



SECURITIES AND EXCHANGE COMMISSION

Secretariat Building, PICC Complex, Roxas Boulevard, Pasay City, 1307 Metro Manila Philippines

Tel: (632) 818-0921 Fax: (632) 818-5293 Email: mis@sec.gov.ph



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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17 (2) (b) THEREUNDER

1. For the quarterly period ended September 30, 2025
2. Commission identification number 40058
3. BIR Tax Identification No. 000-483-747-000
4. **ORIENTAL PETROLEUM AND MINERALS CORPORATION**
Exact name of issuer as specified in its charter
5. **Manila, Philippines**
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: [] (SEC Use Only)
7. **34th Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center Pasig City 1600**
Address of issuer's principal office Postal Code
8. **(632) 8633-7631**
Issuer's telephone number, including area code
9. Not Applicable

Former name, former address and formal fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<u>Title of each Class</u>	<u>Number of shares of common stock outstanding</u>
Common Stock, P0.01 par value	197,056,200,000

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

Yes [] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange **Class A and B**

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 []

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited consolidated financial statements are filed as part of this Form 17-Q

- a. Audited Consolidated Balance Sheet as at December 31, 2024, and Unaudited Consolidated Balance Sheet as at September 30, 2025
- b. Unaudited Consolidated Statements of Income for the Nine Months Ended September 30, 2024 and 2025
- c. Unaudited Consolidated Statements of Comprehensive Income for the Nine Months Ended September 30, 2024 and 2025
- d. Unaudited Consolidated Statements of Changes in Equity for the Nine Months Ended September 30, 2024 and 2025
- e. Unaudited Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2024 and 2025
- f. Notes to the Unaudited Consolidated Financial Statements

The above financial statements are prepared in conformity with accounting principles generally accepted in the Philippines. Included in this report is summary of the Company's significant accounting policies.

The Company followed the same accounting policies and methods of computation in the interim financial statements for the 3rd Quarter of 2025 as compared with the most recent annual audited financial statements ending December 31, 2024.

The Company' management discloses the following:

- Interim operations are not cyclical and or seasonal;
- There are no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, amount, size, or incidents;
- There are no changes in the amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years;
- There have been no issuances, repurchases, and repayments of debt and equity securities;
- The Company maintains no business or geographical segment;
- There are no material events subsequent to the end of the interim period (January - September 2025) that have not been reflected in the interim reports;
- There have been no changes in the composition of the Company such as business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations;
- There are no contingent liabilities or contingent assets since the last annual balance sheet date ending December 31, 2024; and
- There exists no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Business Overview

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.

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 Block - C (Galoc & West Linapacan). West Linapacan is the non-producing area; West Linapacan is currently under evaluation for re-activation after it was shut-in in 1995 due to water intrusion.

Sale of Crude Oil Data for the period ended September 30, 2025 and 2024

Area	Volume (in bbls.)		Average Selling Price (in US\$/bbl.)	
	2025	2024	2025	2024
Galoc	280,742	309,198	70.74	82.14

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

Financial and Operational Highlights

in thousand dollars (except exchange rates and number of employees)

As of and for the period ended September 30 (Unaudited)

	2025	2024	Change
Income Statement data			
Revenues from petroleum operations	1,563.77	2,006.04	(22%)
Petroleum production costs	1,183.97	1,515.67	(22%)
Depletion, depreciation & amortization	288.56	295.21	(2%)
General and administrative expenses	642.09	543.06	18%
Foreign exchange gain (loss)	345.01	(274.19)	226%
Interest and dividend income	2,842.82	2,832.41	0%
Balance Sheet data			
Cash and cash equivalents	18,128.63	18,369.72	(1%)
Receivables	514.56	480.97	7%
Inventory	734.41	1,179.25	(38%)
Equity instruments at fair value through other comprehensive income	22,474.61	22,024.52	2%
Debt instruments at amortized cost – current and non-current	36,535.44	36,391.97	0%
Accounts and other payables	170.65	279.19	(39%)
Other data			
Average peso dollar exchange rate	57.12	57.01	0%
Number of employees	15	15	–%

The Company organized three (3) wholly-owned subsidiaries. Brief descriptions of the subsidiaries are as follows:

a) ORIENTAL MAHOGANY WOODWORKS, INC. (OMWI)

OMWI was incorporated and started commercial operations on May 2, 1988 with 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 OMWI's manufacturing operations effective May 1, 1994 due to continued operating losses. The management has no definite future plans for OMWI's operations.

b) LINAPACAN OIL GAS AND POWER CORPORATION (LOGPOCOR)

LOGPOCOR was incorporated on January 19, 1993 to engage in energy project and carry on and conduct the business relative to the exploration, extraction, production, transportation, marketing, utilization, conservation, stockpiling or storage of all forms of energy products and resources. OPMC acquired LOGPOCOR through transfer of 12.6 working interest in Blocks A, B, and C of SC14 in exchange for all of LOGPOCOR's capital stocks. Since July 1993, OPMC continues to recognize revenues arising from the petroleum operation proportionate to the 12.6 working interest. However, all related capitalizable expenses on such working interest continue to be

capitalized to LOGPOCOR's assigned costs of such working interest. On the other hand, the depletion of such costs is transferred to OPMC and shown as a reduction of the assigned costs.

c) ORIENTAL LAND CORPORATION (OLC)

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

Results of Operations

September 30, 2025 vs. September 30, 2024

Revenue from petroleum operations at the end of the nine-month period of 2025, which amounted to US\$1.56 million, decreased by 22% from US\$2.01 million in the same period last year. This was mainly driven by the decrease in average crude oil price of US\$70.74 per barrel for the period ended September 2025 versus US\$82.14 per barrel same period last year. The oil prices fell as there are doubts on the upcoming US-China trade talks.

Petroleum production costs at the end of the nine-month period slightly decreased to US\$1.18 million, from US\$1.52 in the same period last year as the Consortium continues to utilize remaining operations funds and is under a deferred payment arrangement with its major service providers. These 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 consortia.

Depletion, depreciation and amortization totaled US\$0.29 million from US\$0.30 million in the same period last year. 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.

The Company has a foreign exchange (FX) exposure associated with fluctuations in the value of the Philippine Peso against the U.S. Dollar. The slight depreciation of the peso from PhP58.014 to a dollar in December 2024 to PhP58.042 to a dollar in September 2025 resulted in a FX translation gain of around US\$0.35 million at the end of the nine-month period. Meanwhile, the depreciation of the peso from PhP55.57 to a dollar in December 2023 to PhP55.892 to a dollar in September 2024 resulted in a FX translation loss of US\$0.27 million in September 2024. The FX exposure was mainly a result of the translated peso-denominated money market placements.

Interest and dividend income slightly increased to US\$2.84 million from US\$2.83 million. This comprised of income from investment in equity instruments at fair value through other comprehensive income, debt instruments at amortized cost, and money market placements.

Financial Position

September 30, 2025 vs. December 31, 2024

As of September 30, 2025, consolidated assets amounted to US\$90.82 million, which was slightly higher by 1% or US\$0.52 million compared to US\$90.30 million as of December 31, 2024 mainly due to the following movements:

- Debt instruments at amortized cost (current and non-current portion) of US\$36.54 million was higher compared to US\$35.24 million mainly due to acquisition of additional investments in bonds.
- Equity instruments at fair value through other comprehensive income amounted to US\$22.47 million, slightly higher than last year's US\$18.31 million attributable to the acquisition of additional investments in equities.
- Crude oil inventory of US\$0.73 million as of September 2024 increased from US\$0.64 million as of December 2024. This represents the share in the crude oil already produced and in storage but has yet to be delivered to the customers. The increase was due to higher crude oil volume in tank and storage as of September 2025 of 131,990 barrels with net realizable value of US\$71/barrel as against 108,375 barrels as of December 2024 with net realizable value of US\$75/barrel.

The above-mentioned increase in assets was offset by the decrease in cash and cash equivalents, which amounted to US\$18.13 million as of September 2025 as compared to the end of 2024 of US\$22.91 million. This was due to additional investments in equity instruments at FVOCI and debt instruments at amortized cost.

Dividends payable ended at US\$0.92 million, an increase from US\$0.79 million mainly due to the unclaimed dividends by the entitled shareholders.

The causes for material changes of September 30, 2025 figures as compared to December 31, 2024 figures of the following accounts are:

Accounts	September 30, 2025	December 31, 2024	Change	%	Remarks
Balance Sheet					
Cash and cash equivalents	\$18,128,633	\$22,914,117	(\$4,785,484)	(21%)	Decrease was mainly due to additional investments in equity instruments at FVOCI and debt instruments at amortized cost
Crude oil inventory	734,414	635,154	99,260	16%	The increase was due to higher crude oil volume in tank and storage as of September 2025 of 131,990

Accounts	September 30, 2025	December 31, 2024	Change	%	Remarks
Balance Sheet					
					barrels with net realizable value of US\$71/barrel as against 108,375 barrels as of December 2024 with net realizable value of US\$75/barrel.
Debt instruments at amortized cost (current and non-current)	36,535,440	35,243,734	1,291,706	4%	Increase was due to acquisition of additional investments in bonds.
Equity instruments at FVOCI	22,474,611	18,308,175	4,166,436	23%	Increase was due to acquisition of additional investments in equities.

The causes for material changes of September 30, 2025 figures as compared to September 30, 2024 figures of the following accounts are:

Accounts	September 30, 2025	September 30, 2024	Change	%	Remarks
Income Statement					
Revenues from petroleum operations	\$1,563,768	\$2,006,035	(\$442,267)	(22%)	This was mainly driven by the decrease in average crude oil price of US\$70.74 per barrel for the period ended September 2025 versus US\$82.14 per barrel same period last year.
Petroleum production costs	1,183,966	1,515,665	(331,699)	(22%)	The Consortium continues to utilize remaining operations funds and is under a deferred payment arrangement with its major service providers. These costs mainly include 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 consortia.
Depletion, depreciation and amortization	288,560	295,210	(6,650)	(2%)	The estimated remaining proved and probable oil reserves totaled 0.40 million and 0.89 million barrels for

Accounts	September 30, 2025	September 30, 2024	Change	%	Remarks
Income Statement					
					Galoc oil field as of December 31, 2024 and 2023, respectively.
Interest and dividend income	2,842,819	2,832,405	10,414	0%	This comprised of income from investment in equity instruments at fair value through other comprehensive income, debt instruments at amortized cost, and money market placements.
Foreign exchange gain (loss)	345,013	(274,194)	619,207	226%	The slight depreciation of the peso from PhP58.014 to a dollar in December 2024 to PhP58.042 to a dollar in September 2025 resulted in a FX translation gain of around US\$0.35 million at the end of the nine-month period. Meanwhile, the depreciation of the peso from PhP55.57 to a dollar in December 2023 to PhP55.892 to a dollar in September 2024 resulted in a FX translation loss of US\$0.27 million in September 2024. The FX exposure was mainly a result of the translated peso-denominated money market placements.

Key Performance Indicators

	September 30, 2025	September 30, 2024
Revenue from Petroleum Operations	\$1,563,768	\$2,006,035
Petroleum Production Costs	(1,183,966)	(1,515,665)
Cost of petroleum inventories charged against / (recognized as) expense	99,259	203,555
Interest and Dividend Income	2,842,819	2,832,405
Core income (before FX gain/loss and taxes)	2,396,385	2,691,242
Foreign exchange gain (loss) – net	345,013	(274,194)
Net income	2,740,109	2,417,048

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

	September 30, 2025	September 30, 2024
US dollar-PH peso exchange rate	PhP55.892 to US\$1.00	PhP55.892 to US\$1.00

	September 30, 2025	September 30, 2024
Current Ratio	23.57	22.48
Acid Test Ratio	22.86	21.38
Ratio of Debt-to-Equity	Not applicable	
Ratio of Asset-to-Equity	1.04	1.04
Return on Equity	3.12%	2.80%
Return on Assets	3.01%	2.70%
Operating Profit Margin	12%	20%
Net Working Capital Ratio	0.27	0.26

Figures are based on Unaudited Financial Statements

The manner in which the Group calculates the above indicators is 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.
- Operating profit margins are computed by dividing operating profit over total revenues.
- Net working capital ratios are derived at by getting the difference of current assets and current liabilities divided by total assets.

The Company's management discloses the following information:

- There are no known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.
- There are no material commitments for capital expenditures.

- There are no known trends or uncertainties, that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.
- There are no significant elements of income or loss that did not arise from continuing operations.
- There are no seasonal aspects that had a material effect on the financial condition or results of operations.
- There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

Financial Risk Management Objectives and Policies

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

- 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 September 30, 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.

Correspondingly, the financial assets that can be used by the Group to manage its liquidity risk consist of cash in banks and cash equivalents, receivables and equity instruments at FVOCI as of September 30, 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 September 30, 2025 and December 31, 2024, the Group only has trade receivables from the operator of SC 14C1 pertaining to sales of crude oil not yet distributed to consortium members. The Group does not expect a probability of default, 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 Equity instruments at FVOCI, and 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.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy and are considered to be with very low credit risk.

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.

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 income can be affected significantly by movements in the U.S. Dollars.

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 consolidated statement of financial position as equity instruments at FVOCI.

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.

Fair Values

Due to the short-term nature of the transactions, the carrying values of cash and cash equivalents, receivables, account 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 and carrying value of debt instruments at amortized cost (current and non-current portion) measured under Level 1 amounted to \$36.54 million and \$36.39 million as at September 30, 2025 and 2024, respectively.

Fair Value Hierarchy

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

As at September 30, 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, 2024 and 2023.

	September 30, 2025		
	Fair value measurement using		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Equity instruments at FVOCI	\$22,474,611	\$-	\$-

	September 30, 2024		
	Fair value measurement using		
	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Equity instruments at FVOCI	\$22,024,520	\$-	\$-

Other matters:

The owners of more than 5% of the Company's securities as of September 30, 2025 were as follows:

Class	Stockholders	Amount of ownership	% to Total
Common	PCD Nominee Corporation	94,767,599,625	47.38
Common	JG Summit Capital Services Corp.	37,051,952,896	18.53
Common	R. Coyiuto Securities, Inc.	21,611,641,422	10.81
Common	Prudential Guarantee & Assurance, Inc.	12,892,285,272	6.45

As of September 30, 2025, OPMC has approximately 11,483 stockholders both for Class "A" and "B" shares.

Board of Directors and Executive Officers

The Company's Board of Directors and executive officers as of September 30, 2025 are as follows:

Board of Directors

Directors	Name
Director, Chairman and Chief Executive Officer	James L. Go
Director, Vice Chairman*	Robert G. Coyiuto, Jr.
Director, President and Chief Operating Officer*	Benedicto T. Coyiuto
Director	Lance Y. Gokongwei
Director	Brian M. Go
Director and Assistant Corporate Secretary	Perry L. Pe
Director	James G. Coyiuto
Director	Josephine V. Barcelon
Director	Jose Victor Emmanuel A. De Dios
Independent Director	Jose M. Layug, Jr.
Independent Director	Emmanuel C. Alcantara

**Effective June 4, 2025, the Board of Directors of Oriental Petroleum and Minerals Corporation has elected Mr. Benedicto T. Coyiuto, as President and Chief Operating Officer and has changed the designation of Mr. Robert Coyiuto, Jr. from President and Chief Operating Officer to Vice Chairman.*

Executive Officers

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

PART II – OTHER INFORMATION

All current disclosures were already reported under SEC Form 17-C.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ORIENTAL PETROLEUM AND MINERALS CORPORATION



BENEDICTO T. COYIUTO
President and Chief Operating Officer

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In U.S. Dollars)**

	Nine Months Ended September 30 (UNAUDITED)		Year ended December 31
	2025	2024	2024(Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	\$18,128,633	\$18,369,717	\$22,914,117
Current portion of debt instruments at amortized cost	6,186,555	4,607,099	5,041,886
Receivables	514,562	480,966	582,520
Crude oil inventory	734,414	1,179,253	635,154
Other current assets	33,470	26,384	26,573
Total Current Assets	25,597,634	24,663,419	29,200,250
Noncurrent Assets			
Debt instruments at amortized cost, net of current	30,348,885	31,784,871	30,201,848
Equity instruments at FVOCI	22,474,611	22,024,520	18,308,175
Property and equipment	10,628,228	11,023,538	10,882,575
Net pension asset	1,082	-	1,082
Other noncurrent assets	1,772,798	1,688,726	1,708,174
Total Noncurrent Assets	65,225,604	66,521,655	61,101,854
	\$90,823,238	\$91,185,074	\$90,302,104
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts and other payables	\$170,655	\$279,193	\$180,454
Dividends payable	915,280	818,154	788,110
Total Current Liabilities	1,085,935	1,097,347	968,564
Noncurrent Liabilities			
Net Pension liability	-	56,236	-
Provision for plug and abandonment	1,123,055	1,085,812	1,123,055
Deferred tax liabilities - net	1,098,235	997,139	1,098,235
Total Noncurrent Liabilities	2,221,290	2,139,187	2,221,290
Total Liabilities	3,307,225	3,236,534	3,189,854
Equity			
Capital Stock	82,268,978	82,268,978	82,268,978
Subscription receivable	(271,543)	(277,710)	(277,710)
Capital in excess of par value	3,650,477	3,650,477	3,650,477
Treasury stock	(537,042)	-	-
Retained earnings	6,619,911	6,375,142	5,647,252
Reserve for changes in value of equity instruments at FVOCI	(5,106,849)	(4,927,877)	(5,068,828)
Remeasurement gains on pension liability - net	225,267	149,291	225,267
Cumulative translation adjustment	666,814	710,239	666,814
Total Equity	87,516,013	87,948,540	87,112,250
	\$90,823,238	\$91,185,074	\$90,302,104

See accompanying Notes to Unaudited Consolidated Financial Statements.

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME
(In U.S. Dollars)

	Nine Months Ended		Three Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
REVENUE FROM PETROLEUM OPERATIONS	\$1,563,768	\$2,006,035	\$-	\$-
COSTS OF PETROLEUM OPERATIONS				
Depletion and depreciation	288,560	295,210	93,661	95,179
Petroleum production costs	1,183,966	1,515,665	261,159	401,490
	1,472,526	1,810,875	354,820	496,669
GROSS PROFIT (LOSS)	91,242	195,160	(354,820)	(496,669)
OTHER OPERATING INCOME (EXPENSE)				
Cost of petroleum inventories charged against / (recognized as) expense	99,259	203,555	554,354	638,895
OPERATING PROFIT (LOSS)	190,501	398,715	199,534	142,226
GENERAL AND ADMINISTRATIVE EXPENSES	642,091	543,056	175,489	138,101
OTHER INCOME				
Interest income	2,073,484	1,920,135	633,865	649,695
Dividend income	769,335	912,270	367,201	307,628
Other income	5,154	3,178	-	-
	2,847,973	2,835,583	1,001,066	957,323
INCOME BEFORE INCOME TAX AND FOREIGN EXCHANGE GAIN	2,396,383	2,691,242	1,025,111	961,448
Foreign currency gain (loss) – net	345,013	(274,194)	(943,736)	1,934,521
INCOME BEFORE INCOME TAX	2,741,396	2,417,048	81,375	2,895,969
PROVISION FOR INCOME TAX	1,289	-	-	-
NET INCOME (LOSS)	\$2,740,107	\$2,417,048	\$81,375	\$2,895,969
Weighted Average Number of Common Stock Outstanding	197,056,200,000	200,000,000,000	197,056,200,000	200,000,000,000
Net Income (Loss) per share	\$0.000014	\$0.000012	\$0.000000	\$0.000014

See accompanying Notes to Unaudited Consolidated Financial Statements.

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Nine Months Ended		Three Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
NET INCOME (LOSS)	\$2,740,107	\$2,417,048	\$81,375	\$2,895,969
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Item not to be reclassified to profit or loss in subsequent periods -</i>				
Movement in reserve for fluctuation in value of equity instruments at FVOCI	(38,021)	464,320	(117,307)	1,120,653
TOTAL COMPREHENSIVE INCOME (LOSS)	\$2,702,086	\$2,881,368	(\$35,932)	\$4,016,622

See accompanying Notes to Unaudited Consolidated Financial Statements.

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in U.S. Dollars)

	Capital Stock	Subscriptions Receivable	Capital in Excess of Par Value	Treasury Stock	Retained Earnings	Reserve for Changes in Value of Equity Instruments at FVOCI	Remeasurement Gains (Losses) on Pension Liability - Net	Cumulative Translation Adjustment	Total
Balances as at January 1, 2025	\$ 82,268,978	\$ (277,710)	\$ 3,650,477	\$ -	\$ 5,647,252	\$ (5,068,828)	\$ 225,267	\$ 666,814	\$ 87,112,250
Comprehensive income									
Net income for the period	-	-	-	-	2,740,107	-	-	-	2,740,107
Other comprehensive income	-	-	-	-	28,624	(38,021)	-	-	(9,397)
Total comprehensive income	-	-	-	-	2,768,731	(38,021)	-	-	2,730,710
Purchase of treasury shares	-	-	-	(537,042)	-	-	-	-	(537,042)
Collection of subscription receivable	-	6,167	-	-	-	-	-	-	6,167
Cash dividends	-	-	-	-	(1,796,072)	-	-	-	(1,796,072)
Balances as at September 30, 2025	\$ 82,268,978	\$ (271,543)	\$ 3,650,477	\$ (537,042)	\$ 6,619,911	\$ (5,106,849)	\$ 225,267	\$ 666,814	\$ 87,516,013
Balances as at January 1, 2024	\$ 82,268,978	\$ (277,710)	\$ 3,650,477	\$ -	\$ 5,675,865	\$ (5,392,197)	\$ 149,291	\$ 710,239	\$ 86,784,943
Comprehensive income									
Net income (loss) for the period	-	-	-	-	2,417,048	-	-	-	2,417,048
Other comprehensive income (loss)	-	-	-	-	-	464,320	-	-	464,320
Total comprehensive income (loss)	-	-	-	-	2,417,048	464,320	-	-	2,881,368
Cash dividends	-	-	-	-	(1,717,771)	-	-	-	(1,717,771)
Balances as at September 30, 2024	\$ 82,268,978	\$ (277,710)	\$ 3,650,477	\$ -	\$ 6,375,142	\$ (4,927,877)	\$ 149,291	\$ 710,239	\$ 87,948,540
Balances as at July 1, 2025	\$ 82,268,978	\$ (271,543)	\$ 3,650,477	\$ (32,176)	\$ 6,509,912	\$ (4,989,542)	\$ 225,267	\$ 666,814	\$ 88,028,187
Net income for the period	-	-	-	-	81,375	-	-	-	81,375
Other comprehensive income (loss)	-	-	-	-	28,624	(117,307)	-	-	(117,307)
Total comprehensive income (loss)	-	-	-	-	109,999	(117,307)	-	-	(35,932)
Purchase of treasury shares	-	-	-	(504,866)	-	-	-	-	(504,866)
Collection of subscription receivable	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	-
Balances as at September 30, 2025	\$ 82,268,978	\$ (271,543)	\$ 3,650,477	\$ (537,042)	\$ 6,619,911	\$ (5,106,849)	\$ 225,267	\$ 666,814	\$ 87,516,013
Balances as at July 1, 2024	\$ 82,268,978	\$ (277,710)	\$ 3,650,477	\$ -	\$ 3,479,173	\$ (6,048,530)	\$ 149,291	\$ 710,239	\$ 83,931,918
Comprehensive income									
Net income (loss) for the period	-	-	-	-	2,895,969	-	-	-	2,895,969
Other comprehensive income (loss)	-	-	-	-	-	1,120,653	-	-	1,120,653
Total comprehensive income (loss)	-	-	-	-	2,895,969	1,120,653	-	-	4,016,622
Cash dividends	-	-	-	-	-	-	-	-	-
Balances as at September 30, 2024	\$ 82,268,978	\$ (277,710)	\$ 3,650,477	\$ -	\$ 6,375,142	\$ (4,927,877)	\$ 149,291	\$ 710,239	\$ 87,948,540

See accompanying Notes to Unaudited Consolidated Financial Statements.

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended		Three Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	\$2,741,396	\$2,417,048	\$81,375	\$2,895,969
Adjustments for:				
Depletion, depreciation and amortization	288,560	295,210	93,661	95,179
Unrealized foreign exchange loss (gain)	(283,708)	271,201	545,975	(1,938,048)
Interest income	(2,073,484)	(1,920,135)	(633,865)	(649,694)
Dividend income	(769,335)	(912,270)	(367,201)	(307,628)
Operating income before working capital changes	(96,571)	151,054	(280,055)	95,778
Decrease (increase) in:				
Receivables	4,713	(4,353)	568,468	3,288
Crude oil inventory	(99,260)	(203,556)	(554,353)	(638,895)
Other current assets	(6,897)	1,768	3,080	225
Increase (decrease) in:				
Accounts and other payables	(10,118)	205,642	(8,623)	250,744
Cash generated from (used in) operations	(208,133)	150,555	(271,483)	(288,860)
Income taxes paid	(1,289)	(9,442)	-	-
Net cash provided by (used in) operating activities	(209,422)	141,113	(271,483)	(288,860)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	2,038,695	1,915,147	615,097	598,915
Dividends received	867,369	1,065,809	354,279	296,049
Acquisitions of:				
Debt instruments at amortized cost	(4,913,209)	(5,527,690)	-	-
Equity instruments at FVOCI	(8,730,259)	(347,745)	(220,048)	-
Property and equipment	(34,215)	-	(1,253)	-
Other noncurrent assets	(64,623)	(24,421)	(22,994)	-
Proceeds from redemption/maturity of:				
Equity instruments at FVOCI	4,525,802	-	204,058	-
Debt instruments at amortized cost	3,583,404	5,764,698	-	-
Net cash used in investing activities	(2,727,036)	2,845,798	929,139	894,964
CASH FLOWS FROM FINANCING ACTIVITIES				
Purchase of treasury shares	(537,042)	-	(504,869)	-
Receipt of subscription receivable	6,167	-	-	-
Payment of cash dividends	(1,664,123)	(1,710,372)	(1,664,123)	(1,710,372)
	(2,194,998)	(1,710,372)	(2,168,992)	(1,710,372)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS				
	345,972	(93,537)	289,986	409,557
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,785,484)	1,183,002	(1,221,350)	(694,711)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	22,914,117	17,186,715	19,349,983	19,064,428
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$18,128,633	\$18,369,717	\$18,128,633	\$18,369,717

See attached Notes to Unaudited Consolidated Financial Statements.

ORIENTAL PETROLEUM AND MINERALS CORPORATION
Aging of Accounts Receivable
As of September 30, 2025
(In US Dollars)

Type of Receivables	30 days	31 - 60 days	61 - 90 days	91 - 120 days	121 - 360 days	Beyond 360 days
Due from operator	\$56,535	-	-	-	-	-
Interest receivable	353,474	-	-	-	-	-
Dividend receivable	104,553	-	-	-	-	-
Grand Total	\$514,562	-	-	-	-	-

**ORIENTAL PETROLEUM AND MINERALS CORPORATION
AND SUBSIDIARIES**

NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Status of 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 and to extend the corporate term for 50 years from December 22, 2019, respectively. The amendments to the AOI was 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 was listed in the Philippine Stock Exchange (PSE) on October 14, 1970.

The Group is 19.40% owned by JG Summit Holdings, Inc. (JGHSI).

Service Contract (SC) 14

On December 15, 1975, pursuant to Section 7 of the Oil Exploration and Development Act of 1972 (Presidential Decree (PD) 87 dated November 21, 1972), the Group, 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 Northwest offshore Palawan, Philippines, which was amended from time to time. This contract area includes the Nido, Matinloc, West Linapacan and Galoc Field where significant hydrocarbon deposits were discovered.

The contract areas (i.e., Blocks A, B, C 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 Group 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 (DP PSC) will be submitted to the DOE.

SC 14C1 - Galoc

As at December 31, 2024 and 2023, the total cumulative production of the Galoc oilfield has reached 24.60 million and 24.06 million Barrels of Oil, respectively, 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.

As at September 30, 2025 and December 31, 2024, the Group holds participating interest of 7.78505% in Galoc.

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, GPC1 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 GPC1, an alternative strategy was developed to continue production operations even before the end of the Termination Notice.

GPC1 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 will continue to supervise the operations of ROI and Three60 Energy. GPC1'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, GPC2/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 - GPC1 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 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.

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 will expire on December 17, 2025.

As at September 30, 2025 and 2024, provision for plug & abandonment costs recognized by the Group amounted to \$1.12 million and \$1.09 million, respectively, with respect to the decommissioning plan for SC 14C1 - Galoc Block.

SC 14C2 - West Linapacan

West Linapacan A Field lies at a water depth of 1,130 feet 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 January 1995 due to high water intrusion during production. 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 the extended deadline thus, SPA and FAO with DRPL 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 on-going for Nido to increase its participating interest in West Linapacan. In return, Nido Petroleum will carry free the Farming-out Filipino Partners in the cost of Drilling and the EWT up to declaration of field commerciality.

SC14C2 is currently in its final year and will expire on December 17, 2025. Current activity involves the preparation for the redevelopment of the West Linapacan-A field. The Consortium have allocated portion of the 2025 work program and budget to prepare a revised static model for a resimulation of the dynamic model for the West Linapacan-A. The result will be the basis of the Plan of Development which will also include the well plan and design.

As at September 30, 2025 and 2024, the Group holds participating interest of 30.288% in West Linapacan. As of reporting period, the Consortium is preparing the necessary documents for the application for a DPPSC.

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 last February 2009 and extended for another 15 years by DOE in 2009.

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 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%.

On December 7, 2023, the Department of Energy (DOE) has released the Department Circular (DC) No. DC2023-12-0033 or the “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 Contracts (DPPSC) through direct negotiation with DOE, provided, that the application be made prior to the expiration of the remaining production term. The SC 6B Cadlao Block has reached its 50-year contract limit and expired last February 28, 2024.

The Consortium applied for a DP PSC 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 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 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 negotiation the DPPSC’s terms and conditions.

As of reporting date, the Cadlao DPPSC is currently in its final stage of review and evaluation.

Participating Interests

As of September 30, 2025 and 2024, the Parent Company and LOGPOCOR have the following participating interests in the various SCs (in percentage):

	September 30, 2025	September 30, 2024
SC 14 (Northwest Palawan)		
Block C (West Linapacan)	30.288	30.288
Block C (Galoc)	7.785	7.785

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

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

Basis of Preparation

The accompanying consolidated financial statements of the Parent Company and its wholly-owned subsidiaries, LOGPOCOR, OMWI and 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 unaudited interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2024.

The unaudited interim 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 were translated to U.S. Dollars using the prevailing rate as of the reporting date for statement of financial position accounts and the weighted average rate for the reporting period for the statements of income and statements 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 statement of income.

The consolidated financial statements provide comparative information in respect of the previous period. Any other differences in the comparative amounts from the amounts in the consolidated financial statements are solely the result of reclassifications for comparative purposes and are not material.

Statement of Compliance

The accompanying consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS).

Basis of Consolidation

The unaudited interim consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at September 30, 2025 and 2024. 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 September 30, 2025 and 2024, OMWI and OLC subsidiaries of the Parent Company have ceased their operations.

The financial statements of LOGPOCOR, OMWI and OLC are prepared for the same reporting year as the Parent Company, 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, 2024. 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) 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.:

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

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 Group's consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- 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 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred Effectivity

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

4. **Summary of Significant 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 statement of income) and a second statement beginning with profit or loss and displaying components of other comprehensive income (consolidated statement of comprehensive income).

Foreign Currency-denominated Transactions and Translations

The consolidated financial statements are presented in U.S. Dollar, which is the Parent Company'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 statement 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 earn interest at the prevailing bank deposit rates. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from date of placements and that are subject to insignificant risk of change in value.

Short-term Investments

Short-term investments are placements in time deposits and other money market instruments with original maturities of more than three months but less than one year.

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's 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 at September 30, 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 instrument)

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

The Group's financial assets at amortized cost includes 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 September 30, 2025 and 2024, the Group elected to classify irrevocably its quoted equity instruments under this category.

Impairment of financial assets

The Group recognizes an 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 costs, 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 FVTPL, 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 is the category most relevant to the Group. After initial recognition, loans and borrowings and payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any 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 statement of income.

The Group's financial liabilities under this category includes 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 statement of financial position) when:

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

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

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

Financial liability

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

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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 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 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 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 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, other than wells, platforms and other facilities, 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 and 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:

	Years
Transportation equipment	6
Office furniture and equipment	5-10
Leasehold improvement	5

The EUL and depletion and depreciation, residual values and amortization methods are reviewed periodically to ensure that the period and methods of depletion and 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 ceases 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, and 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 account 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 statement 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 defines 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 statement 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 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 cumulative balance of profit and losses of the Group and with consideration of any changes in accounting policies and errors applied retrospectively.

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 PFRSs. 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 statement of income in the subsequent period. Upon derecognition, the cumulative translation adjustment is recycled to consolidated statement of income.

Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are 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, *Joints 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 profit or loss when 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 statement 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 statement 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 non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

Net interest on the net defined benefit 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 statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to consolidated statement in income in subsequent periods. All remeasurements recognized in OCI account "Remeasurement gains (losses) 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 of 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 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 unaudited interim 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 September 30, 2025 and 2024, there has been no change in the Group's joint arrangement classification and remains to be 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. The functional currency of OMWI and OLC is Philippine Peso.

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's financial position. It is possible, however, that future results of operations could be materially affected by changes in the judgement 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 receivables and debt instruments at amortized cost. The provision rates are based on days past due of each counterparty that have similar loss pattern.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. 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 counter parties, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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

No provision for ECL on the Group's receivables were recognized in 2025 and 2024. Total carrying value of receivables amounted to \$0.51 million and \$0.48 million as at September 30, 2025 and 2024, respectively.

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 \$1.12 million and \$1.09 million as at September 30, 2025 and 2024, respectively, with respect to the decommissioning plan for SC 14C1 - Galoc Block. There were no plug and abandonment costs incurred in 2025 and 2024 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 the 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 and probable 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 to 0.40 million and 0.89 million barrels for Galoc oil field as of December 31, 2024 and 2023, respectively. 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.

Impairment of wells, platforms and other facilities of SC 14C1 and 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 seven years for SC 14C2 in 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 10.90% and 11.10% as at December 31, 2024 and 2023, respectively.

No impairment losses were recognized in 2025 and 2024 for SC 14C2.

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 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 Group's experience on employees resigning prior to their retirement.

Assessing Recoverability of Deferred Income 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 Company's past results and future results of operations.

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 entity has decided to discontinue such activities in the specific area; and
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed in full from successful development or by sale.

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

- Estimated reserves – which are based on oil resources reports based on the information gathered from seismic and geological data, analyses and evaluation activities;
- Pre-tax discount rate of 10.90% in 2024 and 11.10% in 2023 – which represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is 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 of \$75/bbl in 2024 and 2023 – which are 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.

As at September 30, 2025 and 2024, the carrying values of deferred oil exploration costs amounted to \$0.81 million and \$0.76 million, respectively. No impairment losses were recognized in 2025 and 2024.

6. Cash and Cash Equivalents

This account consists of:

	2025	2024
Petty cash fund	\$178	\$178
Cash in banks	1,175,180	1,077,879
Short-term deposits	16,953,275	17,291,660
	\$18,128,633	\$18,369,717

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 4.25% to 6.13% and 3.25% to 6.38% per annum in 2025 and 2024, respectively.

There are no cash restrictions on the Group's cash balance as at September 30, 2025 and 2024.

7. Receivables

This account consists of:

	2025	2024
Due from Operator	\$56,535	\$59,060
Interest receivable	353,474	368,240
Dividend receivable	104,553	53,666
	\$514,562	\$480,966

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 are noninterest-bearing and are generally on 1 to 30-day terms. There are no past due nor impaired receivables as at September 30, 2025 and 2024.

Interest receivable pertains to interest income to be received by the Group in relation to its debt instruments at amortized cost and money market placements. Dividend receivable pertains to cash dividends to be received by the Group in relation to its quoted equity instruments at FVOCI.

8. Investments

Equity Instruments at FVOCI

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

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

	2025	2024
At January 1	(\$5,068,828)	(\$5,392,197)
Unrealized gain (loss) during the year	(38,021)	464,320
At September 30	(\$5,106,849)	(\$4,927,877)

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

	2025	2024
At January 1	\$18,308,175	\$21,212,455
Movement in reserve for fluctuation in value of equity instruments at FVOCI	(38,021)	464,320
Additions	8,730,259	347,745
Redemption	(4,525,802)	–
At September 30	\$22,474,611	\$22,024,520

Debt Instruments at Amortized Cost

In 2025, the Group acquired various fixed rate bonds from corporate bond issuers amounting to \$4.91 million (P283.32 million). The various bonds pay interest at rates ranging from 6.03% to 6.21% per annum and will mature starting February 25, 2028 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 (P321.51 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 (P334.38 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.

In 2022, the Group acquired various fixed rate bonds from corporate bond issuers and government securities amounting to \$6.46 million (P336.51 million). The various bonds pay interest at rates ranging from 4.77% to 6.80% per annum and will mature starting February 18, 2027 to July 4, 2029.

In 2021, the Group acquired various fixed rate bonds from corporate bond issuers amounting to \$6.74 million (P336.65 million). The various bonds pay interest at rates ranging from 3.60% to 8.50% per annum and will mature starting May 4, 2025 to December 2, 2028.

In 2019, the Group acquired various fixed rate bonds from corporate bond issuers amounting to \$13.47 million (P700.00 million). The various bonds pay interest at rates ranging from 4.70% to 5.10% per annum and will mature starting June 28, 2021 to May 6, 2026.

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

	2025	2024
At January 1	\$35,243,734	\$36,818,345
Additions	4,913,209	5,527,690
Redemption	(3,583,404)	(5,764,698)
Unrealized foreign exchange gain (loss)	(38,099)	(189,367)
At September 30	36,535,440	36,391,970
Less: current portion	6,186,555	4,607,099
Non-current portion	\$30,348,885	\$31,784,871

9. Property and Equipment

The roll-forward analysis of this account follows:

	2025			
	Wells, Platforms and Other Facilities	Transportation Equipment	Office Improvement, Furniture and Equipment	Total
Cost				
At January 1	\$89,501,261	\$271,037	\$145,583	\$89,917,881
Additions	-	32,962	1,253	34,215
Disposal	-	(193,970)	-	(193,970)
At September 30	89,501,261	110,029	146,836	89,758,126
Accumulated Depletion, Depreciation and Amortization				
At January 1	78,706,995	254,941	73,370	79,035,306
Depletion and depreciation	266,597	4,068	17,895	288,560
Disposal	-	(193,968)	-	(193,968)
At September 30	78,973,592	65,041	91,266	79,129,898
Net Book Value at September 30	\$10,527,669	\$44,988	\$55,570	\$10,628,228

	2024			
	Wells, Platforms and Other Facilities	Transportation Equipment	Office Improvement, Furniture and Equipment	Total
Cost				
At January 1	\$89,567,682	\$271,037	\$142,955	\$89,981,674
Additions	-	-	-	-
Disposal	-	(19,993)	-	(19,993)
At September 30	89,567,682	251,044	142,955	89,961,681
Accumulated Depletion, Depreciation and Amortization				
At January 1	78,364,495	248,947	49,484	78,662,926
Depletion and depreciation	272,105	5,249	17,856	295,210
Disposal	-	(19,993)	-	(19,993)
At September 30	78,636,600	234,203	67,340	78,938,143
Net Book Value at September 30	\$10,931,082	\$16,841	\$75,615	\$11,023,538

In 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, 2024 and 2023 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 seven-year period as at those years. The work program and budget for the immediately succeeding year as at December 31, 2024 and 2023 were duly approved by the DOE. The pre-tax discount rates applied to the cash flow projections were 10.90% and 11.10% as of December 31, 2024 and 2023, respectively. As a result of this

analysis, the management has not recognized any impairment for the Wells, Platforms and Other Facilities of SC 14C2 as at December 31, 2024 and 2023.

10. Other Noncurrent Assets

	2025	2024
Deferred exploration costs	\$809,400	\$757,873
Decommissioning fund	963,398	930,853
	\$1,772,798	\$1,688,726

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.

	2025	2024
Cadlao and Bonita Block – Oil Field	\$642,180	\$642,180
Zambales and Dinagat Islands – Nickel	146,555	95,028
Others	20,665	20,665
	\$809,400	\$757,873

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, Philodrill, 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 will now be 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 their proposal to 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 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 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 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) has released the 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 Contracts through direct negotiation with DOE, provided, that the application be made prior to the expiration of the remaining production term.

The SC 6B Cadlao Block has reached its 50-year contract limit and expired last February 28, 2024. On December 27, 2023, the Consortium submitted the Plan of Development for the Cadlao Field. Further, on last January 26, 2024, the Consortium has already lodged its application documents for a DPPSC.

On May 30, 2024, the Consortium, through Nido Petroleum, received a letter from the DOE that the Consortium is legally, financially and technically qualified to enter into a DPPSC.

As of reporting date, the Cadlao DPPSC is currently in its final stage of review and evaluation.

In 2024 and 2023, the Group performed impairment test for the deferred exploration costs since the service contract has already expired last February 28, 2024, and is currently being applied for a Development and Production Service Contract.

The recoverable amount of the deferred oil exploration cost as at December 31, 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 10.90% and 11.10% in 2024 and 2023, respectively. As a result of this analysis, management has not recognized any impairment for the deferred 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 are 10.90% and 11.10% on December 31, 2024, and 2023 respectively.

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

As of September 30, 2025 and December 31, 2024, 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 EXPAs 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 Parent Company formally accepted and signed the EP in the MGB CO at North Avenue, Diliman, Quezon City.

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. As of September 30, 2025 and 2024, the decommissioning fund amounted to \$0.96 million and \$0.93 million, respectively.

11. **Accounts and Other Payables and Provision for Plug and Abandonment**

The accounts and other payables account consists of:

	2025	2024
Accounts payable and accrued expenses	\$146,427	\$254,033
Dividends payable	915,280	818,154
Subscriptions payable	24,228	25,160
	\$1,085,935	\$1,097,347

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

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

Provision for Plug and Abandonment

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 \$1.12 million and \$1.09 million as of September 30, 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 5.82% and 5.83% as of December 31, 2024 and 2023.

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 will expire on December 17, 2025. The latest 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.

The decommissioning activities for Galoc is expected to commence after the end of field life, hence the provision is recognized under non-current liabilities.

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 September 30, 2025 and 2024 amounting to \$0.96 million and \$0.93 million, respectively.

12. Capital Stock

As of September 30, 2025 and 2024, this account consists of:

	2025	2024
Class A - \$0.0004 (₱0.01) par value		
Authorized and issued - 120 billion shares	\$49,361,387	\$49,361,387
Class B - \$0.0004 (₱0.01) par value		
Authorized and issued - 80 billion shares	32,907,591	32,907,591
Subscriptions receivable	(271,543)	(277,710)
Capital in excess of par value	3,650,477	3,650,477
	85,647,912	85,641,745
Less: Treasury Stock		
Class A – 2,504.00 million shares	(456,364)	–
Class B – 439.80 million shares	(80,678)	–
	(537,042)	–
	\$84,573,828	\$85,641,745

All shares of stock of the Group 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.

Cash Dividends

On June 27, 2025, the Board of Directors of the Company approved a Share Buyback Program (SBP) involving up to PhP200 million (or around US\$3.53 million) worth of OPM's common shares for both Class A and B. As of June 30, 2025, the Company bought back a total of 183.90 million shares at an average price of PhP0.01 or a total of PhP1.84 million (or US\$32,176).

Cash Dividends

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

Cash Dividend per share	Cash Dividend Amount	Declaration Date	Record Date	Payment Date
\$0.00001 or PhP0.0005	\$1,796,074	June 4, 2025	July 4, 2025	July 29, 2025
\$0.00001 or PhP0.0005	\$1,717,770	May 24, 2024	June 21, 2024	July 12, 2024
\$0.00001 or PhP0.0005	\$1,794,076	June 28, 2023	July 27, 2023	August 18, 2023
\$0.00001 or PhP0.0005	\$1,835,401	June 23, 2022	July 22, 2022	August 16, 2022

13. **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 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 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.

As of September 30, 2025 and 2024, the Company entered into a lease agreement with an affiliate covering the office space it occupies, which is renewable every five years. The Group applied the 'short-term lease' and lease of 'low-value assets' recognition exemption for these leases.