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SEC Registration Number

G L O B A L F E R R O N I C K E L H O L D I N G S I N C

f o r m e r l y :

S O U T H E A S T A S I A C E M E N T H O L D I N G S

I N C

(Company's Full Name)

P E N T H O U S E P L A T I N U M T O W E R A S E A N

A V E N U E C O R F U E N T E S S T A S E A N A

P A R A Ñ A Q U E C I T Y

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

Atty. Noel Lazaro

(Contact Person)

(632) 85118229

(Company Telephone Number)

Month Day

(Fiscal Year)

1 7 - Q

(Form Type)

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

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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 - **ASO94-003992**
3. BIR Tax Identification Number - **003-871-592**
4. Exact name of issuer as specified in its charter
GLOBAL FERRONICKEL HOLDINGS, INC.
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office Postal Code
Penthouse, Platinum Tower, Asean Avenue corner Fuentes St.,
Aseana, Parañaque City, Metro Manila, Philippines 1701
8. Issuer's telephone number, including area code
(632) 8519-7888
9. Former name, former address and former fiscal year, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

| | |
|----------------------------|----------------|
| Common Shares | 6,072,357,151 |
| Amount of Debt Outstanding | Not applicable |
11. Are any or all of the securities listed on a Philippine Stock Exchange?
Yes 6,072,357,151 Common Shares No
12. Has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
Yes No
13. Has been subject to such filing requirements for the past ninety (90) days.
Yes No



Global Ferronickel Holdings, Inc.

**17-Q QUARTERLY REPORT
SEPTEMBER 30, 2025**

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PART I - FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

The Unaudited Interim Consolidated Financial Statements as at September 30, 2025 and for the nine-month period ended September 30, 2025 and 2024 (with Comparative Audited Consolidated Statement of Financial Position as at December 31, 2024) are hereto attached.

The following tables set forth the summary financial information for the nine-month period ended September 30, 2025 and 2024 and as at September 30, 2025 and December 31, 2024:

1.a. Summary Consolidated Statements of Financial Position

| | September 30, 2025 | December 31, 2024 | Increase/ (Decrease) | Percent Inc. (Dec.) |
|---|-------------------------------|------------------------------|---------------------------------|--------------------------------|
| | (Unaudited) | (Audited) | | |
| | <i>(In Thousand Pesos)</i> | | | |
| ASSETS | | | | |
| Current Assets | 4,596,146 | 2,969,839 | 1,626,307 | 54.8% |
| Noncurrent Assets | 13,847,601 | 14,122,394 | (274,793) | -1.9% |
| TOTAL ASSETS | 18,443,747 | 17,092,233 | 1,351,514 | 7.9% |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | 2,089,040 | 1,647,396 | 441,644 | 26.8% |
| Noncurrent Liabilities | 1,760,577 | 2,377,782 | (617,205) | -26.0% |
| Total Liabilities | 3,849,617 | 4,025,178 | (175,561) | -4.4% |
| Equity | | | | |
| Equity Attributable to the Parent Company | 14,458,005 | 12,923,524 | 1,534,481 | 11.9% |
| Non-controlling Interests | 136,125 | 143,531 | (7,406) | -5.2% |
| Total Equity | 14,594,130 | 13,067,055 | 1,527,075 | 11.7% |
| TOTAL LIABILITIES AND EQUITY | 18,443,747 | 17,092,233 | 1,351,514 | 7.9% |

1.b. Summary Consolidated Statements of Comprehensive Income

| | For the Three Months Ended | | For the Nine Months Ended | | Increase (Decrease) | |
|---|----------------------------|----------------|---------------------------|----------------|---------------------|------------------|
| | September 30 | | September 30 | | 3 Months | 9 Months |
| | 2025 | 2024 | 2025 | 2024 | | |
| | <i>(In Thousand Pesos)</i> | | | | | |
| Revenues | 3,395,721 | 2,653,165 | 6,683,823 | 5,731,933 | 742,556 | 951,890 |
| Cost and Expenses | (2,271,092) | (2,305,404) | (4,800,796) | (5,109,129) | (34,312) | (308,333) |
| Finance Costs | (41,549) | (51,164) | (122,265) | (161,789) | (9,615) | (39,524) |
| Share in Net Income of Investment in Associates | 91,198 | 77,848 | 195,381 | 191,979 | 13,350 | 3,402 |
| Finance and Other Income - net | 563 | 38,316 | 15,852 | 68,660 | (37,753) | (52,808) |
| Income Before Income Tax | 1,174,841 | 412,761 | 1,971,995 | 721,654 | 762,080 | 1,250,341 |
| Provision for Income Tax - net | 272,738 | 119,255 | 452,885 | 226,734 | 153,483 | 226,151 |
| Net Income | 902,103 | 293,506 | 1,519,110 | 494,920 | 608,597 | 1,024,190 |
| Other Comprehensive Income (Loss) | 44,404 | (28,746) | 7,965 | 21,636 | 73,150 | (13,671) |
| Total Comprehensive Income | 946,507 | 264,760 | 1,527,075 | 516,556 | 681,747 | 1,010,519 |
| Basic and Diluted Income Per Share | 0.1764 | 0.0577 | 0.2978 | 0.0981 | 0.1188 | 0.1998 |
| Net Income (Loss) Attributable To: | | | | | | |
| Equity Holders of the Parent | 904,391 | 295,528 | 1,526,516 | 502,606 | 608,863 | 1,023,910 |
| Non-controlling Interests | (2,288) | (2,022) | (7,406) | (7,686) | (266) | 280 |
| | 902,103 | 293,506 | 1,519,110 | 494,920 | 608,597 | 1,024,190 |

1.c. Summary Consolidated Statements of Changes in Equity

| | For the Period Ended | | For the Year Ended |
|---|----------------------------|-------------------|--------------------|
| | September 30 | | December 31 |
| | 2025 | 2024 | 2024 |
| | <i>(In Thousand Pesos)</i> | | |
| Capital Stock | 6,375,975 | 6,375,975 | 6,375,975 |
| Additional Paid-in Capital | 239,012 | 239,012 | 239,012 |
| Fair Value Reserve of Financial Asset at Fair Value through Other Comprehensive Loss | (7,378) | (6,788) | (6,872) |
| Remeasurement Gain on Retirement Obligation | 42,364 | 44,169 | 41,996 |
| Cumulative Translation Adjustment | 196,830 | 155,134 | 188,727 |
| Retained Earnings | 9,741,005 | 7,973,199 | 8,214,489 |
| Treasury Shares - at cost | (2,129,803) | (2,129,803) | (2,129,803) |
| Non-controlling Interests | 136,125 | 146,009 | 143,531 |
| Total Equity | 14,594,130 | 12,796,907 | 13,067,055 |

1.d. Summary Consolidated Statements of Cash Flows

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|----------------------------|------------------|---------------------------|------------------|
| | September 30 | | September 30 | |
| | 2025 | 2024 | 2025 | 2024 |
| | <i>(In Thousand Pesos)</i> | | | |
| NET CASH FLOWS FROM (USED IN): | | | | |
| Operating Activities | 833,796 | 1,767,518 | 1,285,412 | 1,606,260 |
| Investing Activities | (107,395) | (428,205) | (662,223) | (1,256,612) |
| Financing Activities | (37,544) | (537,369) | (68,942) | (847,563) |
| NET INCREASE (DECREASE) IN CASH | 688,857 | 801,944 | 554,247 | (497,915) |
| Effect of Exchange Rate Changes on Cash | 64,388 | (3,790) | 29,360 | 80,754 |
| CASH AT BEGINNING OF PERIOD | 1,493,204 | 1,227,583 | 1,662,842 | 2,442,898 |
| CASH AT END OF PERIOD | 2,246,449 | 2,025,737 | 2,246,449 | 2,025,737 |

Basis of Preparation of Interim Consolidated Financial Statements

The unaudited interim consolidated statements of financial position of Global Ferronickel Holdings, Inc. and Subsidiaries (the Group) as at September 30, 2025 and December 31, 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the periods ended September 30, 2025 and 2024 were prepared in accordance with generally accepted accounting principles in the Philippines. All significant inter-company balances and transactions have been eliminated in the consolidated financial statements.

The accounting principles followed in the preparation of the Group's most recent annual consolidated financial statements were similarly applied in the preparation of the unaudited interim consolidated financial statements. There were no significant changes in the Group's accounting policies, practices and methods of estimates from the Group's last annual consolidated financial statements.

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

Statement of Financial Condition

Total assets increased by 7.9% to ₱18,443.7 million as of September 30, 2025, from ₱17,092.2 million as of December 31, 2024. The increase was primarily attributable to higher cash balances and trade receivables, partially offset by lower inventories and a decline in noncurrent assets.

Current assets as of September 30, 2025, increased by ₱1,626.3 million, or 54.8%, primarily due to the following factors:

- Cash and cash equivalents rose by ₱583.6 million or 35.1%, from ₱1,662.8 million to ₱2,246.4 million, mainly due to cash generated from operations during the period. This was partially offset by the settlement of the non-interest-bearing liability.
- Trade and other receivables increased significantly by ₱1.13 billion or 177.4%, largely driven by higher trade receivables. The increase was a result of shipments made under payment terms of "90 days from the date of Bill of Lading."
- Inventories declined by ₱140.3 million or 23.0%, reflecting lower nickel ore stockpiles from the Palawan mine operations.
- Prepayments and other current assets increased by ₱45.5 million, or 89.2%, primarily due to the following:
 - A ₱22.9 million (142.2%) rise in prepaid taxes and licenses, reflecting advance payments made to the Mines and Geosciences Bureau (MGB) and the Bureau of Internal Revenue (BIR) for the processing of shipment permits. These are expected to be utilized in the next quarter.
 - A ₱16.7 million (124.0%) increase in prepaid insurance.

Noncurrent assets as of September 30, 2025, decreased by ₱274.8 million, or 1.9%, primarily due to the following factors:

- Property and equipment, which posted a net decrease of ₱177.4 million. Depreciation and depletion expenses of ₱441.6 million were partially offset by capital expenditures totaling ₱267.7 million during the period.
- The Group's share in net income of GHGC Holdings Ltd. (GHGC) and its subsidiaries amounting to ₱195.4 million.
- A decline in other noncurrent assets by ₱283.8 million or 12.7%, primarily due to the approved input VAT claims during the period.

Total liabilities decreased by 4.4% to ₱3,849.6 million from ₱4,025.2 million as of year-end 2024, mainly due to scheduled repayments. Key improvements include:

- Payments made toward the non-interest-bearing liability amounting to ₱578.8 million (US\$10 million), and lease liabilities totaling ₱67.8 million.
- Increases in trade and other payables by ₱199.3 million, and in income tax payable by ₱160.3 million, following stronger profitability in the current period.

Total equity grew by 11.7% to ₱14,594.1 million from ₱13,067.1 million as of December 31, 2024, mainly reflecting the net income generated during the nine-month period. Equity attributable to the Parent Company increased by 11.9%, while non-controlling interests declined slightly by 5.2% due to the share of net losses from subsidiaries with minority ownership.

Results of Operations

For the nine-month period ended September 30, 2025, the Group reported a consolidated net income of ₱1,519.1 million, representing a 206.9% increase from ₱494.9 million in the corresponding period of the previous year. After accounting for non-controlling interests, net income attributable to equity holders of the Parent Company amounted to ₱1,526.5 million, compared to ₱502.6 million in the same period last year. The significant improvement in the Group's nine-month performance was primarily driven by higher revenues, resulting from an increase in average nickel ore prices, partially offset by lower sales volume during the current period.

Revenues

During the nine months ended September 30, 2025, the Group's total revenues amounted to ₱6,683.8 million, reflecting an increase of ₱951.9 million or 16.6% compared to ₱5,731.9 million in the same period of the previous year. The majority of the Group's revenues, approximately 99.8%, were derived from its mining operations, with the remainder generated from services rendered to customers.

Nickel Ore Export Revenues

During the third quarter of 2025, the Group's mining operations generated total export revenues of ₱3,392.1 million, an increase of ₱745.5 million or 28.2% compared to ₱2,646.6 million in the same period of the previous year. For the nine-month period ended September 30, 2025, total export revenues amounted to ₱6,673.6 million, reflecting an increase of ₱956.0 million or 16.7% from ₱5,717.6 million in the prior-year period.

The year-to-date increase in export revenues was primarily driven by higher selling prices, partially offset by lower sales volume. This pricing trend was shaped by robust demand and tighter supply conditions toward the end of the quarter.

Surigao mine

For the period ended September 30, 2025, the Group's Surigao mining operations generated total export revenues of ₱4,372.2 million, representing an increase of ₱713.6 million or 19.5% compared to ₱3,658.6 million in the same period last year.

The increase can be attributed to the following factors:

- **Higher Average Realized Nickel Ore Price:** For the period ended September 30, 2025, the overall average realized price of nickel ore rose by United States dollar (US\$)8.73 per wet metric ton (WMT), or 43.3%, reaching US\$28.88/WMT compared to US\$20.15/WMT during the same period in the previous year. In particular, the average realized price for low-grade ore increased by US\$9.46/WMT, or 48.7%, from US\$19.42/WMT in 2024 to US\$28.88/WMT in 2025. Notably, there were no shipments of medium-grade ore during the current period, whereas the prior year included shipments at an average price of US\$25.46/WMT.
- **Lower Shipment Volume:** Nickel ore shipments from the Group's Surigao mine for the period ended September 30, 2025, totaled 2.663 million WMT, representing a decrease of 0.501 million WMT, or 15.8%, compared to 3.164 million WMT in the same period of the previous year. This decline was primarily due to unusually increased rainfall days within the third quarter that disrupted ore production and vessel loading activities.

During the period ended September 30, 2025, the Surigao mine completed 48 nickel ore shipments, compared to 58 shipments in the same period of the previous year. The 2025 sales mix consisted entirely of low-grade ore (100%), with no medium-grade ore shipments. In contrast, the 2024 sales mix comprised 88% low-grade ore and 12% medium-grade ore.

In 2025, the Surigao mine exported a total of 2.663 million WMT of low-grade nickel ore to ports in China and Indonesia, with no medium-grade ore shipments recorded during the period. This compares with total shipments of 3.164 million WMT in 2024, consisting of 2.784 million WMT of low-grade ore and 0.380 million WMT of medium-grade ore, likewise bound for ports in China and Indonesia.

Palawan mine

For the period ended September 30, 2025, the Group's Palawan mining operations generated total export revenues of ₱2,301.4 million, reflecting an increase of ₱242.4 million or 11.8% compared to ₱2,059.0 million during the same period in the previous year.

This growth was primarily driven by the following factors:

- **Higher Averaged Realized Nickel Ore Price:** The overall average realized price of nickel ore increased by US\$7.61 per WMT, or 23.3%, reaching US\$40.27/WMT compared to US\$32.66/WMT in the prior period. The average realized price for medium-grade ore rose by US\$9.84/WMT, or 30.1%, from US\$32.66/WMT in 2024 to US\$42.50/WMT in 2025. There were no low-grade ore shipments in 2024; however, in 2025, low-grade ore was sold at an average price of US\$36.72/WMT.
- **Lower Shipment Volume:** Nickel ore sales from the Palawan mine totaled 1.001 million WMT during the current period, representing a decrease of 0.104 million WMT or 9.4% compared to 1.105 million WMT in the same period last year. This reduction was primarily due to the rescheduling of developmental activities in new mining areas to the third quarter following permitting delays earlier in the year, compounded by adverse weather conditions that further limited operating days.

During the period ended September 30, 2025, the Palawan mine completed 18 shipments of nickel ore, down from 21 shipments during the same period in 2024. The 2025 sales mix comprised 39% low-grade ore and 61% medium-grade ore, whereas the prior period's shipments consisted entirely of medium-grade ore.

All shipments were exclusively delivered to ports in China. In 2025, shipments included 0.386 million WMT of low-grade nickel ore and 0.615 million WMT of medium-grade ore, compared to 1.105 million WMT of medium-grade ore and no low-grade ore shipped in 2024.

Overall Nickel Ore Export Performance

For the period ended September 30, 2025, the Group's total nickel ore export revenues were influenced by several key factors:

- **Reduced Number of Shipments:** The Group completed 66 shipments in 2025, down from 79 shipments in the same period of the previous year.
- **Lower Shipment Volume:** Total volume shipped declined to 3.664 million WMT, representing a 14.2% decrease from 4.269 million WMT in 2024.
- **Shift in Sales Mix:** The sales mix for 2025 consisted of 83% low-grade ore and 17% medium-grade ore, compared to 65% low-grade and 35% medium-grade ore in the prior period.
- **Higher Average Realized Nickel Ore Prices:** Despite the decline in volume, average realized prices improved. The overall average realized price for the period increased to US\$31.99/WMT, up from US\$23.39/WMT in 2024. Specifically, low-grade ore sold at an average of US\$29.87/WMT, compared to US\$19.42/WMT in the prior period, while medium-grade ore fetched an average of US\$42.50/WMT, up from US\$30.82/WMT.
- **Foreign Exchange Rate Impact:** The average realized exchange rate was ₱56.94 per US\$, slightly lower than ₱57.27 during the same period last year, resulting in a modest unfavorable impact on peso-denominated revenues.

Service Revenues

For the period ended September 30, 2025, the Group's service income totaled ₱10.2 million, down from ₱14.3 million in the same period of 2024. This income was generated from port services provided by MHC, a subsidiary, to its customers.

In addition, the Group recognized service income of ₱96.4 million from the chartering of landing craft tanks (LCTs) by the Surigao mine and Palawan mine from PGMC-CNEP Shipping Services Corp. (PCSSC), also a subsidiary. This represents a significant increase from ₱46.2 million in the same period last year. However, this intercompany income is fully eliminated in the consolidated financial statements.

Cost and Expenses

For the period ended September 30, 2025, total costs and expenses—including cost of sales, excise taxes and royalties, general and administrative expenses, and shipping and distribution expenses—amounted to ₱4,800.8 million. This represents a decrease of ₱308.3 million or 6.0% compared to ₱5,109.1 million during the same period in 2024.

The average cash operating cost per WMT sold rose to ₱1,164.01 for the period, up from ₱1,076.70 per WMT in the prior period, reflecting an increase of ₱87.31 per WMT or 8.1%.

For the period ended September 30, 2025, total aggregate cash costs amounted to ₱4,264.9 million, with a total sales volume of 3.664 million WMT. In comparison, the same period in 2024 saw aggregate cash costs of ₱4,596.4 million and a sales volume of 4.269 million WMT.

Cost of Sales

For the nine-month period ended September 30, 2025, cost of sales totaled ₱2,857.9 million, representing a decrease of ₱304.3 million, or 9.6%, from ₱3,162.2 million recorded in the same period of 2024. The decline was mainly attributable to lower production and shipping volumes, coupled with a change in product mix. During the nine-month period of 2024, a higher proportion of medium-grade ore was shipped, which commanded higher effective contract hire rates. In contrast, the current period reflected a shift toward low-grade ore shipments, resulting in lower corresponding rates and, consequently, reduced cost of sales.

General and Administrative

For the nine-month period ended September 30, 2025, general and administrative expenses amounted to ₱909.7 million, reflecting a decrease of ₱59.7 million or 6.2% from ₱969.4 million in the same period of 2024. The decrease was primarily driven by the following:

- A ₱69.5 million decrease in taxes and licenses, primarily due to the absence of a one-time payment and accrual recorded in the prior period related to a deficiency tax assessment and ecosystem fees associated with the Palawan mine. Additionally, the Palawan mine incurred higher business taxes in 2024, reflecting a higher revenue base in 2023.
- A ₱19.6 million increase in provision for impairment losses on input VAT, due to disallowed input VAT claims during the period.
- Decrease in personnel costs of ₱19.3 million and increased consultancy fees amounting to ₱16.7 million.

Excise Taxes and Royalties

For the nine-month periods ended September 30, 2025 and 2024, excise taxes and royalties amounted to ₱688.1 million and ₱681.2 million, respectively. These expenses are computed as a percentage of revenue; thus, the slight increase in 2025 primarily reflects higher revenue contributions from the Surigao and Palawan mines. This was partly offset by a ₱60.1 million decrease resulting from the absence of a one-time settlement to Baiyin International Investment Ltd., which was recognized in 2024.

Shipping and Distribution

For the nine-month period ended September 30, 2025, shipping and loading costs amounted to ₱345.0 million, an increase of ₱48.7 million or 16.4% from ₱296.3 million in the same period of the previous year. The increase was primarily driven by freight costs incurred for the Group's cost and freight shipments during the current period, compared to none in the prior year. This increase was partially offset by lower bargaining charges, and port and processing (PPA) fees.

Finance Costs

Finance costs amounted to ₱122.3 million for the nine months ended September 30, 2025, compared to ₱161.8 million in the same period last year—a decrease of ₱39.5 million or 24.4%. This decline was primarily due to lower interest expenses resulting from the settlement of a non-interest-bearing liability and the full repayment of the Taiwan Cooperative Bank Manila Offshore Banking Branch (TCB) loan in July 2024.

Share in Net Income of Investment in Associates

In accordance with Philippine Accounting Standards (PAS) 28, *Investment in Associates and Joint Ventures*, the Group accounts for its investment in associates using the equity method, recognizing its share of the associates' net earnings or losses. For the nine-month period ended September 30, 2025, the Group's share in the net income of its associates amounted to ₱195.4 million, an increase from ₱192.0 million in the same period last year.

Other Income - net

For the nine-month period ended September 30, 2025, net other income amounted to ₱8.0 million, a decrease of ₱49.6 million or 86.1% compared to ₱57.6 million in the same period of the previous year. The decline was primarily attributable to net demurrage costs incurred during the current period, in contrast to a net despatch position recorded in the prior year.

Provision for Income Tax - net

For the nine-month period ended September 30, 2025, the net provision for income tax amounted to ₱452.9 million, representing an increase of ₱226.2 million or 99.7% compared to ₱226.7 million in the same period of the previous year. The increase was primarily driven by higher taxable income recognized during the current period relative to the prior year.

Net Income and Earnings Per Share

As a result, net income increased by 206.9% to ₱1,519.1 million from ₱494.9 million in the nine-month period ended September 30, 2024. Net income attributable to equity holders of FNI rose by 203.7%, while the share of non-controlling interests remained relatively stable year-on-year.

Earnings per share likewise improved to ₱0.2978, compared with ₱0.0981 in the prior-year period, reflecting the significant enhancement in overall profitability during the period.

Total Comprehensive Income - net of tax

Cumulative Translation Adjustment

The Group has recognized cumulative translation adjustments, net of tax, amounting to ₱8.1 million and ₱22.3 million for the periods ended September 30, 2025 and 2024, respectively. These adjustments relate to the exchange differences that arise from translating a subsidiary's functional currency into the presentation currency of the Parent Company.

Statement of Cash Flows

Cash Flows from Operating Activities

Net cash flows from operating activities amounted to ₱1,285.4 million for the nine-month period ended September 30, 2025, compared to ₱1,606.3 million in the same period of 2024. The decrease was mainly due to higher trade and other receivables, reflecting the agreed longer payment terms with customers, which offset the positive impact of higher operating income before working capital changes. Despite the increase in profitability during the period, working capital movements—particularly the buildup in receivables—resulted in lower cash inflows from operations.

Cash Flows from Investing Activities

Net cash outflows used in investing activities totaled ₱662.2 million in 9M 2025, lower than the ₱1,256.6 million recorded in 9M 2024.

In 2025, the investing outflows were primarily driven by:

- Payment of non-interest-bearing liability related to the acquisition of an associate amounting to ₱578.8 million;
- Acquisition of property and equipment totaling ₱267.7 million; and
- A ₱191.9 million decrease in other noncurrent assets, partly offsetting the overall outflows.

In comparison, the 2024 investing cash outflows mainly reflected:

- Payment of a non-interest-bearing liability for an associate acquisition of ₱560.3 million;
- Acquisition of property and equipment totaling ₱285.9 million;
- Mine exploration costs amounting to ₱10.5 million;
- A ₱208.3 million decrease in advances to related parties; and
- An increase in other noncurrent assets of ₱608.3 million.

The lower net cash outflow in 2025 was largely due to reduced investment spending and a reversal of the prior year's increase in noncurrent assets.

Cash Flows from Financing Activities

Net cash used in financing activities amounted to ₱68.9 million in 9M 2025, significantly lower than the ₱847.6 million outflow in the prior-year period.

In 2025, financing cash flows primarily reflected settlement of lease liabilities amounting to ₱67.8 million and a ₱1.2 million decrease in advances from related parties. In contrast, the 2024 outflows were driven by loan repayments totaling ₱347.3 million, lease liability payments of ₱66.0 million, a ₱163.4 million decrease in advances from related parties, and settlement of other current liabilities amounting to ₱270.9 million.

The substantial reduction in financing cash outflows in 2025 reflects the absence of major loan repayments and other nonrecurring financing transactions recognized in the previous year.

Cash and Cash Equivalents

Overall, the Group recorded a net increase in cash and cash equivalents of ₱554.2 million in 9M 2025, compared to a net decrease of ₱497.9 million in 9M 2024. After accounting for the ₱29.4 million positive effect of exchange rate changes, cash and cash equivalents increased to ₱2,246.4 million as of September 30, 2025, from ₱1,662.8 million as of December 31, 2024.

Material Off-balance Sheet Transactions

The Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reported period other than those discussed in this report and in disclosures under Form 17-C.

Material Commitments for Capital Expenditures

The Group does not have any outstanding commitment for capital expenditures as at September 30, 2025.

Known Trends, Events and Uncertainties

Global growth remained resilient in early 2025 but is expected to moderate in 2026 as trade and policy dynamics evolve. Despite Indonesia’s tighter regulatory controls over its nickel sector, the International Nickel Study Group (INSG) reports that global nickel supply is still projected to increase, supported largely by ongoing production expansion in key markets.

The INSG forecasts continued growth in stainless-steel demand through 2026, while nickel use in batteries is expanding at a slower pace due to the rising adoption of non-nickel chemistries and stronger demand for plug-in hybrids. Global primary nickel production and usage are both expected to rise through 2026, with the market likely to remain in surplus over the period.

There are no other known significant trends, demands, commitments, or uncertainties that will result in or that are reasonably likely to result in the Group’s principal risks increasing or decreasing in a material way. There were no other significant elements of income or loss that did not arise from the Group’s continuing operations.

PART II - FINANCIAL SOUNDNESS INDICATORS

The Group considers the following as the significant Key Performance Indicators as at September 30, 2025 and 2024:

| <u>Indicators</u> | <u>Formula</u> | <u>2025</u> | <u>2024</u> |
|-----------------------|---|-------------|-------------|
| Earnings Per Share | Profit for the Period/Weighted Average Number of Shares Outstanding | 0.2978 | 0.0981 |
| Debt-to-Equity Ratio | Total Liabilities/Total Equity | 0.26:1 | 0.39:1 |
| Asset-to-Equity Ratio | Total Assets/Total Equity | 1.26:1 | 1.39:1 |
| Current Ratio | Current Assets/Current Liabilities | 2.20:1 | 1.36:1 |

PART III - OTHER INFORMATION

Exploration Updates

There were no new exploration results for the period ended September 30, 2025, beyond those previously disclosed in the Company's 2024 Annual Report (SEC Form 17-A) and the 2025 2nd Quarterly Report (SEC Form 17-Q2).

Other Information

The disclosures made under Form 17-C are as follows:

| Date | Description |
|-----------------|---|
| August 7, 2025 | Press Release: FNI delivers solid first-half results with higher revenues and a 200% surge in profit |
| August 26, 2025 | <p>Official Statement on the Unlawful Detention of Chairman Joseph Sy. To inform our stakeholders and the investing public that our Chairman, Mr. Joseph Sy, has been placed under detention on the unfounded allegation of being an "overstaying alien."</p> <p>This charge is without lawful basis. Mr. Sy is a Filipino citizen, as affirmed in multiple rulings by government agencies and institutions—including the Bureau of Immigration, the Department of Justice, the Office of the President, the Securities and Exchange Commission, and the Supreme Court.</p> <p>Upon his recent arrival in the Philippines, Mr. Sy presented his valid Philippine passport—by law, an official proof of his Filipino nationality. As the Supreme Court has emphasized, a passport carries the solemn authority of the Republic, recognizing its bearer as a Filipino citizen and commanding protection accordingly. To deny this is to disregard the authority of the law itself.</p> <p>Mr. Sy has never been involved in any criminal activity. Any attempt to associate him with controversial personalities is grossly unfair. On the contrary, he is a longstanding, multi-awarded business leader whose philanthropic initiatives and corporate endeavors have created livelihood opportunities and socio-economic infrastructure for communities.</p> <p>Under his leadership, companies within the FNI Group have also made substantial contributions to the Philippine economy through taxes and regulatory fees paid to the government.</p> <p>We are confident that this matter will be resolved in accordance with the rule of law. In the meantime, we assure all stakeholders that the operations of FNI and its subsidiaries remain stable, unaffected, and fully compliant with all applicable regulations.</p> <p>FNI remains steadfast in its commitment to integrity in business, operational stability, and the protection of shareholder interests.</p> |
| August 28, 2025 | <p>The Board of Directors of Global Ferronickel Holdings, Inc. ("FNI"), in its meeting on August 27, 2025, approved the voluntary leave of absence of Mr. Joseph C. Sy as Chairman of the Board, effective the same date. This decision reflects the Board's commitment to allowing Mr. Sy to focus on resolving his personal legal matters while safeguarding the best interests of the Company and its stakeholders.</p> <p>To ensure seamless leadership and operational continuity, the Board elected Mr. Dante R. Bravo, the Company's President, as Chairman of the Board. Mr. Bravo will serve in both roles, with his performance and dual capacity to be reviewed annually by the Board and the</p> |

| | |
|--------------------------|---|
| | <p>Corporate Governance Committee.</p> <p>To strengthen independent oversight, the Board created the role of Vice Chairman of the Board. This position is tasked with providing additional governance checks, presiding over meetings in the Chairman’s absence, serving as intermediary between the Chairman and other directors when necessary, convening and chairing meetings of the non-executive directors, and contributing to the performance evaluation of the Chairman, as required. The Board appointed Mr. Jaime F. Del Rosario, Lead Independent Director, as Vice Chairman of the Board.</p> <p>These measures underscore FNI’s commitment to stability, transparency, and strong corporate governance, providing clear leadership structure and reinforcing independent oversight while the Company continues to execute its business strategy.</p> |
| <p>September 8, 2025</p> | <p>Press Release: The Company informs the Exchange and the investing public that the Taguig City Regional Trial Court (RTC), Branch 271, has granted the petition for a writ of habeas corpus filed on behalf of the Company’s Chairman, Mr. Joseph C. Sy.</p> <p>The RTC ruled that the Bureau of Immigration (BI) has no jurisdiction to detain or deport Mr. Sy, affirmed his status as a Filipino citizen, and ordered his “immediate” release.</p> <p>In its Decision, the RTC gave weight to Mr. Sy’s birth certificate, Philippine passports, and related evidence as “superior” proof of citizenship. Citing jurisprudence, it held that the BI is “bound” by its prior rulings dismissing deportation cases against him.</p> <p>The RTC’s findings are consistent with earlier determinations of the Securities and Exchange Commission, the Department of Justice, the Office of the President, the Supreme Court, and the BI itself.</p> <p>For the guidance of the investing public, the statement of Mr. Sy’s legal counsel is attached.</p> |
| <p>September 8, 2025</p> | <p>Press Release: The Company notes reports that the Bureau of Immigration (BI) has appealed the Decision of the Regional Trial Court of Taguig City, Branch 271, which ruled that the Company’s Chairman, Mr. Joseph C. Sy, is a Filipino citizen, found no legal basis for his detention, and directed his immediate release.</p> <p>Mr. Sy’s legal team has emphasized that the court’s ruling is immediately executory and confirmed that available remedies will be pursued to secure his liberty.</p> <p>The Company wishes to assure shareholders, stakeholders, and the investing public that its business operations remain stable and unaffected by these developments.</p> |
| <p>September 9, 2025</p> | <p>Press Release: FNI Chairman’s Release Reiterated by Court After Glaring Lack of Execution of Writ of Habeas Corpus</p> <p>Global Ferronickel Holdings, Inc. (“FNI” or the “Company”) informs the Exchange and the investing public that the Regional Trial Court of Taguig granted today the Very Urgent Motion for Execution Pending Appeal and Admission to Post Bond Ad Cautelam filed on behalf of the Company’s Chairman, Mr. Joseph C. Sy.</p> <p>The Court, noting the Bureau of Immigration’s “glaring lack of execution” of the earlier Writ of Habeas Corpus, issued a Writ of Execution directing Mr. Sy’s release from detention upon posting of the prescribed bond, which has been duly posted.</p> |

| | |
|---------------------------|---|
| | <p>This ruling constitutes a judicial affirmation that Mr. Sy's continued detention had no legal basis and upholds his fundamental rights as a Filipino citizen.</p> |
| <p>September 11, 2025</p> | <p>Clarification of news article PCCI hits mining exec's continued detention. As previously disclosed, the Regional Trial Court of Taguig, citing the Bureau of Immigration's "glaring lack of execution" of its earlier Writ of Habeas Corpus, has issued a Writ of Execution pending appeal, directing the release of FNI Chairman Joseph C. Sy upon posting of the prescribed bond. The bond has already been posted. Both writs have been served on the Bureau. However, the Bureau has yet to comply with the court's directive.</p> <p>Mr. Sy's legal team is evaluating all available legal remedies while awaiting the transmittal of the record to the Court of Appeals.</p> <p>FNI confirms that the Company and its subsidiaries continue normal operations without disruption.</p> |
| <p>September 24, 2025</p> | <p>Press Release: The Company informs the Exchange that the legal representatives of Mr. Joseph C. Sy have received a copy of the Resolution of the CA in relation to the habeas corpus proceedings.</p> <p>The CA, in its Resolution, ordered the officials of the Bureau of Immigration (BI) and/or any custodian of Mr. Sy "TO IMMEDIATELY RELEASE Joseph Cue Sy from detention, under pain of contempt, and TO NOTIFY the Court of their action within five (5) days from receipt of the Resolution."</p> <p>This clear directive from the CA not only reinforces the earlier Decision of the Regional Trial Court of Taguig City affirming Mr. Sy's Filipino citizenship and declaring that the BI has no jurisdiction to detain him, but also supports the long-standing legal presumption in favor of his Filipino citizenship.</p> |
| <p>September 24, 2025</p> | <p>Clarification of News Reports: Joseph Sy standoff continues: Court says release, BI says no as case heads to SC. The Company clarifies that it has not received any official notification that the Bureau of Immigration (BI) has elevated the case to the Supreme Court of the Philippines. The Company will disclose any official developments as they arise.</p> <p>As previously disclosed, the Court of Appeals (CA), in its Resolution, ordered the BI and/or any custodian of Mr. Sy "TO IMMEDIATELY RELEASE Joseph Cue Sy from detention, under pain of contempt, and TO NOTIFY the Court of their action within five (5) days from receipt of the Resolution." While the BI has yet to comply with this directive, the Company views this development as a strong affirmation of the rule of law and the constitutional protection guaranteed by the writ of habeas corpus. It underscores that the rights of citizens are safeguarded against overreach and that judicial institutions remain firm in upholding established legal principles.</p> <p>This Resolution also brings clarity and stability by confirming the consistency of judicial rulings on Mr. Sy's citizenship and release. The Company's operations remain stable and unaffected, with management focused on delivering value to shareholders and stakeholders.</p> |

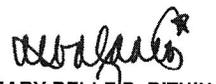
SIGNATURES

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.

Registrant: **GLOBAL FERRONICKEL HOLDINGS, INC.**


Signature and Title: **ATTY. DANTE R. BRAVO**
President

Date: November 11, 2025


Signature and Title: **MARY BELLE D. BITUIN**
Chief Financial Officer

Date: November 11, 2025

Annex A

Aging of Trade and Other Receivables

As at September 30, 2025

(In Thousand Pesos)

| | Neither Past Due Nor Impaired | Past Due But Not Impaired | | | Impaired | Total |
|--|----------------------------------|---------------------------|-------------|--------------------|----------------|------------------|
| | | 90 Days or Less | 91-120 Days | More than 120 days | | |
| Trade | 1,426,891 | - | - | - | 243,992 | 1,670,883 |
| Advances to Contractors | 190,993 | - | - | - | 79,711 | 270,704 |
| Advances to Officers, Employees and Others | 153,546 | - | - | - | - | 153,546 |
| Total | 1,771,430 | - | - | - | 323,703 | 2,095,133 |
| Less: Allowance for Expected Credit Losses | | | | | | 323,703 |
| NET RECEIVABLES | | | | | | 1,771,430 |

GLOBAL FERRONICKEL HOLDINGS, INC.
SEC FORM 17-Q
INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Interim Consolidated Statements of Financial Position as at September 30, 2025 and December 31, 2024

Interim Consolidated Statements of Comprehensive Income for the Three-Month Period Ended September 30, 2025 and 2024

Interim Consolidated Statements of Comprehensive Income for the Nine-Month Period Ended September 30, 2025 and 2024

Interim Consolidated Statements of Changes in Equity for the Nine-Month Period Ended September 30, 2025 and 2024

Interim Consolidated Statements of Cash Flows for the Nine-Month Period Ended September 30, 2025 and 2024

Notes to Interim Consolidated Financial Statements

GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

| | September 30, 2025 | December 31, 2024 |
|--|-----------------------|----------------------|
| | (Unaudited) | (Audited) |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents (Note 4) | ₱2,246,449 | ₱1,662,842 |
| Trade and other receivables (Note 5) | 1,771,430 | 638,599 |
| Advances to related parties (Note 29) | 12,703 | 8,036 |
| Inventories (Note 6) | 469,007 | 609,327 |
| Prepayments and other current assets (Note 7) | 96,557 | 51,035 |
| Total Current Assets | 4,596,146 | 2,969,839 |
| Noncurrent Assets | | |
| Property and equipment (Note 8) | 6,384,882 | 6,562,276 |
| Investment in associates (Note 9) | 4,959,407 | 4,764,026 |
| Mine exploration costs (Note 11) | 267,289 | 264,319 |
| Mining rights (Note 10) | 96,966 | 102,663 |
| Deferred tax assets - net (Note 30) | 139,146 | 140,837 |
| Retirement plan asset - net (Note 16) | 44,998 | 49,546 |
| Other noncurrent assets (Note 12) | 1,954,913 | 2,238,727 |
| Total Noncurrent Assets | 13,847,601 | 14,122,394 |
| TOTAL ASSETS | ₱18,443,747 | ₱17,092,233 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Trade and other payables (Note 13) | ₱1,155,031 | ₱955,742 |
| Non-interest bearing liability (Note 17) | 553,243 | 482,683 |
| Current portion of loans payable (Note 14) | - | - |
| Advances from related parties (Note 29) | 4,714 | 4,210 |
| Current portion of lease liabilities (Note 18) | 96,677 | 85,669 |
| Income tax payable | 251,199 | 90,916 |
| Other current liabilities | 28,176 | 28,176 |
| Total Current Liabilities | 2,089,040 | 1,647,396 |
| Noncurrent Liabilities | | |
| Non-interest bearing liability - net of current portion (Note 17) | 569,469 | 1,148,299 |
| Provision for mine rehabilitation and decommissioning (Note 15) | 338,014 | 323,023 |
| Lease liabilities - net of current portion (Note 18) | 635,151 | 678,935 |
| Deferred tax liabilities - net (Note 30) | 217,711 | 227,293 |
| Other noncurrent liabilities | 232 | 232 |
| Total Noncurrent Liabilities | 1,760,577 | 2,377,782 |
| Total Liabilities | 3,849,617 | 4,025,178 |
| Equity | | |
| Capital stock (Note 19) | 6,375,975 | 6,375,975 |
| Additional paid-in capital | 239,012 | 239,012 |
| Remeasurement gain on retirement obligation | 42,364 | 41,996 |
| Cumulative translation adjustment | 196,830 | 188,727 |
| Fair value reserve of financial asset at fair value through other comprehensive income (Note 12) | (7,378) | (6,872) |
| Retained earnings | 9,741,005 | 8,214,489 |
| Treasury shares (Note 19) | (2,129,803) | (2,129,803) |
| Equity attributable to the Parent Company | 14,458,005 | 12,923,524 |
| Non-controlling interests (NCI) (Note 19) | 136,125 | 143,531 |
| Total Equity | 14,594,130 | 13,067,055 |
| TOTAL LIABILITIES AND EQUITY | ₱18,443,747 | ₱17,092,233 |

See accompanying Notes to Unaudited Consolidated Financial Statements.

GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 AND 2024
(Amounts in Thousands, Except Earnings per Share)

| | Three Months Ended September 30 | | Nine Months Ended September 30 | |
|--|---------------------------------|-------------------|--------------------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| REVENUE FROM CONTRACTS WITH CUSTOMERS | ₱3,395,721 | ₱2,653,165 | ₱6,683,823 | ₱5,731,933 |
| COST OF SALES (Note 21) | 1,407,369 | 1,426,963 | 2,857,937 | 3,162,187 |
| GROSS PROFIT | 1,988,352 | 1,226,202 | 3,825,886 | 2,569,746 |
| OPERATING EXPENSES | | | | |
| Excise taxes and royalties (Note 22) | 448,826 | 360,692 | 688,073 | 681,180 |
| General and administrative (Note 23) | 242,552 | 356,213 | 909,734 | 969,440 |
| Shipping and distribution (Note 24) | 172,345 | 161,536 | 345,052 | 296,322 |
| | 863,723 | 878,441 | 1,942,859 | 1,946,942 |
| SHARE IN NET INCOME OF INVESTMENT IN | | | | |
| ASSOCIATES (Note 9) | 91,198 | 77,848 | 195,381 | 191,979 |
| FINANCE COSTS (Note 27) | (41,549) | (51,164) | (122,265) | (161,789) |
| FINANCE INCOME | 2,770 | 2,772 | 7,872 | 11,043 |
| OTHER INCOME - net (Note 28) | (2,207) | 35,544 | 7,980 | 57,617 |
| INCOME BEFORE INCOME TAX | 1,174,841 | 412,761 | 1,971,995 | 721,654 |
| PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 30) | | | | |
| Current | 246,778 | 50,225 | 457,373 | 233,316 |
| Deferred | 25,960 | 69,030 | (4,488) | (6,582) |
| | 272,738 | 119,255 | 452,885 | 226,734 |
| NET INCOME | 902,103 | 293,506 | 1,519,110 | 494,920 |
| <i>Items that may be reclassified to profit or loss in subsequent periods:</i> | | | | |
| Currency translation adjustment | 59,149 | (37,765) | 10,804 | 29,777 |
| Income tax effect | (14,787) | 9,441 | (2,701) | (7,444) |
| | 44,362 | (28,324) | 8,103 | 22,333 |
| <i>Items that will not be reclassified to profit or loss in subsequent periods:</i> | | | | |
| Remeasurement gain (loss) on retirement obligation | - | - | 491 | (143) |
| Income tax effect | - | - | (123) | 36 |
| | - | - | 368 | (107) |
| Fair value reserve of financial asset at fair value through other comprehensive income (Note 12) | 42 | (422) | (506) | (590) |
| | 44,404 | (28,746) | 7,965 | 21,636 |
| TOTAL COMPREHENSIVE INCOME | ₱946,507 | ₱264,760 | ₱1,527,075 | ₱516,556 |
| Net Income (Loss) Attributable To: | | | | |
| Equity holders of the Parent Company | ₱904,391 | ₱295,528 | ₱1,526,516 | ₱502,606 |
| Non-controlling interests in consolidated subsidiaries | (2,288) | (2,022) | (7,406) | (7,686) |
| | ₱902,103 | ₱293,506 | ₱1,519,110 | ₱494,920 |
| Total Comprehensive Income (Loss) Attributable To: | | | | |
| Equity holders of the Parent Company | ₱948,795 | ₱266,782 | ₱1,534,481 | ₱524,242 |
| Non-controlling interests in consolidated subsidiaries | (2,288) | (2,022) | (7,406) | (7,686) |
| | ₱946,507 | ₱264,760 | ₱1,527,075 | ₱516,556 |
| Basic/Diluted Earnings Per Share on Net Income | | | | |
| Attributable to Equity Holders of the Parent Company (Note 20) | ₱0.1764 | ₱0.0577 | ₱0.2978 | ₱0.0981 |

See accompanying Notes to Unaudited Consolidated Financial Statements.

GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 AND 2024
(Amounts in Thousands)

| | Capital Stock (Note 19) | Additional Paid-in | Treasury Shares (Note 19) | Fair Value Reserve of Financial Asset at Fair Value through Other Comprehensive (Note 12) | Remeasurement Gain on Retirement Obligation | Cumulative Translation Adjustment | Retained Earnings | Total | NCI | Total Equity |
|--|----------------------------|-----------------------|---------------------------------|--|--|---|----------------------|--------------|-----------|--------------|
| Balances at December 31, 2024 (Audited) | ₱ 6,375,975 | ₱ 239,012 | ₱ (2,129,803) | ₱ (6,872) | ₱ 41,996 | ₱ 188,727 | ₱ 8,214,489 | ₱ 12,923,524 | ₱ 143,531 | ₱ 13,067,055 |
| Net income for the period | - | - | - | - | - | - | 1,526,516 | 1,526,516 | (7,406) | 1,519,110 |
| Other comprehensive income (loss) - net of tax | - | - | - | (506) | 368 | 8,103 | - | 7,965 | - | 7,965 |
| Total comprehensive income (loss) - net of tax | - | - | - | (506) | 368 | 8,103 | 1,526,516 | 1,534,481 | (7,406) | 1,527,075 |
| Balances at September 30, 2025 (Unaudited) | ₱ 6,375,975 | ₱ 239,012 | ₱ (2,129,803) | ₱ (7,378) | ₱ 42,364 | ₱ 196,830 | ₱ 9,741,005 | ₱ 14,458,005 | ₱ 136,125 | ₱ 14,594,130 |
| Balances at December 31, 2023 (Audited) | ₱ 6,375,975 | ₱ 239,012 | ₱ (2,129,803) | ₱ (6,198) | ₱ 44,276 | ₱ 132,801 | ₱ 7,470,593 | ₱ 12,126,656 | ₱ 153,695 | ₱ 12,280,351 |
| Net income for the period | - | - | - | - | - | - | 502,606 | 502,606 | (7,686) | 494,920 |
| Other comprehensive income (loss) - net of tax | - | - | - | (590) | (107) | 22,333 | - | 21,636 | - | 21,636 |
| Total comprehensive income (loss) - net of tax | - | - | - | (590) | (107) | 22,333 | 502,606 | 524,242 | (7,686) | 516,556 |
| Balances at September 30, 2024 (Unaudited) | ₱ 6,375,975 | ₱ 239,012 | ₱ (2,129,803) | ₱ (6,788) | ₱ 44,169 | ₱ 155,134 | ₱ 7,973,199 | ₱ 12,650,898 | ₱ 146,009 | ₱ 12,796,907 |

See accompanying Notes to Unaudited Consolidated Financial Statements.

GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 AND 2024
(Amounts in Thousands)

| | 2025 | 2024 |
|--|-------------------|-------------------|
| | (Unaudited) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Income before income tax | ₱1,971,995 | ₱721,654 |
| Adjustments for: | | |
| Depreciation, depletion and amortization (Note 26) | 451,102 | 447,568 |
| Provision for impairment losses on other noncurrent assets | 84,746 | 65,127 |
| Interest expense (Note 27) | 40,409 | 57,391 |
| Unrealized foreign exchange gains - net | (17,729) | (52,326) |
| Share in net income of investment in associates (Note 9) | (195,381) | (191,979) |
| Current service cost (Note 16) | 8,017 | 6,916 |
| Accretion interest expense on: | | |
| Non-interest bearing liability | 70,561 | 91,903 |
| Provision for mine rehabilitation and decommissioning (Note 27) | 14,991 | 14,941 |
| Interest income | (7,161) | (10,332) |
| Accretion interest income on security deposit under "Other noncurrent assets" (Note 27) | (711) | (711) |
| Gain on disposals of property and equipment | (223) | (9) |
| Operating income before changes in working capital | 2,420,616 | 1,150,143 |
| Decrease (increase) in: | | |
| Trade and other receivables | (1,123,971) | (295,519) |
| Inventories | 140,320 | (48,697) |
| Prepayments and other current assets | (45,456) | (65,667) |
| Increase in trade and other payables | 160,943 | 1,212,561 |
| Net cash flows from operations | 1,552,452 | 1,952,821 |
| Income taxes paid | (270,920) | (317,212) |
| Interest paid | (176) | (15,432) |
| Contributions (Note 16) | - | (17,182) |
| Interest received | 4,056 | 3,265 |
| Net cash flows from operating activities | 1,285,412 | 1,606,260 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Additions to: | | |
| Property and equipment | (267,678) | (285,915) |
| Mine exploration costs | (2,970) | (10,502) |
| Decrease (increase) in: | | |
| Advances to related parties | (4,667) | 208,291 |
| Other noncurrent assets | 191,923 | (608,303) |
| Payment of non-interest bearing liability related to the acquisition of an associate | (578,831) | (560,300) |
| Proceeds from disposals of property and equipment | - | 117 |
| Net cash flows used in investing activities | (662,223) | (1,256,612) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments of: | | |
| Lease Liabilities | (67,776) | (66,001) |
| Loans | - | (347,294) |
| Other current liabilities | - | (270,874) |
| Decrease in advances from related parties | (1,166) | (163,394) |
| Net cash flows used in financing activities | (68,942) | (847,563) |
| NET INCREASE (DECREASE) IN CASH | 554,247 | (497,915) |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH | 29,360 | 80,754 |
| CASH AT BEGINNING OF PERIOD | 1,662,842 | 2,442,898 |
| CASH AT END OF PERIOD | ₱2,246,449 | ₱2,025,737 |

See accompanying Notes to Unaudited Consolidated Financial Statements.

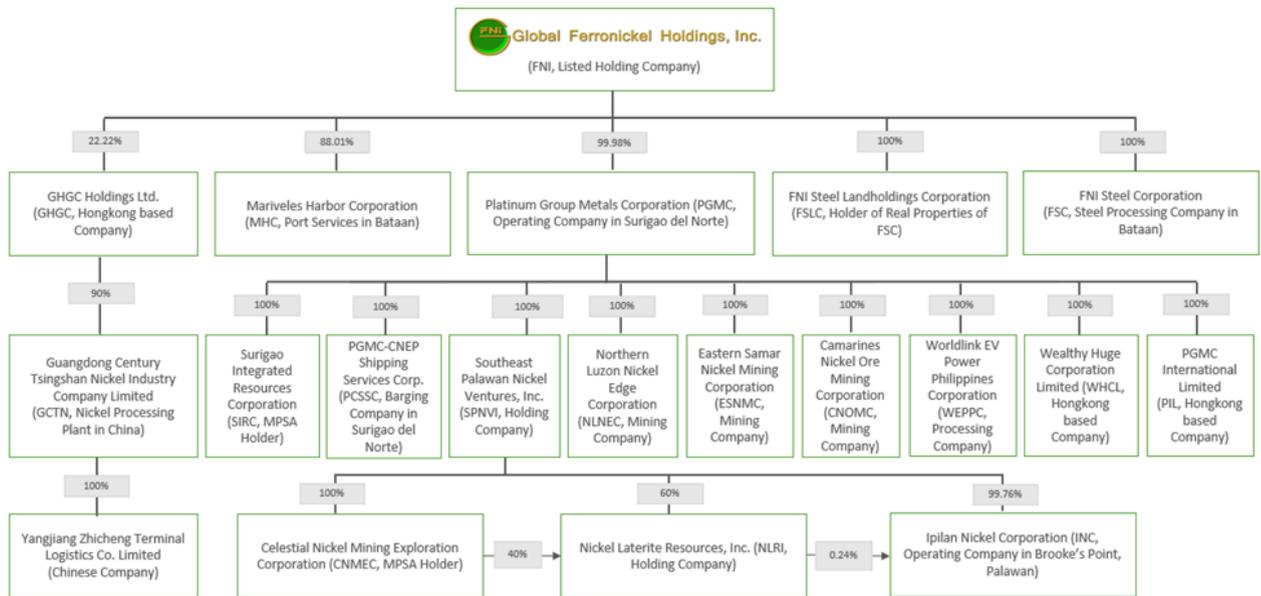
GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Global Ferronickel Holdings, Inc. (FNI; Parent Company) is a corporation listed in the Philippine Stock Exchange (PSE). It was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 3, 1994. The principal activities of the Parent Company are to invest in, purchase or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description, including shares of stock, and other securities or obligations of any corporation.

The Parent Company's principal office address is at Penthouse, Platinum Tower, Asean Avenue corner Fuentes St., Aseana, Parañaque City.

The following is the map of relationships of the Companies within the Group:



The Parent Company's principal stockholders as at September 30, 2025 are as follows:

List of Top 20 Stockholders

| Name | Citizenship | Holdings | Percentage |
|-------------------------------------|-------------|---------------|------------|
| PCD NOMINEE CORP. - FILIPINO | Filipino | 2,421,648,071 | 47.25% |
| PCD NOMINEE CORP. - NON-FILIPINO | Foreign | 1,510,867,648 | 29.48% |
| REGULUS BEST NICKEL HOLDINGS INC. | Filipino | 523,154,668 | 10.21% |
| BLUE EAGLE ELITE VENTURE INC. | Filipino | 348,769,779 | 06.81% |
| SOHOTON SYNERGY, INC. | Filipino | 233,156,767 | 04.55% |
| RED LION FORTUNE GROUP INC. | Filipino | 57,588,866 | 01.12% |
| JOSEPH C. SY | Filipino | 5,000,000 | 00.10% |
| DANTE R BRAVO | Filipino | 3,261,053 | 00.06% |
| ORION-SQUIRE CAPITAL, INC. A/C-0459 | Filipino | 2,283,106 | 00.04% |
| CARLO A. MATILAC | Filipino | 1,733,226 | 00.03% |
| MARY BELLE D. BITUIN | Filipino | 1,630,523 | 00.03% |
| SQUIRE SECURITIES, INC | Filipino | 867,338 | 00.02% |
| CORSINO L. ODTOJAN | Filipino | 785,860 | 00.01% |
| GEARY L. BARIAS | Filipino | 785,860 | 00.01% |
| MARILOU C. CELZO | Filipino | 678,479 | 00.01% |
| GO GEORGE L. | Filipino | 539,153 | 00.01% |
| KUOK PHILIPPINES PROPERTIES INC. | Filipino | 463,953 | 00.01% |
| RICHARD C. GIMENEZ | Filipino | 430,738 | 00.01% |
| TONG GABRIEL | Filipino | 417,805 | 00.01% |
| OCA GREGORIO S. | Filipino | 415,193 | 00.01% |
| PAZ VENSON | Filipino | 410,579 | 00.01% |

The Subsidiaries

PGMC

PGMC is 99.98% owned by the Parent Company and was registered with the Philippine SEC on February 10, 1983. It is primarily engaged in the exploration, mining and exporting of nickel ore located in the municipality of Claver, Surigao del Norte. PGMC's principal office address is the same as that of the Parent Company.

PGMC has an Operating Agreement with SIRC for the exclusive right and privilege to undertake mining activities within the area covered by the Mineral Production Sharing Agreement (MPSA) No. 007-92-X.

Seasonality

The Cagdianao Mine produces and exports nickel ores from April to October of each year, typically the dry and minimal sea swell season at the mine site. During the rainy season, mining operations in the mine site are suspended and there is no loading of ore onto ships. This seasonality results in quarter-to-quarter volatility in the operating results with more revenue being earned and more expenses being incurred during the second and third quarters compared to the first and fourth quarters.

SIRC

PGMC wholly owns SIRC, a company registered with the Philippine SEC on July 16, 1999. Its primary purposes are to engage in the exploration and processing of minerals, petroleum and other mineral oils, to enter into financial and technical assistance agreements for the large-scale exploration, development and utilization of mineral resources or otherwise engage in mining activities or enter into agreements as may be allowed by law. SIRC's principal office address is the same as that of the Parent Company.

SIRC is the holder of MPSA No. 007-92-X, redenominated as MPSA No. 007-92-X-SMR (Amended 1), located in Cagdianao, Claver, Surigao del Norte. The said MPSA was last renewed on June 21, 2016 for another 25 years from its initial term ending in 2017, or until February 14, 2042.

PCSSC

PGMC wholly owns PCSSC, a company registered with the Philippine SEC on June 4, 2013. Its primary purpose is to conduct and carry on the business of inter-island shipping, including chartering, hiring, leasing, or otherwise acquiring tug and barge, self-propelled barges or landing craft tank (LCT) or other ships or vessels, together with equipment, appurtenances and furniture therefor; and to employ the same in the conveyance and carriage of ores, minerals, goods, wares and merchandise of every kind and description. PCSSC's principal office address is the same as that of the Parent Company.

PIL

PGMC wholly owns PIL, a company incorporated on July 22, 2015 as a limited company under the Companies Ordinance of Hong Kong. Its primary purpose is to trade mineral products. It was established to facilitate relations with Chinese customers, to promote marketing, to collect accounts, to avail of offshore banking services such as loans, credit/discounting lines and other financing arrangements, and to do other services for PGMC. PIL's principal office address is at Unit 4101-02, 41/F, Office Tower, Convention Plaza, 1 Harbour Road Wanchai, Hong Kong.

WHCL

PGMC wholly owns WHCL, a company incorporated on March 1, 2021 as a limited company under the Companies Ordinance of Hong Kong. Its primary purpose is to facilitate relations with offshore customers, collection of accounts, availment of offshore banking services, and such other services as will aid PGMC's strategic growth in the ASEAN region. WHCL's principal office address is at Room 804, 8/F, LAP FAI Building, 6-8 Pottinger Street, Central Hong Kong. WHCL has not started its operations as at June 30, 2025.

SPNVI

SPNVI is 99.98% owned by the Parent Company through PGMC and was registered with the SEC on July 11, 2014. It is primarily engaged to prospect, explore, locate, acquire, hold, work, develop, lease, operate and exploit mineral lands for nickel, chromite, copper, manganese, magnesite, silver, gold, and other precious and non-precious metals; to acquire and dispose of mining claims and rights, and to conduct and carry on the business of preparing, milling, concentrating, smelting, treating or preparing for market, and to market, sell at wholesale, exchange or otherwise deal in nickel, chromite, copper, manganese, magnesite, silver, gold and other mineral products. SPNVI's principal office address is the same as that of the Parent Company.

INC

SPNVI wholly owns INC, a company registered with the SEC on July 22, 2005, for the primary purpose to explore, develop, mine, operate, produce, utilize, process and dispose of all the minerals and the products or by-products that may be produced, extracted, gathered, recovered, unearthed or found within the area of Sitio Ipilan, Mambalot, Municipality of Brooke's Point, Province of Palawan, consisting of 2,835 hectares and covered by MPSA No. 017-93-IV, Amended 2000, by the Government of the Republic of the Philippines through the Secretary of the Department of Environment and Natural Resources (DENR). INC's principal office address is the same as that of the Parent Company.

CNMEC

SPNVI wholly owns CNMEC, a company registered with the SEC on December 17, 1979, for the primary purpose is to search for, prospect, explore, develop ores and mineral, to locate mining claims within the Philippines and record the same according to mining laws, and to purchase, take on lease, exchange or otherwise acquire mines, workings, mineral lands, mining claims, mineral, water and timer rights, foreshore leases, licenses concessions and grants, and other effects whatsoever which the Company may from time to time deem proper to be acquired for any of its purposes. CNMEC's principal office address is the same as that of the Parent Company.

NLRI

SPNVI wholly owns NLRI, a company registered with SEC on July 22, 2005, for the primary purpose to subscribe for, purchase or otherwise acquire, obtain interests in, own, hold, pledge, hypothecate, assign, sell, exchange or otherwise dispose of and generally deal in and with personal properties and securities of every kind and description of any government, municipality or other political subdivision or agency, corporation, association or entity; to exercise any and all interest in respect of any such securities; and to promote, manage, participate in and act as agent for any purchasing or selling syndicate or group of investors and otherwise to take part in and assist, in any legal matter for the purchase and sale of any securities as may be allowed by law, without acting as or engaging in the business of an investment house, mutual fund or broker or dealer in securities. NLRI's principal office address is the same as that of the Parent Company.

NLNEC

PGMC wholly owns NLNEC, a company registered with the Philippine SEC on July 10, 2023. Its primary purpose is to prospect, explore, locate, acquire, hold, work, develop, lease, operate and exploit mineral lands for chromite, copper, manganese, magnesite, silver, gold, nickel, and other precious and non-precious minerals; to acquire and dispose of mining claims and rights, and to conduct and carry on the business of preparing, milling, concentrating, smelting, treating or preparing for market, sell, exchange or otherwise deal in chromite, copper, manganese, silver, gold, nickel and other mineral products. NLNEC's principal office address is the same as that of the Parent Company.

ESNMC

PGMC wholly owns ESNMC, a company registered with the Philippine SEC on July 18, 2023. Its primary purpose is to prospect, explore, locate, acquire, hold, work, develop, lease, operate and exploit mineral lands for chromite, copper, manganese, magnesite, silver, gold, nickel, and other precious and non-precious minerals; to acquire and dispose of mining claims and rights, and to conduct and carry on the business of preparing, milling, concentrating, smelting, treating or preparing for market, sell, exchange or otherwise deal in chromite, copper, manganese, silver, gold, nickel and other mineral products. ESNMC's principal office address is the same as that of the Parent Company.

CNOMC

PGMC wholly owns CNOMC, a company registered with the Philippine SEC on July 18, 2023. Its primary purpose is to prospect, explore, locate, acquire, hold, work, develop, lease, operate and exploit mineral lands for chromite, copper, manganese, magnesite, silver, gold, nickel, and other precious and non-precious minerals; to acquire and dispose of mining claims and rights, and to conduct and carry on the business of preparing, milling, concentrating, smelting, treating or preparing for market, sell, exchange or otherwise deal in chromite, copper, manganese, silver, gold, nickel and other mineral products. CNOMC's principal office address is the same as that of the Parent Company.

WEPPC

PGMC wholly owns WEPPC, a company registered with the Philippine SEC on February 5, 2024. Its primary purpose is to engage generally in the business of, and/or to invest in the development, manufacturing, production, sale, invention, export, processing, and use of battery-grade materials, technologies, software, hardware, systems, applications, processes, machines, parts, appurtenances, facilities, stations, products, devices, equipment which are needed to allow the corporation to venture into the construction, assembly, commission, marketing, installation, sale, operation, maintenance, rehabilitation, management, repair, commission, recycling and/or distribution of batteries, battery systems, battery energy storage systems,

electric vehicle charging stations and docks, energy supply equipment, and other renewable energy components for residential, commercial, and industrial purposes. WEPPC's principal office address is the same as that of the Parent Company.

FSC

FSC is a wholly-owned subsidiary of the Parent Company and was registered with the Philippine SEC on August 5, 2019. Its primary purpose is to engage in the business of buying, selling, dealing, at wholesale and retail, importing and manufacturing iron, steel and other ferrous or non-ferrous metal products, to be processed either by melting, rolling, casting, or forging to produce it in the form of ingots, billets, sections, bars, plates, strips, rods, tubes, pipes and other such form in demand in the market or industry; to import materials, machinery and equipment needed to manufacture such finished products; and to lease real properties such as land and buildings as needed. FSC's principal office address is at Lot 9 3rd Floor AFAB Administration Building, Freeport Area of Bataan Alas-asin Mariveles, Bataan, Region III, Philippines.

FSLC

FSLC is a wholly-owned subsidiary of the Parent Company and was registered with the Philippine SEC on May 31, 2019. Its primary purpose is to engage in the business of managing real estate or interest therein, alone or in joint ventures with others and for this purpose acquire land by purchase, lease, donation, or otherwise, and to own, use, improve, subdivide, hold, administer, sell, convey, exchange, lease, mortgage, dispose of, work, develop, or otherwise deal in real property of any kind and interest or right therein and to construct, improve, manage, or otherwise dispose of buildings and other structures of whatever kind, together with their appurtenances whether for dwelling, commercial or industrial purposes. FSLC was incorporated to hold real properties of FSC. FSLC's principal office address is the same as that of the Parent Company.

MHC

MHC is 88.01% owned by the Parent Company and was registered with the Philippine SEC on July 11, 2014 primarily to engage to carry on the business of providing and rendering general services incidental to and necessarily connected with the operation and management of port terminals in the Philippines, which will involve the handling of containers, bulk liquid and dry cargoes, bagging of fertilizers, refrigerated warehousing facilities, warehousing and stevedoring, lightering, towing, and/or storing of cargo handled by MHC to and from port terminals in the delivery from abroad and/or for shipment abroad as may be necessary or incidental thereto. MHC's principal office address is at Mariveles Multi-Purpose Terminal, Mariveles Diversion Road, Freeport Area of Bataan, Brgy. Sisiman, Mariveles, Bataan.

The Associates

GHGC

GHGC is 22.22% owned by the Parent Company and was incorporated in the British Virgin Islands (BVI) on April 14, 2011 whose principal activity is investment holding. The registered office of GHGC is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands. It engages in trading nickel ore and other related mineral products.

GHGC owns 90% shareholding in Guangdong Century Tsingshan Nickel Industry Company Limited (GCTN). GCTN is a nickel alloy enterprise in China that is processing laterite nickel ore and is selling nickel pig iron. It operates a 33-hectare area and is one of the most competitive smelters with Rotary kiln-electric furnace (RKEF) technology. The rotary kiln can feed up to four (4) furnaces and is estimated to produce about 28,000 tons of pure nickel at its optimum. GCTN's wholly owned subsidiary is Yangjiang Zhicheng Terminal Logistics Co. Limited, located near Yangjiang Harbour, Hailing Cove area.

2. Basis of Preparation, Statement of Compliance, Basis of Consolidation and Changes in Accounting Policies and Disclosures

Basis of Preparation

The accompanying unaudited interim consolidated financial statements of the Group as at September 30, 2025 and for the nine months period ended September 30, 2025 and 2024 have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*, and on a historical cost basis, except for the financial asset at fair value through other comprehensive income (FVOCI), which are carried at fair value. The unaudited interim consolidated financial statements are presented in Philippine peso, which is the Group's presentation currency under the Philippine Financial Reporting Standards (PFRS). Based on the economic substance of the underlying circumstances relevant to the Group, the functional currencies of the Parent Company and subsidiaries is Philippine peso, except for PIL and WHCL whose functional

currency is Hong Kong Dollar (HK\$). All values are rounded to the nearest thousand (000), except number of shares, per share data and as indicated. Further, the unaudited interim consolidated financial statements do not include all the information and disclosure required in the annual consolidated financial statements, and should be read in conjunction with the audited Group's annual consolidated financial statements as at December 31, 2024.

Statement of Compliance

The accompanying unaudited interim consolidated financial statements of the Group have been prepared in compliance with PFRS.

Basis of Consolidation

The unaudited interim consolidated financial statements include the balances of the Parent Company and its subsidiaries and equity share in net income or losses of associates, after eliminating significant intercompany balances and transactions.

| <i>Subsidiaries</i> | Principal Place of Business | Principal Activities | Effective Ownership | |
|----------------------|--------------------------------|------------------------------------|---------------------|-------------------|
| | | | September 30, 2025 | December 31, 2024 |
| PGMC | Philippines | Mining | 99.98% | 99.98% |
| SIRC ⁽¹⁾ | Philippines | Mining | 99.98% | 99.98% |
| PCSSC ⁽¹⁾ | Philippines | Services | 99.98% | 99.98% |
| PIL ⁽¹⁾ | Hong Kong | Marketing, Trading and Services | 99.98% | 99.98% |
| WHCL ⁽¹⁾ | Hong Kong | Marketing, Trading and Services | 99.98% | 99.98% |
| FSLC | Philippines | Landholdings | 100.00% | 100.00% |
| FSC | Philippines | Manufacturing | 100.00% | 100.00% |
| MHC | Philippines | Port Operations | 88.01% | 88.01% |
| SPNVI ⁽¹⁾ | Philippines | Holding/Mining | 99.98% | 99.98% |
| INC ⁽¹⁾ | Philippines | Mining | 99.98% | 99.98% |
| CNMEC ⁽¹⁾ | Philippines | Holding/Mining | 99.98% | 99.98% |
| NLR ⁽¹⁾ | Philippines | Holding/Mining | 99.98% | 99.98% |
| NLNEC ⁽¹⁾ | Philippines | Mining | 99.98% | 99.98% |
| ESNMC ⁽¹⁾ | Philippines | Mining | 99.98% | 99.98% |
| CNOMC ⁽¹⁾ | Philippines | Mining | 99.98% | 99.98% |
| WEPPC ⁽¹⁾ | Philippines | Processing | 99.98% | 99.98% |
| <i>Associates</i> | | | | |
| GHGC | British Virgin Islands | Holding | 22.22% | 22.22% |
| GCTN ⁽²⁾ | China | Nickel Processing | 20.00% | 20.00% |

(1) Indirect ownership through PGMC.

(2) Indirect ownership through GHGC.

The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using uniform and consistent accounting policies. When necessary, adjustments are made to the stand-alone financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Changes in Accounting Policies and Disclosures

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

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- PFRS 17, *Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. PFRS 17 replaces PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts
- Amendments to PAS 21, *Lack of Exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

When applying the amendments, an entity cannot restate comparative information.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements.

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—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a "De Facto Agent"*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 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*

The revised, amended, and additional disclosures or accounting changes provided by the standards and interpretations will be included in the consolidated financial statements of the Group in the year of adoption, if applicable.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the judgments and assumptions used in arriving at the estimates to change. The effects of any changes in estimates are reflected in the unaudited interim consolidated financial statements as they become reasonably determinable.

Accounting judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Judgments

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

Estimates and Assumptions

The Group based its assumptions and estimates on parameters available when the unaudited interim consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4. Cash and Cash Equivalents

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|-----------------------------|--------------------------------------|-----------------------------------|
| Cash on hand | ₱1,779 | ₱1,523 |
| Cash in banks | 2,220,811 | 1,637,460 |
| Short-term cash investments | 23,859 | 23,859 |
| | <u>₱2,246,449</u> | <u>₱1,662,842</u> |

5. Trade and Other Receivables

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---|--------------------------------------|-----------------------------------|
| Trade | ₱1,670,883 | ₱579,651 |
| Advances to: | | |
| Contractors | 270,704 | 285,716 |
| Officers, employees and others | 153,546 | 70,168 |
| Income tax receivable | – | 26,767 |
| | <u>2,095,133</u> | <u>962,302</u> |
| Less allowance for expected credit losses (ECL) | 323,703 | 323,703 |
| | <u>₱1,771,430</u> | <u>₱638,599</u> |

There was no provision for ECL on trade and other receivables for the periods ended September 30, 2025 and 2024.

6. Inventories

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|-------------------------|--------------------------------------|-----------------------------------|
| Beneficiated nickel ore | ₱382,713 | ₱526,998 |
| Materials and supplies | 86,294 | 82,329 |
| | <u>₱469,007</u> | <u>₱609,327</u> |

No provision for inventory losses was recognized for the periods ended September 30, 2025 and 2024. The balance of the allowance for inventory losses on materials and supplies amounted to ₱10.8 million as at September 30, 2025 and December 31, 2024.

7. Prepayments and Other Current Assets

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|--------------------------------------|--------------------------------------|-----------------------------------|
| Prepaid taxes and licenses | ₱39,071 | ₱16,130 |
| Prepaid insurance | 30,200 | 13,482 |
| Input VAT | 17,505 | 11,966 |
| Creditable withholding taxes (CWT) | 13,743 | 11,749 |
| Advances to suppliers | 8,115 | 9,631 |
| Prepaid rent | 285 | 503 |
| Others | 3,288 | 3,224 |
| | 112,207 | 66,685 |
| Less allowance for impairment losses | 15,650 | 15,650 |
| | ₱96,557 | ₱51,035 |

No provision for impairment losses on other current assets was recognized in 2025 and 2024.

8. Property and Equipment

As at September 30, 2025 and December 31, 2024, property and equipment amounted to ₱6,384.9 million and ₱6,562.3 million, respectively. During the nine-month period ended September 30, 2025 and 2024, the Group acquired assets with a cost of ₱267.7 million and ₱285.9 million, respectively, including construction in-progress.

Depreciation and depletion expenses for the nine-month period ended September 30, 2025 and 2024 amounted to ₱451.1 million and ₱447.6 million, respectively. As at September 30, 2025 and December 31, 2024, total accumulated depreciation and depletion amounted to ₱4,672.0 million and ₱4,241.8 million, respectively.

The property and equipment includes right-of-use assets amounted to ₱570.2 million and ₱633.9 million as at September 30, 2025 and December 31, 2024, respectively. As at September 30, 2025 and December 31, 2024, accumulated depreciation of the right-of-use assets amounted to ₱416.7 million and ₱352.9 million, respectively. Depreciation expense of right-of-use assets for the nine-month period ended September 30, 2025 and 2024 amounted to ₱63.3 million and ₱63.5 million, respectively.

No property and equipment were pledged as at September 30, 2025 and December 31, 2024.

9. Investment in Associates

As at September 30, 2025 and December 31, 2024, investment in associates amounted to ₱4,959.4 million and ₱4,764.0 million, respectively.

The Group recognized total share in net income of investment in associates amounted to ₱195.4 million for the nine months ended September 30, 2025 and ₱192.0 million in the same period last year.

10. Mining Rights

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---------------------------|--------------------------------------|-----------------------------------|
| Cost | ₱396,500 | ₱396,500 |
| Accumulated amortization: | | |
| Beginning balance | 293,837 | 285,568 |
| Amortization | 5,697 | 8,269 |
| Ending balance | 299,534 | 293,837 |
| Net book value | ₱96,966 | ₱102,663 |

No provision for impairment losses on mining rights was recognized for the periods ended September 30, 2025 and 2024.

11. Mine Exploration Costs

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|-----------------------------------|--------------------------------------|-----------------------------------|
| Beginning balance | ₱264,319 | ₱237,857 |
| Exploration expenditures incurred | 2,970 | 26,462 |
| Ending balance | ₱267,289 | ₱264,319 |

12. Other Noncurrent Assets

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|--------------------------------------|--------------------------------------|-----------------------------------|
| Input VAT | ₱1,057,361 | ₱1,407,497 |
| Mine rehabilitation fund (MRF) | 645,654 | 602,602 |
| Advances to suppliers | 394,778 | 367,699 |
| Miscellaneous deposit | 56,445 | 56,445 |
| Security deposits | 26,598 | 25,887 |
| Computer software | 1,551 | 1,602 |
| Financial asset at FVOCI | 1,476 | 1,982 |
| Others | 45,142 | 49,105 |
| | 2,229,005 | 2,512,819 |
| Less allowance for impairment losses | 274,092 | 274,092 |
| | ₱1,954,913 | ₱2,238,727 |

For the period ended September 30, 2025, the Group received VAT refunds from the BIR. A provision for impairment losses amounting to ₱84.7 million was recognized for the denied portion (see Note 23).

No dividend income was earned by the Group for the periods ended September 30, 2025 and 2024 from the financial asset at FVOCI.

13. Trade and Other Payables

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|----------------------------|--------------------------------------|-----------------------------------|
| Trade | ₱722,202 | ₱553,436 |
| Contract liabilities | 42,365 | – |
| Accrued expenses and taxes | 356,935 | 368,569 |
| Dividends payable | 24,836 | 24,893 |
| Nontrade | 8,693 | 8,844 |
| | ₱1,155,031 | ₱955,742 |

Details of the accrued expenses and taxes are summarized below:

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---|--------------------------------------|-----------------------------------|
| Accrued liabilities | ₱145,633 | ₱178,429 |
| Business and other taxes | 27,666 | 22,620 |
| Excise taxes and royalties payable | 113,794 | 55,497 |
| Provision for Indigenous Cultural Communities (ICC) | 59,788 | 89,227 |
| Accrued payroll | 751 | 16,763 |
| Others | 9,303 | 6,033 |
| | ₱356,935 | ₱368,569 |

14. Loans Payable

As at September 30, 2025 and December 31, 2024, the carrying amount of the loan was nil.

Movements in the carrying value of loans payable are as follows:

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---------------------|--------------------------------------|-----------------------------------|
| Beginning balance | ₱– | ₱347,294 |
| Payments | – | (347,294) |
| Ending balance | ₱– | ₱– |

Long term loans

TCB

On July 29, 2021, the Group was granted by TCB through PGMC an Omnibus Line for Loan Facility in the aggregate principal amount not exceeding US\$15.0 million for general corporate purposes. The Omnibus Line is comprised of Revolving loan amounting to US\$5.0 million and Term loan amounting to US\$15.0 million

On July 30, 2021, the Group made a drawdown amounting to US\$15.0 million of the loan.

On July 8, 2024, PGMC settled in full its loan from TCB.

Interest expense related to the TCB loan amounted to nil and ₱15.2 million for the periods ended September 30, 2025 and 2024, respectively.

15. Provision for Mine Rehabilitation and Decommissioning

The Group records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and demolition of infrastructures, removal of residual materials and remediation of disturbed areas.

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|------------------------------|--------------------------------------|-----------------------------------|
| Beginning balance | ₱323,023 | ₱296,814 |
| Accretion interest | 14,991 | 19,071 |
| Effect of change in estimate | – | 7,138 |
| Ending balance | ₱338,014 | ₱323,023 |

16. Retirement Obligation

The FNI Group of Companies Multiemployer Retirement Plan (the Retirement Plan) is jointly established by PGMCO, PCSSC, INC and the Parent Company, and other affiliate companies that may adopt the said plan. The Retirement Plan is a non-contributory defined benefit retirement plan covering all of the Group's regular employees effective January 1, 2018.

The funding of the Retirement Plan shall be determined by the actuarial advisor and payment of the benefits thereunder shall be provided through the medium of a fund held by the Trustee Bank under the Trust Agreement. There was no plan termination, curtailment or settlement as at September 30, 2025 and December 31, 2024.

The latest actuarial valuation report of the retirement plan is as at December 31, 2024.

As at September 30, 2025, the Group's contribution to the pension fund amounted to nil. The Group does not currently employ any asset-liability matching.

As at September 30, 2025 and December 31, 2024, the retirement plan asset, net of retirement obligation, amounted to ₱45.0 million and ₱49.5 million, respectively. The current service cost amounted to ₱8.0 million and ₱6.9 million for the nine months period ended September 30, 2025 and 2024, respectively. The interest cost on retirement obligation amounted to ₱5.2 million and ₱4.6 million for the nine months period ended September 30, 2025 and 2024, respectively. The interest income on plan assets amounted to ₱8.2 million and ₱7.1 million for the nine months period ended September 30, 2025 and 2024, respectively.

17. Non-interest Bearing and Other Current Liabilities

Non-interest bearing liability

On September 30, 2022, as a result of the acquisition of GCTN, the Group recognized a non-interest bearing liability to the Seller amounting to US\$51.8 million which will be settled through annual installment payment amounting to US\$10.0 million starting 2023 until fully paid.

Details of the non-interest bearing liability to the Seller is as follows:

| | 2022 |
|--|------------|
| Balance at the date of acquisition, undiscounted | ₱2,947,352 |
| Discount on non-interest bearing liability: | |
| Day 1 gain | 504,273 |
| Accretion of interest | (35,099) |
| Ending balance | 469,174 |
| Net carrying value | ₱2,478,178 |

Movements in the carrying value of the non-interest bearing liability are as follows:

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---|--------------------------------------|-----------------------------------|
| Beginning balance | ₱1,630,982 | ₱2,004,710 |
| Payments | (578,831) | (564,030) |
| Accretion of interest | 70,561 | 121,586 |
| Effect of changes in foreign currency exchange rates | – | 68,716 |
| Ending balance | 1,122,712 | 1,630,982 |
| Less: Current portion | 553,243 | 482,683 |
| Non-interest bearing liability - net of current portion | ₱569,469 | ₱1,148,299 |

18. Leases

The Group has lease contracts for various properties and equipment used in its operations and office spaces. Leases of office spaces generally have lease terms between three and 13 years while the equipment has a lease term of two years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets without approval of lessor.

The Group also has certain lease of office spaces and machineries and equipment with lease terms of twelve months or less. The Group applies the "short-term lease" recognition exemptions for these leases.

The lease liabilities as at September 30, 2025 and December 31, 2024, discounted using incremental borrowing rate are as follows:

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|----------------------|--------------------------------------|-----------------------------------|
| Lease liabilities | ₱731,828 | ₱764,604 |
| Less current portion | 96,677 | 85,669 |
| Noncurrent portion | ₱635,151 | ₱678,935 |

The rollforward analysis of lease liabilities follows:

| Amount in thousands | September 30, 2025 (Unaudited) | December 31, 2024 (Audited) |
|---------------------|--------------------------------------|-----------------------------------|
| Beginning balance | ₱764,604 | ₱823,342 |
| Interest expense | 35,000 | 49,423 |
| Payments | (67,776) | (108,161) |
| Ending balance | ₱731,828 | ₱764,604 |

19. Equity

Capital Stock

The Parent Company has 11,957,161,906 authorized shares at ₱1.05 par value as at September 30, 2025 and December 31, 2024. Out of the total authorized shares of the Parent Company, 6,072,357,151 shares are issued amounting to ₱6,375,975 as at September 30, 2025 and December 31, 2024.

The Parent Company has only one (1) class of common shares which do not carry any right to fixed income.

NCI

September 30, 2025

| | MHC | PGMC | SPNVI | Total |
|--|----------------|--------------|------------|----------------|
| Percentage of ownership | 11.99% | 0.02% | 0.02% | |
| Acquisition of SPNVI and MHC | 429,936 | - | 6,503 | 436,439 |
| Acquisition of NCI | (328,507) | - | (331,464) | (659,971) |
| Issuance of capital stock | - | 446 | - | 446 |
| Retained earnings, beginning | 40,969 | 524 | 325,124 | 366,617 |
| Total comprehensive income (loss) attributable to NCI | (7,772) | 276 | 90 | (7,406) |
| Total | 134,626 | 1,246 | 253 | 136,125 |

December 31, 2024

| | MHC | PGMC | SPNVI | Total |
|--|----------------|------------|------------|----------------|
| Percentage of ownership | 11.99% | 0.02% | 0.02% | |
| Acquisition of SPNVI and MHC | 429,936 | - | 6,503 | 436,439 |
| Acquisition of NCI | (328,507) | - | (331,464) | (659,971) |
| Issuance of capital stock | - | 446 | - | 446 |
| Retained earnings, beginning | 51,293 | 527 | 324,961 | 376,781 |
| Total comprehensive income (loss) attributable to NCI | (10,324) | 48 | 163 | (10,113) |
| Cash dividend | - | (51) | - | (51) |
| Total | 142,398 | 970 | 163 | 143,531 |

Material NCI

As at September 30, 2025 and December 31, 2024, the accumulated balance of material NCI amounted to ₱134.6 million and ₱142.4 million, respectively, which represents 11.99% equity interest in MHC. Net loss allocated to material NCI amounted to ₱7.8 million and ₱10.3 million for the periods ended September 30, 2025 and December 31, 2024, respectively.

Treasury Stock

The Parent Company has 947,181,464 shares amounting to ₱2,129.8 million in treasury as at September 30, 2025 and December 31, 2024.

20. Earnings Per Share

The following reflects the income and share data used in the earnings per share (EPS) computation for the nine months period ended September 30:

| | 2025 | 2024 |
|--|---------------|---------------|
| | (Unaudited) | |
| Net income attributable to common shareholders (amounts in thousands) | ₱1,526,516 | ₱502,606 |
| Weighted average number of common shares outstanding for basic EPS | 5,125,175,687 | 5,125,175,687 |
| Basic/diluted EPS | ₱0.2978 | ₱0.0981 |

As at September 30, 2025 and 2024, there are no potentially dilutive common shares.

21. Cost of Sales

| Amount in thousands | For the nine months period ended September 30 | |
|--|---|------------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Contract hire | ₱1,804,520 | ₱2,033,742 |
| Depreciation and depletion (see Note 26) | 350,597 | 335,497 |
| Personnel costs (see Note 25) | 316,949 | 327,668 |
| Fuel, oil and lubricants | 98,991 | 122,481 |
| Operation overhead | 37,661 | 72,192 |
| Environmental protection costs | 63,537 | 71,114 |
| Community relations | 52,000 | 63,765 |
| Repairs and maintenance | 41,268 | 48,410 |
| Manning services | 32,025 | 23,297 |
| Assaying and laboratory | 23,553 | 33,286 |
| Others | 36,836 | 30,735 |
| | ₱2,857,937 | ₱3,162,187 |

22. Excise Taxes and Royalties

| Amount in thousands | For the nine months period ended September 30 | |
|-------------------------|---|----------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Royalties to: | | |
| Claim-owners and others | ₱176,738 | ₱196,210 |
| Government | 199,851 | 187,962 |
| Indigenous people (IP) | 60,528 | 56,833 |
| Excise taxes | 250,956 | 240,175 |
| | ₱688,073 | ₱681,180 |

In 2024, royalty to claim-owners and others include a onetime settlement of ₱60.1 million associated with an agreement between PIL and Baiyin International Investment Ltd.

23. General and Administrative

| Amount in thousands | For the nine months period ended September 30 | |
|--|---|----------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Personnel costs (see Note 25) | ₱218,438 | ₱237,730 |
| Outside services | 155,053 | 163,141 |
| Taxes and licenses | 133,770 | 203,261 |
| Depreciation and amortization (see Note 26) | 100,505 | 112,071 |
| Marketing and entertainment | 61,494 | 53,751 |
| Provision for impairment losses on other noncurrent assets (see Note 12) | 84,746 | 65,128 |
| Consultancy fees | 63,021 | 46,351 |
| Repairs and maintenance | 24,741 | 20,681 |
| Travel and transportation | 17,297 | 13,694 |
| Fuel, oil and lubricants | 9,885 | 12,378 |
| Membership and subscription | 5,529 | 5,394 |
| Communication | 4,714 | 4,646 |
| Other charges | 30,541 | 31,214 |
| | ₱909,734 | ₱969,440 |

24. Shipping and Distribution

| Amount in thousands | For the nine months period ended September 30 | |
|---|---|-----------------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Stevedoring charges and shipping expenses | ₱121,174 | ₱52,425 |
| Barging charges | 147,203 | 163,498 |
| Personnel costs (see Note 25) | 21,954 | 21,884 |
| Fuel, oil and lubricants | 25,731 | 25,043 |
| Government fees | 27,016 | 31,645 |
| Supplies | 1,593 | 1,214 |
| Repairs and maintenance and others | 381 | 613 |
| | <u>₱345,052</u> | <u>₱296,322</u> |

25. Personnel Costs

| Amount in thousands | For the nine months period ended September 30 | |
|---|---|-----------------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Salaries and wages | ₱497,038 | ₱531,099 |
| Retirement benefits costs (see Note 16) | 8,017 | 6,916 |
| Other employee benefits | 52,286 | 49,267 |
| | <u>₱557,341</u> | <u>₱587,282</u> |

Other employee benefits are composed of various benefits given to employees that are individually immaterial.

The personnel costs were distributed as follows:

| Amount in thousands | For the nine months period ended September 30 | |
|--|---|-----------------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Cost of sales (see Note 21) | ₱316,949 | ₱327,668 |
| General and administrative (see Note 23) | 218,438 | 237,730 |
| Shipping and distribution (see Note 24) | 21,954 | 21,884 |
| | <u>₱557,341</u> | <u>₱587,282</u> |

26. Depreciation, Depletion and Amortization

| Amount in thousands | For the nine months period ended September 30 | |
|--|---|-----------------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Cost of sales (see Note 21) | ₱350,597 | ₱335,497 |
| General and administrative (see Note 23) | 100,505 | 112,071 |
| | <u>₱451,102</u> | <u>₱447,568</u> |

27. Finance Costs

| Amount in thousands | For the nine months period ended September 30 | |
|---|---|----------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Accretion interest on non-interest bearing liability | ₱70,561 | ₱91,903 |
| Interest expense | 35,176 | 52,823 |
| Accretion interest on provision for mine rehabilitation and decommissioning | 14,991 | 14,941 |
| Bank charges | 1,537 | 2,122 |
| | ₱122,265 | ₱161,789 |

28. Other Income - net

| Amount in thousands | For the nine months period ended September 30 | |
|---|---|---------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Foreign exchange gains - net | ₱25,339 | ₱31,339 |
| Despatch (demurrage) - net | (17,792) | 26,246 |
| Gain on disposals of property and equipment | 223 | 9 |
| Others | 210 | 23 |
| | ₱7,980 | ₱57,617 |

Breakdown of net foreign exchange gains is as follows:

| Amount in thousands | For the nine months period ended September 30 | |
|--|---|-----------|
| | 2025 | 2024 |
| | (Unaudited) | |
| Net realized foreign exchange gains (losses) | ₱7,610 | (₱20,987) |
| Unrealized foreign exchange gains (losses) on: | | |
| Cash and cash equivalents | 18,120 | 52,495 |
| Trade and other receivables | 1,302 | (3,507) |
| Advances from related parties | (1,670) | – |
| Trade and other payables | (23) | 14 |
| Non-interest bearing liability | – | 3,730 |
| Other noncurrent assets | – | (406) |
| | ₱25,339 | ₱31,339 |

29. Related Party Disclosures

Set out below are the Group's transactions with related parties for the nine-month periods ended September 30, 2025, including the corresponding assets and liabilities arising from the said transactions as at September 30, 2025 (Unaudited) and December 31, 2024 (Audited):

| Amount in thousands | Category | Amount/Volume | Sale of Ore | Advances to related parties | Advances from related parties | Non-interest bearing liability* | Terms | Conditions |
|---------------------|--------------------|---------------|-------------|-----------------------------|-------------------------------|---------------------------------|---|-------------------------|
| <i>Stockholders</i> | | | | | | | | |
| | September 30, 2025 | ₱183 | ₱– | ₱616 | ₱– | ₱1,122,712 | On demand; noninterest-bearing; collectible in cash | Secured; with guarantee |
| | December 31, 2024 | ₱– | – | ₱433 | ₱– | ₱1,630,982 | | |

(Forward)

| Amount in thousands | | | | | | | |
|--|-------------------|-------------------|-----------------------------|-------------------------------|---------------------------------|--|-------------------------|
| Category | Amount/Volume | Sale of Ore | Advances to related parties | Advances from related parties | Non-interest bearing liability* | Terms | Conditions |
| <i>Affiliates with common officers, directors and stockholders</i> | | | | | | | |
| September 30, 2025 | 4,988 | — | 12,087 | 4,714 | — | On demand; noninterest-bearing; collectible or payable in cash | Secured; with guarantee |
| December 31, 2024 | — | — | 7,603 | 4,210 | — | | |
| <i>Associate</i> | | | | | | | |
| September 30, 2025 | 2,563,213 | 2,563,213 | — | — | — | On demand; noninterest-bearing; collectible in cash | Secured; with guarantee |
| December 31, 2024 | 1,476,109 | 1,476,109 | — | — | — | | |
| Total | ₱2,568,384 | ₱2,563,213 | ₱12,703 | ₱4,714 | ₱1,122,712 | | |
| Total | ₱1,476,109 | ₱1,476,109 | 8,036 | ₱4,210 | ₱1,630,982 | | |

* See Note 17 for the terms of the non-interest bearing liability.

The summary of significant transactions and account balances with related parties are as follows:

- PIL, a subsidiary, entered into ore supply sales agreements with the Group for the purchase of nickel ore amounting to ₱1,738.5 million and ₱487.5 million for the periods ended September 30, 2025 and 2024, respectively.
- GCTN, an associate, entered into ore supply sales agreements with the Group for the purchase of nickel ore amounting to ₱2,226.4 million and ₱1,365.2 million for the periods ended September 30, 2025 and 2024, respectively.
- GHGC, an associate, entered into ore supply sales agreements with the Group for the purchase of nickel ore amounting to ₱336.8 million and nil million for the periods ended September 30, 2025 and 2024, respectively.
- Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The compensation of the key management personnel of the Group for the nine months period ended September 30, 2025 and 2024 amounted to ₱70.6 million and ₱70.2 million, respectively.

30. Income Taxes

The Group recognized net provision for income tax amounted to ₱452.9 million and ₱226.7 million for the periods ended September 30, 2025 and 2024, respectively, representing regular corporate income tax (RCIT) and special corporate income tax (5% tax on gross income). The Group has availed of the itemized deductions method in claiming its deductions for the nine months ended September 30, 2025 and 2024.

As at September 30, 2025 and December 31, 2024, the Group's net deferred income tax assets amounted to ₱139.1 million and ₱140.8 million, respectively. As at September 30, 2025 and December 31, 2024, the Group's net deferred income tax liabilities amounted to ₱217.7 million and ₱227.3 million, respectively.

31. Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values:

Cash and cash equivalents, Trade receivables, and Advances to contractors under "Trade and other receivables" and Trade and other payables

The carrying amounts of cash and cash equivalents, trade receivables, and advances to contractors under "Trade and other receivables" and trade and other payables approximate their fair values due to the short-term nature of these accounts.

Financial asset at FVOCI under "Other noncurrent assets"

The fair value of quoted equity instrument is determined by reference to the market closing quotes at the end of the reporting period.

Advances to and from related parties, and other current liabilities

Advances to and from related parties, and other current liabilities do not have fixed repayment terms. As such, their carrying amounts approximate their fair values.

Loans Payable

The fair value of loans payable is estimated using the discounted cash flow methodology using the benchmark risk free rates for similar types of loans and borrowings, except for variable-rate borrowings which are repriced quarterly.

Lease Liabilities

The carrying amount of lease liabilities are carried at present value due to the long-term nature of the account. The fair value of lease liabilities was computed by discounting the expected cash flows within effective interest rate ranging from 2.5% to 7.3%. The computed fair value approximates its carrying amount.

Fair Value Hierarchy

As at September 30, 2025 and December 31, 2024, the Group's financial asset at FVOCI is classified under Level 1, its non-interest bearing liabilities and other current liabilities are classified under Level 2, and its lease liabilities are classified under Level 3.

There were no transfers between levels of fair value measurement as at September 30, 2025 and December 31, 2024.

32. Operating Segment Information

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker (the BOD) to make decisions about how resources are to be allocated to the segment and assess their performances, and for which discrete financial information is available.

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 conducts the majority of its business activities in the following areas:

- The mining segment is engaged in the exploration, mining and exporting of nickel saprolite and limonite ore;
- The services segment is engaged in the chartering out of LCTs by PCSSC to PGMC and INC and port services rendered by MHC to its customers; and
- The manufacturing segment includes FSC and FSLC which is engaged in holding the real properties of FSC.

The Group's core business is the sale of nickel ore to external customers which accounted for 99.8% of the Group's total revenue for the periods ended September 30, 2025 and 2024. Accordingly, the Group's mining segment operates in two (2) geographical locations within the Philippines: Surigao and Palawan. Noncurrent assets of the Group comprising property and equipment, mine exploration costs, mining rights, and other noncurrent assets are located in the Philippines, Hong Kong and China.

The Group has revenues from external customers as follows:

| Amount in thousands | For the nine months period ended September 30 | |
|---------------------|---|-------------------|
| | 2025 | 2024 |
| Country of Domicile | (Unaudited) | |
| China | P6,125,488 | P5,330,035 |
| Indonesia | 548,140 | 387,272 |
| Local | 10,195 | 14,626 |
| | P6,683,823 | P5,731,933 |

The revenue information above is based on the location of the customers. The local customers include MHC's revenue from Philecement Corporation, which is an Authority of the Freeport Area of Bataan (AFAB)-registered entity.

Financial information on the operation of the various business segments are as follows:

| Amount in thousands | September 30, 2025 (Unaudited) | | | | |
|---|--------------------------------|------------|---------------|---------------|-------------|
| | Mining | Services | Manufacturing | Elimination | Total |
| External customers | P6,673,628 | P10,195 | P- | P- | P6,683,823 |
| Intersegment revenues | 1,738,474 | 96,377 | - | (1,834,851) | - |
| Total revenues | 8,412,102 | 106,572 | - | (1,834,851) | 6,683,823 |
| Cost of sales | 4,463,474 | 123,403 | - | (1,728,940) | 2,857,937 |
| Excise taxes and royalties | 688,073 | - | - | - | 688,073 |
| Shipping and distribution | 441,429 | - | - | (96,377) | 345,052 |
| Segment operating earnings | 2,819,126 | (16,831) | - | (9,534) | 2,792,761 |
| General and administrative | 870,276 | 32,949 | 6,509 | - | 909,734 |
| Finance income | 7,861 | 11 | - | - | 7,872 |
| Finance costs | (102,990) | (19,275) | - | - | (122,265) |
| Share in net income of investment in associates | 195,381 | - | - | - | 195,381 |
| Other income (charges) - net | 54,526 | (1) | - | (46,545) | 7,980 |
| Provision for income tax - net | 454,647 | (81) | - | (1,681) | 452,885 |
| Net income (loss) | 1,648,981 | (68,964) | (6,509) | (54,398) | 1,519,110 |
| Net income (loss) attributable to NCI | 366 | (7,772) | - | - | (7,406) |
| Net income (loss) attributable to equity holders of FNI | P1,648,615 | (P61,192) | (P6,509) | (P54,398) | P1,526,516 |
| Segment assets | P32,627,132 | P2,099,038 | P1,008,186 | (P17,429,755) | P18,304,601 |
| Deferred tax assets - net | 136,895 | 2,251 | - | - | 139,146 |
| Total assets | P32,764,027 | P2,101,289 | P1,008,186 | (P17,429,755) | P18,443,747 |
| Segment liabilities | P6,133,762 | P518,672 | P465,322 | (P3,485,850) | P3,631,906 |
| Deferred tax liabilities - net | 75,293 | (6,703) | - | 149,121 | 217,711 |
| Total liabilities | P6,209,055 | P511,969 | P465,322 | (P3,336,729) | P3,849,617 |
| Capital expenditures | P235,737 | P31,941 | P- | P- | P267,678 |
| Depreciation and depletion | P361,391 | P89,711 | P- | P- | P451,102 |

| Amount in thousands | September 30, 2024 (Unaudited) | | | | |
|---|--------------------------------|------------|---------------|---------------|-------------|
| | Mining | Services | Manufacturing | Elimination | Total |
| External customers | ₱5,717,652 | ₱14,281 | ₱- | ₱- | ₱5,731,933 |
| Intersegment revenues | 487,499 | 46,167 | 3,600 | (537,266) | - |
| Total revenues | 6,205,151 | 60,448 | 3,600 | (537,266) | 5,731,933 |
| Cost of sales | 3,556,411 | 92,675 | - | (486,899) | 3,162,187 |
| Excise taxes and royalties | 681,180 | - | - | - | 681,180 |
| Shipping and distribution | 342,489 | - | - | (46,167) | 296,322 |
| Segment operating earnings | 1,625,071 | (32,227) | 3,600 | (4,200) | 1,592,244 |
| General and administrative | 935,770 | 28,848 | 4,822 | - | 969,440 |
| Finance income | 11,013 | 29 | 1 | - | 11,043 |
| Finance costs | (142,511) | (19,278) | - | - | (161,789) |
| Share in net income of investment in associates | 191,979 | - | - | - | 191,979 |
| Other income - net | 113,182 | - | - | (55,565) | 57,617 |
| Provision for income tax - net | 227,770 | (1,397) | 900 | (539) | 226,734 |
| Net income (loss) | 635,194 | (78,927) | (2,121) | (59,226) | 494,920 |
| Net income (loss) attributable to NCI | 88 | (7,774) | - | - | (7,686) |
| Net income (loss) attributable to equity holders of FNI | ₱635,106 | (₱71,153) | (₱2,121) | (₱59,226) | ₱502,606 |
| Segment assets | ₱32,799,057 | ₱2,163,977 | ₱1,063,751 | (₱18,369,615) | ₱17,657,170 |
| Deferred tax assets - net | 120,600 | 2,298 | - | - | 122,898 |
| Total assets | ₱32,919,657 | ₱2,166,275 | ₱1,063,751 | (₱18,369,615) | ₱17,780,068 |
| Segment liabilities | ₱8,192,578 | ₱592,009 | ₱488,292 | (₱4,512,153) | ₱4,760,726 |
| Deferred tax liabilities - net | 83,899 | (6,047) | 5,998 | 138,585 | 222,435 |
| Total liabilities | ₱8,276,477 | ₱585,962 | ₱494,290 | (4,373,568) | 4,983,161 |
| Capital expenditures | ₱231,924 | ₱17,083 | ₱36,908 | ₱- | ₱285,915 |
| Depreciation and depletion | ₱392,164 | ₱55,088 | ₱316 | ₱- | ₱447,568 |

| Amount in thousands | December 31, 2024 (Audited) | | | | |
|---------------------------|-----------------------------|------------|---------------|---------------|-------------|
| | Mining | Services | Manufacturing | Elimination | Total |
| Segment assets | ₱29,927,604 | ₱2,140,885 | ₱1,008,284 | (₱16,125,377) | ₱16,951,396 |
| Deferred tax assets - net | 138,539 | 2,298 | - | - | 140,837 |
| Total assets | ₱30,066,143 | ₱2,143,183 | ₱1,008,284 | (₱16,125,377) | ₱17,092,233 |
| Segment liabilities | ₱5,029,587 | ₱594,773 | ₱458,911 | (₱2,285,386) | ₱3,797,885 |
| Capital expenditures | ₱423,855 | ₱543,473 | ₱36,908 | ₱- | ₱1,004,236 |