of value-in-use for the Wells, Platforms and Other Facilities of SC 14C2 is most sensitive to the forecasted oil prices, which are estimated with reference to external market forecasts of Brent crude prices; volume of resources and reserves, which are based on resources and reserves report prepared by third parties; capital expenditure, production and operating costs, which are based on the Group's historical experience, approved work programs and budgets, and latest life of well models; and discount rate, which were estimated based on the industry weighted average cost of capital (WACC), which includes the cost of equity and debt after considering the gearing ratio. The pre-tax discount rates applied to cash flow projections are 13.17%, 10.90%, and 11.10% as at December 31, 2025, 2024, and 2023, respectively. The key assumptions used to determine the recoverable amount for this CGU are disclosed and further explained in Note 10.

Impairment loss recognized in 2025, 2024, and 2023 for SC 14C2 amounted to \$0.26 million, nil, and nil, respectively. The carrying values of wells, platforms and other facilities of SC 14C2 amounted to \$10.03 million and \$10.28 million, out of the \$10.09 million and \$10.79 million total balance if the Group's wells, platforms and other facilities as of December 31, 2025 and 2024, respectively (see Note 10).

Estimating Retirement Benefit Expense

The cost of pension and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These assumptions are described in Note 17 and include, among others, the determination of the discount rate, salary increase rate, and employee turnover rate. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Salary increase rate is based on expected future inflation rates for the specific country and other relevant factors, and employee turnover rate is based on the Group's experience on employees resigning prior to their retirement.

As of December 31, 2025 and 2024, net pension liability (asset) amounted to \$139,253 and (\$1,082), respectively (see Note 17).

Assessing Recoverability of Deferred Tax Assets

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The Group's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the projected taxable income in the succeeding periods. This projection is based on the Group's past results and future results of operations.

As of December 31, 2025 and 2024, the Group has recognized deferred tax assets amounting to \$0.47 million and \$0.82 million, respectively (see Note 18).

Assessing Recoverability of Deferred Oil Exploration Costs

The Group assesses impairment on deferred exploration costs when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Deferred oil exploration costs are reviewed for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable.

Facts and circumstances that would require an impairment assessment, as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Group has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration 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 Group has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, it will only do so from successful development or by sale.

Key inputs and assumptions used in the assessment are as follows:

- Estimated reserves - based on oil resources reports from seismic and geological data, analyses, and evaluation activities;
- Pre-tax discount rate - 13.17%, 10.90%, and 11.10% in 2025, 2024, and 2023, representing the current market assessment of risks specific to each CGU, taking into account the time value of money and individual risks of underlying assets not incorporated in cash flow estimates.

The discount rate calculation is derived from the Group's weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU and to determine pre-tax rate. The WACC takes into account both debt and equity. Adjustments to discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate; and

- Oil prices - \$80, \$75, and \$75 per barrel in 2025, 2024, and 2023, estimated with reference to external market forecasts of Brent and WTI crude prices.

The Group used a weighted average scenario probability in its calculation of value in use.

The areas assessed for impairment include the Cadlao and Bonita blocks, along with the Verde, Ex-Husky, and Cagayan Basin areas.

In 2025, the Group assessed that the recoverability of its deferred exploration costs attributable to non-producing areas of Verde, Ex-Husky, and Cagayan Basin, amounting to \$20,664, was no longer recoverable. This assessment was based on the absence of current or planned development activities, as well as insufficient evidence to support the existence of economically recoverable resources in these areas. Accordingly, the Group recognized full impairment of these deferred exploration costs in 2025 (see Note 11). No impairment was recognized for the Cadlao and Bonita Blocks as management assessed that the related exploration cost remains recoverable and that the recoverable amount of these assets exceeds their carrying value. No impairment loss was recognized in 2024 and 2023.

As at December 31, 2025 and 2024, the carrying values of deferred exploration costs amounted to \$0.81 million and \$0.76 million, respectively (see Note 11).

6. Cash and Cash Equivalents

	2025	2024
Cash on hand	\$178	\$178
Cash in banks	2,943,605	7,716,727
Cash equivalents	20,962,183	15,197,212
	\$23,905,966	\$22,914,117

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term deposit rates ranging from 3.50% to 6.13% and 4.88% to 6.38% per annum in 2025 and 2024, respectively.

Interest income earned from cash in banks and short-term deposits amounted to \$1.10 million, \$0.92 million, and \$0.73 million in 2025, 2024 and 2023, respectively.

There are no cash restrictions on the Group's cash balance as at December 31, 2025 and 2024.

7. Receivables

	Note	2025	2024
Due from operator	8	\$62,259	\$61,249
Interest receivable		314,478	318,684
Dividend receivable		155,343	202,587
		\$532,080	\$582,520

Due from operators represent the excess of proceeds from crude oil liftings over the amounts advanced by the contract operator for the Group's share in exploration, development and production expenditures.

Due from operators and trade receivables are noninterest-bearing and are generally on 1 to 30-day terms. There are no past due nor impaired receivables as at December 31, 2025 and 2024.

Interest receivable pertains to interest income to be received by the Group in relation to its debt instruments at amortized cost.

Dividends receivable pertains to cash dividends to be received by the Group in relation to its equity instruments at fair value through other comprehensive income (see Note 9).

8. Interest in Joint Operations

The Group's interest in the jointly controlled assets in the various SCs, and any liabilities incurred jointly with the other partners, as well as the related revenue and expenses of the venture, which are included in the consolidated financial statements, are as follows:

	Notes	2025	2024	
Current assets:				
Receivables				
Due from operators	7	\$62,259	\$61,249	
Crude oil inventory		417,978	635,154	
		480,237	696,403	
Noncurrent assets:				
Property and equipment	10			
Wells, platforms and other facilities		\$69,290,494	\$89,567,682	
Less accumulated depletion		(58,925,876)	(78,706,995)	
Less impairment loss		(255,120)	–	
Adjustment to remeasure decommissioning asset		(19,174)	(66,421)	
Decommissioning fund	11, 13	847,549	943,946	
Deferred exploration costs	11	642,180	662,844	
		11,580,053	12,401,056	
Noncurrent liability:				
Provision for plug and abandonment	13	(847,549)	(1,123,055)	
		\$11,212,741	\$11,974,404	
	Note	2025	2024	2023
Revenue from petroleum operations		\$2,298,068	\$3,106,984	\$3,020,421
Cost of petroleum operations:				
Petroleum production costs		1,867,641	2,295,545	1,946,240
Depletion expense	10	429,648	342,500	403,304
		2,297,289	2,638,045	2,349,544
		\$779	\$468,939	\$670,877

Petroleum production costs consist of the share in the costs incurred in relation to the floating, production, storage and offloading (FPSO), operations management, general and administrative, supply vessel, insurance expenses, marketing fees and freight costs, training and scholarship fund, repairs and maintenance, and the charges related to the net realizable value of inventories.

9. Investments

Equity Instruments at FVOCI

Equity instruments at FVOCI investments represent equity instruments in quoted shares carried at fair value as at the end of the reporting period.

The total carrying value of the Group's equity instruments at FVOCI amounted to \$20.15 million and \$18.31 million as at December 31, 2025 and 2024, respectively.

Movement in the reserve for changes in value of equity instruments at FVOCI are as follows:

	2025	2024
Balances at beginning of year	(\$5,068,828)	(\$5,392,197)
Fair value changes during the year	49,830	323,369
Realized gain on sale of equity instruments	(145,526)	–
Balances at end of year	(\$5,164,524)	(\$5,068,828)

The carrying values of equity instruments at FVOCI have been determined as follows:

	2025	2024
Balances at beginning of year	\$18,308,175	\$21,212,455
Additions	9,023,427	3,589,146
Redemptions/disposal	(7,233,593)	(6,816,795)
Fair value changes during the year	49,830	323,369
Balances at end of year	\$20,147,839	\$18,308,175

Dividend income earned and received from equity instruments at FVOCI amounted to \$1.08 million, \$1.20 million, and \$1.51 million as at December 31, 2025, 2024, and 2023, respectively.

Debt Instruments at Amortized Cost

In 2025, the Group acquired various fixed rate bonds from corporate bond issuers amounting to \$4.91 million (₱283.32 million). The various bonds pay interest at rates ranging from 6.03% to 6.21% per annum and will mature starting November 21, 2027 to February 25, 2031.

In 2024, the Group acquired various fixed rate bonds from corporate bond issuers and government securities amounting to \$5.53 million (₱321.51 million). The various bonds pay interest at rates ranging from 6.25% to 6.97% per annum and will mature starting April 30, 2027 to June 24, 2031.

In 2023, the Group acquired various fixed rate bonds from government securities amounting to \$5.91 million (₱334.38 million). The various bonds pay interest at rates ranging from 5.75% to 6.13% per annum and will mature starting August 22, 2028 to April 11, 2029.

The carrying values and movements of investments in bonds, classified as debt instruments at amortized cost, are as follows:

	2025	2024
Balances at beginning of year	\$35,243,734	\$36,818,345
Additions	4,913,209	5,527,690
Redemptions	(6,157,887)	(5,764,698)
Unrealized foreign exchange loss	(423,594)	(1,337,603)
	33,575,462	35,243,734
Less: current portion	5,257,357	5,041,886
	\$28,318,105	\$30,201,848

Interest income earned from investments in debt instruments at amortized cost amounted to \$2.15 million, \$2.12 million, and \$1.92 million as at December 31, 2025, 2024, and 2023, respectively.

10. Property and Equipment – net

	2025			Total
	Wells, platforms and other facilities (Notes 1 and 8)	Transportation Equipment	Office Improvement, Furniture and Equipment	
Cost				
At beginning of year	\$89,501,261	\$271,037	\$145,583	\$89,917,881
Additions	–	32,962	1,252	34,214
Retirements	(20,210,767)	(193,970)	–	(20,404,737)
Change in estimate of decommissioning liability	(19,174)	–	–	(19,174)
At end of year	69,271,320	110,029	146,835	69,528,184
(Forward)				

Accumulated depletion, depreciation, and amortization				
At beginning of year	78,706,995	254,941	73,370	79,035,306
Depletion, depreciation and amortization	429,648	6,187	23,734	459,569
Retirements	(20,210,767)	(193,970)	–	(20,404,737)
At end of year	58,925,876	67,158	97,104	59,090,138
Impairment Loss				
During the year	255,120	–	–	255,120
Net book value	\$10,090,324	\$42,871	\$49,731	\$10,182,926

	2024			Total
	Wells, platforms and other facilities (Notes 1 and 8)	Transportation Equipment	Office Improvement, Furniture and Equipment	
Cost				
At beginning of year	\$89,567,682	\$271,037	\$142,955	\$89,981,674
Additions	–	–	2,628	2,628
Change in estimate of decommissioning liability	(66,421)	–	–	(66,421)
At end of year	89,501,261	271,037	145,583	89,917,881
Accumulated depletion, depreciation, and amortization				
At beginning of year	78,364,495	248,947	49,484	78,662,926
Depletion, depreciation and amortization	342,500	5,994	23,886	372,380
At end of year	78,706,995	254,941	73,370	79,035,306
Net book value	\$10,794,266	\$16,096	\$72,213	\$10,882,575

In 2025, the Group derecognized fully depleted assets amounting to \$20.21 million related to the Nido and Matinloc Blocks, which had been previously turned over to the DOE in 2022. In addition, the Group derecognized fully depreciated transportation equipment amounting to \$0.19 million.

In 2025, 2024, and 2023, the Group performed impairment test for the Wells, Platforms and Other Facilities of SC 14C2 since it continues to be a non-producing block and its license to operate is nearing expiration.

Impairment Test of SC 14C2 - West Linapacan

The recoverable amount of the Wells, Platforms and Other Facilities of SC 14C2 as at December 31, 2025 and 2024 has been determined based on a value-in-use calculation using cash flow projections from work program and budget approved by senior management covering a twelve-year period and seven-year period as at those years. The work program and budget for 2025 were duly approved by the DOE. The pre-tax discount rates applied to the cash flow projections were 13.17% and 10.90% as of December 31, 2025 and 2024, respectively. As a result of this analysis, the management has recognized impairment loss for the Wells, Platforms and Other Facilities of SC 14C2 as at December 31, 2025 amounting to \$0.26 million. No impairment losses were recognized as at December 31, 2024.

11. Other Noncurrent Assets

	Notes	2025	2024
Deferred exploration costs		\$807,648	\$764,228
Decommissioning fund	8, 13	847,549	943,946
		\$1,655,197	\$1,708,174

Deferred exploration costs

The full recovery of the deferred oil exploration costs incurred in connection with the Group's participation in the acquisition and exploration of petroleum concessions is dependent upon the discovery of oil and gas in commercial quantities from the respective petroleum, concessions and the success of the future development thereof. Deferred exploration costs primarily relate to SC 6.

	Note	2025	2024
Cadlao and Bonita block – Oil Field	8	\$642,180	\$642,180
Zambales and Dinagat Islands – Nickel		165,468	101,384
Others	8	20,664	20,664
		828,312	764,228
Less: Allowance for impairment loss	8	(20,664)	–
		\$807,648	\$764,228

SC 6 and 6B Cadlao and Bonita Block

SC 6B Bonita Block is part of the retained area of the original SC 6 granted in 1973. The 10-year exploration period and the subsequent 25-year production period expired last February 2009.

In 2009, a 15-year extension period for the Bonita Block was requested from and subsequently granted by the DOE.

In 2018, one of the joint venturers, Phinma Energy Corporation (formerly, Trans-Asia Oil & Energy Corporation), relinquished its participating interest of 14.063% and assigned this to the remaining partners. The relinquishment and assignment of interest was approved by the DOE.

An in-house evaluation completed by the Operator, The Philodrill Corporation, in early 2016 shows the East Cadlao Prospect has marginal resources which cannot be developed on a “stand-alone” basis. However, it remains prospective being near the Cadlao Field, which lies in another contract area. In view of this, the Consortium has requested for the reconfiguration of SC 6B to append the Cadlao Field for possible joint development in the future. On March 14, 2018, the DOE approved the annexation of SC 6 to SC 6B. Subsequently, a seismic reprocessing program over East Cadlao and Cadlao Field were undertaken.

On October 17, 2019, Philodrill, as the current operator of the SC 6B, received DOE's approval for the transfer of 70% participating interest of the members of the consortium in SC 6B to Manta Oil Company Ltd. (MOCL / Manta Oil). As a result, the Parent Company's interest in SC 6B decreased to 4.909%.

In 2020, the work program and budget for the calendar year 2021 was submitted and approved by the DOE. However, the preparation and submission of a new Plan of Development (POD) was delayed due to the COVID-19 pandemic which caused travel restrictions and lockdowns. The POD should have been submitted by the 1st Quarter of 2021 for DOE evaluation. A request by Manta Oil was made to the DOE for an extension for the submission of the new Cadlao POD. The extension request was granted up to December 2021.

In 2021, MOCL was unable to submit to the DOE a new Plan of Development (POD) for the shut-in Cadlao Oilfield as well as proof of financial capability.

On December 2, 2021, Manta Oil issued a “Mutual Release of Claims” followed on December 6, 2021 by a “Notice of Withdrawal” re-assigning and transferring back to the Farmors / Joint Venture Partners their original participating interests in Bonita / Cadlao Block.

With restoration of the original participating interests to the SC-6B Consortium, the Philodrill Corporation resumed the role as the Operator of the contract area.

In a Partners' Meeting held on December 13, 2021, Nido Petroleum Pty Ltd, one of the JV Partners, indicated in their proposal the following:

1. Increase its participating in SC-6B
2. Propose a Work Program & Budget (WP&B) for the calendar year 2022
3. Plan for an appraisal drilling of well(s) including the conduct of an Extended Well Test (EWT) in the Cadlao Field.

The increase will be by way of the other partners assigning up to 70% of their original interest to Nido Petroleum. Finally, a Deed of Assignment (DOA) of interest was drawn up and was submitted to the DOE for evaluation and approval.

Under the proposed FIA, the assigning partners will be carried free by Nido Petroleum in the proposed 2022 Work Program & Budget, cost of appraisal drilling and EWT as well as implementation of the new Plan of Development. The carry free is up to the declaration of field commerciality.

The DOE approved last December 19, 2022, the following:

- The reassignment of interest to the SC-6B Joint Venture after the exit of Manta Oil Co. (MOCL) from SC-6B.
- The Deed of Assignment (DOA) of participating interest in SC-6B and transfer of Operatorship from Philodrill Corporation to Nido Petroleum Phil Ltd. This is in compliance with the related Farm In Agreement (FIA).
- The new participating interest of the Group after the withdrawal of MOCL and transfer of operatorship to Nido Petroleum decreased to 4.9092%, which was previously 16.364%.

Nido planned to drill the appraisal well and conduct the EWT in the 2nd quarter of 2023. However, drilling has been pushed back due to challenges in rig availability. New schedule for the drilling is 2nd Quarter of 2024.

On December 7, 2023, the Department of Energy (DOE) released Department Circular (DC) No. DC2023-12-0033 "Guidelines on the Awarding of Petroleum Service Contracts for Development and Production", whereas this circular emphasizes that an operator may apply for a Development and Production Petroleum Service Contract through direct negotiation with DOE, provided that the application be made prior to the expiration of the remaining production term. The SC 6B production term reached its 50-year contract limit and expired last February 28, 2024.

The Consortium applied for the renewal of SC6B and submitted the Plan of Development on December 27, 2023.

Further, in January 2024, the Consortium submitted a Letter of Intent and pertinent financial, technical, and legal documents to apply for a development and production petroleum service contract under DC 2023-12-0033.

On May 30, 2024, the SC6B Consortium, through its Operator, received a letter from the DOE that the Consortium is legally, financially, and technically qualified to enter into a DPPSC. The DOE and the Consortium have finished negotiating the DPPSC's terms and conditions.

As of December 31, 2025, the Cadlao DPPSC is in its final stage of review and evaluation.

In 2025, 2024, and 2023, the Group performed impairment tests for the deferred exploration costs since the service contract had already expired on February 28, 2024, and is currently being applied for a Development and Production Petroleum Service Contract.

The recoverable amount of the deferred oil exploration cost for the Cadlao block as at December 31, 2025, 2024, and 2023 has been determined to be higher than its carrying value, based on a value-in-use calculation using cash flow projections approved by senior management covering a seven-year period. The pre-tax discount rate applied to cash flow projections is 13.17%, 10.90%, 11.10% in 2025, 2024, and 2023, respectively. As a result of this analysis, management has not recognized any impairment for the deferred oil exploration costs.

The calculation of value-in-use for the deferred exploration costs is most sensitive to the forecasted oil prices which are estimated with reference to external market forecasts of Brent crude prices; volume of resources and reserves which are based on resources and reserves report prepared by the operations team; capital expenditure, production and operating costs which are based on the consortium operator's historical experience, approved work programs and budgets, and latest life of well models; and discount rate which were estimated based on the Group's cost of equity. The pre-tax discount rate applied to cashflow projections is 13.17%, 10.90%, and 11.10% as of December 31, 2025, 2024, and 2023, respectively.

As at December 31, 2025 and 2024, the carrying value of deferred oil exploration costs amounted to \$0.64 million.

Exploration Permit Applications for Nickel and Other Associated Metals in Zambales and Dinagat Islands

As of December 31, 2025, the Group continues to secure Exploration Permits (EP) for nickel and other associated metals. OPMC has submitted applications to the Mines and Geosciences Bureau (MGB) - Regional Office No. III for five (5) areas in Zambales with a total area of approximately 13,816 hectares. OPMC has also submitted two applications to the MGB Regional Office No. XIII covering 863 hectares in Dinagat Islands.

In 2022, all five areas in Zambales were already designated by MGB Regional Office No. III as EXPA No. 000231-III, EXPA No. 000232-III, EXPA No. 000233-III, EXPA No. 000240-III, and EXPA No. 000241-III. MGB Regional Office No. XIII also designated one area in Dinagat Islands as EXPA No. 000248-XIII.

The Department of Environment and Natural Resources (DENR) has granted the clearance to Mines and Geosciences Bureau Central Office (MGB CO) to approve and convert the EXPA No. 248-XIII in Libjo, Dinagat Islands (with total area of 358 hectares) of Oriental Petroleum and Minerals Corporation (OPMC or the Group) to an Exploration Permit (EP).

On March 12, 2024, the Group formally accepted and signed the EP in the MGB CO at North Avenue, Diliman, Quezon City.

As at December 31, 2025 and 2024, the carrying value of deferred mine exploration costs amounted to \$0.17 million and \$0.10 million, respectively. In 2025 and 2024, the Group capitalized deferred mine exploration costs amounting to \$0.06 million and \$0.01 million, respectively.

Others

In 2025, the Group assessed the recoverability of its deferred exploration costs from other projects and determined that the costs attributable to non-producing areas of the Verde, Ex-Husky, and Cagayan Basin, amounting to \$0.02 million, are no longer recoverable. This assessment was based on the absence of current or planned development activities, as well as the lack of sufficient evidence to support the existence of economically recoverable resources in these areas.

Accordingly, the Group recognized a full impairment of these deferred exploration costs in 2025.

As at December 31, 2025 and 2024, the carrying value of deferred exploration costs amounted to \$0.81 million and \$0.76 million, respectively.

Decommissioning fund

On July 27, 2021, the Group received a Decommissioning Plan from the operator of SC 14C1 which provides for the terms upon which the wells, offshore installations, offshore pipelines, and the Floating Production Storage and Offloading (FPSO) facility used in connection with the joint operations in respect of the Galoc Development shall be decommissioned and abandoned.

On June 11, 2025, the Consortium approved the revised Decommissioning Plan prepared by the operator, which reflects the latest plans, schedule and cost estimates for Galoc's envisaged decommissioning. As of December 31, 2025 and 2024, the decommissioning fund amounted to \$0.85 million and \$0.94 million, respectively (see Note 13).

The table below summarizes the movements in the decommissioning fund for the years ended December 31, 2025, and 2024:

	2025	2024
Beginning balance	\$943,946	\$909,430
Addition	28,693	34,516
Reversal of provision for plug and abandonment – net	(125,090)	–
Ending balance	\$847,549	\$943,946

12. Accounts and Other Payables

	2025	2024
Accounts payable	\$36,824	\$135,692
Dividends payable	903,353	788,110
Subscriptions payable	23,914	24,240
Others	8,182	6,034
	\$972,273	\$954,076

Accounts payable mainly consist of unpaid legal and consulting fees. These are noninterest-bearing and are normally settled in 30 to 60-day terms.

Dividends payable include amounts payable to the shareholders of the Parent Company.

Others include statutory payables.

13. Provision for Plug and Abandonment

Provision for Plug and Abandonment represents the present value of the Company's estimated share in the costs to plug wells, dismantle and remove offshore facilities, and restore the site at the end of its productive life. The obligation arises from contractual commitments and regulatory requirements associated with petroleum service contracts.

The table below shows the movement analysis of the account:

	Note	2025	2024
Beginning balance		\$1,123,055	\$1,085,812
Accretion of interest expense	16	65,894	37,243
Reversal of provision for plug and abandonment – net		(341,400)	–
Ending balance		\$847,549	\$1,123,055

Galoc

On July 27, 2021, the Group received a Decommissioning Plan from the operator of SC 14C1 which provides for the terms upon which the wells, offshore installations, offshore pipelines, and the Floating Production Storage and Offloading (FPSO) facility used in connection with the joint operations in respect of the Galoc Development shall be decommissioned and abandoned.

The Group has recognized provision for plug & abandonment amounting to \$0.85 million and \$1.12 million as of December 31, 2025 and 2024, respectively, which represents the present value of the Group's share in the decommissioning liability. The discount rate used on the determination of present value are 5.04% and 5.82% as of December 31, 2025 and 2024, respectively.

On March 26, 2025, the Consortium, through its Operator, NPG Pty Ltd, submitted a Letter of Intent to apply for a Development and Production Petroleum Service Contract (DPPSC) for the Galoc oilfield under the DOE Department Circular 2023-12-0033. The Consortium already submitted the necessary documents for the application for a DPPSC. SC14C1 expired on December 17, 2025.

The third-party independent report of THREE60 Energy dated February 7, 2025, indicates that the Galoc oil field has an additional 877,000 (3C) barrels of oil recoverable up to April 2028.

On June 11, 2025, the Consortium approved the updated decommissioning plan dated June 2025, prepared by the Operator in coordination with a third-party expert. The updated plan and budget estimate total decommissioning costs of \$11.4 million, inclusive of a \$1.5 million contingency. This represents a decrease from the previous estimate of \$15.7 million.

The revised decommissioning plan was submitted to the DOE on June 25, 2025 and was subsequently approved on August 27, 2025.

As a result of the updated plan, the Group reassessed its decommissioning provision and recognized a reversal of excess provision amounting to \$0.34 million. In addition, the Group reversed previously recognized unrecoverable excess decommissioning fund amounting to \$0.13 million. Accordingly, the Group recognized a net reversal of decommissioning liability amounting to \$0.22 million.

The decommissioning activities for Galoc is expected to commence after the end of field life, hence the provision is recognized under non-current liabilities. The Group recognized accretion expense amounting to \$0.07 million, \$0.04 million, and \$0.06 million in 2025, 2024, and 2023,

Under the decommissioning plan, each party to the consortium has a liability to fund a percentage of the decommissioning cost equal to the party's percentage interest. Accordingly, the Group funded the decommissioning fund asset of the Joint Operation as of December 31, 2025 and 2024 amounting to \$0.85 million and \$0.94 million, respectively (see Notes 8 and 11).

West Linapacan

As of the reporting date, the Joint Venture has not yet finalized the P&A strategy and is in the process of undertaking the necessary technical and subsurface evaluations to support the selection of the most appropriate P&A strategy. Consequently, key assumptions, including the method, timing, and extent of abandonment activities, as well as the related cost estimates, remain subject to significant uncertainty and cannot yet be reliably determined.

In accordance with PAS 37, a provision is recognized only when a present obligation exists and a reliable estimate of the obligation can be made. While an obligation to decommission the wells is expected to arise, management has assessed that, as of year-end, the absence of a finalized abandonment plan and sufficiently reliable cost estimates precludes the recognition of a provision.

Accordingly, Management will reassess the recognition and measurement of any P&A provision once sufficient technical and cost information becomes available to support a reliable estimate.

14. Capital Stock

Under the existing laws of the Republic of the Philippines, at least 60% of the Parent Company's issued capital stock should be owned by citizens of the Philippines for the Parent Company to own and hold any mining, petroleum, or renewable energy contract area. As at December 31, 2025, total issued and subscribed capital stock of the Group is 98.81% Filipino and 1.19% non-Filipino, as compared to 98.83% Filipino and 1.17% non-Filipino as at December 31, 2024.

As as December 31, 2025 and 2024, this account consists of:

	2025	2024
Class A - \$0.0004 (₱0.01) par value		
Authorized - 120 billion shares		
Issued and outstanding - 120 billion shares	\$49,361,387	\$49,361,387
Class B - \$0.0004 (₱0.01) par value		
Authorized - 80 billion shares		
Issued and outstanding - 80 billion shares	32,907,591	32,907,591
	82,268,978	82,268,978
Subscriptions receivable	(271,543)	(277,710)
Capital in excess of par value	3,650,477	3,650,477
Treasury stock	(631,821)	-
	\$85,016,091	\$85,641,745

All shares of stock of the Parent Company enjoy the same rights and privileges, except that Class A shares shall be issued solely to Filipino citizens, whereas Class B shares can be issued either to Filipino citizens or foreign nationals. There were no issuances of additional common shares in 2025 and 2024. The Parent Company's track record of capital stock follows:

	Number of shares registered	Issue/ offer price	Date of SEC approval	Number of Holders as of year-end
Listing by way of introduction	10,000,000,000	₱0.01	Mar. 24, 1970	
Additions:	2,500,000,000	0.01	Mar. 23, 1981	
	37,500,000,000	0.01	Aug. 5, 1988	
	50,000,000,000	0.01	Nov. 14, 1989	
	100,000,000,000	0.01	May 31, 1995	
December 31, 2015	200,000,000,000			11,859
Deduct: Movement	-			(32)
December 31, 2016	200,000,000,000			11,827
Deduct: Movement	-			(121)

(Forward)

December 31, 2017	200,000,000,000	11,706
Deduct: Movement	–	(74)
December 31, 2018	200,000,000,000	11,632
Deduct: Movement	–	(29)
December 31, 2019	200,000,000,000	11,603
Deduct: Movement	–	(9)
December 31, 2020	200,000,000,000	11,594
Deduct: Movement	–	(25)
December 31, 2021	200,000,000,000	11,569
Deduct: Movement	–	(24)
December 31, 2022	200,000,000,000	11,545
Deduct: Movement	–	(21)
December 31, 2023	200,000,000,000	11,524
Deduct: Movement	–	(23)
December 31, 2024	200,000,000,000	11,501
Deduct: Movement	–	(18)
December 31, 2025	200,000,000,000	11,483

Treasury stock

On June 27, 2025, the Board of Directors approved a Share Buyback Program (SBP) for the Parent Company's common stocks, with an authorized budget of up to ₱200,000,000 (or around a Dollar equivalent of \$3,535,443) worth of the Parent Company's common shares. This program aims to enhance shareholder value and to demonstrate confidence in the Parent Company's future prospects. The SBP will apply to both the Corporation's Class "A" shares (OPM) and Class "B" shares (OPMB) and will continue until the authorized amount has been fully utilized or as otherwise determined by the Board.

As of December 31, 2025, the Parent Company reacquired 2,828.2 million OPM and 611.1 million OPMB shares costing \$0.63 million (₱36.01 million) in total.

As of the date of approval of the financial statements, the Parent Company reacquired 3,907.4 million OPM and 926.3 million OPMB shares costing \$0.88 million (₱52.79 million) in total.

Cash dividends

The following are the dividends declared on the Parent Company's common share:

Cash Dividend per Share	Cash Dividend Amount	Declaration Date	Record Date	Payment Date
₱0.0005	\$1,796,073	June 4, 2025	July 4, 2025	July 29, 2025
₱0.0005	\$1,717,770	May 24, 2024	Jun. 21, 2024	July 12, 2024
₱0.0005	\$1,794,076	June 28, 2023	July 27, 2023	Aug. 18, 2023
₱0.0005	\$1,835,401	June 23, 2022	July 22, 2022	Aug. 16, 2022

As of December 31, 2025 and 2024, retained earnings available for dividend declaration amounted to \$5.53 million and \$4.70 million, respectively.

15. General and Administrative Expenses

	Notes	2025	2024	2023
Staff costs	17	\$588,515	\$612,547	\$572,783
Taxes and licenses		76,553	4,264	60,813
Professional fees		33,036	37,343	38,129
Depreciation	10	29,921	29,880	34,028
Rent	20	29,863	30,135	28,055
Transportation and communication		12,525	12,058	15,165
(Forward)				

Association and membership fees	11,107	11,774	11,431
Messengerial services	9,678	9,459	9,642
Advertising and publication	1,469	1,349	1,552
Utilities	1,383	1,079	1,836
Insurance	1,235	868	1,070
Entertainment, amusement and recreation	842	628	496
Bank charges	203	239	256
Others	77,248	23,643	75,032
	\$873,578	\$775,266	\$850,288

Others include Philippine Depository and Trust Corporation (PDTC) fees, filing fees, office supplies, seminar and trainings, representation and repairs and maintenance.

16. Other Income (Charges)

This account consists of:

	Note	2025	2024	2023
Reversal of provision	13	\$216,310	\$-	\$-
Accretion of interest expense	13	(65,894)	(37,243)	(59,290)
Gain on sale of bonds		34,282	-	-
Others		99,636	4,370	-
		\$284,334	(\$32,873)	(\$59,290)

17. Retirement Plan

The Group has a funded, noncontributory defined benefit type of retirement plan covering substantially all of its employees. The benefits are based on defined contribution formula with a minimum lump-sum guarantee of one (1) month for every year of service up to 20 years and 1.5 months in excess of 20 years.

Under the existing regulatory framework, Republic Act (RA) 7641, The Retirement Pay Law, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan. The Group's retirement plan meets the minimum retirement benefit specified under RA 7641. The Group updates the actuarial valuation every year by hiring the services of a third-party professionally qualified actuary. The latest actuarial report was for the year ended December 31, 2025.

Components of pension expense in the consolidated statements of income included in general and administrative expenses under 'Staff costs' account are as follows:

	2025	2024	2023
Current service cost	\$38,169	\$40,264	\$35,633
Interest cost (income) on defined benefit obligation	(69)	5,620	2,362
Total pension expense	\$38,100	\$45,884	\$37,995

Changes in the present value of defined benefit obligation follow:

	2025	2024
Balances at beginning of year	\$658,930	\$704,716
Current service cost	38,169	40,264
Interest cost on defined benefit obligation	39,355	41,091
(Forward)		

Foreign currency translation adjustment	(10,574)	(30,006)
Remeasurement losses (gain) arising from:		
Experience adjustments	109,192	(59,830)
Financial assumptions	(7,074)	645
Benefits paid directly from book reserve	–	(37,950)
Balances at end of year	\$827,998	\$658,930

	2025	2024
Fair value of plan assets at beginning of period	\$660,077	\$608,478
Net interest	39,424	35,471
Foreign currency translation adjustment	(10,588)	(26,058)
Remeasurement gain (loss)	(185)	42,186
Fair value of plan assets at end of period	\$688,728	\$660,077

Retirement benefit obligation as presented in the consolidated statement of financial position is as follows:

	2025	2024
Present value of defined benefit obligation	\$827,998	\$658,930
Fair value of plan assets	(688,728)	(660,077)
Effect of the asset ceiling	(17)	65
Retirement benefit obligation	\$139,253	(\$1,082)

The amount of remeasurement gain recognized in OCI:

	2025	2024	2023
Remeasurement gain (loss) on retirement benefits liability	(\$102,235)	\$101,301	(\$25,255)
Income tax effect	(25,559)	25,325	(6,314)
	(\$76,676)	\$75,976	(\$18,941)

The table below shows the movement analysis of remeasurement loss on retirement benefits liability in the statements of financial position as at December 31, 2025 and 2024:

	2025	2024
Balance at beginning of year	\$225,267	\$149,291
Remeasurement gain (loss) from actuarial changes	(76,676)	75,976
Balance at end of year	\$148,591	\$225,267

The principal actuarial assumptions used in determining the pension liability for the Group's plan follow:

	2025	2024
Rate of salary increase	5.70%	5.70%
Discount rate	6.26%	6.07%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	Effect on defined benefit obligation	
		2025	2024
Discount rates	+100 basis points	(\$34,653)	(\$30,276)
	-100 basis points	39,203	34,620
Future salary increases	+1.00%	\$39,031	\$34,402
	-1.00%	(35,139)	(30,647)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

Shown below is the maturity analysis of the undiscounted benefit payments as of December 31, 2025 and 2024:

	2025	2024
Less than 1 year	\$520,904	\$418,351
More than 1 year to 5 years	84,773	60,693
More than 5 years	365,303	315,523

The average duration of the defined benefit obligation is 4.5 and 4.9 years as of December 31, 2025 and 2024, respectively.

18. Income Tax

Provision for (benefit from) income tax consists of:

	2025	2024	2023
Current			
MCIT	\$11,678	\$14,488	\$9,442
Final tax	581,877	521,901	491,118
	593,555	536,389	500,560
Deferred	75,205	94,554	(106,939)
	\$668,760	\$630,943	\$393,621

The Group's net deferred tax liabilities as of December 31, 2025 and 2024 are detailed below:

	2025	2024
<i>Profit and loss</i>		
Deferred tax assets on:		
NOLCO	\$66,038	\$337,401
Provision for plug and abandonment	211,887	280,764
Unamortized past service cost	83,549	97,474
Pension liability	84,343	75,360
Excess of MCIT over RCIT	24,046	30,410
	469,863	821,409
Deferred tax liabilities on:		
Excess of book over tax base of property and equipment	(1,413,022)	(1,670,383)
Unrealized foreign exchange gain	(61,548)	(153,847)
ARO asset	-	(20,325)
	(1,474,570)	(1,844,555)
Deferred tax liabilities – net	(\$1,004,707)	(\$1,023,146)
<i>Other Comprehensive Income</i>		
Deferred tax liability		
Remeasurement on pension liability	(49,530)	(75,089)
Net deferred tax liabilities	(\$1,054,237)	(\$1,098,235)

Deferred tax liability recognized under “Excess of Book Over Tax Base of Property and Equipment” arises from taxable temporary differences between the carrying amount of property and equipment, which is maintained in USD as the Group’s functional currency, and its tax base, which is determined based on historical peso-denominated amounts for tax purposes. Such difference results from the use of different currencies for financial and tax reporting.

NOLCO

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

The Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Amount	Expired	Balance	Expiry Year
2022	\$124,154	(\$124,154)	\$-	December 31, 2025
2023	194,467	-	194,467	December 31, 2026
2024	69,685	-	69,685	December 31, 2027
2025	160,889	-	160,889	December 31, 2028
	<u>\$388,306</u>	<u>(\$124,154)</u>	<u>\$264,152</u>	

The Group has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act.

Year Incurred	Amount	Expired	Balance	Expiry Year
2020	\$1,030,982	(\$1,030,982)	\$-	December 31, 2025

The Group did not recognize deferred tax on NOLCO incurred in 2025.

Excess of Minimum Corporate Income Tax over RCIT

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the Minimum Corporate Income Tax (MCIT) rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the “Corporate Recovery and Tax Incentives for Enterprises (CREATE)” Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.

Consequently, the Group recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

As of December 31, 2025, the Parent Company’s Minimum Corporate Income Tax (MCIT) amounting due was higher than RCIT. The difference of MCIT over RCIT can be claimed as deduction against regular taxable income for the next three (3) consecutive years pursuant to Section 27(E) of the National Internal Revenue Code, as follows:

Year Incurred	Amount	Applied/ Expired	Balance	Expiry Year
2025	\$11,678	\$-	\$11,678	December 31, 2028
2024	14,488	-	14,488	December 31, 2027
2023	9,442	-	9,442	December 31, 2026
2022	6,364	(6,364)	-	December 31, 2025
	<u>\$41,972</u>	<u>(\$6,364)</u>	<u>\$35,608</u>	

The Group did not recognize any deferred tax asset for excess MCIT over RCIT amounting to \$11,678 and \$9,442 as at December 31, 2025 and 2023, respectively.

The reconciliation of the statutory income tax rate to the effective income tax follows:

	2025	2024	2023
Statutory income tax rate	25.00%	25.00%	25.00%
Tax effects of:			
Nondeductible expense	19.60	22.97	10.18
Changes in unrecognized deferred tax assets	21.18	–	(0.51)
Dividend income	(8.06)	(12.90)	(8.80)
Interest income subjected to final tax	(24.28)	(7.88)	(2.94)
Income exempt from tax	(13.46)	–	(13.76)
Effective income tax rate	19.98%	27.19%	9.17%

19. Basic/Diluted Earnings Per Share

The Group's earnings per share were computed as follows:

	2025	2024	2023
Net income	\$2,678,988	\$1,689,157	\$3,896,582
Divided by weighted average number of common shares outstanding	198,634,208,333	200,000,000,000	200,000,000,000
	\$0.000013	\$0.000008	\$0.000019

There were no outstanding potentially dilutive common shares for the years ended December 31, 2025, 2024, and 2023.

20. Related Party Transactions

Parties are 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; and the parties are subject to common control. Related parties may be individuals or corporate entities.

The Group's material related party transactions (MRPT) pertaining to transactions made with the same related party, which are, individually or in aggregate over a twelve (12)-month period, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited financial statements, shall be reviewed by the Group's Audit Committee before the transaction is executed and commenced. If not identified beforehand, the MRPT shall be immediately reviewed by the Audit Committee upon its identification.

All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Aggregate RPT transactions within a twelve (12)-month period that meets or breaches the materiality threshold shall require the same Board approval.

The amounts and the balances arising from the significant related party transactions are as follow:

	2025			
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Entities under common control of JGSHI</i>				
a. Rent (Note 15)	\$29,863	\$-	Noninterest-bearing payable on demand; payable in cash	Unsecured
	2024			
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Entities under common control of JGSHI</i>				
a. Rent (Note 15)	\$30,135	\$-	Noninterest-bearing payable on demand; payable in cash	Unsecured

- a. The Group entered into a lease agreement with an affiliate covering the office space it occupies, which is renewable annually. The Group applied the 'short-term lease' and lease of 'low-value assets' recognition exemption for these leases. Total rental expense recognized in general and administrative expenses under the consolidated statements of comprehensive income under these lease agreements amounted to \$29,863, \$30,135, and \$28,055 for the years ended December 31, 2025, 2024, and 2023, respectively.

Compensation of key management personnel of the Group follows:

	2025	2024	2023
Short-term employee benefits	\$334,430	\$309,618	\$292,036
Post-employment benefits	36,787	42,550	34,172
	\$371,217	\$352,168	\$326,208

21. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, receivables, equity instruments at FVOCI, debt instruments at amortized cost, and accounts and other payables (excluding statutory liabilities). The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The main risks arising from the Group's financial instruments are liquidity, credit, foreign currency, and equity price risk.

The Group's risk management policies are summarized below:

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group seeks to manage its liquidity profile to be able to finance its operations, capital expenditures, and service maturing debts.

The Group monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

As of December 31, 2025 and 2024, all financial liabilities are expected to mature within one (1) year. All commitments up to a year are either due within the time frame or are payable on demand.

The table below summarizes the maturity profile of the Group's financial assets and liabilities based on remaining undiscounted contractual obligations:

	2025			Total
	On Demand	Less than a year	One year or more	
Financial Assets				
Cash and cash equivalents	\$23,905,966	\$-	\$-	\$23,905,966
Receivables:				
Due from operators	-	62,259	-	62,259
Interest receivable	-	314,478	-	314,478
Dividend receivable	-	155,343	-	155,343
Investments:				
Equity instruments at FVOCI	-	-	20,147,839	20,147,839
Debt instruments at amortized cost	-	5,257,357	28,318,105	33,575,462
Other Financial Liabilities:				
Accounts and other payables*	939,166	-	-	939,166
Net financial assets	\$22,966,800	\$5,789,437	\$48,465,944	\$77,222,181

*Excludes statutory payables

	2024			Total
	On Demand	Less than a year	One year or more	
Financial Assets				
Cash and cash equivalents	\$22,914,117	\$-	\$-	\$22,914,117
Receivables:				
Due from operators	-	61,249	-	61,249
Interest receivable	-	318,684	-	318,684
Dividend receivable	-	202,587	-	202,587
Investments:				
Equity instruments at FVOCI	-	-	18,308,175	18,308,175
Debt instruments at amortized cost	-	5,041,886	30,201,848	35,243,734
Other Financial Liabilities:				
Accounts and other payables*	948,042	-	-	948,042
Net financial assets	\$21,966,075	\$5,624,406	\$48,510,023	\$76,100,504

*Excludes statutory payables

Correspondingly, the financial assets that can be used by the Group to manage its liquidity risk consist of cash and cash equivalents, receivables, and equity instruments at FVOCI as of December 31, 2025 and 2024, which are usually on demand or collectible within a term of 30 days.

(b) *Credit risk*

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group trades only with its dealers. Receivable balances are monitored on an ongoing basis, with the result that the Group's exposure to bad debts is not significant.

As of December 31, 2025 and 2024, the Group only has trade receivables from the operator of SC 14 pertaining to proceeds of crude liftings. These receivables are under the current, and not past due, classification. The Group does not expect a probability of default based on historical experiences and given that the receivable is supported by a distribution agreement from the consortium operator.

The investment of the Group's cash resources is managed to minimize risk while seeking to enhance yield. The holding of debt instruments at amortized cost exposes the Group to credit risk of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets if the counterparty is unwilling or unable to fulfill its obligation. Credit risk management involves entering into transactions with counterparties that have acceptable credit standing.

The Group's debt investments measured at amortized cost comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by credit rating agencies and therefore, are considered to be low credit risk investments.

The table below shows the maximum exposure to credit risk for the components of the consolidated statements of financial position:

	2025	2024
Financial assets at amortized cost		
Cash in banks and cash equivalents (excluding cash on hand)	\$23,905,788	\$22,913,939
Due from operators	62,259	61,249
Interest receivable	314,478	318,684
Dividends receivable	155,343	202,587
Debt instruments at amortized cost	33,575,462	35,243,734
	\$58,013,330	\$58,740,193

(c) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's principal transactions are carried out in Philippine Peso, and its exposure to foreign currency exchange risk arises from purchases in currencies other than the Group's functional currency. The Group believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits in the type of business in which the Group is engaged.

The Group's foreign exchange risk results primarily from movements of U.S. Dollar against other currencies. As a result of the Group's investments and other transactions in Philippine Peso, the consolidated statements of comprehensive income can be affected significantly by movements in the U.S. Dollars.

The following table shows the foreign currency-denominated assets and liabilities expressed in Philippine Peso (PHP) and their U.S. Dollar (USD) equivalents as of December 31:

	2025		2024	
	In PHP ¹	In USD	In PHP ¹	In USD
Financial Assets				
Cash and cash equivalents	₱676,110,574	\$11,497,510	₱696,664,094	\$12,008,557
Dividend receivable	9,134,969	155,343	11,752,874	202,587
Interest receivable	13,342,489	226,894	13,289,318	228,539
Equity instruments at FVOCI	1,184,793,652	20,147,839	1,062,130,493	18,308,175
Debt instruments at amortized cost	1,680,380,000	28,575,461	1,754,560,000	30,243,734
<i>(Forward)</i>	3,563,761,685	60,603,047	3,538,396,779	60,991,592

Other Financial Liabilities				
Accounts and other payables	57,100,418	964,091	55,163,176	968,564
Net foreign currency - denominated assets	P3,506,661,267	\$59,638,956	P3,483,233,603	\$60,023,028

¹ The exchange rates used as of December 31, 2025 and 2024 are \$0.01701 to P1 and \$0.01718 to P1, respectively.

The following table demonstrates sensitivity to a reasonably possible change in the Philippine Peso exchange rate, with all other variables held constant, of the Group's income before income tax in 2025, 2024, and 2023. There is no other impact on the Group's equity other than those already affecting income.

The sensitivity is based on the historical volatility of exchange rate of US Dollar against Philippine Peso during the current year. The analysis is based on the assumption that current year's volatility will be the same in the following year.

	Change in PHP rate	Effect on income before income tax
2025	+1.82%	\$1,085,452
	-1.24%	(740,542)
2024	+1.95%	\$1,210,348
	-2.14%	(1,328,169)
2023	+1.68%	\$1,203,190
	-1.14%	(815,064)

(d) Equity price risk

Equity price risk is the risk that the fair values of investments in quoted equity securities could decrease as a result of changes in the prices of equity indices and the value of individual stocks. The Group is exposed to equity securities price risk because of investments held by the Parent Company, which are classified in the separate statements of financial position as Equity instruments at FVOCI.

The following table shows the sensitivity of the Group's equity (through OCI) from changes in the carrying value of the Group's equity instruments at FVOCI and AFS investments due to reasonably possible changes in the Philippine Stock Exchange index (PSEi), with all other variables held constant. The analysis links PSEi changes, which proxies for general market movements, to individual stock prices through adjusted betas of each individual stock. Betas are coefficients depicting the sensitivity of individual stock prices to market movements.

The sensitivity is based on the historical volatility of PSEi for the current year. The analysis is based on the assumption that current year's PSEi volatility will be the same in the following year:

	Percentage Change in PSEi	Effect on income before income tax
2025	+1.79%	\$15,281
	-1.79%	(\$15,281)
2024	+0.87%	\$15,644
	-0.87%	(15,644)
2023	+11.90%	\$73,580
	-11.90%	(73,580)

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Parent Company may adjust the dividend payment to shareholders or issue new shares.

The Group considers its capital stock (net of any subscription receivable and treasury stock) and retained earnings, which amounted to \$91.69 million and \$91.29 million as of December 31, 2025 and 2024, respectively, as its capital employed. No changes were made in the objectives, policies, or processes during the years ended December 31, 2025 and 2024.

Fair Values

Due to the short-term nature of the transactions, the carrying values of cash and cash equivalents, receivables, accounts and other payables (excluding statutory liabilities) approximate the fair value.

The fair value of the equity instruments at FVOCI that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business as of the reporting date.

The fair value of the debt instruments at amortized cost that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business as of the reporting date. Fair value of debt instruments at amortized cost measured under Level 1 amounted to \$33.78 million and \$35.33 million, while its carrying amounts are \$33.58 million and \$35.24 million as at December 31, 2025 and 2024, respectively (see Note 9).

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

As at December 31, 2025 and 2024, set out below is table of financial assets measured under Level 1. There has been no transfer from Level 1 to Level 2 or 3 categories in 2025 and 2024.

	2025		
	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Equity instruments at FVOCI	\$20,147,839	\$-	\$-
	2024		
	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Equity instruments at FVOCI	\$18,308,175	\$-	\$-

22. Operating Segment

Operating segments are components of an enterprise for which separate financial information is available that is evaluated regularly by the chief operating decision-makers who are the Chief Executive Officer and Chief Operations Officer, in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the basis that is used internally for evaluating segment performance and allocating resources to segments. The Group only operates in one geographical location, thus, no information on geographical segments is presented.

The Group derives its revenues only from the participating interests in various SCs of the Parent Company and LOGPOCOR, with segment assets and liabilities amounting to \$86.93 million and \$2.08 million, respectively, as of December 31, 2025 and \$86.80 million and \$2.06 million, as of December 31, 2024, respectively. Segment's revenue and net income amounted to \$2.30 million and \$2.68 million, respectively, in 2025, \$3.11 million and \$1.69 million, respectively, in 2024, and \$3.02 million and \$3.90 million, respectively, in 2023. Segment assets and segment liabilities exclude deferred tax assets and liabilities.

23. Subsequent Events

At a meeting held on March 17, 2026, the Board approved the amendment of the Seventh Article of the Parent Company's Articles of Incorporation to remove the classification of its common shares into Class "A" and Class "B".

Under the proposed amendment, the Parent Company's authorized capital stock of ₱2,000,000,000, divided into 200,000,000,000 shares with a par value of ₱0.01 per share, will consist of a single class of common shares, all with the same rights and privileges. Accordingly, the existing classification of common shares into Class "A" and Class "B" will be discontinued.

The proposed amendment is intended to promote market efficiency, transparency, and equitable treatment of shareholders. As of the date of approval of the financial statements, the amendment remains subject to the approval of the relevant regulatory authorities.



MENDOZA

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169
H.V. de la Costa Street, Salcedo
Village, Makati City, 1227 Philippines

(632) 8887-1888 | www.mtco.com.ph

PRC/BOA Accreditation No. 9682
November 22, 2023, valid until
July 18, 2026


SEC Accreditation No. 9862-SEC (Group A)
Issued February 26, 2026
Valid for Financial Periods 2025-2029

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Oriental Petroleum and Minerals Corporation and its Subsidiaries (the Group) as of and for the year then ended December 31, 2025, included in this Form 17-A, and have issued our report thereon dated March 24, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for the purpose of complying with Revised Securities Regulation Code Rule 68 and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

For the Firm: **MENDOZA TUGANO & CO.**


PAMELA GRACE S. TANGSO
Partner
CPA Certificate No. 118635
BOA accreditation No. 9682/P-003
Valid from May 08, 2024 to July 18, 2026
SEC Accreditation No. 118635-SEC (Group A),
February 26, 2026, valid until February 25, 2031
TIN 249-790-835
BIR Accreditation No. 08-008188-003-2024,
December 03, 2024, valid until December 02, 2027
PTR No. 10789462, January 27, 2026, Makati City

March 24, 2026



MENDOZA

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**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY SCHEDULES**

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Oriental Petroleum and Minerals Corporation and its Subsidiaries (the Group) as of and for year ended December 31, 2025, and have issued our report thereon dated March 24, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as of December 31, 2025 and 2024 and for years ended December 31, 2025, 2024 and 2023 and no material exceptions were noted.

For the Firm: **MENDOZA TUGANO & CO.**


PAMELA GRACE S. TANGSO
Partner
CRA Certificate No. 118635
BOA accreditation No. 9682/P-003
Valid from May 08, 2024 to July 18, 2026
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February 26, 2026, valid until February 25, 2031
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December 03, 2024, valid until December 02, 2027
PTR No. 10789462, January 27, 2026, Makati City

March 24, 2026

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES

- A. Financial Assets
 - B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties)
 - C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 - D. Long-term debt
 - E. Indebtedness to Related Parties (Long term Loans from Related Companies)
 - F. Guarantees of Securities of Other Issuers
 - G. Capital Stock
- Annex 68-D. Reconciliation of Unappropriated Retained Earnings Available For Dividend Declaration
- Annex 68-E. Financial Soundness Indicators

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED ON
REVISED SRC RULE 68
DECEMBER 31, 2025

Schedule A. Financial Assets

The Group's financial assets include investments in quoted equity securities and corporate bonds.

Below is the detailed schedule of financial assets in equity securities and corporate bonds of the Group as of December 31, 2025:

Name of Issuing Entity and Association of Each Issue	Amount Shown in Consolidated Statements of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
Debt Instruments at Amortized Cost			
Various	\$33,575,462	\$-	\$2,150,481
Equity Instruments at Fair Value through Other Comprehensive Income			
Various	20,147,839	20,147,839	1,079,451
Total	\$53,723,301	\$20,147,839	\$3,229,932

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (other than related parties)

The Group has no receivable from directors, officers, employees, related parties and principal stockholders above ₱1 million (\$17,010) or 0.01% of total consolidated assets as of December 31, 2025.

Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements

	Balance at beginning of period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at end of period
Linapacan Oil, Gas and Power Corporation	(\$19,671,599)	(\$18,660)	\$-	\$-	\$-	(\$19,690,259)	(\$19,690,259)
Oriental Land Corporation	(6,726)	91	-	-	-	(6,635)	(6,635)
Oriental Mahogany Woodworks, Inc.	79,800	(1,079)	-	-	-	78,721	78,721
	(\$19,598,525)	(\$19,648)	\$-	\$-	\$-	(\$19,618,173)	(\$19,618,173)

Schedule D. Long-term debt

The Group has no long-term debt as of December 31, 2025.

Schedule E. Indebtedness to Related Parties (Long-Term Loans from Related Companies)

The Group has no outstanding liabilities to related parties as of December 31, 2025.

Schedule F. Guarantees of Securities of Other Issuers

The Group does not have guarantees of securities of other issuers as of December 31, 2025.

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued as shown under related statement of financial position caption	Number of shares outstanding as shown under related statement 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 Shares	200,000,000,000	200,000,000,000	196,561,200,000	-	73,312,128,431	3,077,306,448	-

Reconciliation of Retained Earnings Available for Dividend Declaration
For the reporting period ended December 31, 2025

ORIENTAL PETROLEUM AND MINERALS CORPORATION
34th Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City

Unappropriated Retained Earnings, beginning of reporting period per AFS		\$4,701,660
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	–	
Effect of restatements or prior-period adjustments	–	
Others: Realized gain on sale of equity instrument	145,526	145,526
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(1,796,073)	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others: Interest income due to remeasurement of dividends payable – net	–	(1,796,073)
Unappropriated Retained Earnings, as adjusted		\$3,051,112
Add/Less: Net Income (loss) for the current year		2,584,876
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	–	
Unrealized foreign exchange income, except those attributable to cash and cash equivalents	116,638	
Unrealized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Subtotal		116,638
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS:	–	
Sub-total		–
Add: Category C.3: Unrealized income recognized in the profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of Investment Property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	–	
Sub-total		–
Adjusted Net Income/Loss		2,701,513

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)

—

Subtotal

Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of the reporting relief

—

Total amount of reporting relief granted during the year

—

Others

—

Sub-total

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)

(631,821)

Net movement of deferred tax asset not considered in the reconciling items under the previous categories

368,966

Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable
Adjustment due to deviation from PFRS/GAAP - gain (loss)

Others: Impairment loss

192,696

Accretion of interest expense

65,894

Reversal of Provision for Plug and Abandonment

(216,310)

Sub-total

(220,575)

Total Retained Earnings, end of the reporting period available for dividend

\$5,532,050

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES
ANNEX 68-E. SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

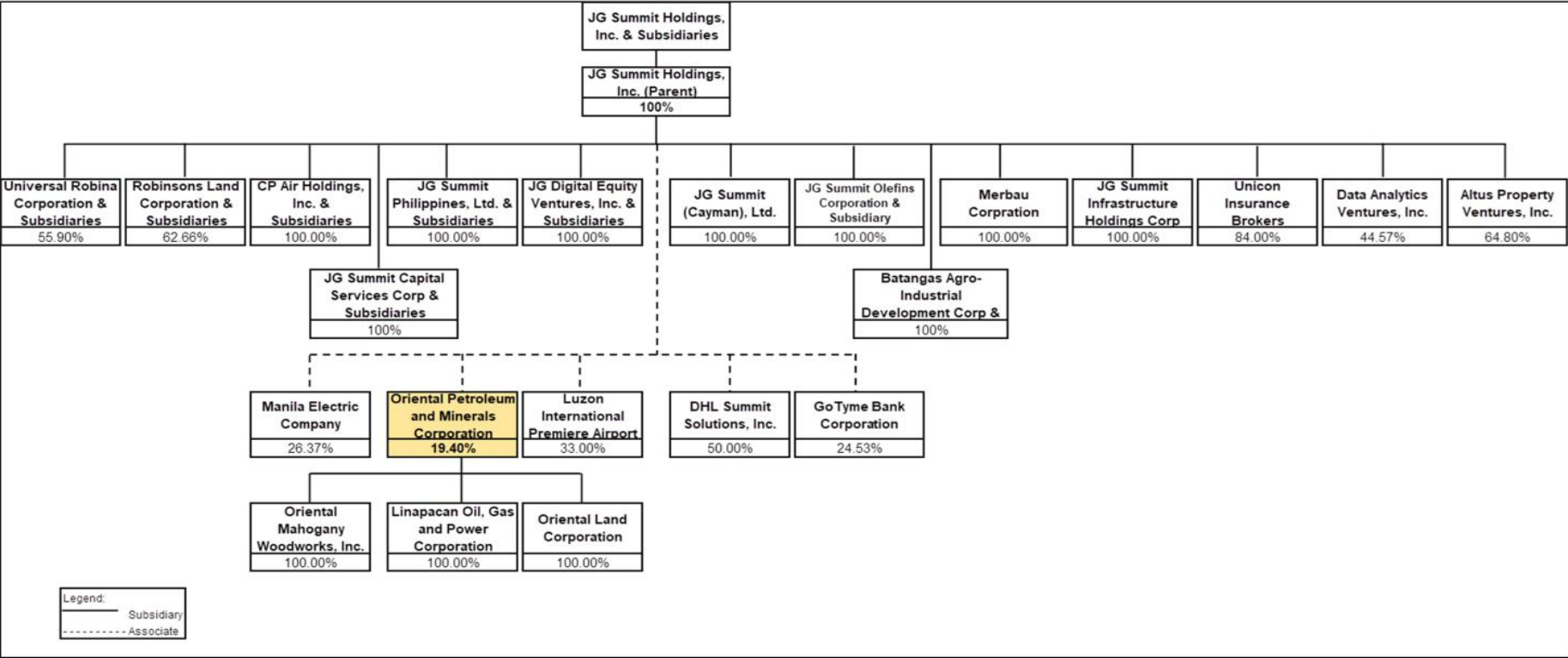
Below are the financial ratios that are relevant to the Group for the years ended December 31, 2025 and 2024:

Financial ratios		2025	2024
Current ratio	$\frac{\text{Current assets (CA)}}{\text{Current liabilities (CL)}}$	30.67:1	30.15:1
Acid test ratio	$\frac{\text{Current assets (CA)} - \text{Inventory} - \text{Prepayments}}{\text{Current liabilities (CL)}}$	30.22:1	29.46:1
Debt-to-equity ratio		Not applicable	
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	1.03:1	1.04:1
Interest rate coverage ratio		Not applicable	
Return on equity	$\frac{\text{Net income}}{\text{Average equity}}$	3.07%	1.94%
Return on assets	$\frac{\text{Net income}}{\text{Average assets}}$	2.96%	1.88%
Gross profit margin	$\frac{\text{Gross income}}{\text{Total revenue}}$	0.03%	15.09%
Net working capital ratio	$\frac{\text{CA} - \text{CL}}{\text{Total assets}}$	0.32:1	0.31:1

ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP

FOR THE YEAR ENDED DECEMBER 31, 2025



ORIENTAL PETROLEUM AND MINERALS CORPORATION AND SUBSIDIARIES

External Auditor Fee-Related Information

DECEMBER 31, 2025

Below are the audit and non-audit fees (exclusive of out-of-pocket expenses and VAT) of the Group for the years ended December 31, 2025 and 2024:

	2025	2024
Total audit fees	\$8,505	\$9,653
Non-audit service fees		
Agreed upon procedure services – Tabulation of votes	680	698
Total audit and non-audit fees	\$9,185	\$10,351

Oriental Petroleum and Minerals Corporation

2025 Sustainability Report in Compliance
with the SEC Sustainability Reporting
Guidelines for Publicly Listed Companies

Contextual Information

Company Details	
Name of Organization	Oriental Petroleum and Minerals Corporation (OPMC)
Location of Headquarter	34 th Floor Robinson's Equitable Tower, ADB Avenue, Ortigas Center, Pasig City
Location of Operations	<ul style="list-style-type: none"> Active Petroleum Service Contracts in Offshore Northwest Palawan Nickel Laterite Exploration in Libjo, Dinagat Islands
Report Boundary: Legal Entities included in this report*	Oriental Petroleum and Minerals Corporation
Business Model, including Primary Activities, Brands, Products and Services	<ul style="list-style-type: none"> Oil and Gas Exploration and Production Nickel Laterite Exploration
Reporting Period	January 1, 2025 to December 31, 2025
Highest Ranking Person responsible for this report	Ma. Riana C. Infante Chief Finance Officer and Compliance Officer

*If you are a holding Company, you could have an option whether to report on the holding Company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.

Materiality Process

Explain how you applied materiality principle (or the materiality process) in identifying your material topics
<p>Oriental Petroleum and Minerals Corporation is a publicly- listed Company which undertakes upstream petroleum operations in offshore North West Palawan, Philippines and nickel laterite exploration in Libjo, Dinagat Islands. OPMC has Joint Venture Partnerships to perform petroleum activities in Cadlao and West Linapacan Oil Field.</p> <p>Materiality assessment in defining the content of this report was done based on the Company's 56 years of experience in the oil and gas industry and 5 years in Nickel Laterite Exploration. The Company identified key areas that are materially relevant for a sustainable operation and that will give long term value creation to its stakeholders. It acknowledges the risk involved in this industry thus, strategic partnerships are well evaluated to ensure that work program and budgets are carried out as planned.</p>

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount (in thousands)	Units
Direct Economic Value Generated (revenue)	2,298	US\$
Direct economic value distributed:		
a. Operating costs	1,868	US\$
b. Employee Wages and Benefits	589	US\$
c. Payments to suppliers, other operating costs	715	US\$
d. Dividends given to stockholders	1,796	US\$
e. Taxes given to government	789	US\$
f. Investments to community (e.g donations, CSR)*	16,380	PHP

*Galoc Consortium's 2025 CSR in Palawan and Libjo Nickel Project 2-year Community Development Program

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
As a pioneer in oil and gas exploration in the Philippines, OPMC has played a meaningful role in the early development of the country's petroleum industry. Through its various Joint Ventures, the Company has participated in the exploration and development of oil fields that have generated economic value not only for the organization but also for key stakeholders, including the government. These activities have contributed to national energy development, employment, and created opportunities for local communities where operations are undertaken.	<ul style="list-style-type: none"> - Stockholders - Employees - Community - Government 	<p>AS OPMC starts its sustainability journey, the Company is progressively integrating Environmental, Social, and Governance (ESG) principles into its strategic direction, ensuring that growth initiatives are aligned with environmental stewardship, social responsibility, and regulatory compliance with government policies.</p> <p>Moreover, the management is prioritizing the development of internal ESG capabilities. The sustainability team is being equipped with the fundamentals of sustainability reporting through targeted webinars,</p>

<p>As OPMC expands into nickel laterite exploration, it remains firmly anchored in its commitment to sustainability and responsible resource development. Recognizing the inherently extractive nature of mining, the Company places strong emphasis on minimizing environmental impacts and safeguarding the welfare of host communities. OPMC is integrating Environmental, Social, and Governance (ESG) principles into its exploration approach—prioritizing environmental stewardship, community engagement, and transparent governance—to ensure that its operations create shared value while preserving ecological integrity for future generations.</p>		<p>training programs, and field exposure. These capacity-building efforts are intended to strengthen the Company’s ability to familiarized with recognized sustainability frameworks, enhance transparency and accountability, and support informed decision-making that delivers long-term value for both stakeholders and the environment.</p>
<p>What are the risk/s identified?</p>	<p>Which stakeholders are affected?</p>	<p>Management Approach</p>
<p>For the year 2025, the risks identified were the following:</p> <ol style="list-style-type: none"> 1. Decline in production rates in the Galoc Oilfield as a result of natural decline in the oil reservoir. 2. Market price volatility 3. Expiration of Service Contracts. 4. Regulatory uncertainty 5. Environmental disturbance <p>The decline in production which was also the same risk identified since 2022, is the result of decreasing reserve</p>	<ul style="list-style-type: none"> - Stockholders - Customers - Employees - Government 	<p>In order to mitigate the risks, the Company, together with its partners in the Consortia, continues to explore ways to enhance oil recovery.</p> <p>This includes studies on drilling new wells and re-development of other oilfields such as the West Linapacan Oilfield and Cadlao Oilfield.</p> <p>In 2022, the operator of Cadlao Oilfield together with the JV partners, started to plan the drilling of Cadlao-4, which aims to revive the oil production in the field. The operator also sought the approval of the Department of Energy regarding Cadlao-4 drilling and Extended Well Test.</p>

<p>and pressure within the oil reservoir. This is common in mature oilfields. Efforts were made by NPG (Galoc Oilfield operator) to increase the production rates by restarting the G4 well. However, in October 2021, G4 well failed to restart on its own. In 2022, G3 well also ceased production due to low flow rates</p>		<p>Fluctuating oil prices and fears of global recession, OPMC and JV Partners has managed to combat these thru renegotiating key contracts and organizational restructuring to deliver significant cost savings, thus reducing the operational expenses.</p> <p>To mitigate regulatory uncertainty and support uninterrupted operations, OPMC maintains proactive engagement with relevant government agencies. The Company closely monitors policy developments, ensures timely compliance with regulatory requirements, and actively participates in public consultations to remain informed of evolving frameworks and industry expectations.</p> <p>With the recent commencement of OPMC's nickel laterite exploration, environmental risks have become increasingly relevant. OPMC is committed to managing these risks through strict compliance with applicable regulations and the adoption of industry and internationally recognized standards. Through these measures, OPMC aims to avoid or minimize impacts on land, water resources, and biodiversity while ensuring responsible and sustainable exploration practices.</p>
<p>Volatile oil prices were still observed in 2025. Brent crude oil averaged approximately at US\$68–69 per barrel, reflecting downward pressure from a global supply surplus, increased output from non-OPEC+ producers, and moderating demand growth across major economies. Market volatility remains elevated, driven by ongoing geopolitical uncertainties, potential supply disruptions, and shifting macroeconomic conditions.</p>		
<p>On the other hand, nickel prices in 2025 have stayed relatively low, typically fluctuating within a narrow range per ton due to significant oversupply from Indonesia and slower-than-expected demand growth. Although there was a short-lived increase in prices early in the year, this uptick was not sustained.</p>		
<p>Service Contract (SC) 6B (Cadlao) expired in February 2024, while SC 14C1 and SC 14C2 both expired in December 2025. These expirations present a potential risk to the continuity</p>		

<p>of production from existing operating fields, as well as to the development of prospective producing assets.</p>		
<p>What is/are the opportunity/ies identified?</p>	<p>Which stakeholders are affected</p>	<p>Management Approach</p>
<p>In 2023, the Department of Energy issued a new department circular for expiring mature service contracts with proven producible reserves. The DC would allow the award of the expired SC to the previous operator given that pertinent documents will be submitted and complied.</p> <p>In addition, OPMC is continuously looking for possible partnerships to explore and develop a potential petroleum area through participating technical data viewing in areas offered for partnerships.</p> <p>Acquisition of new petroleum areas may lead to the discovery of profitable oilfields can help in sustaining the country's growing energy demand.</p> <p>Aside from this, OPMC recently ventured into nickel laterite exploration. The growing demand for nickel has elevated the prices for the past years. Diversification into other resources aside from oil and gas would open new opportunities, platform to promote sustainable development and new host communities to foster.</p>	<ul style="list-style-type: none"> - Stockholders - Customers - Government - Community - Employees 	<p>The management has been very supportive in the Company's pursuit to venture in new oil and gas fields in the Philippines and potential nickel laterite prospects by providing financial, legal and technical assistance needed to participate in these ventures.</p>

Climate- related risks and opportunities

OPMC is a Joint Venture Partner of NPG Petroleum Ltd. (Service Contract Operator) in an Oil Producing Field located in offshore Northwest Palawan known as the Galoc Field Area Development Project or the GFAD Project. It started operations in 2008 and as of **December 2025, it has produced an estimated 24.8 million barrels of oil**. The oil is produced by utilizing a ship known as Floating Production Storage and Offloading (FPSO).

The Galoc reservoir contains both oil and associated gas. During the oil extraction, NPG usually flares the gas. Flaring of the gas releases methane and carbon dioxide, which are major greenhouse gases. These gases are the major contributor of global warming leading to climate change.

In relation to this, the consortium is continuously looking into different new technologies to minimize the effects of flaring especially to climate change.

Procurement Practices – Not material

Proportion of spending in local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	0	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No identified material risks.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Anti- corruption – not material

Training on Anti- corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to		%
Percentage of business partners to whom the organization's anti- corruption policies and procedures have been communicated to		%
Percentage of directors and management that have received anti- corruption training		%
Percentage of employees that have received anti-corruption training		%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No identified material risks.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Incidents of Corruption – The Company has no reported incidents of corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	None	%
Number of incidents in which employees were dismissed or disciplined for corruption	None	%
Number of incidents when contracts with business partners were terminated due to incidents of corruption	None	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No material risk identified.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Explanation:

The Company and its employees have always been transparent in all their dealings with the partners, government agencies and other stakeholders. As indicated in the Company's Revised Corporate Governance Manual, the Board shall set the tone and make a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct. The same shall be disseminated to all employees across the Corporation through trainings to embed them in the Company's culture.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	8,974.85 ^[3]	Liters
Energy consumption (LPG)	163.2 ^[4]	Liters
Energy consumption (diesel)	10,695.07 ^[1]	GJ
Energy consumption (electricity)	3,788	kWh
Energy consumption (natural gas)	60,563.90 ^{[1][2]}	GJ

[1] Value converted from MMBTU to GJ as per data provided by NPG.

[2] Natural Gas value instead of LPG.

[3] Gasoline allowance of OPMC head office employees + Gasoline consumption in Dinagat Basecamp

[4] LPG gas tank consumption in Dinagat Base Camp

Reduction of energy consumption:

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	0	GJ
Energy reduction (diesel)	0	GJ
Energy reduction (diesel)	0	kWh
Energy reduction (gasoline)	0	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Since the Galoc production facility is located offshore, the energy consumption for the FPSO operations is not from the national grid. Much of the energy consumption is through diesel combustion using generators and natural gas to power the whole production facility.</p>	<ul style="list-style-type: none"> - Field employees - OPMC head office employees 	<p>The management also decided that aside from extracting energy from diesel combustion, part of the produced gas associated with oil production will also be used for power generation of certain facilities in the FPSO to minimize diesel combustion.</p>
<p>In the Dinagat Basecamp, a transport vehicle is used to transport the exploration team from the basecamp to the permit area. This consumes gasoline. Moreover, meals of the technical team are prepared in the basecamp, thus the consumption of LPG.</p>		

In the OPMC head office, the hybrid set up minimizes energy consumption in the office due to limited on- site workforce per day.		
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
-	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Explanation:

In Petroleum Service Contracts, it is the Operator of a Service Contract (SC) who secures the rights to explore and extract a petroleum area. At present, the only producing oilfield where the Company is a member of is the Galoc Oilfield also known as SC-14C1, where NPG is the Operator. As the Operator of SC-14C1, NPG has commitments to practice environmental and social sustainability in compliance with their Environment Compliance Certificate and Environmental Management Plan. NPG submits quarterly and annual reports to the Department of Environment and Natural Resources – Environment Management Bureau (DENR- EMB) such as Compliance Monitoring Report and Self-Monitoring Reports which present and discuss NPG’s quarterly energy consumption. The Floating Production Storage and Offloading (FPSO) which is basically a marine vessel in the middle of the sea, utilizes generators powered by diesel to be able to generate electricity and support the electrical needs of the production facility and the accommodation units. Moreover, diesel is needed to run the vessel.

Water consumption within the organization:

Disclosure	Quantity	Units
Water Withdrawal	0	Cubic meters
Water consumption	325	Cubic meters
Water recycled and reused	0	Cubic meters

[1] Water consumption in Dianagat Basecamp

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>For the Galoc operation, resource management such as water and energy consumptions, is being managed by the Operator of the Service Contract. It is a common practice in the petroleum industry to have a water maker that would usually convert seawater to potable water. Recycling of water is also necessary especially for offshore production where supply of readily available potable water is limited.</p>	<ul style="list-style-type: none"> • Field employees • OPMC head office employees 	<p>Management ensures that water is conserved effectively by continuously promoting responsible practices among employees—such as turning off water sources when not in use, reusing water whenever feasible, and promptly identifying and addressing any leaks.</p>
<p>At the Dinagat basecamp, water is sourced from a local distributor on Dinagat Island and is utilized for essential daily needs such as cooking, bathing, and washing.</p>		
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
<p>Since Dinagat is an island province, dependence on a single local water distributor may lead to shortages or interruptions in supply. Any water shortage or contamination could disrupt camp operations and employee welfare.</p> <p>Moreover, inefficient use of water for daily activities (cooking, bathing, washing) may lead to excessive consumption.</p> <p>Undetected leaks or improper handling may also result in unnecessary water loss.</p>	<ul style="list-style-type: none"> • Field employees • OPMC head office employees 	<p>Promoting water conservation practices among employees fosters a culture of sustainability</p>

What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
Promoting water conservation practices among employees fosters a culture of sustainability.	<ul style="list-style-type: none"> Field employees OPMC head office employees 	Management supports conservation practices in the office and in the field

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight		
<ul style="list-style-type: none"> Renewable 	0	Cubic meters
<ul style="list-style-type: none"> Non- renewable 	0	Cubic meters
Percentage of recycled input materials used to manufacture the organization's primary products and services	0	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No identified material risk.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Explanation:

NPG, being the Operator of SC-14C, plans the activities in the GFAD. Each equipment and materials in the FPSO undergone technical evaluation and is designed accordingly for the safety and well- being of the production facilities and the FPSO. The management of the renewable and non- renewable resources in the FPSO is duly managed by NPG.

Ecosystems and biodiversity (whether in upland/ watershed or coastal/marine

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Please see explanation below	
Habitats protected or restored	None	ha
Water recycled and reused	0	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable

What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No identified material risk.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

Explanation:

The Galoc Oilfield is located in offshore Northwest Palawan. They are about 25-km from El Nido, which is a famous tourist spot in the Philippines. However, the field located anywhere near a protected site or areas of high biodiversity. In fact, during the last underwater survey done during the recent decommissioning and abandonment of the Nido and Matinloc Platforms in the Nido-Matinloc Oilfield, Philodrill, the Service Contract Operator, found that coral reefs bloomed in the legs of the platforms and many marine animals are dwelling within the platforms. These are proofs that the water column is healthy and habitable. There were also plans that these platforms can be used for recreational diving sites in the future. Moreover, before awarding the service contract, protected sites are being identified and carved out by the DOE from the service contract. Thus, protected areas are not included within the service contract areas.

Environmental Impact Management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (scope 1) GHG Emissions -	125,348.48 ^{[4][5]}	Tonnes
Energy indirect (Scope 2) GHG Emissions	450.33 ^[6]	Tonnes
Emissions of ozone- depleting substances (ODS)	0	Tonnes

[4] Combined values of CO₂, N₂O, and CH₄ emitted from the flaring facility and fuel combustion

[5] Emission rate estimates of the GFAD Floating Production Storage Offloading (FPSO) Vessel for the year 2025

[6] Combined values of CO, NO, and non methane VOCs from the flaring facility and fuel combustion

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Associated gas in oil production is usually being flared (burn away the gas) in the flaring facility and fuel combustion are categorized as Direct (Scope 1) GHG emission. The Consortium, during the commencement of the production stage, decided to flare the associated gas for it is in minimal quantity and uneconomical. Moreover, processing the gas will also	<ul style="list-style-type: none"> • JV Consortium • Field Employees • Government • Community 	The Service Contract Operator regulates the emission of Scope 1 and 2 on a daily basis by providing a Daily Production Report to the JV partners and the Department of Energy (DOE). The Operator ensures that daily gas emissions are acceptable and compliant with its Environmental Compliance Certificate issued by the

need a different production facility aside from the existing oil facility.		Department of Environment and Natural Resource (DENR).
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
<p>Unregulated GHG emissions can lead to unacceptable values of GHG that are not compliant to the project's ECC and would result into fines and penalties from the DENR. Moreover, too much GHG emission can accelerate global warming that can lead to human- induced climate change.</p> <p>Flaring of gas, and production of oil in general, is considered as a very high-risk process when it comes to safety and hazard. One unsafe act can lead to a chain of unfortunate events and can endanger the entire production facility and all crew onboard. Damaging the production facility can lead to oil leaks/ spill.</p>	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	<p>The consortium is continuously looking into different new technologies to minimize the effects of flaring especially to climate change.</p> <p>The Consortium strictly ensures the safety of all its field employees. Survival measures are being implemented in the FPSO by giving proper safety training to its crew as well as posting of safety warnings in the FPSO.</p>
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
<p>There have been various innovations in the oil and gas industry that aims to minimize the emission of harmful air pollutants.</p>	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	<p>The JV Consortium has been very supportive in pursuing alternative ways to attain a sustainable energy that would promote less harmful gases and air pollutant emissions.</p>

Explanation:

NPG submits its quarterly and annual reports to the Department of Environment and Natural Resources – Environment Management Bureau (DENR- EMB) such as Compliance Monitoring Report and Self- Monitoring Reports which present and discuss the potential air and water pollutants. In the oil and gas industry, flaring is usually done, and it releases methane and carbon dioxide, which are the major greenhouse gases. NPG declares its Greenhouse gas emission on its quarterly and annual report.

Air Pollutants

Disclosure	Quantity	Units
NOx	61.80 ^[7]	tons
Sox	0.01 ^[8]	tons
Persistent organic pollutant (POPs)	0	tons
Volatile Organic Compounds (VOCs)	88.42 ^[9]	tons
Hazardous air pollutants (HAPs)	300.11 ^[10]	tons
Particulate Matter (PM)	0.46	tons

[7] Combined values of NOx emitted from the flaring facility and fuel combustion

[8] Combined values of SOx emitted from fuel combustion

[9] VOC from flaring facility

[10] Carbon Monoxide as Hazardous Air Pollutant

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The air pollutants are the combined values of the emissions from the flaring facility and the fuel combustion in the FPSO. Some of the air pollutants are dissolved within the hydrocarbons or sometimes the by-product of the hydrocarbon extraction.	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	The Operator strictly regulates and reports the emission of air pollution on a quarterly and annual basis by providing a Compliance Monitoring Report and Self-Monitoring Reports to the DENR and the DOE. The management ensures that air pollutant emissions are acceptable and compliant with its Environmental Compliance Certificate issued by the DENR.
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
Unregulated air pollutant emissions can lead to unacceptable values above the required standards set by the DENR and as stated in the project's ECC. This would result into fines and penalties from the DENR.	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	The Operator has set up competent team and uses advanced technologies to be able to strictly regulate the air pollutant emissions from the FPSO. It also submits quarterly and annual Compliance Monitoring Report and Self-Monitoring Reports to the DENR and the DOE to declare its quarterly and annual total air pollutants emission.
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
There have been various innovations in the oil and gas industry that aims to	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	The JV Consortium has been very supportive in pursuing alternative ways to attain a sustainable energy

minimize the emission of harmful air pollutants.		that would promote less harmful gases and air pollutant emissions.
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Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total Solid Waste Generated	235,500 ^[11]	kg
Reusable	16,500 ^[12]	kg
Recyclable	141,500 ^[13]	Kg
Composted	0	Kg
Incinerated	0	Kg
Residuals/ Landfilled	77,500	kg

[11] Data provided by NPG/ m3 converted to kg

[12] Carton boxes and wooden pallets

[13] Plastics and Metals

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The FPSO facilities generates waste from packaging materials necessary in the operation such as food waste, plastics, metals, carton boxes, glass, rags, wooden pallets, and bottles.	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	Wastes are segregated through trash bins labelled as Biodegradable and Non-Biodegradable. Since the facility is located offshore, the waste cannot be disposed directly into the sea, for it will violate environmental laws. Instead, the wastes were being stored in a waste facility in the FPSO to be later on collected by a supply vessel whenever there will be a delivery of goods. The wastes will be sorted out based on its category such as bottles, plastics, glass etc.
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
Improper disposal of solid wastes from the FPSO can cause pollution to the ocean and may lead to filing of fines and penalties by the DENR.	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community 	The Operator is strict about solid waste disposal by having trash bins in designated areas in the FPSO especially in the accommodation unit where most of the crew eat and stay. Moreover, a breakdown of solid wastes generated in the FPSO are incorporated in the quarterly and annual

		Compliance Monitoring Report and Self-Monitoring Reports to the DENR and the DOE.
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
Sustainable proper waste disposal can be achieved by recycling and adapting new technologies to reduce solid waste.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	The Operator regularly monitors solid waste generation and disposal in the FPSO and are open to finding alternative ways to enhance sustainable solid waste management.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	33.025 ^[13]	tons
Total weight of hazardous waste transported	23.147 ^[14]	tons

[13] Data provided by NPG

[14] Total weight of hazardous waste transported and disposed

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Hazardous wastes generated during operation in the FPSO include oil waste, oil-contaminated materials, wastes with lead and mercury compounds, pathological or infectious wastes, explosives and expired medicines.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	Hazardous wastes are being collected by supply vessels and are properly handled until the final disposal facility.
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
Improper handling of hazardous wastes from the FPSO can cause pollution to the ocean and may lead to filing of fines and penalties by the DENR.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	The Operator is strict about hazardous waste disposal and regularly reports its generated wastes in the FPSO in the quarterly and annual Compliance Monitoring Report and Self-Monitoring Reports to the DENR and the DOE.
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
Sustainable hazardous waste disposal can be achieved by recycling and adapting new technologies to reduce hazardous waste.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	The Operator regularly monitors hazardous waste generation and disposal in the FPSO and are open to finding alternative ways to

	<ul style="list-style-type: none"> Oil and gas industry 	enhance hazardous waste management.	sustainable waste
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Effluents

Disclosure	Quantity	Units
Total volume of water discharges	4,813,406.37 ^[13]	Cubic meters
Percent of wastewater recycled	0	%

[13] Data provided by NPG

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Effluents from the FPSO includes Produced Formation Water (water from the underground oil reservoir), Wash Water (vessel washings), Cooling Water from the engine room, and cooling water from the process area.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	Produced Formation Water with >15 ppm oil content is either diverted to the cargo tank (if oil content is very high) and/or directed to the oily water tank (slopy tank). In due time, oil in the slop tank separates and floats on top of the water layer. The relatively oil- free water is flowed to the clean water slop tank and is re-processed for overboard disposal, while the accumulated oil is flowed to the cargo tank (as part of the crude product). If the produced water is <15 ppm oil content, it is being discharged overboard. An alarm system or a full- time technician diverts the produced water to the slop tank if the oil content is greater than 15 ppm.
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
Improper handling of effluents can lead to unwanted disposal of untreated waste water directly into the ocean.	<ul style="list-style-type: none"> JV Consortium Field employees Government Community 	The Operator strictly regulates and reports the total discharged water and effluents on a quarterly and annual basis by providing a Compliance Monitoring Report and Self- Monitoring Reports to the DENR and the DOE. The management ensures that effluents are acceptable and compliant

		with its Environmental Compliance Certificate issued by the DENR.
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
The Consortium is constantly on the lookout and open to adopting demonstrated good practice on effluent handling and disposal.	<ul style="list-style-type: none"> • JV Consortium • Field employees • Government • Community • Oil and gas industry 	The Operator strictly regulates the total discharged water and effluents to ensure compliance with the standards set by the DENR.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/ or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/ or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
No material impact.	Not applicable	Not applicable
What are the risk/s identified?	Which stakeholders are affected?	Management Approach
No material risk identified.	Not applicable	Not applicable
What are the opportunity/ies identified?	Which stakeholders are affected	Management Approach
No identified opportunities.	Not applicable	Not applicable

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee Data – Represents the Company’s employees only. Does not include employees of other Joint Venture Partners and Contractors.

Disclosure	Quantity	Units
Total number of employees	17	
a. Number of female employees	7	#
b. Number of male employees	10	#
Attrition rate	0%	Rate
Ratio of lowest paid employee against minimum wage	0	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	100%	100%
Philhealth	Y	100%	100%
Pag-ibig	Y	100%	100%
Parental Leaves	Y	0	0
Vacation Leaves	Y	100%	100%
Sick Leaves	Y	100%	100%
Medical Benefits (aside from Philhealth)	Y	0%	0%
Retirement Fund (aside from SSS)	Y	0%	0%
Further education support	N		
Company stock options	N		
Telecommuting	Y		
Flexible- working hours	Y	100%	100%
Other Benefits:			
Rice Subsidy	Y	87.5%	67%
Uniform Allowance	Y	87.5%	67%
Christmas Allowance	Y	87.5%	67%

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
Employee benefits are key factors in building a stable, motivated and highly efficient workforce in an organization.	The Company regularly updates its employee benefits package to align with the industry and adapt to the needs of its employees.
What are the risk/s identified?	Management Approach
One of the risks identified is the competition with other multinational oil companies here and abroad.	The Company aims to retain talents by providing competitive compensation package and other benefits that are essential in the current business situation. Also, the Company encourages its staff to take technical trainings that will equip them with proper knowledge as they take on their task.

What are the opportunity/ies identified?	Management Approach
A well-designed compensation package is a strategic tool in attracting and maintaining strong and loyal workforce.	OPMC continues to improve its employee benefits to adapt to the needs of its employees without sacrificing the Company's goals.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	140.0	Hours
b. Male employees	65.5	Hours
Average Training hours provided to employees		
a. Female employees	28.0	Hours/ employee
b. Male employees	21.8	Hours/ employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The training and development the Company provides to its employees build employees' skills and confidence in performing their roles in the Company. This in turn help the Company achieve its goals efficiently.	The Company encourages its employees to attend trainings and seminars that will help them enhance their skill-sets or learn a new skill.
What are the risk/s identified?	Management Approach
Possible employee poaching from other industry players.	The Company believes that an attractive compensation package coupled with flexible working arrangement is effective in maintaining talents.
What are the opportunity/ies identified?	Management Approach
With the emergence of digitalization, trainings and seminars are now more accessible thru online workshops.	The Management will continue to provide tools in order for its employees to take advantage of the online trainings and seminars.

Labor- Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	None	%
Number of consultations conducted with employees concerning employee- related policies	None	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
No material impact.	Not applicable
What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunity/ies.	Not applicable

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of Female workers in the workplace	41.18	%
% of Male workers in the workplace	58.82	%
Number of employees from indigenous communities and/ or vulnerable sector*	2	# of elderly

Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company builds a fair and high-performing workforce thru diversity and equal opportunity for all its employees.	OPMC conducts its hiring process based on the applicants' qualifications that match the Company's requirements. Compensation and benefits are also based on merit and benchmarked with industry rates.
What are the risk/s identified?	Management Approach
The Company identified lack of technical employees/experts in the field of Geology as a risk.	The Company encourages its Geologist to develop their talents through trainings and collaboration with other peers in the industry.
What are the opportunity/ies identified?	Management Approach
Access to Consultants in the industry as an opportunity for the Company to enhance its technical capabilities.	The Company has been looking for opportunities to expand its technical group. This opens the opportunities to meet with Consultants and experts in the industry. The Company in its best efforts will contract with potential Consultants that will help strengthens the Company's technical team.

Workplace conditions, Labor Standards, and Human Rights

Occupational Health and Safety:

Disclosure	Quantity	Units
Safe Man- Hours	29,288	Man-hours
No. of work- related injuries	0	#
No. of work- related fatalities	0	#
No. of work- related ill- health	0	#
No. of Safety Drills	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Occupational health and safety affect the welfare of OPMC's employees in their performance of their roles.	The Company recognizes its statutory responsibility to provide

	<p>healthy and safe working environment to its employees.</p> <p>Please see: https://opmc.com.ph/corporate-governance/Company-policies/#HealthSafetyWelfare</p> <p>https://opmc.com.ph/corporate-governance/company-policies/stakeholders-health-safety-and-welfare/</p> <p>or</p> <p>https://opmc.com.ph/corporate-governance/company-policies/code-of-business-conduct-and-ethics/</p>
What are the risk/s identified?	Management Approach
<p>The Company identified the following risks:</p> <ul style="list-style-type: none"> • Work-related injuries that may cause permanent or temporary disability or fatality • Occurrence of Fire or Earthquake emergencies 	<p>Please see: https://opmc.com.ph/corporate-governance/Company-policies/#HealthSafetyWelfare</p> <p>https://opmc.com.ph/corporate-governance/company-policies/stakeholders-health-safety-and-welfare/</p>
What are the opportunity/ies identified?	Management Approach
No identified material opportunities	Not applicable

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	Man-hours

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g harassment, bullying) in the workplace?

Topic	Y/N	If yes, cite reference in the Company policy
Forced Labor	N	
Child Labor	N	
Human Rights	N	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The topic impacts the welfare of the employees as they are hired and work for the Company.	The Company complies with all the applicable laws and regulations on employees' welfare, the Labor

	Code, and has grievance and communication mechanisms in place. The Company however, is still in the process of crafting its human rights policies.
What are the risk/s identified?	Management Approach
Though there were no reports, OPMC has identified as risk, potential human rights and labor violations within the Company.	The Company complies with all the applicable laws and regulations on employees' welfare, the Labor Code, and has grievance and communication mechanisms in place.
What are the opportunity/ies identified?	Management Approach
No material opportunities identified	Not applicable

Supply Chain Management – not material

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If yes, cite reference in the supplier policy
Environmental performance		
Forced labor		
Child Labor		
Human Rights		
Bribery and corruption		

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
No material impact.	Not applicable
What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunities.	Not applicable

Relationship with Community – not material

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operated)	Location	Vulnerable Groups (if applicable)*	Does this particular operation have impacts in indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

For operations that are affecting IPs, indicate total number of Free and Prior informed Consent (FPIC) undergoing consultations and certification preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____

Disclosure	Quantity	Units
FPIC process is still undergoing		#
CP secured		#

What are the risk/s identified?	Management Approach
Please see explanation below	
What are the opportunity/ies identified?	Management Approach
Please see explanation below	

Explanation:

Despite the Covid-19 Pandemic, the SC-14C Galoc Consortium, where the Company is a partner of, thru NPG as an operator, continued to extend its help to the community. The Consortium was able to implement the following projects that supports health, livelihood and education in the local communities of Culio, Busuanga and Linapacan.

Education:

- Solar Powered E- TV Educational Package
- Trainings for Teachers
- Library rehabilitation
- Constructions of Classrooms
- Construction of Laboratory House for students

Livelihood:

- Water access Project and Manpower Development Skills Training
- Donation of Gensets
- Construction of Eco- Tourism Center
- Water System Project in Busuanga

Health:

- Solar Electrification of Health Center

- Donation of Medical Equipment

Customer Management – not material

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction		

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
No material impact.	Not applicable
What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunities.	Not applicable

Health and Safety – not material

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety		#
No. of complaints addressed		#

* Substantiated complaints include complaints from customers that went through the organization’s formal communication channels and grievance mechanism as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
No material impact.	Not applicable
What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunities.	Not applicable

Marketing and labelling – not material

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*		#
No. of complaints addressed		

* Substantiated complaints include complaints from customers that went through the organization’s formal communication channels and grievance mechanism as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Management Approach
No material impact.	Not applicable

What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunities.	Not applicable

Customer privacy – not material

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*		#
No. of complaints addressed		
No. of customers, users and account holders whose information is used for secondary purposes		

* Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanism as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
No material impact.	Not applicable
What are the risk/s identified?	Management Approach
No identified material risk/s.	Not applicable
What are the opportunity/ies identified?	Management Approach
No identified material opportunities.	Not applicable

Data Security – Data Privacy Act

Disclosure	Quantity	Units
No. of breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
It is essential to protect the data privacy of the company's employees, investors and other stakeholders as it strengthens trust and shield the company from legal and reputational damage.	The Management adheres to the conditions set forth in the Data Privacy Act of 2012 or RA 10173.
What are the risk/s identified?	Management Approach
The risks in case there would be violation of data privacy may include reputational damage, financial loss and legal issues.	The Management adheres to the conditions set forth in the Data Privacy Act of 2012.
What are the opportunity/ies identified?	Management Approach
Adhering to the Data Privacy Act is an opportunity to continue to build the trust of the company's investors which will help the business grow.	The Management adheres to the conditions set forth in the Data Privacy Act of 2012.



Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development

Key Products and Services	Societal Value/ Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative
Oil & Gas Exploration and Production	<p>SDG 3: Good Health & Well-Being</p> <p>OPMC adheres to strict implementation and compliance of safe and healthy operations, both in the oil and mineral sector.</p> <p>In 2025, OPMC maintained zero (0) loss time incident in its Libjo Nickel Project with a total working hours of 19,134. Daily Safety meetings were conducted and proper Personal Protective Equipment were given prior to field deployment. Meanwhile in the Galoc Oilfield operations, there is also no reported LTI with a total working hours of 168,546.</p> <p>Moreover, OPMC through the Galoc Field Area and Development (GFAD) was able to provide Basic Emergency Obstetric and Newborn Care (BEMONC) to Culion Municipal Health and Nutrition Office (MHNO).</p>	<p>Petroleum Service Contracts have only 50 years validity, once the terms have expired, the production of the field will cease and the contractor will rehabilitate and abandon the area. The abandonment of the field will lead to the cessation of the scholarship and educational assistance, for these are included within the service contract as contractor's obligation and commitment.</p>	<p>OPMC, together with other petroleum companies are hand in hand in their continuous efforts to explore and develop new oil and gas fields to be able to secure new service contract and provide sustainable quality education. Moreover, OPMC is diversifying its portfolio through applying for exploration permits to explore potential nickel laterite prospects. New mineral permits would allow new social development programs that will provide education assistance, livelihood program, employment and environment protection to the host communities.</p>
Nickel Laterite Exploration			

	<p>SDG 4: Quality Education</p> <p>OPMC has been a long-time partner of oil and gas contractors in providing sustainable quality education especially to remote areas in northern Palawan such as the municipalities of Cullion, Busuanga and Linapacan through donation of Solar Powered E-TV Educational Package, Starlink Internet Sets, providing trainings for teachers, constructions of Classrooms and Laboratory house and rehabilitation of libraries.</p> <p>At present, the Consortium is supporting the construction of a one-classroom school building in Brgy. Maglalambay, Busuanga Island, further strengthening its commitment to improving educational infrastructure in the area.</p>		
	<p>SGD 5: Gender Equality</p> <p>Although the oil and gas industry are mainly dominated by male, the company ensures equal opportunity for all genders. The company puts priority in the assessment of all qualified applicants based on their technical and professional skills regardless of gender, age, race, religion or origin.</p>		
	<p>SGD 6: Clean Water & Sanitation</p>		

	<p>In 2024, the GFAD successfully completed its Water System Project in Busuanga, Palawan as part of its commitment to site-specific social responsibility to help improve the lives of island communities.</p> <p>This initiative aims to supply the community with clean and safe water, addressing the urgent need for potable water in households while supporting public health. By ensuring dependable access to safe water, the project not only benefits local residents but also supports the tourism sector, reflecting the consortium's commitment to improving quality of life and fostering sustainable development in its project areas.</p> <p>In addition, the consortium, through NPG, conducted a two-day Capacity Building Workshop on Oil Spill Response Awareness in Coron last 2024. The training was attended by members of the Municipal Disaster Risk Reduction and Management Offices (MDRRMOs) from the municipalities of Busuanga, Culion, and Linapacan. The workshop aimed to equip participants with practical skills and response strategies for</p>		

	<p>oil spill incidents. It also highlighted the use of improvised oil spill response equipment utilizing locally available resources and emphasized prompt actions to help reduce potential environmental impacts.</p> <p>The consortium's operations in Galoc follow established standards for environmental and social sustainability.</p> <p>The Operator, together with representatives from the DENR, Philippine Coast Guard (PCG), and the Palawan Council for Sustainable Development (PCSD), conducts quarterly sampling and monitoring of hazardous waste, water discharge effluents, and air quality at the FPSO to ensure that all parameters remain within acceptable limits.</p> <p>Quarterly and annual reports, including the Compliance Monitoring Report and Self-Monitoring Reports that detail Galoc's monitoring activities and results, are regularly submitted to the DENR.</p>		
	<p>SGD 8: Decent Work and Economic Growth</p> <p>OPMC is committed to providing decent employment opportunities for its workforce while contributing to overall economic growth.</p> <p>The Company promotes a flexible work</p>		

	<p>arrangement, offers competitive compensation, and maintains an ethical work environment—factors that support employee satisfaction and encourage long-term commitment to the organization.</p> <p>In addition, OPMC supports economic development by ensuring the timely payment of fees and taxes to both local and national government units.</p> <p>Consistent with its commitment to responsible exploration and meaningful community engagement, OPMC prioritized local employment by engaging local workers from the host barangays of Bayanihan and San Jose to support its exploration activities.</p>		
	<p>SGD 11: Sustainable Cities and Communities</p> <p>In line with OPMC’s nickel laterite exploration in Libjo, Dinagat Islands, the Company remains committed to supporting the development and well-being of its host communities through responsible and sustainable initiatives.</p> <p>In 2025, OPMC signed a Memorandum of Agreement (MoA) with Barangays San Jose and Bayanihan in Libjo, Dinagat Islands. The agreement formalized the Company’s commitment to assist the</p>		

	<p>two communities in implementing priority development projects that promote accessibility, livelihood opportunities, and overall community welfare.</p> <p>With the approval of the Mines and Geosciences Bureau, OPMC provided funding support for key infrastructure projects, including the construction of a 1.8-kilometer barangay/farm-to-market road in Barangay Bayanihan and a 15-meter timber bridge in Barangay San Jose. These initiatives aim to improve mobility, strengthen local economic activities, and contribute to the sustainable development of the host communities.</p>		
	<p>SGD 14: Life Below Water</p> <p>OPMC is committed to conducting its exploration activities in a responsible and sustainable manner. Central to this commitment is the implementation of measures that minimize potential impacts on the environment.</p> <p>As part of its Environmental Work Program, OPMC conducts quarterly monitoring of the water quality in streams located within the exploration area.</p> <p>The results of these monitoring activities are compiled and submitted</p>		

	<p>annually to the Mines and Geosciences Bureau (MGB) to ensure transparency and regulatory compliance. Through these efforts, OPMC helps safeguard local water resources and ensures that its exploration activities do not adversely affect the water quality of surrounding ecosystems and communities.</p>		
	<p>SGD 15: Life on Land</p> <p>With OPMC’s ongoing exploration activities, the Company remains committed to minimizing disturbance to terrestrial ecosystems and protecting local flora and fauna.</p> <p>With OPMC’s ongoing exploration activities, the Company remains committed to minimizing disturbance to terrestrial ecosystems and protecting local flora and fauna.</p> <p>As part of its environmental stewardship, OPMC undertakes progressive rehabilitation of exploration areas and works to restore sites affected by excavation and other exploration footprints.</p> <p>OPMC also promotes care for life on land by maintaining its own plant nursery for the propagation of seedlings used in revegetation and rehabilitation efforts. Through these initiatives, the Company supports biodiversity conservation</p>		


	and encourages responsible environmental practices within its project areas.		
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Jane Agnes S. Pazzibugan

From: MaRiana Infante
Sent: Monday, April 20, 2026 8:33 AM
To: Jane Agnes S. Pazzibugan
Subject: Fw: [EXTERNAL]:Your BIR AFS eSubmission uploads were received

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From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Monday, April 20, 2026 8:27:52 AM
To: MaRiana Infante <Riana.Caratay@urc.com.ph>
Cc: MaRiana Infante <Riana.Caratay@urc.com.ph>
Subject: [EXTERNAL]:Your BIR AFS eSubmission uploads were received

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Hi ORIENTAL PETROLEUM AND MINERALS CORPORATION,

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- EAFS000483747RPTTY122025.pdf
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Transaction Code: **AFS-0-A87EEBAH0Q34MV3QQQP1PXYQ104ZXVTQS3**

Submission Date/Time: **Apr 20, 2026 08:27 AM**

Company TIN: **000-483-747**

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SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: ICTD ERMD

Receipt Date and Time: April 20, 2026 10:21:21 AM

Company Information

SEC Registration No.: 0000040058

Company Name: ORIENTAL PETROLEUM AND MINERALS CORP.

Industry Classification: C11919

Company Type: Stock Corporation

Document Information

Document ID: OST104202026811241131

Document Type: Financial Statement

Document Code: FS

Period Covered: December 31, 2025

Submission Type: Parent, Annual

Remarks: None

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



ORIENTAL PETROLEUM AND MINERALS CORPORATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR PARENT FINANCIAL STATEMENTS

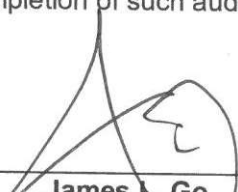
The management of **Oriental Petroleum and Minerals Corporation** is responsible for the preparation and fair presentation of the parent financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of parent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Mendoza Tugano & Co., the independent auditor appointed by the stockholders, has audited the parent financial statements of the company in accordance with Philippine Standards on Auditing, and in its reports to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



James L. Go
Chairman of the Board and
Chief Executive Officer



Benedicto T. Coyiuto
President and
Chief Operating Officer




Ma. Riana C. Infante
Chief Financial,
Compliance and
Investors' Relation Officer

Signed this 24 day of MAR 2026

SUBSCRIBED AND SWORN to before this 24 day of MAR 2026 affiants executed to me their respective Passport as follows:

Name	Government ID No.	Date of Issue	Place of Issue
James L. Go	P2019464B	June 20, 2019	DFA NCR Central
Benedicto T. Coyiuto	P7764533A	July 2, 2018	DFA NCR East
Ma. Riana C. Infante	P0139536C	May 18, 2022	DFA Manila

Doc. No. 522
Page No. 106
Book No. III
Series of 2026.


ATTY. JOSE FRANCIS R. MARASIGAN
NOTARY PUBLIC
UNTIL DECEMBER 31, 2027
ROLL NO. 88329
IBP NO. 554227 (28/09/2025)
PTR NO. 3841790 (01/03/2026)
APPOINTMENT NO. 044 (2026-2027)
MCLE COMPLIANCE NO. VIII-0007885
TIN NO. 273-491-142

COVER SHEET

for
Audited Financial Statements

SEC Registration Number

4	0	0	5	8						
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COMPANY NAME

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

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

3	4	t	h	F	l	o	o	r	,	R	o	b	i	n	s	o	n	s	E	q	u	i	t	a	b	l	
e	T	o	w	e	r	,				A	D	B	A	v	e	n	u	e	,	O	r	t	i	g	a	s	C
e	n	t	e	r	,					P	a	s	i	g	C	i	t	y									

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		N / A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
orientalpetroleum@opmc.com.ph	8633-7631	
No. of Stockholders	Annual Meeting (Month / Day)	Calendar Year (Month / Day)
11,483	June 4, 2026	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ma. Riana Caratay-Infante	Riana.Caratay@urc.com.ph	8633-7631	-

CONTACT PERSON'S ADDRESS

34th Floor, Robinsons Equitable Tower, ADB Avenue, corner Poveda Street, Ortigas Center, Pasig City

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

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



MENDOZA

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169
H.V. de la Costa Street, Salcedo
Village, Makati City, 1227 Philippines

(632) 8887-1888 | www.mtco.com.ph

PRC/BOA Accreditation No. 9682
November 22, 2023, valid until
July 18, 2026

SEC Accreditation No. 9862-SEC (Group A)
Issued February 26, 2026
Valid for Financial Periods 2025-2029

**INDEPENDENT AUDITOR'S REPORT
ON ACCOMPANYING INCOME TAX RETURNS**

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

We have audited the financial statements of **Oriental Petroleum and Minerals Corporation** (the Company) for the year ended December 31, 2025 on which we have rendered the attached report dated March 24, 2026.

In compliance with Revenue Regulations V-20, we are stating the following:

1. The taxes paid or accrued by the above company for the year ended December 31, 2025 are shown in the Schedule of Taxes and Licenses attached to the Annual Income Tax Return.
2. No partner of our Firm is related by consanguinity or affinity to the president, manager or principal stockholder of the Company.

For the Firm: **MENDOZA TUGANO & CO.**


PAMELA GRACE S. TANGSO

Partner

CPA Certificate No. 118635

BOA accreditation No. 9682/P-003

Valid from May 08, 2024 to July 18, 2026

SEC Accreditation No. 118635-SEC (Group A),

February 26, 2026, valid until February 25, 2031

TIN 249-790-835

BIR Accreditation No. 08-008188-003-2024,

December 03, 2024, valid until December 02, 2027

PTR No. 10789462, January 27, 2026, Makati City

March 24, 2026



MENDOZA

Tugano & Co., CPAs

16th Floor, The Salcedo Towers 169
H.V. de la Costa Street, Salcedo
Village, Makati City, 1227 Philippines

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November 22, 2023, valid until
July 18, 2026
SEC Accreditation No. 9862-SEC (Group A)
Issued February 26, 2026
Valid for Financial Periods 2025-2029

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Oriental Petroleum and Minerals Corporation
34th Floor, Robinsons Equitable Tower
ADB Avenue, Ortigas Center, Pasig City

Report on the Audit of the Parent Company Financial Statements

Opinion

We have audited the parent company financial statements of Oriental Petroleum and Minerals Corporation ("the Company"), which comprise the parent company statement of financial position as of December 31, 2025, and the parent company statement of income, parent company statement of comprehensive income, parent company statement of changes in equity, and parent company statement of cash flows for the year then ended, and notes to the parent company financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the parent company financial position of the Company as of December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRS).

Basis for Opinion

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

Other Matter

The financial statements of the Company as of December 31, 2024, and for the years ended December 31, 2024, included as comparative information, were audited by another auditor whose report dated April 14, 2025, expressed an unmodified opinion on those financial statements.

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

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

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

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

Auditor's Responsibilities for the Audit of the Parent Company Financial Statements

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

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

- Identify and assess the risks of material misstatement of the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the parent company financial statements, including the disclosures, and whether the parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


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

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

The supplementary information required under Revenue Regulations 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of Oriental Petroleum and Minerals Corporation in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to financial statements. Such information is not a required part of the basic financial statements. The information is also not required by the Revised Securities Regulation Code Rule 68. Our opinion on the basic parent company financial statements is not affected by the presentation of this information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is Pamela Grace S. Tangso.

For the Firm: **MENDOZA TUGANO & CO.**


PAMELA GRACE S. TANGSO
Partner
CPA Certificate No. 118635
BOA accreditation No. 9682/P-003
Valid from May 08, 2024 to July 18, 2026
SEC Accreditation No. 118635-SEC (Group A),
February 26, 2026, valid until February 25, 2031
TIN 249-790-835
BIR Accreditation No. 08-008188-003-2024,
December 03, 2024, valid until December 02, 2027
PTR No. 10789462, January 27, 2026, Makati City

March 24, 2026

ORIENTAL PETROLEUM AND MINERALS CORPORATION
PARENT COMPANY STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
With Comparative Figures for 2024
(Amounts in U.S. Dollars)

	Notes	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	4, 6, 21	\$23,905,966	\$22,914,117
Current portion of debt instruments at amortized cost	4, 9, 21	5,257,357	5,041,886
Receivables	4, 7, 21	609,212	662,315
Crude oil inventory	4, 8	417,978	635,154
Other current assets		26,274	26,573
Total Current Assets		30,216,787	29,280,045
Noncurrent Assets			
Debt instruments at amortized cost, net of current portion	4, 9, 21	28,318,105	30,201,848
Equity instruments at FVOCI	4, 9, 21	20,147,839	18,308,175
Investments in subsidiaries	4, 10	10,835,726	10,835,726
Property and equipment – net	4, 5, 11	19,804,476	20,383,202
Net pension asset	4, 5, 18	–	1,082
Other noncurrent assets	4, 12	1,655,197	1,708,174
Total Noncurrent Assets		80,761,343	81,438,207
TOTAL ASSETS		\$110,978,130	\$110,718,252
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	4, 13	\$954,834	\$936,414
Income tax payable	4	10,389	14,488
Due to a subsidiary	10, 20	19,690,258	19,671,598
Total Current Liabilities		20,655,481	20,622,500
Noncurrent Liabilities			
Provision for plug and abandonment	4, 5, 8, 14	847,549	1,123,055
Net pension liability	4, 5, 18	139,253	–
Deferred tax liabilities – net	4, 5, 19	2,401,520	2,174,670
Total Noncurrent Liabilities		3,388,322	3,297,725
Total Liabilities		24,043,803	23,920,225

(Forward)

ORIENTAL PETROLEUM AND MINERALS CORPORATION
PARENT COMPANY STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
With Comparative Figures for 2024
(Amounts in U.S. Dollars)

	Notes	2025	2024
Equity	4, 15		
Capital stock		82,268,978	82,268,978
Subscriptions receivable		(271,543)	(277,710)
Capital in excess of par value		3,650,477	3,650,477
Retained earnings		6,934,169	5,999,843
Reserve for changes in value of equity instruments at FVOCI	9	(5,164,524)	(5,068,828)
Remeasurement gains on pension liability	18	148,591	225,267
Treasury stock, at cost	15	(631,821)	–
Total Equity		86,934,327	86,798,027
TOTAL LIABILITIES AND EQUITY		\$110,978,130	\$110,718,252

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION**PARENT COMPANY STATEMENT OF INCOME**

FOR THE YEAR ENDED DECEMBER 31, 2025

*With Comparative Figures for 2024**(Amounts in U.S. Dollars)*

	Notes	2025	2024
REVENUE FROM PETROLEUM OPERATIONS	4, 8	\$2,298,068	\$3,106,984
COST OF PETROLEUM OPERATIONS			
Petroleum production costs	4, 8	(1,867,641)	(2,295,546)
Depletion expense	4, 8, 11	(429,648)	(361,674)
		(2,297,289)	(2,657,220)
GROSS PROFIT		779	449,764
GENERAL AND ADMINISTRATIVE EXPENSES	4, 16	(873,578)	(775,294)
OTHER INCOME – NET			
Interest income	4, 6, 9	3,250,986	3,036,857
Dividend income	4, 9	1,079,451	1,197,348
Impairment loss	4, 11, 12	(192,696)	–
Other income (charges) – net	4, 17	284,334	(32,873)
		4,422,075	4,201,332
INCOME BEFORE INCOME TAX AND FOREIGN EXCHANGE GAIN OR LOSS		3,549,276	3,875,802
Foreign exchange loss – net		(118,440)	(1,574,905)
INCOME BEFORE INCOME TAX		3,430,836	2,300,897
PROVISION FOR (BENEFIT FROM) INCOME TAX	4, 19		
Current		593,555	536,389
Deferred		252,408	(2,829)
		845,963	533,560
NET INCOME		\$2,584,873	\$1,767,337
Basic/Diluted Earnings Per Share	22	\$0.000013	\$0.000009

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION
PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025
With Comparative Figures for 2024
(Amounts in U.S. Dollars)

	Notes	2025	2024
NET INCOME		\$2,584,873	\$1,767,337
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Movement in reserve for fluctuation in value of equity instruments at fair value through other comprehensive income	9	49,830	323,369
Remeasurement gain (loss) on pension liability	18	(76,676)	75,976
		(26,846)	399,345
TOTAL COMPREHENSIVE INCOME		\$2,558,027	\$2,166,682

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION
PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025
With Comparative Figures for 2024
(Amounts in U.S. Dollars)

	Capital Stock (Note 15)	Subscription Receivable (Note 15)	Capital in Excess of Par Value (Note 15)	Retained Earnings (Note 15)	Reserve for Changes in Value of Equity Instruments at FVOCI (Note 9)	Remeasurement Gains (Losses) on Pension Liability – Net (Note 18)	Treasury Stock (Note 15)	Total
Balances as at December 31, 2023	\$82,268,978	(\$277,710)	\$3,650,477	\$5,950,276	(\$5,392,197)	\$149,291	\$–	\$86,349,115
Net income in 2024	–	–	–	1,767,337	–	–	–	1,767,337
Other comprehensive income in 2024	–	–	–	–	323,369	75,976	–	399,345
Total comprehensive income in 2024	–	–	–	1,767,337	323,369	75,976	–	2,166,682
Cash dividends (Note 15)	–	–	–	(1,717,770)	–	–	–	(1,717,770)
Balances as at December 31, 2024	82,268,978	(277,710)	3,650,477	5,999,843	(5,068,828)	225,267	–	86,798,027
Net income in 2025	–	–	–	2,584,873	–	–	–	2,584,873
Other comprehensive loss in 2025	–	–	–	–	49,830	(76,676)	–	(26,846)
Total comprehensive income in 2025	–	–	–	2,584,873	49,830	(76,676)	–	2,558,027
Subscriptions collected	–	6,167	–	–	–	–	–	6,167
Cash dividends (Note 15)	–	–	–	(1,796,073)	–	–	–	(1,796,073)
Realized gain from sale of equity instrument	–	–	–	145,526	(145,526)	–	–	–
Reacquired stocks	–	–	–	–	–	–	(631,821)	(631,821)
Balances as at December 31, 2025	\$82,268,978	(\$271,543)	\$3,650,477	\$6,934,169	(\$5,164,524)	\$148,591	(\$631,821)	\$86,934,327

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION

PARENT COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

With Comparative Figures for 2024

(Amounts in U.S. Dollars)

	Notes	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES			
Income before income tax		\$3,430,836	\$2,300,897
Adjustments for:			
Unrealized foreign exchange losses – net		116,638	1,571,928
Interest income	6, 9	(3,250,986)	(3,036,857)
Dividend income	9	(1,079,451)	(1,197,348)
Depletion, depreciation and amortization expenses	11	459,569	391,554
Impairment loss	11, 12	192,696	–
Reversal of provision for plug and abandonment – net	11, 14	(216,310)	–
Pension expense	18	38,100	45,884
Accretion of interest expense	17	65,894	37,243
Operating income (loss) before working capital changes		(243,014)	113,301
Changes in operating assets and liabilities:			
Decrease (increase) in:			
Receivables		1,653	(6,542)
Crude oil inventory		217,176	340,545
Other current assets		299	1,580
Decommissioning fund		(28,693)	(34,516)
Increase (decrease) in:			
Accounts and other payables		(96,823)	978
Due to subsidiary		–	(19,175)
Cash flows generated from (used in) operations		(149,402)	396,171
Income tax paid		(597,653)	(531,343)
Net cash flows used in operating activities		(747,055)	(135,172)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		1,126,695	1,201,966
Interest received		3,255,192	3,081,425
Proceeds from redemption/sale/maturity of:			
Equity instruments at FVOCI	9	7,233,593	6,816,795
Debt instruments at amortized cost	9	6,157,887	5,764,698
Acquisitions of/additions to:			
Debt instruments at amortized cost	9	(4,913,209)	(5,527,690)
Equity instruments at FVOCI	9	(9,023,427)	(3,589,146)
Deferred exploration costs	12	(64,084)	(9,353)
Property and equipment	11	(34,215)	(2,628)
Net cash generated from investing activities		3,738,432	7,736,067

(Forward)

ORIENTAL PETROLEUM AND MINERALS CORPORATION**PARENT COMPANY STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2025

*With Comparative Figures for 2024**(Amounts in U.S. Dollars)*

	Notes	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of cash dividends	15	(1,680,830)	(1,619,952)
Subscriptions collected		6,167	–
Reacquired stocks	15	(631,821)	–
Net cash used in financing activities		(2,306,484)	(1,619,952)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
		306,956	(253,541)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		991,849	5,727,402
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR			
		22,914,117	17,186,715
CASH AND CASH EQUIVALENTS AT END OF YEAR			
	6	\$23,905,966	\$22,914,117

See accompanying Notes to Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS

1. Corporate Information and Status of Business Operations

Oriental Petroleum and Minerals Corporation ("the Company") is a stock corporation organized under the laws of the Republic of the Philippines to engage in oil exploration and development activities. The Company was incorporated on December 22, 1969.

On March 26, 2018, during the special meeting of its stockholders, the stockholders ratified the amendments of the Second and Fourth Articles of the Articles of Incorporation (AOI) to engage in the business of power generation and exploration, development, utilization and commercialization of renewable energy resources. The amendments to the AOI were approved by the Securities and Exchange Commission (SEC) on July 4, 2018.

The Company's principal office is located at 34th Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City. The Company's shares were listed in the Philippine Stock Exchange (PSE) on October 14, 1970.

Service Contract (SC) 14

On December 15, 1975, pursuant to Section 7 of the Oil Exploration and Development Act of 1972 (Presidential Decree 87 dated November 21, 1972), the Company, together with other participants (collectively referred to as the Consortium), entered into a service contract with the Philippine Government through the Petroleum Board, now the Department of Energy (DOE) for the exploration, exploitation and development of the contract area in offshore Northwest of Palawan Island, Philippines, which was amended from time to time. This contract area includes the Nido Block, Matinloc Block, West Linapacan Block and Galoc Block where significant hydrocarbon deposits were discovered.

The contract areas (i.e., Blocks A, B, B1, C1, C2 and D) covered by SC 14 are situated offshore Northwest of Palawan Island, Philippines. In 2020, Nido and Matinloc Block were already turned over to the DOE upon the oilfields reaching their economic limits and after plug and abandonment of the production well. Crude oil production in the West Linapacan Oilfield in Block C2 was shut-in in 1995 due to a significant decline in crude oil production caused by increasing water intrusion.

The Consortium continually conducts technical evaluation activities of the said area and submitted a work program and budget to DOE. Further, the Company participates in the production of Galoc field. Total production from this field is modest but enough to cover operating and overhead expenses of SC 14C1.

The Galoc oilfield located in Block C was declared commercial on June 22, 2009 with effectivity on June 19, 2009.

In December 2010, the DOE extended the term of SC 14 for another 15 years or up to December 17, 2025. On December 12, 2024, the Joint Venture Partners of SC14C2 agreed that prior to the expiration of SC14C2 in December 2025, an application for a Development and Production Petroleum Service Contract (DP PSC) will be submitted to the DOE.

SC 14C1 - Galoc

As at December 31, 2025 and 2024, the total cumulative production of the Galoc oilfield has reached 24.82 million and 24.06 million barrels of oil since the start of production in October 2008.

Production initially came from two (2) wells, Galoc-3, and Galoc-4 (Phase 1, 2008-2013) then followed by additional two wells Galoc-5 and Galoc-6 (Phase-2, 2014-Present). The Galoc-4 Well ceased production due to technical problems and has been shut-in since February 2019.

An attempt was made in late September to early October 2021 to restore production of the Galoc-4 Well by Nitrogen Gas (N₂) lifting. However, the attempt was unsuccessful and the well failed to flow oil to the surface. Decision was then made to permanently shut-in the Galoc-4 Well.

In September 2022, G3 well also ceased flowing and was permanently shut in ready for plug and abandonment.

Galoc Mid-Area

In October 2016, the Galoc Block Consortium approved the drilling of Galoc-7 to test the Mid Galoc Prospect, which is estimated to contain oil resources of 6.2 million to 14.6 million barrels.

On November 8, 2016, the DOE approved the Galoc-7 drilling program, with an estimated budget amounting to US\$31 million. Galoc Production Company (GPC), drilled the Galoc-7 well and a sidetrack, Galoc-7ST, from March to April 2017 using the drillship Deepsea Metro I. The wells encountered 7-12 meters of net sand, which is below the prognosed thickness. In view of this, and in consideration of low fuel prices, the Consortium decided to temporarily suspend all activities related to a possible Phase III development and concentrate its efforts in optimizing oil production at the Galoc Field in order to sustain profitability and prolong the field's economic life.

Change in Galoc Block Operatorship

In mid-2018, there was a new Operator for the Galoc Block. In a Sale Purchase Agreement, Bangchak Corporation Public Co. (Thailand) which holds the 55.88% interest shares of GPC-1 and Nido Petroleum (Galoc) Pty Ltd. in the Galoc Block, sold their share to Tamarind Galoc Pte. Ltd.

Tamarind Galoc Pte. Ltd. is headquartered in Kuala Lumpur, Malaysia. Tamarind initiated several projects which include production optimization, conduct of a more refined well test, renegotiate lease contract with the owners of the FPSO "Rubicon Intrepid", renegotiate terms of the helicopter contract with INAEC, and conduct feasibility studies for the fabrication of a Condensate Recovery Unit to be installed at the FPSO "Rubicon Intrepid".

Notice of Termination of Lease on FPSO

On March 25, 2020, the Rubicon Offshore International (ROI), owner of the Floating Production Storage Offloading (FPSO) tanker, gave a Notice of Termination to GPC1 and other members of the Consortium. The termination notice covered the period 25 March 2020 to 24 September 2020, or for 6 months.

After receipt of the Notice of Termination, GPC 1 started making plans for the disconnection of the FPSO from the Galoc Oilfield site. However, the FPSO disconnection was not implemented or carried out because a new strategy was developed to continue production operations in the Galoc Oilfield.

i. Continuation of Production Operations: During Transition Period from August 2020 to January 2021

Upon the initiative of the GPC 1, an alternative strategy was developed to continue production operations even before the end of the Termination Notice. GPC 1 brokered the purchase of ROI's FPSO Rubicon Intrepid by its mother company, Tamarind Resources Pte. Ltd., through a separate entity, Upstream Infrastructure Holdings (UIH). Tamarind Resources will have full control of the FPSO. The purchase was effective August 1, 2020.

Under the new ownership and management, the storage tanker was renamed “Intrepid Balanghai” from “Rubicon Intrepid”. An agreement was also formed with Three60 Energy to provide the operational and management (O&M) services of the FPSO storage tanker. GPC 1 also arranged a new bareboat charter between UIH and the Galoc Joint Venture at minimal rates.

ii. Continuation of Production Extension Period: February 1, 2021 to September 30, 2022

To further continue production operations in the Galoc Oilfield beyond the 6-month Transition Period, a new alliance was formed with Three60 Energy, an established international offshore operator. Three60 Energy is an independent specialist service provider with headquarters in Aberdeen, Scotland and has branch offices in Kuala Lumpur, Malaysia and Singapore. It has been engaged to provide the Operations and Management (O&M) of the FPSO for 18 months.

After the extension period, UIH and Tamarind Resources continue to supervise the operations of ROI and Three60 Energy. GPC 1’s FPSO Operations Advisor has been mobilized to assure and control the activities and work force of ROI and Three60 Energy.

iii. Withdrawal of GPC2 / KUFPEC

On September 14, 2020, GPC 2/Kuwait Foreign Petroleum Exploration Company (KUFPEC), communicated their withdrawal from SC14C1 - Galoc Block Joint Venture. KUFPEC before notice of withdrawal held a working interest of 26.4473% in SC - 14C1, Galoc Block.

As a result of KUFPEC’s withdrawal their working interest will be allocated to the remaining partners.

The Company, together with LOGPOCOR, chose not to accept the pro rata interest and remained at a combined 7.78505% working interest.

Similarly, the Operator – GPC 1 elected not to get their allocated interest from KUFPEC and maintained their working interest at 33%. They passed on their allocation to Nido Production Galoc (NPG), a sister company of GPC 1 under Tamarind Resources Pte. Ltd.

The Department of Energy has acknowledged KUFPEC’s withdrawal from SC-14C1, Galoc Block.

iv. Resignation of GPC1 as Operator

On December 23, 2020, Galoc Production Company - 1 (GPC1) announced their resignation as Operator of SC-14C1, Galoc Block and assigned their working interest to NPG Pty. Ltd. Nido Production Galoc Co. (NPG), a sister company under Tamarind Resources Pte. Ltd., has assumed the role as the new Operator.

v. Acquisition of NPG and UIH by Matahio Energy

On January 5, 2023, Matahio Energy completed its acquisition of NPG and UIH. Matahio Energy holds projects in Southeast Asia and New Zealand. The Sale and Purchase Agreements for both transactions were signed in March 2022.

As of December 31, 2024, the Company and its subsidiary, Linapacan Oil Gas and Power Corporation (LOGPOCOR), held a combined participating interest of 7.78505% in the Galoc oilfield (SC 14C1).

On March 26, 2025, the Consortium, through its Operator, NPG Pty Ltd, submitted a Letter of Intent and the required documentation to apply for a Development and Production Petroleum Service Contract (DPPSC) under DOE Department Circular No. 2023-12-0033 prior to expiration of its service contract on December 17, 2025.

On September 9, 2025, the Company decided not to participate in the DPPSC application for the Galoc Oil Field, as the risks associated with continued participation in the project outweigh the potential economic returns. However, the Company remains entitled to its proportionate share in the final oil lifting under Service Contract (SC) 14C1 Galoc until December 17, 2025, which is expected to be remitted in the first quarter of 2026.

As of December 31, 2025, the Company and its subsidiary holds no participating interest in the Galoc oilfield.

As at December 31, 2025 and 2024, provision for plug & abandonment costs recognized by the Company, with respect to the decommissioning plan for SC 14C1 - Galoc Block, amounted to \$0.85 million and \$1.12 million, respectively (see Note 13).

SC 14C2 - West Linapacan

West Linapacan A (WLA) Field lies at a water depth of 340 meters and was first drilled in 1991. It started production in May 1992 from 3 wells and 4 sidetrack wells. Total production amounted to 8.5 million barrels when the field was shut-in in 1996 due to high water intrusion. The WLA Field produced for 43 months.

Pitkin Petroleum Plc. had a 58.29% interest in this SC pursuant to a farm-in agreement signed in May 2008.

In February 2011, Pitkin farmed-out half of the 58.29% interest to Resources Management Associates Pty Ltd. of Australia (RMA). This transfer of interest was approved by the DOE in July 2011. The transfer of operatorship to RMA was approved by the DOE in April 2012. The Farmors continued to be carried free up to commercial first oil production. RMA carried technical studies that will lead to the drilling and re-development of the WLA structure. An independent third-party assessment was also commissioned to determine the range of recoverable reserves from the structure. In March 2015, the farm-in agreement with RMA was terminated and Pitkin returned all of its participating interest to the original parties to the SC.

On January 7, 2020, the Company and other members of the Consortium entered into a Sale and Purchase Agreement (SPA) and Farm-Out Agreement (FOA) with Desert Rose Petroleum Ltd (DRPL).

However, DRPL failed to meet its obligations and the SPA and FOA were deemed rescinded/terminated on July 1, 2021. With the SPA and FAO with DRPL terminated, SC-14C2 West Linapacan Block reverted back to the original joint venture partners with Philodril Corporation as Operator.

In 2022, the Consortium received proposals from Nido Petroleum Ltd. (Nido) and Matahio Energy to re-develop the field. After considering both proposals, the Consortium agreed that the offer of Nido will be more advantageous. Negotiations are still ongoing for Nido to increase its participating interest in West Linapacan. In return, Nido Petroleum will carry the farming-out Filipino partners free of cost for drilling and the EWT up to the declaration of field commerciality.

SC14C2 reached the end of its term on December 17, 2025. Prior to the expiration, the Consortium focused on the redevelopment of the West Linapacan-A field. The Consortium has allocated a portion of the 2025 work program and budget to prepare a revised static model for a resimulation of the dynamic model for West Linapacan-A. The evaluations served as the basis of the Plan of Development, which includes the well plan and design.

On November 17, 2025, the Consortium, through its Operator, The Philodrill Corporation, submitted a Letter of Intent (LOI) to apply for a DPPSC for the West Linapacan oilfield under the DOE Department Circular 2023-12-0033. The Consortium is currently in the process of completing the required legal, financial, and technical documentation, as well as conducting the necessary negotiations with the DOE.

As at December 31, 2025 and 2024, the Company holds a participating interest of 30.288% in West Linapacan. As of audit report date, the application for a DPPSC remains under regulatory review.

SC 14A, B & B-1 - Nido, Matinloc & North Matinloc

Production in the Nido and Matinloc fields was permanently terminated on March 13, 2019. Nido started oil production in 1979, while Matinloc commenced production in 1982. The final inception-to-date production figures for the two fields are 18,917,434 barrels for Nido and 12,582,585 barrels for Matinloc. The North Matinloc Field, which was in production from 1988 to 2017, produced a total of 649,765 barrels. The total production for the three fields is 32,149,784 barrels.

The Libro-1 and Tara South-1 wells were plugged and abandoned in early June 2018, while the seven production wells in Nido, three in Matinloc, and one in North Matinloc were successfully plugged and abandoned in October 2020.

In May 2022, the DOE approved the relinquishment of the blocks, and the blocks were returned to the government.

SC 6 and 6B - Cadlao and Bonita Block

SC 6B Bonita Block is part of the retained area of the original SC 6 granted in 1973. The 10-year exploration period and the subsequent 25-year production period initially expired in February 2009 and were extended for another 15 years by the DOE in 2009 (see Note 12).

On December 19, 2022, the DOE approved the following:

- The reassignment of interest to the SC-6B Joint Venture after the exit of Manta Oil Co. (MOCL) from SC-6B.
- The Deed of Assignment (DOA) of participating interest in SC-6B and the transfer of operatorship from Philodrill Corporation to Nido Petroleum Phil Ltd., in compliance with the related Farm-In Agreement (FIA).
- The new participating interest of the Company after the withdrawal of MOCL and the transfer of operatorship to Nido Petroleum decreased to 4.9092%, from the previous 16.364%.

On December 7, 2023, the Department of Energy (DOE) released Department Circular (DC) No. DC2023-12-0033, "Guidelines on the Awarding of Petroleum Service Contracts for Development and Production." This circular emphasizes that an operator may apply for a Development and Production Petroleum Service Contract through direct negotiation with the DOE, provided that the application is made prior to the expiration of the remaining production term. The SC 6B production term reached its 50-year contract limit and expired on February 28, 2024. The Company held a participating interest of 4.9092% in SC 6 and 6B Cadlao and Bonita Block.

The Consortium applied for a Development and Production Service Contract covering the present Cadlao Block. On December 27, 2023, the Consortium submitted the Plan of Development for the Cadlao Field.

Further, in January 2024, the Consortium submitted a Letter of Intent and the pertinent financial, technical, and legal documents to apply for a Development and Production Petroleum Service Contract under DC 2023-12-0033.

On May 30, 2024, the SC6B Consortium, through its Operator, received a letter from the DOE stating that the Consortium is legally, financially, and technically qualified to enter into a DPPSC. The DOE and the Consortium have completed the negotiation of the DPPSC's terms and conditions.

As of audit report date, the NDP-1 Cadlao DPPSC is in its final stage of review and has been endorsed to the Office of the President for signature.

Participating Interests

As at December 31, 2025 and 2024, the Company and LOGPOCOR have the following participating interests in the various SCs (in percentage):

	2025	2024
SC 14 (Northwest Palawan)		
Block C1 (Galoc)	-	7.78505
Block C2 (West Linapacan)	30.288	30.288

Among the Company's other operations, the suspension of production activities in the West Linapacan Oilfield raises uncertainties as to the profitability of petroleum operations in the said oilfield. The profitability of petroleum operations related to this oilfield is dependent upon the discovery of oil in commercial quantities as a result of the success of its redevelopment activities thereof.

Approval of Financial Statements

The accompanying financial statements were approved and authorized for issue by the Board of Directors of the Company on March 24, 2026.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The accompanying separate financial statements of the Company, which include its share in the assets, liabilities, income, and expenses of the joint operations covered by the SCs as discussed in Note 1, have been prepared on a historical cost basis, except for equity instruments at fair value through other comprehensive income (FVOCI), which are measured at fair value, and crude oil inventory, which is valued at net realizable value (NRV).

The Company's financial statements are presented in U.S. dollars, the Company's functional and presentation currency. All values are rounded to the nearest dollar, unless otherwise indicated.

The financial statements provide comparative information for the previous period.

Any differences between the comparative amounts presented herein and those in the parent company financial statements for the year ended December 31, 2024 are solely the result of reclassifications for comparative purposes and are not material.

Statement of Compliance

The accompanying separate financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

3. Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new accounting pronouncements starting January 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The new accounting pronouncements do not have significant impact to the parent company financial statements, unless otherwise indicated:

- Amendments to Philippine Accounting Standard (PAS) 21, *Lack of Exchangeability*
The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

Standards and Interpretations Issued but not yet Effective

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

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards:
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lease Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred Effectivity

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

4. Material Accounting Policy Information

Presentation of Financial Statements

The Company has elected to present all items of recognized income and expense in two statements: a statement displaying components of profit or loss (parent company statements of income) and a second statement beginning with profit or loss and displaying components of other comprehensive income (parent company statements of comprehensive income).

Foreign Currency-denominated Transactions and Translations

The separate financial statements are presented in U.S. Dollar, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. However, monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency exchange rate prevailing at the reporting date. Exchange gains or losses arising from foreign currency translations are charged or credited to the parent company statements of income.

Financial Instruments

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

Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through OCI (FVOCI), and fair value through profit or loss (FVTPL).

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

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

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

Subsequent Measurement

For purposes of subsequent measurement, the Company's financial assets are classified in the following categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at FVOCI with no recycling of cumulative gains and losses (equity instruments)
- Financial assets at FVTPL

As of December 31, 2025 and 2024, the Company's financial assets pertain to financial assets at amortized cost (debt instruments) and financial assets designated at fair value through OCI (equity instruments).

Financial assets at amortized cost (debt instruments)

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

The Company's financial assets at amortized cost include cash and cash equivalents, receivables, and debt instruments at amortized cost.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, Financial Instruments: Presentation, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

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

As of December 31, 2025 and 2024, the Company elected to classify irrevocably its quoted equity instruments under this category.

Impairment of Financial Assets

The Company recognizes an estimated credit loss (ECL) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For cash and cash equivalents and debt instruments at amortized cost, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. To estimate the ECL for cash and cash equivalents, short-term and long-term investments, and debt instruments, the Company uses the ratings published by a reputable rating agency.

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

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full, before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial Recognition and Measurement

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

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

Subsequent Measurement

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

- Financial liabilities at FVTPL
- Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the parent company statements of income.

The Company's financial liabilities under this category include accounts and other payables.

Derecognition of Financial Assets and 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 (i.e., removed from the parent company's statements of financial position) when:

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

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

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

Financial Liability

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

Offsetting of Financial Instruments

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

Fair Value Measurement

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

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

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

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

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

The Company 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 financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

Crude Oil Inventory

Crude oil inventory is carried at NRV at the time of production. NRV is the estimated Brent oil selling price less cost to sell. The estimated selling price is the market value of crude oil inventory for the reporting month, adjusted taking into account fluctuations of price directly relating to events occurring after the end of the reporting period, to the extent that such events confirm conditions existing at the end of the reporting period. Estimated cost to sell is the cost incurred necessary to complete the sale (e.g., freight charges, transportation costs, etc.). The share in the ending crude oil inventory is not recognized as revenue and is charged against share in costs and operating expenses.

Investment in Subsidiaries

The investments in subsidiaries are accounted for under the cost method, less accumulated provisions for impairment losses, if any. A subsidiary is an entity over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company recognizes income from the investment only to the extent that the Company receives distribution from accumulated profits of the investee arising after the date of acquisition. Distributions received in excess of such profits are recorded as recovery of investment and are recognized as deduction of the cost of the investment.

The financial reporting dates of subsidiaries and the Company are identical, and subsidiaries' accounting policies conform to those used by the Company for like transactions and events in similar circumstances.

Property and Equipment

Transportation equipment and office furniture and equipment are carried at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Subsequent costs are capitalized as part of these assets only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the items can be measured reliably. All other repairs and maintenance are charged against current operations as incurred. Wells, platforms, and other facilities are carried at cost less accumulated depletion and any impairment in value.

In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

When assets are retired or otherwise disposed of, the cost of the related accumulated depletion, depreciation, and amortization, and provision for impairment losses, if any, are removed from the accounts, and any resulting gain or loss is credited or charged against current operations.

Depreciation of property and equipment, other than wells, platforms, and other facilities, commences once the assets are put into operational use and is computed on a straight-line basis over the estimated useful lives (EUL) of the assets as follows:

<u>Property and Equipment</u>	<u>Years</u>
Transportation equipment	6
Office furniture and equipment	5-10
Leasehold improvement	5 or lease term, whichever is shorter

Depletion, depreciation, and amortization of capitalized costs related to the contract areas under "Wells, platforms and other facilities" in commercial operations is calculated using the units-of-production method based on estimates of proved reserves.

The EUL, depletion and depreciation, residual values, and amortization methods are reviewed periodically to ensure that the period and methods of depletion, depreciation, and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Depletion and depreciation of an item of property and equipment begins when it becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depletion and depreciation cease when an item of property and equipment is fully depleted or depreciated, or at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized. The Company uses the unit-of-production method in depleting its wells, platforms, and other facilities; hence, the charge can be zero while there is no production.

When assets are retired or otherwise disposed of, the cost and related accumulated depletion, depreciation, and any allowance for impairment are removed from the accounts, and any gain or loss resulting from their disposals is recognized in the parent company statements of income.

The asset's reserves, useful lives, and depletion and depreciation methods are reviewed periodically to ensure that the periods and methods of depletion and depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are retained in the accounts until they are no longer in use, and no further depreciation is charged to current operations.

Interest in Joint Arrangements

PFRS Accounting Standards define a joint arrangement as an arrangement over which two or more parties have joint control over the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require unanimous consent of the parties sharing control.

Joint Operations

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in joint operations, the Company recognizes its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly.

Other Noncurrent Assets

Deferred Exploration Costs

The Company follows the full cost method of accounting for exploration costs determined on the basis of each SC area. Under this method, all exploration costs relating to each SC are deferred pending determination of whether the contract area contains oil and gas reserves in commercial quantities. The exploration costs relating to the SC area where oil and gas in commercial quantities are discovered are subsequently capitalized as "Wells, platforms and other facilities" shown under the "Property and equipment" account in the parent company statements of financial position upon commercial production. When the SC is permanently abandoned or the Company has withdrawn from the consortium, the related deferred oil exploration costs are written off. SCs are considered permanently abandoned if the SCs have expired and/or there are no definite plans for further exploration and/or development.

Impairment of Nonfinancial Assets

The Company assesses at each reporting date whether there is an indication that the Company's investment in subsidiaries, property and equipment, and deferred exploration costs may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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 Company makes an estimate of recoverable amount. 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 depletion, depreciation, and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the parent company statements of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Equity

Capital Stock

Capital stock is measured at par value for all shares subscribed, issued, and outstanding. When the Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. When the Company issues shares in excess of par, the excess is recognized in the "Capital in excess of par value" account; any incremental costs incurred directly attributable to the issuance of new shares are treated as a deduction from it. If additional paid-in capital is not sufficient, the excess is charged against retained earnings.

Subscriptions Receivable

Subscriptions receivable represents the amount for which the shares were subscribed but not fully paid.

Retained Earnings

Retained earnings represents the cumulative balance of profit and losses of the Company, with consideration of any changes in accounting policies and errors applied retrospectively.

Treasury Stock

Treasury stock represents the Company's own shares that have been issued and subsequently reacquired but not cancelled. These shares are measured and recorded at cost. The total cost of treasury stock is presented as a deduction from the total equity of the Company.

Earnings Per Share (EPS)

EPS is determined by dividing net income by the weighted average number of shares outstanding for each year after retroactive adjustment for any stock dividends declared.

Other Comprehensive Income (OCI)

OCI are items of income and expense that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. The Company's OCI pertains to reserve for fluctuation in value of FVOCI and remeasurement gains (losses) on pension liability. Reserve for fluctuation in value of FVOCI and remeasurement gains (losses) on pension liability cannot be recycled to the statements of income in the subsequent period.

Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from Petroleum Operation

Revenue from petroleum operation is recognized at a point in time when the control of the goods has transferred from the Consortium Operator, on behalf of the sellers, to the buyer at the delivery point. Revenue is measured at the fair value of the consideration received.

The revenue recognized from the sale of petroleum products pertains to the Company's share in revenue from the joint operations. The revenue sharing is accounted for in accordance with PFRS 11, *Joint Arrangements*.

Interest Income

Interest income is recognized as it accrues using the EIR method, the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of that financial asset.

Dividend Income

Dividend income is recognized when the Company's right to receive the dividend is established, which is generally when the shareholders approve the dividend.

Costs and Expenses

Cost of services and general and administrative expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. These are recognized:

- (a) on the basis of a direct association between the costs incurred and the earning of specific items of income;
- (b) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- (c) immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the separate statements of financial position as an asset.

Petroleum Production Cost

Petroleum production cost represents costs that are directly attributable in recognizing revenue from petroleum operations.

General and Administrative Expenses

General and administrative expenses constitute the costs of administering the business and are recognized when incurred.

Leases

Short-term leases and leases of low-value assets

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

Income Taxes

Current Income Tax

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

Current income tax is recognized in the parent company statements of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity, respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

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

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

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

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT), and net operating loss carryover (NOLCO), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carryforward of unused tax credits from excess 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; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Accordingly, deferred tax relating to other comprehensive income and equity items are recognized directly in equity and other comprehensive income, respectively.

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.

Retirement Benefit Liability

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (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 any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service costs
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

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

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time, which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in the parent company statements of income.

Remeasurements, comprising actuarial gains and losses, return on plan assets, and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability), are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to the separate statement of income in subsequent periods. All remeasurements recognized in OCI account "Remeasurement gains on pension liabilities" are not reclassified to another equity account in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Company's right to be reimbursed for some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Provisions

Provisions are recognized only when the Company has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of the resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Events After the Reporting Date

Post year-end events up to the date of auditor's report that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the separate financial statements. Post year-end events that are non-adjusting events are disclosed in the notes to parent company financial statements when material.

5. Material Accounting Judgments, Estimates and Assumptions

The preparation of the parent company financial statements in compliance with PFRS Accounting Standards requires the Company to make judgments, estimates and assumptions that affect the amount reported in the separate financial statements and accompanying notes. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the parent company financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the parent company financial statements.

Determination and Classification of a Joint Arrangement

Judgment is required to determine when the Company has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Company has determined that the relevant activities for its joint arrangements are those relating to operations and capital decisions of the arrangement.

Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Company to assess their rights and obligations arising from the arrangement. Specifically, the Company considers:

- The structure of the joint arrangement - whether structured through a separate vehicle.
- When the arrangement is structured through a separate vehicle, the Company considers the rights and obligations arising from:
 - a. The legal form of the separate vehicle;
 - b. The terms of the contractual arrangement; and
 - c. Other facts and circumstances (when relevant).

This assessment often requires significant judgment, and a different conclusion on joint control and also whether the arrangement is a joint operation or a joint venture may materially impact the accounting treatment for each assessment.

As at December 31, 2025 and 2024, there has been no change in the Company's joint arrangement classification and it remains in the form of a joint operation.

Determination of Functional Currency

The determination of functional currency was based on the primary economic environment in which the Company generates and expends cash.

Provisions and Contingencies

In the normal course of business, the Company is subject to certain exposure and claims by third parties. The Company does not believe that this exposure will have a probable material effect on the parent company statements of financial position. It is possible, however, that future results of operations could be materially affected by changes in the judgment and estimates or in the effectiveness of the strategies relating to this exposure.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Estimation of Provision for ECLs of Receivables

The Company uses a provision matrix to calculate ECLs for its receivables, in line with the simplified approach in calculating ECL. The provision rates are based on days past due of each counterparty that have a similar loss pattern.

The provision matrix is initially based on the Company's historically observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product and inflation rate) are expected to deteriorate over the next year, which can lead to an increased number of defaults of the counterparties, the historical default rates are adjusted. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historically observed default rates, forecast economic conditions, and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecasted economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of the counterparty's actual default in the future.

No provision for ECL on the Company's receivables were recognized in 2025 and 2024. Total carrying value of receivables amounted to \$0.61 million and \$0.66 million as at December 31, 2025 and 2024, respectively (see Note 7).

Estimating Provision for Plug and Abandonment Costs

Significant estimates and assumptions are made in determining the provision for decommissioning. Factors affecting the ultimate amount of liability include estimates of the extent and costs of decommissioning activities, technological changes, regulatory changes, cost increases, and changes in discount and foreign exchange rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided.

The Company recognized provision for plug and abandonment costs amounting to \$0.85 million and \$1.12 million as at December 31, 2025 and 2024, respectively (see Note 14) with respect to the decommissioning plan for SC 14C1 - Galoc Block. There were no plug and abandonment costs incurred as of December 31, 2025 and 2024.

Estimation of Oil Reserves

The estimation of oil reserves requires significant judgment and assumptions by management and engineers and has a material impact on the separate financial statements, particularly on the depletion of wells, platforms and other facilities and impairment testing. There is inherent uncertainty in estimating oil reserve quantities arising from the exercise of significant management judgment and consideration of inputs from geologists/engineers and complex contractual arrangements involved as regards the Company's share of reserves in the service contract area. This reserve estimate also depends on the amount of reliable geological and engineering data available at the time of the estimate and the interpretation of these data.

Estimates of reserves for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and depleted. As a field goes into production, the amount of proved reserves will be subject to future revision once additional information becomes available. As those fields are further developed, new information may lead to revisions.

The estimated remaining proved and probable oil reserves totaled 0.01 million and 0.40 million barrels for Galoc oil field as of December 31, 2025 and 2024, respectively. On March 13, 2019, production in the SC 14A, B&B-1 - Nido, Matinloc & North Matinloc fields were terminated permanently. The plug and abandonment of wells was completed in October 2020. Meanwhile, SC 14C2 remains without production, thus depletion charge is nil in 2025 and 2024.

All proved and probable reserve estimates are subject to revision, either upward or downward, based on new information, such as from development drilling and production activities or from changes in economic factors, including product prices, contract terms, or development plans. Estimates of reserves for undeveloped or partially developed fields are subject to greater uncertainty over their future life than estimates of reserves for fields that are substantially developed and depleted. As those fields are further developed, new information may lead to revisions.

The carrying value of wells, platforms and other facilities amounted to \$19.71 million and \$20.30 million as of December 31, 2025 and 2024, respectively. The Company recognized depletion expense amounting to \$0.43 million and \$0.36 million in 2025 and 2024, respectively (see Note 8 and 11).

Impairment of wells, platforms and other facilities of SC 14C2

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flows (DCF) model. The cash flows are derived from the budget for the next twelve and seven years for SC 14C2 in 2025 and 2024, respectively and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested.

The calculation of value-in-use for the Wells, Platforms and Other Facilities of SC 14C2 is most sensitive to the forecasted oil prices, which are estimated with reference to external market forecasts of Brent crude prices; volume of resources and reserves, which are based on resources and reserves report prepared by third parties; capital expenditure, production and operating costs, which are based on the Company's historical experience, approved work programs and budgets, and latest life of well models; and discount rate, which were estimated based on the industry weighted average cost of capital (WACC), which includes the cost of equity and debt after considering the gearing ratio. The pre-tax discount rates applied to cash flow projections are 13.17% and 10.90% as at December 31, 2025 and 2024, respectively. The key assumptions used to determine the recoverable amount for this CGU are disclosed and further explained in Note 11.

Impairment loss recognized in 2025 and 2024 for SC 14C2 amounted to \$0.17 million and nil, respectively. The carrying values of wells, platforms and other facilities of SC 14C2 amounted to \$10.11 million and \$10.28 million as of December 31, 2025 and 2024.

Estimating Retirement Benefit Expense

The cost of pension and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These assumptions are described in Note 18 and include, among others, the determination of the discount rate, salary increase rate, and employee turnover rate. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Salary increase rate is based on expected future inflation rates for the specific country and other relevant factors, and employee turnover rate is based on the Company's experience on employees resigning prior to their retirement.

As of December 31, 2025, net pension liability amounted to \$139,253. As of December 31, 2024, net pension asset amounted to \$1,082 (see Note 18).

Assessing Recoverability of Deferred Tax Assets

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized. The Company's assessment on the recognition of deferred tax assets on deductible temporary differences is based on the projected taxable income in the succeeding periods. This projection is based on the Company's past results and future results of operations.

As of December 31, 2025 and 2024, the Company has recognized deferred tax assets amounting to \$0.47 million and \$0.84 million, respectively (see Note 19).

Assessing Recoverability of Deferred Oil Exploration Costs

The Company assesses impairment on deferred exploration costs when facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Deferred oil exploration costs are reviewed for impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable.

Facts and circumstances that would require an impairment assessment, as set forth in PFRS 6, *Exploration for and Evaluation of Mineral Resources*, are as follows:

- The period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed;

- Substantive expenditure on further exploration 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 Company has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, it will only do so from successful development or by sale.

Key inputs and assumptions used in the assessment are as follows:

- Estimated reserves - based on oil resources reports from seismic and geological data, analyses, and evaluation activities;
- Pre-tax discount rate - 13.17% and 10.90% in 2025 and 2024, representing the current market assessment of risks specific to each CGU, taking into account the time value of money and individual risks of underlying assets not incorporated in cash flow estimates. The discount rate calculation is derived from the Company's weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU and to determine pre-tax rate. The WACC takes into account both debt and equity. Adjustments to discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate; and
- Oil prices - \$80 and \$75 per barrel in 2025 and 2024, estimated with reference to external market forecasts of Brent and WTI crude prices.

The Company used a weighted average scenario probability in its calculation of value in use.

The areas assessed for impairment include the Cadlao and Bonita blocks, along with the Verde, Ex-Husky, and Cagayan Basin areas.

In 2025, the Company assessed that the recoverability of its deferred exploration costs attributable to non-producing areas of Verde, Ex-Husky, and Cagayan Basin, amounting to \$20,664, was no longer recoverable. This assessment was based on the absence of current or planned development activities, as well as insufficient evidence to support the existence of economically recoverable resources in these areas. Accordingly, the Company recognized full impairment of these deferred exploration costs in 2025 (see Note 12). No impairment was recognized for the Cadlao and Bonita Blocks as management assessed that the related exploration cost remains recoverable and that the recoverable amount of these assets exceeds their carrying value. No impairment loss was recognized in 2024 and 2023.

As at December 31, 2025 and 2024, the carrying values of deferred oil exploration costs amounted to \$0.81 million and \$0.76 million, respectively (see Note 12).

6. Cash and Cash Equivalents

	2025	2024
Cash on hand	\$178	\$178
Cash in banks	2,943,605	7,716,727
Cash equivalents	20,962,183	15,197,212
	\$23,905,966	\$22,914,117

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Company and earn interest at the prevailing short-term deposit rates ranging from 3.50% to 6.13% and 4.88% to 6.38% per annum in 2025, and 2024, respectively.

Interest income earned from cash in banks and short-term deposits amounted to \$1.10 million and \$0.92 million in 2025 and 2024, respectively.

There are no cash restrictions on the Company's cash balance as at December 31, 2025 and 2024.

7. Receivables

	Note	2025	2024
Due from operator	8	\$136,330	\$136,330
Interest receivable		314,478	318,684
Dividend receivable		155,343	202,587
Others		3,061	4,714
		\$609,212	\$662,315

Due from operators represent the excess of proceeds from crude oil liftings over the amounts advanced by the contract operator for the Company's share in exploration, development and production expenditures.

Due from operators and trade receivables are noninterest-bearing and are generally on 1 to 30-day terms. There are no past due nor impaired receivables as at December 31, 2025 and 2024.

Interest receivable pertains to interest income to be received by the Company in relation to its debt instruments at amortized cost.

Dividends receivable pertains to cash dividends to be received by the Company in relation to its equity instruments at fair value through other comprehensive income (Note 9).

8. Interest in Joint Operations

The Company's interest in the jointly controlled assets in the various SCs, and any liabilities incurred jointly with the other partners, as well as the related revenue and expenses of the venture, which are included in the separate financial statements, are as follows:

	Note	2025	2024
Current assets:			
Receivables			
Due from operators	7	\$136,330	\$136,330
Crude oil inventory		417,978	635,154
		\$554,308	\$771,484
Noncurrent assets:			
Property and equipment			
Wells, platforms and other facilities	11	\$54,774,806	\$74,966,395
Less accumulated depletion		(34,906,664)	(54,687,782)
Less impairment loss		(172,032)	–
Adjustment to remeasure decommissioning asset		18,660	19,177
Decommissioning fund	12, 14	847,549	943,946
Deferred exploration costs	12	642,180	662,844
		21,204,499	21,904,580
Noncurrent liability:			
Provision for plug and abandonment	13	(847,549)	(1,123,055)
		\$20,356,950	\$20,781,525

	Note	2025	2024
Revenue from petroleum operations		\$2,298,068	\$3,106,984
Cost of petroleum operations:			
Petroleum production costs		1,867,641	2,295,546
Depletion expense	11	429,648	361,674
		2,297,289	2,657,220
		\$779	\$449,764

Petroleum production costs consist of the share in the costs incurred in relation to the floating, production, storage and offloading (FPSO), operations management, general and administrative, supply vessel, insurance expenses, marketing fees and freight costs, training and scholarship fund, repairs and maintenance, and the charges related to the net realizable value of inventories.

9. Investments

Equity Instruments at FVOCI

Equity instruments at FVOCI investments represent equity instruments in quoted shares carried at fair value as at the end of the reporting period.

The total carrying value of the Company's equity instruments at FVOCI amounted to \$20.15 million and \$18.31 million as at December 31, 2025 and 2024, respectively.

Movement in the reserve for changes in value of equity instruments at FVOCI are as follows:

	2025	2024
Balances at beginning of year	(\$5,068,828)	(\$5,392,197)
Fair value changes during the year	49,830	323,369
Realized gain on sale of equity instruments	(145,526)	-
Balances at end of year	(\$5,164,524)	(\$5,068,828)

The carrying values of equity instruments at FVOCI have been determined as follows:

	2025	2024
Balances at beginning of year	\$18,308,175	\$21,212,455
Additions	9,023,427	3,589,146
Redemptions/disposal	(7,233,593)	(6,816,795)
Fair value changes during the year	49,830	323,369
Balances at end of year	\$20,147,839	\$18,308,175

Dividend income earned and received from equity instruments at FVOCI amounted to \$1.08 million and \$1.20 million as at December 31, 2025 and 2024, respectively.

Debt Instruments at Amortized Cost

In 2025, the Company acquired various fixed rate bonds from corporate bond issuers amounting to \$4.91 million (₱283.32 million). The various bonds pay interest at rates ranging from 6.03% to 6.21% per annum and will mature starting November 21, 2027 to February 25, 2031.

In 2024, the Company acquired various fixed rate bonds from corporate bond issuers and government securities amounting to \$5.53 million (₱321.51 million). The various bonds pay interest at rates ranging from 6.25% to 6.97% per annum and will mature starting April 30, 2027 to June 24, 2031.

The carrying values and movements of investments in bonds, classified as debt instruments at amortized cost, are as follows:

	2025	2024
Balances at beginning of year	\$35,243,734	\$36,818,345
Additions	4,913,209	5,527,690
Redemptions/matured	(6,157,887)	(5,764,698)
Unrealized foreign exchange loss	(423,594)	(1,337,603)
	33,575,462	35,243,734
Less: Current portion	5,257,357	5,041,886
	\$28,318,105	\$30,201,848

Interest income earned from investments in debt instruments at amortized cost amounted to \$2.15 million and \$2.12 million as at December 31, 2025 and 2024, respectively.

10. Investments in Subsidiaries

As at December 31, 2025 and 2024, the cost of investments in subsidiaries are as follows:

Linapacan Oil Gas and Power Corporation (LOGPOCOR)	\$10,835,726
Oriental Land Corporation (OLC)	1,878,633
Oriental Mahogany Woodworks, Inc. (OMWI)	51,418
Copper Mines Holdings, Inc. (CMHI)	26,720
	12,792,497
Less: Allowance for impairment	1,956,771
	\$10,835,726

The Company owns 100% interest in LOGPOCOR, OLC, OMWI and CMHI.

LOGPOCOR was organized primarily to hold a certain percentage of the Company's working interest in Blocks A, B and C of SC 14.

In March 1993, the Company assigned its 12.6% working interest in SC 14 valued at \$801.00 million to LOGPOCOR in exchange for the equivalent amount in shares of stock of LOGPOCOR. The valuation was approved by the DOE. However, in July 1993, the Company suspended the transfer of operations and control of all the working interest it earlier assigned to LOGPOCOR.

Accordingly, the "Investment in shares of stock of LOGPOCOR" had been valued net of deferred credit of \$19.43 million. The deferred credit was the difference between \$29.54 million and the equivalent accumulated costs amounting to about \$10.11 million.

Furthermore, because of the said suspension, the Company continues to recognize the revenues from petroleum operations related to the said working interest. The Company therefore is being charged by LOGPOCOR for the equivalent depletion expense on the accumulated costs (carried in the books of LOGPOCOR) related thereto (see Note 11). The "Due to a subsidiary" account in the parent company statements of financial position amounting to \$19.69 million and \$19.67 million as at December 31, 2025 and 2024, respectively, represents the unpaid balance of depletion charged by LOGPOCOR.

Investment in OMWI is inclusive of receivables from the said subsidiary amounting to \$0.08 million as at December 31, 2025 and 2024, respectively.

11. Property and Equipment – net

	2025			
	Wells, platforms and other facilities (Notes 1 and 8)	Transportation Equipment	Office Furniture and Equipment	Total
Cost				
At beginning of year	\$74,985,572	\$266,870	\$146,857	\$75,399,299
Additions	–	32,962	1,253	34,215
Retirements	(20,210,766)	(193,970)	–	(20,404,736)
Change in estimate of decommissioning liability	18,660	–	–	18,660
At end of year	54,793,466	105,862	148,110	55,047,438
Accumulated depletion, depreciation, and amortization				
At beginning of year	54,687,782	254,943	73,372	55,016,097
Depletion, depreciation and amortization	429,648	6,187	23,734	459,569
Retirements	(20,210,766)	(193,970)	–	(20,404,736)
At end of year	34,906,664	67,160	97,106	35,070,930
Impairment loss				
During the year	172,032	–	–	172,032
Net book value	\$19,714,770	\$38,702	\$51,004	\$19,804,476

	2024			
	Wells, platforms and other facilities (Notes 1 and 8)	Transportation Equipment	Office Furniture and Equipment	Total
Cost				
At beginning of year	\$74,966,395	\$266,870	\$144,229	\$75,377,494
Additions	–	–	2,628	2,628
Change in estimate of decommissioning liability	19,177	–	–	19,177
At end of year	74,985,572	266,870	146,857	75,399,299
Accumulated depletion, depreciation, and amortization				
At beginning of year	54,326,108	248,949	49,486	54,624,543
Depletion, depreciation and amortization	361,674	5,994	23,886	391,554
At end of year	54,687,782	254,943	73,372	55,016,097
Net book value	\$20,297,790	\$11,927	\$73,485	\$20,383,202

The depletion, depreciation and amortization expense charged against operations amounted to \$0.43 million and \$0.36 million in 2025 and 2024, respectively. The depletion expense amounting to \$0.02 million and \$0.02 million in 2025 and 2024 pertains to depletion of wells, platforms and other facilities assigned by the Company to LOGPOCOR.

In 2025, the Company derecognized fully depleted assets amounting to \$20.21 million related to the Nido and Matinloc Blocks, which had been previously turned over to the DOE in 2022. In addition, the Company derecognized fully depreciated transportation equipment amounting to \$0.19 million.

These assets had no remaining carrying value at the time of derecognition; accordingly, no gain or loss was recognized in profit or loss.

In 2025 and 2024, an impairment test of SC 14C2 was performed, as the asset remains non-operational and idle.

Impairment Test of SC 14C2 - West Linapacan

The recoverable amount of the Wells, Platforms and Other Facilities of SC 14C2 as at December 31, 2025 and 2024 has been determined based on a value-in-use calculation using cash flow projections from work program and budget approved by senior management covering a twelve-year period and seven-year period as at those years. The work program and budget for 2025 were duly approved by the DOE. The pre-tax discount rates applied to the cash flow projections were 13.17% and 10.90% as of December 31, 2025 and 2024, respectively. As a result of this analysis, the management has recognized impairment loss for the Wells, Platforms and Other Facilities of SC 14C2 as at December 31, 2025 and 2024 amounting to \$0.17 million and nil, respectively.

12. Other Noncurrent Assets

	Notes	2025	2024
Deferred exploration costs		\$807,648	\$764,228
Decommissioning fund	8, 14	847,549	943,946
		\$1,655,197	\$1,708,174

Deferred exploration costs

The full recovery of the deferred oil exploration costs incurred in connection with the Company's participation in the acquisition and exploration of petroleum concessions is dependent upon the discovery of oil and gas in commercial quantities from the respective petroleum, concessions and the success of the future development thereof. Deferred exploration costs primarily relate to SC 6.

	Note	2025	2024
Cadlao and Bonita block – Oil Field	8	\$642,180	\$642,180
Zambales and Dinagat Islands – Nickel		165,468	101,384
Others	8	20,664	20,664
		828,312	764,228
Less: Allowance for impairment loss		(20,664)	–
		\$807,648	\$764,228

SC 6 and 6B Cadlao and Bonita Block

SC 6B Bonita Block is part of the retained area of the original SC 6 granted in 1973. The 10-year exploration period and the subsequent 25-year production period expired last February 2009.

In 2009, a 15-year extension period for the Bonita Block was requested from and subsequently granted by the DOE.

In 2018, one of the joint venturers, Phinma Energy Corporation (formerly, Trans-Asia Oil & Energy Corporation), relinquished its participating interest of 14.063% and assigned this to the remaining partners. The relinquishment and assignment of interest was approved by the DOE.

An in-house evaluation completed by the Operator, The Philodrill Corporation, in early 2016 shows the East Cadlao Prospect has marginal resources which cannot be developed on a “stand-alone” basis. However, it remains prospective being near the Cadlao Field, which lies in another contract area. In view of this, the Consortium has requested for the reconfiguration of SC 6B to append the Cadlao Field for possible joint development in the future. On March 14, 2018, the DOE approved the annexation of SC 6 to SC 6B. Subsequently, a seismic reprocessing program over East Cadlao and Cadlao Field were undertaken.

On October 17, 2019, Philodrill, as the current operator of the SC 6B, received DOE's approval for the transfer of 70% participating interest of the members of the consortium in SC 6B to Manta Oil Company Ltd. (MOCL / Manta Oil). As a result, the Company's interest in SC 6B decreased to 4.909%.

In 2020, the work program and budget for the calendar year 2021 was submitted and approved by the DOE. However, the preparation and submission of a new Plan of Development (POD) was delayed due to the COVID-19 pandemic which caused travel restrictions and lockdowns. The POD should have been submitted by the 1st Quarter of 2021 for DOE evaluation. A request by Manta Oil was made to the DOE for an extension for the submission of the new Cadlao POD. The extension request was granted up to December 2021.

In 2021, MOCL was unable to submit to the DOE a new Plan of Development (POD) for the shut-in Cadlao Oilfield as well as proof of financial capability.

On December 2, 2021, Manta Oil issued a "Mutual Release of Claims" followed on December 6, 2021 by a "Notice of Withdrawal" re-assigning and transferring back to the Farmors / Joint Venture Partners their original participating interests in Bonita / Cadlao Block.

With restoration of the original participating interests to the SC-6B Consortium, the Philodrill Corporation resumed the role as the Operator of the contract area.

In a Partners' Meeting held on December 13, 2021, Nido Petroleum Pty Ltd, one of the JV Partners, indicated in their proposal the following:

1. Increase its participating in SC-6B
2. Propose a Work Program & Budget (WP&B) for the calendar year 2022
3. Plan for an appraisal drilling of well(s) including the conduct of an Extended Well Test (EWT) in the Cadlao Field.

The increase will be by way of the other partners assigning up to 70% of their original interest to Nido Petroleum. Finally, a Deed of Assignment (DOA) of interest was drawn up and was submitted to the DOE for evaluation and approval.

Under the proposed FIA, the assigning partners will be carried free by Nido Petroleum in the proposed 2022 Work Program & Budget, cost of appraisal drilling and EWT as well as implementation of the new Plan of Development. The carry free is up to the declaration of field commerciality.

The DOE approved last December 19, 2022 the following:

- The reassignment of interest to the SC-6B Joint Venture after the exit of Manta Oil Co. (MOCL) from SC-6B.
- The Deed of Assignment (DOA) of participating interest in SC-6B and transfer of Operatorship from Philodrill Corporation to Nido Petroleum Phil Ltd. This is in compliance with the related Farm In Agreement (FIA).
- The new participating interest of the Company after the withdrawal of MOCL and transfer of operatorship to Nido Petroleum decreased to 4.9092%, which was previously 16.364%.

Nido planned to drill the appraisal well and conduct the EWT in the 2nd quarter of 2023. However, drilling has been pushed back due to challenges in rig availability. New schedule for the drilling is 2nd Quarter of 2024.

On December 7, 2023, the DOE released Department Circular (DC) No. DC2023-12-0033 “Guidelines on the Awarding of Petroleum Service Contracts for Development and Production”, whereas this circular emphasizes that an operator may apply for a Development and Production Petroleum Service Contract through direct negotiation with DOE, provided that the application be made prior to the expiration of the remaining production term. The SC 6B production term reached its 50-year contract limit and expired last February 28, 2024.

The Consortium applied for the renewal of SC6B and submitted the Plan of Development on December 27, 2023.

Further, in January 2024, the Consortium submitted a Letter of Intent and pertinent financial, technical, and legal documents to apply for a development and production petroleum service contract under DC 2023-12-0033.

On May 30, 2024, the SC6B Consortium, through its Operator, received a letter from the DOE that the Consortium is legally, financially, and technically qualified to enter into a DPPSC. The DOE and the Consortium have finished negotiating the DPPSC’s terms and conditions.

As of December 31, 2025, the Cadlao DPPSC is in its final stage of review and evaluation.

In 2025 and 2024, the Company performed impairment tests for the deferred oil exploration costs attributable to Cadlao Block since the service contract had already expired on February 28, 2024, and is currently being applied for a Development and Production Petroleum Service Contract.

The recoverable amount of the deferred oil exploration cost for the Cadlao block as at December 31, 2025 and 2024 has been determined to be higher than its carrying value, based on a value-in-use calculation using cash flow projections approved by senior management covering a seven-year period. The pre-tax discount rate applied to cash flow projections is 13.17% and 10.90% in 2025 and 2024. As a result of this analysis, management has not recognized any impairment for the deferred oil exploration costs.

The calculation of value-in-use for the deferred exploration costs is most sensitive to the forecasted oil prices which are estimated with reference to external market forecasts of Brent crude prices; volume of resources and reserves which are based on resources and reserves report prepared by the operations team; capital expenditure, production and operating costs which are based on the consortium operator’s historical experience, approved work programs and budgets, and latest life of well models; and discount rate which were estimated based on the industry weighted average cost of capital (WACC), which includes the cost of equity and debt after considering the gearing ratio. The pre-tax discount rate applied to cashflow projections is 13.17% and 10.90% as of December 31, 2025 and 2024.

As at December 31, 2025 and 2024, the carrying value of deferred oil exploration costs amounted to \$0.64 million. These costs primarily relate to the Cadlao and Bonita oil blocks.

Exploration Permit Applications for Nickel and Other Associated Metals in Zambales and Dinagat Islands

As of December 31, 2025, the Company continues to secure Exploration Permits (EP) for nickel and other associated metals. OPMC has submitted applications to the Mines and Geosciences Bureau (MGB) - Regional Office No. III for five (5) areas in Zambales with a total area of approximately 13,816 hectares. OPMC has also submitted two applications to the MGB Regional Office No. XIII covering 863 hectares in Dinagat Islands.

In 2022, all five areas in Zambales were already designated by MGB Regional Office No. III as EXPA No. 000231-III, EXPA No. 000232-III, EXPA No. 000233-III, EXPA No. 000240-III, and EXPA No. 000241-III. MGB Regional Office No. XIII also designated one area in Dinagat Islands as EXPA No. 000248-XIII.

The Department of Environment and Natural Resources (DENR) has granted the clearance to Mines and Geosciences Bureau Central Office (MGB CO) to approve and convert the EXPA No. 248-XIII in Libjo, Dinagat Islands (with total area of 358 hectares) of Oriental Petroleum and Minerals Corporation (OPMC or the Parent Company) to an Exploration Permit (EP).

On March 12, 2024, the Company formally accepted and signed the EP in the MGB CO at North Avenue, Diliman, Quezon City.

As at December 31, 2025 and 2024, the carrying value of deferred mine exploration costs amounted to \$0.17 million and \$0.10 million, respectively. In 2025 and 2024, the Company capitalized deferred mine exploration costs amounting to \$0.06 million and \$0.01 million, respectively.

Others

In 2025, the Company assessed the recoverability of its deferred exploration costs from other projects and determined that the costs attributable to non-producing areas of the Verde, Ex-Husky, and Cagayan Basin, amounting to \$0.02 million, are no longer recoverable. This assessment was based on the absence of current or planned development activities, as well as the lack of sufficient evidence to support the existence of economically recoverable resources in these areas.

Accordingly, the Company recognized a full impairment of these deferred exploration costs in 2025.

As at December 31, 2025 and 2024, the carrying value of deferred exploration costs amounted to \$0.81 million and \$0.76 million, respectively.

Decommissioning fund

On July 27, 2021, the Company received a Decommissioning Plan from the operator of SC 14C1 which provides for the terms upon which the wells, offshore installations, offshore pipelines, and the Floating Production Storage and Offloading (FPSO) facility used in connection with the joint operations in respect of the Galoc Development shall be decommissioned and abandoned.

On June 11, 2025, the Consortium approved the revised Decommissioning Plan prepared by the operator, which reflects the latest plans, schedule and cost estimates for Galoc's envisaged decommissioning. As of December 31, 2025 and 2024, the decommissioning fund amounted to \$0.85 million and \$0.94 million, respectively (see Note 14).

The table below summarizes the movements of the decommissioning fund as of December 31, 2025, and 2024:

	2025	2024
Beginning balance	\$943,946	\$909,430
Addition	28,693	34,516
Reversal of provision for plug and abandonment – net	(125,090)	–
Ending balance	\$847,549	\$943,946

13. Accounts and Other Payables

	2025	2024
Accounts payable	\$19,385	\$118,030
Dividends payable	903,353	788,110
Subscriptions payable	23,914	24,240
Others	8,182	6,034
	\$954,834	\$936,414

Accounts payable mainly consist of unpaid legal and consulting fees. These are noninterest-bearing and are normally settled in 30 to 60-day terms.

Dividends payable include amounts payable to the shareholders of the Company.

Others include statutory payables.

14. Provision for Plug and Abandonment

Provision for Plug and Abandonment represents the present value of the Company's estimated share in the costs to plug wells, dismantle and remove offshore facilities, and restore the site at the end of its productive life. The obligation arises from contractual commitments and regulatory requirements associated with petroleum service contracts.

The table below shows the movement analysis of the account:

	Note	2025	2024
Beginning balance		\$1,123,055	\$1,085,812
Accretion of interest expense	17	65,894	37,243
Reversal of provision for plug and abandonment – net		(341,400)	–
Ending balance		\$847,549	\$1,123,055

Galoc

On July 27, 2021, the Company received a Decommissioning Plan from the operator of SC 14C1 which provides for the terms upon which the wells, offshore installations, offshore pipelines, and the Floating Production Storage and Offloading (FPSO) facility used in connection with the joint operations in respect of the Galoc Development shall be decommissioned and abandoned.

The Company has recognized provision for plug & abandonment amounting to \$0.85 million and \$1.12 million as of December 31, 2025 and 2024, respectively, which represents the present value of the Company's share in the decommissioning liability. The discount rate used on the determination of present value are 5.04% and 5.82%, as of December 31, 2025 and 2024.

On March 26, 2025, the Consortium, through its Operator, NPG Pty Ltd, submitted a Letter of Intent to apply for a Development and Production Petroleum Service Contract (DPPSC) for the Galoc oilfield under the DOE Department Circular 2023-12-0033. The Consortium already submitted the necessary documents for the application for a DPPSC. SC14C1 expired on December 17, 2025.

The third-party independent report of THREE60 Energy dated February 7, 2025, indicates that the Galoc oil field has an additional 877,000 (3C) barrels of oil recoverable up to April 2028.

On June 11, 2025, the Consortium approved the updated decommissioning plan dated June 2025, prepared by the Operator in coordination with a third-party expert. The updated plan and budget estimate total decommissioning costs of \$11.4 million, inclusive of a \$1.5 million contingency. This represents a decrease from the previous estimate of \$15.7 million.

The revised decommissioning plan was submitted to the DOE on June 25, 2025 and was subsequently approved on August 27, 2025.

As a result of the updated plan, the Company reassessed its decommissioning provision and recognized a reversal of excess provision amounting to \$0.34 million. In addition, the Company reversed previously recognized unrecoverable excess decommissioning fund amounting to \$0.13 million. Accordingly, the Company recognized a net reversal of decommissioning liability amounting to \$0.22 million.

The decommissioning activities for Galoc is expected to commence after the end of field life, hence the provision is recognized under non-current liabilities. The Company recognized accretion expense amounting to \$0.07 million and \$0.04 million in 2025 and 2024, respectively (see Note 17).

Under the decommissioning plan, each party to the consortium has a liability to fund a percentage of the decommissioning cost equal to the party's percentage interest. Accordingly, the Company funded the decommissioning fund asset of the Joint Operation as of December 31, 2025 and 2024 amounting to \$0.85 million and \$0.94 million, respectively (see Notes 8 and 12).

West Linapacan

As of the reporting date, the Joint Venture has not yet finalized the P&A strategy and is in the process of undertaking the necessary technical and subsurface evaluations to support the selection of the most appropriate P&A strategy. Consequently, key assumptions, including the method, timing, and extent of abandonment activities, as well as the related cost estimates, remain subject to significant uncertainty and cannot yet be reliably determined.

In accordance with PAS 37, a provision is recognized only when a present obligation exists and a reliable estimate of the obligation can be made. While an obligation to decommission the wells is expected to arise, management has assessed that, as of year-end, the absence of a finalized abandonment plan and sufficiently reliable cost estimates precludes the recognition of a provision.

Accordingly, Management will reassess the recognition and measurement of any P&A provision once sufficient technical and cost information becomes available to support a reliable estimate.

15. Capital Stock

Under the existing laws of the Republic of the Philippines, at least 60% of the Company's issued capital stock should be owned by citizens of the Philippines for the Company to own and hold any mining, petroleum, or renewable energy contract area. As at December 31, 2025, total issued and subscribed capital stock of the Company is 98.81% Filipino and 1.19% non-Filipino, as compared to 98.83% Filipino and 1.17% non-Filipino as at December 31, 2024.

This account consists of:

	2025	2024
Class A - \$0.0004 (₱0.01) par value		
Authorized - 120 billion shares		
Issued and outstanding - 120 billion shares	\$49,361,387	\$49,361,387
Class B - \$0.0004 (₱0.01) par value		
Authorized - 80 billion shares		
Issued and outstanding - 80 billion shares	32,907,591	32,907,591
	82,268,978	82,268,978
Subscriptions receivable	(271,543)	(277,710)
Capital in excess of par value	3,650,477	3,650,477
Treasury stock	(631,821)	-
	\$85,016,091	\$85,641,745

All shares of stock of the Company enjoy the same rights and privileges, except that Class A shares shall be issued solely to Filipino citizens, whereas Class B shares can be issued either to Filipino citizens or foreign nationals. There were no issuances of additional common shares in 2025 and 2024.

The Company's track record of capital stock follows:

	Number of shares registered	Issue/ offer price	Date of SEC approval	Number of Holders as of year-end
Listing by way of introduction	10,000,000,000	₱0.01	Mar. 24, 1970	
Additions:	2,500,000,000	0.01	Mar. 23, 1981	
	37,500,000,000	0.01	Aug. 5, 1988	
	50,000,000,000	0.01	Nov. 14, 1989	
	100,000,000,000	0.01	May 31, 1995	
December 31, 2015	200,000,000,000			11,859
Deduct: Movement	-			(32)
December 31, 2016	200,000,000,000			11,827
Deduct: Movement	-			(121)
December 31, 2017	200,000,000,000			11,706
Deduct: Movement	-			(74)
December 31, 2018	200,000,000,000			11,632
Deduct: Movement	-			(29)
December 31, 2019	200,000,000,000			11,603
Deduct: Movement	-			(9)
December 31, 2020	200,000,000,000			11,594
Deduct: Movement	-			(25)
December 31, 2021	200,000,000,000			11,569
Deduct: Movement	-			(24)
December 31, 2022	200,000,000,000			11,545
Deduct: Movement	-			(21)
December 31, 2023	200,000,000,000			11,524
Deduct: Movement	-			(23)
December 31, 2024	200,000,000,000			11,501
Deduct: Movement	-			(18)
December 31, 2025	200,000,000,000			11,483

Treasury stock

On June 27, 2025, the Board of Directors approved a Share Buyback Program (SBP) for the Company's common stocks, with an authorized budget of up to ₱200,000,000 (or around a Dollar equivalent of \$3,535,443) worth of the Company's common shares. This program aims to enhance shareholder value and to demonstrate confidence in the Company's future prospects. The SBP will apply to both the Company's Class "A" shares (OPM) and Class "B" shares (OPMB) and will continue until the authorized amount has been fully utilized or as otherwise determined by the Board.

As of December 31, 2025, the Company reacquired 2,828.2 million OPM and 611.1 million OPMB shares costing \$0.63 million (₱36.01 million) in total.

As of the date of approval of the financial statements, the Company reacquired 3,907.4 million OPM and 926.3 million OPMB shares costing \$0.88 million (₱52.79 million) in total.

Cash dividends

The following are the dividends declared on the Company's common share:

Cash Dividend per Share	Cash Dividend Amount	Declaration Date	Record Date	Payment Date
₱0.0005	\$1,796,073	June 4, 2025	July 4, 2025	July 29, 2025
₱0.0005	\$1,717,770	May 24, 2024	Jun. 21, 2024	July 12, 2024
₱0.0005	\$1,794,076	June 28, 2023	July 27, 2023	Aug. 18, 2023
₱0.0005	\$1,835,401	June 23, 2022	July 22, 2022	Aug. 16, 2022

As of December 31, 2025 and 2024, retained earnings available for dividend declaration amounted to \$5.53 million and \$4.70 million, respectively.

16. General and Administrative Expenses

	Notes	2025	2024
Staff costs	18	\$588,515	\$612,546
Taxes and licenses		76,553	4,264
Professional fees		33,036	37,343
Depreciation	11	29,921	29,880
Rent	20	29,863	30,135
Transportation and communication		12,525	12,058
Association and membership fees		11,107	11,774
Messengerial services		9,678	9,459
Advertising and publication		1,469	1,349
Utilities		1,383	1,079
Insurance		1,235	868
Entertainment, amusement and recreation		842	628
Bank charges		203	239
Others		77,248	23,672
		\$873,578	\$775,294

Others include Philippine Depository and Trust Corporation (PDTC) fees, filing fees, office supplies, seminar and trainings, representation and repairs and maintenance.

17. Other Income (Charges) – Net

This account consists of:

	Note	2025	2024
Reversal of provision	14	\$216,310	\$–
Accretion of interest expense	14	(65,894)	(37,243)
Gain on sale of bonds		34,282	–
Others		99,636	4,370
		\$284,334	(\$32,873)

18. Retirement Plan

The Company has a funded, noncontributory defined benefit type of retirement plan covering substantially all of its employees. The benefits are based on defined contribution formula with a minimum lump-sum guarantee of one (1) month for every year of service up to 20 years and 1.5 months in excess of 20 years.

Under the existing regulatory framework, Republic Act (RA) 7641, The Retirement Pay Law, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan. The Company's retirement plan meets the minimum retirement benefit specified under RA 7641. The Company updates the actuarial valuation every year by hiring the services of a third-party professionally qualified actuary. The latest actuarial report was for the year ended December 31, 2025.

Components of pension expense in the Company statements of income included in general and administrative expenses under 'Staff costs' account are as follows:

	2025	2024
Current service cost	\$38,169	\$40,264
Interest cost (income) on defined benefit obligation	(69)	5,620
Total pension expense	\$38,100	\$45,884

Changes in the present value of defined benefit obligation follow:

	2025	2024
Balances at beginning of year	\$658,930	\$704,716
Current service cost	38,169	40,264
Interest cost on defined benefit obligation	39,355	41,091
Foreign currency translation adjustment	(10,574)	(30,006)
Remeasurement losses (gain) arising from:		
Experience adjustments	109,192	(59,830)
Financial assumptions	(7,074)	645
Benefits paid directly from book reserve	–	(37,950)
Balances at end of year	\$827,998	\$658,930

	2025	2024
Fair value of plan assets at beginning of period	\$660,077	\$608,478
Net interest	39,424	35,471
Foreign currency translation adjustment	(10,588)	(26,058)
Remeasurement gain (loss)	(185)	42,186
Fair value of plan assets at end of period	\$688,728	\$660,077

The amount of remeasurement gain recognized in OCI:

	2025	2024
Remeasurement gain (loss) on retirement benefits liability	(\$102,235)	\$101,301
Income tax effect	(25,559)	25,325
	(\$76,676)	\$75,976

The table below shows the movement analysis of remeasurement loss on retirement benefits liability in the statements of financial position as at December 31, 2025 and 2024:

	2025	2024
Balance at beginning of year	\$225,267	\$149,291
Remeasurement gain (loss) from actuarial changes	(76,676)	75,976
Balance at end of year	\$148,591	\$225,267

Retirement benefit obligation as presented in the Company's statement of financial position is as follows:

	2025	2024
Present value of defined benefit obligation	\$827,998	\$658,930
Fair value of plan assets	(688,728)	(660,077)
Effect of the asset ceiling	(17)	65
Retirement benefit obligation	\$139,253	(\$1,082)

The principal actuarial assumptions used in determining the pension liability for the Company's plan follow:

	2025	2024
Rate of salary increase	5.70%	5.70%
Discount rate	6.26%	6.07%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	Increase (decrease)	2025	2024
Discount rates	+100 basis points	(\$34,653)	(\$30,276)
	-100 basis points	39,203	34,620
Future salary increases	+1.00%	\$39,031	\$34,402
	-1.00%	(35,139)	(30,867)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

Shown below is the maturity analysis of the undiscounted benefit payments as of December 31, 2025 and 2024:

	2025	2024
Less than 1 year	\$520,904	\$418,351
More than 1 year to 5 years	84,773	60,693
More than 5 years	365,303	315,523

The average duration of the defined benefit obligation is 4.5 years and 4.9 years as of December 31, 2025 and 2024, respectively.

19. Income Tax

Provision for (benefit from) income tax consists of:

	2025	2024
Current		
MCIT	\$11,678	\$14,488
Final tax	581,877	521,901
	593,555	536,389
Deferred	252,408	(2,829)
	\$845,963	\$533,560

The Company's net deferred tax liabilities as of December 31, 2025 and 2024 are detailed below:

	2025	2024
<i>Profit and loss</i>		
Deferred tax assets on:		
NOLCO	\$66,038	\$354,822
Provision for plug and abandonment	211,887	280,764
Unamortized past service cost	83,549	97,474
Pension liability	84,343	75,360
Excess of MCIT over RCIT	24,046	30,410
	469,863	838,830
Deferred tax liabilities on:		
Excess of book over tax base of property and equipment	(2,760,305)	(2,764,239)
Unrealized foreign exchange gain	(61,548)	(153,847)
ARO asset	-	(20,325)
	(2,821,853)	(2,938,411)
Deferred tax liabilities – net	(\$2,351,990)	(\$2,099,581)
<i>Other Comprehensive Income</i>		
Deferred tax liability		
Remeasurement on pension liability	(49,530)	(75,089)
Net deferred tax liabilities	(\$2,401,520)	(\$2,174,670)

Deferred tax liability recognized under “Excess of Book Over Tax Base of Property and Equipment” arises from taxable temporary differences between the carrying amount of property and equipment, which is maintained in USD as the Company’s functional currency, and its tax base, which is determined based on historical peso-denominated amounts for tax purposes. Such difference results from the use of different currencies for financial and tax reporting.

NOLCO

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

The Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Amount	Expired	Balance	Expiry Year
2022	\$124,154	(\$124,154)	\$-	December 31, 2025
2023	194,467	-	194,467	December 31, 2026
2024	69,685	-	69,685	December 31, 2027
2025	160,889	-	160,889	December 31, 2028
	\$549,195	(\$124,154)	\$425,041	

In 2025, the Company incurred NOLCO amounting to \$160,889 in which the Company did not recognize.

The Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act.

Year Incurred	Amount	Expired	Balance	Expiry Year
2020	\$1,030,982	(\$1,030,982)	\$-	December 31, 2025

Excess of Minimum Corporate Income Tax over RCIT

As of December 31, 2025, the Company's Minimum Corporate Income Tax (MCIT) due was higher than RCIT. The difference of MCIT over RCIT can be claimed as deduction against regular taxable income for the next three (3) consecutive years pursuant to Section 27(E) of the National Internal Revenue Code, as follows:

Year Incurred	Amount	Applied/ Expired	Balance	Expiry Year
2025	\$11,678	\$-	\$11,678	December 31, 2028
2024	14,488	-	14,488	December 31, 2027
2023	9,441	-	9,441	December 31, 2026
2022	6,364	(6,364)	-	December 31, 2025
	\$41,971	(\$6,364)	\$35,607	

The Company did not recognize any deferred tax asset for excess MCIT over RCIT amounting to \$11,678 and \$9,441 as at December 31, 2025 and 2023, respectively.

The reconciliation of the statutory income tax rate to the effective income tax follows:

	2025	2024
Statutory income tax rate	25.00%	25.00%
Tax effects of:		
Nondeductible expense	18.52	35.76
Changes in unrecognized deferred tax assets	25.83	-
Dividend income	(7.87)	(7.33)
Interest income subjected to final tax	(23.69)	(15.51)
Income exempt from tax	(13.14)	(14.73)
Effective income tax rate	24.66%	23.19%

20. Related Party Transactions

Parties are 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; and the parties are subject to common control. Related parties may be individuals or corporate entities.

The Company's material related party transactions (MRPT) pertaining to transactions made with the same related party, which are, individually or in aggregate over a twelve (12)-month period, amounting to ten percent (10%) or higher of the Company's total consolidated assets based on its latest audited financial statements, shall be reviewed by the Company's Audit Committee before the transaction is executed and commenced. If not identified beforehand, the MRPT shall be immediately reviewed by the Audit Committee upon its identification.

All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the Board of Directors, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. Aggregate RPT transactions within a twelve (12)-month period that meets or breaches the materiality threshold shall require the same Board approval.

The amounts and the balances arising from the significant related party transactions are as follow:

	2025			
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Entities under common control of JGSHI</i>				
a. Rent (Note 16)	\$29,863	\$-	Noninterest-bearing payable on demand; payable in cash	Unsecured
<i>Subsidiaries</i>				
a. Due to a subsidiary	18,660	19,690,258	On demand, noninterest-bearing; payable in cash	Unsecured, no impairment
	2024			
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Entities under common control of JGSHI</i>				
a. Rent (Note 16)	\$30,315	\$-	Noninterest-bearing payable on demand; payable in cash	Unsecured
<i>Subsidiaries</i>				
a. Due to a subsidiary	20,797	19,671,598	On demand, noninterest-bearing; payable in cash	Unsecured, no impairment

- a. The Company entered into a lease agreement with an affiliate covering the office space it occupies, which is renewable annually. The Company applied the 'short-term lease' and lease of 'low-value assets' recognition exemption for these leases. Total rental expense recognized in general and administrative expenses under the parent company statements of income under these lease agreements amounted to \$0.03 million and \$0.03 million for the years ended December 31, 2025 and 2024, respectively.

Compensation of key management personnel of the Company follows:

	2025	2024
Short-term employee benefits	\$334,430	\$309,618
Post-employment benefits	36,787	42,550
	\$371,217	\$352,168

21. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise cash and cash equivalents, receivables, equity instruments at FVOCI, debt instruments at amortized cost, and accounts and other payables (excluding statutory liabilities). The main objectives of the Company's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The main risks arising from the Company's financial instruments are liquidity, credit, foreign currency, and equity price risk.

The Company's risk management policies are summarized below:

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company seeks to manage its liquidity profile to be able to finance its operations, capital expenditures, and service maturing debts.

The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

As of December 31, 2025 and 2024, all financial liabilities are expected to mature within one (1) year. All commitments up to a year are either due within the time frame or are payable on demand.

The table below summarizes the maturity profile of the Company's financial assets and liabilities based on remaining undiscounted contractual obligations:

	2025			Total
	On Demand	Less than a year	One year or more	
Financial Assets				
Cash and cash equivalents	\$23,905,966	\$-	\$-	\$23,905,966
Receivables:				
Due from operators	-	136,330	-	136,330
Interest receivable	-	314,478	-	314,478
Dividend receivable	-	155,343	-	155,343
Investments:				
Equity instruments at FVOCI	-	-	20,147,839	20,147,839
Debt instruments at amortized cost	-	5,257,357	28,318,105	33,575,462
Total	\$23,905,966	\$5,863,508	\$48,465,944	\$78,235,418

Other Financial Liabilities:

Accounts and other payables*	\$946,652	\$-	\$-	\$946,652
Due to a subsidiary	19,690,258	-	-	19,690,258
Total	\$20,636,910	\$-	\$-	\$20,636,910

*Excludes statutory payables

	2024			Total
	On Demand	Less than a year	One year or more	
Financial Assets				
Cash and cash equivalents	\$22,914,117	\$-	\$-	\$22,914,117
Receivables:				
Due from operators	-	136,330	-	136,330
Interest receivable	-	318,684	-	318,684
Dividend receivable	-	202,587	-	202,587
Investments:				
Equity instruments at FVOCI	-	-	18,308,175	18,308,175
Debt instruments at amortized cost	-	5,041,886	30,201,848	35,243,734
Total	\$22,914,117	\$5,699,487	\$48,510,023	\$77,123,627

Other Financial Liabilities:				
Accounts and other payables*	\$944,868	\$-	\$-	\$944,868
Due to a subsidiary	19,671,598	-	-	19,671,598
Total	\$20,616,466	\$-	\$-	\$20,616,466

*Excludes statutory payables

Correspondingly, the financial assets that can be used by the Company to manage its liquidity risk consist of cash and cash equivalents, receivables, and equity instruments at FVOCI as of December 31, 2025 and 2024, which are usually on demand or collectible within a term of 30 days.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company trades only with its dealers. Receivable balances are monitored on an ongoing basis, with the result that the Company's exposure to bad debts is not significant.

As of December 31, 2025 and 2024, the Company only has trade receivables from the operator of SC 14 pertaining to proceeds of crude liftings. These receivables are under the current, and not past due, classification. The Company does not expect a probability of default based on historical experiences and given that the receivable is supported by a distribution agreement from the consortium operator.

The investment of the Company's cash resources is managed to minimize risk while seeking to enhance yield. The holding of debt instruments at amortized cost exposes the Company to credit risk of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets if the counterparty is unwilling or unable to fulfill its obligation. Credit risk management involves entering into transactions with counterparties that have acceptable credit standing.

The Company's debt investments measured at amortized cost comprise solely of quoted bonds that are graded in the top investment category (Very Good and Good) by credit rating agencies and therefore, are considered to be low credit risk investments.

The table below shows the maximum exposure to credit risk for the components of the separate statements of financial position:

	2025	2024
Financial assets at amortized cost		
Cash in banks and cash equivalents (excluding cash on hand)	\$23,905,788	\$22,913,939
Due from operators	136,330	136,330
Interest receivable	314,478	318,684
Dividends receivable	155,343	202,587
Other receivables	3,061	4,714
Debt instruments at amortized cost	33,575,462	35,243,734
	\$58,090,462	\$58,819,988

(c) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's principal transactions are carried out in Philippine Peso, and its exposure to foreign currency exchange risk arises from purchases in currencies other than the Company's functional currency. The Company believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits in the type of business in which the Company is engaged.

The Company's foreign exchange risk results primarily from movements of U.S. Dollar against other currencies. As a result of the Company's investments and other transactions in Philippine Peso, the separate statements of income can be affected significantly by movements in the U.S. Dollars.

The following table shows the foreign currency-denominated assets and liabilities expressed in Philippine Peso (PHP) and their U.S. Dollar (USD) equivalents as of December 31:

	2025		2024	
	In PHP ¹	In USD	In PHP ¹	In USD
Financial Assets				
Cash and cash equivalents	₱676,110,574	\$11,497,510	₱696,664,094	\$12,008,557
Dividend receivable	9,134,969	155,343	11,752,874	202,587
Interest receivable	13,342,489	226,894	13,289,318	228,539
Equity instruments at FVOCI	1,184,793,652	20,147,839	1,062,130,493	18,308,175
Debt instruments at amortized cost	1,680,380,000	28,575,461	1,754,560,000	30,243,734
	3,563,761,685	60,603,047	3,538,396,779	60,991,592
Other Financial Liabilities				
Accounts and other payables	55,700,927	946,652	46,193,850	930,380
Net foreign currency - denominated assets	₱3,508,060,757	\$59,656,395	₱3,492,202,929	\$60,061,212

¹ The exchange rates used as of December 31, 2025 and 2024 are \$0.01701 to ₱1 and \$0.01718 to ₱1, respectively.

The following table demonstrates sensitivity to a reasonably possible change in the Philippine Peso exchange rate, with all other variables held constant, of the Company's income before income tax in 2025 and 2024. There is no other impact on the Company's equity other than those already affecting income.

The sensitivity is based on the historical volatility of exchange rate of US Dollar against Philippine Peso during the current year. The analysis is based on the assumption that current year's volatility will be the same in the following year.

	Change in PHP rate	Effect on income before income tax
2025	+1.82%	\$1,085,769
	-1.24%	(740,759)
2024	+1.95%	\$1,171,194
	-2.14%	(1,412,878)

(d) *Equity price risk*

Equity price risk is the risk that the fair values of investments in quoted equity securities could decrease as a result of changes in the prices of equity indices and the value of individual stocks. The Company is exposed to equity securities price risk because of investments held by the Company, which are classified in the separate statements of financial position as Equity instruments at FVOCI.

The following table shows the sensitivity of the Company's equity (through OCI) from changes in the carrying value of the Company's equity instruments at FVOCI and AFS investments due to reasonably possible changes in the Philippine Stock Exchange index (PSEi), with all other variables held constant. The analysis links PSEi changes, which proxies for general market movements, to individual stock prices through adjusted betas of each individual stock. Betas are coefficients depicting the sensitivity of individual stock prices to market movements.

The sensitivity is based on the historical volatility of PSEi for the current year. The analysis is based on the assumption that current year's PSEi volatility will be the same in the following year:

	Percentage Change in PSEi	Effect on OCI
2025	+1.79%	\$15,281
	-1.79%	(15,281)
2024	+0.87%	\$15,477
	-0.87%	(15,477)

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

The Company considers its capital stock, net of any subscription receivable, and retained earnings, which amounted to \$91.95 million and \$91.64 million as of December 31, 2025 and 2024, respectively, as its capital employed. No changes were made in the objectives, policies, or processes during the years ended December 31, 2025 and 2024.

Fair Values

Due to the short-term nature of the transactions, the carrying values of cash and cash equivalents, receivables, accounts and other payables (excluding statutory liabilities) approximate the fair value.

The fair value of the equity instruments at FVOCI that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business as of the reporting date.

The fair value of the debt instruments at amortized cost that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business as of the reporting date. Fair value of debt instruments at amortized cost amounted to \$33.78 million and \$35.33 million, while its carrying amounts are \$33.58 million and \$35.24 million as at December 31, 2025 and 2024, respectively (see Note 9).

Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

As at December 31, 2025 and 2024, set out below is table of financial assets measured under Level 1. There has been no transfer from Level 1 to Level 2 or 3 categories in 2025 and 2024.

	2025		
	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(Level 1)	(Level 2)	(Level 3)
Equity instruments at FVOCI	\$20,147,839	\$-	\$-
	2024		
	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(Level 1)	(Level 2)	(Level 3)
Equity instruments at FVOCI	\$18,308,175	\$-	\$-

22. Basic/Diluted Earnings Per Share

The Company's earnings per share were computed as follows:

	2025	2024
Net income	\$2,584,873	\$1,767,337
Divided by weighted average number of common shares outstanding	198,634,208,333	200,000,000,000
	\$0.000013	\$0.000009

For the years ended December 31, 2025 and 2024, there were no outstanding potentially dilutive common shares.

23. Subsequent Events

At a meeting held on March 17, 2026, the Board approved the amendment of the Seventh Article of the Company's Articles of Incorporation to remove the classification of its common shares into Class "A" and Class "B".

Under the proposed amendment, the Company's authorized capital stock of ₱2,000,000,000, divided into 200,000,000,000 shares with a par value of ₱0.01 per share, will consist of a single class of common shares, all with the same rights and privileges. Accordingly, the existing classification of common shares into Class "A" and Class "B" will be discontinued.

The proposed amendment is intended to promote market efficiency, transparency, and equitable treatment of shareholders. As of the date of approval of the financial statements, the amendment remains subject to the approval of the relevant regulatory authorities.

ORIENTAL PETROLEUM AND MINERALS CORPORATION
SUPPLEMENTARY TAX INFORMATION REQUIRED UNDER
REVENUE REGULATIONS (RR) NO. 15-2010
DECEMBER 31, 2025

In compliance with Bureau of Internal Revenue (BIR) Revenue Regulations (RR) 15-2010 issued on November 25, 2010, mandating all taxpayers to disclose information on taxes and license fees paid or accrued during the taxable year, the Company reported and/or paid the following types of taxes in 2025:

a. Value-added Taxes (VAT)

Section 12(a) of Presidential Decree No. 87 (PD 87) otherwise known as "An Amended Act to Promote the Discovery and Production of Indigenous Petroleum and Appropriate Funds Therefor" provides for the exemption of the Company from all taxes except income tax. In relation to the aforementioned Act, the Company has no payment of value-added tax and excise tax.

b. Taxes and Licenses

Taxes and licenses presented under the "Taxes and other licenses" account lodged under the 'General and administrative expenses' amounting ₱4,414,675 (\$76,553) in 2025 which pertains to business tax, community tax certificate fee and other registration fees.

c. Withholding Taxes

Withholding taxes for the year ended December 31, 2025 consist of:

	In Philippine Pesos	Equivalent US Dollars
Final withholding taxes on interest income	₱33,513,800	\$581,877
Final withholding taxes on dividends declared	5,715,044	100,209
Withholding taxes on compensation and benefits	5,688,283	98,978
Expanded withholding taxes	460,338	8,077
	₱45,377,465	\$789,141

Tax Assessments and Case

As at December 31, 2025, the Company has no tax assessments and tax cases, litigation and/or prosecution in tax courts and bodies within and outside the administration of the Bureau of Internal Revenue (BIR).