

Office of the Corporate Secretary

Holcim Philippines, Inc.
7th Floor, Two World Square
Mckinley Hill, Taguig City
1634 Philippines
Phone: (632) 8581 1511



NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given that the Annual Meeting of the Stockholders (ASM) of **HOLCIM PHILIPPINES, INC.** will be held via remote communication on **May 21, 2026 (Thursday) at 5:00 P.M. in the afternoon.**

The agenda for the said meeting shall be as follows:

1. Call to Order
2. Proof of Notice and Determination of Quorum
3. Approval of Minutes of the Annual Stockholders' Meeting held on May 15, 2025
4. Operations Report and Approval of the Annual Report and Audited Financial Statements for the period ended December 31, 2025
5. Amendment of Articles of Incorporation and By-Laws
6. Ratification of all acts, contracts, investments, and resolutions of the Board, Committees, and Management
7. Election of Directors
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

Stockholders of record as of April 21, 2026 are entitled to notice of, and may attend and/or participate in the ASM, or any adjournment thereof, via remote communication or voting in absentia. For this purpose, the Stock and Transfer Book of the Corporation shall be closed from April 21, 2026 to May 21, 2026.

Stockholders who wish to participate in the meeting via remote communication and to exercise their vote *in absentia* must register by filling up the form that can be found at www.holcim.ph/asm2026. Online registration will be open from April 27, 2026 at 8:00 A.M. to May 15, 2026 at 5:00 P.M. The processes for the registration, participation and voting by stockholders may be accessed at www.holcim.ph/asm2026, and in the **Requirements and Procedure for Voting in Absentia and Participation via Remote Communication** (the "Requirements") at the Annual Stockholders' Meeting appended in the Information Statement. All information submitted will be subject to verification and validation by the Corporate Secretary and the Stock Transfer Agent.

Stockholders who wish to appoint a proxy should send a scanned copy of a duly accomplished proxy form, together with complete supporting documents set forth in the *Requirements*, via email to hpilegalandcompliance-phl@holcim.com and not later than May 15, 2026. A hard copy of the Proxy Form should be delivered to The Corporate Secretary, 7th Floor, Two World Square, McKinley Hill, Taguig City within five (5) days after the proxy form has been sent via e-mail. Alternatively, should you wish to appoint the Chairman of the meeting as proxy, you may use the digital proxy form available at www.holcim.ph/asm2026. Please note that we are not soliciting proxies.

Stockholders who have successfully registered may cast their votes and will be provided access to the live streaming of the meeting. The procedures for attending the meeting via remote communication and for casting votes *in absentia* are explained further in the **Requirements** appended to the Information Statement. You may access the 2026 Definitive Information Statement, Management Report, SEC Form 17-A for 2025, and other pertinent or related documents from the Corporation's website at <https://www.holcim.ph>.

We look forward to your attendance at the Annual Stockholders' Meeting.

HOLCIM PHILIPPINES, INC.

By:



BELINDA E. DUGAN

General Counsel & Corporate Secretary

EXPLANATION OF AGENDA ITEMS

Approval of Minutes of the Annual Stockholders' Meeting held on May 15, 2025

The minutes of the annual stockholders' meeting held on May 15, 2025 are attached to the Information Statement.

Operations Report and Approval of the Audited Financial Statements for the period ended December 31, 2025

The Chief Executive Officer and President will deliver a report to the stockholders on the performance of the Company in 2025 and the outlook for 2026. Copies of the SEC Form 17-A together with the Audited Financial Statements for the period ended December 31, 2025 are attached to the Management Report.

Amendment of Articles of Incorporation and By-Laws

1. Proposed Amendments for Stockholders' Approval

On 19 March 2026, the Board of Directors approved the change of certain secondary purposes of the Company in relation to land ownership, and the corresponding amendment to the Articles of Incorporation:

FROM	TO
Secondary Purpose	Secondary Purpose
1. To engage in the business of purchasing, developing, selling, exchanging and holding for investment or otherwise, real estate of all kinds;	1. To engage in the business of purchasing, developing, selling, exchanging and holding for investment or otherwise, real properties (except land) ;
xxx	xxx
7. As principal or agent, to acquire by purchase or otherwise own, hold, take or lease, exchange, mortgage, let, sell, or dispose of any real and personal property, rights and privileges, suitable or convenient for any of the purposes or business of the corporation and to acquire by purchase or otherwise, own, hold, take or lease, mortgage, sell, or otherwise dispose of, erect, construct, make, alter, enlarge, improve, and aid or subscribe toward the construction, acquisition or improvement of any factory, shop, storehouse, building, manufacturing and commercial establishment, and other structure of every character, including all equipment, fixtures, machinery, implements and supplies necessary or incidental to, or connected with any of the purposes of business of the corporation;	7. As principal or agent, to acquire by purchase or otherwise own, hold, take or lease, exchange, mortgage, let, sell, or dispose of any real and personal property, rights and privileges, suitable or convenient for any of the purposes or business of the corporation and to acquire by purchase or otherwise, own, hold, take or lease, mortgage, sell, or otherwise dispose of, erect, construct, make, alter, enlarge, improve, and aid or subscribe toward the construction, acquisition or improvement of any factory, shop, storehouse, building, manufacturing and commercial establishment, and other structure of every character, including all equipment, fixtures, machinery, implements and supplies necessary or incidental to, or connected with any of the purposes of business of the corporation; Provided that the corporation shall not own any land in the Philippines;

The above amendments are being proposed in order to clarify that the Company may not own lands in the Philippines considering that more than 40% of its capital stock is owned by foreign nationals.

2. Proposed Amendments for Stockholders' Reconfirmation

At the regular meeting of the Board held on March 18, 2024, the Board approved the amendment of the Company's Articles of Incorporation and By-laws to reflect the relevant references to public companies pursuant to the Company's delisting from the PSE, and to simplify the Company's organization. These amendments relate to (i) reduction of the number of directors from 7 to 5, (ii) removal of inexistent positions and committees, (iii) removal of the Corporate Governance and Compensation Committee, and (d) revision to reflect amended corporate seal.

The amendments were subsequently approved by the stockholders at the annual stockholders' meeting held on May 15, 2024.

The above amendments are being proposed for reconfirmation of the stockholders in preparation for the application for amendments of Articles of Incorporation and By-Laws to be submitted to the SEC. The delays in the submission of the application was due to issues encountered by the Company in accessing the relevant submission portal of the SEC.

Ratification of All Acts of the Board and Management

A summary of the acts of the Board of Directors and Management are attached to the Information Statement.

Election of Directors

Each stockholder entitled to vote may cast the votes to which the number of shares he owns entitles him, for as many persons as there are to be elected as directors, or he may give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of Directors to be elected. The five nominees receiving the highest number of votes will be declared elected as directors of the company.

Appointment of External Auditor

The auditing firm of SGV & CO. ("SGV") will be recommended for appointment as external auditor for the ensuing year. Representatives of SGV are expected to be present at the meeting.

Other Matters

The Chairman will answer questions on matters concerning the agenda, the Information Statement and the Operations Report sent via the voting website.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
 Preliminary Information Statement
 Definitive Information Statement
2. Name of Registrant as specified in its charter: **Holcim Philippines, Inc.**
3. Province, country or other jurisdiction of incorporation or organization: **Manila, Philippines**
4. SEC Identification Number: **026126**
5. BIR Tax Identification Code: **000-121-507-000**
6. Address of Principal Office/Postal Code: **7th Floor, Two World Square
McKinley Hill, Fort Bonifacio
Taguig City 1634, Philippines**
7. Registrant's telephone number, including area code: **(632) 8581 1511**
8. Date, time and place of the meeting of security holders:
**May 21, 2026, Thursday, at 5:00 P.M.
via remote communication hosted at 7th Floor, Two World Square,
McKinley Hill, Taguig City 1634, Philippines**
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **April 28, 2026**
10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code or Sections 4 and 8 of the Revised Securities Act (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common Shares	6,452,099,144

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes _____ No X

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

Holcim Philippines, Inc. was delisted from The Philippine Stock Exchange Inc. on November 17, 2023.

**WE ARE NOT ASKING YOU FOR A PROXY
AND YOU ARE REQUESTED NOT TO SEND US A PROXY**

A. GENERAL INFORMATION

ITEM 1. DATE, TIME AND PLACE OF ANNUAL MEETING OF SECURITY HOLDERS (the "Annual Meeting")

- (a) Date: **May 21, 2026, Thursday**
- Time: **5:00 P.M.**
- Place: **Remote communication hosted at 7th Floor,
Two World Square, McKinley Hill,
Taguig City 1634, Philippines**
- (b) Record Date for the purpose of determining stockholders entitled to notice of, and to vote at, the Annual Meeting of Holcim Philippines, Inc. (the "Company"):

April 21, 2026

- (c) Approximate date on which copies of the Information Statement are first to be sent or given to the stockholders:

April 28, 2026

The processes for the registration, participation and voting by stockholders are provided in the *Requirements and Procedures for Voting in Absentia and Participation via Remote Communication* attached as **Annex A**.

ITEM 2. DISSENTERS' RIGHT OF APPRAISAL

The appraisal right of dissenting stockholders is governed by Sections 80-85 of the Revised Corporation Code, which provide as follows:

The appraisal right may be exercised by any stockholder who shall have voted against (i) amendment to the articles of incorporation that has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence, (ii) sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets, (iii) a merger or consolidation, and (iv) investment of corporate funds for any purpose other than the primary purpose of the Company. The dissenting stockholder who votes against any of the aforementioned proposed corporate action shall have the right to dissent and demand payment of the fair value of his shares.

The dissenting stockholder may exercise his appraisal right by making a written demand on the Company within 30 calendar days from the date on which the vote was taken. Failure to make the demand within such period shall be deemed a waiver of the appraisal right.

Within ten days after demanding payment for his shares, a dissenting stockholder shall submit to the Company the certificate(s) of stock representing his shares for notation thereon that such shares are dissenting shares. His failure to do so shall, at the option of the Company, terminate his appraisal rights. No demand for payment as aforesaid may be withdrawn by the dissenting stockholder unless the Company consents thereto.

If the corporate action is implemented, the Company shall pay to the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If within a period of 60 days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the Company cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, another by the Company, and the third by the two thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the Company within 30 days after such award is made. No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment. Upon payment by the Company of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the Company.

From the time of the demand for the payment of the fair value by the dissenting stockholder until either the abandonment of the corporate action involved or the purchase of the shares by the Company, all rights accruing to such shares, including voting and dividend rights shall be suspended. However, if the dissenting stockholder is not paid the value of his shares within the said 30 days after the award, his voting and dividend rights shall immediately be restored.

The right of the dissenting stockholder to be paid the fair value of his shares shall cease: (i) if the demand for payment is withdrawn by the stockholder with the consent of the Company (ii) if the corporate action involved is abandoned or rescinded by the Company or is disapproved by the Securities and Exchange Commission (SEC) where such approval is necessary; or (iii) if the SEC determines that the stockholder is not entitled to appraisal rights. In such cases, the status as stockholder shall be restored and all dividend distributions which would have been accrued on the shares shall be paid to the stockholder.

There are no matters to be taken up in the Annual Meeting that will give rise to the appraisal rights of the stockholders.

ITEM 3. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or officer of the Company since the beginning of the last fiscal year, or any nominee for election as director, or any of their associates, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon at the Annual Meeting, other than election to office.

No director or nominee-director of the Company has informed the Company, either verbally or in writing, that he intends to oppose any action to be taken by the Company at the Annual Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

(a) Voting securities entitled to vote at the Annual Meeting

As of April 21, 2026, there are 6,452,099,144 shares of the Company's common stock outstanding and entitled to vote at the Annual Meeting. One share is equivalent to one vote except in the election of directors where cumulative voting (i.e., one share is entitled to as many votes as there are directors to be elected) is allowed.

(b) Record Date

All stockholders of record at the close of business on **April 21, 2026** (the "Record Date") are entitled to notice of, and to vote at, the Annual Meeting.

(c) Voting Rights

Each stockholder entitled to vote shall have the right to vote the number of shares of stock outstanding in his own name in the books of the Company.

In the election of directors, a stockholder may: (i) vote such number of shares for as many persons as there are directors to be elected; or (ii) cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of shares owned; or (iii) distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the whole number of directors to be elected. No delinquent stock shall be voted. Cumulative voting is allowed for election of members of the Board.

(d) Security Ownership of Certain Record and Beneficial Owners and Management

(1) *Security Ownership of Certain Record and Beneficial Owners*

The table below shows persons or groups known to the Company as of April 21, 2026 to be directly or indirectly the record or beneficial owner of more than 5% of the Company's voting securities:

Title of Class	Name, Address, Citizenship of Record Owners and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	No. of Shares Held	% of Ownership
Common	Union Cement Holdings Corporation (" <u>UCHC</u> ") 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City Dutch Stockholder	Holderfin (ultimate parent company of record owner)	3,906,425,506	60.55%
Common	Holderfin B.V. (" <u>Holderfin</u> ") Roemer Visscherstraat 41 NL – 1054 EW Amsterdam Dutch Stockholder	Holderfin (same as record owner)	2,005,861,421	31.09%
Common	Cemco Holdings, Inc. (" <u>Cemco</u> ") Unit 15A, ACT Tower, 135 H.V. dela Costa Street, Salcedo Village, Makati City Dutch Stockholder	Holderfin (ultimate parent company of record owner)	456,689,560	7.08%

The respective Board of Directors of each of UCHC, Holderfin and Cemco each have the power to decide how their shares in the Company are to be voted. The following are the natural persons authorized to vote the shares of the foregoing record and beneficial owners pursuant to the direction of their respective Board of Directors:

<u>Entity</u>	<u>Authorized Representative</u>
UCHC	Mohit Kapoor
Holderfin	Mohit Kapoor
Cemco	Mohit Kapoor

The Company only has common shares outstanding. As of April 21, 2026, the Company's foreign stockholders hold 99.10% of the common shares.

(2) *Security Ownership of Board of Directors and Management*

The table below shows the securities beneficially owned by all directors and executive officers of the Company as of April 21, 2026:

Directors

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Citizenship	% of Ownership
Common	Martin Kriegner	2(D)	Austrian	0.00%
Common	Mohit Kapoor	1(D)	Indian	0.00%
Common	Tan Then Hwee	1(D)	Singaporean	0.00%
Common	Gerardo C. Ablaza, Jr.	1(D)	Filipino	0.00%
Common	Rajesh Surana	1(D)	Indian	0.00%
	Total	6		

Officers

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Citizenship	% of Ownership
Common	Mohit Kapoor	1(D)	Indian	0.00%
Common	Zoe Verna Sibala	0	Filipino	0.00%
Common	Mario Gereis	0	French	0.00%
Common	Sajith Madusanka Edirisuriya Mudiyansele	0	Sri Lankan	0.00%
Common	Roda Ortiz Luis	0	Filipino	0.00%
Common	Sri Ramachandra Murthy Ammu Venkata Vinayaka	0	Indian	0.00%
Common	Saeed Ola Ande	0	Nigerian	0.00%
Common	Belinda E. Dugan	0	Filipino	0.00%
Common	Frances Margaret Del Rosario	0	Filipino	0.00%
Common	Maria Kriska Chen	0	Filipino	0.00%
	Total	1		0.00%

The directors and executive officers as a group hold a total of 6 common shares, equivalent to approximately 0.00% of the Company's issued and outstanding capital stock.

(e) *Voting Trust Holders of 5% or more*

The Company is not aware of any voting trust or similar agreement where persons hold 5% or more of a class.

(f) Changes in Control

There were no material changes in the control of the Company since the beginning of the Company's last calendar year. The Company is not aware of any existing arrangement which may result in a change of control of the Company.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

(a) The Board of Directors

The Company's Board of Directors (the "Board") is responsible for the overall management and direction of the Company. The Board meets regularly every quarter, or as often as required, to review and monitor the Company's financial position and operations. Each Board member serves for a term of one year or until his successor is duly elected and qualified. None of the members of the Board owns more than 2% of the Company's total outstanding shares.

The following are the current members of the Board:

Name	Age	Office	Citizenship	Term
Martin Kriegner	64	Chairman	Austrian	August 18, 2016 to present
Mohit Kapoor	54	Vice Chairman	Indian	April 1, 2026 to present
Gerardo Ablaza, Jr.	72	Independent Director	Filipino	May 11, 2023 to present
Tan Then Hwee	53	Director	Singaporean	September 17, 2020 to present
Rajesh Surana	48	Director	Indian	May 15, 2025 to present

Set forth below are the business experience of the Board during the last five years:

Martin Kriegner, 64, Austrian, is a graduate of Vienna University with a Doctorate in Law and he obtained an MBA at the University of Economics in Vienna. He joined the Holcim Group in 1990 and became the CEO of the Austrian operations in 1998. He moved to India as CEO in 2002 and later served as Regional President Cement for Asia. In 2012, he was appointed CEO for India for Cement, RMX and Aggregates. In July 2015 he became Area Manager Central Europe and was appointed Head of India in 2016. Mr. Kriegner became a member of the Holcim Group Executive Committee in 2016 and is currently the Region Head for Asia, Middle East & Africa. He was elected as Director of the Company on August 18, 2016.

Mohit Kapoor, 54, Indian, is a results-driven executive with over 25 years of leadership experience in the construction and manufacturing industries, who previously served as the Country CEO for Kenya at Bamburi Cement Limited. Throughout his distinguished career, he has held several high-impact positions, including Country CEO for Qatar, Head of Growth & Innovation for Holcim India, and Managing Director of Projects at Lafarge India. His earlier professional trajectory includes senior roles such as Vice President of Health & Safety for Asia Pacific and Vice President of Logistics in India. Mr. Kapoor's educational background is comprised of a Bachelor's degree in Electronics Engineering from Nagpur University and an MBA in Marketing from the FORE School of Management, supplemented by advanced executive training from IIM-Ahmedabad, INSEAD, and Duke University. He was elected as Director of the Company effective April 1, 2026.

Gerardo C. Ablaza, Jr., 72, Filipino, serves as Board Director for numerous publicly-listed and privately-held Philippine corporations, in sectors like retail banking, property development, education, and health, while also contributing to social initiatives as a Trustee for Ayala Foundation, BPI Foundation, and Gawad Kalinga Foundation. Mr.

Ablaza is currently a DirectConsultant of A.C.S.T. Business Holdings, Inc., Liveit Investments Limited, Asiacom Philippines, Inc., Ayala Foundation, Inc., Ayala Corporation, Advanced Info Services, PLC (Thailand), Purefoods International, Limited, Ayala Healthcare Holdings, Inc. (formerly Ayala Company, Inc.), Ayala Retirement Fund Holdings, Inc., iPeople, Inc., BPI Asset Management and Trust Corporation doing business under the Trade Name and Style of BPI Wealth, The Bank of the Philippine Islands Foundations, Inc., BPI Direct Banko, Inc., ACEN Corporation and ENEX Energy Corp. Recognized internationally, he received the CNBC Asia Business Leader of the Year and Telecom Asia Best Telecom CEO awards in 2004, and the Citi Distinguished Alumni Award for Leadership and Ingenuity in 2013, solidifying his reputation for exceptional leadership and innovation. He earned a Liberal Arts Degree, major in Mathematics (Honors Program) from De La Salle University in 1974, graduating Summa Cum Laude. He was elected as Director of the Company on May 11, 2023.

Tan Then Hwee, 53, Singaporean, holds an MBA and BBA in marketing from Wichita State University, Kansas, USA. She has over 20 years of human resources management experience in an international business environment across Asia Pacific. She is currently the Chief People Officer of the APAC Region. She previously served as the Vice President HR, Global Head Learning & Development of LafargeHolcim Ltd. and was also a director of Ambuja Cements Ltd, India. Prior to joining LafargeHolcim in 2019, Ms. Tan was the Vice President HR, Asia Pacific of Singapore from April 2007 to March 2019. She was elected as Director of the Company on September 17, 2020.

Rajesh Surana, 48, Indian, is a dynamic P&L leader with over 23 years of experience in driving strategic growth and leading turnarounds in a global setting. His notable career milestones include successful assignments such as Group Chief Procurement Officer and Area Manager of East and South Africa of Holcim Group, CEO of LaFargeHolcim Bangladesh, CFO of Holcim Sri Lanka and Holcim Services (South Asia), and Head of Finance of Holcim India. Rajesh obtained his Bachelor of Commerce (Honours) degree from Shri Ram College of Commerce, University of Delhi, India. He is also a Fellow Company Secretary and a Fellow Chartered Accountant. He currently serves as the Region Head of Finance AMEA for Holcim Group, overseeing finance, strategy, and M&A in Asia, the Middle East, and Africa. He was elected as Director of the Company on May 15, 2025.

A report on the attendance of directors at each meeting of the Board and its committees and in the meetings of the stockholders is provided in **Annex B**. An appraisal and performance report relating to the Board is provided in **Annex C**.

Nomination of Independent Director for 2026 - 2027

The directors of the Company to be elected at the Annual Meeting shall hold office for one year and until their respective successors have been elected and qualified.

The following are the nominees to the Board:

1. Martin Kriegner
2. Mohit Kapoor
3. Tan Then Hwee
4. Rajesh Surana
5. Gerardo C. Ablaza, Jr. (Independent Director)

The Company has no reason to believe that any nominees to the Board will be unwilling or unable to serve if elected as a director. None of the nominees are employed by or connected with any government agency or its instrumentality.

All of the nominees are incumbent directors of the Company. Messrs. Kriegner, Kapoor, and Surana, and Ms. Tan were nominated by Holderfin, B.V. Mr. Ablaza, independent director, was

nominated by a minority shareholder, Ms. Joy L. Sta Ana, who owns 0.00% of the total voting shares of the Company. Ms. Joy L. Sta. Ana is not related to Mr. Ablaza.

Only nominees whose names appear on the final list of candidates are eligible for election as directors. No nominations will be entertained or allowed on the floor during the Annual Meeting.

The nominee for independent director possesses the qualifications and none of the disqualifications of an independent director under relevant rules of the SRC and its implementing rules and regulations (the "SRC Rules"). The certification of the nominee for independent director is attached as **Annex D**.

The application for the amendment of the Articles of Incorporation and By-laws, which includes the reduction of the number of Board of Directors from 7 to 5, is currently pending submission before the SEC. In anticipation of the reduction of the board seats, the number of nominees to the Board of Directors was limited to 5.

(b) The Executive Officers

The Company's executive officers are likewise elected annually by the Board and serve for one year and until their respective successors have been elected. None of the Company's officers own more than 2% of the Company's total outstanding shares.

The Company's executive officers as of March 31, 2026 are set forth below:

Name	Age	Office	Nationality
Nicolas George	45	President & Chief Executive Officer	French
Zoe Verna Sibala	51	SVP – Treasurer & Chief Financial Officer	Filipino
Mario Gereis	51	SVP – Head of Cement Industrial Performance - Mindanao	French
Sri Ramachandra Murthy Ammu Venkata Naga Vinayaka	49	SVP – Head of Cement Industrial Performance - Mindanao	Indian
Sajith Madusanka Edirisuriya	43	SVP – Head of Commercial	Sri Lankan
Saeed Ola Ande	46	SVP – Head of Supply Chain	Nigerian
Roda Ortiz Luis	50	SVP – Chief People Officer	Filipino
Belinda E. Dugan	58	General Counsel/Corporate Secretary/ Compliance Officer	Filipino
Frances Margaret A. Del Rosario	46	Assistant Corporate Secretary	Filipino
Mara Kriska Chen	39	Data Protection Officer	Filipino

*Effective April 1, 2026, Mr. Mohit Kapoor replaced Mr. Nicolas George as President and CEO of the Company.

The business experience of Mr. Mohit Kapoor for the last five years is provided above. Below sets forth the business experience of the Company's other executive officers during the last five years:

Zoe Verna M. Sibala, 51, *Filipino*, is the Senior Vice President, Chief Financial Officer and Treasurer. Ms. Sibala holds a master's degree in Business Administration from the Graduate School of Business, De la Salle University and a degree in Economics from the University of the Philippines. In January 2010, she joined Lafarge as a Finance Manager of Batong Angono Aggregates Corporation and later on became the commercial controller of the Lafarge's cement product line – Lafarge Cement Service Philippines, Inc. Prior to being appointed as Head of Strategy of the Company, she served Lafarge Republic Aggregates, Inc. as Project Manager from July 2014 to December 2014 and as Strategy and Business Development Manager from January to

December 2015. Previous to her role as CFO, she served as the company's Chief Sustainability Officer.

Sri Ramachandra Murthy Ammu Venkata Naga Vinayaka, 49, Indian, is the Head of Cement Industrial Performance for Luzon and is concurrently serving as the Plant Manager for Holcim Philippines' La Union Plant. His career is defined by high-impact strategic roles, including Chief Manufacturing Officer at Adani Cements, and Chief Operating Officer for the 40 MMT capacity Adani Gangavaram Port. Murthy is recognized for his exceptional ability to drive operational excellence, notably elevating the Ambuja Cement Bhatapara plant to the #1 position in its global performance index and securing the "Best Energy Efficient Plant in India" award through a commitment to sustainability and modernization. He graduated with a degree in M.Tech in Manufacturing Management from BITS Pilani and Executive MBAs from both IIM Calcutta and NIBM Chennai, alongside a proven talent for optimizing large-scale teams and navigating complex industrial environments.

Mario Gereis, 51, French, is the Head of Cement Industrial Performance for Mindanao and has 25 years of global experience in the cement industry. He also previously served as the Plant Manager for Holcim Philippines of Bulacan Plant, where he oversaw the operational performance of the Bulacan and Mabini facilities. Throughout his career in Holcim, he has demonstrated a strong track record of driving industrial excellence and financial results. Mario's professional expertise is anchored by a solid educational foundation, including a BSc in Mechanical Engineering and a Diploma in Project Management from the American University in Cairo, as well as a Leadership Development Executive Program certification from INSEAD.

Sajith Madusanka Edirisuriya Mudiyansele, 43, Sri Lankan, is the Senior Vice President, Head of Commercial. Mr. Madusanka received his Doctor of Business Administration from Asia e University Malaysia, his Master in Business Administration from University of Colombo, Sri Lanka, and his Bachelor of Science in Finance from the University of Sri Jayewardenepura, Sri Lanka. Prior to his appointment, he served as the Commercial Director and was a member of the Executive Committee of Chip Mong Insee Cement Corporation in Cambodia. He also concomitantly served as the Chairman of the Green Business Committee of the EUROCHAM (European Chamber) Cambodia.

Saeed Ola Ande, 46, Nigerian, serves as the Senior Vice President, Head of Supply Chain of the Company. He has extensive experience at Lafarge Africa, PLC, and LafargeHolcim, where he consistently delivered significant improvements in forecast accuracy, service levels, cost reduction, and market share growth. His expertise extends to optimizing distribution networks, ensuring supply reliability, and navigating complex global supply chain challenges. Prior to joining the Holcim Group, Saeed held senior leadership positions at Procter & Gamble and served as a consultant for the United Nations World Food Program and Beiersdorf Nigeria. He obtained advanced degrees from the University of London, as well as certifications from APICS and ACCA.

Roda Ortiz Luis, 50, Filipino, is the Chief People Officer of Holcim Philippines with over 25 years of experience in human resources management, shared services, and organizational transformation. She holds a Bachelor of Arts degree in Behavioral Science from the University of Santo Tomas. She previously served as the Senior HR Business Partner and HR Project Lead at Prime Energy Resources Development BV. She also has held numerous high-level leadership positions, including Associate Director at AIA Philippines and Country HR Head for Amec Foster Wheeler/Wood.

Belinda E. Dugan, 58, Filipino, is the General Counsel, Corporate Secretary, and Compliance Officer of the Company. She obtained her Juris Doctor degree from Ateneo Law School and MBA-Regis Degree from Ateneo Professional Schools. She has over 30 years of experience with various multinational firms and a consulting company. Prior to joining the Company, she was Vice President for Legal Management Services of Aboitiz

Equity Ventures, Inc. from October 2015 to October 2017. She served as Assistant Vice-President for Legal and Compliance of SN Aboitiz Power from May 2009 to October 2015.

Frances Margaret A. del Rosario, 46, *Filipino*, serves as the Company's Assistant Corporate Secretary and Senior Legal Counsel. She is a graduate of the University of the Philippines, where she earned both her undergraduate and law degrees. Prior to joining the Company, she held the positions of Partner and Associate at several top-tier Philippine law firms, alongside lecturing at a Philippine law school. Notably, she gained valuable international experience as an Associate in a New York law firm. She is licensed to practice law in both the Philippines and the State of New York, and is also a TÜV Rheinland Certified Data Protection Officer.

Mara Kriska Chen, 39, *Filipino*, is the Company's Data Protection Officer and Local Compliance Manager. Prior to joining the Company, she held the positions of Regional Legal Officer of Asia Pacific and Legal Officer of ABS-CBN Global Limited. She also obtained invaluable legal experience while employed as an associate in several prominent Philippine law firms. She obtained her Juris Doctor from the University of the Philippines and her Bachelor of Science in Legal Management from the Ateneo de Manila University. Relevant to her role, Kriska is also a TÜV Rheinland Certified Data Protection Officer, demonstrating her specialized knowledge in data privacy.

(c) Significant Employees

The officers of the Company who are expected to make a significant contribution to the business of the Company consist of the above-named directors holding executive positions and the corporate officers. Other than the foregoing, there are no other employee whose functions are expected to make a significant contribution to the business.

(d) Family Relationships

None of the incumbent members of the Board, the nominees for independent director, nor any executive officer of the Company is related by affinity or consanguinity up to fourth (4th) civil degree.

(e) Independent Directors

Mr. Gerardo C. Ablaza, Jr., *Filipino*, is the Company's Independent Director. He is neither an officer nor a substantial shareholder of the Company.

(f) Involvement of Directors and Officers in Legal Proceedings

The Corporation is not aware of any bankruptcy proceedings filed against any of its directors or executive officers, nor of any criminal conviction or final judgment barring or limiting any business involvement or any order or judgment subjecting said directors or executive officers, or a violation of a securities or commodities law or regulation filed against any of its directors or executive officers, during the past five (5) years ending March 31, 2026.

(g) Certain Relationships and Related Transactions

For a detailed discussion of other material related party transactions, please see Note 28 – Related Party Transactions to the accompanying consolidated financial statements in Item 12.

Except for the transactions discussed in Note 28 – Related Party Transactions to the accompanying consolidated financial statements in Item 12, there were no other material related party transactions during the last three financial years, nor are there any material transactions currently proposed between the Company and any: (i) director, officer, direct or indirect owner of 10% or more of the Company's outstanding shares; (ii) close family member of such director, officer or owner; (iii) associates of the Company; (iv) enterprises controlling,

controlled by or under common control with the Company; or (v) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any director, officer or owner of 10% or more of the outstanding shares in the Company or any close family member of such director, key officer or owner, or collectively, the Related Parties.

For the period ended March 31, 2026, there were no self-dealings or related party transactions by any director which require disclosure.

There was no outstanding indebtedness at any time during the last three financial years that was owed to the Company and/or its subsidiaries by any Related Party.

(h) Disagreement with a Director

No director has resigned since the date of the last annual stockholders' meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies or practices.

ITEM 6. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

(a) Compensation

The Company has local and expatriate executives. Expatriates are holding positions that are technical and advisory in nature. The compensation of local executives is benchmarked against the established Focus Group (FG*). At 100% performance attainment of the Company's financial and business goals, the executive compensation is targeted to be at median (P50) of the FG and at the 3rd quartile for performance attainment of 110% and above. Expatriates are paid in accordance with the International Assignment compensation guidelines of Holcim.

* The Company's Focus Group (FG) is composed of local and multi-national companies with annual gross revenues of PHP 5 - 50 billion and 500 to 5,000 employees.

There are no standard arrangement, any other material arrangement and employment contract between the Company and its Executive Officers. The compensation received by the Executive Officers represents salaries, bonuses and benefits.

The following table shows the compensation of the Company's Executive Officers serving as of March 31, 2026.

Executive Compensation (in Php)

Name and Principal Position	Year	Salary	Bonus	Other Compensation
The CEO and five (5) most highly compensated Executive Officers	2026*	93,429,387	8,841,249	86,885,402
	2025	93,429,387	8,841,249	86,885,402
Nicolas George – President and Chief Executive Officer	2024	71,319,038	12,293,280	78,503,890
1. Ramakrishna Maganti – SVP, Head of Infrastructure and Industrial Sales				
2. Mario Gereis; - SVP, Head of Cement Industrial Performance - Luzon				
3. Saeed Ola Ande - SVP, Head of Supply Chain				
4. Sajith Madusanka Edirisuriya - SVP, Head of Commercial				
5. Hyun Su An - Plant Manager				

All other Executive Officers and Directors as a group unnamed	2026*	59,523,720	9,610,964	22,693,841
	2025**	59,523,720	9,610,964	22,693,841
	2024	58,664,526	10,264,027	18,688,571

*All other Executive Officers and Directors as a group unnamed in 2024 include all incumbents in the Leadership Team.
2026* estimated compensation of executive officers for the ensuing year is assumed to approximate the 2025 level. Bonuses given are driven by actual performance of the company; hence, estimate may vary from actual.
2025** benefits of All Other Executive Officers and Directors include pro-rate salaries, bonuses and benefits of other four (4) separated local Executive Officer.*

Other than directors' per diem, the directors of the Company do not receive any other compensation from the Company, including any of the following arrangements:

- a. Standard arrangement and any other material arrangements;
- b. Employment contract (between the Company and named executive officers);
- c. Compensatory plan or arrangement;
- d. Outstanding warrants or options; and
- e. Adjustments or amendments on the price of stock warrants or options.

	Year Ended 31 December 2025 (in PhP)	
	2025	2024
Per diem to the Board of Directors as a group	3,400,000	6,100,000

- (b) Employment Contracts and Termination of Employment and Change-in-Control Arrangements

The Company and its subsidiaries have executed pro-forma employment contracts with their staff and officers. These contracts basically specify the scope of services expected from these individuals and the compensation that they shall receive.

There are no arrangements for compensation to be received by the above-named executive officers of the Company in the event of a change in control.

- (c) Warrants and Options Outstanding

There are no outstanding warrants or options granted by the Company to any of its directors or executive officers.

ITEM 7. INDEPENDENT PUBLIC ACCOUNTANTS

- (a) Appointment of External Auditor

At the regular Board meeting held on March 19, 2026, the Board approved and endorsed for stockholders' approval the Audit Committee's recommendation for the appointment of SGV & CO. ("SGV") as the Company's External Auditor for year 2026. The appointment will be submitted for ratification by the stockholders.

SGV has accepted the Company's invitation to stand for appointment this year. SGV representatives are expected to be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The Company complies with SRC Rule 68, Part I, Item 3(B)(iv)(ix) on the five-year rotation of the External Auditor and the two-year cooling-off period on the re-engagement of the same signing partner or individual auditor.

(b) Audit and Audit-Related Fees

The Company's financial statements for the years ended December 31, 2024 and 2025 were audited by SGV. The following table sets out the approximate aggregate fees for professional services rendered by the Company's external auditor:

	2025	2024
Audit Fee	7,556,600.00	7,313,216.00
Other Fees	0.00	0.00
TOTAL	7,556,600.00	7,313,216.00

Other Fees refer to out of pocket expenses by the auditors arising from the audit of the Company's financial statements.

The Company did not engage SGV for tax and other services from 2023 to 2025.

The audit findings are presented to the Company's Audit Committee, which reviews and makes recommendations to the Board on actions to be taken thereon. The Board passes upon and approves the Audit Committee's recommendations.

(c) Changes in and disagreements with accountants on accounting and financial disclosure

There was no event in the past three years where SGV and the Company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

ITEM 8. COMPENSATION PLANS

No action is to be taken with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

ITEM 9. AUTHORIZATION OR ISSUANCE OF SECURITIES OTHER THAN FOR EXCHANGE

No action will be presented for the stockholders' approval at the Annual Meeting which involves (i) the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the Company, (ii) the modification of any class of securities of the Company, or (iii) the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

ITEM 10. MODIFICATION OR EXCHANGE OF SECURITIES

No action will be presented for the stockholders' approval at the Annual Meeting which involves the modification of any class of the Company's securities or the issuance of one class of securities in exchange for outstanding securities of another class.

ITEM 11. FINANCIAL AND OTHER INFORMATION

Description of Business

For the Management’s Discussion and Analysis, Market Price of Shares and other data related to the Company’s financial information, please refer to the Management Report. The consolidated audited financial statements of the Company for the period ended December 31, 2025 is attached as **Exhibit 1** to the Management Report and is incorporated herein by reference.

Legal Proceedings

Pending material legal proceedings involving the Company and its subsidiaries are described in **Annex E**. There are no other material pending legal proceedings other than those described in Annex E.

ITEM 12. MERGERS, CONSOLIDATIONS, ACQUISITIONS AND SIMILAR MATTERS

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

ITEM 13. ACQUISITION OR DISPOSITION OF PROPERTY

No action is to be taken during the Annual Meeting with respect to acquisition or disposition of any property of HPI.

ITEM 14. RESTATEMENT OF ACCOUNTS

The Company is not taking any action, which involves the restatement of any of its assets, capital or surplus account.

D. OTHER MATTERS

ITEM 15. ACTION WITH RESPECT TO REPORTS AND OTHER PROPOSED ACTION

The following shall be submitted at the Annual Meeting of the stockholders:

1. Approval of the Minutes of the Annual Stockholders’ Meeting held on May 15, 2025. A copy of said Minutes is attached as **Annex F**;
2. Approval of the Audited Financial Statements for the period ended December 31, 2025 attached to the Annual Report marked as Exhibit 1 to the Management Report;
3. Ratification of all acts, investments, proceedings and resolutions of the Board, the Board Committees and the acts of the officers and management since the date of the last annual meeting. The matters for stockholders’ ratification are acts of the Board, the Board Committees, officers and management from the previous stockholders’ meeting up to the date of the Annual Meeting which were entered into or made in the ordinary course of business and transactions and the following transactions, covered by appropriate disclosures with the SEC:

Date	Disclosure
January 10, 2025	An advisory on the declared lockout of members of both HPWU/Associates and HLSU/Supervisory Unions of the Company’s Lugait Plant, following a deadlock on the negotiations of the respective collective bargaining agreements.

Date	Disclosure
January 17, 2025	An advisory on the lifting of the lockout of members of both HPWU/Associates and HLSU/Supervisory Unions of the Company's Lugait Plant, following the successful conclusion of the respective collective bargaining agreements.
April 23, 2025	An advisory on the postponement of the 2025 Annual Stockholders Meeting to May 15, 2025 due to conflicting schedules of the members of the Board of Directors.
May 20, 2025	An advisory on the Results of the Annual Stockholders Meeting held on May 15, 2025.
May 20, 2025	An advisory on the Results of the Organizational Board Meeting held on May 15, 2025.

ITEM 16. MATTERS NOT REQUIRED TO BE SUBMITTED

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

ITEM 17. AMENDMENT OF CHARTER, BY-LAWS OR OTHER DOCUMENTS

(a) Proposed amendments for stockholders' approval

The following amendments to Article Second of the Articles of Incorporation of the Company shall be taken up during the Annual Meeting:

FROM	TO
<p>Secondary Purpose</p> <p>1. To engage in the business of purchasing, developing, selling, exchanging and holding for investment or otherwise, real estate of all kinds;</p> <p>xxx</p> <p>7. As principal or agent, to acquire by purchase or otherwise own, hold, take or lease, exchange, mortgage, let, sell, or dispose of any real and personal property, rights and privileges, suitable or convenient for any of the purposes or business of the corporation and to acquire by purchase or otherwise, own, hold, take or lease, mortgage, sell, or otherwise dispose of, erect, construct, make, alter, enlarge, improve, and aid or subscribe toward the construction, acquisition or improvement of any factory, shop, storehouse, building, manufacturing and commercial establishment, and other structure of every character, including all equipment, fixtures, machinery, implements and supplies necessary or incidental to, or connected with any of the purposes of business of the corporation;</p>	<p>Secondary Purpose</p> <p>1. To engage in the business of purchasing, developing, selling, exchanging and holding for investment or otherwise, real <u>properties (except land)</u>;</p> <p>xxx</p> <p>7. As principal or agent, to acquire by purchase or otherwise own, hold, take or lease, exchange, mortgage, let, sell, or dispose of any real and personal property, rights and privileges, suitable or convenient for any of the purposes or business of the corporation and to acquire by purchase or otherwise, own, hold, take or lease, mortgage, sell, or otherwise dispose of, erect, construct, make, alter, enlarge, improve, and aid or subscribe toward the construction, acquisition or improvement of any factory, shop, storehouse, building, manufacturing and commercial establishment, and other structure of every character, including all equipment, fixtures, machinery, implements and supplies necessary or incidental to, or connected with any of the purposes of business of the corporation; <u>Provided that the corporation shall not own any land in the Philippines;</u></p>

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The above amendments are being proposed in order to clarify that the Company may not own lands in the Philippines considering that more than 40% of its capital stock is owned by foreign nationals.

(b) Proposed amendments for stockholders' reconfirmation

At the regular meeting of the Board held on March 18, 2024, the Board approved the amendment of the Company's Articles of Incorporation and By-laws to reflect the relevant references to public companies pursuant to the Company's delisting from the PSE, and to simplify the Company's organization. The amendment was subsequently approved by the stockholders at the annual stockholders' meeting held on May 15, 2024.

Below sets forth the proposed amendments for reconfirmation by the stockholders:

Articles of Incorporation

FROM	TO
SIXTH - That the number of the directors of said corporation shall be SEVEN (7), and the names, citizenship, residences of the directors of the corporation, who are to serve until their successors are duly elected and qualified as provided by the By-Laws, are as follows: x x x	SIXTH - That the number of the directors of said corporation shall be FIVE (5) , and the names, citizenship, residences of the directors of the corporation, who are to serve until their successors are duly elected and qualified as provided by the By-Laws, are as follows: x x x

By-laws

FROM	TO
Article II – Directors	
SECTION 1. Board of Directors. - The business and property of the Corporation shall be managed by a Board of SEVEN (7) Directors who shall be stockholders and who shall be elected annually by the stockholders for a term of one year and shall serve until the election and acceptance of their duly qualified successors.	SECTION 1. Board of Directors. - The business and property of the Corporation shall be managed by a Board of FIVE (5) Directors who shall be stockholders and who shall be elected annually by the stockholders for a term of one year and shall serve until the election and acceptance of their duly qualified successors.
SECTION 2. Independent Directors. - As a publicly listed company, the Corporation shall conform with the requirement to have such number of independent directors who are possessed of such qualifications as may be required by law. An "independent director" is a person who, apart from his fees and shareholdings, which shareholdings does not exceed two percent (2%) of the shares of the Corporation and/or its related companies or any of its substantial shareholders, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the	SECTION 2. Independent Directors. - As a public company, the Corporation shall conform with the requirement to have such number of independent directors who are possessed of such qualifications as may be required by law. An "independent director" is a person who, apart from his fees and shareholdings, which shareholdings does not exceed two percent (2%) of the shares of the Corporation and/or its related companies or any of its substantial shareholders, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the

FROM	TO
<p>Corporation, including, among others, any person who:</p> <p>x x x</p> <p>Nomination of independent director/s shall be conducted by a Nomination Committee prior to a stockholders' meeting. All nominations of independent directors shall be made in writing and signed by the conformity by the nominating stockholders, and shall include the acceptance and conformity of the would-be nominees.</p> <p>The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director(s).</p> <p>After the nomination, the Nomination Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors (as required under Part IV [A] and [C] of Annex "C" of SRC Rule 12 of the Implementing Rules and Regulations of the Securities Regulation Code), including, but not limited to, the following information: (i) Name, age and citizenship; (ii) List of positions and offices that each such nominee held, or will hold, if known, with the Corporation; (iii) Business experience during the past five (5) years; (iv) directorship held in the other companies; (v) Involvement in legal proceedings; and (vi) Security ownership.</p> <p>The Final List shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or in such other reports required by the Securities and Exchange Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual stockholders' meeting.</p> <p>The Chairman of the stockholders' meeting has the responsibility to inform all stockholders in attendance of the mandatory requirement of electing</p>	<p>Corporation, including, among others, any person who:</p> <p>x x x</p> <p>Nomination of independent director/s shall be conducted by a Nomination Committee prior to a stockholders' meeting. All nominations of independent directors shall be made in writing and signed by the conformity by the nominating stockholders, and shall include the acceptance and conformity of the would-be nominees.</p> <p>The Nomination Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director(s).</p> <p>After the nomination, the Nomination Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors (as required under Part IV [A] and [C] of Annex "C" of SRC Rule 12 of the Implementing Rules and Regulations of the Securities Regulation Code), including, but not limited to, the following information: (i) Name, age and citizenship; (ii) List of positions and offices that each such nominee held, or will hold, if known, with the Corporation; (iii) Business experience during the past five (5) years; (iv) directorship held in the other companies; (v) Involvement in legal proceedings; and (vi) Security ownership</p> <p>The Final List shall be made available to the Securities and Exchange Commission and to all stockholders through the filing and distribution of the Information Statement or in such other reports required by the Securities and Exchange Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as independent director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual stockholders' meeting.</p> <p>The Chairman of the stockholders' meeting has the responsibility to inform all stockholders in attendance of the mandatory requirement of electing independent directors</p>

FROM	TO
<p>independent directors and to ensure that the independent directors are elected during the stockholders' meeting.</p> <p>Specific slot/s for independent directors shall not be filled up by unqualified nominees.</p> <p>In case of failure of election for independent director/s, the chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.</p> <p>Any controversy or issue arising from the selection, nomination or election of independent director/s shall be resolved by the Securities and Exchange Commission by appointing independent directors from the list of nominees submitted by the stockholders.</p>	<p>and to ensure that the independent directors are elected during the stockholders' meeting.</p> <p>Specific slot/s for independent directors shall not be filled up by unqualified nominees.</p> <p>In case of failure of election for independent director/s, the chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.</p> <p>Any controversy or issue arising from the selection, nomination or election of independent director/s shall be resolved by the Securities and Exchange Commission by appointing independent directors from the list of nominees submitted by the stockholders.</p>
Article III – Officers	
<p>SECTION 5. General Manager. - The General Manager shall look after and supervise all the business operations of the Corporation and, subject to the approval of the President may employ, suspend and/or discharge any and all employees and/ or laborers necessary therefor, recommending their respective compensations and the nature and extent of the work to be performed by each of them. He shall prepare and submit an annual report to the President and to the Board of Directors setting forth the results of the business operations under his charge, together with suggestions designed to improve the business of the corporation or to enhance its finances, and he shall perform such other duties as the President or the Board of Directors may require.</p>	<p>SECTION 5. General Manager. - The General Manager shall look after and supervise all the business operations of the Corporation and, subject to the approval of the President may employ, suspend and/or discharge any and all employees and/ or laborers necessary therefor, recommending their respective compensations and the nature and extent of the work to be performed by each of them. He shall prepare and submit an annual report to the President and to the Board of Directors setting forth the results of the business operations under his charge, together with suggestions designed to improve the business of the corporation or to enhance its finances, and he shall perform such other duties as the President or the Board of Directors may require.</p>
<p>SECTION 8. Compensation. - The compensation of the officers and employees of the Corporation shall be fixed and determined by the Board of Directors. The Board, however, may authorize any officer to appoint and remove subordinate officers and prescribe the powers and duties thereof and fix the compensation of such subordinated officers.</p> <p>The President, upon recommendation of the Compensation Committee, is authorized to fix and/or increase the remuneration of any Director or any other officer of the Corporation as may be necessary; provided, that in no case shall the yearly remuneration of directors serving as such directors exceed ten percent (10%) of the net income before</p>	<p>SECTION 8. Compensation. - The compensation of the officers and employees of the Corporation shall be fixed and determined by the Board of Directors. The Board, however, may authorize any officer to appoint and remove subordinate officers and prescribe the powers and duties thereof and fix the compensation of such subordinated officers.</p> <p>The President, upon recommendation of the Compensation Committee, is authorized to fix and/or increase the remuneration of any Director or any other officer of the Corporation as may be necessary; provided, that in no case shall the yearly remuneration of directors serving as such directors exceed ten percent (10%) of the net income before tax of the Corporation during the preceding year.</p>

FROM	TO
tax of the Corporation during the preceding year.	
<p>SECTION 9-a. Appointment and Powers of Executive Committee.- There shall be an Executive Committee composed of Directors to be determined and appointed by the Board of Directors, and any vacancy in said committee shall be filled by the Directors at any meeting of the Board at which a quorum shall be present. The members of the Executive Committee may be removed at any time by the Board of Directors. Their compensation shall be determined by the Board of Directors.</p> <p>The Executive Committee shall advise and aid the officers of the Corporation in all matters concerning its interest and the management of its business and, in the intervals between the meetings of the Board, shall have and may exercise all the powers of the Board of Directors in the management of the business and affairs of the Corporation, except (a) such powers as are granted by statute to the Board of Directors, (b) the power to declare and pay dividends, (c) the power to fill vacancies in the Board of Directors, and (d) such other powers as the Board of Directors may expressly reserve at any time. All matters acted upon by the Executive Committee shall be submitted to the Board at its meeting held next after they have been taken and such transactions of the committee shall be considered ratified by the Board unless otherwise expressly revoked.</p>	<p>SECTION 9-a. Appointment and Powers of Executive Committee.- There shall be an Executive Committee composed of Directors to be determined and appointed by the Board of Directors, and any vacancy in said committee shall be filled by the Directors at any meeting of the Board at which a quorum shall be present. The members of the Executive Committee may be removed at any time by the Board of Directors. Their compensation shall be determined by the Board of Directors.</p> <p>The Executive Committee shall advise and aid the officers of the Corporation in all matters concerning its interest and the management of its business and, in the intervals between the meetings of the Board, shall have and may exercise all the powers of the Board of Directors in the management of the business and affairs of the Corporation, except (a) such powers as are granted by statute to the Board of Directors, (b) the power to declare and pay dividends, (c) the power to fill vacancies in the Board of Directors, and (d) such other powers as the Board of Directors may expressly reserve at any time. All matters acted upon by the Executive Committee shall be submitted to the Board at its meeting held next after they have been taken and such transactions of the committee shall be considered ratified by the Board unless otherwise expressly revoked.</p>
<p>SECTION 9 b. Meetings.The Executive Committee shall meet from time to time and at such places as it may designate upon the call of the Chairman of the committee or of any member thereof. Written notice of any such meeting, stating the place, date and hour thereof, shall be served personally on each member of the Executive Committee at his address recorded in the books of the Corporation or the same shall be telegraphed or telephoned at least twenty-four (24) hours before the meeting.</p>	<p>SECTION 9 b. Meetings. The Executive Committee shall meet from time to time and at such places as it may designate upon the call of the Chairman of the committee or of any member thereof. Written notice of any such meeting, stating the place, date and hour thereof, shall be served personally on each member of the Executive Committee at his address recorded in the books of the Corporation or the same shall be telegraphed or telephoned at least twenty four (24) hours before the meeting.</p>
<p>SECTION 9-c. Quorum. - A majority of the members of the Executive Committee shall constitute a quorum thereof and the affirmative vote of the majority of such quorum shall be necessary for the approval of any action taken at any of its meetings.</p>	<p>SECTION 9 c. Quorum. - A majority of the members of the Executive Committee shall constitute a quorum thereof and the affirmative vote of the majority of such quorum shall be necessary for the approval of any action taken at any of its meetings.</p>
<p>SECTION 9-d. Minutes of the Meetings.- The Secretary of the Corporation shall keep</p>	<p>SECTION 9 d. Minutes of the Meetings.- The Secretary of the Corporation shall keep the</p>

FROM	TO
the minutes of the meetings of the Executive Committee and cause them to be recorded in a book kept for that purpose. The Corporate Secretary shall present these minutes to the Board of Directors when so requested of directed.	minutes of the meetings of the Executive Committee and cause them to be recorded in a book kept for that purpose. The Corporate Secretary shall present these minutes to the Board of Directors when so requested of directed.
SECTION 10. Nomination Committee. - There shall be a Nomination Committee composed of at least three (3) Directors, one of whom shall be an Independent Director. The Nomination Committee shall review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors. The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of nomination of directors. The decision of the Nomination Committee, once confirmed by the Board of Directors, shall be final and binding upon the stockholders and may no longer be raised during the stockholders' meeting at which directors shall be elected.	SECTION 10. Nomination Committee. — There shall be a Nomination Committee composed of at least three (3) Directors, one of whom shall be an Independent Director. The Nomination Committee shall review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors. The Nomination Committee shall promulgate the guidelines or criteria to govern the conduct of nomination of directors. The decision of the Nomination Committee, once confirmed by the Board of Directors, shall be final and binding upon the stockholders and may no longer be raised during the stockholders' meeting at which directors shall be elected.

The above amendments are being proposed for reconfirmation of the stockholders in preparation for the application for amendments of Articles of Incorporation and By-Laws to be submitted to the SEC. The delays in the submission of the application was due to issues encountered by the Company in accessing the relevant submission portal of the SEC.

ITEM 18. OTHER PROPOSED ACTION

The following actions are also proposed to be taken up during the Annual Meeting:

1. Election of directors for 2026 – 2027; and
2. Appointment of External Auditor

ITEM 19. VOTING PROCEDURES

(a) Matters for Stockholders' Approval

As provided in Article I, Section 4 of the Amended By-laws, a quorum at any meeting of stockholders shall consist of a majority of the entire subscribed capital stock of the Company represented in person or by proxy, and a majority of such quorum shall decide any question that may come before the meeting, except the matters in which Philippine laws require the affirmative vote of a greater proportion. The proposed amendment to the Amended Articles of Incorporation of the Company to be taken up in the Annual Meeting will require the affirmative vote of at least two-thirds (2/3) of the outstanding and issued capital stock of the Company.

(b) Election of directors

Pursuant to Section 23 of the Revised Corporation Code, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing, as of the record date, in his own name in the Company's stock and transfer book; and said stockholder may vote such number of shares for as many persons as there are directors to be elected or he

may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares owned, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the Company's books multiplied by the number of directors to be elected. By way of illustration, the formula may be stated as follows:

Number of shares held on record x 1 = Total votes that may be cast.

Stockholders of record are entitled to one vote per share. Voting may be done *viva voce*, by show of hands or by balloting.

In accordance with Article I, Section 5 of the Amended By-laws, stockholders may vote at all meetings the number of shares registered in their respective names, either in person or by proxy duly given in writing and duly presented to the Corporate Secretary for inspection and recorded at or prior to the opening of said meeting. No proxy bearing a signature which is not legally acknowledged shall be recognized at any meeting unless such signature is known and recognized by the Secretary of the meeting.

All proxies shall be in writing, signed by the stockholders and filed in the office of the Corporate Secretary at least five days before the meeting.

Sections 23, 49 and 57 of the Revised Corporation Code provide that the Company may also allow a stockholder to participate in the meeting via remote communication and to cast his vote in *absentia* via modes which the Company shall establish taking into account the company's scale, number of shareholders or members, structure and other factors consistent with the basic right of corporate suffrage.

The Company's external auditor, SGV, is authorized to count votes on any matter properly brought to the vote of the stockholders, including the election of directors.

*The detailed guidelines for participation and voting for this meeting are set forth in the "Requirements and Procedures for Voting in Absentia and Participation via Remote Communication" attached as **Annex A**.*

SOLICITATION INFORMATION

Holcim Philippines, Inc. will not be soliciting proxies in connection with the Annual Meeting of the Stockholders scheduled on May 21, 2026.


UNDERTAKING

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE COMPANY UNDERTAKES TO FURNISH SAID STOCKHOLDER A COPY OF THIS INFORMATION STATEMENT FREE OF CHARGE, EXCEPT FOR EXHIBITS ATTACHED HERETO, WHICH SHALL BE CHARGED AT COST. ANY WRITTEN REQUEST SHALL BE ADDRESSED TO:

Office of the Corporate Secretary
Holcim Philippines, Inc.
7th Floor, Two World Square
McKinley Hill, Taguig City 1634,
Philippines
Attention: Atty. Belinda E. Dugan

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Taguig, Metro Manila, on April 24, 2026.

A rectangular grey box used to redact the signature of Belinda E. Dugan.

BELINDA E. DUGAN
General Counsel & Corporate Secretary

ANNEX A

**REQUIREMENTS AND PROCEDURES
FOR VOTING IN ABSENTIA AND
PARTICIPATION VIA REMOTE
COMMUNICATION**

REQUIREMENTS AND PROCEDURE FOR VOTING IN ABSENTIA AND PARTICIPATION VIA REMOTE COMMUNICATION AT THE ANNUAL STOCKHOLDERS' MEETING OF HOLCIM PHILIPPINES, INC.

Stockholders of Holcim Philippines, Inc. ("HPI" or the "Company") as of April 21, 2026 ("Stockholder") may participate and exercise their right to vote on the agenda items in the Annual Stockholders' Meeting of the Company ("Annual Meeting"), to be held on May 21, 2026 at 5:00 p.m. by remote communication and voting in absentia. Voting in absentia means that stockholders shall have the opportunity to vote during the ASM without being physically present during the meeting. Stockholders who vote in absentia or who participate via remote communication shall be deemed present for purposes of quorum.

I. Registration and Participation/Attendance Procedure:

1. The platform for participation through webcast/video conferencing (Remote Communication) for the Annual Meeting is via HPI's virtual ASM platform, Zoom Video Communications.
2. Only stockholders of record as of April 21, 2026 and who have complied with the registration and validation process as outlined in this document may participate and vote in absentia in the Annual Meeting.
3. Stockholders who intend to participate in the Annual Meeting may register by filling up the form that can be found at <https://www.holcim.ph/asm2026>. Online registration will be open from April 27, 2026 at 8:00 A.M. to May 15, 2026 at 5:00 P.M.
4. Stockholders should complete the online registration and submit / upload the following for validation:

Certificated Individual Stockholders
HPI CY 2026 ASM - Individual Stockholders

1. Valid government-issued ID showing stockholder's personal details, photo and signature;
2. Active contact number, either landline or mobile;
3. Active e-mail address;
4. In case of proxy appointment, a duly accomplished and signed proxy indicating the votes on the agenda items.

Certificated Multiple Stockholders or Joint Owners
HPI CY 2026 ASM - Stockholders with Joint Accounts

1. Valid government-issued ID of all stockholders showing their personal details, photo and signature
2. Authorization letter signed by other stockholders indicating the person among them authorized to participate and/or vote in the Annual Meeting;
3. Active contact number, either landline or mobile, of the representative;
4. Active e-mail address of the representative;
In case of proxy appointment, a duly accomplished and signed proxy indicating the votes on the agenda items.

Certificated Corporate/Partnership Stockholders
HPI CY 2026 ASM - Corporate Stockholders

1. Notarized Secretary's Certificate attesting to the authority of the representative to participate and / or vote in the Annual Meeting;
2. Valid government-issued IDs of the representative and the Corporate Secretary showing their personal details, photo and signature
3. Active contact number, either landline or mobile, of the representative;
4. Active e-mail address of the representative
5. In case of proxy appointment, a duly accomplished and signed proxy indicating the votes on the agenda items.

*Stockholders with Shares under PCD Participant/Broker Account
HPI CY 2026 ASM - Individual Stockholders under PCD
or a Brokers Account or "Scripless Shares"*

1. Broker's certification on the stockholder's number of shareholdings (in PDF format). To facilitate the verification of your account, please copy HPI (hpilegalandcompliance-phl@holcim.com) and its stock transfer agent, Stock Transfer Services, Inc. (STSI) (rdregala@stocktransfer.com.ph) in all your email correspondence with your broker for the request for certification;
2. Valid government-issued ID showing stockholder's personal details, photo and signature;
3. Active contact number, either landline or mobile;
4. Active e-mail address;
5. In case of proxy appointment, a duly accomplished and signed proxy indicating the votes on the agenda items.

Scanned copies of the documents submitted as attachments via email must be in clear copies in JPG or PDF format, with each file size not exceeding 10 MB.

5. The Company reserves the right to require additional personal data or documents to ensure the identity and validate the right of the Stockholder or his/her Proxy to participate and vote in the Annual Meeting. HPI will request for your consent to process your personal information in accordance with the Data Privacy Act.
6. HPI's Office of the Corporate Secretary and STSI will validate the registration requirements submitted by the stockholders. Incomplete or inconsistent information provided in the registration form will result to a rejection of the registration.
7. Upon successful registration and validation of the registration and documents submitted, the stockholder will receive an email confirmation with unique log in credentials which can be used to log in and participate in the Annual Meeting.
8. Only those stockholders who have successfully registered following the procedure above and stockholders who have voted by providing their executed Proxy Form shall be included for purposes of determining the existence of a quorum.
9. HPI reserves the right to request the submission of the originally signed copies of the documents forming part of the registration requirements at a later time.
10. For the Question and Answer portion during the Annual Meeting, Stockholders may send their questions related to the agenda by email to hpilegalandcompliance-phl@holcim.com. While HPI will accept questions during the virtual meeting sent via email, we encourage everyone to send their questions related to the agenda on or before May 15, 2026, 5:00 P.M. Please note that due to time and technological limitations, only relevant questions will be answered during the Annual Meeting. HPI will endeavor to answer all other questions via e-mail at a later time.

11. As required by the Securities and Exchange Commission, the proceedings during the Annual Meeting will be recorded. Stockholders may request for access to the recorded webcast of the ASM by sending an email request to hpilegalandcompliance-phl@holcim.com.

II. Voting Procedure:

Stockholders may vote during the Annual Meeting either (1) by Proxy or (2) by voting in absentia through HPI's Digital Ballot/ Online Stockholder Voting System.

1. Voting by Proxy:
 - a. Download and fill up the Proxy Form at <https://www.holcim.ph/asm2026>.
 - b. Send a scanned copy of the executed Proxy Form by email to hpilegalandcompliance-phl@holcim.com not later than May 15, 2026. The hard copy of the signed Proxy Form should be delivered to: The Corporate Secretary, 7th Floor, Two World Square, McKinley Hill, Taguig City within five (5) days after the proxy form was sent via email.
2. Voting in absentia through the Digital Ballot/ Online Stockholder Voting System:
 - a. Follow the Registration and Participation/Attendance Procedure set forth above.
 - b. Registered stockholders shall have until 5:00 PM of May 15, 2026 to cast their votes.
 - c. All agenda items indicated in the Notice of Meeting will be included in the Digital Ballot and the registered stockholder may vote: as follows:
 - i. For items other than election of the Directors, the Stockholder may vote: "For", "Against", or "Abstain". The vote shall be considered as cast for all the stockholder's shares.
 - ii. For the election of Directors, the stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares owned, or he may distribute them on the same principle among as many candidates as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of the Company multiplied by the number of directors to be elected.
 - d. After the Ballot has been submitted, the registered Stockholder may no longer change his/her vote.
 - e. HPI's Office of the Corporate Secretary shall tabulate all votes cast in absentia together with the votes cast by proxy. The votes cast in absentia will have equal effect as votes cast by proxy.

For any questions or clarification, you may contact HPI through hpilegalandcompliance-phl@holcim.com or its stock transfer agent, Stock Transfer Service, Inc. through their telephone number 8403-3798.

ANNEX B

REPORT ON THE ATTENDANCE OF DIRECTORS

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

SECRETARY'S CERTIFICATE

I, **BELINDA E. DUGAN**, Filipino, of legal age, with office address at the 7th Floor, Two World Square, McKinley Hill, Taguig City, under oath, do hereby certify that:

- I am the Corporate Secretary of **HOLCIM PHILIPPINES, INC.** (the "Corporation") a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at 7th Floor, Two World Square, McKinley Hill, Taguig City;
- Based on the records of the Corporation, the following are the record of attendance of each member of the Board for the period January 1, 2025 to December 31, 2025.

Board of Directors Meetings

Date of Meeting	Type of Meeting	Martin Kreigner	Claudia Iris Albertini	Nicolas George	Tan Then Hwee	Gerardo Ablaza, Jr	Rajesh Surana
20 March	Regular Meeting	✓	✓	✓	✓	✓	N/A
21 April	Special Meeting	✓	✓	✓	✓	✓	N/A
15 May	Organizational Meeting	✓	✓	✓	✓	✓	N/A
15 May	Regular Meeting	✓	✓	✓	✓	✓	N/A
5 September	Special Meeting	✓	N/A	✓	✓	✓	✓
27 November	Regular Meeting	✓	N/A	✓	✓	✓	✓

Audit Committee Meetings

Date of Meeting	Type of Meeting	Tan Then Hwee	Claudia Iris Albertini	Gerardo Ablaza, Jr.	Rajesh Surana
5 March	Regular Meeting	✓	✓	✓	N/A
2 May	Regular Meeting	✓	✓	✓	N/A
19 August	Regular Meeting	✓	N/A	✓	✓
5 November	Regular Meeting	✓	N/A	✓	✓

- The foregoing is in accordance with the records of the Corporation in my possession and the same have not been revised, revoked or modified as of the date of this Certification.

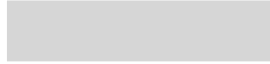
IN WITNESS WHEREOF, I have signed this Secretary's Certificate this
APR 10 2026 at Taguig City.


BELINDA E. DUGAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 10 2026 at Taguig City, exhibiting
to me her  : DFA Legaspi and
expiring on 11 July 2028.

Doc. No. 161 ;
Page No. 34 ;
Book No. II ;
Series of 2026.




MARIANNE ANGELI B. ESTIOCO
Notary Public - Taguig City
Appointment No. 101 valid until 31 December 2026
16th Floor, One/NEO Building, 26th Street corner 3rd Ave.
Crescent Park West, Bonifacio Global City, Taguig City, PH 1634
Roll of Attorneys No. 80883
IBP No. 536742; 01/07/26; Makati City
PTR No. A-6767071; 01/08/26; Taguig City
MCLE Compliance No. VIII-0030004; 04/25/2025

ANNEX C

**BOARD
SELF-ASSESSMENT REPORT**

Holcim Philippines, Inc.
7th Floor, Two World Square
McKinley Hill, Taguig City
1634 Philippines

Legal & Compliance

Phone: +(632) 85811511

2025 BOARD SELF-ASSESSMENT REPORT OVERVIEW OF THE BOARD SELF-ASSESSMENT PROCESS

All members of the Board of Directors were afforded the opportunity to complete the Self-Assessment questionnaire. This report provides an overall assessment of the Board and reinforces the role and responsibilities of the Board as one unit and individually. It is intended to inform constructive dialogue on the Board's strengths, weaknesses and areas requiring greater attention. By conducting self-assessment, the Board helps set standards, clarifies expectations, and serves as an example of the ongoing commitment to responsibility and accountability.

We encourage the Board to use this report as a tool to facilitate group discussion, determine the effectiveness of the Board, address concerns, if any, clarify roles and responsibilities, and seek help from Management if necessary. We encourage all members of the Board and the CEO to set aside time to discuss the report as a group and reach a consensus on a plan of action and next steps.

We hope that the results of this 2025 Board Self-Assessment will facilitate open discussion to enhance board relationships.

HPI Board Profile:

The Board has five Board Members. Except for one, all members of the Board participated in the assessment.

The average number of years of service for all Board of Directors is **3.7 years**.

Highlights of Board Self-Assessment

The Board Self-assessment questionnaire is composed of varying questions based on the roles, responsibilities and functions of the Board Members found under the Corporate Governance Manual of Holcim Philippines, Inc. It evaluates the Board's knowledge and readiness, individually and collectively, to promote and implement good corporate governance. The 26 questions focuses on Board responsibilities and overall board health. Respondents evaluated these questions on a 5-point rating scale, with 5 representing "Excellent", 4 representing "Above Average", 3 representing "Average", 2 representing "Below Average", and 1 representing "needs improvement".

Overall rating: 4.98 (Above Average)

Highest Rated Questions:

Good Governance		Average Rating
3	I foster the long-term success of HPI and secure its sustained competitiveness and profitability, its best interest and that of its shareholders and stakeholders.	5.00
4	I am aware of my fiduciary responsibility as a Director and I conduct myself in a manner characterized by transparency, accountability, integrity and fairness in the performance of my duties as a Director of HPI.	5.00
Attendance, performance and participation		Average Rating
8	I regularly attend and actively participate in all meetings of the Board, Committees, and shareholders, except when prevented by justifiable cause.	5.00
9	I review meeting materials and ask the necessary questions or seek clarifications and explanations in the Board meetings	5.00
10	I willingly offer alternative viewpoints and solutions during discussions to reflect my personal opinion based on my knowledge and experience	5.00
11	I act judiciously and independently on any matter brought before the Board.	5.00
14	I maintain confidentiality on all matters and details of Board discussions, including the individual views of the Board members	5.00
For independent and non-executive Directors only		Average Rating
16	I bring fully to the Board the benefits of my expertise.	5.00
17	I do not feel constrained to contribute on matters that may be outside my personal experience and experience	5.00
For Board Committee members only		Average Rating
23	I believe that, relative to the size the business of HPI, the Board's Committee structure effectively complements the full board in performing its functions.	5.00
25	I maintain confidentiality of the details of the Committee discussions, including views of members, except when such view has been agreed to be for formal communication to the full Board.	5.00

Lowest rated questions:

	Good Governance	Average Rating
1	I take time to understand the goals, strategies, business, governance policies, purpose and brand of Holcim Philippines, Inc. (HPI)	4.75
For Board Committee members only		Average Rating
24	I constructively engage and consult with the Company's CEO, Corporate Secretary and other key officers for the purpose of the Committee being informed.	4.67

Findings:

An over-all rating of 4.98 (Above Average) reflect a generally healthy and well-performing Board.

All members of the Board adheres to and understands their responsibilities as directors and their role in maintaining good governance in the Company. Opinions differ when it comes to reflecting knowledge and keeping oneself informed of best practices and taking it into consideration when participating in discussions.

Recommendations:

Based on the assessment, the Board knows what their roles and responsibilities are and the contribution they provide for the strategic growth and sustainability of HPI. The following are recommendations to support:

1. Provide periodic briefings/workshops on industry and company developments and new technologies
2. Provide performance benchmarks in best practices in Holcim Operations globally

Proposed Action Plans:

1. Set periodic briefings on industry and company developments and new technologies.
2. Incorporate presentation of Holcim global performance benchmarks and best-in-class operational standards into the management review

**CERTIFICATION OF
INDEPENDENT DIRECTOR**

**CERTIFICATION THAT NONE OF THE
DIRECTORS ARE CONNECTED TO ANY
GOVERNMENT AGENCIES**

REPUBLIC OF THE PHILIPPINES)
TAGUIG CITY)S.S.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, GERARDO C. ABLAZA, JR., Filipino, of legal age, with residence address at 154 San Enrique St., Ayala, Alabang Village, Muntinlupa City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Holcim Philippines, Inc. (the "Company").
2. I am affiliated with the following companies or organizations:

Company/ Organization	Position/ Relationship	Period Of Service
A.C.S.T. Business Holdings, Inc.	Director	2009 – Present
Liveit Investments Limited	Director	2009 – Present
Asiacom Philippines, Inc.	Director	2009 – Present
Ayala Foundation, Inc.	Trustee	2007 - Present
Ayala Corporation	Consultant	2017 - Present
Purefoods International, Limited	Director	2010 - Present
Ayala Retirement Fund Holdings, Inc.	Director	2012 - Present
iPeople, Inc.	Director	2019 - Present
BPI Asset Management and Trust Corporation doing business under the Trade Name and Style of BPI Wealth	Director	2022 - Present
The Bank of the Philippine Islands Foundations, Inc.	Chairman of Trustees	2022 - Present
BPI Direct Banko, Inc.	Director	2022 - Present
ACEN Corporation	Director	2024 - Present
ENEX Energy Corp.	Director	2024 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of the Company, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director/officer/substantial shareholder of Holcim Philippines, Inc. and its subsidiaries and affiliates other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code (where applicable).
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of the Company of any changes in the abovementioned information within five days from its occurrence.

Done, this 1st day of APRIL, 2026, at TAGUIG CITY.


GERARDO C. ABLAZA, JR.
 Affiant

SUBSCRIBED AND SWORN to before me this APR 01 2026 at
TAGUIG CITY, affiant personally appeared before me and exhibited
[redacted] issued by DFA NCR South valid
until 02 February 2026

Doc No	251
Page No	52
Book No	I
Series of 2026.	



Notarial DST pursuant to
Sec. 61 of the TRAIN Act
(amending Sec. 188 of the NIRC)
affixed on Notary Public's copy.

[redacted]
ATTY. JAMES ANDREW D. D...
Notary Public

Taguig City, Appointment No. 21 (2025-2026)
Until 31 December 2026, Roll No. 71058
PTR No. A-6771379-01/05/2026-Taguig City
IBP OR No. 567379-12/18/2025-Makati Chapter
MCLE Compliance No. VIII-0025570-03/31/2025
21 D, Kensington Place, 1st Avenue,
Brgy. Fort Bonifacio, Taguig City, Metro Manila

REPUBLIC OF THE PHILIPPINES)
Taguig City) S.S

SECRETARY'S CERTIFICATE

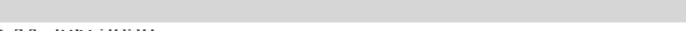
I, **BELINDA E. DUGAN**, Filipino citizen, of legal age, with office address at 7th Floor, Two World Square, McKinley Hill, Taguig City, do hereby certify that:

1. I am the Corporate Secretary of **HOLCIM PHILIPPINES, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal place of business at 7th Floor, Two World Square, McKinley Hill, Taguig City.
2. As of the date of this Certification, none of the member of the Board of Directors or officers of the Corporation are employed by or connected with any government agencies or instrumentalities.
3. This Certification is issued in connection with the submission of the Corporation's Definitive Information Statement.

[Signature page follows]

IN WITNESS WHEREOF, I have signed this Secretary's Certificate this
APR 10 2026 at Taguig City.


BELINDA E. DUGAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 10 2026 at Taguig City, exhibiting
to me her  at DFA Legaspi and
expiring on 11 July 2028.

Doc. No. 160;
Page No. 23;
Book No. III;
Series of 2026.




MARIANNE ANGELI B. ESTIOCO
Notary Public - Taguig City
Appointment No. 101 valid until 31 December 2026
16th Floor, One/NEO Building, 26th Street corner 3rd Ave.
Crescent Park West, Bonifacio Global City, Taguig City, PH 1634
Roll of Attorneys No. 80883
IBP No. 536742; 01/07/26; Makati City
PTR No. A-6767071; 01/08/26; Taguig City
MCLE Compliance No. VIII-0030004; 04/25/2025

ANNEX E

**PENDING MATERIAL
LEGAL PROCEEDINGS**

LEGAL PROCEEDINGS

(As of March 31, 2026)

(Holcim Philippines, Inc.)

1. The Company filed on June 24, 2014, a Complaint before the Regional Trial Court of Malolos, Bulacan for the annulment of the *Notice of Assessment of Business Tax on Alleged Discovered Unreported Cement Sales* dated February 24, 2014 issued by the Municipal Treasurer of the Bulacan and for the reversal of the denial of Holcim's *Protest* letter dated April 23, 2014 questioning the Assessment Notice.

While this action was pending, the Company received on October 26, 2015, an Assessment Notice which assessed the Company for an alleged deficiency local business tax (LBT) in the aggregate amount of P118.2 Million Pesos for the years 2006 to 2015. Unlike the 2014 Assessment Notice which involves the defendants' assessment of LBT against the Company based on the purported undeclared gross sales or receipts for the years 2006 to 2012, the 2015 Assessment Notice concerns the Treasurer's assessment of LBT against the Company based on the purported undeclared gross sales or receipts for the years 2006 to 2015. The Municipal Treasurer did not act on the Company protest within the 60-day period provided in Section 195 of the Local Government Code (LGC), and thus, on March 21, 2016, the Company filed a Complaint/Appeal with the Bulacan RTC which sought the cancellation/nullification of the 2015 Assessment Notice.

On September 13, 2016, the Company filed a motion to consolidate the first and second case before Branch 19 of the RTC of Bulacan. Motion to consolidate was granted on November 29, 2016.

The hearing for initial presentation of evidence took place on April 16, May 28 and October 22, 2018. The hearing for the presentation of the Necessary Parties' evidence took place on February 4, 2019. On May 16, 2019, Holcim filed its Memorandum. On May 21, 2019, the court issued an Order stating that the case is now submitted for decision.

On October 28, 2020, the Company received the Decision issued by the Regional Trial Court Branch 19 Malolos, Bulacan dated July 1, 2020, which declared the 2014 and 2015 Assessment Notices issued by defendant Municipality of Norzagaray, Province of Bulacan against Holcim Phils. Inc. as NULL and VOID and ordered the Municipality of Norzagaray, Bulacan and Filipina D.G. De Mesa, in her capacity as ICO-Municipal Treasurer of Norzagaray, to jointly and severally pay Holcim Phils., Inc. the amount of One Hundred Fifty Thousand Pesos (P150,000.00) as attorney's fees and to pay the cost of litigation.

No update for this case as of March 31, 2026.

2. The Company received an Assessment from the Provincial Assessor and a Notice of Real Property Tax (RPT) Delinquencies issued by the Provincial and Municipal Treasurers of Norzagaray, Bulacan on December 18, 2012. The Assessment demanded total of P80.3M related to the RPT of machineries and equipment for the years 2011 and 2012. The Local Board of Assessment Appeals (LBAA) granted the Company's Motion to Post Bond amounting to P80.3M. The Appeal is still pending with the LBAA.

On April 23, 2013, the Provincial Assessor of Bulacan issued a revised tax declaration on machineries and equipment at the Company's Bulacan Plant. Soon after, on June 2013, the Company received an assessment for the years 2011 to 2012 and a computation of RPT for the first and second quarter of 2013. The assessed additional RPT amounted to P23.8M. On September 13, 2013, the Company received an additional assessment from Municipal Treasurer of Norzagaray, Bulacan for RPT due on its 1998 and Additional Line 2 Properties for the third quarter of 2013. The said assessment also reiterated the previous assessments made for 2011 to second quarter of 2013. The Company's supplemental appeals, covering the first and second quarter RPT Assessment and September 2013 Assessments with the LBAA are pending resolution.

On March 10, 2014, the Company received 71 tax declarations and 71 notices of assessments over its machineries for 2014 from the Municipal Assessor of Norzagaray, Bulacan. Thereafter on May 9, 2014, the Company received a notice of assessment from the Provincial Assessor of Norzagaray, Bulacan. On May 15, 2014, the Company also received an assessment from the Municipal Treasurer of Norzagaray, Bulacan requiring the Company to pay deficiency RPT for the years 2011 to 2013 amounting to P129M. The Company's supplemental appeals with the LBAA for the assessments are pending resolution.

On December 9, 2014, at the suggestion of the Provincial Governor of Bulacan and the Municipal Mayor of Norzagaray, Bulacan, the Company paid under protest RPT amounting to P120M, allocated as follows: (a) land: P8.6M; (b) buildings: P3.3M; (c) machineries: P107.9M. On January 9, 2015, the Company filed three protests with the Provincial Treasurer. Following the Provincial Treasurer's inaction over the Company's protests, the Company filed its appeal with the LBAA, raising the following issues: (a) whether the Company is entitled to an annual depreciation allowance; (b) what is the correct amount that should be credited in the Company's favour on account of its RPT payments from 2011 to the third quarter of 2013; and (c) whether it is correct to assess interest, surcharges and penalties on the RPT that the Company attempted to pay on time but which the local government officials refused to accept with respect to the RPT for the 4th quarter of 2013 to 2014. This appeal is pending resolution.

On March 30, 2015, the Company received an assessment of deficiency RPT for 2015 amounting to P49.3M. The Company paid the assessed amount and filed a protest with the Provincial Treasurer of Bulacan. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2016 amounting to P103M. The Company paid the said amount and filed a protest with the Provincial Treasurer. Thereafter, on May 13, 2016, the Municipal Treasurer issued of Norzagaray, Bulacan issued a revised computation of the Company's liabilities for 2016 amounting to P46.8M. The Company thus filed a supplement to its earlier protest with the Provincial Treasurer. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2017 amounting to P41.1M for its lands, buildings and machineries located in its Bulacan plant. On August 17, 2017, the Company filed an appeal with the LBAA in respect to its payment under protest.

On March 26, 2018, the Company received an assessment computation of RPT due on Holcim's Bulacan Plant for the year 2018 in the amount of P52M. On the same date, the Company paid the RPT due on Holcim's properties, of which payment amounting to P41.1M for the machineries is under protest. The protest with the Provincial Treasurer was filed on April 25, 2018. Following the Provincial Treasurer's failure

to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On December 17, 2018, the Company received an Assessment Notice for the RPT due on its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2019 amounting to P40.5M. On December 28, 2018, Holcim paid under the protest the total amount assessed. The protest with the Provincial Treasurer was filed on January 25, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On January 25, 2019, the Company received an Assessment Notice which assessed Holcim alleged RPT in respect of its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2016. The Company filed the Appeal on the 2016 Assessment Notice on May 23, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

Holcim has filed a Motion to Resolve requesting the LBAA to act on all of Holcim's pending appeals.

On January 31, 2019, Holcim appeared in a hearing before the LBAA. The LBAA scheduled a hearing on March 28, 2019 for the rendition of its judgment.

On July 6, 2020, Holcim received the Joint Decision issued by LBAA, Bulacan dated March 6, 2020, which denied the Petition and disallowed the claims for tax credit and refund. Holcim was directed to pay the respondent its tax liabilities amounting to P315.6M with directive upon the respondent Treasurer of the Municipality of Norzagaray, Bulacan, to deduct from said amount all prior payments made under protest by Holcim that are covered by the assessment notices or orders of payment at issue.

On July 13, 2020, the LBAA received the Appeal filed by Holcim. LBAA denied petition for refund ordering Holcim to pay 315.6M but applying the P454.7M already paid from 2012 to 2020. The application reduced the refund amount to P139.1M.

All refund claims appeal are pending with the Central Board of Assessment Appeals (CBAA).

In early 2023, the parties initiated settlement discussions before the **Central Board of Assessment Appeals (CBAA)** to resolve their dispute through amicable means. Although an initial conference was held in January, scheduling conflicts delayed further progress until May. In response, the CBAA granted the parties a 30-day window to meet and mandated the filing of Joint Manifestations to document their progress, clarifying that the case would proceed to a formal trial if a settlement could not be reached.

On May 26, 2023, in a Zoom conference, the Provincial Treasurer presented three key settlement proposals. These terms suggested limiting the tax refund to the period of **2019 to 2023**, provided that Holcim waives all claims from 2011 to 2018. The proposal also established a **3.33% annual depreciation rate** for Holcim's machineries both for the contested period and for succeeding years alongside the issuance of tax clearances for all properties through 2023.

By June 2023, the parties reported significant progress to the CBAA, noting that they had begun **exchanging specific figures** regarding the refundable Real Property Tax amount. Recognizing that negotiations were advancing productively, the CBAA cancelled the scheduled October 2023 hearing and directed the parties to submit periodic status reports. Both sides have since confirmed through formal pleadings that they remain actively engaged in finalizing the settlement.

In mid-2024, the newly reconstituted **Bulacan Local Board of Assessment Appeals (LBAA)** resumed hearings for LBAA Case No. 20-01, concerning Holcim's appeal for a refund of over **P41.7 million** in real

property taxes paid under protest for the year 2020. After Holcim complied with procedural requirements by submitting original proof of payment for appeal fees, the LBAA directed the local government to file an answer. However, formal litigation was deferred as both parties manifested a strong interest in reaching a comprehensive settlement to resolve not only the 2020 case but also long-standing tax issues dating back to 2011.

Negotiations between Holcim and provincial officials, including the Provincial Treasurer and Assessor, centered on a three-part compromise. Holcim proposed to withdraw all pending appeals before the LBAA and CBAA and waive refund claims for the years 2011 to 2024. In exchange, the Province of Bulacan agreed to issue a **Tax Clearance Certificate (TCC)** for that entire period, officially cancel 38 duplicitous tax declarations, and apply a **3.33% annual depreciation allowance** on Holcim's machineries prospectively starting in 2025. By August 2024, the Provincial Assessor confirmed that the redundant tax declarations had already been cancelled.

During subsequent meetings in late 2024, the Provincial Treasurer worked on finalizing the TCC and a factual report for the Governor and the *Sangguniang Panlalawigan*. A critical point of discussion involved verifying that Holcim's actual payments—totaling approximately **₱368 million**—exceeded the liabilities previously determined in a 2020 LBAA decision. The Treasurer also began recomputing the future assessed values of Holcim's machineries to reflect the agreed-upon depreciation schedule, ensuring that the settlement would provide a clear financial roadmap for both parties moving forward.

By the final hearing of the year on November 25, 2024, the parties informed the LBAA that they were in the final stages of documentation. While the framework of the agreement was solid, the sheer volume of records spanning 14 years required additional administrative time to process. Consequently, the LBAA granted a further extension, scheduling the next status update for January 2025 to allow for the formal execution of the settlement agreement and the issuance of the revised tax declarations.

Throughout 2025, settlement proceedings between Holcim and the Province of Bulacan focused on the complex administrative task of finalizing tax clearances and implementing agreed-upon depreciation rate. By early 2025, the Provincial Assessor confirmed that tax declarations were updated to reflect the **3.33% annual depreciation allowance**, allowing Holcim the option to pay 2025 taxes in advance at a significant discount. However, the issuance of the formal Tax Clearance Certificate (TCC) faced repeated delays due to the Governor's holiday schedule, the intervening election season, and the Provincial Treasurer's intensive audit of records spanning over a decade.

A significant hurdle emerged regarding the reconciliation of **Assessment Real Property (ARP) numbers**. During hearings in April and May 2025, the Provincial Treasurer reported that references in Holcim's official receipts did not match the Assessment Division's master records for the years 2011 to 2014. To maintain momentum, the Treasurer proposed a phased approach: issuing an initial tax clearance for 2019–2020 to resolve **LBAA Case No. 20-01**, while continuing the tedious reconciliation of older records. Holcim, however, emphasized that the original settlement was contingent on a comprehensive clearance through 2024, prompting further coordination to include later years in the pending drafts.

By the latter half of 2025 and into early 2026, the parties reported to both the LBAA and the **CBAA** that a final settlement was imminent. The Provincial Treasurer completed drafts for two separate tax clearances—one for 2011–2018 and another for 2019–2020—while continuing to verify the remaining years. Despite the administrative delays caused by budget hearings and data discrepancies, the CBAA and LBAA remained supportive of the compromise, resetting hearings to **February 2026** to allow the Treasurer a final window to reconcile the remaining receipts and formally issue the clearances that will terminate all pending litigation.

3. HPI had an on-going tax audit for national taxes for the taxable year 2017. On June 8, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P6.6B, inclusive of penalties and interest. The Company filed its protest to PAN last June 23, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P48.5M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.

4. HPI had an on-going tax audit for national taxes for taxable year 2018. On June 2, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P18.4B, inclusive of penalties and interest. The Company filed its protest to PAN last June 17, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P57M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.

5. HPI was issued with a Letter of Authority by the BIR for taxable year 2019 covering all national taxes. As of December 31, 2025, the BIR has not made any determination of deficiency taxes. Thus, this case is considered prescribed, and the BIR is already barred from issuing tax assessments to HPI for this taxable year.

6. HPI had a tax audit covering all national taxes for the taxable year 2020. On September 10, 2024, BIR issued the NOD for alleged deficiency amounting to P10.3B, inclusive of penalties and interest. On December 4, 2024, BIR issued the PAN for alleged deficiency taxes amounting to P7.4B, inclusive of penalties and interest. On January 31, 2025, BIR issued the FAN for alleged deficiency taxes amounting to P7.0B, inclusive of penalties and interest. On August 6, 2025, BIR issued the Final Decision on Disputed Assessment (FDDA) for alleged deficiency taxes amounting to P120.1M, inclusive of penalties and interest. On August 6, 2025, HPI settled this amount and the case was closed and terminated with the BIR issuing the Termination Letter.

7. HPI had a tax audit for national taxes for the taxable year 2021. On November 20, 2024, BIR issued the NOD for alleged deficiency taxes amounting to P7.4B, inclusive of penalties and interest. On February 26, 2025, BIR issued the PAN for alleged deficiency taxes amounting to P5.4B, inclusive of penalties and interest. On May 19, 2025, BIR issued the FAN for alleged deficiency taxes amounting to P5.2B, inclusive of penalties and interest. The company submitted reply and protest letters together with supporting reconciliation and documentation. On February 25, 2026, BIR issued the Final Decision on Disputed Assessment (FDDA) for alleged deficiency taxes amounting to P90M, inclusive of penalties and interest.

On February 27, 2026, HPI settled this amount and the case was closed and terminated with the BIR issuing the Termination Letter.

8. _____

8. HPI has an on-going tax audit for 2022 national taxes. On February 10, 2026, BIR issued the NOD for alleged deficiency taxes amounting to P3.6B, inclusive of penalties and interest.

9. HPI has an on-going tax audit for 2023 national taxes. As of March 31, 2026, the BIR has not made any determination of any deficiency taxes.

10. HPI has an on-going case pertaining to an imposition of penalties for an alleged late payment of Value-Added Tax (VAT) for the third quarter of 2023. In January 2024, the BIR issued a Preliminary Notice on the alleged one-day late payment of the VAT due for the third quarter of 2023. For the alleged one-day late payment, the BIR imposed interest and surcharge amounting to P38M. On January 27, 2025, HPI filed an Application for Abatement with the BIR. On April 11, 2025, the BIR issued a Notice of Denial of Application for Abatement. On May 13, 2025, HPI filed a Petition for Review before the Court of Tax Appeals (CTA) and was docketed as CTA Case No. 11916. As of March 31, 2026, the case is still pending with the CTA.

(Subsidiaries)

1. ECLI has an on-going tax audit for 2017 national taxes. The Company received the Preliminary Assessment Notice (PAN) last February 5, 2021. The BIR issued a Warrant of Garnishment (WOG) last November 3, 2021 to Security Bank for P16.2M. ECLI applied for compromise and paid P5.4M last December 19, 2021. The Regional Evaluation Board approved the offer. As of December 2025, the application is still awaiting approval of the National Evaluation Board.

2. HPMC had a tax audit for capital gains tax for taxable year 2000. Last November 5, 2020, HPMC received a Final Decision on Disputed Claim for the alleged deficiency capital gains taxes for the amount of P 355.5M. On December 3, 2020, the Company filed its Petition for Review with the Court of Tax Appeals. The Pre-trial hearing was held last June 14, 2021 with succeeding hearings to file the Motions. A motion to set the case for Commissioner's hearing was granted by court last November 23, 2022 and was scheduled January 19, 2023. The independent Certified Public Accountant also presented her testimony last January 26, 2023. A memorandum was submitted to the CTA last March 4, 2024. On February 14, 2025, the CTA rendered a decision in favor of HPMC. As of March 31, 2026, the motion for entry of judgment is approved by the CTA.

3. On August 31, 2010, Holcim filed a Complaint for Interpleader against Iligan, Lugait, and Misor to compel them to litigate among themselves and determine who has taxing jurisdiction over Holcim's Lugait plant. On April 30, 2018, Holcim received the RTC's Decision dated January 22, 2018 dismissing said case. On May 15, 2018, Holcim filed its Motion for Reconsideration of the RTC's Decision. On July 24, 2019, Holcim received the court's Order dated January 9, 2019 denying its Motion for Reconsideration. On August 6, 2019, Holcim filed its Notice of Appeal dated July 30, 2019.

On December 21, 2020, Holcim received a notice from the Court of Appeals directing it to file its Appellant's Brief within forty-five (45) days from receipt of the notice. Consequently, Holcim's Appellant's Brief was filed on February 3, 2021.

On 21 December 2023, Holcim received the Court of Appeals' Resolution directing it to submit proof of payment of the Sheriff's Trust Fund Fee. On 22 December 2023, filed a Manifestation submitting proof of payment of the Sheriff's Trust Fund Fee.

On April 3, 2024, we received a copy of the Resolution of the Court of Appeals dated March 1, 2024, which noted the Compliance filed by Holcim and Iligan City and declared the appeal SUBMITTED for decision.

During the pendency of the proceedings before the Court of Appeals, Iligan City issued Warrants of Levy dated July 19, 2024 and a Notice of Auction Sale dated August 23, 2024, received by Holcim on July 26, 2024. Iligan City scheduled to sell Holcim's properties at a public auction to satisfy its Real Property Tax claims on September 11, 2024.

On September 2, 2024, Holcim filed an application for the issuance of a temporary restraining order ("TRO") and writ of preliminary injunction to restrain Iligan City from selling the properties at a public auction. Holcim also moved to hold the Iligan Treasurer in contempt.

In a Resolution dated September 5, 2024, the Court of Appeals directed the issuance of a TRO enjoining Iligan City from selling the properties subject to the posting of a P10 Million bond. On September 10, 2024, Holcim posted the bond and the Court of Appeals issued and served the Temporary Restraining Order on Iligan. The scheduled Auction Sale of HMPC on September 11, 2024 did not push through in light of the TRO issued.

The Court of Appeals' Resolution directed Iligan City to file a comment on Holcim's Application. On September 19, 2024, Holcim received Iligan's comment. Holcim filed its Reply to Iligan's comment on October 1. Also, on October 1 MisOr and Lugait jointly filed their Comment/Manifestation on Holcim's Application. On October 15, 2024, Holcim received Iligan's Rejoinder to Holcim's Reply.

Holcim and Iligan went into talks to settle the arrears of the disputed RPTs. CA denied application for WPI. Holcim filed Motion for Partial Reconsideration assailing the 24 January 2025 Decision stating that the Interpleader case was a boundary dispute. Compromise Agreement entered between Holcim and Iligan whereby Holcim shall pay Iligan in installments to prevent Levy.

Received on 12 December 2025, the Decision of Court of Appeals dated 25 Nov 2025 denied Holcim's Motion for Partial Reconsideration stating that this is a boundary dispute. Holcim to file Motion for Extension with Supreme Court to file appeal until January 26, 2026. On January 23, 2026, the Petition for Review on Certiorari was filed with the Supreme Court on the denial of Holcim's appeal alleging that the Regional Trial Court has jurisdiction to rule on the interpleader case as it is NOT a boundary dispute.

4. HPMC had a tax audit for 2017 national taxes. Last June 3, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P512.9M, inclusive of penalties and interest. The Company filed its protest to PAN last June 20, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P14.9M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. The termination letter has already been issued by the tax office officially closing this case.

5. HPMC had a tax audit for national taxes for the taxable year 2018. Last May 31, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P526.7M, inclusive of penalties and interest. The Company filed its protest to PAN last June 15, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P12.7M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.

6. HPMC has an on-going tax audit for national taxes for taxable year 2019. On May 17, 2023, the company received a Preliminary Assessment Notice (PAN). On July 3, 2023, the Company received a Formal Letter of Demand (FLD) for all national taxes for alleged deficiency taxes amounting to PhP 511M, inclusive of penalties and interests. On August 1, 2023, the Company filed its protest to the FLD. On March 18, 2025, HPMC received the FDDA amounting to P161.8M, inclusive of penalties and interest. On April 16, 2025, HPMC filed a Petition for Review before the Court of Tax Appeals docketed as CTA Case No. 11879. As of March 31, 2026, the hearing is ongoing.

7. HPMC has an on-going tax audit for national taxes for taxable year 2020. On May 8, 2024, BIR issued the Notice of Discrepancy (NOD) for all national taxes for alleged deficiency taxes amounting to P1.7B, inclusive of penalties and interest. On August 9, 2024, BIR issued Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency amounting to P1.8B, inclusive of penalties and interest. On January 22, 2025, BIR issued the Final Assessment Notice (FAN) for all national taxes for alleged deficiency amounting to P1.7B, inclusive of penalties and interest. As of March 31, 2026, the BIR has yet to issue a Final Decision on Disputed Assessment (FDDA).

8. HPMC has an ongoing tax audit for 2022 covering all national taxes. On November 17, 2025, the BIR issued the NOD for alleged deficiency taxes amounting to P1.04B, inclusive of interest and penalties. As of March 31, 2026, the BIR has yet to issue the Preliminary Assessment Notice (PAN).

9. HSSI has an on-going tax audit for national taxes for taxable year 2017. Last May 21, 2021, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P341.3M, inclusive of penalties and interest. The Company filed its protest to PAN last June 4, 2021. On July 15, 2021 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P348.2M, reflecting the same findings as the PAN, inclusive of penalties and with updated interest. The Company filed its request for reinvestigation last October 11, 2021. As of March 31, 2026, the BIR has yet to issue a Final Decision on Disputed Assessment (FDDA).

10. HSSI has an on-going tax audit for national taxes for taxable year 2018. Last September 30, 2022, the BIR has issued, via registered mail, a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P38.3M, inclusive of penalties and interest. On December 10, 2022 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P39.2M, reflecting the same findings as the PAN, inclusive of penalties and with updated interest. The Company filed its request for reinvestigation last January 9, 2023. HSSI received a Warrant of Garnishment dated September 6, 2023 thru Security Bank. On February 22, 2024, HSSI paid the offer for compromise amount for Income Tax and Value-Added Tax amounting to P4.6 million and P6.0 million, respectively. On August 1, 2024, HSSI paid the offer for compromise Expanded Withholding Tax and Withholding Tax on Compensation amounting to P407,321.91 and P154,013.24, respectively. As of March 31, 2026, the application for offer for compromise is still pending approval.

11. MGMC has an ongoing tax audit for national taxes for the taxable year 2022. On June 3, 2024, the BIR issued the NOD for alleged deficiency taxes amounting to P34million, inclusive of penalties and interest. On December 10, 2024, BIR issued the PAN for alleged deficiency amounting to P19million, inclusive of penalties and interest. On February 13, 2025, the BIR issued the FAN for all national taxes for alleged deficiency amounting to P10.8M, inclusive of penalties and interest. As of March 31, 2026, the BIR has yet to issue the Final Decision on Disputed Assessment (FDDA).

12. BPI has an ongoing tax audit for national taxes for the taxable year 2023. On March 31, 2026, BIR issued the NOD for alleged deficiency taxes amounting to P1.3M, inclusive of penalties and interest.

13. S&BC has an ongoing value-added tax audit covering the period January 1, 2025 to June 30, 2025. As of March 31, 2026, the BIR has not made any determination of any deficiency taxes.

ANNEX F

**MINUTES OF THE 2025 ANNUAL
MEETING OF THE STOCKHOLDERS**

MINUTES OF THE ANNUAL MEETING OF THE STOCKHOLDERS
OF
HOLCIM PHILIPPINES, INC.
Conducted via Remote Communication
May 15, 2025 at 5:00 p.m.

DIRECTORS PRESENT:

MARTIN KRIEGNER	Chairman
NICOLAS GEORGE	Director/President/ Chief Executive Officer
CLAUDIA IRIS ALBERTINI	Director
TAN THEN HWEE	Director
GERARDO C. ABLAZA, JR.	Independent Director

ALSO PRESENT:

RAJESH SURANA	Head of Finance, AMEA
ZOE VERNA SIBALA	Chief Financial Officer
BELINDA E. DUGAN	Corporate Secretary

Stockholders present in person or represented by proxy	6,315,710,074 shares, representing 97.89 % of the total issued and outstanding shares of the Company (Please see Record of Attendance here attached as Annex A)
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I. CALL TO ORDER

The Chairman, Mr. Martin Kriegner, called the meeting to order and presided over the same. He acknowledged the presence of the other members of the Board of Directors, Mr. Nicolas George, Ms. Claudia Iris Albertini, Ms. Tan Then Hwee, and Mr. Gerardo C. Ablaza, Jr.; the Head of Finance, AMEA, Mr. Rajesh Surana; the Chief Financial Officer, Ms. Zoe Verna Sibala; and the other members of the Company's Executive Committee.

II. PROOF OF NOTICE OF MEETING AND PRESENCE OF A QUORUM

Proof of notice was certified by the Corporate Secretary, Ms. Belinda E. Dugan. She further certified the following:

1. The Notice and Agenda of the meeting together with the Definitive Information Statement which also contains the "Requirements and Procedure for Registration, Participation and Voting in Absentia" were posted on the Company's official website www.holcim.ph/asm2025
2. The Notice and Agenda were published in The Manila Times on April 23 and April 24, 2025, and in the Business Mirror April 25 and April 26, 2025, both in print and online formats

3. There exists a quorum for the meeting being in person, by proxy or in absentia, stockholders owning **6,315,710,074** shares, representing **97.89%** of the total issued and outstanding shares of the Company.
4. The President and CEO of the meeting is holding proxies for **6,315,710,074** shares, representing **97.89%** of the total issued and outstanding shares of the Company.
5. The Corporate Secretary explained that the rules of conduct and voting procedures are set forth in the published Definitive Information Statement. She reminded the stockholders of the following:
 - Shareholders who registered and are entitled to vote may vote by proxy - by uploading the signed copy of the proxy form not later than May 9, 2025 via e-mail to hpilegalandcompliancephl@holcim.com or (ii) in absentia by filling in the online voting form available at the Company's website, www.holcim.ph/asm2025.
 - The tabulated votes represent stockholders owning **6,315,710,074** shares, representing **100%** of the total issued and outstanding shares represented in this meeting.
 - Everyone was encouraged to send their questions to hpilegalandcompliancephl@holcim.com; and shareholders who attended the meeting were requested to send their questions by sending an e-mail to HPI-Investor-Relations@holcim.com. However, due to time constraints, the Company was unable to read aloud and respond to each question during the meeting. Management committed to endeavor to reply to all questions via e-mail.

III. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

The Chairman proceeded to the first item in the Agenda which is the approval of the Annual Stockholders' Meeting and Special Stockholders' Meeting held via Remote Communication on May 15, 2024. The Chairman reminded the shareholders that copies of the minutes of meetings for approval were posted in the Company's website and annexed to the Company's Definitive Information Statement.

VOTING RESULTS

The Corporate Secretary reported that shareholders owning **6,315,710,074** shares or **100%** of the total number of shares represented in this meeting have voted in favor of the approval of the Minutes of the Annual Stockholders' Meeting held on May 15, 2024. Therefore, the minutes of the previous 2024 Annual Stockholders meeting was approved.

IV. APPROVAL OF THE OPERATIONS REPORT COMPRISED OF THE MESSAGE OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, THE ANNUAL REPORT AND THE AUDITED FINANCIAL STATEMENTS OF THE CORPORATION AS OF DECEMBER 31, 2024

The President and CEO, Mr. Nicolas George presented the business operations report comprising of the highlights of the Company's 2024 performance and the Company's outlook for 2025.

VOTING RESULTS

The Chairman informed the shareholders that copies of the Company's 2024 Audited Financial Statements may be viewed and downloaded from the Company's website.

Upon the request of the Chairman of the Meeting, the Corporate Secretary reported that shareholders owning **6,315,710,074** shares or **100%** of the total number of shares represented in this meeting have voted for the approval of Operations Report comprised of the Message of the Chief Executive Officer, the Annual Report and the Audited Financial Statements for the period ended December 31, 2024 are therefore approved.

V. ELECTION OF DIRECTORS

The Chairman asked the Corporate Secretary to advise the body of the nominations received. The Corporate Secretary then proceeded to read the names of the following persons who were nominated in accordance with the provisions of the By-Laws:

1. Martin Kriegner
2. Rajesh Surana
3. Nicolas George
4. Tan Then Hwee
5. Gerardo C. Ablaza, Jr. - Independent Director

The Corporate Secretary confirmed that the Corporate Governance Committee has duly ascertained that the five (5) nominees are qualified to serve as Directors of the Company and that all the nominees have given their consent to their respective nominations.

Upon the request of the Chairman, the Corporate Secretary certified that based on the preliminary tabulation of votes, each of the nominees have received at least 6,315,710,074 votes. Based on such certification, the Chairman of the Meeting declared all the nominees as duly elected members of the Board of Directors for the ensuing year.

VI. APPROVAL OF THE ACQUISITION OF ECOEDGE RESOURCES CORPORATION SHARES OF STOCK

The next item on the agenda was the approval of the acquisition of three hundred thousand (300,000) common shares of stock of Ecoedge Resources Corporation (Ecoedge) representing 40% of all shares of Lafarge Industrial Ecology International (LIEI) in Ecoedge, for the aggregate purchase price of One US Dollar (USD1).

VOTING RESULTS

The Corporate Secretary reported that shareholders owning **6,315,710,074** shares or **100%** of the total number of shares represented in this meeting have voted in favor of the approval of the acquisition of 300,000 common shares of stock of Ecoedge Resources Corporation is hereby approved.

VII. AUTHORIZATION OF THE CHANGE OF ADDRESS OF THE CORPORATION

The next item on the agenda was approval of the change of address of the Corporation in the Securities and Exchange Commission's eAmend Portal.

VOTING RESULTS

The Corporate Secretary reported that shareholders owning **6,315,710,074** shares or **100%** of the total number of shares represented in this meeting have voted in favor of the approval of the change of address of the Corporation in the SEC's eAmend Portal from Makati City to Taguig City is hereby approved.

VIII. RATIFICATION OF ALL ACTS, CONTRACTS, INVESTMENTS, AND RESOLUTIONS OF THE BOARD, COMMITTEES, AND MANAGEMENT SINCE THE LAST ANNUAL MEETING

The Chairman proceeded to the next item in the agenda which is the approval and ratification of all acts, contracts, investments and resolutions of the Board of Directors, Board Committees and Management.

The Corporate Secretary reported that shareholders 6,315,710,074 shares or 100% of the total number of shares represented in the meeting have voted for the approval and ratification of all the acts, contracts, investments, and resolutions of the Board of Directors, the Board Committees, and Management since the last annual stockholders' meeting.

Based on the votes received, the Chairman of the meeting declared the approval and ratification of all acts, contracts, investments and resolutions of the Board of Directors, the Board Committees and the Management since the last annual stockholders' meeting.

IX. APPOINTMENT OF EXTERNAL AUDITOR

The next item on the agenda was the appointment of the Company's external Auditor. It was explained that the Audit Committee recommends the appointment of SGV & Co. as the External Auditor of the Company for the year 2025.

On the voting results, the Corporate Secretary reported that shareholders owning **6,315,710,074** shares or 100% of the total number of shares represented in this meeting have voted in favor of the appointment of SGV & Co. as the Company's external auditor for the year 2025. Having received a sufficient number of votes, the auditing firm of SGV & Co. was appointed as the Company's external auditor of the year 2025.

X. ADJOURNMENT

Upon confirmation by the Corporate Secretary that there were no other items in the agenda for the consideration of the stockholders, the meeting was adjourned.

(Sgd)
BELINDA E. DUGAN
Corporate Secretary

ATTEST:

MARTIN KRIEGNER
Chairman

Annex A

Record of Attendance

Total number of shares outstanding **6,452,099,144**

Total number of shares present in person, by proxy, or in absentia **6,315,710,074**

Total number of shares represented **6,315,710,074** Attendance percentage **97.89%**

MANAGEMENT REPORT

HOLCIM PHILIPPINES, INC.

MANAGEMENT REPORT

I. CONSOLIDATED AUDITED FINANCIAL STATEMENTS

The consolidated audited financial statements for the year ended December 31, 2025 of Holcim Philippines, Inc. ("HPI" or the "Company") and its subsidiaries' (collectively, the "Company" or the "Group") is attached as Exhibit 14.1 of the Annual Report attached hereto as **Exhibit 1** and is incorporated herein by reference.

II. CHANGES AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There was no event in the past three years where SyCip Gorres Velayo & Co. ("SGV") and the Company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

The accounting policies adopted are consistent with those of the previous financial year.

III. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND PLAN OF OPERATION

HPI is on a turnaround transformation journey following a major revamp of its plants to get its operating efficiency back to Holcim Group standards and to recover volumes amidst a soft and very dynamic construction market. Significant plant investments and plant repair costs were incurred across all its operating sites in 2025 to fix the plants. At the same time, HPI's commercial strategy was revamped to recover volumes in key markets. The Company expects to continue its volume growth trend from 2025 into 2026 despite a flattish construction market. The Company is now on a positive EBITDA trend in the first quarter of 2026 and is on track with its turnaround plan.

Improved plant efficiencies arising from better plant performance, cost reduction initiatives from process improvements and procurement initiatives are expected to further contribute to positive results. Working capital requirements as well as maintenance capital expenditures will be financed by a combination of internally generated funds and short term working capital loan from financial institutions.

There is no plan to develop new building materials in the medium term as the Company focuses on growing its main business segments – cement, aggregates and dry mortar. There are no expected purchases or sale of plant and significant asset. The organization is appropriately sized and there is no plan to significantly change the current number of employees.

Review of CY 2025 Operations vs. CY 2024

The Philippine Gross Domestic Product (GDP) grew by 3.0% in the fourth quarter of 2025, 43% lower than the 5.3% growth recorded in the same quarter last year.

Revenue generated for the year was Php22 billion, higher compared to Php 21.9 billion reported in the same period last year mainly due to higher volumes sold in cement. Despite the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements, the Group's Operating EBIT margin decreased by 49.8 percentage points. The Company achieved total EBITDA of negative Php1.2 billion, 302.1% lower than the same period last year.

The Group managed to incur lower financial expenses related to its short-term loans during the year. Net loss before tax stood at Php4.2 billion giving earnings per share of (Php 0.60).

Key Performance Indicators (“KPI”)

The comparative financial KPI for the years ended December 31, 2025 and 2024 are as follows:

Financial KPI	Definition	For the Calendar Year ended December 31	
		2025	2024
<u>Profitability</u> Return on Assets (ROA)	Net Income	-10.0%	-2.9%
	Ave. Total Assets		
Return on Equity (ROE)	Net Income	-15.0%	-4.2%
	Ave. Total Equity		
Operating EBITDA Margin	Operating EBITDA	-5.6%	5.5%
	Net Sales		
<u>Liquidity</u> Gearing Ratio	Net Financial Debt	38%	-14.4%
	Total Equity		
EBITDA Net Interest Cover (times)	Operating EBITDA	-7.5	10.53
	Net Interest		

Profitability

Lower compared with prior year due to the increase in cost of sales.

Liquidity

The Company’s liquidity position remained strong evidenced by significant cash balance.

Significant Disclosures

Please refer to Exhibit 5 of Annual Report for the significant disclosures made by the Company during the year. Other than those mentioned in Exhibit 5, the Company is not aware of the following:

1. Unusual items that materially affect the Company's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period.
3. Issuances and repurchase of equity securities.

4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely decrease its liquidity in a material way. The Company does not anticipate having within the next 12 months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, it expects to meet all financial loan covenants for the next interim period.
7. Events that will trigger direct or contingent material financial obligations to the Company.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year.
9. Material commitments for capital expenditures.
10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations.
11. Significant elements of income or loss that did not arise from the Company's continuing operations.
12. Material events subsequent to end of the reporting period that have not been reflected in the consolidated financial statements.

Notes to Financial Statements

Accounting Policies and Principles

The consolidated financial statements of the Company, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023 have been prepared in compliance with Philippine Financial Reporting Standards applied on a consistent basis. The detailed accounting policies are disclosed in Note 2 – Summary of Significant Accounting Policies in the Consolidated Financial Statements.

Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and

profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

Financial Risk Management Objectives and Policies

General Risk Management Approach

The Company is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Company.

The Company does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Company is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Company's principal financial instruments, other than derivatives, consist of cash and cash equivalents and loans payable. The main purpose of these financial instruments is to raise funds for the Company's operations. The Company also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Company's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors (BOD) reviews and approves the policies for managing each of these risks and they are summarized below. The Company's accounting policies in relation to financial instruments are set out in Note 2 to the consolidated financial statements.

Market Risks

The Company is exposed to market risks, such as foreign currency, interest rate and equity price risks. To manage volatility relating to these exposures, the Company enters into derivative financial instruments, when necessary. The Company's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. All of the Company's revenues in 2023 and 2022 were denominated in the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Company may enter

into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of December 31, 2025, the Company had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Company is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Company's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions, as appropriate. As at December 31, 2025 and 2024, the Company had minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers.

The Company constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Company does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Company trades only with recognized, credit-worthy third parties. It is the Company's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts to minimal.

With respect to credit risk arising from the other financial assets of the Company, which consist of due from related parties, advances to employees, available for sale (AFS) financial assets, and guarantee and refundable deposits, the Company's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company's exposure to credit risks arising from outstanding financial assets is disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Company to shortage of funds during slack season and may result in payment defaults of financial commitments. The Company monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and in certain cases at the BOD level.

The Company maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the

strong credit worthiness of the Company allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2025 and 2024, the Company has unutilized credit facilities of PhP12.7 billion and PhP12.8 billion, respectively.

The Company's financial assets and liabilities as of December 31, 2025 and 2024 are disclosed in Note 29 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Capital Management Policy

The Company considers equity attributable to the equity holders of the Parent Company as its capital. The Company's objectives when managing capital are to secure the Company's ongoing financial needs to continue as a going concern as well as to cater to its growth targets to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of gearing ratio. Gearing is calculated as net financial debt divided by total equity in the parent company balance sheets as shown in the table below:

	2025	2024
Trade and other payables	₱8,913,912	₱8,613,785
Lease liabilities	1,338,264	1,499,751
Long-term derivative liabilities	–	365,044
Financial debt	10,252,176	10,478,400
Less cash and cash equivalents	1,198,803	4,077,142
Net financial asset	9,053,373	6,401,258
Total equity	24,023,904	27,214,123
Gearing ratio	38%	-14.4%

The Company's target is to maintain a gearing in the range of no more than 100 percent. Total equity decreased by 11.72% in 2025 as a result of the decrease in retained earnings coming from operations net of dividends declared.

Material Changes in Balance Sheet Accounts

Trade and other receivables - net

Higher due to movement of higher credit sales mix and increase in intercompany receivables.

Inventories

Decrease in inventory from better inventory management during the year despite higher raw materials.

Other current assets

Movement is mainly due to the unapplied Input VAT and creditable withholding tax, increase in prepayments, and advances to suppliers.

Property, plant and equipment

Decrease was mainly due to the impairment recognized representing the total cost of Mabini plant and specific terminals

Right-of-Use Assets

Movement is mainly due to the extension of the lease term of the lease from the associates.

Deferred tax assets - net

Movement is mainly related to the net loss position and recognition of net operating loss carry over.

Retirement benefit - net

Movement is mainly due to interest and contributions made by the company.

Intangible assets -net

Decrease was due to amortization and impairment recognized during the year.

Trade and other payables

Decrease is mainly due to contract liabilities, derivative liabilities and other payables.

Income tax payable

Increase is mainly due to provisions for tax assessments.

Lease liabilities

Movement was due to payments made to the lessors and contract modifications.

Deferred tax liabilities - net

Movement was mainly due to remeasurement gain on pension costs

Other reserves

Movement due to the derivative liabilities.

Material Changes in Income Statement Accounts

Revenue

Increase was mainly due to higher Cement volumes sold resulting from higher market demand as compared to prior years.

Cost of sales

Higher cost of sales was mainly due to the increase in raw, packaging and production materials, repairs and maintenance

Operating expenses (General and Administrative & Selling Expenses)

Movement was mainly due to the decrease in general and administrative expenses from lower personnel, taxes and licenses, and software application costs.

Other income (expense) - net

Increase was mainly due to the impairment loss and loss on write-off of assets, loss on sale of by-products and others.

Provision for income tax

Decrease was due to the higher loss incurred during the year and the impact of deferred tax asset reversals.

Review of CY 2024 Operations vs. CY 2023

The Philippine Gross Domestic Product (GDP) posted a growth of 5.2 percent in the fourth quarter of 2024, resulting in 5.6 percent full-year growth in 2024.

Revenue generated for the year is Php 21.9 billion, lower compared to Php 24.3 billion reported in the same period last year mainly due to soft demand amidst tight competition. Despite the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements, the Group's Operating EBIT margin decreased by 5.9 percentage points. The Company achieved total EBITDA of Php 1.2 billion, 56% lower than the same period last year. Net loss after tax stood at Php 1.0 billion giving earnings per share of (Php 0.16).

These losses are attributable to lower volumes sold and the decrease in average selling price. To address these causes, the Company implemented steps to lower the cost of production, improve operational efficiencies, use alternative raw materials, and shift to fuels with lower cost.

Key Performance Indicators

The comparative financial key performance indicators ("KPI") for the years ended December 31, 2024 and 2023 are as follows:

Financial KPI	Definition	For the Calendar Year ended December 31	
		2024	2023
<u>Profitability</u>			
Return on Assets (ROA)	Net Income	-2.9%	2.1%
	Ave. Total Assets		
Return on Equity (ROE)	Net Income	-4.2%	2.9%
	Ave. Total Equity		
Operating EBITDA Margin	Operating EBITDA	5.5%	11.4%
	Net Sales		
<u>Liquidity</u>			
Gearing Ratio	Net Financial Debt	-14.4%	-15.4%
	Total Equity		
EBITDA Net Interest Cover (times)	Operating EBITDA	10.53	17.56
	Net Interest		

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Profitability

Lower compared with prior year due to lower volumes sold and decrease in average selling price.

Liquidity

The Company's liquidity position remained strong evidenced by significant cash balance.

Significant Disclosures

Please refer to Item 15 of the Information statement for the significant disclosures made by the Company during the year. Other than those mentioned in Item 15 of the Information Statement, the Company is not aware of the following:

1. Unusual items that materially affect the Company's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period.
3. Issuances and repurchase of equity securities.
4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely decrease its liquidity in a material way. The Company does not anticipate having within the next 12 months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, it expects to meet all financial loan covenants for the next interim period.
7. Events that will trigger direct or contingent material financial obligations to the Company.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year.
9. Material commitments for capital expenditures.
10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations.
11. Significant elements of income or loss that did not arise from the Company's continuing operations.
12. Material events subsequent to end of the reporting period that have not been reflected in the consolidated financial statements.

Notes to Financial Statements

Accounting Policies and Principles

The consolidated financial statements of the Company, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023s and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024 have been prepared in compliance with Philippine Financial Reporting Standards applied on a consistent basis. The detailed accounting policies are disclosed in Note 2 – Summary of Significant Accounting Policies in the Consolidated Financial Statements.

Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

Financial Risk Management Objectives and Policies

General Risk Management Approach

The Company is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Company.

The Company does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Company is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Company's principal financial instruments, other than derivatives, consist of cash and cash equivalents and loans payable. The main purpose of these financial instruments is to raise funds for the Company's operations. The Company also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Company's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors (BOD) reviews and approves the policies for managing each of these risks and they are summarized below. The Company's accounting policies in relation to financial instruments are set out in Note 2 to the consolidated financial statements.

Market Risks

The Company is exposed to market risks, such as foreign currency, interest rate and equity price risks. To manage volatility relating to these exposures, the Company enters into derivative financial instruments, when necessary. The Company's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. All of the Company's revenues in 2024 and 2023 were denominated in the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence, thereof, the Company may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of December 31, 2024, the Company had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Company is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Company's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions, as appropriate. As at December 31, 2024 and 2023, the Company had minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers. The Company constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Company does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Company trades only with recognized, credit-worthy third parties. It is the Company's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts to minimal.

With respect to credit risk arising from the other financial assets of the Company, which consist of due from related parties, advances to employees, available for sale (AFS) financial assets, and guarantee and refundable deposits, the Company's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company's exposure to credit risks arising from outstanding financial assets is disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Company to shortage of funds during slack season and may result in payment defaults of financial commitments. The Company monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and in certain cases at the BOD level.

The Company maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Company allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2024 and 2023, the Company has unutilized credit facilities of PhP12.8 billion and PhP13.3 billion, respectively.

The Company's financial assets and liabilities as of December 31, 2024 and 2023 are disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Capital Management Policy

The Company considers equity attributable to the equity holders of the Parent Company as its capital. The Company's objectives when managing capital are to secure the Company's ongoing financial needs to continue as a going concern as well as to cater to its growth targets to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of gearing ratio. Gearing is calculated as net financial debt divided by total equity in the parent company balance sheets as shown in the table below:

	2024	2023
Loans payable – Group	₱ -	₱ 245,000
Customers' deposits	150,726	153,877
Financial debt	150,726	398,877
Less cash and cash equivalents	4,077,142	5,180,147
Net financial asset	(3,926,416)	(4,781,270)
Total equity	27,228,022	31,076,481
Gearing ratio	-14.4%	-15.4%

The Company's target is to maintain a gearing in the range of no more than 100 percent. Total equity decreased by 12.38% in 2024 as a result of decrease in retained earnings coming from income from operations net of dividends declared.

Material Changes in Balance Sheet Accounts

Trade and other receivables - net

Movement was mainly due to lower overall sales for the year with less credit sales and increase in bad debt provisions.

Long term financial receivable

Movement was mainly due to refinancing of outstanding trade receivables from Associate to long term loan receivable.

Short-term deposits

Movement was due to reclassification to 'Cash and cash equivalents' for 2024 as the maturity date is less than 90 days .

Inventories

Movement was mainly due to continued improvement in inventory management particularly solid fuels, as well as provisions recognized for the write-off of inventories in inactive sites.

Other current assets

Movement was mainly due to increase in prepaid insurance for property damages, and reclassification of income taxes paid to prepaid asset.

Right-of-Use Assets

Movement was from the normal depreciation and expiration of existing lease contracts for the year.

Intangible assets -net

Movement was due to capitalizations of software used in operations.

Trade and other payables

Movement was mainly due to the balance of dividends payable to the Parent entities for settlement in 2025.

Income tax payable

Movement was mainly attributable to reclassification of income taxes paid for the year to prepaid asset as YTD operations resulted to net loss.

Lease liabilities

Movement was due to the payments made to the lessors in 2024.

Deferred tax liabilities - net

Movement was mainly due to re-measurement gain on pension costs.

Other reserves

Movement due to the derivative liabilities.

Material Changes in Income Statement Accounts

Revenue

Movement was mainly due to lower cement volumes sold, and lower average selling price resulting from softer demand as compared to prior years.

Cost of sales

Movement was due to the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements.

Operating expenses (General and Administrative & Selling Expenses)

Movement was mainly due to increase in general and administrative expenses from higher personnel costs and outside services incurred for tax cases. This was slightly offset by lower selling and marketing expenses as advertising costs significantly decreased from prior year.

Other income (expense) - net

Movement was mainly due to the accumulated loss from the Associates, as well as provisions recognized for income tax assessment.

Provision for income tax

Movement was due to the effect of the deferred taxes.

Review of CY 2023 Operations vs. CY 2022

The Philippine GDP posted a growth of 5.6 percent in the fourth quarter of 2023, resulting in 5.6 percent full-year growth in 2023.

Revenue generated for the year was Php24.3 billion, lower compared to Php26.6 billion reported in the same period last year mainly due to lower volumes sold in cement. Despite the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements, the Group's Operating EBIT margin decrease by 2 percentage points. The Company achieved total EBITDA of Php2.8 billion, 26% lower than the same period last year.

The Group managed to incur lower financial expenses related to its short-term loans during the year. Net income after tax stood at Php910 million giving earnings per share of Php0.14.

Key Performance Indicators

The comparative financial KPIs for the years ended December 31, 2023 and 2022 are as follows:

Financial KPI	Definition	For the Calendar Year ended December 31	
		2023	2022
<u>Profitability</u>			
Return on Assets (ROA)	Net Income Ave. Total Assets	2.1%	2.3%
Return on Equity (ROE)	Net Income Ave. Total Equity	2.9%	3.1%
Operating EBITDA Margin	Operating EBITDA Net Sales	11.4%	14.1%
<u>Liquidity</u>			
Gearing Ratio	Net Financial Debt Total Equity	-15.4%	-15.2%

EBITDA Net Interest Cover (times)	Operating EBITDA	0	0
	Net Interest		

Profitability

Lower compared with prior year due to lower volumes sold.

Liquidity

The Company's liquidity position remained strong evidenced by significant cash balance.

Significant Disclosures

Please refer to the Company's Annual Report for 2023 for the significant disclosures made by the Company during the year. Other than those mentioned in the Annual Report, the Company is not aware of the following:

1. Unusual items that materially affect the Company's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period.
3. Issuances and repurchase of equity securities.
4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely decrease its liquidity in a material way. The Company does not anticipate having within the next 12 months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, it expects to meet all financial loan covenants for the next interim period.
7. Events that will trigger direct or contingent material financial obligations to the Company.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year.
9. Material commitments for capital expenditures.
10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations.
11. Significant elements of income or loss that did not arise from the Company's continuing operations.
12. Material events subsequent to end of the reporting period that have not been reflected in the consolidated financial statements.

Notes to Financial Statements

Accounting Policies and Principles

The consolidated financial statements of the Company, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023 have been prepared in compliance with Philippine Financial Reporting Standards applied on a consistent basis. The detailed accounting policies are disclosed in Note 2 – Summary of Significant Accounting Policies in the Consolidated Financial Statements.

Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

Financial Risk Management Objectives and Policies

General Risk Management Approach

The Company is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Company.

The Company does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Company is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Company's principal financial instruments, other than derivatives, consist of cash and cash equivalents and loans payable. The main purpose of these financial instruments is to raise funds for the Company's operations. The Company also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Company's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board reviews and approves the policies for managing each of these risks and they are summarized below. The Company's accounting policies in relation to financial instruments are set out in Note 2 to the consolidated financial statements.

Market Risks

The Company is exposed to market risks, such as foreign currency, interest rate and equity price risks. To manage volatility relating to these exposures, the Company enters into derivative financial instruments, when necessary. The Company's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. All of the Company's revenues in 2023 and 2022 were denominated in the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Company may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of December 31, 2023, the Company had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Company is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Company's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions, as appropriate. As at December 31, 2023 and 2022, the Company had minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers.

The Company constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Company does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Company trades only with recognized, credit-worthy third parties. It is the Company's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts to minimal.

With respect to credit risk arising from the other financial assets of the Company, which consist of due from related parties, advances to employees, available for sale (AFS) financial assets, and guarantee and refundable deposits, the Company's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company's exposure to credit risks arising from outstanding financial assets is disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Company to shortage of funds during slack season and may result in payment defaults of financial commitments. The Company monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and in certain cases at the BOD level.

The Company maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Company allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2023 and 2022, the Company has unutilized credit facilities of PhP13.3 billion and PhP12.9 billion, respectively.

The Company's financial assets and liabilities as of December 31, 2023 and 2022 are disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Capital Management Policy

The Company considers equity attributable to the equity holders of the Parent Company as its capital. The Company's objectives when managing capital are to secure the Company's ongoing financial needs to continue as a going concern as well as to cater to its growth targets to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of gearing ratio. Gearing is calculated as net financial debt divided by total equity in the parent company balance sheets as shown in the table below:

	2023	2022
Loans payable – Group	₱ 245,000	₱ 300,000
Customers' deposits	153,877	241,849
Financial debt	398,877	541,849
Less cash and cash equivalents	5,180,147	5,233,204
Net financial asset	(4,781,270)	(4,691,355)
Total equity	31,076,481	30,705,058
Gearing ratio	-15.4%	-15.3%

The Company's target is to maintain a gearing in the range of no more than 100 percent. Total equity grew by 1.75% in 2023 as a result of increase in retained earnings and also due to gain on re measurement on retirement benefits, no dividend declaration in 2023 and from income from operations.

Material Changes in Balance Sheet Accounts

Trade and other receivables - net

Higher due to movement of higher credit sales mix and increase in intercompany receivables.

Other current financial assets

Movement due to additional short-term deposits from a third party bank.

Inventories

Decrease in inventory from better inventory management during the year despite higher raw materials.

Other current assets

Movement is mainly due to derivative assets recognized last year and application of creditable withholding tax.

Right-of-Use Assets

Movement is mainly due to the extension of the lease term of the lease from the associates.

Intangible assets -net

Decrease was due to amortization recognized during the year.

Trade and other payables

Increase is mainly due to derivative liability and other payables .

Income tax payable

Decrease mainly attributable to application of creditable withholding taxes.

Lease liabilities

Increase due to the extension of the lease term of the lease from the associate.

Deferred tax liabilities - net

Movement was mainly due to re-measurement gain on pension costs.

Other reserves

Movement due to the derivative liabilities.

Non-controlling Interest

Increase was due to higher profit of subsidiary compared with last year.

Material Changes in Income Statement Accounts

Revenue

Decrease was mainly due to lower Cement volumes sold resulting from lower market demand as compared to prior years.

Cost of sales

Decrease due to the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements.

Operating expenses (General and Administrative & Selling Expenses)

Higher operating expenses were mainly due to higher marketing and selling expenses from branding activities and launching of new products. This was offset by lower administration expenses from cost reduction initiatives across all business segments

Other income (expense) - net

Increase was mainly due to the absence of one-off settlement cost of a legal case.

Provision for income tax

Decrease was due to the effect of the deferred tax expenses, particularly in re-measurement of pension.

External Audit Fees

The Company's financial statements for the years ended December 31, 2024 and 2025 were audited by SGV. The following table sets out the approximate aggregate fees for professional services rendered by the Company's external auditor:

	2025	2024
Audit Fee	7,556,600.00	7,313,216.00
Other Fees	0.00	0.00
TOTAL	7,556,600.00	7,313,216.00

Other Fees refer to out of pocket expenses by the auditors arising from the audit of the Company's financial statements.

Tax Fees & All Other Fees

The Company did not engage SGV for tax and other services (including other assurance and related services reasonably related to the performance of the audit or review of the Company's financial statements) in 2025 and 2024.

IV. BRIEF DESCRIPTION OF THE GENERAL NATURE AND SCOPE OF THE COMPANY'S BUSINESS AND ITS SUBSIDIARIES

Item 1. Business

HPI is one of the premier cement manufacturers in the Philippines and is a member of the Holcim Group (formerly LafargeHolcim), one of the world's leading suppliers of cement, aggregates, concrete and construction-related services. HPI is mainly engaged in the manufacture, sale and distribution of cement and cementitious products and the provision of technical support on various construction-related quality control, optimization, solutions development and skills upgrade.

The Company and its subsidiaries own four cement production facilities, one cement grinding mill, five ports, as well as multiple storage and distribution points across the country.

The consolidated operations of the four cement production facilities have fortified HPI's premier position in the Philippine cement industry with a total installed clinker production capacity of 5.2 million metric tons per year (MTPY) and cement production capacity of 10 million MTPY.

HPI was the first in the Philippine cement industry to receive ISO 9002 certification (Quality Management System Standards) from the International Organization for Standardization (ISO). Additionally, all four plants are ISO 14001 certified (Environment Management System Standards) and ISO 45001 (Occupational Health & Safety Management) certified.

"Holcim" is one of the top selling brands and quality leaders in the Philippines.

(1) History and Business Development

HPI was incorporated and registered with the Philippines Securities and Exchange Commission (SEC) on November 12, 1964 under the name Hi-Cement Corporation (HCC).

On February 8, 2000, the SEC approved the merger of HCC, Davao Union Cement Corporation, and Bacnotan Cement Corporation, with HCC as the surviving entity. Simultaneously, the SEC also approved the request for a change of corporate name from HCC to Union Cement Corporation (UCC).

On January 11, 2001, the SEC approved the merger of Atlas Cement Marketing Corporation, Davao Union Marketing Corporation and Bacnotan Marketing Corporation into UCC.

On July 17, 2002, the Board of Directors of UCC approved the acquisition of 88% of the issued and outstanding common shares of Alsons Cement Corporation (ACC) from Cemco Holdings, Inc. (Cemco). In consideration of such shares, new shares of UCC were issued to Cemco, at the exchange ratio of one (1) UCC share for every 3.7 ACC shares owned by Cemco, thus, making ACC a subsidiary of UCC.

Pursuant to the Securities Regulation Code (SRC) and its implementing rules and regulations, HPI undertook a tender offer in favor of the remaining 12% non-controlling shareholders of ACC to exchange their holdings in ACC for new shares of UCC at the same exchange ratio, with the option to accept cash at a price of Php0.28 per ACC share, in lieu of HPI shares. The foregoing transactions were approved by shareholders of UCC on September 4, 2002. The Company acquired additional ACC shares representing 0.02% equity interest in ACC after the end of the tender offer period.

On September 19, 2002, the Board of Directors of ACC approved a resolution for the delisting of the shares of stocks of the company from the Philippine Stock Exchange (PSE). The PSE approved the resolution for the delisting on December 15, 2002.

On August 17, 2004, the SEC approved ACC's reverse stock split, increasing the par value of ACC's shares to Php1, 000 per share from Php0.50 per share. As a result of additional purchases from the remaining non-controlling shareholders of ACC in 2004 and the effect of the reverse stock split, UCC equity interest in ACC increased from 98.74% to 99.6%.

On November 30, 2004, the SEC approved the request for change in corporate name from UCC to HPI. On January 19, 2005, the SEC also approved the change in corporate name of ACC to Holcim Philippines Manufacturing Corp. (HPMC).

On March 6, 2014, the SEC approved the increase in authorized capital stock of Helix Mining and Development Corporation (HMDC) (formerly Sulu Resources Development Corp., later renamed Holcim Aggregates Corporation) to make way for additional subscription by HPI and HPMC, in consideration of properties such as parcels of land, mining claims and foreshore leases. On March 18, 2016, the SEC approved the increase in authorized capital stock of HMDC to make way for subscription by the Holcim Philippines, Inc. Retirement Fund of sixty percent of the issued and outstanding capital stock of HMDC. Today, HMDC is an associate company of HPI, providing most of the Company's raw materials from the quarries of HMDC and its

subsidiaries in La Union, Bulacan, Lugait and Davao. HMDC and its subsidiaries also leases to the Company parcels of land and foreshore leases for the latter's operations.

On 29 June 2023, the Company received notice from Holderfin B.V. ("Holderfin") of its purchase from Sumitomo Osaka Cement Co., Ltd. ("Sumitomo") of 594,952,725 common shares and representing 9.22% of the Company's outstanding capital stock (the "Sumitomo Shares", and the transaction the "Acquisition"). The Acquisition has been undertaken through a regular block sale, and closed on 29 June 2023. Post-Acquisition, Holderfin's total shareholdings in the Company has increased from 18.11% to 29.21% of the Company's outstanding capital stock. The Acquisition resulted in the Company's public float decreasing to 3.2% of the Company's outstanding common shares. Accordingly, Holderfin undertook a tender offer for all outstanding common shares of the Company held by the public ("Tender Offer") with the aim of subsequently conducting a voluntary delisting of the Company's common shares from the Main Board of the PSE ("Voluntary Delisting"). The tender offers ran from July 10, 2023 to August 30, 2023 and from September 28, 2023 to October 31, 2023. On 27 November 2023, the PSE approved the delisting of the Corporation from the Main Board of the PSE.

As of December 31, 2025, HPI is 60.55% owned by Union Cement Holdings Corporation (UCHC), 30.99% owned by Holderfin B.V. (Holderfin), and 7.08% owned by Cemco while the remainder of its shares is owned by the public.

The Company's Subsidiaries

Holcim Philippines Manufacturing Corporation (HPMC)

HPMC was incorporated and registered with the SEC on February 7, 1968 under the name of Victory Cement Corporation.

HPMC has a 1.5 million MTPY line, which was successfully commissioned in 1998 and started commercial operation in January 1999. HPMC's terminal located in Calaca, Batangas, which had been idle for several years, was rehabilitated in 2010 and resumed operations in January 2011. Today, substantially all of HPMC's cement manufacturing assets are being leased by HPI.

HPMC's subsidiary, Calamba Aggregates Company, Inc. (CACI), was incorporated and registered with the SEC on October 15, 1992, that operated an aggregates plant in Laguna. CACI ceased operations effective December 31, 2013. The SEC already approved the shortening of CACI'S corporate term to July 31, 2025. Given the shortening of its corporate term, CACI is now in the process of winding up its corporate affairs

HPMC's wholly owned subsidiary, Bulkcem Philippines, Inc. (BPI), was incorporated and registered with the SEC on April 5, 1995. Today, BPI owns a bulk terminal located in Iloilo which was leased by HPI until December 31, 2025.

Alsons Construction Chemicals, Inc. (ALCHEM), another subsidiary, was incorporated and registered with the Philippine SEC on December 23, 1996. ALCHEM owned a cement and mineral admixture plant in Lugait, Misamis Oriental. The operation of ALCHEM was discontinued since July 1999. ALCHEM filed an affidavit of non-operation with the SEC and is now going through the process of dissolution.

Excel Concrete Logistics, Inc. (ECLI)

Excel Concrete Logistics, Inc. was incorporated and registered with the SEC on August 9, 2012. On January 1, 2013, ECLI started its full operation servicing the distribution, transport and placing of concrete, as well as transport of cement and specialty products. On November 29, 2018, the Board of Directors of HPI approved the closure and dissolution of ECLI. On January 28, 2020, the SEC approved ECLI's application for amendment of ECLI's Articles of Incorporation to shorten its corporate term up to January 31, 2021. ECLI is still in the process of winding up its corporate affairs.

Shop and Build Corporation (formerly Holcim Philippines Business Services Center, Inc.)

Holcim Philippines Business Services Center, Inc. (HPBSCI) was incorporated and registered with the SEC on February 4, 2014. HPBSCI was set up to engage in the business of providing business process outsourcing and other information technology-enabled services to the Holcim Group. On February 13, 2015, HPBSCI transferred and sold its intellectual property rights and leasehold improvements to Holcim East Asia Business Service Centre B.V. – Philippine ROHQ.

On April 1, 2021, the Board of Directors and Stockholders of HPBSCI approved the proposal to amend its Articles of Incorporation to change HPBSCI's corporate name to Shop and Build Corporation and to amend its primary purpose. The Securities and Exchange Commission approved BSC's application to amend its Articles of Incorporation. Shop and Build Corporation will engage in the business of online selling (wholesale or retail), distributing, marketing and trading of cement and other construction materials.

HuBB Stores and Services Inc. (HSSI)

HuBB Stores and Services Inc. was incorporated and registered with the SEC on June 2, 2014. HSSI was set up to engage in the business of buying, selling and distributing construction and building materials, and to operate, maintain and franchise stores for the sale and distribution of said materials. HSSI ceased its business operations in August 2020. The Board of Directors and the stockholders of the Company approved the dissolution of HSSI on November 19, 2020 and January 15, 2021, respectively. The SEC already approved the shortening of HSSI's corporate term to July 31, 2025. Given the shortening of its corporate term, HSSI is now in the process of winding up its corporate affairs

Mabini Grinding Mill Corporation (MGMC)

Mabini Grinding Mill Corporation was incorporated and registered with the SEC on September 29, 1999. In August 2013, the rehabilitation of MGMC's grinding station in Mabini, Batangas was completed. HPI is leasing the said grinding station.

Bankruptcy Proceedings

The Company is not a party to any bankruptcy, receivership or similar proceedings.

Material Reclassification, Merger, Consolidation

On November 19, 2020, the Board of Directors of Holcim Philippines, Inc. approved the upstream merger of Holcim Philippines Manufacturing Corporation, Mabini Grinding Mill Corporation and Bulkem Philippines, Inc. into Holcim Philippines, Inc. The stockholders likewise approved the upstream merger in a special meeting held on 15 January 2021. The presentation of the Plan of Merger to the Board and the stockholders of the constituent companies has been deferred.

(2) General Business Description

HPI is engaged in the manufacture, sale and distribution of cement, dry mix mortar products, and aggregates. It also offers construction-related trainings, consultancies, testing and other technical services to its customers. With the Company's production facilities, ports, storage & distribution terminals, sales offices and channel partners, HPI has an extensive sales and distribution footprint due to its strategically located plants and terminals in the Philippines.

The Company has a deep portfolio of innovative solutions fostered by a wide range of building products and solutions. Its portfolio of cement, aggregates, finishing and concrete solutions can help local builders execute a wide range of projects with high performance and efficiency, from

massive infrastructures to simple home repairs. The Company's product quality and operational capability are geared toward meeting the customers' building needs.

(a) *Product Lines*

HPI manufactures six (6) main cement product brands namely: Holcim 4X (Type 1 high performance Portland cement), Holcim Premium (Type 1 Portland cement), Holcim Solido (Type IP Blended cement), Holcim Excel EcoPlanet (Type IT-MH), Holcim WallRight (Type S Masonry cement), Holcim Wallright Prime (Type M Masonry cement).

Its products are sold mostly in bags except for Holcim Premium (in bulk) and Holcim 4X (bulk). Other packaging formats include tonner, jumbo bags and bulk. HPI also sells to cement producers a semi-finished product called clinker, which is sold only in bulk.

The company also has in its portfolio aggregates and dry mix mortar products. Dry Mix mortar products are Holcim Tector Ceram Tile Adhesive, Holcim TectorPlast Skim Coat, Holcim Tector Admix, TectorPlast AAC Block Adhesive and Holcim MultiFix Masonry Cement.

All HPI products meet the Philippine National Standards (PNS) and the American Society for Testing and Materials (ASTM) product quality standards.

The Business also has SF Crete as a one-day concrete solution for road application in line with the Conditional Approval awarded by DPWH for this technology.

Below is a brief description of HPI's various products:

Holcim 4X

Holcim 4X is an ASTM C150 high performance Portland cement. It is specially formulated for ready mix concrete production and pre cast concrete applications. . It has high compressive strength, high workability and is compatible with commonly available admixtures. Supplied in bulk, Holcim 4X is mainly used for high-rise buildings and vertical structures that require high-strength cement. It is ideal for construction that requires optimized concrete mix designs and fast construction cycles. With the high 28-day compressive strength of Holcim 4X, lower cement factor is needed resulting in lower construction costs. Longer setting time results to better slump retention and pumpability of concrete.

Holcim Premium

Holcim Premium is an ASTM Type I Portland Cement. It is used for general concrete construction. To make Portland cement, powdered limestone, silica and iron-rich materials are homogenized and burnt at 1500°C. The resulting material is called clinker. Portland cement is produced by grinding clinker with a small amount of gypsum, a set retarder. When Portland cement is mixed with water and aggregates to make concrete, the mixture is initially flowable and easy to place, mold and finish. Eventually, the concrete sets, hardens and produces a strong and durable construction material.

Holcim Solido

Holcim Solido is a premium quality ASTM Type IP Cement which is Portland cement combined with advanced mineral additives. It is sold in bulk, tonner bags and 40-kg bags and used for roads and general concrete applications. Advance mineral additives are inter-ground with higher composition of Portland cement clinker to improve durability of concrete.

Holcim Excel Ecoplanet

Holcim Excel Ecoplanet is compliant to the performance requirements of ASTM C595 and PNS 63, under the Type IT-MH classification. It is sold mainly in 40-kg bags and used for general concrete construction. This environment friendly blended cement offers enhanced performance advantages in workability, durability, reliable strength for better construction outcome and eco-friendly with a proven 30% less CO₂ emission during production versus OPC. It is used for general concrete construction, low-rise commercial and residential buildings.

Holcim WallRight

Holcim WallRight Cement is an ASTM C91 Type S Masonry Cement designed for block laying, plastering and finishing use mainly available in Mindanao region. It is made by inter-grinding mineral additives and an air-entraining additive with Portland cement clinker during the finish milling operation. The resulting cement will produce smoother, more cohesive and more cost-effective mortars and plasters which are preferred by masons.

Holcim Wallright Prime

A Type M Masonry Cement conforming to ASTM C 91 standard. Holcim WallRight Prime is the ideal eco-friendly cement for masonry applications such as Hollow Block laying, filling, wall plastering and light concreting applications. Manufactured with at least 30% reduced CO₂ emission and offered in North Luzon region. It is enhanced to provide higher compressive strength to concrete while continuing to deliver superior performance for masonry applications such as better wall adhesion and workability, high water retention to prevent cracks, and smoother finish.

SF Crete Technology

SF Crete is a total solution offering for one-day concrete pavement. This solution is a package of materials i.e., cement, aggregates and admixtures and technical support to meet one-day concrete design.

Aggregates

Aggregates are granular materials of mineral compositions used for various construction applications. It is used with a binding medium to form concrete, bituminous concrete, precast concrete, mortar, plaster and other concrete and asphalt applications. It can be used alone for road bases, structural beddings, railroad ballast, filter beds, backfills, etc. The grading and quality conforms to the ASTM C33 Standard Specifications for coarse and fine aggregates.

Holcim Tector Ceram Tile Adhesive

Holcim Tile Adhesive is a premium cement-based adhesive for tiles specially formulated for thin-bed vertical and horizontal application. Its unique formulation combined with Holcim cement provides for a faster, stronger adhesion, with excellent non-slip properties.

Holcim Tector Plast Skim Coat

A high performance, polymer modified mortar especially formulated for thin plastering applications from 3mm to 5mm in thickness. It is used to achieve optimal surface smoothness by covering pin holes and correcting surface imperfections and unevenness of interior and exterior concrete walls and ceilings. Available in white and gray.

Holcim Tector Plast Multifix

Holcim Tector Multifix is a high performance polymer modified mortar formulated for internal and external wall plastering, floor screed and tile installation by thick bed method. It is the best substitute for traditional mortar.

Holcim Tector Admix

Holcim Tector Admix is a tile adhesive additive for non-concrete surfaces.

TectorPlast AAC Block Adhesive

A specially formulated thin jointing adhesive made from cement, well graded fillers and specialized polymer for laying all types of AAC blocks, bricks and various types of cement blocks in the market. The adhesive is designed to provide stronger, durable bonding between the blocks with optimum adhesive strength. It replaces the 10-15 mm thickness of traditional mortar to just 2- 3mm.

The following table shows the breakdown of sales revenues by product line of the Company for the periods indicated.

Table 1 – Revenue by Product Line

<i>(In Thousand Pesos)</i>	Calendar Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Cement and cementitious materials	20,174,352	₱ 20,103,802	₱ 22,343,977
Others	1,854,333	1,804,295	1,961,508
Total	22,028,685	₱ 21,908,097	₱ 24,305,485

Contribution of Export Sales

The amounts and percentages of revenue attributable to export sales, including breakdown per region, for the calendar years ended December 31, 2025, 2024 and 2023 are as follows:

Table 2 – Export Revenue

<i>(In Thousand Pesos)</i>	Calendar Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Total Export Revenues	NIL	NIL	NIL
% to Total Revenues	NIL	NIL	NIL

(b) Marketing and Distribution

The Company's major domestic customers are traders, wholesalers, retailers, contractors serving private and public projects, real-estate developers and concrete producers. Notably, HPI has supplied a number of big commercial and government flagship projects in the entire country.

(c) *New Product*

Holcim TectorCeram 360 Premium Grout

Holcim TectorCeram 360 Premium Grout is a polymer-based joint filler designed for interior and exterior wall and floor grouting of ceramic tiles and mosaics.

(d) *Competition*

The local cement industry is composed of nine (9) integrated cement manufacturers namely, Holcim, Republic Cement, Concreat Holdings (formerly Cemex), Taiheiyo, Northern Cement, Eagle Cement, Goodfound, Mabuhay Filcement and Century Peak.

Meanwhile, there are six (6) grinding stations locally. Three (3) of which are owned and operated by cement manufacturers, namely, Limay Grinding, Danao Grinding and Southern Concrete. Two (2) of which are operated by a cement importer, namely, Bigboss Cement and Philcement Mindanao (previously Petra Cement), while the last one (1) is a new entrant, Abbah King Cement.

Independent cement traders continue to import in bulk, tonner or 40-kg bags primarily from Vietnam to be sold and distributed in key markets across the country. Big cement traders have invested in cement terminals with bagging and warehousing facilities in key trading ports to ensure availability of both bulk and bagged cement.

Among the local domestic manufacturers, Holcim has the widest market coverage and range of building products and solutions serving customers across the country. In Luzon, it has two (2) integrated cement plants, one (1) cement grinding plant and one (1) dry mix plant, and two (2) integrated cement plants in Mindanao. Holcim has a network of warehouses strategically located in different geographic markets to support the company's distribution system.

The Department of Trade and Industry has concluded the review of the Anti-Dumping Duty on cement exporters of Ordinary Portland Cement (Type 1) and blended cement (Type 1P) from Vietnam and has decided to maintain the duty for the remainder of the period. In addition, the Safeguards Duty of Php 349 per metric ton has been imposed on all cement importations from Vietnam for a period of three (3) years.

(e) *Sources and Availability of Raw Materials and Supplies*

Raw Materials

The Company sources most of its raw materials (limestone, pozzolan, shale) from its associate company, Helix Mining Development Corporation ("HMDC") and its subsidiaries ("HMDC Group") which hold Mineral Production Sharing Agreements for its quarries in various areas including La Union, Bulacan, Davao and Lugait, Misamis Oriental. HPI also sources raw materials from third party suppliers and/or nearby sources for silica, fly ash, pozzolana and limestone.

Granulated Blast Furnace and Synthetic Gypsum requirements are covered with an annual supply contract with Holcim Trading. Natural Gypsum are imported materials via spot purchase.

Energy Supply

Being an energy-intensive process, cement production requires a reliable and competitively priced power supply for uninterrupted and cost-effective production.

The Bulacan plant's peak demand is currently at 35 megawatts ("MW") while La Union plant's peak demand is currently at 15 MW. On August 12, 2011, a 15-year Energy

Services Agreement (ESA) was signed with Trans-Asia Oil and Energy Development Corp. (TA Oil), now ACEN Corporation for the supply of both Bulacan Line 2 and La Union plants starting in 2014. On September 21, 2020, an amended and restated Energy Services Agreement was signed effective June 26, 2020 and valid until December 25, 2030.

The Davao plant's total power requirement is 22 MW. Effective September 26, 2013, Davao plant became a captive customer of Davao Light and Power Company (DLPC), the Distribution Utility (DU) which holds the franchise for power distribution in the area pursuant to Energy Regulatory Commission Resolution No. 27, Series of 2010.

The Lugait plant's total power requirement is 33 MW for both lines or 27 MW with Line 2 only. After the expiration of the Power Supply Agreement with NPC on December 25, 2012, Misamis I Oriental Electric Cooperative (Moresco I) took over as the power supplier of Lugait plant pursuant to Energy Regulatory Commission Resolution No. 27, Series of 2010. Currently, only Line 2 is operating.

With the Retail Competition and Open Access (RCOA) rollout in Mindanao last 26th March 2024, Holcim signed an electricity supply agreement with Green Core Geothermal Inc (GCGI) and Alsons Power Supply Corporation (APSC) commencing 26th July 2024 to avail of competitive and sustainable power from the grid.

Mabini Grinding plant which is a 6MW capacity establishment has qualified as a "Contestable Customer (CC)" when the Retail Competition and Open Access (RCOA) was implemented last June 26, 2013. As a result, a 10-year Power Supply Agreement with TA Oil now ACEN Corporation was signed and took effect on June 26, 2014 in lieu of an agreement with distribution utility Department of Energy (DOE) Batangas Electric Cooperative, Inc. (BATELEC II). On September 21, 2020, an amended and restated Energy Services Agreement was signed effective June 26, 2020 and valid until December 25, 2030.

Coal and Fuel Supply

HPI uses coal for heating the Company's kilns in La Union, Bulacan, Davao and Lugait.

HPI's imported coal requirements are covered with annual supply contracts. Spot purchases remain an option for a healthy balance of supply reliability, market competitive prices and opportunity for substitute fuels.

HPI has an existing supply contract with Petron and SL Harbour for its Diesel and Bunker fuel needs. Contracts started from January 2023 and were valid until April 2026 (for SL Harbour) and March 2026 (for Petron).

The Company has not experienced any disruption in its solid and liquid fuel supply.

(f) Dependence on a Single or a Few Customers

The Company employs a multi-level distribution strategy in serving the market. This covers wholesaler and retailer intermediaries, traders, ready mix companies, concrete products manufacturers, international and local contractors, real-estate developers, and end-users. At the same time, HPI supports numerous large- and medium-scale government infrastructure projects.

The aim is for the business not to be dependent on a single or a few customers but rather achieve a well-balanced customer portfolio.

(g) Related Party Transactions

Please see Note 27 – Related Party Transactions to the Consolidated Financial Statements for details.

(h) *Trademarks, Licenses, Concessions, Labor Contracts*

In 2017, applications for transfer of MPSA to HMDC and/or its subsidiary, Holcim Resources Development Corporation (“HRDC”) were approved by the Department of Environment and Natural Resources (“DENR”).

On labor contracts, please see the discussion on employees under Item I.

In 2021, the Philippine Intellectual Property Office issued a Certificate of Registration to HSSI for the Pinoy Builders Trademark which is valid until November 18, 2031.

(i) *Governmental Approval of Principal Products*

The DTI Bureau of Product Standards granted HPI the license to use the Philippine Standard Quality Certification Mark for its principal products. All other necessary licenses and permits required for the continuous production and sale of HPI products have been secured by the Company, including new licenses as well as those that have to be renewed periodically.

(j) *Research and Development*

The Company is engaged in research and development for improving the production process used in its plants and for improving the quality and strength of its products. The Company spent a total of 35.7 million in research and development costs in last three years as follows:

Table 3 – Research and Development Costs

Period Covered	Amount ('000 Pesos)	Percentage to Revenues
CY ended December 31, 2025	22,228	0.03%
CY ended December 31, 2024	20,029	0.10%
CY ended December 31, 2023	9,607	0.04%
Total	51,844	

(k) *Costs and Effects of Compliance with Environmental Laws*

Holcim Philippines, Inc. (HPI) operates in strict alignment with sustainable development principles, prioritizing continuous improvement in environmental performance to ensure compliance with local and international regulations. The Company is ISO 14001 certified and implements robust environmental management systems to mitigate risks effectively. To ensure compliance with air emission standards, HPI’s plants maintain advanced dust mitigation technologies and are equipped with Continuous Emission Monitoring Systems (CEMS). These systems provide real-time monitoring of gaseous emissions, including nitrogen oxides (NOx), sulfur dioxide (SO₂), carbon monoxide (CO), and volatile organic compounds (VOCs).

The Company optimizes resource use by reusing, recovering, and recycling waste materials in production processes where feasible. This approach minimizes hazardous and non-hazardous waste generation. Through Geocycle, HPI leverages co-processing technology to substitute traditional fossil fuels with alternative fuels and raw materials, facilitating verified plastic footprint recovery and supporting national EPR targets.

Annual environmental improvement plans drive enhanced performance across emissions, water, energy, and waste management. Regular performance validation, including quarterly multi-stakeholder monitoring and government audits, confirms HPI's adherence to standards. HPI proactively engages with stakeholders, legislators, and

regulators to fulfill its environmental obligations and advance its digitalization and innovation-led energy efficiency goals.

(l) *Employees*

As of December 31, 2025, HPI and subsidiaries had a total of 976 officers and regular employees broken down as follows:

Table 4 – Officers and Employees

Location	HPI	Subsidiaries	Total
Head Office*	203	0	203
Bulacan Plant	225	0	225
La Union Plant	158	0	158
Davao Plant	190	0	190
Lugait Plant	134	60	194
Calumpit	1	0	1
Calaca	5	0	5
TOTAL	916	60	976

* Includes Mabini plant

Out of the 976 employees of the Company, 382 are rank-and-file employees, 421 are supervisory employees, 169 are managerial employees and 4 are contractual or project-based employees. In the next 12 months, the Company anticipates to have a total of 1018 employees, out of which 394 are rank-and-file employees, 447 are supervisory employees, 173 are managerial employees and 4 are contractual or project-based employees.

There is a 2.8% decrease in manpower from the same period last year. Attrition rate recorded for 2025 is 8%, lower by 10% from previous year. HPI attrition is also higher than the 17.5% Manufacturing Industry average rate reported by AON in their 2025 Salary Increase & Turnover Study (October 8, 2025).

In 2025, a total of 188 employees experienced new jobs through temporary assignments, lateral transfers, promotions, and development assignments. 66 employees have been identified as successors to 37 critical roles.

We successfully conducted succession planning discussions and established a quarterly review cycle to monitor the progress of our talent pipeline. To accelerate readiness, we identified specific development actions for successors in critical roles, including their enrollment in Holcim Group-sponsored technical and leadership programs.

In October, Holcim Group Engagement Survey was conducted and HPI scored 3.99 out of 5 which is lower by .02 points from the previous survey. Results were discussed per group and managers are developing action plans to improve low scores and maintain high scores.

Supervisory and rank-and-file employees in the four integrated cement plants are members of their respective labor unions, with existing Collective Bargaining Agreements (CBA) with the Company.

Table 6 – Labor Unions

Location of the Plant/Site	Labor Union	CBA Expiry Date
Bacnotan, La Union	La Union Cement Workers Union	March 31, 2027
		March 31, 2029

Location of the Plant/Site	Labor Union	CBA Expiry Date
	Holcim La Union Supervisory Employees Union	
Norzagaray, Bulacan	Holcim Philippines Employees Association (HPEA)	December 31, 2025 <i>(Ongoing negotiation)</i>
	UCC Bulacan Supervisory Employees Union (UBSEU)	February 28, 2029
Lugait, Misamis Oriental	Holcim Lugait Employees Labor Union	July 31, 2026
	Holcim Lugait Supervisors Independent Union	March 31, 2029
Davao City	Davao Holcim Employees Workers Union	March 31, 2030
	Holcim Davao Supervisory Independent Union	March 31, 2030

HPI implemented a lockout at the Lugait Plant in January 2025 following a collective bargaining agreement (CBA) deadlock in 2024 and the parties' failure to reach an agreement despite several mediation conferences with DOLE-NCMB. Subsequent discussions between HPI and the two (2) Lugait Plant Unions ultimately concluded in January 2025.

On the other hand, the two (2) unions at the Davao Plant—Associates and Supervisory—successfully concluded their respective CBAs within one day.

(m) Risk Factors

Political and Economic Factors

The Company and its subsidiaries are primarily engaged in the manufacture of cement in the Philippines. Cement is one of the basic materials for building works with its sales highly dependent on the demand for construction activities, the aggregate growth of the economy as well as political conditions in the country.

One of the principal factors that may materially affect financial performance is the level of construction activity in the public and private sectors. Public sector construction activity has always been a significant part of cement demand. However, government spending on construction-related activities (e.g. infrastructure and housing) is dependent on various factors mainly budgetary constraints and political considerations that could impact the government's ability to execute its planned projects.

On the other hand, private sector spending is primarily driven by investors' confidence in the country, which in turn, is dependent on the country's economic and political conditions.

Any perceived political instability or lower-than-expected economic growth could have an adverse effect on the Company's financial performance.

Availability of Stable Power Supply

The contract with AC Energy Philippines, Inc. (ACEPI) which is valid until December 25, 2030 provides stable and guaranteed power supply for La Union Plant, Bulacan Plant,

and Mabini Grinding Plant. The contract also provides for the availability of island mode backup power for both La Union and Bulacan plants during grid failures.

Lugait and Davao Plants, both situated in Mindanao, are now benefiting from electricity surplus brought about by the new coal power plants which started commercial operations from 2016 onwards. It is projected that the additional capacities from new coal power plants will provide Mindanao with surplus power supply in the medium-term.

Mindanao WESM was launched last January 26, 2023. On March 26, 2024, the Retail Competition and Open Access (RCOA) was launched allowing HPI to choose its power generation source. Lugait and Davao Plant shifted sourcing its power supply from GCGI and APSC starting 26th July 2024.

On October 26, 2023, a Power Purchase Agreement was signed with Balapi Energy Corp for the construction and operations of on-site solar installations and to deliver 7.8 GWh of solar energy to La Union and Bulacan plants annually starting 2025.

On October 30, 2024, a Power Purchase Agreement was signed with Berde Rooftop Inc for the construction and operations of on-site solar installations and to deliver 3 GWh of solar energy to Lugait plant annually starting 2026.

On January 30, 2025, a Power Purchase Agreement was signed with Berde Rooftop Inc for the construction and operations of on-site solar installations and to deliver 17.3 GWh of solar energy to Davao plant annually starting 2026.

The company is exploring other measures to manage power costs and achieve decarbonization targets.

Dependence on Key Facilities

Substantially all of HPI's income has been, and will be derived from the sale of products manufactured at its production facilities in Luzon and Mindanao. Any prolonged breakdown of, or significant damage to, the Company's production facilities could have an adverse effect on the results of its operations. HPI maintains comprehensive property and casualty insurance policies covering its production facilities and key assets under an Industrial All-Risk policy. However, there can be no assurance that the proceeds from HPI's insurance claims would be sufficient to compensate the Company for all the effects of possible loss and/or damage. Notwithstanding that, the Company has appropriate processes and measures in place to further mitigate the risk of any possible loss or damage.

Impact of the Exchange Rate Fluctuations

Based on the 2025 Bangko Sentral ng Pilipinas Annual Exchange Rate Report, the Philippine Peso depreciated from PhP 57.98 against the US Dollar as of December 31, 2024 to PhP 58.81 as of December 31, 2025. The Peso has undergone fluctuations during the year with an average rate of PhP 57.51 for 2025 and PhP 57.29 for 2024. The weakening of the Peso resulted in the increase of cost of production inputs such as imported fuel, coal and supplies. Please note that during the year end Philippine Peso depreciated as compared to USD, however if we compare the average rate it weakened for 2025 as compared to 2024.

Environmental and Regulatory Matters

Cement manufacturing involves significant resource and energy usage, including raw materials such as limestone, fossil fuels (coal and bunker fuel), electric power, and water. To address associated environmental risks and impacts, Holcim Philippines, Inc. (HPI) employs an effective Integrated Management System to ensure compliance with regulatory requirements and maintain sustainable operations. HPI is accelerating its efforts to decarbonize building across the lifecycle, aiming for a net-zero future aligned

with the Holcim Group's goals and climate targets validated by the Science Based Targets initiative (SBTi).

HPI strictly adheres to the following primary laws and their corresponding Implementing Rules and Regulations (IRR):

The Philippine Environmental Impact Statement System (PD 1586). HPI documents compliance with Environmental Compliance Certificates (ECC) by submitting Self-Monitoring Reports (SMR), Compliance Monitoring Reports (CMR), and Compliance Monitoring and Verification Reports (CMVR) to the Department of Environment and Natural Resources (DENR). Regular performance validation is conducted through quarterly multi-partite monitoring teams (MMT) and government audits.

Clean Air Act (RA 8749). HPI strives to reduce dust emissions below the prescribed 150 mg/Nm³ level. The Company utilizes modern dust control systems, including electrostatic precipitators, baghouses, multi-cyclones, and bag filters. Continuous Emission Monitoring Systems (CEMS) are installed in all four integrated plants for real-time monitoring and daily reporting of particulate and gaseous emissions to regulatory bodies. Based on regular audits conducted by external stakeholders and internal management, HPI believes it remains in full compliance with these provisions.

Clean Water Act (RA 9275). HPI manages stormwater runoff and seasonal process water discharge using dedicated pollution control facilities, such as siltation ponds and wastewater treatment facilities for domestic discharge. Compliance is verified through external audits and assessments of the Group's existing facilities, ensuring adherence to the standards established since the Act's passage in 2004.

Ecological Solid Waste Management Act (RA 9003). HPI follows the waste management hierarchy, prioritizing waste avoidance, reduction, re-processing, and recycling. Through Geocycle, the Company handles and manages qualified wastes, including hazardous materials, ensuring they are integrated into the production process responsibly. All four cement integrated plants continue to be recognized by relevant national government agencies for their environmental programs.

Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA 6969). The Company's cement plants are duly registered with the Environmental Management Bureau (EMB) and strictly conform to systems tracking the cradle-to-grave transport and treatment of materials. HPI utilizes its cement kilns to co-process qualified industrial hazardous and non-hazardous wastes, guaranteeing the complete destruction of harmful substances at temperatures up to 1450°C, ensuring operational compliance and zero-residue waste management.

Extended Producer Responsibility (EPR) Act of 2022 (RA 11898). As an Obligated Enterprise (OE), HPI has implemented an EPR program to manage its plastic packaging footprint (e.g., plastic and paper sacks), adhering to phased recovery targets stipulated by the DENR. Beyond internal compliance, HPI enables the national circular economy by partnering with local government units (LGUs) and other OEs to divert non-recyclable plastics and municipal solid wastes from landfills.

HPI remains dedicated to driving low-carbon, energy-efficient, and circular business operations through innovation and digitalization.

(n) Effect of Existing or Probable Government Regulations on the Business

The Company does not expect existing or probable government regulations to have a material effect on the business of the Company.

Item 2. Properties

The Company's major items of property, plant and equipment are located in Norzagaray, Bulacan; Bacnotan, La Union; Bo. Ilang, Davao City; Lugait, Misamis Oriental; Mabini, Batangas; Calaca, Batangas; Iloilo; and Manila. The table shows the consolidated properties of HPI as of December 31, 2025 compared to December 31, 2024.

Table 6 – Plant, Property and Equipment (Consolidated)

(In Thousand Pesos)	December 31, 2025	December 31, 2024
Machinery and equipment	32,674,584	32,140,486
Buildings and installations	14,282,019	14,320,307
Furniture, vehicles and tools	870,860	839,706
Construction in progress	811,297	1,202,063
	48,638,760	48,502,562
Less: Accumulated depreciation, depletion and allowance for impairment loss	33,510,626	31,232,624
Total	15,128,106	₱17,269,938

In connection with the principal properties of the Company, there are no existing mortgages, liens or encumbrances nor limitations in the usage or ownership.

There are no imminent acquisitions of property of significant amount that cannot be funded either by the Company's working capital or debt.

The table below summarizes the significant lease agreements entered into by the Company as a lessee.

Description	Start Date	Expiration Date	2025 Lease Payments (in '000)	Renewal Options
Plants, Terminals, Vessels, Ports	01.01.2019	01.01.2066	123,852	The contracts may be renewed or extended upon the mutual agreement of the Parties.
Industrial Warehouse	01.12.2023	30.11.2028	29,298	The contract may be renewed or extended upon the mutual agreement of the Parties.
Others (Housing, Vehicles)	01.01.2019	31.03.2028	597	The contract may be renewed or extended upon the mutual agreement of the Parties.

Item 3. Legal Proceedings

The Company is either a defendant or plaintiff in several civil, criminal and labor cases primarily involving collection and claims for damages. Based on the representation of management and the opinion of the Company's external legal counsels, the resolution of such cases will not result in any significant liability or loss of assets.

Pending material legal proceedings involving the Company are described in **Annex E** of the Information Statement.

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

Except for the matters taken up during the last annual meeting of the stockholders covered by the Company's Information Statement (SEC Form 20-IS), no matter was submitted to a vote of security holders through solicitation of proxies or otherwise during the calendar year covered by this Report.

IV. COMPANY'S DIRECTORS AND EXECUTIVE OFFICERS

Please refer to the Information Statement for the discussion of the identity of each of the Company's Board of Directors and Executive Officers including their principal occupation or employment, name and principal business of any organization by which such persons are employed.

V. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(1) Market Information

On November 27, 2023, the PSE approved the Company's delisting from the Main Board of the PSE.

The Company has not issued nor granted options or warrants to purchase the Company's common shares. Following the delisting with the PSE, none of the Company's common shares is being nor has been proposed to be publicly offered by Company.

(2) Stockholders

As of April 21, 2026 HPI has 6,452,099,144 common shares outstanding held by 6,348 stockholders. The list of the top twenty stockholders of the Company as recorded by Stock Transfer Service, Inc., the Company's stock transfer agent, is as follows:

Table 9 – Top Twenty (20) Stockholders

*+	Name	Citizenship	Shares (Sum)	%
1	UNION CEMENT HOLDINGS CORPORATION	FILIPINO	3,906,425,506	60.55%
2	HOLDERFIN B.V.	DUTCH	2,005,861,421	31.09%
3	CEMCO HOLDINGS, INC.	FILIPINO	456,689,560	7.08%
4	HMG GLOBETROTTER	FOREIGN	20,058,900	00.31%
5	PCD NOMINEE CORP. (FILIPINO)	FILIPINO	7,910,548	00.12%
6	JERRY TEO CHUA AND/OR JEFFREY TEO CHUA	FILIPINO	2,151,200	00.03%
7	ULYSIS DALUSON MASLANG	FILIPINO	1,808,000	00.03%
8	ANTONIO M. DUMALIANG &/OR ROSALINDA S.	FILIPINO	922,363	00.01%
9	FEDERAL HOMES, INC	FILIPINO	798,754	00.01%
10	DAI, JOSEPH S.	FILIPINO	676,000	00.01%
11	ACADIAN ASSET MANAGEMENT LLC	FOREIGN	635,500	00.01%
12	SB EQUITIES, INC.	FILIPINO	559,351	00.01%
13	CHRISTINA CHING LOPEZ GO	FILIPINO	518,500	00.01%
14	ACADIAN ASSET MANAGEMENT LLC	FOREIGN	510,400	00.01%
15	LYNNETTE GO DY HIAN TO	FILIPINO	500,600	00.01%
16	MERU HOLDINGS INC.	FILIPINO	488,000	00.01%
17	PCD NOMINEE CORP. (NON-FILIPINO)	FOREIGN	486,143	00.01%
18	LUIS ROLANDO G. FADRIGO	FILIPINO	449,578	00.01%
19	BOLIMA, DANILO T. OR BOLIMA, SIMON T.	FILIPINO	429,900	00.01%
20	SY, GEM MYKA C. IR TREE GLOBAL HOLDINGS,	FILIPINO	400,000	00.01%

		Total	6,408,280,224	99.32%
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(3) Dividends

The Company is authorized to pay cash or stock dividends, or a combination thereof, subject to approval by the Company's Board of Directors and/or its shareholders. Dividends paid in the form of additional shares are subject to approval by the Company's Board of Directors, the SEC and the stockholders of at least two thirds of the outstanding shares of the Company. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares. Other than the provisions in the loan covenants agreed to by the Company, there are no other limitations for the Company to declare dividends to its common stock.

Cash dividends were declared in for the years ended December 31, 2025, 2024 and 2023 as follows:

	2025	2024	2023
Cash Dividend Per Share (PhP)	NIL	0.395	NIL
Amount Declared (PhP)	NIL	2,548,579,162	NIL
Declaration Date	-	December 3, 2024	-
Record Date	-	November 30, 2024	-

The Company's dividend declaration is constantly being reviewed against the financial results of the Company, in compliance with laws and regulations, and the Company's Corporate Governance Manual. The Company's dividend policy is found in Section 6.1(e) of its Revised Corporate Governance Manual and Article V, Section 2 of the By-laws, which respectively provide as follows:

Corporate Governance Manual

"(e) Right to Dividends

"(i) Shareholders shall have the right to receive dividends subject to the discretion of the Board.

"(ii) The Company shall be compelled to declare dividends when its distributable retained earnings shall be in excess of 100% of its paid-in capital stock, except: (i) when justified by definite corporate expansion projects or programs approved by the Board; or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, and such retention is necessary under special circumstances obtaining in the Company, such as when there is a need for special reserve for probable contingencies."

By-Laws

"Section 2. Dividends. – Dividends shall be declared only from the surplus profits and shall be payable at such time and in such manner and in such amounts as the Board of Directors shall determine. No dividend shall be declared which will impair the paid-in capital of the corporation. Stock dividends shall be declared according to law."

(4) Sales of Unregistered Securities Within the Last Three (3) Years

There are no securities sold by the Company within the last three years that were not registered under the SRC.

VI. CORPORATE GOVERNANCE

The Company has in place a robust internal control system which is an overall process effected by the Board, management and other personnel designed to provide reasonable assurance concerning: (i) the reliability of the financial reporting and statements; (ii) compliance with laws and regulations; (iii) protection of assets and fraud prevention; (iv) effectiveness and efficiency of processes. Additionally, in accordance with the Company's Revised Corporate Governance Manual, the Board is assisted by a Compliance Officer who is in charge of evaluating and ensuring compliance by the Company, the Board of Directors and officers with its Revised Corporate Governance Manual, Revised Code of Corporate Governance and all relevant laws, rules and regulations

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

The Board always seeks to improve corporate governance of the Company by improving existing policies, developing and establishing new policies required by the Company's Corporate Governance Manual and undertaking measures to implement such policies.

THE ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2025 (SEC FORM 17-A) IS ACCESSIBLE AT THE COMPANY'S WEBSITE (WWW.HOLCIM.PH) OR AVAILABLE UPON REQUEST OF THE STOCKHOLDERS. YOUR REQUEST MAY BE SENT DIRECTLY TO THE OFFICE OF THE CORPORATE SECRETARY, AT THE 7TH TWO WORLD SQUARE, MCKINLEY HILL, TAGUIG CITY, PHILIPPINES AND A COPY WILL BE SENT TO YOU, FREE OF CHARGE.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2025
2. SEC Identification Number 026126..... 3. BIR Tax Identification No. 000-121-507-000...
4. Exact name of issuer as specified in its charter Holcim Philippines, Inc.....
5. Republic of the Philippines..... 6. (SEC Use Only)
Province, Country or other jurisdiction of Industry Classification Code:
incorporation or organization
7. 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City ..1634.....
Address of principal office Postal Code
8. (632) 858-11511.....
Issuer's telephone number, including area code
9. Not applicable.....
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|---------------------|--|
| Common Stock..... | 6,452,099,144..... |

11. Are any or all of these securities listed on a Stock Exchange¹.

Yes [] No [X]

If yes, state the name of such stock exchange and the classes of securities listed therein:

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [X] No []

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

Yes [X] No []

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold,

¹ *Holcim Philippines, Inc. was delisted from the Philippine Stock Exchange on November 27, 2023.*

or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form. (See definition of "affiliate" in "Annex B").

PhP 3,590,067,296 (920,530,076 common shares @ PhP3.90 per share, the closing price at which stock was sold on December 31, 2023).

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

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

Not Applicable

Yes [] No []

DOCUMENTS INCORPORATED BY REFERENCE

15. The following documents are incorporated by reference:

- (a) Audited Consolidated Financial Statements as of December 31, 2025 and 2024 and for the three years in the period ended December 31, 2025 - Exhibit 1
- (b) Statement of Management's Responsibility for Consolidated Financial Statements as of December 31, 2025 and 2024 and for the three years in the period ended December 31, 2025 – part of Exhibit 1
- (c) Supplementary Schedules to the Audited Consolidated Financial Statements – Exhibit 2
- (d) SEC Form 17-Q – Exhibit 3
- (e) Legal Proceedings and Pending Legal Cases – Exhibit 4
- (f) SEC Form 17-C – Exhibit 5

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

Holcim Philippines, Inc. ("HPI" or the "Company"), is one of the premier cement manufacturers in the Philippines and is a member of the Holcim Group (formerly LafargeHolcim), one of the world's leading suppliers of cement, aggregates, concrete and construction-related services. HPI is mainly engaged in the manufacture, sale and distribution of cement and cementitious products and the provision of technical support on various construction-related quality control, optimization, solutions development and skills upgrade.

The Company and its subsidiaries own four cement production facilities, one cement grinding mill, five ports, as well as multiple storage and distribution points across the country.

The consolidated operations of the four cement production facilities have fortified HPI's premier position in the Philippine cement industry with a total installed clinker production capacity of 5.2 million metric tons per year (MTPY) and cement production capacity of 10 million MTPY.

HPI was the first in the Philippine cement industry to receive ISO 9002 certification (Quality Management System Standards) from the International Organization for Standardization (ISO). Additionally, all four plants are ISO 14001 certified (Environment Management System Standards) and ISO 45001 (Occupational Health & Safety Management) certified.

(1) History and Business Development

HPI was incorporated and registered with the Philippines Securities and Exchange Commission (SEC) on November 12, 1964 under the name Hi-Cement Corporation (HCC).

On February 8, 2000, the SEC approved the merger of HCC, Davao Union Cement Corporation, and Bacnotan Cement Corporation, with HCC as the surviving entity. Simultaneously, the SEC also approved the request for a change of corporate name from HCC to Union Cement Corporation (UCC).

On January 11, 2001, the SEC approved the merger of Atlas Cement Marketing Corporation, Davao Union Marketing Corporation and Bacnotan Marketing Corporation into UCC.

On July 17, 2002, the Board of Directors of UCC approved the acquisition of 88% of the issued and outstanding common shares of Alsons Cement Corporation (ACC) from Cemco Holdings, Inc. (Cemco). In consideration of such shares, new shares of UCC were issued to Cemco, at the exchange ratio of one (1) UCC share for every 3.7 ACC shares owned by Cemco, thus, making ACC a subsidiary of UCC.

Pursuant to the Securities Regulation Code (SRC) and its implementing rules and regulations, HPI undertook a tender offer in favor of the remaining 12% non-controlling shareholders of ACC to exchange their holdings in ACC for new shares of UCC at the same exchange ratio, with the option to accept cash at a price of PhP0.28 per ACC share, in lieu of HPI shares. The foregoing transactions were approved by shareholders of UCC on September 4, 2002. The Company acquired additional ACC shares representing 0.02% equity interest in ACC after the end of the tender offer period.

On September 19, 2002, the Board of Directors of ACC approved a resolution for the delisting of the shares of stocks of the company from the Philippine Stock Exchange (PSE). The PSE approved the resolution for the delisting on December 15, 2002.

On August 17, 2004, the SEC approved ACC's reverse stock split, increasing the par value of ACC's shares to PhP1, 000 per share from PhP0.50 per share. As a result of additional purchases from the remaining non-controlling shareholders of ACC in 2004 and the effect of the reverse stock split, UCC equity interest in ACC increased from 98.74% to 99.6%.

On November 30, 2004, the SEC approved the request for change in corporate name from UCC to HPI. On January 19, 2005, the SEC also approved the change in corporate name of ACC to Holcim Philippines Manufacturing Corp. (HPMC).

On March 6, 2014, the SEC approved the increase in authorized capital stock of Helix Mining and Development Corporation (HMDC) (formerly Sulu Resources Development Corp., later renamed Holcim Aggregates Corporation) to make way for additional subscription by HPI and HPMC, in consideration of properties such as parcels of land, mining claims and foreshore leases. On March 18, 2016, the SEC approved the increase in authorized capital stock of HMDC to make way for subscription by the Holcim Philippines, Inc. Retirement Fund of sixty percent of the issued and outstanding capital stock of HMDC. Today, HMDC is an associate company of HPI, providing most of the Company's raw materials from the quarries of HMDC and its subsidiaries in La Union, Bulacan, Lugait and Davao. HMDC and its subsidiaries also leases to the Company parcels of land and foreshore leases for the latter's operations.

On 29 June 2023, the Company received notice from Holderfin B.V. ("Holderfin") of its purchase from Sumitomo Osaka Cement Co., Ltd. ("Sumitomo") of 594,952,725 common shares and representing 9.22% of the Company's outstanding capital stock (the "Sumitomo Shares", and the transaction the "Acquisition"). The Acquisition has been undertaken through a regular block sale, and closed on 29 June 2023. Post-Acquisition, Holderfin's total shareholdings in the Company has increased from 18.11% to 29.21% of the Company's outstanding capital stock. The Acquisition resulted in the Company's public float decreasing to 3.2% of the Company's outstanding common shares. Accordingly, Holderfin undertook a tender offer for all outstanding common shares of the Company held by the public ("Tender Offer") with the aim of subsequently conducting a voluntary delisting of the Company's common shares from the Main Board of the PSE ("Voluntary Delisting"). The tender offers ran from July 10, 2023 to August 30, 2023 and from September 28, 2023 to October 31, 2023. On 27 November 2023, the PSE approved the delisting of the Corporation from the Main Board of the PSE.

As of December 31, 2025, HPI is 60.55% owned by Union Cement Holdings Corporation (UCHC), 30.99% owned by Holderfin B.V. (Holderfin), and 7.08% owned by Cemco while the remainder of its shares is owned by the public.

The Company's Subsidiaries

Holcim Philippines Manufacturing Corporation (HPMC)

HPMC was incorporated and registered with the SEC on February 7, 1968 under the name of Victory Cement Corporation.

HPMC has a 1.5 million MTPY line, which was successfully commissioned in 1998 and started commercial operation in January 1999. HPMC's terminal located in Calaca, Batangas, which had been idle for several years, was rehabilitated in 2010 and resumed operations in January 2011. Today, substantially all of HPMC's cement manufacturing assets are being leased by HPI.

HPMC's subsidiary, Calamba Aggregates Company, Inc. (CACI), was incorporated and registered with the SEC on October 15, 1992, that operated an aggregates plant in Laguna. CACI ceased operations effective December 31, 2013. The SEC already approved the shortening of CACI'S corporate term to July 31, 2025. Given the shortening of its corporate term, CACI is now in the process of winding up its corporate affairs

HPMC's wholly owned subsidiary, Bulkcem Philippines, Inc. (BPI), was incorporated and registered with the SEC on April 5, 1995. Today, BPI owns a bulk terminal located in Iloilo which was leased by HPI until December 31, 2025.

Alsons Construction Chemicals, Inc. (ALCHEM), another subsidiary, was incorporated and registered with the Philippine SEC on December 23, 1996. ALCHEM owned a cement and mineral admixture plant in Lugait, Misamis Oriental. The operation of ALCHEM was discontinued since July 1999. ALCHEM filed an affidavit of non-operation with the SEC and is now going through the process of dissolution.

Excel Concrete Logistics, Inc. (ECLI)

Excel Concrete Logistics, Inc. was incorporated and registered with the SEC on August 9, 2012. On January 1, 2013, ECLI started its full operation servicing the distribution, transport and placing of concrete, as well as transport of cement and specialty products. On November 29, 2018, the Board of Directors of HPI approved the closure and dissolution of ECLI. On January 28, 2020, the SEC approved ECLI's application for amendment of ECLI's Articles of Incorporation to shorten its corporate term up to January 31, 2021. ECLI is still in the process of winding up its corporate affairs.

Shop and Build Corporation (formerly Holcim Philippines Business Services Center, Inc.)

Holcim Philippines Business Services Center, Inc. (HPBSCI) was incorporated and registered with the SEC on February 4, 2014. HPBSCI was set up to engage in the business of providing business process outsourcing and other information technology-enabled services to the Holcim Group. On February 13, 2015, HPBSCI transferred and sold its intellectual property rights and leasehold improvements to Holcim East Asia Business Service Centre B.V. – Philippine ROHQ.

On April 1, 2021, the Board of Directors and Stockholders of HPBSCI approved the proposal to amend its Articles of Incorporation to change HPBSCI's corporate name to Shop and Build Corporation and to amend its primary purpose. The Securities and Exchange Commission approved BSC's application to amend its Articles of Incorporation. Shop and Build Corporation will engage in the business of online selling (wholesale or retail), distributing, marketing and trading of cement and other construction materials.

HuBB Stores and Services Inc. (HSSI)

HuBB Stores and Services Inc. was incorporated and registered with the SEC on June 2, 2014. HSSI was set up to engage in the business of buying, selling and distributing construction and building materials, and to operate, maintain and franchise stores for the sale and distribution of said materials. HSSI ceased its business operations in August 2020. The Board of Directors and the stockholders of the Company approved the dissolution of HSSI on November 19, 2020 and January 15, 2021, respectively. The SEC already approved the shortening of HSSI's corporate term to July 31, 2025. Given the shortening of its corporate term, HSSI is now in the process of winding up its corporate affairs

Mabini Grinding Mill Corporation (MGMC)

Mabini Grinding Mill Corporation was incorporated and registered with the SEC on September 29, 1999. In August 2013, the rehabilitation of MGMC's grinding station in Mabini, Batangas was completed. HPI is leasing the said grinding station.

Bankruptcy Proceedings

The Company is not a party to any bankruptcy, receivership or similar proceedings.

Material Reclassification, Merger, Consolidation

On November 19, 2020, the Board of Directors of Holcim Philippines, Inc. approved the upstream merger of Holcim Philippines Manufacturing Corporation, Mabini Grinding Mill Corporation and Bulkcem Philippines, Inc. into Holcim Philippines, Inc. The stockholders likewise approved the upstream merger in a special meeting held on 15 January 2021. The presentation of the Plan of Merger was deferred.

(2) General Business Description

HPI is engaged in the manufacture, sale and distribution of cement, dry mix mortar products, and aggregates. It also offers construction-related training, consultancies, testing and other technical services to its customers. With the Company's production facilities, ports, storage & distribution terminals, sales offices and channel partners, HPI has an extensive sales and distribution footprint due to its strategically located plants and terminals in the Philippines.

The Company has a portfolio of innovative solutions fostered by a wide range of building products and services. It's portfolio of cement, aggregates, finishing and concrete solutions aimed at helping local builders execute a wide range of projects with quality performance and efficiency, from massive infrastructures to simple home repairs. The Company's product quality and operational capability are geared toward meeting the customers' building needs.

a. Product Lines

HPI manufactures four (4) main cement product brands namely: Holcim 4X (Type 1 high performance Portland cement), Holcim Premium (Type 1 Portland cement), Holcim Solido (Type IP Blended cement), Holcim Excel EcoPlanet (Type IT-MH).

Its products are sold mostly in bags except for Holcim Premium (in bulk) and Holcim 4X (bulk). Other packaging formats include tonner, jumbo bags and bulk. HPI also sells to cement producers a semi-finished product called clinker, which is sold only in bulk.

The company also has in its portfolio aggregates and dry mix mortar products. Dry Mix mortar products are Holcim Tector Ceram Tile Adhesive, Holcim TectorPlast Skim Coat, Holcim Tector Admix, TectorPlast AAC Block Adhesive and Holcim MultiFix Masonry Cement.

All HPI products meet the Philippine National Standards (PNS) and the American Society for Testing and Materials (ASTM) product quality standards.

The Business also has SF Crete as a one-day concrete solution for road application in line with the Conditional Approval awarded by DPWH for this technology.

Below is a brief description of HPI's various products:

Holcim 4X

Holcim 4X is an ASTM C150 high performance Portland cement. It is specially formulated for ready mix concrete production and pre cast concrete applications. . It has high compressive strength, high workability and is compatible with commonly available admixtures. Supplied in bulk, Holcim 4X is mainly used for high-rise buildings and vertical structures that require high-strength cement. It is ideal for construction that requires optimized concrete mix designs and fast construction cycles. With the high 28-day compressive strength of Holcim 4X, lower

cement factor is needed resulting in lower construction costs. Longer setting time results to better slump retention and pumpability of concrete.

Holcim Premium

Holcim Premium is an ASTM Type I Portland Cement. It is used for general concrete construction. To make Portland cement, powdered limestone, silica and iron-rich materials are homogenized and burnt at 1500°C. The resulting material is called clinker. Portland cement is produced by grinding clinker with a small amount of gypsum, a set retarder. When Portland cement is mixed with water and aggregates to make concrete, the mixture is initially flowable and easy to place, mold and finish. Eventually, the concrete sets, hardens and produces a strong and durable construction material.

Holcim Solido

Holcim Solido is a premium quality ASTM Type IP Cement which is Portland cement combined with advanced mineral additives. It is sold in bulk, tonner bags and 40-kg bags and used for roads and general concrete applications. Advance mineral additives are inter-ground with higher composition of Portland cement clinker to improve durability of concrete.

Holcim Excel Ecoplanet

Holcim Excel Ecoplanet is compliant to the performance requirements of ASTM C595 and PNS 63, under the Type IT-MH classification. It is sold mainly in 40-kg bags and used for general concrete construction. This environment friendly blended cement offers enhanced performance advantages in workability, durability, reliable strength for better construction outcome and eco-friendly with a proven 30% less CO₂ emission during production versus OPC. It used for general concrete construction, low-rise commercial and residential buildings.

Aggregates

Aggregates are granular materials of mineral compositions used for various construction applications. It is used with a binding medium to form concrete, bitumous concrete, precast concrete, mortar, plaster and other concrete and asphalt applications. It can be used alone for road bases, structural beddings, railroad ballast, filter beds, backfills, etc. The grading and quality conforms to the ASTM C33 Standard Specifications for coarse and fine aggregates.

Holcim Tector Ceram Tile Adhesive

Holcim Tile Adhesive is a premium cement-based adhesive for tiles specially formulated for thin-bed vertical and horizontal application. Its unique formulation combined with Holcim cement provides for a faster, stronger adhesion, with excellent non-slip properties.

Holcim Tector Plast Skim Coat

A high performance, polymer modified mortar especially formulated for thin plastering applications from 3mm to 5mm in thickness. It is used to achieve optimal surface smoothness by covering pin holes and correcting surface imperfections and unevenness of interior and exterior concrete walls and ceilings. Available in white and gray.

Holcim Tector Plast Multifix

Holcim Tector Multifix is a high performance polymer modified mortar formulated for internal and external wall plastering, floor screed and tile installation by thick bed method. It is the best substitute for traditional mortar.

Holcim Tector Admix

Holcim Tector Admix is a tile adhesive additive for non-concrete surfaces.

TectorPlast AAC Block Adhesive

A specially formulated thin jointing adhesive made from cement, well graded fillers and specialized polymer for laying all types of AAC blocks, bricks and various types of cement blocks in the market. The adhesive is designed to provide stronger, durable bonding between the blocks with optimum adhesive strength. It replaces the 10-15 mm thickness of traditional mortar to just 2- 3mm.

The following table shows the breakdown of sales revenues by product line of the Company for the periods indicated:

Table 1 – Revenue by Product Line

	Calendar Year Ended	Calendar Year Ended	Calendar Year Ended
<i>(In Thousand Pesos)</i>	December 31, 2025	December 31, 2024	December 31, 2023
Cement and cementitious materials	20,174,352	20,103,802	22,343,977
Others	1,854,333	1,804,295	1,961,508
Total	22,028,685	21,908,097	24,305,485

Contribution of Export Sales

The amounts and percentages of revenue attributable to export sales, including breakdown per region, for the calendar years ended December 31, 2025, 2024 and 2023 are as follows:

Table 2 – Export Revenue

	Calendar Year Ended	Calendar Year Ended	Calendar Year Ended
<i>(In Thousand Pesos)</i>	December 31, 2025	December 31, 2024	December 31, 2023
Total Export Revenues	NIL	NIL	NIL
% to Total Revenues	NIL	NIL	NIL

(a) Marketing and Distribution

The Company's major domestic customers are distributors, wholesalers, retailers, contractors serving private and public projects, real-estate developers and concrete producers. Notably, HPI has supplied a number of big commercial and government flagship projects in the entire country.

(b) New Product

Holcim TectorCeram 360 Premium Grout

Holcim TectorCeram 360 Premium Grout is a polymer-based joint filler designed for interior and exterior wall and floor grouting of ceramic tiles and mosaics.

(c) Competition

The local cement industry is composed of nine (9) integrated cement manufacturers namely, Holcim, Republic Cement, Concreat Holdings (formerly Cemex), Taiheiyo, Northern Cement, Eagle Cement, Goodfound, Mabuhay Filcement and Century Peak.

Meanwhile, there are six (6) grinding stations locally. Three (3) of which are owned and operated by cement manufacturers, namely, Limay Grinding, Danao Grinding and Southern Concrete. Two (2) of which are operated by a cement importer, namely, Bigboss Cement and Philcement Mindanao (previously Petra Cement), while the last one (1) is a new entrant, Abbah King Cement.

Independent cement traders continue to import in bulk, tonner or 40-kg bags primarily from Vietnam to be sold and distributed in key markets across the country. Big cement traders have invested in cement terminals with bagging and warehousing facilities in key trading ports to ensure availability of both bulk and bagged cement.

Among the local domestic manufacturers, Holcim has the widest market coverage and range of building products and solutions serving customers across the country. In Luzon, it has two (2) integrated cement plants, one (1) cement grinding plant and one (1) dry mix plant, and two (2) integrated cement plants in Mindanao. Holcim has a network of warehouses strategically located in different geographic markets to support the company's distribution system.

The Department of Trade and Industry has concluded the review of the Anti-Dumping Duty on cement exporters of Ordinary Portland Cement (Type 1) and blended cement (Type 1P) from Vietnam and has decided to maintain the duty for the remainder of the period. In addition, the Safeguards Duty of Php 349 per metric ton has been imposed on all cement importations from Vietnam for a period of three (3) years.

(d) Sources and Availability of Raw Materials and Supplies

Raw Materials

The Company sources most of its raw materials (limestone, pozzolan, shale) from its associate company, Helix Mining Development Corporation ("HMDC") and its subsidiaries ("HMDC Group") which hold Mineral Production Sharing Agreements for its quarries in various areas including La Union, Bulacan, Davao and Lugait, Misamis Oriental. HPI also sources raw materials from third party suppliers and/or nearby sources for silica, fly ash, pozzolana and limestone.

Granulated Blast Furnace and Synthetic Gypsum requirements are covered with an annual supply contract with Holcim Trading. Natural Gypsum are imported materials via spot purchase.

Energy Supply

Being an energy-intensive process, cement production requires a reliable and competitively priced power supply for uninterrupted and cost-effective production.

The Bulacan plant's peak demand is currently at 35 megawatts ("MW") while La Union plant's peak demand is currently at 15 MW. On August 12, 2011, a 15-year Energy Services Agreement (ESA) was signed with Trans-Asia Oil and Energy Development Corp. (TA Oil), now ACEN Corporation for the supply of both Bulacan Line 2 and La Union plants starting in 2014. On September 21, 2020, an amended and restated Energy Services Agreement was signed effective June 26, 2020 and valid until December 25, 2030.

The Davao plant's total power requirement is 22 MW. Effective September 26, 2013, Davao plant became a captive customer of Davao Light and Power Company (DLPC), the Distribution Utility (DU) which holds the franchise for power distribution in the area pursuant to Energy Regulatory Commission Resolution No. 27, Series of 2010.

The Lugait plant's total power requirement is 33 MW for both lines or 27 MW with Line 2 only. After the expiration of the Power Supply Agreement with NPC on December 25, 2012, Misamis I Oriental Electric Cooperative (Moresco I) took over as the power supplier of Lugait plant pursuant to Energy Regulatory Commission Resolution No. 27, Series of 2010. Currently, only Line 2 is operating.

With the Retail Competition and Open Access (RCOA) rollout in Mindanao last 26th March 2024, Holcim signed an electricity supply agreement with Green Core Geothermal Inc (GCGI) and Alsons Power Supply Corporation (APSC) commencing 26th July 2024 to avail of competitive and sustainable power from the grid.

Mabini Grinding plant which is a 6MW capacity establishment has qualified as a "Contestable Customer (CC)" when the Retail Competition and Open Access (RCOA) was implemented last June 26, 2013. As a result, a 10-year Power Supply Agreement with TA Oil now ACEN Corporation was signed and took effect on June 26, 2014 in lieu of an agreement with distribution utility Department of Energy (DOE) Batangas Electric Cooperative, Inc. (BATELEC II). On September 21, 2020, an amended and restated Energy Services Agreement was signed effective June 26, 2020 and valid until December 25, 2030.

Coal and Fuel Supply

HPI uses coal for heating the Company's kilns in La Union, Bulacan, Davao and Lugait.

HPI's imported coal requirements are covered with annual supply contracts. Spot purchases remain an option for a healthy balance of supply reliability, market competitive prices and opportunity for substitute fuels.

HPI has an existing supply contract with Petron and SL Harbour for its Diesel and Bunker fuel needs. Contracts started from January 2023 and were valid until April 2026 (for SL Harbour) and March 2026 (for Petron).

The Company has not experienced any disruption in its solid and liquid fuel supply.

(e) Dependence on a Single or a Few Customers

The Company employs a multi-level distribution strategy in serving the market. This covers wholesaler and retailer intermediaries, traders, ready mix companies, concrete products manufacturers, international and local contractors, real-estate developers, and end-users. At the same time, HPI supports numerous large- and medium-scale government infrastructure projects.

The aim is for the business not to be dependent on a single or a few customers but rather achieve a well-balanced customer portfolio.

(f) Related Party Transactions

Please see Note 28 – Related Party Transactions to the Consolidated Financial Statements for details.

(g) Trademarks, Licenses, Concessions, Labor Contracts

In 2017, applications for transfer of MPSA to HMDC and/or its subsidiary, Holcim Resources Development Corporation ("HRDC") have been approved by the Department of Environment and Natural Resources (DENR).

On labor contracts, please see the discussion on employees under Item I.

In 2016, the Philippine Intellectual Property Office issued Certificates of Registration to HSSI for the following trademarks: (1) “HuBB” logo; and (2) “HUB Builders Center”.

In 2021, the Philippine Intellectual Property Office issued a Certificate of Registration to HSSI for the Pinoy Builders Trademark which is valid until 18 November 2031.

(h) Governmental Approval of Principal Products

The DTI Bureau of Product Standards (BPS) granted HPI the license to use the Philippine Standard Quality Certification Mark for its principal products. All other necessary licenses and permits required for the continuous production and sale of HPI products have been secured by the Company, including new licenses as well as those that have to be renewed periodically.

(i) Research and Development

The Company is engaged in research and development for improving the production process used in its plants and for improving the quality and strength of its products. The Company spent a total of 35.7 million in research and development costs in last three years as follows:

Table 3 – Research and Development Costs

Period Covered	Amount (‘000 Pesos)	Percentage to Revenues
CY ended December 31, 2025	22,228	0.03%
CY ended December 31, 2024	20,029	0.10%
CY ended December 31, 2023	9,607	0.04%
Total	51,844	

(j) Costs and Effects of Compliance with Environmental Laws

Holcim Philippines, Inc. (HPI) operates in strict alignment with sustainable development principles, prioritizing continuous improvement in environmental performance to ensure compliance with local and international regulations. The Company is ISO 14001 certified and implements robust environmental management systems to mitigate risks effectively. To ensure compliance with air emission standards, HPI’s plants maintain advanced dust mitigation technologies and are equipped with Continuous Emission Monitoring Systems (CEMS). These systems provide real-time monitoring of gaseous emissions, including nitrogen oxides (NOx), sulfur dioxide (SO₂), carbon monoxide (CO), and volatile organic compounds (VOCs).

The Company optimizes resource use by reusing, recovering, and recycling waste materials in production processes where feasible. This approach minimizes hazardous and non-hazardous waste generation. Through Geocycle, HPI leverages co-processing technology to substitute traditional fossil fuels with alternative fuels and raw materials, facilitating verified plastic footprint recovery and supporting national EPR targets.

Annual environmental improvement plans drive enhanced performance across emissions, water, energy, and waste management. Regular performance validation, including quarterly multi-stakeholder monitoring and government audits, confirms HPI’s adherence to standards. HPI proactively engages with stakeholders, legislators, and regulators to fulfill its environmental obligations and advance its digitalization and innovation-led energy efficiency goals.

(k) Employees

As of December 31, 2025, HPI and subsidiaries had a total of 976 officers and regular employees broken down as follows:

Table 4 – Officers and Employees

Location	HPI	Subsidiaries	Total
Head Office*	203	0	203
Bulacan Plant	225	0	225
La Union Plant	158	0	158
Davao Plant	190	0	190
Lugait Plant	134	60	194
Calumpit	1	0	1
Calaca	5	0	5
TOTAL	916	60	976

* Includes Mabini plant

Out of the 976 employees of the Company, 382 are rank-and-file employees, 421 are supervisory employees, 169 are managerial employees and 4 are contractual or project-based employees. In the next 12 months, the Company anticipates to have a total of 1018 employees, out of which 394 are rank-and-file employees, 447 are supervisory employees, 173 are managerial employees and 4 are contractual or project-based employees.

There is a 2.8% decrease in manpower from the same period last year. Attrition rate recorded for 2025 is 8%, lower by 10% from previous year. HPI attrition is also higher than the 17.5% Manufacturing Industry average rate reported by AON in their 2025 Salary Increase & Turnover Study (October 8, 2025).

In 2025, a total of 188 employees experienced new jobs through temporary assignments, lateral transfers, promotions, and development assignments. 66 employees have been identified as successors to 37 critical roles.

We successfully conducted succession planning discussions and established a quarterly review cycle to monitor the progress of our talent pipeline. To accelerate readiness, we identified specific development actions for successors in critical roles, including their enrollment in Holcim Group-sponsored technical and leadership programs.

In October, Holcim Group Engagement Survey was conducted and HPI scored 3.99 out of 5 which is lower by .02 points from the previous survey. Results were discussed per group and managers are developing action plans to improve low scores and maintain high scores.

Supervisory and rank-and-file employees in the four integrated cement plants are members of their respective labor unions, with existing Collective Bargaining Agreements (CBA) with the Company.

Table 5 – Labor Unions

Location of the Plant/Site	Labor Union	CBA Expiry Date

Bacnotan, La Union	La Union Cement Workers Union	March 31, 2027
	Holcim La Union Supervisory Employees Union	March 31, 2029
Norzagaray, Bulacan	Holcim Philippines Employees Association (HPEA)	December 31, 2025 <i>(Ongoing negotiation)</i>
	UCC Bulacan Supervisory Employees Union (UBSEU)	February 28, 2029
Lugait, Misamis Oriental	Holcim Lugait Employees Labor Union	July 31, 2026
	Holcim Lugait Supervisors Independent Union	March 31, 2029
Davao City	Davao Holcim Employees Workers Union	March 31, 2030
	Holcim Davao Supervisory Independent Union	March 31, 2030

HPI implemented a lockout at the Lugait Plant in January 2025 following a collective bargaining agreement (CBA) deadlock in 2024 and the parties' failure to reach an agreement despite several mediation conferences with DOLE-NCMB. Subsequent discussions between HPI and the two (2) Lugait Plant Unions ultimately concluded in January 2025.

On the other hand, the two (2) unions at the Davao Plant—Associates and Supervisory—successfully concluded their respective CBAs within one day.

(l) *Risk Factors*

Political and Economic Factors

The Company and its subsidiaries are primarily engaged in the manufacture of cement in the Philippines. Cement is one of the basic materials for building works with its sales highly dependent on the demand for construction activities, the aggregate growth of the economy as well as political conditions in the country.

One of the principal factors that may materially affect financial performance is the level of construction activity in the public and private sectors. Public sector construction activity has always been a significant part of cement demand. However, government spending on construction-related activities (e.g. infrastructure and housing) is dependent on various factors

mainly budgetary constraints and political considerations that could impact the government's ability to execute its planned projects.

On the other hand, private sector spending is primarily driven by investors' confidence in the country, which in turn, is dependent on the country's economic and political conditions.

Any perceived political instability or lower-than-expected economic growth could have an adverse effect on the Company's financial performance.

Availability of Stable Power Supply

The contract with AC Energy Philippines, Inc. (ACEPI) which is valid until December 25, 2030 provides stable and guaranteed power supply for La Union Plant, Bulacan Plant, and Mabini Grinding Plant. The contract also provides for the availability of island mode backup power for both La Union and Bulacan plants during grid failures.

Lugait and Davao Plants, both situated in Mindanao, are now benefiting from electricity surplus brought about by the new coal power plants which started commercial operations from 2016 onwards. It is projected that the additional capacities from new coal power plants will provide Mindanao with surplus power supply in the medium-term.

Mindanao WESM was launched last January 26, 2023. On March 26, 2024, the Retail Competition and Open Access (RCOA) was launched allowing HPI to choose its power generation source. Lugait and Davao Plant shifted sourcing its power supply from GCGI and APSC starting 26th July 2024.

On October 26, 2023, a Power Purchase Agreement was signed with Balapi Energy Corp for the construction and operations of on-site solar installations and to deliver 7.8 GWh of solar energy to La Union and Bulacan plants annually starting 2025.

On October 30, 2024, a Power Purchase Agreement was signed with Berde Rooftop Inc for the construction and operations of on-site solar installations and to deliver 3 GWh of solar energy to Lugait plant annually starting 2026.

On January 30, 2025, a Power Purchase Agreement was signed with Berde Rooftop Inc for the construction and operations of on-site solar installations and to deliver 17.3 GWh of solar energy to Davao plant annually starting 2026.

The company is exploring other measures to manage power costs and achieve decarbonization targets.

Dependence on Key Facilities

Substantially all of HPI's income has been, and will be derived from the sale of products manufactured at its production facilities in Luzon and Mindanao. Any prolonged breakdown of, or significant damage to, the Company's production facilities could have an adverse effect on the results of its operations. HPI maintains comprehensive property and casualty insurance policies covering its production facilities and key assets under an Industrial All-Risk policy. However, there can be no assurance that the proceeds from HPI's insurance claims would be sufficient to compensate the Company for all the effects of possible loss and/or damage. Notwithstanding that, the Company has appropriate processes and measures in place to further mitigate the risk of any possible loss or damage.

Impact of the Exchange Rate Fluctuations

Based on the 2025 Bangko Sentral ng Pilipinas Annual Exchange Rate Report, the Philippine Peso depreciated from PhP 57.98 against the US Dollar as of December 31, 2024 to PhP

58.81 as of December 31, 2025. The Peso has undergone fluctuations during the year with an average rate of PhP 57.51 for 2025 and PhP 57.29 for 2024. The weakening of the Peso resulted in the increase of cost of production inputs such as imported fuel, coal and supplies. Please note that during the year end Philippine Peso depreciated as compared to USD, however if we compare the average rate it weakened for 2025 as compared to 2024.

Environmental and Regulatory Matters

Cement manufacturing involves significant resource and energy usage, including raw materials such as limestone, fossil fuels (coal and bunker fuel), electric power, and water. To address associated environmental risks and impacts, Holcim Philippines, Inc. (HPI) employs an effective Integrated Management System to ensure compliance with regulatory requirements and maintain sustainable operations. HPI is accelerating its efforts to decarbonize building across the lifecycle, aiming for a net-zero future aligned with the Holcim Group's goals and climate targets validated by the Science Based Targets initiative (SBTi).

HPI strictly adheres to the following primary laws and their corresponding Implementing Rules and Regulations (IRR):

The Philippine Environmental Impact Statement System (PD 1586). HPI documents compliance with Environmental Compliance Certificates (ECC) by submitting Self-Monitoring Reports (SMR), Compliance Monitoring Reports (CMR), and Compliance Monitoring and Verification Reports (CMVR) to the Department of Environment and Natural Resources (DENR). Regular performance validation is conducted through quarterly multi-partite monitoring teams (MMT) and government audits.

Clean Air Act (RA 8749). HPI strives to reduce dust emissions below the prescribed 150 mg/Nm³ level. The Company utilizes modern dust control systems, including electrostatic precipitators, baghouses, multi-cyclones, and bag filters. Continuous Emission Monitoring Systems (CEMS) are installed in all four integrated plants for real-time monitoring and daily reporting of particulate and gaseous emissions to regulatory bodies. Based on regular audits conducted by external stakeholders and internal management, HPI believes it remains in full compliance with these provisions.

Clean Water Act (RA 9275). HPI manages stormwater runoff and seasonal process water discharge using dedicated pollution control facilities, such as siltation ponds and wastewater treatment facilities for domestic discharge. Compliance is verified through external audits and assessments of the Group's existing facilities, ensuring adherence to the standards established since the Act's passage in 2004.

Ecological Solid Waste Management Act (RA 9003). HPI follows the waste management hierarchy, prioritizing waste avoidance, reduction, re-processing, and recycling. Through Geocycle, the Company handles and manages qualified wastes, including hazardous materials, ensuring they are integrated into the production process responsibly. All four cement integrated plants continue to be recognized by relevant national government agencies for their environmental programs.

Toxic Substances and Hazardous and Nuclear Wastes Control Act (RA 6969). The Company's cement plants are duly registered with the Environmental Management Bureau (EMB) and strictly conform to systems tracking the cradle-to-grave transport and treatment of materials. HPI utilizes its cement kilns to co-process qualified industrial hazardous and non-hazardous wastes, guaranteeing the complete destruction of harmful substances at

temperatures up to 1450°C, ensuring operational compliance and zero-residue waste management.

Extended Producer Responsibility (EPR) Act of 2022 (RA 11898). As an Obligated Enterprise (OE), HPI has implemented an EPR program to manage its plastic packaging footprint (e.g., plastic and paper sacks), adhering to phased recovery targets stipulated by the DENR. Beyond internal compliance, HPI enables the national circular economy by partnering with local government units (LGUs) and other OEs to divert non-recyclable plastics and municipal solid wastes from landfills.

HPI remains dedicated to driving low-carbon, energy-efficient, and circular business operations through innovation and digitalization.

Item 2. Properties

The Company's major items of property, plant and equipment are located in Norzagaray, Bulacan; Bacnotan, La Union; Bo. Ilang, Davao City; Lugait, Misamis Oriental; Mabini, Batangas; Calaca, Batangas; Iloilo; and Manila. The table shows the consolidated properties of HPI as of December 31, 2025 compared to December 31, 2024.

Table 6 – Plant, Property and Equipment (Consolidated)

(In Thousand Pesos)	December 31, 2025	December 31, 2024
Machinery and equipment	32,674,584	32,140,486
Buildings and installations	14,282,019	14,320,307
Furniture, vehicles and tools	870,860	839,706
Construction in progress	811,297	1,202,063
	48,638,760	48,502,562
Less: Accumulated depreciation, depletion and allowance for impairment loss	33,510,626	31,232,624
Total	15,128,106	₱17,269,938

In connection with the principal properties of the Company, there are no existing mortgages, liens or encumbrances nor limitations in the usage or ownership.

There are no imminent acquisitions of property of significant amounts that cannot be funded either by the Company's working capital or debt.

The table below summarizes the significant lease agreements entered into by the Company as a lessee.

Description	Start Date	Expiration Date	2025 Lease Payments (in '000)	Renewal Options
Plants, Terminals, Vessels, Ports	01.01.2019	01.01.2066	125,052	The contracts may be renewed or extended upon the mutual agreement of the Parties.
Industrial Warehouse	01.12.2023	30.11.2028	7,303	The contract may be renewed or extended upon the mutual agreement of the Parties.
Others (Housing, Vehicles)	01.01.2019	31.03.2028	26,849	The contract may be renewed or extended upon

the mutual agreement of the Parties.

Item 3. Legal Proceedings

The Company is either a defendant or plaintiff in several civil, criminal and labor cases primarily involving collection and claims for damages. Based on the representation of management and the opinion of the Company's external legal counsels, the resolution of such cases will not result in any significant liability or loss of assets.

Pending material legal proceedings involving the Company are described in Exhibit 4

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

Except for the matters taken up during the last annual meeting of the stockholders covered by the Company's SEC Form 20-IS report, no matter was submitted to a vote of security holders through solicitation of proxies or otherwise during the calendar year covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity and Related Stockholder Matters

(1) Stockholders

As of December 31, 2025, HPI has 6,452,099,144 common shares outstanding held by 6,488 stockholders. The list of the top twenty stockholders of the Company as recorded by Stock Transfer Service, Inc., the Company's stock transfer agent, is as follows:

Table 8 – Top Twenty (20) Stockholders

Rank	Name	Citizenship	Shares (Sum)	%
1	UNION CEMENT HOLDINGS CORPORATION	FILIPINO	3,906,425,506	60.55%
2	HOLDERFIN B.V.	DUTCH	1,999,263,301	30.99%
3	CEMCO HOLDINGS, INC.	FILIPINO	456,689,560	7.08%
4	HMG GLOBETROTTER	FOREIGN	20,058,900	00.31%
5	PCD NOMINEE CORP. (FILIPINO)	FILIPINO	7,917,455	00.12%
6	JERRY TEO CHUA AND/OR JEFFREY TEO CHUA	FILIPINO	2,151,200	00.03%
7	GRACE TAN LIM OR KIARA RAIZEL LIM ONG	FILIPINO	1,969,400	00.03%

8	ULYSIS DALUSON MASLANG	FILIPINO	1,808,000	00.03%
9	DUMALIANG, ANTONIO M. DUMALIANG &/OR ROSALINDA S.	FILIPINO	922,363	00.01%
10	ANSALDO GODINEZ & CO. INC.	FILIPINO	864,872	00.01%
11	FEDERAL HOMES INC	FILIPINO	798,754	00.01%
12	DAI JOSEPH S.	FILIPINO	676,000	00.01%
13	ACADIAN ASSET MANAGEMENT LLC	NON-FILIPINO	635,500	00.01%
14	SB EQUITIES INC.	FILIPINO	559,351	00.01%
15	FIR TREE GLOBAL HOLDINGS INC.	FILIPINO	553,100	00.01%
16	CHRISTINA CHING LOPEZ GO	FILIPINO	518,500	00.01%
17	ACADIAN ASSET MANAGEMENT LLC	NON-FILIPINO	510,400	00.01%
18	LYNNETTE GO DY HIAN TO	FILIPINO	500,600	00.01%
19	MERU HOLDINGS INC.	FILIPINO	488,000	00.01%
20	PCD NOMINEE CORP. (NON-FILIPINO)	NON-FILIPINO	486,143	00.01%
		Total	6,403,796,905	99.25%

(2) Dividend

The Company is authorized to pay cash or stock dividends, or a combination thereof, subject to approval by the Company's Board of Directors and/or its shareholders. Dividends paid in the form of additional shares are subject to approval by the Company's Board of Directors, the SEC and the stockholders of at least two thirds of the outstanding shares of the Company. Holders of outstanding shares on a dividend record date for such shares will be entitled to the full dividend declared without regard to any subsequent transfer of shares. Other than the provisions in the loan covenants agreed

to by the Company, there are no other limitations for the Company to declare dividends to its common stock

Cash dividends were declared in for the years ended December 31, 2025, 2024 and 2023 as follows:

	2025	2024	2023
Cash Dividend Per Share (PhP)	NIL	0.395	NIL
Amount Declared (PhP)	NIL	2,548,603	NIL
Declaration Date	-	December 3, 2024	-
Record Date	-	November 30, 2024	-

(3) Sales of Unregistered Securities within the Last Three (3) Years

There are no other securities sold for cash by the Company within the last three years that were not registered under the SRC.

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

Review of CY 2025 Operations vs. CY 2024

The Philippine Gross Domestic Product (GDP) grew by 3.0% in the fourth quarter of 2025, 43% lower than the 5.3% growth recorded in the same quarter last year..

Revenue generated for the year was Php22 billion, higher compared to Php 21.9 billion reported in the same period last year mainly due to higher volumes sold in cement. Despite the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements, the Group's Operating EBIT margin decreased by 49.8 percentage points. The Company achieved total EBITDA of negative Php1.2 billion, 302.1% lower than the same period last year.

The Group managed to incur lower financial expenses related to its short-term loans during the year. Net loss before tax stood at Php4.2 billion giving earnings per share of (Php 0.60)

Key Performance Indicators ("KPI")

The comparative financial KPI for the years ended December 31, 2025 and 2024 are as follows:

Financial KPI	Definition	For the Calendar Year ended December 31	
		2025	2024
<u>Profitability</u>			
Return on Assets (ROA)	Net Income Ave. Total Assets	-10.0%	-2.9%
Return on Equity (ROE)	Net Income Ave. Total Equity	-15.0%	-4.2%
Operating EBITDA Margin	Operating EBITDA	-5.6%	5.5%

	Net Sales		
<u>Liquidity</u> Gearing Ratio	Net Financial Debt	38%	18%
	Total Equity		
EBITDA Net Interest Cover (times)	Operating EBITDA	7.5	10.53
	Net Interest		

Profitability

Lower compared with prior year due to the increase in cost of sales.

Liquidity

The Company's liquidity position remained strong evidenced by significant cash balance.

Significant Disclosures

Please refer to Exhibit 5 of this report for the significant disclosures made by the Company during the year. Other than those mentioned in Exhibit 5, the Company is not aware of the following:

1. Unusual items that materially affect the Company's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period.
3. Issuances and repurchase of equity securities.
4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely decrease its liquidity in a material way. The Company does not anticipate having within the next 12 months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, it expects to meet all financial loan covenants for the next interim period.
7. Events that will trigger direct or contingent material financial obligations to the Company.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year.
9. Material commitments for capital expenditures.

10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations.
11. Significant elements of income or loss that did not arise from the Company's continuing operations.
12. Material events subsequent to end of the reporting period that have not been reflected in the consolidated financial statements.

Notes to Financial Statements

Accounting Policies and Principles

The consolidated financial statements of the Company, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2023 have been prepared in compliance with Philippine Financial Reporting Standards applied on a consistent basis. The detailed accounting policies are disclosed in Note 2 – Summary of Significant Accounting Policies in the Consolidated Financial Statements.

Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

Financial Risk Management Objectives and Policies

General Risk Management Approach

The Company is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Company. The Company does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Company is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Company's principal financial instruments, other than derivatives, consist of cash and cash equivalents and loans payable. The main purpose of these financial instruments is to raise funds for the Company's operations. The Company also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Company's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors (BOD) reviews and approves the policies for managing each of these risks and they are summarized below. The Company's accounting policies in relation to financial instruments are set out in Note 2 to the consolidated financial statements.

Market Risks

The Company is exposed to market risks, such as foreign currency, interest rate and equity price risks. To manage volatility relating to these exposures, the Company enters into derivative financial instruments, when necessary. The Company's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. All of the Company's revenues in 2023 and 2022 were denominated in the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Company may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of December 31, 2025, the Company had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Company is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Company's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions, as appropriate. As at December 31, 2025 and 2024, the Company had minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers.

The Company constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Company does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Company trades only with recognized, credit-worthy third parties. It is the Company's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts to minimal.

With respect to credit risk arising from the other financial assets of the Company, which consist of due from related parties, advances to employees, available for sale (AFS) financial assets, and guarantee and refundable deposits, the Company's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company's exposure to credit risks arising from outstanding financial assets is disclosed in Note 30 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Company to shortage of funds during slack season and may result in payment defaults of financial commitments. The Company monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and in certain cases at the BOD level.

The Company maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Company allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2025 and 2024, the Company has unutilized credit facilities of PhP12.7 billion and PhP12.8 billion, respectively.

The Company's financial assets and liabilities as of December 31, 2025 and 2024 are disclosed in Note 29 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Capital Management Policy

The Company considers equity attributable to the equity holders of the Parent Company as its capital. The Company's objectives when managing capital are to secure the Company's ongoing financial needs to continue as a going concern as well as to cater to its growth targets to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of gearing ratio. Gearing is calculated as net financial debt divided by total equity in the parent company balance sheets as shown in the table below:

	2025	2024
Trade and other payables	₱8,913,912	₱8,613,785
Lease liabilities	1,338,264	1,499,751
Long-term derivative liabilities	–	365,044
Financial debt	10,252,176	10,478,400
Less cash and cash equivalents	1,198,803	4,077,142
Net financial asset	9,053,373	6,401,258
Total equity	24,023,904	27,214,123
Gearing ratio	38%	18%

The Company's target is to maintain a gearing in the range of no more than 100 percent. Total equity decreased by 11.72% in 2025 as a result of the decrease in retained earnings coming from operations.

Material Changes in Balance Sheet Accounts

Trade and other receivables - net

Higher due to movement of higher credit sales mix and increase in intercompany receivables.

Inventories

Decrease in inventory from better inventory management during the year despite higher raw materials.

Other current assets

Movement is mainly due to the unapplied Input VAT and creditable withholding tax, increase in prepayments, and advances to suppliers.

Property, plant and equipment

Decrease was mainly due to the impairment recognized representing the total cost of Mabini plant and specific terminals

Right-of-Use Assets

Movement is mainly due to the extension of the lease term of the lease from the associates.

Deferred tax assets - net

Movement is mainly related to the net loss position and recognition of net operating loss carry over.

Retirement benefit - net

Movement is mainly due to interest and contributions made by the company.

Intangible assets -net

Decrease was due to amortization and impairment recognized during the year.

Trade and other payables

Decrease is mainly due to contract liabilities, derivative liabilities and other payables.

Income tax payable

Increase is mainly due to provisions for tax assessments.

Lease liabilities

Movement was due to payments made to the lessors and contract modifications.

Deferred tax liabilities - net

Movement was mainly due to remeasurement gain on pension costs

Other reserves

Movement due to the derivative liabilities.

Material Changes in Income Statement Accounts

Revenue

Increase was mainly due to higher Cement volumes sold resulting from higher market demand as compared to prior years.

Cost of sales

Higher cost of sales was mainly due to the increase in raw, packaging and production materials, repairs and maintenance

Operating expenses (General and Administrative & Selling Expenses)

Movement was mainly due to the decrease in general and administrative expenses from lower personnel, taxes and licenses, and software application costs.

Other income (expense) - net

Increase was mainly due to the impairment loss and loss on write-off of assets, loss on sale of by-products and others.

Provision for income tax

Decrease was due to the higher loss incurred during the year and the impact of deferred tax asset reversals.

Review of CY 2024 Operations vs. CY 2023

The Philippine Gross Domestic Product (GDP) posted a growth of 5.2 percent in the fourth quarter of 2024, resulting in 5.6 percent full-year growth in 2023.

Revenue generated for the year is Php 21.9 billion, lower compared to Php 24.3 billion reported in the same period last year mainly due to soft demand amidst tight competition. Despite the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements, the Group's Operating EBIT margin decreased by 5.9

percentage points. The Company achieved total EBITDA of Php 1.2 billion, 56% lower than the same period last year. Net loss after tax stood at Php 1.0 billion giving earnings per share of (Php 0.16).

Key Performance Indicators (“KPI”)

The comparative financial KPI for the years ended December 31, 2024 and 2023 are as follows:

Financial KPI	Definition	For the Calendar Year ended December 31	
		2024	2023
<u>Profitability</u>			
Return on Assets (ROA)	Net Income	-2.9%	2.1%
	Ave. Total Assets		
Return on Equity (ROE)	Net Income	-4.2%	2.9%
	Ave. Total Equity		
Operating EBITDA Margin	Operating EBITDA	5.5%	11.4%
	Net Sales		
<u>Liquidity</u>			
Gearing Ratio	Net Financial Debt	-14.4%	-15.4%
	Total Equity		
EBITDA Net Interest Cover (times)	Operating EBITDA	10.53	17.56
	Net Interest		

Profitability

Lower compared with prior year due to lower volumes sold and decrease in average selling price.

Liquidity

The Company’s liquidity position remained strong evidenced by significant cash balance..

Significant Disclosures

Please refer to Exhibit 5 of this report for the significant disclosures made by the Company during the year. Other than those mentioned in Exhibit 5, the Company is not aware of the following:

1. Unusual items that materially affect the Company’s consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts in prior financial years that have a material effect in the current period.
3. Issuances and repurchase of equity securities.

4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely decrease its liquidity in a material way. The Company does not anticipate having within the next 12 months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financial arrangements requiring it to make payments. With the improvement in the Company's operating performance, it expects to meet all financial loan covenants for the next interim period.
7. Events that will trigger direct or contingent material financial obligations to the Company.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Company with unconsolidated entities or other persons created during the year.
9. Material commitments for capital expenditures.
10. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales, revenues, net income from continuing operations.
11. Significant elements of income or loss that did not arise from the Company's continuing operations.
12. Material events subsequent to end of the reporting period that have not been reflected in the consolidated financial statements.

Notes to Financial Statements

Accounting Policies and Principles

The consolidated financial statements of the Company, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023 and the consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024 have been prepared in compliance with Philippine Financial Reporting Standards applied on a consistent basis. The detailed accounting policies are disclosed in Note 5 – Summary of Significant Accounting Policies in the Consolidated Financial Statements.

Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

Financial Risk Management Objectives and Policies

General Risk Management Approach

The Company is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Company. The Company does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Company is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Company's principal financial instruments, other than derivatives, consist of cash and cash equivalents and loans payable. The main purpose of these financial instruments is to raise funds for the Company's operations. The Company also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Company's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors (BOD) reviews and approves the policies for managing each of these risks and they are summarized below. The Company's accounting policies in relation to financial instruments are set out in Note 5 to the consolidated financial statements.

Market Risks

The Company is exposed to market risks, such as foreign currency, interest rate and equity price risks. To manage volatility relating to these exposures, the Company enters into derivative financial instruments, when necessary. The Company's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. All of the Company's revenues in 2024 and 2023 were denominated in the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Company may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of December 31, 2024, the Company had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Company is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Company's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Company may enter into derivative transactions, as appropriate. As at December 31, 2024 and 2023, the Company had minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers.

The Company constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Company does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Company trades only with recognized, credit-worthy third parties. It is the Company's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Company's exposure to bad debts to minimal.

With respect to credit risk arising from the other financial assets of the Company, which consist of due from related parties, advances to employees, available for sale (AFS) financial assets, and guarantee and refundable deposits, the Company's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company's exposure to credit risks arising from outstanding financial assets is disclosed in Note 20 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Company to shortage of funds during slack season and may result in payment defaults of financial commitments. The Company monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, finance leases and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and in certain cases at the BOD level.

The Company maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Company allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2024 and 2023, the Company has unutilized credit facilities of PhP12.8 billion and PhP13.3 billion, respectively.

The Company's financial assets and liabilities as of December 31, 2024 and 2023 are disclosed in Note 20 – Financial Risk Management Objectives and Policies in the Consolidated Financial Statements.

Capital Management Policy

The Company considers equity attributable to the equity holders of the Parent Company as its capital. The Company's objectives when managing capital are to secure the Company's ongoing financial needs to continue as a going concern as well as to cater to its growth targets to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital, among others, on the basis of gearing ratio. Gearing is calculated as net financial debt divided by total equity in the parent company balance sheets as shown in the table below:

	2024	2023
Loans payable – Group	-	245,000
Customers' deposits	150,726	153,877
Financial debt	150,726	398,877
Less cash and cash equivalents	4,077,142	5,180,147
Net financial asset	(3,926,416)	(4,781,270)
Total equity	27,214,123	31,076,481
Gearing ratio	-14.4%	-15.4%

The Company's target is to maintain a gearing in the range of no more than 100 percent. Total equity decreased by 12.43% in 2024 as a result of decrease in retained earnings coming from income from operations net of dividends declared.

Material Changes in Balance Sheet Accounts

Trade and other receivables - net

Movement was mainly due to lower overall sales for the year with less credit sales and increase in bad debts provisions,

Long term financial receivable

Movement was mainly due to refinancing of outstanding trade receivables from Associates to long term loan receivable.

Short-term deposits

Movement was due to reclassification to 'Cash and cash equivalents' for 2024 as the maturity date is less than 90 days.

Inventories

Movement was mainly due to continued improvement in inventory management particularly solid fuels, as well as provisions recognized for the write-off of inventories in inactive sites.

Other current assets

Movement was mainly due to increase in prepaid insurance for property damages, and reclassification of income taxes paid to prepaid asset.

Right-of-Use Assets

Movement was from the normal depreciation and expiration of existing lease contracts for the year.

Intangible assets -net

Movement was due to capitalization of software used in operations/

Trade and other payables

Movement was mainly due to the balance of dividends payable to the Parent entities for settlement in 2025.

Income tax payable

Movement was mainly attributable to reclassification of income taxes paid for the year to prepaid asset as YTD operations resulted to net loss.

Lease liabilities

Movement was due to the payments made to the lessors in 2024.

Deferred tax liabilities - net

Movement was mainly due to re-measurement gain on pension costs.

Other reserves

Movement due to the derivative liabilities.

Material Changes in Income Statement Accounts

Revenue

Movement was mainly due to lower cement volumes sold, and lower average selling price resulting from softer demand as compared to prior years.

Cost of goods sold

Movement was due to the optimized manufacturing and logistics operations, increased usage of alternative fuel and raw materials, and the sustained shift to low-carbon cements.

Operating Expenses (General and Administrative & Selling Expenses)

The movement was due to increase in general and administrative expenses from higher personnel costs and outside services incurred for tax cases. This was slightly offset by lower selling and marketing expenses as advertising costs significantly decreased from prior year.

Other income (expense) - net

Movement was mainly due to the accumulated loss from the Associates, as well as provisions recognized for income tax assessment.

Provision for income tax

Movement was due to the effect of the deferred taxes.

Item 7. Financial Statements

The consolidated financial statements and supplementary schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this annual report under Item 14.1 and 14.2

Information on Independent Accountant

External Audit Fees

The Company's financial statements for the years ended December 31, 2025 and 2024 were audited by SGV. The following table sets out the approximate aggregate fees for professional services rendered by the Company's external auditor:

	2025	2024
Audit Fee	7,556,600.00	7,313,216.00
Other Fees	0.00	0.00
TOTAL	7,556,600.00	7,313,216.00

Other Fees refer to out of pocket expenses by the auditors arising from the audit of the Company's financial statements.

Tax Fees & All Other Fees

The Company did not engage SGV for tax and other services in 2025 and 2024.

The Audit Committee's Approval Policies and Procedures for the Above Services

Upon recommendation of the Audit Committee and approval of the Board of Directors, the appointment of the external auditor was confirmed by the shareholders at the annual stockholders' meeting. In addition, the consolidated financial statements are reviewed and endorsed by the Audit Committee and approved by the Board of Directors before its release.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There was no event in the past five years where SGV or its predecessor, Deloitte, and the Company had any disagreement with regard to any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedure.

The audit findings are presented to the Company's Audit Committee, which reviews and makes recommendations to the Board on actions to be taken thereon. The Board passes upon and approves the Audit Committee's recommendations.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

1) *The Board of Directors*

The Company's Board of Directors (the Board) is responsible for the overall management and direction of the Company. The Board meets regularly every quarter, or as often as may be necessary, to review and monitor the Company's financial position and operations. Each Board member serves for a term of one year or until his successor is duly elected and qualified. None of the members of the Board of the Company own more than 2% of outstanding common shares of HPI.

As of December 31, 2025 the following are the members of the Board:

Table 9 – The Board of Directors

Office	Name	Nationality
Chairman	Martin Kriegner	Austrian
Vice Chairman	Nicolas George	French
Director	Rajesh Surana	Indian
Director	Tan Then Hwee	Singaporean
Independent Director	Gerardo C. Ablaza, Jr.	Filipino

Set forth below are the business experience of the Board during the last five years:

Martin Kriegner, 64, is a graduate of Vienna University with a Doctorate in Law and he obtained an MBA at the University of Economics in Vienna. He joined the Holcim Group in 1990 and became the CEO of the Austrian operations in 1998. He moved to India as CEO in 2002 and later served as Regional President Cement for Asia. In 2012, he was appointed CEO for India for Cement, RMX and Aggregates. In July 2015 he became Area Manager Central Europe and was appointed Head of India in 2016. Mr. Kriegner became a member of the Holcim Group Executive Committee in 2016 and is currently the Region Head for Asia, Middle East & Africa. He was elected as Director of the Company on August 18, 2016.

Nicolas George, 45, is a highly accomplished international executive with a proven track record of driving significant growth and turnaround in diverse and challenging markets. Prior to his assignment as President and CEO of the Company, he was Country CEO at Holcim Algeria, where he led 13 legal entities and approximately 4,000 employees, managing a complex portfolio of industrial assets and achieving consistent double-digit P&L growth. His extensive experience spans leadership roles across Asia, Africa, and the Middle East, including successful tenures at ChipMong INSEE Cement, Hima Cement (Holcim Group), and Lafarge Myanmar, where he consistently delivered exceptional results through strategic restructuring, operational excellence, and a strong focus on sustainability. With a robust strategic background, including key positions at Holcim and Lafarge, Mr. George possesses a unique ability to navigate complex business environments, drive cultural change, and deliver sustainable value. He graduated from Institut National Agronomique Paris-Grignon, majoring in Industry Management, Innovation and Performance.

Rajesh Surana, 48, *Indian*, is a dynamic P&L leader with over 23 years of experience in driving strategic growth and leading turnarounds in a global setting. His notable career milestones include successful assignments such as Group Chief Procurement Officer and Area Manager of East and South Africa of Holcim Group, CEO of LaFargeHolcim Bangladesh, CFO of Holcim Sri Lanka and Holcim Services (South Asia), and Head of Finance of Holcim India. Rajesh obtained his Bachelor of Commerce (Honours) degree from

Shri Ram College of Commerce, University of Delhi, India. He is also a Fellow Company Secretary and a Fellow Chartered Accountant. He currently serves as the Region Head of Finance AMEA for Holcim Group, overseeing finance, strategy, and M&A in Asia, the Middle East, and Africa.

Tan Then Hwee, 53, Singaporean holds an MBA and BBA in marketing from Wichita State University, Kansas, USA. She has over 20 years of human resources management experience in an international business environment across Asia Pacific. She is currently the Chief People Officer of the APAC Region. She previously served as the Vice President HR, Global Head Learning & Development of LafargeHolcim Ltd. and was also a director of Ambuja Cements Ltd, India. Prior to joining LafargeHolcim in 2019, Ms. Tan was the Vice President HR of Sika Asia Pacific from April 2007 to March 2019. She was elected as Director of the Company on September 17, 2020.

Gerardo C. Ablaza, Jr., 72, Filipino, serves as Board Director for numerous publicly-listed and privately-held Philippine corporations, in sectors like retail banking, property development, education, and health, while also contributing to social initiatives as a Trustee for Ayala Foundation, BPI Foundation, and Gawad Kalinga Foundation. Mr. Ablaza is currently a DirectConsultant of A.C.S.T. Business Holdings, Inc., Liveit Investments Limited, Asiacom Philippines, Inc., Ayala Foundation, Inc., Ayala Corporation, Advanced Info Services, PLC (Thailand), Purefoods International, Limited, Ayala Healthcare Holdings, Inc. (formerly Ayala Company, Inc.), Ayala Retirement Fund Holdings, Inc., iPeople, Inc., BPI Asset Management and Trust Corporation doing business under the Trade Name and Style of BPI Wealth, The Bank of the Philippine Islands Foundations, Inc., BPI Direct Banko, Inc., ACEN Corporation and ENEX Energy Corp. Recognized internationally, he received the CNBC Asia Business Leader of the Year and Telecom Asia Best Telecom CEO awards in 2004, and the Citi Distinguished Alumni Award for Leadership and Ingenuity in 2013, solidifying his reputation for exceptional leadership and innovation. He earned a Liberal Arts Degree, major in Mathematics (Honors Program) from De La Salle University in 1974, graduating Summa Cum Laude. He was elected as Director of the Company on May 11, 2023.

The Executive Officers

The officers are likewise elected annually by the Board and serve for one (1) year and until their respective successors have been elected. None of the officers of the Company own more than 2% of the total outstanding shares of the Company.

The Company's executive officers as of 31 December 2025 are set out below:

Table 10 – Executive Officers

Office	Name	Nationality
President & Chief Executive Officer	Nicolas George	French
SVP - Chief Financial Officer/ Investor Relations Officer	Zoe Verna M. Sibala	Filipino
SVP – Head of Cement Industrial Performance - Luzon	Sri Ramachandra Murthy Ammu Venkata Naga Vinayaka	Indian
SVP – Head of Cement Industrial Performance - Mindanao	Mario Gereis	French
SVP - Head of Commercial	Sajith Madusanka Edirisuriya Mudiyanselage	Sri Lankan
SVP - Head of Organization and Human Resources	Roda Ortiz Luis	Filipino

SVP – Head of Supply Chain	Saeed Ola Ande	Nigerian
SVP - Head of Geocycle	Samuel O. Manlosa	Filipino
General Counsel/Corporate Secretary/ Compliance Officer	Belinda E. Dugan	Filipino

The business experience of Mr. Nicolas George for the last five years is provided above. Set forth below are the business experience of the Company's other executive officers during the last five years:

Zoe Verna M. Sibala, 51, is the Senior Vice President, Chief Finance Officer. Ms. Sibala holds a master's degree in Business Administration from the Graduate School of Business, De la Salle University and a degree in Economics from the University of the Philippines. In January 2010, she joined Lafarge as a Finance Manager of Batong Angono Aggregates Corporation and later on became the commercial controller of the Lafarge's cement product line – Lafarge Cement Service Philippines, Inc. Prior to being appointed as Head of Strategy of Holcim Philippines, Inc., she served Lafarge Republic Aggregates, Inc. as Project Manager from July 2014 to December 2014 and as Strategy and Business Development Manager from January to December 2015. Previous to her role as CFO, she served as the company's Chief Sustainability Officer.

Sri Ramachandra Murthy Ammu Venkata Naga Vinayaka, 49, is the Head of Cement Industrial Performance for Luzon and is concurrently serving as the Plant Manager for Holcim Philippines' La Union Plant. His career is defined by high-impact strategic roles, including Chief Manufacturing Officer at Adani Cements, and Chief Operating Officer for the 40 MMT capacity Adani Gangavaram Port. Murthy is recognized for his exceptional ability to drive operational excellence, notably elevating the Ambuja Cement Bhatapara plant to the #1 position in its global performance index and securing the "Best Energy Efficient Plant in India" award through a commitment to sustainability and modernization. He graduated with a degree in M.Tech in Manufacturing Management from BITS Pilani and Executive MBAs from both IIM Calcutta and NIBM Chennai, alongside a proven talent for optimizing large-scale teams and navigating complex industrial environments.

Mario Gereis, 51, is the Head of Cement Industrial Performance for Mindanao and has 25 years of global experience in the cement industry. He also previously served as the Plant Manager for Holcim Philippines of Bulacan Plant, where he oversaw the operational performance of the Bulacan and Mabini facilities. Throughout his career in Holcim, he has demonstrated a strong track record of driving industrial excellence and financial results. Mario's professional expertise is anchored by a solid educational foundation, including a BSc in Mechanical Engineering and a Diploma in Project Management from the American University in Cairo, as well as a Leadership Development Executive Program certification from INSEAD.

Sajith Madusanka Edirisuriya Mudiyansele, 43, is the Senior Vice President, Head of Commercial. Mr. Madusanka received his Doctor of Business Administration from Asia e University Malaysia, his Master in Business Administration from University of Colombo, Sri Lanka, and his Bachelor of Science in Finance from the University of Sri Jayewardenepura, Sri Lanka. Prior to his appointment, he served as the Commercial Director and was a member of the Executive Committee of Chip Mong Insee Cement Corporation in Cambodia. He also concomitantly served as the Chairman of the Green Business Committee of the EUROCHAM (European Chamber) Cambodia.

Roda Ortiz Luis, 50, is the Chief People Officer with over 25 years of experience in human resources management, shared services, and organizational transformation. She holds a Bachelor of Arts degree in Behavioral Science from the University of Santo Tomas. She previously served as the Senior HR Business Partner and HR Project Lead at Prime Energy Resources Development BV. She also has held numerous high-level leadership positions, including Associate Director at AIA Philippines and Country HR Head for Amec Foster Wheeler/Wood.

Saeed Ola Ande, 46, serves as the Senior Vice President, Head of Supply Chain of the Company. He has extensive experience at Lafarge Africa, PLC, and LafargeHolcim, where

he consistently delivered significant improvements in forecast accuracy, service levels, cost reduction, and market share growth. His expertise extends to optimizing distribution networks, ensuring supply reliability, and navigating complex global supply chain challenges. Prior to joining the Holcim Group, Saeed held senior leadership positions at Procter & Gamble and served as a consultant for the United Nations World Food Program and Beiersdorf Nigeria. He obtained advanced degrees from the University of London, as well as certifications from APICS and ACCA.

Samuel O. Manlosa, 43, serves as the Company's Senior Vice President for Geocycle. Prior to his appointment as Head of Geocycle, he held several high-level positions, such as Chief Sustainability Officer and Plant Manager of Holcim Philippines, Davao Plant. With a strong foundation in process engineering and operational excellence, demonstrated through various managerial positions within Holcim and previous roles at Intel and ON Semiconductors, Mr. Manlosa consistently delivers results through strategic leadership, technical expertise, and a commitment to continuous improvement, underpinned by his Chemical Engineering background from Mindanao State University where he graduated Cum Laude and placed 7th in the national board examinations.

Belinda E. Dugan, 58, is the General Counsel, Corporate Secretary and Compliance Officer of the Company. She obtained her Juris Doctor degree from Ateneo Law School and has over 23 years of experience with various multinational firms and a consulting company. Prior to joining Holcim Philippines, Inc. she was Vice President for Legal Management Services of Aboitiz Equity Ventures, Inc. (AEV) from October 2015 to October 2017. She served as Assistant Vice-president for Legal and Compliance of SN Aboitiz Power from May 2009 to October 2015.

2) *Family Relationships*

None of the members of the Board of Directors or any Executive Officer of the Company is related by affinity or consanguinity.

3) *Involvement in Certain Legal Proceedings*

To the knowledge and/or information of the Company, the present members of the Board of Directors or the Executive Officers are not, presently, or during the last five (5) years, involved or have been involved in criminal, bankruptcy or insolvency investigations or proceedings except for the pending legal proceedings involving certain directors and executive officers of the Company and its subsidiaries described in Exhibit 4 hereof.

Item 10. Executive Compensation

The Company has local and expatriate executives. Expatriates are holding positions that are technical and advisory in nature. The compensation of local executives is benchmarked against the established Focus Group (FG*). At 100% performance attainment of the Company's financial and business goals, the executive compensation is targeted to be at median (P50) of the FG and at the 3rd quartile for performance attainment of 110% and above. Expatriates are paid in accordance with the International Assignment compensation guidelines of Holcim.

The compensation received by the Executive Officers represents salaries, bonuses and benefits.

* The Company's Focus Group (FG) is composed of local and multi-national companies with annual gross revenues of PHP 5 - 50 billion and 500 to 5,000 employees.

Table 11 – Executive Compensation (in PhP)

Name and Principal Position	Year	Salary	Bonus	Other Compensation
The CEO and five (5) most highly compensated Executive Officers Nicolas George – President and Chief Executive Officer	2026	93,429,387	8,841,249	86,885,402
	2025	93,429,387	8,841,249	86,885,402
	2024	71,319,038	12,293,280	78,503,890
1. Ramakrishna Maganti – SVP, Head of Infrastructure and Industrial Sales 2. Mario Gereis; - SVP, Head of Cement Industrial Performance - Luzon 3. Saeed Ola Ande - SVP, Head of Supply Chain 4. Sajith Madusanka Edirisuriya - SVP, Head of Commercial 5. Hyun Su An - Plant Manager				
All other Executive Officers and Directors as a group unnamed	2026*	59,523,720	9,610,964	22,693,841
	2025**	59,523,720	9,610,964	22,693,841
	2024	58,664,526	10,264,027	18,688,571

All other Executive Officers and Directors as a group unnamed in 2025 include all incumbents in the Leadership Team. 2026 estimated compensation of executive officers for the ensuing year is assumed to approximate the 2025 level. Bonuses given are driven by actual performance of the company; hence, estimate may vary from actual. 2025** benefits of All Other Executive Officers and Directors include pro-rate salaries, bonuses and benefits of other four (4) separated local Executive Officer.*

Other than directors' per diem, the directors of the Company do not receive any other compensation from the Company, including any of the following arrangements:

- a. Standard arrangement and any other material arrangements;
- b. Employment contract (between the Company and named executive officers);
- c. Compensatory plan or arrangement;
- d. Outstanding warrants or options; and
- e. Adjustments or amendments on the price of stock warrants or options.

Warrants and Options Outstanding

There are no warrants or options granted by the Company to any of its Directors or Executive Officers.

Item 11. Security Ownership of Certain Beneficial Owners and Management

The table below shows persons or groups known to HPI as of December 31, 2025 to be directly or indirectly the record or beneficial owner of more than 5% of the Company's voting securities:

Table 12 – Beneficial Ownership of Voting Securities

Title of Class	Name & Address of Record Owner & Relationship with Issuer	Name of Beneficial Owner And Relationship with Record Owner	No of Shares Held	% of Ownership
Common	Union Cement Holdings Corporation 7th Floor, Two World Square, McKinley Hill Fort Bonifacio, Taguig City (Filipino) Stockholder	Union Cement Holdings Corp. (same as record owner)	3,906,425,506	60.55%
Common	Holderfin B.V. Roemer Visscherstraat 41 NL – 1054 EW Amsterdam (Dutch) Stockholder	Holderfin B.V. (same as record owner)	1,999,263,301	30.99%
Common	Cemco Holdings, Inc. Unit 15A, ACT Tower, 135 H.V. dela Costa St., Salcedo Village, Makati City (Filipino) Stockholder	Cemco Holdings, Inc. (same as record owner)	456,689,560	7.08%

The respective Board of Directors of each of UCHC, Holderfin, and Cemco has the power to decide how their shares in the Company are to be voted.

Security Ownership of Management

The table below shows the securities beneficially owned by all directors, nominees and executive officers of HPI as of December 31, 2025:

Table 13 – Security Ownership of Management

Title of Class	Name and Address of Beneficial Owner	Amount / Nature of Ownership	Registered (R) or Beneficial (B)	% of Ownership
Common	Martin Kriegner	2(D)	R	0.00%
Common	Nicolas George	1(D)	R	0.00%
Common	Tan Then Hwee	1(D)	R	0.00%
Common	Rajesh Surana	1(D)	R	0.00%
Common	Gerardo C. Ablaza, Jr.	1(D)	R	0.00%
	Total	6	R	0.00%

Directors and officers as a group hold a total of 6 common shares, equivalent to approximately 0.00% of the Company's issued and outstanding capital stock.

(1) Voting Trust Holders of 5% or more

No person holds five percent (5%) or more of the issued and outstanding shares of stock of the Company under a voting trust or similar agreement.

(2) Changes in Control

There were no material changes in the control of the Company since the beginning of the Company's last calendar year.

Item 12. Certain Relationships and Related Transactions

For a detailed discussion of other material related party transactions, please see Note 27 – Related Party Transactions to the accompanying consolidated financial statements in Item 14.1.

Except for the transactions discussed in Note 27 – Related Party Transactions to the accompanying consolidated financial statements in Item 14.1, there were no other material related party transactions during the last three financial years, nor are there any material transactions currently proposed between the Company and any: (i) director, officer, direct or indirect owner of 10% or more of the outstanding shares in the Company; (ii) close family member of such director, officer or owner; (iii) associates of the Company; (iv) enterprises controlling, controlled by or under common control with the Company; or (v) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any director, officer or owner of 10% or more of the outstanding shares in the Company or any close family member of such director, key officer or owner, or collectively, the Related Parties.

There was no outstanding indebtedness at any time during the last three (3) financial years that was owed to the Company and/or its subsidiaries by any Related Party.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance

The Company has in place a robust internal control system which is an overall process effected by the Board, management and other personnel designed to provide reasonable assurance concerning: (i) the reliability of the financial reporting and statements; (ii) compliance with laws and regulations; (iii) protection of assets and fraud prevention; (iv) effectiveness and efficiency of processes. Additionally, in accordance with the Company's Revised Corporate Governance Manual, the Board is assisted by a Compliance Officer who is in charge of evaluating and ensuring compliance by the Company, the Board of Directors and officers with its Manual of Corporate Governance, Code of Corporate Governance for Publicly-Listed Companies (the "CG Code") and all relevant laws, rules and regulations.

The Board, who also acts as the Corporate Governance Committee, ensures that the Board and the Company, as a whole, is sufficiently conversant and compliant with the adopted leading practices in corporate governance.

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

The Board always seeks to improve corporate governance of the Company by improving existing policies, developing and establishing new policies required by the Company's Corporate Governance Manual and undertaking measures to implement such policies.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Taguig on ~~APR 13 2026~~ 2026.

By:

[Redacted Signature]

Mohit Kapoor
President / Chief Executive Officer

[Redacted Signature]

Zoe Verma M. Sibala
Senior Vice President / Chief Financial Officer

[Redacted Signature]

Belinda E. Dugan
General Counsel / Corporate Secretary / Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ day of ~~APR 13 2026~~ 2026 affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES	RES. CERT. NO.	EXPIRY DATE	PLACE OF ISSUE
Holcim Philippines, Inc.	00484070	December 31, 2026	Taguig City
	PASSPORT NO		
Mohit Kapoor	[Redacted]	[Redacted]	[Redacted]
Zoe M. Sibala	[Redacted]	[Redacted]	[Redacted]
Belinda E. Dugan	[Redacted]	[Redacted]	[Redacted]

Doc No.: 371
Page No.: 1
Book No.: 1
Series No.: 2026



Notary Public

[Redacted Signature]

KOBE LAWRENCE P. VENERACION
Notary Public for Taguig City
Appointment No. 212 valid until 31 December 2026
16th Floor, One/Neo Building, 26th Street, cor. 3rd Ave.
Crescent Park West, Bonifacio Global City, Taguig City
Roll Attorney No. 87807
PTR No. A-6767089; 01/08/2025, Taguig City
IBP Membership Receipt No. 536766; 01/07/2025, Quezon City
MCLE Compliance No. VIII-0027174; 04/11/2025

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

14.1 Consolidated Financial Statements

The audited consolidated financial statements for the years ended December 31, 2025 and 2024 are attached as Exhibit 1:

- Statement of Management's Responsibility to the Financial Statements
- Independent Auditors' Report
- Consolidated Statements of Financial Position as at December 31, 2025 and 2024
- Consolidated Statements of Profit or Loss and Other Comprehensive Income for the years ended December 31, 2025, 2024 and 2023
- Consolidated Statements of Changes in Equity for the years ended December 31, 2025, 2024 and 2023
- Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023
- Notes to Consolidated Financial Statements

14.2 Supplementary Schedules

- Supplementary Schedule of Retained Earnings Available for Dividend Declaration
- Illustration of relationships between the Company, its Ultimate Parent Company, Middle Parent, and its Subsidiaries
- Philippine Financial Reporting Standards and Interpretations Effective as of December 31, 2025
- Schedule of Financial Soundness Indicators
- The supplementary schedules of the Consolidated Financial Statements for the year ended December 31, 2025 are attached as Exhibit 2.

14.3 SEC Form 17 – Q

During the year 2025, the Company has filed the following SEC quarterly reports pursuant to Section 17 of SRC Rule 17 (2) (b) hereto attached as Exhibit 3.

Date of Filing	Quarter Ending
May 09, 2025	March 31, 2025
August 13, 2025	June 30, 2025
November 14, 2025	September 30, 2025

14.4 Legal Proceedings and Pending Cases (See Exhibit 4)

14.5 Reports on SEC Form 17-C

Reports on SEC Form 17-C filed during the year ended December 31, 2025 are attached together with this report as Exhibit 5:

January 10, 2025	An advisory on the declared lockout of members of both HPWU/Associates and HLSU/Supervisory Unions of the Lugait Plant following a deadlock on the negotiations of the respective collective bargaining agreements.
January 17, 2025	An advisory on the lifting of the lockout of members of both HPWU/Associates and HLSU/Supervisory Unions of the Lugait Plant following the successful conclusion of the respective collective bargaining agreements.

April 2025	23,	An advisory on the postponement of the 2025 Annual Stockholders Meeting to May 15, 2025 due to conflicting schedules of the members of the Board of Directors.
May 2025	20,	An advisory on the Results of the Annual Stockholders Meeting held on May 15, 2025.
May 2025	20,	An advisory on the Results of the Organizational Board Meeting held on May 15, 2025.

TAX CASES (Parent)

1. The Company filed on June 24, 2014, a Complaint before the Regional Trial Court of Malolos, Bulacan for the annulment of the *Notice of Assessment of Business Tax on Alleged Discovered Unreported Cement Sales* dated February 24, 2014 issued by the Municipal Treasurer of the Bulacan and for the reversal of the denial of Holcim's *Protest* letter dated April 23, 2014 questioning the Assessment Notice.

While this action was pending, the Company received on October 26, 2015, an Assessment Notice which assessed the Company for an alleged deficiency local business tax (LBT) in the aggregate amount of P118.2 Million Pesos for the years 2006 to 2015. Unlike the 2014 Assessment Notice which involves the defendants' assessment of LBT against the Company based on the purported undeclared gross sales or receipts for the years 2006 to 2012, the 2015 Assessment Notice concerns the Treasurer's assessment of LBT against the Company based on the purported undeclared gross sales or receipts for the years 2006 to 2015. The Municipal Treasurer did not act on the Company protest within the 60-day period provided in Section 195 of the Local Government Code (LGC), and thus, on March 21, 2016, the Company filed a Complaint/Appeal with the Bulacan RTC which sought the cancellation/nullification of the 2015 Assessment Notice.

On September 13, 2016, the Company filed a motion to consolidate the first and second case before Branch 19 of the RTC of Bulacan. Motion to consolidate was granted on November 29, 2016.

The hearing for initial presentation of evidence took place on April 16, May 28 and October 22, 2018. The hearing for the presentation of the Necessary Parties' evidence took place on February 4, 2019. On May 16, 2019, Holcim filed its Memorandum. On May 21, 2019, the court issued an Order stating that the case is now submitted for decision.

On October 28, 2020, the Company received the Decision issued by the Regional Trial Court Branch 19 Malolos, Bulacan dated July 1, 2020, which declared the 2014 and 2015 Assessment Notices issued by defendant Municipality of Norzagaray, Province of Bulacan against Holcim Phils. Inc. as NULL and VOID and ordered the Municipality of Norzagaray, Bulacan and Filipina D.G. De Mesa, in her capacity as ICO-Municipal Treasurer of Norzagaray, to jointly and severally pay Holcim Phils., Inc. the amount of One Hundred Fifty Thousand Pesos (P150,000.00) as attorney's fees and to pay the cost of litigation.

No update for this case as of December 31, 2025.

2. The Company received an Assessment from the Provincial Assessor and a Notice of Real Property Tax (RPT) Delinquencies issued by the Provincial and Municipal Treasurers of Norzagaray, Bulacan on December 18, 2012. The Assessment demanded total of P80.3M related to the RPT of machineries and equipment for the years 2011 and 2012. The Local Board of Assessment Appeals (LBAA) granted the Company's Motion to Post Bond amounting to P80.3M. The Appeal is still pending with the LBAA.

On April 23, 2013, the Provincial Assessor of Bulacan issued a revised tax declaration on machineries and equipment at the Company's Bulacan Plant. Soon after, on June 2013, the Company received an assessment for the years 2011 to 2012 and a computation of RPT for the first and second quarter of 2013. The assessed additional RPT amounted to P23.8M. On September 13, 2013, the Company received an additional assessment from Municipal Treasurer of Norzagaray, Bulacan for RPT due on its 1998 and Additional Line 2 Properties for the third quarter of 2013. The said assessment also reiterated the previous assessments made for 2011 to second quarter of 2013. The Company's supplemental appeals, covering the first and second quarter RPT Assessment and September 2013 Assessments with the LBAA are pending resolution.

On March 10, 2014, the Company received 71 tax declarations and 71 notices of assessments over its machineries for 2014 from the Municipal Assessor of Norzagaray, Bulacan. Thereafter on May 9, 2014, the Company received a notice of assessment from the Provincial Assessor of Norzagaray, Bulacan. On May 15, 2014, the Company also received an assessment from the Municipal Treasurer of Norzagaray, Bulacan requiring the Company to pay deficiency RPT for the years 2011 to 2013 amounting to P129M. The Company's supplemental appeals with the LBAA for the assessments are pending resolution.

On December 9, 2014, at the suggestion of the Provincial Governor of Bulacan and the Municipal Mayor of Norzagaray, Bulacan, the Company paid under protest RPT amounting to P120M, allocated as follows: (a) land: P8.6M; (b) buildings: P3.3M; (c) machineries: P107.9M. On January 9, 2015, the Company filed three protests with the Provincial Treasurer. Following the Provincial Treasurer's inaction over the Company's protests, the Company filed its appeal with the LBAA, raising the following issues: (a) whether the Company is entitled to an annual depreciation allowance; (b) what is the correct amount that should be credited in the Company's favour on account of its RPT payments from 2011 to the third quarter of 2013; and (c) whether it is correct to assess interest, surcharges and penalties on the RPT that the Company attempted to pay on time but which the local government officials refused to accept with respect to the RPT for the 4th quarter of 2013 to 2014. This appeal is pending resolution.

On March 30, 2015, the Company received an assessment of deficiency RPT for 2015 amounting to P49.3M. The Company paid the assessed amount and filed a protest with the Provincial Treasurer of Bulacan. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2016 amounting to P103M. The Company paid the said amount and filed a protest with the Provincial Treasurer. Thereafter, on May 13, 2016, the Municipal Treasurer issued of Norzagaray, Bulacan issued a revised computation of the Company's liabilities for 2016 amounting to P46.8M. The Company thus filed a supplement to its earlier protest with the Provincial Treasurer. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On March 31, 2016, the Company received from the Municipal Treasurer of Norzagaray, Bulacan an assessment for deficiency RPT for 2017 amounting to P41.1M for its lands, buildings and machineries located in its Bulacan plant. On August 17, 2017, the Company filed an appeal with the LBAA in respect to its payment under protest.

On March 26, 2018, the Company received an assessment computation of RPT due on Holcim's Bulacan Plant for the year 2018 in the amount of P52M. On the same date, the Company paid the RPT due on Holcim's properties, of which payment amounting to P41.1M for the machineries is under protest. The protest with the Provincial Treasurer was filed on April 25, 2018. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On December 17, 2018, the Company received an Assessment Notice for the RPT due on its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2019 amounting to P40.5M. On December 28, 2018, Holcim paid under the protest the total amount assessed. The protest with the Provincial Treasurer was filed on January 25, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

On January 25, 2019, the Company received an Assessment Notice which assessed Holcim alleged RPT in respect of its machineries and equipment located at its cement manufacturing facility in Norzagaray, Bulacan for the year 2016. The Company filed the Appeal on the 2016 Assessment Notice on May 23, 2019. Following the Provincial Treasurer's failure to act on the Company's protest within the prescribed period, the Company filed its appeal with the LBAA, which is pending resolution.

Holcim has filed a Motion to Resolve requesting the LBAA to act on all of Holcim's pending appeals.

On January 31, 2019, Holcim appeared in a hearing before the LBAA. The LBAA scheduled a hearing on March 28, 2019 for the rendition of its judgment.

On July 6, 2020, Holcim received the Joint Decision issued by LBAA, Bulacan dated March 6, 2020, which denied the Petition and disallowed the claims for tax credit and refund. Holcim was directed to pay the respondent its tax liabilities amounting to P315.6M with directive upon the respondent Treasurer of the Municipality of Norzagaray, Bulacan, to deduct from said amount all prior payments made under protest by Holcim that are covered by the assessment notices or orders of payment at issue.

On July 13, 2020, the LBAA received the Appeal filed by Holcim. LBAA denied petition for refund ordering Holcim to pay 315.6M but applying the P454.7M already paid from 2012 to 2020. The application reduced the refund amount to P139.1M.

All refund claims appeal are pending with the Central Board of Assessment Appeals (CBAA).

In early 2023, the parties initiated settlement discussions before the **Central Board of Assessment Appeals (CBAA)** to resolve their dispute through amicable means. Although an initial conference was held in January, scheduling conflicts delayed further progress until May. In response, the CBAA granted the parties a 30-day window to meet and mandated the filing of Joint Manifestations to document their progress, clarifying that the case would proceed to a formal trial if a settlement could not be reached.

On May 26, 2023, in a Zoom conference, the Provincial Treasurer presented three key settlement proposals. These terms suggested limiting the tax refund to the period of **2019 to 2023**, provided that Holcim waives all claims from 2011 to 2018. The proposal also established a **3.33% annual depreciation rate** for Holcim's machineries both for the contested period and for succeeding years alongside the issuance of tax clearances for all properties through 2023.

By June 2023, the parties reported significant progress to the CBAA, noting that they had begun **exchanging specific figures** regarding the refundable Real Property Tax amount. Recognizing that negotiations were advancing productively, the CBAA cancelled the scheduled October 2023 hearing and directed the parties to submit periodic status reports. Both sides have since confirmed through formal pleadings that they remain actively engaged in finalizing the settlement.

In mid-2024, the newly reconstituted **Bulacan Local Board of Assessment Appeals (LBAA)** resumed hearings for LBAA Case No. 20-01, concerning Holcim's appeal for a refund of over **₱41.7 million** in real property taxes paid under protest for the year 2020. After Holcim complied with procedural requirements by submitting original proof of payment for appeal fees, the LBAA directed the local government to file an answer. However, formal litigation was deferred as both parties manifested a strong interest in reaching a comprehensive settlement to resolve not only the 2020 case but also long-standing tax issues dating back to 2011.

Negotiations between Holcim and provincial officials, including the Provincial Treasurer and Assessor, centered on a three-part compromise. Holcim proposed to withdraw all pending appeals before the LBAA and CBAA and waive refund claims for the years 2011 to 2024. In exchange, the Province of Bulacan agreed to issue a **Tax Clearance Certificate (TCC)** for that entire period, officially cancel 38 duplicitous tax declarations, and apply a **3.33% annual depreciation allowance** on Holcim's machineries prospectively starting in 2025. By August 2024, the Provincial Assessor confirmed that the redundant tax declarations had already been cancelled.

During subsequent meetings in late 2024, the Provincial Treasurer worked on finalizing the TCC and a factual report for the Governor and the *Sangguniang Panlalawigan*. A critical point of discussion involved verifying that Holcim's actual payments—totaling approximately **₱368 million**—exceeded the liabilities previously determined in a 2020 LBAA decision. The Treasurer also began recomputing the future assessed values of Holcim's machineries to reflect the agreed-upon depreciation schedule, ensuring that the settlement would provide a clear financial roadmap for both parties moving forward.

By the final hearing of the year on November 25, 2024, the parties informed the LBAA that they were in the final stages of documentation. While the framework of the agreement was solid, the sheer volume of records spanning 14 years required additional administrative time to process. Consequently, the LBAA granted a further extension, scheduling the next status update for January 2025 to allow for the formal execution of the settlement agreement and the issuance of the revised tax declarations.

Throughout 2025, settlement proceedings between Holcim and the Province of Bulacan focused on the complex administrative task of finalizing tax clearances and implementing agreed-upon depreciation rate. By early 2025, the Provincial Assessor confirmed that tax declarations were updated to reflect the **3.33% annual depreciation allowance**, allowing Holcim the option to pay 2025 taxes in advance at a significant discount. However, the issuance of the formal Tax Clearance Certificate (TCC) faced repeated delays due to the

Governor's holiday schedule, the intervening election season, and the Provincial Treasurer's intensive audit of records spanning over a decade.

A significant hurdle emerged regarding the reconciliation of **Assessment Real Property (ARP) numbers**. During hearings in April and May 2025, the Provincial Treasurer reported that references in Holcim's official receipts did not match the Assessment Division's master records for the years 2011 to 2014. To maintain momentum, the Treasurer proposed a phased approach: issuing an initial tax clearance for 2019–2020 to resolve **LBAA Case No. 20-01**, while continuing the tedious reconciliation of older records. Holcim, however, emphasized that the original settlement was contingent on a comprehensive clearance through 2024, prompting further coordination to include later years in the pending drafts.

By the latter half of 2025 and into early 2026, the parties reported to both the LBAA and the **CBAA** that a final settlement was imminent. The Provincial Treasurer completed drafts for two separate tax clearances—one for 2011–2018 and another for 2019–2020—while continuing to verify the remaining years. Despite the administrative delays caused by budget hearings and data discrepancies, the CBAA and LBAA remained supportive of the compromise, resetting hearings to **February 2026** to allow the Treasurer a final window to reconcile the remaining receipts and formally issue the clearances that will terminate all pending litigation.

3. HPI had an on-going tax audit for national taxes for the taxable year 2017. On June 8, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P6.6B, inclusive of penalties and interest. The Company filed its protest to PAN last June 23, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P48.5M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.
4. HPI had an on-going tax audit for national taxes for taxable year 2018. On June 2, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P18.4B, inclusive of penalties and interest. The Company filed its protest to PAN last June 17, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P57M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.
5. HPI was issued with a Letter of Authority by the BIR for taxable year 2019 covering all national taxes. As of December 31, 2025, the BIR has not made any determination of deficiency taxes. Thus, this case is considered prescribed, and the BIR is already barred from issuing tax assessments to HPI for this taxable year.
6. HPI had a tax audit covering all national taxes for the taxable year 2020. On September 10, 2024, BIR issued the NOD for alleged deficiency amounting to P10.3B, inclusive of penalties and interest. On December 4, 2024, BIR issued the PAN for alleged deficiency taxes amounting to P7.4B, inclusive of penalties and interest. On January 31, 2025, BIR issued the FAN for alleged deficiency taxes amounting to P7.0B, inclusive of penalties and interest. On August 6, 2025, BIR issued the Final Decision on Disputed Assessment (FDDA) for alleged deficiency taxes amounting to P120.1M, inclusive of penalties and interest. On August 6, 2025, HPI settled this amount and the case was closed and terminated with the BIR issuing the Termination Letter.

7. HPI has an on-going tax audit for national taxes for the taxable year 2021. On November 20, 2024, BIR issued the NOD for alleged deficiency taxes amounting to P7.4B, inclusive of penalties and interest. On February 26, 2025, BIR issued the PAN for alleged deficiency taxes amounting to P5.4B, inclusive of penalties and interest. On May 19, 2025, BIR issued the FAN for alleged deficiency taxes amounting to P5.2B, inclusive of penalties and interest. The company submitted reply and protest letters together with supporting reconciliation and documentation. As of December 31, 2025, the BIR has not yet issued the Final Decision on Disputed Assessment.
8. HPI has an on-going tax audit for 2022 national taxes. As of December 31, 2025, the BIR has not made any determination of any deficiency taxes.
9. HPI has an on-going tax audit for 2023 national taxes. As of December 31, 2024, the BIR has not made any determination of any deficiency taxes.
10. HPI has an on-going case pertaining to an imposition of penalties for an alleged late payment of Value-Added Tax (VAT) for the third quarter of 2023. In January 2024, the BIR issued a Preliminary Notice on the alleged one-day late payment of the VAT due for the third quarter of 2023. For the alleged one-day late payment, the BIR imposed interest and surcharge amounting to P38M. On January 27, 2025, HPI filed an Application for Abatement with the BIR. On April 11, 2025, the BIR issued a Notice of Denial of Application for Abatement. On May 13, 2025, HPI filed a Petition for Review before the Court of Tax Appeals (CTA) and was docketed as CTA Case No. 11916. As of December 31, 2025, the case is still pending with the CTA.

TAX CASES (Subsidiaries)

1. ECLI has an on-going tax audit for 2017 national taxes. The Company received the Preliminary Assessment Notice (PAN) last February 5, 2021. The BIR issued a Warrant of Garnishment (WOG) last November 3, 2021 to Security Bank for P16.2M. ECLI applied for compromise and paid P5.4M last December 19, 2021. The Regional Evaluation Board approved the offer. As of December 2025, the application is still awaiting approval of the National Evaluation Board.
2. HPMC had a tax audit for capital gains tax for taxable year 2000. Last November 5, 2020, HPMC received a Final Decision on Disputed Claim for the alleged deficiency capital gains taxes for the amount of P 355.5M. On December 3, 2020, the Company filed its Petition for Review with the Court of Tax Appeals. The Pre-trial hearing was held last June 14, 2021 with succeeding hearings to file the Motions. A motion to set the case for Commissioner's hearing was granted by court last November 23, 2022 and was scheduled January 19, 2023. The independent Certified Public Accountant also presented her testimony last January 26, 2023. A memorandum was submitted to the CTA last March 4, 2024. On February 14, 2025, the CTA rendered a decision in favor of HPMC. As of December 31, 2025, the motion for entry of judgment is approved by the CTA.
3. On August 31, 2010, Holcim filed a Complaint for Interpleader against Iligan, Lugait, and Misor to compel them to litigate among themselves and determine who has taxing jurisdiction over Holcim's Lugait plant. On April 30, 2018, Holcim received the RTC's Decision dated January 22, 2018 dismissing said case. On May 15, 2018, Holcim filed its Motion for

Reconsideration of the RTC's Decision. On July 24, 2019, Holcim received the court's Order dated January 9, 2019 denying its Motion for Reconsideration. On August 6, 2019, Holcim filed its Notice of Appeal dated July 30, 2019.

On December 21, 2020, Holcim received a notice from the Court of Appeals directing it to file its Appellant's Brief within forty-five (45) days from receipt of the notice. Consequently, Holcim's Appellant's Brief was filed on February 3, 2021.

On 21 December 2023, Holcim received the Court of Appeals' Resolution directing it to submit proof of payment of the Sheriff's Trust Fund Fee. On 22 December 2023, filed a Manifestation submitting proof of payment of the Sheriff's Trust Fund Fee.

On April 3, 2024, we received a copy of the Resolution of the Court of Appeals dated March 1, 2024, which noted the Compliance filed by Holcim and Iligan City and declared the appeal SUBMITTED for decision.

During the pendency of the proceedings before the Court of Appeals, Iligan City issued Warrants of Levy dated July 19, 2024 and a Notice of Auction Sale dated August 23, 2024, received by Holcim on July 26, 2024. Iligan City scheduled to sell Holcim's properties at a public auction to satisfy its RPT claims on September 11, 2024.

On September 2, 2024, Holcim filed an application for the issuance of a temporary restraining order ("TRO") and writ of preliminary injunction to restrain Iligan City from selling the properties at a public auction. Holcim also moved to hold the Iligan Treasurer in contempt.

In a Resolution dated September 5, 2024, the Court of Appeals directed the issuance of a TRO enjoining Iligan City from selling the properties subject to the posting of a P10 Million bond. On September 10, 2024, Holcim posted the bond and the Court of Appeals issued and served the Temporary Restraining Order on Iligan. The scheduled Auction Sale of HMPC on September 11, 2024 did not push through in light of the TRO issued.

The Court of Appeals' Resolution directed Iligan City to file a comment on Holcim's Application. On September 19, 2024, Holcim received Iligan's comment. Holcim filed its Reply to Iligan's comment on October 1. Also, on October 1 MisOr and Lugait jointly filed their Comment/Manifestation on Holcim's Application. On October 15, 2024, Holcim received Iligan's Rejoinder to Holcim's Reply.

Holcim and Iligan went into talks to settle the arrears of the disputed RPTs. CA denied application for WPI. Holcim filed Motion for Partial Reconsideration assailing the 24 January 2025 Decision stating that the Interpleader case was a boundary dispute. Compromise Agreement entered between Holcim and Iligan whereby Holcim shall pay Iligan in installments to prevent Levy.

Received on 12 December 2025, the Decision of Court of Appeals dated 25 Nov 2025 denied Holcim's Motion for Partial Reconsideration stating that this is a boundary dispute. Holcim to file Motion for Extension with Supreme Court to file appeal until January 26, 2026. On January 23, 2026, the Petition for Review on Certiorari was filed with the Supreme Court on the denial of Holcim's appeal alleging that the Regional Trial Court has jurisdiction to rule on the interpleader case as it is NOT a boundary dispute.

4. HPMC had a tax audit for 2017 national taxes. Last June 3, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P512.9M, inclusive of penalties and interest. The Company filed its protest to PAN last June 20, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P14.9M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. The termination letter has already been issued by the tax office officially closing this case.
5. HPMC had a tax audit for national taxes for the taxable year 2018. Last May 31, 2022, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P526.7M, inclusive of penalties and interest. The Company filed its protest to PAN last June 15, 2022. On January 31, 2023 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P12.7M, inclusive of penalties and interest. The case was closed via settlement for the same amount last February 2, 2023. Termination letter is pending for issuance.
6. HPMC has an on-going tax audit for national taxes for taxable year 2019. On May 17, 2023, the company received a Preliminary Assessment Notice (PAN). On July 3, 2023, the Company received a Formal Letter of Demand (FLD) for all national taxes for alleged deficiency taxes amounting to PhP 511M, inclusive of penalties and interests. On August 1, 2023, the Company filed its protest to the FLD. On March 18, 2025, HPMC received the FDDA amounting to P161.8M, inclusive of penalties and interest. On April 16, 2025, HPMC filed a Petition for Review before the Court of Tax Appeals docketed as CTA Case No. 11879. As of December 31, 2025, the hearing is ongoing.
7. HPMC has an on-going tax audit for national taxes for taxable year 2020. On May 8, 2024, BIR issued the Notice of Discrepancy (NOD) for all national taxes for alleged deficiency taxes amounting to P1.7B, inclusive of penalties and interest. On August 9, 2024, BIR issued Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency amounting to P1.8B, inclusive of penalties and interest. On January 22, 2025, BIR issued the Final Assessment Notice (FAN) for all national taxes for alleged deficiency amounting to P1.7B, inclusive of penalties and interest. As of December 31, 2025, the BIR has yet to issue a Final Decision on Disputed Assessment (FDDA).
8. HPMC has an ongoing tax audit for 2022 covering all national taxes. On November 17, 2025, the BIR issued the NOD for alleged deficiency taxes amounting to P1.04B, inclusive of interest and penalties. As of December 31, 2025, the BIR has yet to issue the Preliminary Assessment Notice (PAN).
9. HSSI has an on-going tax audit for national taxes for taxable year 2017. Last May 21, 2021, the BIR issued a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P341.3M, inclusive of penalties and interest. The Company filed its protest to PAN last June 4, 2021. On July 15, 2021 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P348.2M, reflecting the same findings as the PAN, inclusive of penalties and with updated interest. The Company filed its request for reinvestigation last October 11, 2021. As of December 31, 2025, the BIR has yet to issue a Final Decision on Disputed Assessment (FDDA).

10. HSSI has an on-going tax audit for national taxes for taxable year 2018. Last September 30, 2022, the BIR has issued, via registered mail, a Preliminary Assessment Notice (PAN) for all national taxes for alleged deficiency taxes amounting to P38.3M, inclusive of penalties and interest. On December 10, 2022 the BIR issued a Final Assessment Notice (FAN) for all national taxes for alleged deficiency taxes amounting to P39.2M, reflecting the same findings as the PAN, inclusive of penalties and with updated interest. The Company filed its request for reinvestigation last January 9, 2023. HSSI received a Warrant of Garnishment dated September 6, 2023 thru Security Bank. On February 22, 2024, HSSI paid the offer for compromise amount for Income Tax and Value-Added Tax amounting to P4.6 million and P6.0 million, respectively. On August 1, 2024, HSSI paid the offer for compromise Expanded Withholding Tax and Withholding Tax on Compensation amounting to P407,321.91 and P154,013.24, respectively. As of December 31, 2025, the application for offer for compromise is still pending approval.
11. MGMC has an ongoing tax audit for national taxes for the taxable year 2022. On June 3, 2024, the BIR issued the NOD for alleged deficiency taxes amounting to P34million, inclusive of penalties and interest. On December 10, 2024, BIR issued the PAN for alleged deficiency amounting to P19million, inclusive of penalties and interest. On February 13, 2025, the BIR issued the FAN for all national taxes for alleged deficiency amounting to P10.8M, inclusive of penalties and interest. As of December 31, 2025, the BIR has yet to issue the Final Decision on Disputed Assessment (FDDA).
12. BPI has an ongoing tax audit for national taxes for the taxable year 2023. As of December 31, 2025, the BIR has not made any determination of deficiency taxes.
13. S&BC has an ongoing value-added tax audit covering the period January 1, 2025 to June 30, 2025. As of December 31, 2025, the BIR has not made any determination of any deficiency taxes.



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McKinley Hill, Fort Bonifacio,
Taguig, Philippines

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Holcim Philippines, Inc. and its Subsidiaries (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

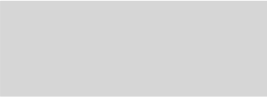
The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders for the periods December 31, 2025 and 2024, respectively, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in their reports to the stockholders or members, has expressed their opinion on the fairness of presentation upon completion of such audit.

Martin Kriegner
Chairman of the Board

Mohit Kapoor
President and Chief Executive Officer



Zoe M. Sibala
Treasurer

Signed this 13th day of April 2026.



Holcim Philippines, Inc. Phone +63 2 8581 1511
7th Floor, Two World Square, www.holcim.ph
McKinley Hill, Fort Bonifacio,
Taguig, Philippines

SUBSCRIBED AND SWORN to before me this APR 13 2026 at Taguig City, Philippines, who is known to me to be the same person who presented and signed the instrument (*STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS*) in my presence, affiant/s exhibiting to me as competent evidence of identity the following:

NAME	ID	Place Issued	Expiry Date
Mohit Kapoor			
Zoe M. Sibala			

Doc. No. 3M ;
Page No. 76 ;
Book No. I ;
Series of 2026




KOBE LAWRENCE P. VENERACION
Notary Public for Taguig City
Appointment No. 212 valid until 31 December 2026
16th Floor, One/Neo Building, 26th Street, cor. 3rd Ave.
Crescent Park West, Bonifacio Global City, Taguig City
Roll Attorney No. 87807
PTR No A-6767089: 01/08/2026; Taguig City
IBP Membership Receipt No. 536766, 01/07/2026, Quezon City
MCE Compliance No. VTR-0022172: 03/11/2025



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Taguig, Philippines

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS


The management of Holcim Philippines, Inc. and its Subsidiaries (the "Group") is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders for the periods December 31, 2025 and 2024, respectively, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in their reports to the stockholders or members, has expressed their opinion on the fairness of presentation upon completion of such audit.



Martin Kriegner
Chairman of the Board

Mohit Kapoor
President and Chief Executive Officer

Zoe M. Sibala
Treasurer

Signed this 13th day of April 2026.

SUBSCRIBED AND SWORN to before me this _____ with the presentation of the following:

NAME	ID	Place Issued	Expiry Date
Martin Kriegner			
Mohit Kapoor			
Zoe M. Sibala			

Doc. No. ____;
 Page No. ____;
 Book No. ____;
 Series of 2026

BEGLAUBIGUNG / NOTARIAL CERTIFICATE
 Die Echtheit der vorstehenden Unterschrift vor
 The authenticity of the signature of

Vorname / first name: Martin
 Name / name: Dr. Kriegner
 Geburtsdatum / Date of birth: 6.9.1961
 Geschlecht / sex: male
 Bürgerort / citizenship: Österreich
 Wohnort / residence: Waldwil (CH)
 wird beglaubigt / is certified. Zug, 14.4.2026
 Die Urkundsperson / The notary public:



Apostille

(Convention de la Haye du 5 octobre 1961)

- Country: Swiss Confederation, Canton of Zug
This public document
- has been signed by **Jonas Utiger**
- acting in the capacity of **Notary Public**
- bears the stamp of **Notary Public of the Canton of Zug**
Certified
- at 6300 Zug
- The **14 April 2026**
- by Chancery of State of the Canton of Zug
- under No. **5716 / 26**
- Stamp
- Signature



Andrea Arnold

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and the Stockholders
Holcim Philippines, Inc. and Subsidiaries
7th floor, Two World Square, McKinley Hill, Fort Bonifacio
Taguig City, Metro Manila

Opinion

We have audited the consolidated financial statements of Holcim Philippines, Inc. and Subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

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

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



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

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

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

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


- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



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

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez 
Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 105007-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-116-2025, December 19, 2024, valid until December 18, 2027

PTR No. 10765059, January 2, 2026, Makati City

April 13, 2026



HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2025	2024
	<i>(In Thousands)</i>	
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 5, 29 and 30)	₱1,198,803	₱4,077,142
Trade and other receivables (Notes 6, 27, 29 and 30)	2,212,445	1,788,817
Inventories (Note 7)	2,729,286	2,914,465
Other current assets (Notes 8 and 30)	970,473	685,893
Total Current Assets	7,111,007	9,466,317
Noncurrent Assets		
Investments and loans receivable (Notes 9, 27, 29 and 30)	5,305,960	5,413,437
Property, plant and equipment (Note 10)	15,128,106	17,269,938
Right-of-use assets (Note 14)	1,139,442	1,307,999
Goodwill (Note 11)	2,635,738	2,635,738
Intangible assets (Note 11)	19,843	30,097
Deferred tax assets - net (Note 24)	925,367	220,658
Retirement benefit asset (Note 25)	2,892,352	2,561,519
Other noncurrent assets (Note 12)	1,227,412	1,263,132
Total Noncurrent Assets	29,274,220	30,702,518
TOTAL ASSETS	₱36,385,227	₱40,168,835
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 13, 27, 29 and 30)	₱10,563,127	₱10,877,034
Current portion of lease liabilities (Notes 14, 29 and 30)	73,408	39,427
Income tax payable	42,282	14,929
Total Current Liabilities	10,678,817	10,931,390
Noncurrent Liabilities		
Retirement benefit liability (Note 25)	25,607	–
Provisions	–	57,819
Deferred tax liabilities - net (Note 24)	392,043	140,315
Lease liabilities - net of current portion (Notes 14, 29 and 30)	1,264,856	1,460,144
Long-term derivative liabilities (Note 29 and 30)	–	365,044
Total Noncurrent Liabilities	1,682,506	2,023,322
Total Liabilities	12,361,323	12,954,712
Equity (Note 15)		
Capital stock	6,452,099	6,452,099
Additional paid-in capital	8,476,002	8,476,002
Other reserves (Note 29)	4,552	(445,601)
Cumulative remeasurement gain on retirement benefits	1,621,946	1,429,808
Retained earnings	7,446,423	11,285,818
Equity attributable to equity holders of the Parent Company	24,001,022	27,198,126
Non-controlling interest	22,882	15,997
Total Equity	24,023,904	27,214,123
TOTAL LIABILITIES AND EQUITY	₱36,385,227	₱40,168,835

See accompanying Notes to Consolidated Financial Statements.



HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2025	2024	2023
	<i>(In Thousands, Except Per Share Amounts)</i>		
REVENUE (Note 4)	₱22,028,685	₱21,908,097	₱24,305,485
COST OF SALES (Note 16)	23,395,062	20,685,370	21,749,818
GROSS PROFIT (LOSS)	(1,366,377)	1,222,727	2,555,667
General and administrative expenses (Note 17)	(1,009,898)	(1,163,989)	(881,593)
Selling expenses (Note 18)	(505,672)	(471,489)	(499,849)
Equity in net income (loss) of an associate (Note 9)	(79,246)	(432,648)	19,029
Interest income (Note 22)	285,015	217,074	220,547
Interest and financing charges (Note 21)	(119,935)	(114,331)	(157,390)
Other income (expense) - net (Note 23)	(1,382,191)	(288,551)	18,799
INCOME (LOSS) BEFORE INCOME TAX	(4,178,304)	(1,031,207)	1,275,210
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 24)	(340,065)	182,157	365,511
NET INCOME (LOSS)	(₱3,838,239)	(₱1,213,364)	₱909,699
Net income (loss) attributable to:			
Equity holders of the Parent Company	(₱3,839,395)	(₱1,214,793)	₱908,013
Non-controlling interest	1,156	1,429	1,686
	(₱3,838,239)	(₱1,213,364)	₱909,699
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>			
Actuarial gain (loss) on pension (Note 25)	33,374	(431,191)	(226,617)
Income tax effect	164,493	248,299	291,218
	197,867	(182,892)	64,601
<i>Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods</i>			
Net gain (loss) on derivative instruments (Note 29)	600,204	110,002	(709,562)
Income tax effect	(150,051)	(27,501)	177,410
	450,153	82,501	(532,152)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	648,020	(100,391)	(467,551)
TOTAL COMPREHENSIVE INCOME (LOSS)	(₱3,190,219)	(₱1,313,755)	₱442,148
Total Comprehensive Income (Loss) Attributable to:			
Equity holders of the Parent Company	(₱3,197,104)	(₱1,314,809)	₱439,656
Non-controlling interest	6,885	1,054	2,492
	(₱3,190,219)	(₱1,313,755)	₱442,148
Basic/Diluted Earnings (Loss) per Common Share of Net Income (Loss) Attributable to Equity Holders of the Parent Company (Note 32)	(₱0.60)	(₱0.19)	₱0.14

See accompanying Notes to Consolidated Financial Statements.



HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Equity Attributable to Equity Holders of the Parent Company						Equity Attributable to Non-controlling Interest	Total Equity
	Capital Stock (Note 15)	Additional Paid-in Capital	Other Reserves (Note 29)	Cumulative Remeasurement Gain (Loss) on Retirement Benefits	Retained Earnings (Note 15)	Total		
<i>(In Thousands)</i>								
Balances at January 1, 2023	P6,452,099	P8,476,002	P74,775	P1,548,530	P14,141,201	P30,692,607	P12,451	P30,705,058
Net income	-	-	-	-	908,013	908,013	1,686	909,699
Reclassification to profit and loss of net gain on derivative instruments	-	-	(70,725)	-	-	(70,725)	-	(70,725)
Other comprehensive income (loss)	-	-	(532,152)	63,795	-	(468,357)	806	(467,551)
Total comprehensive income	-	-	(602,877)	63,795	908,013	368,931	2,492	371,423
Balances at December 31, 2023	6,452,099	8,476,002	(528,102)	1,612,325	15,049,214	31,061,538	14,943	31,076,481
Net loss	-	-	-	-	(1,214,793)	(1,214,793)	1,429	(1,213,364)
Other comprehensive loss	-	-	82,501	(182,517)	-	(100,016)	(375)	(100,391)
Total comprehensive income	-	-	82,501	(182,517)	(1,214,793)	(1,314,809)	1,054	(1,313,755)
Cash dividend (Notes 15 and 27)	-	-	-	-	(2,548,603)	(2,548,603)	-	(2,548,603)
Balances at December 31, 2024	6,452,099	8,476,002	(445,601)	1,429,808	11,285,818	27,198,126	15,997	27,214,123
Net loss	-	-	-	-	(3,839,395)	(3,839,395)	1,156	(3,838,239)
Other comprehensive loss	-	-	450,153	192,138	-	642,291	5,729	648,020
Total comprehensive loss	-	-	450,153	192,138	(3,839,395)	(3,197,104)	6,885	(3,190,219)
Balances at December 31, 2025	P6,452,099	P8,476,002	P4,552	P1,621,946	P7,446,423	P24,001,022	P22,882	P24,023,904

See accompanying Notes to Consolidated Financial Statements.



HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2025	2024	2023
	<i>(In Thousands)</i>		
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(₱4,178,304)	(₱1,031,207)	₱1,275,210
Adjustments for:			
Depreciation and amortization (Note 20)	1,645,532	1,616,889	1,589,257
Impairment loss (Notes 10 and 23)	1,421,003	254,642	–
Interest income (Note 22)	(285,015)	(217,074)	(220,547)
Write-off of assets (Note 23)	186,612	93,424	–
Movement in retirement benefits	(121,543)	(79,237)	(71,172)
Interest and financing charges (Note 21)	119,935	114,331	157,390
Equity in net loss (income) of an associate (Note 9)	79,246	432,648	(19,029)
Loss (gain) on sale of property, plant and equipment	(17,128)	8,664	(871)
Unrealized foreign exchange losses (gains) - net	12,247	(23,627)	23,202
Loss on write-off of termination of lease (Notes 14 and 23)	(9,733)	–	–
Working capital changes:			
Decrease (increase) in:			
Trade and other receivables	(339,716)	(514,007)	(1,256,479)
Inventories	185,179	917,886	299,357
Other current assets	(218,104)	(186,477)	272,777
Increase (decrease) in:			
Trade and other payables	792,387	467,490	(199,075)
Other provisions	(71,835)	(6,331)	(6,300)
Derivative liability	(5,393)	–	–
Net cash provided by (used in) operations	(804,630)	1,848,014	1,843,720
Income taxes paid	(137,597)	(355,011)	(289,427)
Interest income received	50,695	51,015	23,670
Net cash provided by (used in) operating activities	(891,532)	1,544,018	1,577,963
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property, plant and equipment (Notes 10 and 31)	(1,019,175)	(806,513)	(869,261)
Short-term time deposits	–	–	(274,162)
Proceeds from:			
Collection of loan extended to a related party	28,231	–	–
Sale of property, plant and equipment	20,067	124	871
Short-term time deposits	–	274,162	–
Loan receivable from related parties	–	210,350	–
Decrease (increase) in other noncurrent assets	35,720	(332,211)	48,762
Net cash used in investing activities	(935,157)	(654,088)	(1,093,790)

(Forward)



	Years Ended December 31		
	2025	2024	2023
	<i>(In Thousands)</i>		
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Cash dividend (Note 15)	(₱854,818)	(₱1,548,603)	(₱229,763)
Lease liabilities (Notes 14 and 31)	(159,204)	(195,677)	(228,776)
Interest and financing charges	(28,995)	(25,515)	(23,744)
Loan payable to a related party	-	(245,000)	(55,000)
Cash used in financing activities	(1,043,017)	(2,014,795)	(537,283)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,869,706)	(1,124,865)	(53,110)
EFFECTS OF EXCHANGE RATE CHANGES	(8,633)	21,860	53
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,077,142	5,180,147	5,233,204
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 5)	₱1,198,803	₱4,077,142	₱5,180,147

See accompanying Notes to Consolidated Financial Statements.



HOLCIM PHILIPPINES, INC. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Holcim Philippines, Inc. (HPI or the “Parent Company”) and its subsidiaries (collectively referred to as the “Group”), except Wellborne International Group Limited (WEB), were incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC). The Parent Company is primarily engaged in the manufacture, sale and distribution of cement and cementitious products. Following are the subsidiaries and the respective percentages of ownership as at December 31, 2025 and 2024:

	Ownership and Voting Interest
Held by the Parent Company	
WEB ^(a)	100.00%
Excel Concrete Logistics, Inc. (ECLI) ^(b)	100.00%
Shop and Build Corporation (S&B) ^(c)	100.00%
Hubb Stores and Services, Inc. (HSSI) ^(d)	100.00%
Holcim Philippines Manufacturing Corporation (HPMC) ^(e)	99.35%
Held by WEB	
Mabini Grinding Mill Corporation (MGMC) ^(e)	100.00%
Held by HPMC	
Alsons Construction Chemicals, Inc. (Alchem) ^(f)	99.62%
Bulkcem Philippines, Inc. (Bulkcem) ^(g)	99.62%
Calamba Aggregates Co., Inc. (CACI) ^(h)	99.62%

Incorporated outside the Philippines

(a) A Company incorporated in British Virgin Islands; On June 28, 2019, the Board of Directors approved the dissolution of this entity.

Incorporated in the Philippines

(b) Corporate term ended on January 31, 2021

(c) Engaged in retail of all kinds of construction and building materials

(d) Corporate term ended on January 31, 2025

(e) Engaged in leasing of cement manufacturing plant

(f) Ceased commercial operations effective December 31, 2013

(g) Engaged in leasing of pack houses.

(h) Corporate term ended on January 31, 2025

The plant sites of the Parent Company are in Davao City and in the provinces of La Union and Bulacan while the plant sites of its subsidiaries, MGMC and HPMC, are in the provinces of Batangas and Misamis Oriental, respectively. The registered address and principal place of business of the Parent Company is at 7th Floor, Two World Square McKinley Hill, Fort Bonifacio, Taguig City.

The Parent Company is majority-owned by Union Cement Holdings Corporation (UCHC), a Group incorporated in the Philippines. Clinco Corporation (Clinco), a company incorporated in the Philippines, is an intermediate parent company of HPI. The ultimate parent of the Group is Holcim Ltd., a company incorporated in Switzerland.

The Parent Company’s shares of stocks were listed in the Philippine Stock Exchange (PSE) on June 17, 1996. Total shares issued and outstanding as at December 31, 2022 is 6.5 billion. On November 20, 2023, the PSE approved the Company’s application for the voluntary delisting of its shares in PSE effective November 27, 2023. After the Company’s shares were delisted, the Company became a public company.



The consolidated financial statements were reviewed and recommended for approval by the Audit Committee on March 4, 2026. The same were approved for issuance by the Board of Directors (BOD) on April 13, 2026.

Status of Operations

On November 19, 2020, the BOD of HPI approved the upstream merger of HPMC, MGMC and BPI into the Parent Company. The stockholders likewise approved the upstream merger in a special meeting held on January 15, 2021. As at December 31, 2025, this plan is still deferred.

2. **Material Accounting Policy Information**

Basis of Preparation

The consolidated financial statements are prepared on a historical cost basis, except for financial liabilities at fair value through profit or loss (FVTPL) and financial asset at fair value through other comprehensive income (FVOCI), which are at fair value.

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

Statement of Compliance

The consolidated financial statements of the Group are prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Changes in Accounting Policies

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

The adoption of Amendments to Philippine Accounting Standards (PAS) 21, *Lack of exchangeability* did not have an impact on the consolidated financial statements of the Group. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

Standards 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. Except for the adoption of PFRS 18, adoption of these pronouncements is not expected to have a significant impact on the Group's financial statements.

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*



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

Effective beginning on or after January 1, 2027

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

Deferred effectivity

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

Material Accounting Policies

Fair Value Measurement

The Group measures financial instruments such as financial liabilities at FVTPL and financial assets at FVOCI at each balance sheet date.

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

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

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

Financial Instruments

A. Financial Assets

Initial recognition and subsequent measurement. The Group's financial assets are classified as financial assets at amortized cost and at FVOCI (equity instruments).

Financial assets at amortized costs includes cash and cash equivalents, trade and other receivables and loans receivable from related parties, which is presented under "Investments and loans receivable" account, restricted cash and guarantee deposits as at December 31, 2025 and 2024. Financial assets at FVOCI comprise listed equity investments which the Group has not irrevocably elected to classify at FVOCI as at December 31, 2025 and 2024.



Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. The Group applies the simplified approach in measuring expected credit losses (ECL) for trade receivables which uses a lifetime expected loss allowance for all trade receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. The Group also assesses impairment of trade receivables on an individual and collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due. Meanwhile, impairment of other financial assets is assessed using the general approach which considers available financial information of counterparties.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

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

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

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

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

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

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



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

B. Financial Liabilities

The Group's financial liabilities are classified as loans and borrowings and financial liabilities at FVTPL. Financial liabilities classified as loans and borrowings are initially measured at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost. On the other hand, financial liabilities at FVTPL are initially measured at fair value, with changes in fair value recognized in profit or loss. Any directly attributable transaction costs of financial liabilities at FVTPL are recognized in profit or loss as they occur.

Financial liabilities classified as loans and borrowings include the Group's trade and other payables and lease liabilities as at December 31, 2025 and 2024. Financial liabilities at FVTPL include derivative instruments as at December 31, 2025 and 2024.

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

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, particularly forward commodity contracts, to hedge its commodity price risks. The Group's derivative financial instruments are classified as cash flow hedges. The effective portion of the gain or loss on the cash flow hedges is recognized in Other Comprehensive Income (OCI) in the cash flow hedge reserve, while any ineffective portion is recognized immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognized in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.



Cash and Cash Equivalents

Cash and cash equivalents exclude any restricted cash (presented as part of “Other noncurrent assets”) that is not available for use by the Group and therefore, is not considered highly liquid, such as cash set aside to cover rehabilitation obligations.

Inventories

Inventories are valued at the lower of cost or net realizable value (NRV). Costs incurred in bringing each inventory to its present location and conditions are accounted for as follows:

Finished goods and goods in process	- determined using the weighted average method; cost includes direct materials, direct labor and a proportion of manufacturing overhead costs.
Raw materials, fuel, spare parts and others	- determined using the moving average method; cost includes purchase price and other costs incurred in bringing these inventories to their present location or condition.

The NRV of finished goods and goods in process inventories is the selling price in the ordinary course of business, less estimated costs to complete the product and make the sale. The NRV of raw materials, fuel, spare parts and other inventories is the current replacement cost.

Value-added tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT, if applicable. When VAT from sale of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable under “Trade and other payables” account in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset under “Other current assets” account in the consolidated statements of financial position to the extent of the recoverable amount.

Investment in an Associate

The Group’s investment in an associate pertains to 40% investment in Helix Mining and Development Corporation (HMDC). The Group’s investment in an associate is accounted for using the equity method.

HMDC was incorporated in the Philippines with registered place of business of Don Mariano Santos Avenue, Barangay San Isidro, Angono, Rizal. HMDC is involved in mining, processing and sale of quarry resources of mineral rights. The financial statements of the associate is prepared for the same reporting period as the Group.

Property, Plant and Equipment

Property, plant and equipment are initially recognized at cost and subsequently recognized at cost less accumulated depreciation and amortization and any impairment in value.

Depreciation is computed on the straight-line method based on the estimated useful lives of the assets as follows:

Building and installations	Shorter of the lease term and estimated useful lives of 20 to 40 years
Machinery and equipment	10 to 30 years
Furniture, vehicles and tools	3 to 10 years



Major spare parts and stand-by equipment qualify as property, plant and equipment when the Group expects to use them during more than one period. Similarly, if the spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, these are accounted for as property, plant and equipment.

Stand-by equipment is depreciated from the date it is made available for use over the shorter of the life of the stand-by equipment or the life of the asset the stand-by equipment is part of, while major spare parts are depreciated over the period starting it is brought into service, continuing over the lesser of its useful life and the remaining expected useful life of the asset to which it relates.

Goodwill

Goodwill is initially measured at cost being the excess of the cost of the business combination over the fair value of the acquiree's net identifiable assets. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Impairment of Nonfinancial Assets

The Group's property, plant and equipment, right-of-use assets, investment in an associate, and other nonfinancial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's recoverable amount is determined for an individual asset, unless the asset does not generate inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset of cash generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of the assets is the higher of fair value less costs of disposal and value-in-use (VIU).

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared for the Group's CGU. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Additional Paid-in Capital

Proceeds and/or fair value considerations received in excess of par value are recognized as additional paid-in capital.

Employee Benefits

Post-employment Benefits. The Group has both defined benefit and defined contribution plans.

- *Defined contribution plan.* Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognized as asset to the extent that a cash refund or a reduction in future payments is available.



- *Defined benefit plan.* Net retirement benefits asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets. The Group's defined benefit post-employment plan covers all regular full-time employees.

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

Defined benefit costs comprise the following:

- a) service cost;
- b) interest on the defined benefit liability; and
- c) remeasurements of defined benefit liability.

Service costs which include current service costs, past service costs, and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs.

Interest on retirement benefit asset is the change during the period in the retirement benefit asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the retirement benefit asset. Interest on the retirement benefit asset is recognized as expense or income in the profit or loss.

Remeasurements comprising actuarial gains and losses and return on plan assets (excluding net interest on defined benefit liability or asset) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Revenue Recognition

Sale of Goods. Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, depending on the shipping terms.

Certain contracts for the sale of goods of the Group provides customer with volume rebates. The volume rebates gives rise to variable consideration.

- *Volume rebates.* The Group provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. Volume rebates are accrued on a monthly basis based on estimated achievement of volume targets and are adjusted to actual amounts at year-end.

Leases

The Group as a lessee. Subsequent to initial recognition, the Group amortized the right-of-use assets on a straight-line basis over the shorter of the economic life of the underlying asset or lease term of 3 to 50 years.

Short-term leases. The Group applies the short-term lease recognition exemption to its short-term leases of plant facilities, grinding equipment and warehouse (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Income Taxes

Current income tax assets and liabilities are calculated based on the tax amounts expected to be paid to or recovered from tax authorities, determined by the effective tax laws and rates on the balance sheet date. The deferred income tax is calculated based on temporary differences between the tax bases of assets and liabilities and their reported amounts, as of the balance sheet date. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent



that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax asset to be utilized.

Provisions

Provisions arising from present obligation are recognized in profit or loss when the timing and amount of settlement can be reliably measured.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed in the notes to consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the consolidated financial statements.

Events after the Reporting Period

Post year-end events that provide additional information about the Company's position at the reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's Chief Financial Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Group reports separately, information about an operating segments that meets any of the following quantitative thresholds:

- The absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount, of the combined reported profit of all operating segments that did not report a loss and the combined reported loss of all operating segments that reported a loss; and
- Its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if management believes that information about the segment would be useful to users of the consolidated financial statements.

For management purposes, the Group is currently organized into two business segments: clinker and cement segment and other materials and construction segments. These divisions are the basis on which the Group reports its primary segment information.

Financial information on segment reporting is presented in Note 4.



3. Material Accounting Judgments and Estimates

The preparation of consolidated financial statements in conformity with PFRS Accounting Standards requires management to make judgments and estimates that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the reporting date. The uncertainties inherent in these judgments and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future years.

Estimates

The key estimates concerning the future and other key sources of estimation uncertainty as at balance sheet date that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are as follows:

ECL Computation. The Group applied the following judgements and estimates that significantly affect the computation of ECL under PFRS 9.

Definition of Default and Credit-Impaired Financial Assets. The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria.* The borrower is more than 30 days past due on its contractual payments, which is consistent with the Group's definition of default.
- *Qualitative Criteria.* The borrower meets unlikelihood to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
 - a. The borrower is experiencing financial difficulty or is insolvent;
 - b. The borrower is in breach of financial covenant(s);
 - c. Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty; or
 - d. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes, unless otherwise stated. The default definition has been applied consistently to model the probability of default, loss given default and expected actual default throughout the Group's ECL calculation.

- *General approach for Cash and Cash Equivalents, Other Receivables, Loans receivable from Related Parties, Restricted Cash and Guarantee Deposits.* Under the general approach, at each reporting date, the Group recognizes a loss allowance based on either 12-month ECLs or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Group has leveraged on available market data for cash and cash equivalents to calculate the ECL.
- *Simplified Approach for Trade Receivables.* The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the



forward-looking estimates are analyzed. Furthermore, specific identification was also applied by the Group for trade receivables which are deemed uncollectible.

- *Grouping of instruments for losses measured on collective basis.* For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. The characteristic used to determine groupings is based on the type of customer.
- *Macro-economic Forecasts and Forward-looking Information.* Macro-economic forecasts are determined by evaluating a range of possible outcomes and using reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group takes into consideration using different macro-economic variables to ensure linear relationship between internal rates and outside factors. Regression analysis was used to objectively determine which variables to use.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 3 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The financial assets at amortized cost of the Group are composed of the following as at December 31, 2025 and 2024:

	2025	2024
	<i>(In Thousands)</i>	
Cash and cash equivalents (see Note 5)	₱1,198,803	₱4,077,142
Trade and other receivables (see Note 6)	2,212,445	1,788,817
Guarantee deposits (see Note 12)	143,275	142,205
Loans receivable from related parties (see Note 9)	1,637,066	1,665,297
Restricted cash (see Note 12)	269,426	271,235
	₱5,461,015	₱7,944,696

The allowance for expected credit loss amounted to ₱48.6 million and ₱34.9 million as at December 31, 2025 and 2024, respectively (see Note 6).

Assessment of Impairment of Nonfinancial Assets (Except Goodwill). Impairment review is performed when impairment indicators are present. As of December 31, 2025 and 2024, the factors that the Group considered important which could trigger an impairment review include the following:

- a. significant adverse changes in the technological, market, or economic environment where the Group operates
- b. significant decrease in the market value of an asset
- c. evidence of obsolescence and physical damage
- d. significant changes in the manner in which an asset is used or expected to be used
- e. plans to restructure or discontinue an operation
- f. significant decrease in the capacity utilization of an asset, or
- g. evidence is available from internal reporting that the economic performance of an asset is, or will be, worse than expected.



In 2025, the Group performed an impairment test to reassess the recoverability of machinery and equipment at the Mabini plant and certain terminals that had been temporarily closed. These assets were primarily used for the importation of clinker and cement when the Group's production capacity was insufficient to meet market requirements.

Management evaluated various alternatives to generate economic benefits from these assets and concluded that the closed plant and certain terminals are no longer strategically aligned with the Group's country strategy.

Accordingly, an impairment loss of ₱1.4 billion was recognized in 2025, representing the carrying value of machinery and equipment of the Mabini plant and certain terminals as at December 31, 2025 (see Note 10).

In 2024, an impairment loss of ₱254.6 million was recognized, representing the total cost of a specific construction in progress as at December 31, 2024. Management determined that it is highly unlikely the project will begin before 2030, making it potentially unrecoverable, hence, impairment loss was recognized (see Note 10).

The nonfinancial assets of the Group as at December 31, 2025 and 2024 are the following:

	2025	2024
	<i>(In Thousands)</i>	
Property, plant and equipment (see Note 10)	₱15,128,106	₱17,269,938
Right-of-use assets (see Note 14)	1,139,442	1,307,999
Investment in an associate (see Note 9)	3,668,894	3,748,140
Intangible assets (see Note 11)	19,843	30,097
	₱19,956,285	₱22,356,174

Impairment of Goodwill. The Group performs impairment testing of its goodwill on an annual basis or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. This requires an estimation of the VIU of the CGU to which the goodwill is allocated. VIU is estimated by making an estimate of the expected future cash flows from the CGU and to apply a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amount of the goodwill has been determined based on a VIU calculation using cash flow projections based on an approved plan by the senior management. The impairment on goodwill is determined by comparing: (a) the carrying amount of the CGU; and (b) the present value of the annual projected cash flows for seven years and the present value of the terminal value computed under the discounted cash flow method.

The key assumptions used in the impairment test of goodwill are as follows:

a. Net Sales

The net sales of the CGU were projected to increase based on the Group's forecasted cumulative annual growth rate based on volume and net selling price which is expected to be in line with the economy. Historically, the business growth had a direct correlation with economic growth. A 3% perpetuity growth rate was assumed at the end of the seven-year forecast period.

b. Costs and Operating Expenses

On the average, costs and operating expenses were projected to increase in relation to revenue growth and are anchored on the Group's cost improvement measures.



c. Gross Margin

Cost improvement measures over the forecast period are expected to improve the Group's margins.

d. Discount Rate

The discount rate used to arrive at the present value of future cash flows was Holcim Group's Weighted Average Cost of Capital (WACC) which was adjusted based on local considerations. The discount rates applied to the cash flow projections were 10.61% and 8.66% in 2025 and 2024, respectively.

The Group has determined that the goodwill is not impaired. The carrying amount of goodwill amounted to ₱2.6 billion as at December 31, 2025 and 2024 (see Note 11). The recoverable amount of the CGU is greater than its carrying amount. No impairment loss was recognized on goodwill in 2025, 2024 and 2023.

Retirement Benefit Costs. The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about the assumptions used are provided in Note 25.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases are based on historical actual salary increases of the Group.

Net retirement benefit asset (liability) per entity as at December 31, 2025 and 2024 is as follows (see Note 25):

	2025	2024
	<i>(In Thousands)</i>	
HPI	(₱25,607)	₱1,516,364
HPMC	2,892,352	1,045,155
	₱2,866,745	₱2,561,519

Deferred Income Tax Assets. The Group reviews the carrying amounts of deferred income tax assets at the end of each reporting period and reduces these to the extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred income tax assets to be utilized. The Group's assessment on the recognition of deferred income tax assets on deductible temporary differences is based on the level and timing of forecasted taxable income of the subsequent reporting periods. This forecast is based on the past results and future expectations of revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Group will generate sufficient future taxable income to allow all or part of deferred income tax assets to be utilized. Management also reviews the level of projected gross margin for the use of Optional Standard Deduction (OSD) and assesses the future tax consequences for the recognition of deferred income tax assets and deferred income tax liabilities. Based on the Group's projected margin, management expects to use the itemized deduction method for the Parent Company and several of its



subsidiaries. HPMC and MGMC expect to use the OSD for the next three years and Bulkcem for the next four years.

Total deferred tax assets recognized in the Group's consolidated statements of financial position amounted to ₱972.4 million and ₱953.9 million as at December 31, 2025 and 2024, respectively. The amounts of temporary differences and carry-forward benefits of unused tax credits and unused tax losses, for which no deferred income tax assets as at December 31, 2025 and 2024 are disclosed in Note 24.

Net Realizable Value of Inventories. The Group writes down the cost of inventories whenever the net realizable value of inventories becomes lower than cost due to damage, physical deterioration, obsolescence, change in price levels or other causes. The lower of cost and net realizable value of inventories is reviewed on a periodic basis. Inventory items identified to be obsolete and unusable are written off and charged as expense in the consolidated statements of comprehensive income. The allowance for inventory obsolescence amounted to ₱304.9 million and ₱334.1 million as at December 31, 2025 and 2024, respectively, as disclosed in Note 7. The carrying values of inventories amounted to ₱2,729.3 million and ₱2,914.5 million as at December 31, 2025 and 2024, respectively, as disclosed in Note 7.

Provisions. The Group is currently involved in various legal proceedings and tax assessments and cases, and obligations on onerous contracts. Management's estimate of the probable costs for the resolution of these claims has been developed based upon an analysis of potential results. The Group currently believes that these proceedings and contracts will not have a material adverse effect on the consolidated financial statements. It is possible however, that future financial performance could be materially affected by changes in the estimates or effectiveness of the strategies relating to these proceedings and assessments.

Contingencies. The Group is either a defendant or plaintiff in several legal cases primarily involving collection and claims for damages. As at December 31, 2025 and 2024, based on the assessment of management and the opinion of the Group's external legal counsels, the outflow of resources is not probable to happen.

4. Segment Information

Business segment

For management purposes, the Group is organized into activities based on their products and has two segments, as follows:

- Clinker and Cement segment, which manufactures and sells clinker and cement for domestic customers; and
- Other Construction Materials and Services segment, which includes operations from Specialty Products and Aggregates Trading.

Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is based on operating earnings before interest, taxes, depreciation and amortization (EBITDA) and is measured consistently with consolidated net income in the consolidated statements of comprehensive income. However, the Group's finance income and charges and income taxes are managed on a group basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis similar to transactions with third parties.

The Group has determined the Clinker and Cement segment as the only reportable segment.



Information on the other segments that are not reportable are combined and presented as “Others”. Segment revenues, EBITDA, assets, liabilities and other information for segments as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 are presented below:

	Clinker and Cement	Others	Total	Adjustments and Eliminations	Consolidated
<i>(In Thousands)</i>					
2025					
Revenue:					
External customers	₱20,175,495	₱1,853,190	₱22,028,685	₱–	₱22,028,685
Inter-segment	75,266	–	75,266	(75,266)	–
	<u>20,250,761</u>	<u>1,853,190</u>	<u>22,103,951</u>	<u>(75,266)</u>	<u>22,028,685</u>
Operating EBITDA (LBITDA)	(1,617,391)	380,976	(1,236,415)	–	(1,236,415)
Segment assets	30,328,314	263,849	30,592,163	5,793,064	36,385,227
Segment liabilities	10,927,659	999,339	11,926,998	434,325	12,361,323
Results -					
Depreciation and amortization	1,638,918	6,614	1,645,532	–	1,645,532
Other disclosures					
Construction in-progress	803,095	–	803,095	8,205	811,300
2024					
Revenue:					
External customers	₱20,103,802	₱1,804,295	₱21,908,097	₱–	₱21,908,097
Inter-segment	84,396	–	84,396	(84,396)	–
	<u>20,188,198</u>	<u>1,804,295</u>	<u>21,992,493</u>	<u>(84,396)</u>	<u>21,908,097</u>
Operating EBITDA	744,409	459,729	1,204,138	–	1,204,138
Segment assets	31,901,223	221,672	32,122,895	8,045,940	40,168,835
Segment liabilities	12,206,884	592,584	12,799,468	155,244	12,954,712
Results -					
Depreciation and amortization	1,610,303	6,586	1,616,889	–	1,616,889
Other disclosures					
Construction in-progress	947,167	254	947,421	–	947,421
2023					
Revenue:					
External customers	₱22,343,977	₱1,961,508	₱24,305,485	₱–	₱24,305,485
Inter-segment	12,787	270	13,057	(13,057)	–
	<u>22,356,764</u>	<u>1,961,778</u>	<u>24,318,542</u>	<u>(13,057)</u>	<u>24,305,485</u>
Operating EBITDA	2,120,228	643,254	2,763,482	–	2,763,482
Segment assets	33,196,197	215,081	33,411,278	9,599,517	43,010,795
Segment liabilities	8,843,614	522,449	9,366,063	2,568,251	11,934,314
Results -					
Depreciation and amortization	1,582,619	6,638	1,589,257	–	1,589,257
Other disclosures					
Construction in-progress	1,318,415	254	1,318,669	–	1,318,669

Inter-segment revenues, other than those outside the Group, are eliminated upon consolidation and reflected in the “Adjustments and eliminations” column. All other adjustments that are part of detailed reconciliations presented further below include the following:

- Finance income and charges, and foreign exchange gains (losses) on financial assets and liabilities are not allocated to individual segments as the underlying instruments are managed on a group basis.
- Deferred income taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.



Following is the reconciliation of segment operating profit to consolidated profit before income tax:

	2025	2024	2023
		<i>(In Thousands)</i>	
Operating EBITDA (LBITDA)	(₱1,236,415)	₱1,204,138	₱2,763,482
Depreciation and amortization	(1,645,532)	(1,616,889)	(1,589,257)
Equity in income (loss) of an associate	(79,246)	(432,648)	19,029
Interest income	285,015	217,074	220,547
Interest and financing charges	(119,935)	(114,331)	(157,390)
Other income (expense) – net	(1,382,191)	(288,551)	18,799
Income (loss) before income tax	(₱4,178,304)	(₱1,031,207)	₱1,275,210
		December 31,	December 31,
		2025	2024
		<i>(In Thousands)</i>	
Segment assets	₱30,592,163	₱32,122,895	
Cash and cash equivalents	1,198,803	4,077,142	
Investments	3,668,894	3,748,140	
Deferred income tax assets – net	925,367	220,658	
Consolidated assets	₱36,385,227	₱40,168,835	
Segment liabilities	₱11,926,998	₱12,799,468	
Income tax payable	42,282	14,929	
Deferred income tax liabilities – net	392,043	140,315	
Consolidated liabilities	₱12,361,323	₱12,954,712	

Geographic information

The Group operates in just one geographic location – the Philippines.

The Group has no revenue from transactions with a single external customer accounting for 10% or more of the consolidated revenues. Moreover, there are no noted additions of noncurrent assets allocable to the reportable segments. All property, plant and equipment of the Group are located in the Philippines.

5. Cash and Cash Equivalents

	2025	2024
		<i>(In Thousands)</i>
Cash in banks	₱1,169,694	₱3,957,463
Cash equivalents	29,109	119,679
	₱1,198,803	₱4,077,142

Cash and cash equivalents earn interest at prevailing bank deposit rates averaging 4.79% and 0.58% in 2025 and 2024, respectively.

The Group holds restricted cash balance amounting to ₱269.4 million and ₱271.2 million as at December 31, 2025 and 2024, respectively, which are not available for use. Restricted cash is presented as part of “Other noncurrent assets” account in the statements of financial position as disclosed in Note 12.



Interest income earned from cash and cash equivalents amounted to ₱34.5 million, ₱31.2 million and ₱9.24 million in 2025, 2024 and 2023, respectively, as disclosed in Note 22.

6. Trade and Other Receivables

	2025	2024
	<i>(In Thousands)</i>	
Trade receivables	₱1,486,051	₱1,113,741
Due from related parties (see Note 27)	433,659	218,641
Others	341,317	491,364
	2,261,027	1,823,746
Less allowance for expected credit losses	48,582	34,929
	₱2,212,445	₱1,788,817

Trade receivables are non-interest bearing and generally have credit terms of 30 to 60 days.

Due from related parties are due and demandable.

Other receivables consist mainly of collectibles from various parties for transactions other than sale of goods such as advances, reimbursements, receivable from Bureau of Internal Revenue (BIR) for the refund, etc., which are normally collected within one (1) year.

Movements in the allowance for expected credit losses are as follows:

	Trade	Others	Total
	<i>(In Thousands)</i>		
Balance at January 1, 2024	₱18,234	₱5,105	₱23,339
Provision	12,580	-	12,580
Reversal	(990)	-	(990)
Balance at December 31, 2024	29,824	5,105	34,929
Provision	17,448	-	17,448
Reversal	(3,795)	-	(3,795)
Balance at December 31, 2025	₱43,477	₱5,105	₱48,582

The Group applies a simplified approach in calculating ECLs. Furthermore, specific identification was applied by the Group for trade receivables which are deemed uncollectible.

Customary to the credit practices of the Group, customers are required to provide guarantees in the form of a standby letter of credit, bank guarantee and cash bond to allow them to purchase on credit. In the event that customers are deemed incapable of settling their obligations, the Group shall exercise its right to call out the letter of credit or bank guarantee from the issuing banks or apply the cash bond accordingly.

As of December 31, 2025, 23% of total trade receivables (₱341.79 million) are covered by letter of credit and bank guarantee while 77% (₱1,144.26 million) are not covered by letter of credit and bank guarantee. As of December 31, 2024, 22% of the total trade receivables (₱245.02 million) are covered by letter of credit and bank guarantee while 78% (₱868.72 million) are not covered by letter of credit and bank guarantees. In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.



7. Inventories

	Finished Goods	Goods In-process	Raw Materials	Fuels	Spare Parts and Others	Total
<i>(In Thousands)</i>						
2025						
At cost	₱354,267	₱647,871	₱197,481	₱893,811	₱940,787	₱3,034,217
Allowance for inventory obsolescence	(6,375)	-	(1,729)	-	(296,827)	(304,931)
At net realizable value	₱347,892	₱647,871	₱195,752	₱893,811	₱643,960	₱2,729,286
2024						
At cost	₱564,732	₱429,167	₱329,870	₱1,045,492	₱879,329	₱3,248,590
Allowance for inventory obsolescence	(18,797)	-	(1,437)	-	(313,891)	(334,125)
At net realizable value	₱545,935	₱429,167	₱328,433	₱1,045,492	₱565,438	₱2,914,465

Except for specific portion of clinker classified under finished goods, as well as spare parts and others, no provisions were provided; furthermore, these inventories are perpetually consumed in operations and disposed through sale hence have lower risk of obsolescence.

The table below shows the movements of allowance for inventory obsolescence:

	2025	2024
<i>(In Thousands)</i>		
Beginning balance	₱334,125	₱258,728
Additions (see Note 16)	30,343	122,389
Reversal (see Note 16)	(59,537)	(46,992)
Ending balance	₱304,931	₱334,125

Reversal of allowance for inventory obsolescence was made as a result of the subsequent usage of inventories previously assessed as slow-moving or potentially obsolete which were utilized in operations, resulting in the recovery of value.

Cost of inventories charged to cost of goods sold amounted to ₱15.6 billion, ₱14.2 billion and ₱15.4 billion in 2025, 2024 and 2023, respectively (see Note 16).

8. Other Current Assets

	2025	2024
<i>(In Thousands)</i>		
Input VAT and creditable withholding taxes	₱651,204	₱439,492
Prepayments	169,557	169,352
Advances to suppliers	123,090	67,135
Financial assets at FVOCI	5,056	5,056
Others	21,566	4,858
	₱970,473	₱685,893

Input VAT, which represents VAT charged by suppliers and contractors on goods and services, is expected to be applied against output VAT in the next 12 months.

Creditable withholding taxes are expected to be used to offset against income tax due in the next 12 months based on forecast of taxable income.

Prepayments include rent and insurance that are amortized within next year.



Advances to suppliers represent advances that are applied against subsequent purchases and are outstanding for less than one year from initial recognition.

Financial assets at FVOCI pertain to quoted and unquoted club shares which entitle playing rights to particular employees as follows:

	2025	2024
	<i>(In Thousands)</i>	
Quoted	₱1,300	1,300
Unquoted	3,756	3,756
	₱5,056	₱5,056

Others include advances to employees which are non-interest bearing and generally have terms of 30 days.

9. Investments and Loans Receivable

This consists of the following:

	2025	2024
	<i>(In Thousands)</i>	
Investment in an associate	₱3,668,894	₱3,748,140
Loans receivable from related parties (see Note 27)	1,637,066	1,665,297
	₱5,305,960	₱5,413,437

On December 20, 2024, the Group and HMDC Group entered into an agreement to convert the long-standing receivables of the Group from HMDC into a long-term loan amounting to ₱1.6 billion (see Note 27).

Investment in an associate

This account represents the share in HMDC's net equity as at December 31, 2025 and 2024.

Following is the summarized consolidated financial position of HMDC as at December 31, 2025 and 2024:

	2025	2024
	<i>(In Thousands)</i>	
Current assets	₱2,473,610	₱2,322,720
Noncurrent assets	5,827,362	5,858,582
Current liabilities	(1,844,615)	(2,098,340)
Noncurrent liabilities	(2,929,595)	(2,362,225)
Net equity	₱3,526,762	₱3,720,737



The reconciliation of the above summarized financial information to the carrying value of the investment in an associate is shown below:

	2025	2024
	<i>(In Thousands)</i>	
Net equity of the associate	₱3,526,762	₱3,720,737
Ownership interest in HMDC	40%	40%
Proportion of the Group's ownership interest in HMDC	1,410,705	1,488,295
Gain on remeasurement of retained equity at deconsolidation	2,092,278	2,092,278
Attributable to land	1,882,042	1,179,230
Others	(1,716,131)	(1,011,663)
Carrying amount of the Group's interest in HMDC	₱3,668,894	₱3,748,140

Gain on remeasurement of retained equity at deconsolidation pertains to the amount recognized in profit or loss arising mainly from the fair value adjustments of certain assets owned by HMDC and its subsidiaries as a result of the change of HMDC from a subsidiary to an associate in 2015.

Based on the shareholders agreement, HPI is entitled 100% on the land owned by HMDC. However, HPI is not entitled to certain land purchased by HMDC in 2018 and 2019 which are direct purchases of HMDC from third parties.

Others primarily pertain to subscription deposit and the receivables from the sale of land originally invested by HPI, in accordance with the shareholders' agreement.

Following is the summarized consolidated comprehensive income of HMDC in 2025 and 2024:

	2025	2024
	<i>(In Thousands)</i>	
Revenues	₱2,714,655	₱2,154,477
Cost and expenses	(1,948,290)	(2,193,570)
Gross profit (loss)	766,365	(39,093)
Other loss	(885,894)	(802,293)
Loss before income tax	(119,529)	(841,386)
Benefit from income tax	90,065	341,452
Net loss	(₱209,594)	(₱1,182,838)

Movement of the investment in an associate is as follows:

	2025	2024	2023
	<i>(In Thousands)</i>		
Cost	₱4,319,496	₱4,319,496	₱4,319,496
Accumulated share in undistributed earnings:			
Beginning balance	(571,356)	(138,708)	(157,737)
Share in net income (loss) of the associate	(79,246)	(432,648)	19,029
	(650,602)	(571,356)	(138,708)
	₱3,668,894	₱3,748,140	₱4,180,788



There is no significant restriction on the ability of the associate to transfer funds to the Group in the form of cash dividends.

The Group has no contingent liabilities relating to its interests in the associate and has no commitments on its associate as at December 31, 2025 and 2024.

10. Property, Plant and Equipment

	January 1, 2025	Additions/ Depreciation (see Note 20)	Disposals/ Retirements (see Note 23)	Transfers/ Reclassification (see Note 11)	Impairment (see Note 23)	December 31, 2025
Cost						
Buildings and installations	₱14,320,307	₱23,188	(₱146,421)	₱84,945	–	₱14,282,019
Machinery and equipment	32,140,486	404,353	(491,539)	621,284	–	32,674,584
Furniture, vehicles and tools	839,706	15,347	(802)	16,609	–	870,860
Construction in-progress	1,202,063	561,849	(228,618)	(723,998)	–	811,296
	48,502,562	1,004,737	(867,380)	(1,160)	–	48,638,759
Less accumulated depreciation and impairment losses						
Buildings and installations	10,062,829	338,888	(133,792)	–	311,248	10,579,173
Machinery and equipment	20,226,770	1,171,270	(294,183)	–	1,107,001	22,210,858
Furniture, vehicles and tools	688,383	30,287	(802)	–	2,754	720,622
Construction in-progress	254,642	–	(254,642)	–	–	–
	31,232,624	1,540,445	(683,419)	–	1,421,003	33,510,653
Carrying Amount						
Buildings and installations	₱4,257,478					₱3,702,846
Machinery and equipment	11,913,716					10,463,726
Furniture, vehicles and tools	151,323					150,238
Construction in-progress	947,421					811,296
	₱17,269,938					₱15,128,106

	January 1, 2024	Additions/ Depreciation (see Note 20)	Disposals/ Retirements (see Note)	Transfers/ Reclassification (see Note 11)	Impairment (see Note 23)	December 31, 2024
Cost						
Buildings and installations	₱14,346,699	₱33,621	(₱151,612)	₱91,599	₱–	₱14,320,307
Machinery and equipment	31,361,608	202,968	(27,836)	603,746	–	32,140,486
Furniture, vehicles and tools	1,066,900	1,085	(228,539)	260	–	839,706
Construction in-progress	1,318,669	590,659	–	(707,265)	–	1,202,063
	48,093,876	828,333	(407,987)	(11,660)	–	48,502,562
Less accumulated depreciation						
Buildings and installations	9,797,022	340,533	(74,726)	–	–	10,062,829
Machinery and equipment	19,115,346	1,118,760	(7,336)	–	–	20,226,770
Furniture, vehicles and tools	881,232	30,864	(223,713)	–	–	688,383
Construction in-progress	–	–	–	–	254,642	254,642
	29,793,600	1,490,157	(305,775)	–	254,642	31,232,624
Carrying Amount						
Buildings and installations	4,549,677					4,257,478
Machinery and equipment	12,246,262					11,913,716
Furniture, vehicles and tools	185,668					151,323
Construction in-progress	1,318,669					947,421
	₱18,300,276					₱17,269,938

Construction in-progress includes on-going item replacements and expansion projects for the Group's operations. The Group has no contractual commitments for the acquisition of property, plant and equipment, including its on-going item replacements and expansion projects.

In 2025, the Group recognized an impairment loss of ₱1.4 billion, representing the carrying value of machinery and equipment of the Mabini plant and certain terminals as at December 31, 2025. Management determined that the temporarily closed plant and these specific terminals are no longer strategically aligned with the Group's strategy, hence, an impairment loss was recognized (see Note 3).



In 2024, an impairment loss of ₱254.6 million was recognized, representing the total cost of a specific construction in progress as at December 31, 2024. Management determined that it is highly unlikely the project will begin before 2030, making it potentially unrecoverable, hence, impairment loss was recognized (see Note 3).

Out of the total amount of additions to property, plant and equipment, ₱252.6 million and ₱267.0 million are still unpaid as at December 31, 2025 and 2024, respectively, which are presented in “Trade payables” under trade and other payables account in the consolidated statements of financial position (see Note 13).

11. Goodwill and Intangible Assets

The movements of goodwill and intangible assets are as follows:

	December 31, 2024	Additions/ Amortization (see Note 20)	Transfers/ Write-off (see Note 10)	December 31, 2025
Goodwill	₱2,635,738	₱–	₱–	₱2,635,738
Intangible assets:				
Cost	200,940	1,160	(5,590)	196,510
Less accumulated depreciation	170,843	5,824	–	176,667
	30,097	(4,664)	(5,590)	19,843
Total	₱2,665,835	(₱4,664)	(₱5,590)	₱2,655,581

	December 31, 2023	Additions/ Amortization (see Note 20)	Transfers (see Note 10)	December 31, 2024
		<i>(In Thousands)</i>		
Goodwill	₱2,635,738	₱–	₱–	₱2,635,738
Intangible assets:				
Cost	189,280	–	11,660	200,940
Less accumulated depreciation	165,234	5,609	–	170,843
	24,046	(5,609)	11,660	30,097
	₱2,659,784	(₱5,609)	₱11,660	₱2,665,835

Goodwill amounting to ₱2.6 billion relates to the cement operations of one of the Group’s plants, particularly its Mabini Grinding Mill plant, which was acquired in 2004. This goodwill is attributable to the synergy from management’s strategic plan to expand its operations by rehabilitating the existing grinding plants of MGMC. The management decided to uplift the cement making production capacity of the Group in anticipation of the significant upturn in the construction industry.

The Group performs its annual impairment test every last quarter of the year. The recoverable amount of the CGU, determined based on VIU, is compared to its carrying amount. Future cash flows are discounted using the WACC.

The cash flow projections are based on a seven-year financial planning period approved by senior management. The Group’s Mid-Term plan covers a period of four years. However, for the purpose of impairment testing, it was decided to apply a seven-year business plan period to align with the Holcim global policy.

Cash flows beyond the four-year budget period are extrapolated under the premise that cash flows will have zero percent growth in real terms while having three percent growth as terminal growth rate (TGR).



The key assumptions used in determining the VIU of the CGU are as follows:

	Discount Rate	Long-term Revenue Growth Rate
2025	10.61%	3.00%
2024	8.66%	3.00%

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for which goodwill is allocated. Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount.

No impairment loss was recognized in 2025, 2024 and 2023 since the VIU exceeds the carrying value of the cement segment.

12. Other Noncurrent Assets

	2025	2024
	<i>(In Thousands)</i>	
Deferred input VAT and other taxes	₱508,233	₱478,489
Restricted cash (see Note 5)	269,426	271,235
Deferred charges	270,482	335,215
Guarantee deposits	143,275	142,205
Others	35,996	35,988
	₱1,227,412	₱1,263,132

The deferred input VAT pertains to the deferrals of input VAT credits attributable to the services obtained from HPMC, MGMC and BPI, prior to the implementation of Republic Act No. 11976, *Ease of Paying Taxes Act*.

Restricted cash pertains to restricted funds in relation to the minimum mine rehabilitation fund required by the Department of Environment and Natural Resources (DENR) to cover site restoration cost. As at December 31, 2025, the Group is already working to close the rehabilitation fund as DENR requirement is no longer applicable consequent to the disposal of all land and mining assets previously owned by the Group.

Guarantee deposits represent cash deposits made to suppliers for raw materials supply agreement and various security deposits for rentals.



13. Trade and Other Payables

	2025	2024
	<i>(In Thousands)</i>	
Trade (see Note 10)	₱3,583,502	₱3,011,751
Accrued expenses	2,347,428	1,677,893
Due to related parties (see Notes 15 and 27)	2,002,244	1,975,489
Contract liabilities	1,649,215	2,263,249
Nontrade	245,074	666,799
Derivative liability (see Note 29)	–	240,553
Statutory payables	722,285	768,682
Others	13,379	272,618
	₱10,563,127	₱10,877,034

Trade payables are noninterest-bearing and normally have payment terms of 30 to 90 days.

Details of the Group's accrued expenses are as follows:

	2025	2024
	<i>(In Thousands)</i>	
Outside services	₱733,754	₱818,195
Power	496,709	348,829
Employee-related payable	391,563	236,410
Rebates	171,262	138,042
Freight	169,070	–
Maintenance	53,536	41,504
Others	331,534	94,913
	₱2,347,428	₱1,677,893

Outside services include accrual for third party services such as professional fees, security services, and consigned raw materials, among others.

Other accrued expenses include accrual of interest on cash bonds, which is refundable anytime upon demand by the customers, company insurance, data communication, rates and taxes and etc., and provisions which are expected to be settled within one year.

Nontrade payables represent accounts with suppliers other than production-related expenses such as government-related expenses, employee benefits and other administrative expenses.

Other payables include taxes payable and unpaid purchases of property, plant and equipment, which are generally settled within normal credit terms of 30 to 90 days.

Contract liabilities

Contract liabilities represent those that will be applied against subsequent shipments to customers, which are expected to be applied within 30 to 90 days.



Revenue recognized from amounts included in the contract liabilities at the beginning of the year amounted to ₱2.3 billion and ₱2.5 billion for the years ended December 31, 2025 and 2024, respectively.

No revenue was recognized for the years ended December 31, 2025 and 2024 from performance obligations that were partially satisfied in prior years.

14. Leases

The Group has a number of lease agreements covering land, office spaces and warehouses that are accounted under PFRS 16, *Leases* with periods ranging from more than one year to 50 years. Bulk of the commitments pertains to lease of land and manufacturing facilities.

In January 2016, the Group has entered into various lease agreements with HMDC and its subsidiaries for certain plant sites and terminals in various locations. In December 2024, the Group applied to the Bureau of Investments (BOI), which was subsequently approved by the latter, to extend the lease contract with HMDC from 25 years to 50 years effective from January 1, 2024. Hence, effective January 1, 2024, the Group remeasured the right-of-use asset and lease liability based on the extended lease term (see Note 27).

In 2025, the Group entered into lease contracts for the lease of land, buildings and vehicles, with lease term of two (2) to four (4) years.

Below are the movements of lease liabilities:

	2025	2024
	<i>(In Thousands)</i>	
Beginning balance	₱1,499,571	₱1,607,368
Additions	41,703	–
Accretion of interest (see Note 21)	76,924	87,880
Payments	(159,204)	(195,677)
Write-off and termination (see Note 23)	(120,730)	–
Ending balance	1,338,264	1,499,571
Less current portion	73,408	39,427
Noncurrent portion	₱1,264,856	₱1,460,144

Shown below is the maturity analysis of the undiscounted lease payments:

	2025	2024
	<i>(In Thousands)</i>	
1 year	₱144,775	₱150,436
More than 1 year to 2 years	142,712	151,183
More than 2 years to 3 years	129,309	152,511
More than 3 years to 4 years	114,113	137,185
More than 4 years	1,246,213	1,495,468
	1,777,122	2,086,783
Less unamortized interest	438,858	587,212
	₱1,338,264	₱1,499,571



The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

Below are the movements of right-of-use assets:

2025					
	Right-of-Use Land	Right-of-Use Buildings and Installations	Right-of-Use Machinery and Equipment	Right-of-Use Furniture, Vehicle and Tools	Total
<i>(In Thousands)</i>					
Cost					
At December 31 and January 1	₱1,854,206	₱3,401,504	₱20,790	₱1,154,170	₱6,430,670
Additions	7,471	28,703	–	5,529	41,703
Write-off and termination	(313,824)	(422,778)	(20,790)	(687,565)	(1,444,957)
	1,547,853	3,007,429	–	472,134	5,027,416
Accumulated amortization					
January 1	619,294	3,328,583	20,624	1,154,170	5,122,671
Amortization (see Note 20)	72,082	26,760	–	421	99,263
Write-off and termination (see Note 23)	(237,737)	(388,034)	(20,624)	(687,565)	(1,333,960)
At December 31	453,639	2,967,309	–	467,026	3,887,974
Net book value	₱1,094,214	₱40,120	₱–	₱5,108	₱1,139,442
2024					
	Right-of-Use Land	Right-of-Use Buildings and Installations	Right-of-Use Machinery and Equipment	Right-of-Use Furniture, Vehicle and Tools	Total
<i>(In Thousands)</i>					
Cost					
At December 31 and January 1	₱1,854,206	₱3,401,504	₱20,790	₱1,154,170	₱6,430,670
Accumulated amortization					
January 1	528,756	3,297,998	20,624	1,154,170	5,001,548
Amortization (see Note 20)	90,538	30,585	–	–	121,123
At December 31	619,294	3,328,583	20,624	1,154,170	5,122,671
Net book value	₱1,234,912	₱72,921	₱166	₱–	₱1,307,999

The following are the amounts recognized in the consolidated statements of comprehensive income:

	2025	2024
<i>(In Thousands)</i>		
Amortization of right-of-use assets (see Note 20)	₱99,263	₱121,123
Expenses relating to short-term leases (see Note 16)	163,561	17,176
Interest expense on lease liabilities (see Note 21)	76,924	87,880
	₱339,748	₱226,179



15. Equity

a. Capital Stock

The composition of the Parent Company's capital stock as at December 31, 2025 and 2024 is as follows:

	Number of Shares	Amount <i>(In Thousands)</i>
Authorized - ₱1 par value:		
Preferred shares	20,000,000	₱20,000
Common shares	9,980,000,000	9,980,000
Issued and outstanding - Common shares	6,452,099,144	6,452,099

The Parent Company has one class of common share which carries voting right and right to dividends but none for fixed income.

The Company's common shares were registered/listed on June 17, 1996. Total shares registered and outstanding as at December 31, 2022 is ₱6.5 billion. These shares were held by 5,234 stockholders as at December 31, 2022.

As disclosed in Note 1, the PSE approved the Company's application for the voluntary delisting of its shares in PSE effective November 27, 2023. After the Parent Company's shares were delisted, the Company became a public company.

The preferred shares are cumulative and non-participating and entitled to preferential dividend rate when declared by the management of the Parent Company. There are no preferred shares issued and outstanding as at December 31, 2025 and 2024.

b. Retained Earnings

The Parent Company's retained earnings available for dividend declaration amounted to ₱0.3 billion and ₱4.4 billion as at December 31, 2025 and 2024, respectively, based on the guidelines set in the Revised Securities Regulation Code Rule 68.

On December 3, 2024, the Parent Company declared cash dividends amounting to ₱2.5 billion or at ₱0.395 per share to its shareholders of record as of November 30, 2024, out of which ₱0.9 billion was paid in 2025 and ₱1.5 billion was paid in 2024 (see Note 13 and 27).

Undistributed earnings of the subsidiaries included in the Group's retained earnings amounting ₱1,016.9 million and ₱2,463.6 million as at December 31, 2025 and 2024, respectively, are not currently available for dividend distribution.



16. Cost of Sales

	2025	2024	2023
		<i>(In Thousands)</i>	
Power and fuel (see Notes 7 and 28)	₱8,619,502	₱8,355,922	₱9,631,451
Raw, packaging and production materials (see Notes 7 and 27)	6,975,840	5,803,158	5,781,496
Depreciation and amortization (see Notes 10, 11, 14 and 20)	1,574,437	1,559,105	1,528,761
Repairs and maintenance	1,436,357	919,631	865,269
Outside services (see Note 27)	1,369,661	1,148,828	1,351,582
Transportation and communications	1,265,460	1,159,591	1,013,653
Personnel (see Notes 19, 25 and 27)	1,209,839	1,108,419	1,059,852
Taxes and licenses	534,434	342,186	310,886
Insurance	190,236	171,105	163,829
Others (see Notes 14 and 27)	219,296	117,425	43,039
	₱23,395,062	₱20,685,370	₱21,749,818

17. General and Administrative Expenses

	2025	2024	2023
		<i>(In Thousands)</i>	
Personnel (see Notes 19, 25 and 27)	₱340,738	₱442,080	₱327,791
Taxes and licenses	170,296	268,640	67,735
Software implementation costs (see Note 27)	161,534	210,424	249,868
Outside services	114,608	114,659	96,887
Office expenses (see Note 27)	66,777	46,035	42,936
Depreciation and amortization (see Notes 10, 11, 14 and 20)	58,965	47,450	48,899
Directors' fees	38,617	12,129	13,595
Others	58,363	22,572	33,882
	₱1,009,898	₱1,163,989	₱881,593

18. Selling Expenses

	2025	2024	2023
		<i>(In Thousands)</i>	
Personnel (see Notes 19, 25 and 27)	₱219,574	₱229,068	₱196,149
Advertising	99,736	43,517	171,984
Outside services	91,306	86,626	16,040
Transportation and communication	48,484	46,307	48,153
Office expenses (see Note 27)	16,471	18,607	16,501
Depreciation and amortization (see Notes 10, 11, 14 and 20)	12,130	10,334	11,597
Taxes and licenses	6,773	11,298	7,876
Others	11,198	25,732	31,549
	₱505,672	₱471,489	₱499,849



19. Personnel Expenses

	2025	2024	2023
	<i>(In Thousands)</i>		
Salaries, wages and employee benefits (see Note 25)	₱1,378,686	₱1,437,385	₱1,260,791
Training	6,050	5,940	5,940
Others	385,415	336,242	317,061
	₱1,770,151	₱1,779,567	₱1,583,792

Others include other labor expenses, recruitment/hiring expense, meals and dismissal costs.

20. Depreciation and Amortization

	2025	2024	2023
	<i>(In Thousands)</i>		
Property, plant and equipment (see Note 10):			
Cost of sales (see Note 16)	₱1,483,005	₱1,436,148	₱1,390,825
General and administrative (see Note 17)	50,355	46,583	48,899
Selling (see Note 18)	7,085	7,426	8,292
Right-of-use assets (see Note 14):			
Cost of sales (see Note 16)	89,615	121,123	137,016
General and administrative (see Note 17)	7,511	-	-
Selling (see Note 18)	2,137	-	397
Intangible assets (see Note 11):			
Cost of sales (see Note 16)	1,817	1,834	920
General and administrative (see Note 17)	1,099	867	-
Selling (see Note 18)	2,908	2,908	2,908
	₱1,645,532	₱1,616,889	₱1,589,257

21. Interest and Financing Charges

	2025	2024	2023
	<i>(In Thousands)</i>		
Interest expense on:			
Lease liabilities (see Note 14)	₱76,924	₱87,880	₱129,880
Loan payable to a related party (see Note 27)	-	5,931	16,921
Provisions	-	4,444	4,572
Bank charges and others	43,011	16,076	6,017
	₱119,935	₱114,331	₱157,390



22. Interest Income

	2025	2024	2023
	<i>(In Thousands)</i>		
Interest income on defined benefit obligation (see Note 25)	₱150,309	₱181,795	₱189,489
Interest income on loan receivable (see Note 27)	100,251	4,035	21,818
Interest income on cash and cash equivalents (see Notes 5)	34,455	31,244	9,240
	₱285,015	₱217,074	₱220,547

23. Other Income (Expense) - Net

	2025	2024	2023
	<i>(In Thousands)</i>		
Impairment loss and loss on write-off of assets (see Note 10)	(₱1,421,003)	(₱254,642)	₱-
Gain on sale of by-products and others	119,786	138,130	34,620
Foreign exchange gain (loss) - net	12,654	15,703	(31,109)
Others - net (see Notes 10 and 14)	(93,628)	(187,742)	15,288
	(₱1,382,191)	(₱288,551)	₱18,799

Others include gain/loss on write-offs/reversals, scrap sales, gain/loss on sale of assets, miscellaneous revenues from non-operating assets, loss on unrecoverable advances to officers and employees and provisions.

24. Income Tax

Provision for current income tax represents minimum corporate income tax (MCIT) and regular corporate income tax (RCIT) in 2025, 2024 and 2023, respectively.

The components of provision for income tax are as follows:

	2025	2024	2023
	<i>(In Thousands)</i>		
Current:	₱62,825	₱114,288	₱226,157
Deferred	(438,539)	30,900	139,354
Adjustments in respect of current income tax of previous year	35,649	36,969	-
	(₱340,065)	₱182,157	₱365,511



The reconciliation of the provision for (benefit from) income tax computed at regular corporate income tax rate (RCIT) of 25% to provision for income tax as shown in the consolidated statements of comprehensive income is as follows:

	2025	2024	2023
	<i>(In Thousands)</i>		
Provision for (benefit from) income tax at 25% tax rate	(₱1,023,749)	(₱257,802)	₱318,803
Reconciling items:			
Change in unrecognized deferred tax assets	740,264	(3)	1,688
Interest and other income subjected to final tax	(30,376)	(6,544)	(2,478)
Nondeductible expenses and others	(20,315)	502,604	99,522
Use of OSD	(6,000)	(55,842)	(52,001)
Difference in tax rates (25% vs. 20%)	123	(256)	(30)
Excess of MCIT over RCIT	-	-	7
Expired and applied net operating loss carry over (NOLCO)	(12)	-	-
	(₱340,065)	₱182,157	₱365,511

The components of the Group's net deferred tax assets/liabilities as at December 31, 2025 and 2024 are as follows:

	2025	2024
	<i>(In Thousands)</i>	
Deferred tax assets		
Lease liabilities	₱334,566	₱374,893
Allowances for:		
Decline in value of inventories	79,408	83,531
Impairment losses on property, plant and equipment and investments	56,206	114,277
Provisions	-	37,500
Expected credit losses	-	8,732
NOLCO	661,298	83,267
Unamortized past service costs	56,630	38,420
Provision for bonuses	39,339	32,210
Excess of MCIT over RCIT	13,476	29,389
Accrued expenses	9,892	-
Net pension asset	6,402	-
Unrealized foreign exchange loss	1	-
Derivative liability	-	151,399
Others	-	276
	1,257,218	953,894
Deferred tax liabilities		
Retirement benefit asset	433,857	535,869
Right of use assets	284,861	327,003
Unrealized foreign exchange gain and others	5,069	6,012
Capitalized cost of property, plant and equipment from insurance proceeds	107	4,667
	723,894	873,551
Deferred tax assets - net	₱925,367	₱220,658
Deferred tax liabilities - net	392,043	140,315



Total amount of deferred tax income charged to OCI pertaining to the Group's remeasurement gain/loss on retirement benefits and gain/loss on derivatives instruments amounted to ₱14.4 million, ₱220.8 million and ₱468.6 million in 2025, 2024, and 2023 respectively.

Deferred income taxes for temporary differences for HPMC and S&B affecting gross income were recognized using the effective tax rate of 15% as they availed of OSD as its method of deduction for income tax purposes. Management forecasts that HPMC, BPI, MGMC and S&B will be using OSD in the next three or four years.

The Group did not recognize the deferred tax assets on the carryforward benefits of NOLCO and excess MCIT over RCIT and the following deductible temporary difference since management believes that the Company may not be able to generate sufficient future taxable profit that will be available to allow all or part of the deferred tax assets to be utilized.

	2025	2024
	<i>(In Thousands)</i>	
Impairment loss on property, plant and equipment	₱1,201,360	₱–
Carryforward benefit of NOLCO	243,746	4,010
Allowance for expected credit losses	48,582	–
Excess MCIT over RCIT	29,389	42
	₱1,523,077	₱4,052

The following are the carryforward benefits of NOLCO, which can be claimed as deduction against future regular taxable income:

Date Incurred	NOLCO	Applied Previous Year	Applied Current Year	Expired	Total	Expiry Date
	<i>(In Thousands)</i>					
2025	₱2,555,870	₱–	₱–	₱–	₱2,555,870	2028
2024	338,955	–	–	–	338,955	2027
2023	6,751	(165)	–	–	6,586	2026
2022	3,324	–	–	(3,324)	–	2025
2020	4,254	–	–	(4,254)	–	2025
	₱2,909,154	(₱165)	₱–	(₱7,578)	₱2,901,411	

The following are the carryforward benefits of the excess of MCIT over RCIT, which can be credited against future RCIT due:

Date Incurred	MCIT	Applied Previous Year	Applied Current Year	Expired	Total	Expiry Date
2025	₱2,837,380	₱–	₱–	₱–	₱2,837,380	2028
2024	29,419,595	–	–	–	29,419,595	2027
2023	7,492	–	–	–	7,492	2026
2022	4,387	–	–	(4,387)	–	2025
	₱32,268,854	₱–	₱–	(₱4,387)	₱32,264,467	



25. Retirement Benefit

Defined Benefit Retirement Plans

The Parent Company and HPMC have distinct funded, noncontributory defined benefit retirement plans (the “Plans”). The Plans cover all permanent employees, each administered by their respective Retirement Committees or Board of Trustees.

The following tables summarize the components of retirement benefit costs, the funding status and the amounts recognized as retirement benefit asset of the Group.

Details of retirement benefit costs are as follows:

	2025	2024	2023
Recognized in profit or loss:		<i>(In Thousands)</i>	
Current service cost (see Notes 16, 17, 18 and 19)	₱54,406	₱50,866	₱49,593
Net interest income (see Note 22)	(150,309)	(181,795)	(189,489)
	(95,903)	(130,929)	(139,896)
Recognized in other comprehensive income –			
Remeasurements loss (gain)	(33,374)	431,191	226,617
Net retirement benefit cost (income)	(₱129,277)	₱300,262	₱86,721

The reconciliation of retirement benefit asset recognized in the consolidated statements of financial position follows:

	2025	2024
	<i>(In Thousands)</i>	
Fair value of plan assets	₱3,779,563	₱3,547,512
Present value of defined benefit obligation	(912,818)	(985,993)
Balance at end of year	₱2,866,745	₱2,561,519

The breakdown of the retirement benefit asset (liability) per entity is as follows:

	2025	2024
	<i>(In Thousands)</i>	
HPI	(₱25,607)	₱1,516,364
HPMC	2,892,352	1,045,155
	₱2,866,745	₱2,561,519

Movements in the retirement benefit asset are as follows:

	2025	2024
	<i>(In Thousands)</i>	
Balance at beginning of year	₱2,561,519	₱2,731,678
Retirement benefit income	95,903	130,929
Contributions	175,949	130,103
Remeasurement loss	33,374	(431,191)
Balance at end of year	₱2,866,745	₱2,561,519



The changes in the present value of defined benefit obligation are as follows:

	2025	2024
	<i>(In Thousands)</i>	
Balance at beginning of year	₱985,993	₱841,727
Current service cost and others	54,406	50,866
Interest cost	49,537	55,814
Benefits paid from plan	(173,538)	(127,641)
Actuarial loss	(3,580)	165,227
Balance at end of year	₱912,818	₱985,993

The changes in the fair value of plan assets are as follows:

	2025	2024
	<i>(In Thousands)</i>	
Balance at beginning of year	₱3,547,512	₱3,573,405
Interest income on plan assets	199,846	237,609
Contributions	175,949	130,103
Benefits paid from the plan	(173,538)	(127,641)
Remeasurement loss	29,794	(265,964)
Balance at end of year	₱3,779,563	₱3,547,512

The fund is administered by a trustee bank under the supervision of the duly Authorized Person or Trustee of the Plan. The Authorized Person or Trustee is responsible for investment of the assets. Based on the overall direction set by a Retirement Fund Committee, the Trustee proposes an investment strategy and as approved by the Retirement Fund Committee, executes such strategy. The Trustee defines the investment strategy based on the investment instructions found in the Trust Agreement. When defining the investment strategy, the Trustee takes into account the Plan's objectives, benefit obligations and risk capacity. The investment strategy is defined in the form of a long-term target structure (investment policy). The control, direction, and management of the fund shall reside in and be the sole responsibility of the Trustee.

The percentages of fair value of total plan assets are as follows:

	2025		2024	
	HPI	HPMC	HPI	HPMC
Cash and receivables	3.47%	0.00%	0.86%	0.00%
Investments in debt securities:				
Government securities	0.00%	-%	0.23%	-%
Corporate debt securities	0.00%	0.55%	0.54%	0.94%
	3.47%	0.55%	1.63%	0.94%
Investment in equity securities:				
Construction, infrastructure, property and mining	6.29%	-%	2.63%	-%
Others	90.24%	99.45%	95.74%	99.06%
	96.53%	99.45%	98.37%	99.06%
	100.00%	100.00%	100.00%	100.00%

The latest actuarial valuation is as at December 31, 2025.



The principal assumptions used in determining the retirement benefit asset of the Group as at December 31 are as follows:

	2025	2024	2023
Discount rates:			
Beginning	5.80%	6.95%	7.30%
Ending	5.90%	5.80%	6.95%
Future salary increase rates	4.00%	4.00%	4.00%

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

	Increase (decrease)	Effect on defined benefit obligation	
		HPI	HPMC
<i>(In Thousands)</i>			
2025			
Discount rate			
<i>Sensitivity 1</i>	0.5%	(P24,432)	(P4,950)
<i>Sensitivity 2</i>	(0.5%)	26,207	5,154
Future salary increase rate			
<i>Sensitivity 1</i>	0.5%	26,584	5,227
<i>Sensitivity 2</i>	(0.5%)	(24,990)	(5,064)
2024			
Discount rate			
<i>Sensitivity 1</i>	0.5%	(P26,037)	(P7,067)
<i>Sensitivity 2</i>	(0.5%)	27,927	6,769
Future salary increase rate			
<i>Sensitivity 1</i>	0.5%	28,287	6,916
<i>Sensitivity 1</i>	(0.5%)	(26,595)	(7,157)

The table below shows the expected undiscounted future payments as at December 31:

	HPI	HPMC
<i>(In Thousands)</i>		
2025		
Within one year	P40,286	P17,432
More than one year to five years	256,409	98,494
More than five years	344,884	172,756
2024		
Within one year	37,354	22,686
More than one year to five years	264,185	96,187
More than five years	436,138	252,936

The Group expects to contribute P155.7 million to the defined benefit plans in 2026.

Defined Contribution Retirement Plan

The Group has a defined contribution plan wherein the obligation is limited to the specified contribution in the defined contribution plan. Total retirement benefits cost related to the defined contribution plans amounted to P28.9 million, P20.2 million and P52.1 million in 2025, 2024 and 2023, respectively.



Total retirement benefit costs recognized in the consolidated statements of comprehensive income are as follows:

	2025	2024	2023
	<i>(In Thousands)</i>		
Expense (income) recognized for:			
Defined benefit plans	(P95,903)	(P130,929)	(P139,896)
Defined contribution plan	28,861	20,242	52,078
Retirement benefit cost	(P67,042)	(P110,687)	(P87,818)

26. Share-Based Payments

Long-Term Incentive

The Group has a long-term incentive scheme for its executives. In accordance with the terms of the LafargeHolcim's Long-term Incentive (LTI) Plan, the Group was instructed to process the LTI Share Award Payroll Instruction plan for executives with more than five years of service with the Group.

In 2025, 2024 and 2023, employees purchased 4,876 shares at an average price of CHF99.84, 2,122 shares at an average price of CHF 73.56 and 5,719 shares at an average price of CHF58.86 per share, respectively. Total incentive compensation related to the purchased plans amounted to P24,142,575, P7,132,160 and P6,194,459 in 2025, 2024 and 2023, respectively.

The following long-term incentive arrangements were in existence in 2025, 2024 and 2023:

	Number	Grant Date	Expiry Date	Exercise Price (in CHF)	Fair value at grant date (in CHF)
Granted on 01 March 2025	200	3/1/2024	3/1/2025	99.84	19,968
Granted on 01 March 2025	3,006	3/1/2022	3/1/2025	99.84	300,119
Granted on 01 March 2025	1,670	3/1/2022	3/1/2025	99.84	166,733
Granted on 01 March 2024	2,122	3/1/2021	3/1/2024	73.56	156,094
Granted on 01 March 2023	2,288	1/3/2020	1/3/2023	58.86	134,672
Granted on 01 March 2023	3,431	1/3/2020	1/3/2023	58.86	201,949

The LTI outstanding as at December 31, 2025 and 2024 has an exercise price of CHF99.84 and CHF73.56, respectively.

Other reserves represent the Group's share in the performance compensation scheme of the Holcim Group.

27. Related Party Transactions

Related party relationship exists when one party has the ability to control, directly or indirectly, through one or more intermediaries, or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting entity and its key management personnel, directors or stockholders.



The Group has transactions with the following related parties:

Ultimate Parent Company

- Holcim Ltd. (HOFI)

Intermediate Parent Companies

- Cemco Holdings, Inc. (Cemco), a subsidiary of Clinco
- Union Cement Holdings Corporation (UCHC), a subsidiary of Cemco
- Holderfin BV

Entities Under Common Control

- Holcim Trading Pte. Ltd., Singapore (HTPL)
- Holcim Technology Ltd. (HTEC)
- Lafargeholcim Investment Co.,
- Fuels and procurement at holcim trading (FPHT)
- Holcim Group Services Ltd. (HGSX)
- Holcim Services (South Asia) LTD (HSSA)
- LH Shipping PTE LTD
- LH Global Hub Services Pvt Ltd. (LHGH)
- Holcim International Services (LHISS)
- Holcim Helvetia Finance Ltd. (HHFL)

Associate and its Subsidiaries

- Helix Mining and Development Corporation (HMDC)
- Helix Resources and Development Corporation (HRDC)
- Helix Aggregates Inc. (HAI)
- APC Properties, Inc. (APC)
- Quimson Limestones, Inc. (QLI)
- Lucky One Realty Ventures, Inc. (LORVI)

The following table summarizes the related party transactions and outstanding balances as at and for the years ended December 31, 2025 and 2024:

<u>Related Party</u>	<u>Year</u>	<u>Amount/ Volume of Transactions</u>	<u>Due from Related Parties (see Note 6)</u>	<u>Loans Receivable from Related Parties (see Note 9)</u>	<u>Due to Related Parties (see Notes 13 and 15)</u>	<u>Loan Payable to a Related Party (see Note 13)</u>
<i>(In thousands)</i>						
<u>Ultimate Parent Company</u>						
HOLCIM LTD (HOFI)						
(1) Purchases and/or expenses	2025	₱467,497	₱-	₱-	₱-	₱-
	2024	508,990	-	-	-	-
(2) Reimbursement	2025	23,295	4,549	-	-	-
	2024	29,529	16,586	-	-	-
<u>Intermediate Parent Company</u>						
UCHC						
(1) Loan	2025	-	-	-	-	-
	2024	-	-	-	-	-
(2) Interest (see Note 21)	2025	-	-	-	-	-
	2024	5,931	-	-	-	-
(3) Dividend (see Note 15)	2025	-	-	-	-	-
	2024	1,543,038	-	-	(787,834)	-
Cemco						
(1) Long-term loan (see Note 9)	2025	-	-	-	-	-
	2024	-	-	28,230	-	-
(2) Interest (see Note 22)	2025	852	21	-	-	-
	2024	4,035	439	-	-	-
(3) Dividend (see Note 15)	2025	-	-	-	(130,392)	-
	2024	180,392	-	-	(180,392)	-
(4) Recharges	2025	3,043	670	-	-	-
	2024	2,288	77	-	-	-
Holderfin BV						
(1) Dividend (see Note 15)	2025	-	-	-	(14,790)	-
	2024	799,646	-	-	(31,773)	-
<i>(Forward)</i>						



<u>Related Party</u>	<u>Year</u>	<u>Amount/ Volume of Transactions</u>	<u>Due from Related Parties (see Note 6)</u>	<u>Loans Receivable from Related Parties (see Note 9)</u>	<u>Due to Related Parties (see Notes 13 and 15)</u>	<u>Loan Payable to a Related Party (see Note 13)</u>
<u>Entities Under Common Control</u>						
HTEC						
(1) Purchases and/or expenses	2025	₱286,425	₱-	₱-	(₱197,769)	₱-
	2024	79,465	-	-	714	-
LH SHIPPING PTE LTD						
(1) Purchases and/or expenses	2025	24	-	-	165	-
	2024	51,736	-	-	29	-
HGSX						
(1) Administrative fees	2025	180,228	-	-	(38,468)	-
	2024	209,854	-	-	-	-
2) Reimbursement	2025	6,822	-	-	-	-
	2024	6,360	393	-	-	-
HSSA						
(1) IT/Various charges	2025	72,614	-	-	(10,212)	-
	2024	70,078	-	-	(12,359)	-
LHGH						
(1) Service fee	2025	55,219	-	-	(7,608)	-
	2024	52,210	-	-	(5,484)	-
HTPL						
(1) GCDC Opex Capex	2025	45,898	-	-	(8,581)	-
	2024	64,044	-	-	(15,538)	-
FPHT						
(1) Fuel and procurement	2025	49,149	-	-	(284,362)	-
	2024	344,274	-	-	(315,618)	-
LHISS						
(1) Service charges and salaries	2025	83,607	-	-	(15,244)	-
	2024	55,581	-	-	(11,284)	-
HHFL						
(1) Purchase and expenses	2025	664,956	-	-	-	-
	2024	224,149	-	-	-	-
Associates						
HMDC						
(1) Recharges as receivable	2025	117,590	(867)	-	-	-
	2024	166,142	(131,840)	-	-	-
(2) Purchases of quarried materials	2025	1,043,575	-	-	(68,594)	-
	2024	624,208	-	-	(82,957)	-
(3) In-plant billing	2025	50,238	-	-	(111,209)	-
	2024	40,128	-	-	(39,222)	-
(4) Asset leasing	2025	155,751	-	-	(25,940)	-
	2024	121,214	-	-	(23,815)	-
(5) Dividend	2025	-	19,857	-	-	-
	2024	-	19,857	-	-	-
(6) Expense from various charges	2025	-	-	-	-	-
	2024	-	-	-	(3,246)	-
(7) Interest income (see Note 22)	2025	99,387	97,813	-	-	-
	2024	-	13,384	-	-	-
(8) Reimbursement	2025	-	2,679	-	-	-
	2024	-	2,758	-	-	-
(9) Loan conversion	2025	-	-	1,637,066	-	-
	2024	1,637,066	-	1,637,066	-	-
HRDC						
(2) Purchases of quarried materials	2025	467,830	-	-	(189,392)	-
	2024	250,404	-	-	(59,954)	-
(3) Asset lease	2025	17,075	-	-	(4,078)	-
	2024	15,602	-	-	(1,359)	-
(4) Reimbursement	2025	-	27,894	-	-	-
	2024	-	27,894	-	-	-
(6) Fuel withdrawal/quarried	2025	-	255,081	-	-	-
	2024	-	255,081	-	-	-
HAI						
(1) Purchases and/or expenses	2025	1,367,221	-	-	(802,209)	-
	2024	1,047,021	-	-	(358,586)	-
(2) Reimbursement	2025	13,343	25,962	-	-	-
	2024	12,267	14,012	-	-	-
APC						
(1) Asset lease and/or expenses	2025	1,314	-	-	(10,474)	-
	2024	12,341	-	-	(9,757)	-
QLI						
(1) Purchases, asset leasing, and/or expenses	2025	1,247	-	-	(10,261)	-
	2024	954	-	-	(9,161)	-
(2) Interest on loan	2025	13,384	-	-	-	-
	2024	-	-	-	-	-
LORVI						
(1) Asset leasing	2025	76,230	-	-	(72,826)	-
	2024	-	-	-	(27,893)	-
TOTAL	2025		₱433,659	₱1,637,066	(₱2,002,244)	₱-
	2024		218,641	1,665,297	(1,975,489)	-



Ultimate Parent Company

HOFI. In 2020, the Group entered into an agreement with Holcim Ltd, under Master Branding Agreement (MBA). Total expenses incurred amounted ₱467.5 million, ₱509.0 million and ₱583.1 million in 2025, 2024 and 2023, respectively (see Note 16).

In 2025, 2024 and 2023, the Group recognized reimbursement for services related to sustainability, finance, legal and project management.

Parent

UCHC. In 2022, Group, as a borrower, entered into a short-term loan contract with UCHC for ₱300.0 million. In December 2023, the loan agreement was renewed and is subject to annual interest of 5.35%. As at December 31, 2023, the loan has carrying value of ₱245.0 million and the loan was paid in 2024.

Cemco. On September 28, 2018, the Group entered into a long-term loan with Cemco, a borrower, amounting ₱381.8 million with 5.30% interest rate per annum to be paid on or before September 28, 2020. In 2021, the loan agreement was extended, with interest rate of 3.096% and is payable in full on September 28, 2026. In 2024, the Group made partial payment of the principal amount. Interest earned in 2025, 2024 and 2023 amounted to ₱0.9 million, ₱4.0 million and ₱7.2 million, respectively (see Note 22).

On September 25, 2024, the Group entered into an agreement with Cemco for compensation of cost incurred on administrative nature. Total expenses incurred amounting to ₱3.0 million, ₱2.3 million and ₱7.2 million in 2025, 2024, and 2023, respectively (see Note 16).

Entities under Common Control

- a) *HTEC*. Effective January 1, 2013, the Group and HTEC entered into an agreement for the application of new Industrial Franchise Fee (IFF). The agreement is aligned with the Organization for Economic Co-operation and Development (OECD) principles and takes into account arm's length transfer pricing principles.

The IFF shall cover all intellectual properties and value-adding solutions derived by the Group. IFF is an annual charge payable quarterly and is based on fair assessment of economic value of intellectual properties and value adding solutions.

HTEC also renders managerial and project support services to the Group.

In 2020, IFF was replaced by MIIPA- Master Industrial Intellectual Property Agreement under the same terms and conditions of the previous contract.

Total expenses incurred amounted to ₱286.4 million, ₱79.5 million and ₱236.2 million in 2025, 2024 and 2023, respectively (see Note 16).

- b) *LH Shipping*. The Group had an outstanding receivable from LH Shipping related to time-chartered shipping amounting to ₱0.2 million as at December 31, 2025, whereas, the Group had an outstanding payable to LH Shipping related to time-chartered shipping amounting to ₱0.3 million as at December 31, 2024.
- c) *HGSX*. On January 1, 2017, the Group entered into an agreement for the "Administrative Support" which include activities in the field of administration as well as clerical and operational support. The administrative support fee is calculated based on the allocated costs plus mark-up and other indirect costs in connection with rendering such support. The administrative support fee



amounted to ₱180.2 million, ₱209.9 million and ₱156.5 million in 2025, 2024 and 2023, respectively. Also, the Group has reimbursement transactions of ₱6.8 million, ₱6.4 million and ₱4.1 million in 2025, 2024 and 2023, respectively (see Notes 16, 17, and 18).

- d) *HSSA*. The Group incurred transactions related to IT support services and Sales Force – Non - IT recharges amounting to ₱72.6 million, ₱70.1 million and ₱65.1 million in 2025, 2024, 2023, respectively (see Note 17).
- e) *LHGH*. On June 1, 2021, the Group entered into a service agreement contract with LI Global Service Hub (GHBS) to provide the support on Finance, Procurement and Human Resources function from January 1, 2022 to December 31, 2026 for an annualized fee of CHF 692,016 charged to the Group. The total service fees recognized amounted to ₱55.2 million, ₱52.2 million and ₱43.9 million in 2025, 2024 and 2023, respectively (see Note 17).
- f) *HTPL*. The Group imports raw materials such as coal, gypsum and granulated blast furnace slag. The Group has an outstanding payable of ₱8.7 million and ₱15.5 million as at December 31, 2025 and 2024, respectively (see Note 16).
- g) *FPHT*. The Group imports raw materials, such as gypsum, coal and granulated blast furnace slag. The Group has outstanding liability of ₱284.4 million and ₱315.6 million as at December 31, 2025 and 2024, respectively (see Note 16).
- h) *LHISS*. The Group has an outstanding liability pertaining to expat recharges amounting to ₱15.2 million and ₱11.3 million as at December 31, 2025 and 2024, respectively (see Note 13).
- i) *HHFL*. The Group entered into a hedging transaction managed by HHFL starting in January 2024. On a monthly basis, the Group received the hedging benefit from the results of the hedging transaction in the form of credit note. There is no outstanding liability as at December 31, 2025 and 2024 related to this transaction.
- j) *LSA*. The Group entered into a hedging transaction managed by LSA starting January 2023. On a monthly basis, the Group receives the hedging benefit from the results of the hedging transaction in the form of credit note.

Associates

- a) *HMDC*. The Group has an existing service agreement with HMDC for the supply of raw materials for the Group's day-to-day operations, including in-plant billings.
- b) In January 2016, the Group has entered into various lease agreements with HMDC and its subsidiaries (APC, HRDC, QLI and LORVI) covering certain plant sites and terminals in various locations. On December 2023, the Group amended the lease term of the lease agreement with HMDC to 50 years effective January 1, 2023. Likewise, the Group sought the approval of the Bureau of Investment (“BOI”) for a long-term lease agreement with HMDC, stipulating a lease term of 50 years. This was later approved by the BOI.
- c) *HAI*. The Group has transactions related to purchases of raw materials and reimbursements with HAI amounting to ₱1,380.6 million, ₱1,059.3 million and ₱1,054.7 million in 2025, 2024 and 2023, respectively (see Note 16). As at December 31, 2025 and 2024, the Group had a total payable of ₱802.2 million and ₱358.6 million, respectively (see Note 13).



- d) The Group has also other transactions with HMDC Group related to various charges and expenses such as reimbursement of expenses, printing recharges, and payment of taxes.
- e) On December 20, 2024, the Group and HMDC Group entered into an agreement to convert the long-standing receivables of the Group from HMDC into a long-term loan amounting to ₱1.6 billion, which is set to mature on December 20, 2029, based on the agreed schedule, which the Group has an option to pay the entire loan, with accrued interest thereon prior to December 31, 2029 (see Note 9).

Terms and Conditions of Transactions with Related Parties

The following are the terms and conditions of transactions with related parties:

- Except for loans, related party transactions are non-interest bearing.
- Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year.
- There have been no guarantees provided or received for any related party receivables or payables.
- Unless specified, related party transactions are payable on demand.

There is no provision for ECL recognized on the Group’s related party receivables. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Key Management Personnel

The following are the details of the compensation of key management personnel:

	2025	2024	2023
		<i>(In Thousands)</i>	
Short-term employee benefits (see Note 19)	₱94,086	₱81,306	₱77,408
Retirement benefit cost (see Note 25)	11,124	15,886	15,967
	₱105,210	₱97,192	₱93,375

28. Commitments and Contingencies

Lawsuits

The Group is either a defendant or plaintiff in several legal cases primarily involving collection and claims for damages. As at December 31, 2025 and 2024, based on the assessment of management and the opinion of the Group’s external legal counsels, the outflow of resources is not probable to happen.

Commitments

- a. Electricity Supply Agreement (ESA)

An amended electricity supply agreement was signed with AC Energy Philippines, Inc. (ACEPI) effective June 26, 2020 and valid until December 26, 2030 which will supply Bulacan, La Union and Mabini Grinding plants. The related expense under this contract is recognized as part of “Power and fuel” account in Note 16.



- b. Service Agreement with Misamis Oriental – 1 Rural Electric Service Cooperative, Inc. (MORESCO-1)

On November 26, 2012, the Group entered into a Sub Transmission Line Wheeling Service Agreement with MORESCO-1 for supply of electric power exclusively for the operation and requirement of Lugait plant. The related expense under this contract is recognized as part of “Power and fuel” account in Note 16.

- c. Davao Light Service Contract

The Group also entered into a contract with Davao Light and Power Group (DLPC) for electric service to the Group’s plant in Davao commencing on November 14, 2013 and thereafter until the contract is terminated. The related expense under this contract is recognized as part of “Power and fuel” account in Note 16.

The Group entered into a contract with Alsons Power Supply Corporation (APSC) as primary Retail Electricity Supplier (RES) for the supply of up to 41MW power demand covering Lugait and Davao plant for a 2-year period from August 2024 to July 2026.

- d. Green Core Geothermal Inc (GCGI)

The Group entered into a contract with GCGI as Secondary Electricity Supplier (RES) for the supply of 10 MW geothermal baseload covering Lugait and Davao plant for a 3-year period from August 2024 to July 2027.

- e. Power Purchase Agreement (PPA)

On November 16, 2021, the Group signed a 20-year power purchase agreement with Blueleaf Energy, to deliver solar power to its plants in Bulacan and La Union. Under the agreement, Blueleaf Energy will finance, build, operate, and maintain solar energy facilities in Norzagaray, Bulacan and Bacnotan, La Union with a combined capacity of 29-megawatt peak and an annual generation of more than 50 gigawatt hours that will supply up to 15% of the energy requirements of Holcim Philippines’ plants there. However, in October 2024, HPI decided to terminate this contract for both sites on the basis of supplier default to deliver the project.

On October 26, 2023, a Power Purchase Agreement was signed with Balapi Energy Corp. for the construction and operations of on-site solar installations and to deliver annually 7.8 GWh of solar energy to La Union and Bulacan plants starting in 2025. Both projects are already generating solar energy and Holcim is enjoying free power until the commercial operation date (COD).

On October 2024, a Power Purchase Agreement was signed with Berde Rooftop Inc. for the construction and operations of on-site solar installation and deliver 4 GWh of solar energy to Lugait plant starting 2025, the target installation completion.

In January 2025, a Power Purchase Agreement was signed with Berde Rooftop Inc. for the construction and operations of on-site solar installation and deliver 17.3 GWh of solar energy to Davao plant starting mid-2026, the target installation completion.

There are contingent liabilities for tax assessments and cases occurring in the ordinary course of business. On the basis of information furnished by the Group’s legal counsels, management believes that the ultimate liability, if any, with respect to such tax assessments and cases is not material to affect the Group’s financial position and financial performance.



29. Financial Risk Management Objectives and Policies

The Group is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Group. The Group does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Group is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Group's principal financial instruments, other than derivatives, consist of cash and cash equivalents. The main purpose of these financial instruments is to raise funds for the Group's operations. The Group also has various other financial assets and liabilities such as trade and other receivables, financial assets at FVTPL and FVOCI, loans receivable from related parties, guarantee deposits, restricted cash in banks and trade and other payables which arise directly from operations.

The main risks arising from the Group's financial instruments are commodity risk, market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The management reviews and approves the policies for managing each of these risks and they are summarized below. The Group's accounting policies in relation to financial instruments are set out in Note 2 to the consolidated financial statements.

Commodity risk

In 2025 and 2024, the Group is subject to commodity risk with respect to coal price changes. Under the Group's risk management policy, the Group uses derivative instruments to hedge part of its exposure to these risks. Derivative instruments are generally limited to swaps and standard options.

Effects of hedge accounting. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

Ineffectiveness is recognized on hedges where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. Ineffectiveness may arise if there is a difference in the principal terms of the hedging instrument and designated hedged risk, from credit valuation of the hedging instrument or timing of the transaction changes from what was originally estimated.

The table below sets out the information about the Group's derivative financial instruments as at December 31, 2025 and 2024:

Commodity	Effective Date	Termination Date	Floating Price	Notional Amount	Net Mark-to-market and Fair Value Change Losses
<i>(In Thousands)</i>					
<i>Transactions designated as hedges</i>					
2025					
Forward commodity contracts	Coal Newcastle Globalcoal	Various dates from January 1, 2024 to December 31, 2026, which was pre-terminated in 2025	The monthly average in USD per metric tons on the pricing date complied from the weekly averages published each Friday in the relevant calculation period by the	€-	€-



		Argus/McCloskeys Coal Price Index Report			
2024		Various dates from January 1 to December 31, 2024	The monthly average in USD per metric tons on the pricing date compiled from the weekly averages published each Friday in the relevant calculation period by the Argus/McCloskeys Coal Price Index Report	426,136	240,553
Forward commodity contracts	Coal Newcastle Globalcoal	Various dates from January 1, 2024 to December 31, 2026		702,915	365,044

The fair value gain (loss) of hedging instruments under cash flow hedge accounting in 2025, 2024 and 2023 amounted to ₱600.2 million, ₱110.0 million, and (₱709.6 million), respectively, which was recognized in the other comprehensive income.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the cumulative gain or loss deferred in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as property, plant and equipment or inventory against which the cumulative gains and losses is adjusted. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to the statement of income.

The carrying value of hedging instruments amounted to nil and ₱605.6 million as at December 31, 2025 and 2024, respectively, which is presented as short-term derivative liability under “Trade and other payables” account (see Note 13) and “Long-term derivative liability” account in the consolidated statements of financial position.

Market risks

The Group is exposed to market risks, such as foreign currency and interest rate risks. To manage volatility relating to these exposures, the Group enters into derivative financial instruments, when necessary. The Group’s objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency and interest rate.

The Group is not significantly exposed to interest rate risk since the loans receivable from/to related parties is subject to fixed interest rate, therefore, the consolidated statements of comprehensive income and equity are not sensitive to interest rate changes.

Foreign currency risk

The Group has foreign exchange exposures, arising primarily from purchases of goods and services in currencies other than the Philippine Peso that leads to currency translation effects. None of the Group’s revenues in 2025 and 2024 were denominated in currencies other than the Philippine peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency and significant amount of capital expenditures may be in foreign currencies. As a consequence thereof, the Group may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As at December 31, 2025 and 2024, the Group had minimal assets and liabilities exposed to foreign currency risks.

The table below summarizes the Group’s exposure to foreign currency risk before considering the effect of hedging transactions. Included in the table are the Group’s foreign currency denominated assets and liabilities at carrying amounts:



	2025		2024	
	Original Currency	Functional Currency	Original Currency	Functional Currency
<i>(In Thousands)</i>				
Financial assets -				
Cash and cash equivalents -				
U.S. dollar	\$2,819	₱166,188	\$4,191	₱244,757
Financial liabilities:				
Trade and other payables:				
U.S. dollar	\$1,138	₱69,962	\$315	₱18,302
Euro	€83	5,701	€115	6,899
Korean won	₩576	23	₩576	23
		₱75,686		₱25,224

Table below shows the closing exchange rates used in translating the foreign-currency denominated financial assets and liabilities to ₱1:

	2025	2024
U.S. dollar	\$0.0170	\$0.0172
Euro	€0.0145	€0.0166
South Korean won	₩24.5098	₩25.4470

The following table demonstrates the sensitivity of the Group's income before income tax (due to changes in fair value of monetary assets and liabilities after considering the impact of hedging transactions) to a reasonably possible change in foreign currencies exchange rate, with all other variables held constant:

	US Dollar Appreciates (Depreciates) by	Effect on Income Before Income Tax
<i>(In Thousands)</i>		
December 31, 2025		
Sensitivity 1	10%	₱24,187
Sensitivity 2	(5%)	(12,094)
December 31, 2024		
Sensitivity 1	10%	21,953
Sensitivity 2	(5%)	(10,977)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The impact of any change in foreign exchange rate on the embedded currency forwards of the Group is immaterial.

Credit risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers.

The Group constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Group does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Group has no significant concentration of credit risk with any single counterparty or group of counterparties.



The maximum and minimal exposure to credit risk is represented by the carrying amount of each financial asset, as follows:

	Gross Maximum Exposure ^(a)		Minimal Exposure ^(b)	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	<i>(In Thousands)</i>			
Cash and cash equivalents	₱1,198,803	₱4,077,142	₱1,180,803	₱4,075,642
Trade receivables and other receivables	2,261,027	1,823,746	1,864,214	1,553,982
Guarantee deposits	143,275	142,205	143,275	142,205
Loans receivable from related parties	1,637,066	1,665,297	1,637,066	1,665,297
Restricted cash	269,426	271,235	269,426	271,235
	₱5,509,597	₱7,979,625	₱5,094,784	₱7,708,361

^(a) Gross financial assets before taking into account estimated credit loss, any collateral held or other credit enhancements or offsetting arrangements.

^(b) Gross financial assets after taking into account estimated credit loss, any collateral or other credit enhancements or offsetting arrangements or deposit insurance.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's expected credit loss rate is not significantly different from each customer segments, the expected credit loss rate is not further distinguished between the Group's different customer segments.

	Current-30 days	31-90 days	91-180 days	181-360 days	Over 360 days	Specifically Identified	Total
	<i>(In Thousands)</i>						
2025							
Estimated total gross carrying amount at default	₱1,169,301	₱94,014	₱70,104	₱67,975	₱42,457	₱42,200	₱1,486,051
Expected credit loss rate	0.05%	0.83%	1.43%	2.33%	5.71%	100%	
Provision for ECL	₱589	₱779	₱1,002	₱1,585	₱2,427	₱42,200	₱48,582
2024							
Estimated total gross carrying amount at default	₱853,941	₱59,793	₱50,921	₱90,260	₱29,332	₱29,494	₱1,113,741
Expected credit loss rate	0.05%	0.83%	1.43%	2.33%	5.71%	100%	
Provision for ECL	₱430	₱495	₱728	₱2,105	₱1,677	₱29,494	₱34,929

The Group trades only with recognized, credit-worthy third-parties. It is the Group's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts to minimum.

With respect to credit risk arising from the other financial assets of the Group, which consist of cash and cash equivalents, loans receivable from related parties, guarantee deposits and restricted cash in banks presented under "Other noncurrent assets" account, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. For these financial assets, the Group computes a loss allowance based on either 12-month expected credit losses (ECLs) or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition.

In order to minimize credit risk, the Group has tasked its credit management committee to develop and maintain the Group's credit risk grading to categorize exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if



not available, the credit management committee uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The Group's current credit risk grading framework comprises the following categories:

Category	Description
Performing	The counterparty has a low risk of default and does not have any past-due amounts
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition
In default	Amount is >360 days past due or there is evidence indicating the asset is credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery

The table below details the credit quality of the Group's financial assets at amortized cost, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

	Internal Credit Rating	12m or Lifetime ECL?	Gross Carrying Amount	Loss Allowance	Net Carrying Amount
<i>(In Thousands)</i>					
2025					
Cash and cash equivalents	Performing	12m ECL	₱1,198,803	₱-	₱1,198,803
Trade and other receivables:					
Trade receivables	Performing, Doubtful & In default	Lifetime ECL <i>(simplified approach)</i>	1,486,051	(43,477)	1,442,574
Due from related parties	Performing	12m ECL	433,659	-	433,659
Others	Performing	12m ECL	336,212	-	336,212
	Doubtful	Lifetime ECL <i>(general approach)</i>	5,105	(5,105)	-
Restricted cash*	Performing	12m ECL	269,426	-	269,426
Loans receivable**	Performing	12m ECL	1,637,066	-	1,637,066
Guarantee deposits*	Performing	12m ECL	143,275	-	143,275
			₱5,509,597	(₱48,582)	₱5,461,015
2024					
Cash and cash equivalents	Performing	12m ECL	₱4,077,142	₱-	₱4,077,142
Trade and other receivables:					
Trade receivables	Performing, Doubtful & In default	Lifetime ECL <i>(simplified approach)</i>	1,113,741	(29,824)	1,083,917
Due from related parties	Performing	12m ECL	218,202	-	218,202
Accrued interest	Performing	12m ECL	439	-	439
Others	Performing	12m ECL	486,259	-	486,259
	Doubtful	Lifetime ECL <i>(general approach)</i>	5,105	(5,105)	-
Restricted cash*	Performing	12m ECL	271,235	-	271,235
Loans receivable**	Performing	12m ECL	1,665,297	-	1,665,297
Guarantee deposits*	Performing	12m ECL	142,205	-	142,205
			₱7,979,625	(₱34,929)	₱7,944,696

*Included under "Other noncurrent assets" account in the consolidated statements of financial position.

**Included under "Investments and loans receivable" account in the consolidated statements of financial position.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Group to shortage of funds during slack season and may result in payment defaults of financial commitments. The Group monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and, in certain cases, at the management level.



The Group maintains sufficient reserves of cash and cash equivalents, which are short-term in nature and unused credit lines to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Group allows it to make efficient use of the financial markets for financing purposes. As at December 31, 2025 and 2024, the Group has unutilized credit facilities of ₱12.7 billion and ₱12.8 billion, respectively.

The table below summarizes the maturity profile of the Group's financial assets used for liquidity management as at December 31, 2025 and 2024:

	On Demand	Less than One Year	>1 to 5 Years	Total
	<i>(In Thousands)</i>			
2025				
Cash and cash equivalents	₱1,198,803	₱–	₱–	₱1,198,803
Trade and other receivables:				
Trade receivables	–	1,442,574	–	1,442,574
Due from related parties	433,659	–	–	433,659
Accrued interest	–	–	–	–
Others	–	336,212	–	336,212
Loans receivable*	–	–	1,637,066	1,637,066
Restricted cash**	–	–	269,426	269,426
Guarantee deposits**	–	–	143,275	143,275
	₱1,632,462	₱1,778,786	₱2,049,767	₱5,461,015
2024				
Cash and cash equivalents	₱4,077,142	₱–	₱–	₱4,077,142
Trade and other receivables:				
Trade receivables	1,083,917	–	–	1,083,917
Due from related parties	218,202	–	–	218,202
Accrued interest	439	–	–	439
Others	–	486,259	–	486,259
Loan receivable*	–	–	1,665,297	1,665,297
Restricted cash**	–	–	271,235	271,235
Guarantee deposits**	–	–	142,205	142,205
	₱5,379,700	₱486,259	₱2,078,737	₱7,944,696

*Included under "Investments and loans receivable" account in the consolidated statements of financial position.

**Included under "Other noncurrent assets" account in the consolidated statements of financial position.

(i) For trade receivables, the Group has applied the simplified approach in PFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 9 include further details on the loss allowance for these assets respectively.



The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, 2025 and 2024 based on contractual undiscounted payments:

	On Demand	Less than One Year	>1 to 5 Years	Total
<i>(In Thousands)</i>				
2025				
Other financial liabilities:				
Trade and other payables:				
Trade payables	P-	P3,583,502	P-	P3,583,502
Accrued expenses and non-trade payables	-	2,592,502	-	2,592,502
Due to related parties	2,002,244	-	-	2,002,244
Other payables	-	13,379	-	13,379
Lease liabilities*	-	144,775	1,632,347	1,777,122
	P2,002,244	P6,334,158	P1,632,347	P9,968,749
<i>(In Thousands)</i>				
2024				
Other financial liabilities:				
Trade and other payables:				
Trade payables	P1,439,362	P1,572,389	P-	P3,011,751
Accrued expenses and non-trade payables	-	2,344,692	-	2,344,692
Due to related parties	1,975,489	-	-	1,975,489
Derivative liability	-	240,553	-	240,553
Other payables	-	1,041,300	-	1,041,300
Long-term derivative liability	-	-	365,044	365,044
Lease liabilities*	-	150,436	1,936,347	2,086,783
	P3,414,851	P5,349,370	P2,301,391	P11,065,612

*Including future interests.

Management believes that it has sufficient reserves to meet its liquidity requirements at all times. It has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The Group manages its negative liquidity ratio position in 2025 and 2024 by forecasting cash flow regularly, monitoring and optimizing net working capital and managing existing credit facilities. As of December 31, 2025 and 2024, the total credit line from various bank partners is P14.0 billion.

Capital Management Policy

The Group considers equity attributable to the equity holders of the Parent Company as its capital. The Group's objectives when managing capital are to secure the Group's ongoing financial needs to continue as a going concern as well as to cater for its growth targets in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Group manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.



The Group monitors capital, among others, on the basis of gearing ratio. Gearing ratio is calculated as net financial debt divided by total equity in the consolidated statements of financial position as shown in the table below:

	2025	2024
	<i>(In Thousands, Except Gearing Ratio)</i>	
Trade and other payables*	₱8,913,912	₱8,613,785
Lease liabilities	1,338,264	1,499,571
Long-term derivative liabilities	–	365,044
Financial debt	10,252,176	10,478,400
Less cash and cash equivalents	1,198,803	4,077,142
Net financial debt	9,053,373	6,401,258
Total equity	24,023,904	27,214,123
Gearing ratio	0.38:1	0.24:1

*Excluding contract liabilities

The Group's target is to maintain a gearing ratio in the range of no more than one (1). There were no changes in the Group's approach to capital management during the year.

30. Financial Assets and Liabilities

Fair Value of Financial Instruments

The estimated fair value of each class of the Group's financial instruments is equal to their carrying amount as at December 31, 2025 and 2024. The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and Cash Equivalents, Trade and Other Receivables and Trade and Other Payables. Due to the short-term nature of the transactions, the fair values of these instruments approximate the corresponding carrying values as at end of each reporting period.

Derivatives. The fair values of the forward commodity contracts are calculated by reference to current forward exchange.

Financial Assets at FVOCI. The fair values of publicly traded instruments are determined by reference to quoted market prices as at the end of each reporting period.

Guarantee Deposits and Restricted Cash in Banks presented under "Other Noncurrent Assets" Account. These are carried at cost, less any impairment in value, which approximates their fair values calculated using the discounted cash flows method.

Loans Receivable from Related Parties. As at December 31, 2025 and 2024, the fair value of loans receivable from related parties amounting to ₱1,713.7 million and ₱1,698.0 million, respectively, are based on the discounted value of future cash flows using the Philippine Government Zero Coupon Yield as at the financial reporting date. The fair value measurements of these deposits are categorized under Level 2.

Fair Value Hierarchy

As at December 31, 2025 and 2024, the Group's financial instruments measured at fair value include the quoted equity securities, classified as FVOCI, and derivative financial instruments. The Group's quoted equity securities are measured at fair value using recent market transactions. Fair value category is Level 1, quoted prices in active markets. On the other hand, derivative financial instruments' fair value category is Level 2.



There were no reclassifications made between the different fair value hierarchy levels in 2025 and 2024.

31. Notes to Cash Flows Statements

Reconciliation of Liabilities Arising from Financing Activities

The table below details the changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Beginning balance	Financing cash flows	Non-cash changes				Ending balance	
			Declaration	Additions/ modification	Interest	Foreign exchange movement		Other changes
<i>(In Thousands)</i>								
2025								
Lease liabilities (see Note 14)	₱1,499,571	(₱159,204)	₱-	(₱79,027)	₱76,924	₱-	₱-	₱1,338,264
Accrued interest and bank charges	-	(28,995)	-	-	28,995	-	-	-
Dividend payable	1,000,000	(854,818)	-	-	-	-	-	145,182
	₱2,499,571	(₱1,043,017)	₱-	(₱79,027)	₱105,919	₱-	₱-	₱1,483,446
2024								
Lease liabilities (see Note 14)	₱1,607,368	(₱195,677)	₱-	₱-	₱87,880	₱-	₱-	₱1,499,571
Accrued interest and bank charges (see Note 27)	3,508	(25,515)	-	-	22,007	-	-	-
Dividend payable	-	(1,548,603)	2,548,603	-	-	-	-	1,000,000
Loan payable to a related party (see Notes 13 and 27)	245,000	(245,000)	-	-	-	-	-	-
	₱1,855,876	(₱2,014,795)	₱2,548,603	₱-	₱109,887	₱-	₱-	₱2,499,571
2023								
Lease liabilities (see Note 14)	₱1,481,041	(₱228,776)	₱-	₱225,222	₱129,880	₱-	₱-	₱1,607,367
Accrued interest and bank charges	4,314	(23,744)	-	22,938	-	-	-	3,508
Dividend payable	229,763	(229,763)	-	-	-	-	-	-
Loan payable to a related party (see Notes 13 and 2)	300,000	(55,000)	-	-	-	-	-	245,000
	₱2,015,118	(₱537,283)	₱-	₱248,160	₱129,880	₱-	₱-	₱1,855,875

Noncash activities

The following are the non-cash activities of the Group:

- As at December 31, 2025 and 2024, the Group has non-cash additions to "Property, plant and equipment" amounting to ₱252.6 million and ₱267.0 million, respectively.
- On December 20, 2024, the Group and HMDC entered into an agreement to convert the long-standing receivables of the Group from HMDC into a long-term loan amounting to ₱1.6 billion (see Note 27).
- In 2024, construction in progress amounting to ₱11.7 million, which was presented under "Property, Plant and Equipment" account, was reclassified to "Intangible assets" account (see Notes 10 and 11).



32. Earnings per Common Share (EPS)

Basic/diluted EPS is computed as follows:

	2025	2024	2023
	<i>(In Thousands, Except Per Share Amounts)</i>		
Consolidated net income (loss) attributable to common equity holders of the Parent Company	(₱3,839,395)	(₱1,214,793)	₱908,013
Weighted average number of common shares - Issued and outstanding	6,452,099	6,452,099	6,452,099
Basic/diluted EPS of net income attributable to equity holders of the Parent Company	(₱0.60)	(₱0.19)	₱0.14

Basic EPS is computed based on weighted average number of issued and outstanding common shares during each year. Diluted EPS is computed as if the potential common share or instrument that may entitle the holder to common share were exercised as at the beginning of the year. Where the Parent Company does not have any potential common share or other instruments that may entitle the holder to common shares, diluted EPS is the same as basic EPS.

There are no dilutive financial instruments in 2025, 2024 and 2023; hence, diluted EPS is the same as basic EPS.

33. Environmental and Regulatory Matters

a. Clean Air Act (RA 8749)

The *Clean Air Act* and the related Implementing Rules and Regulations (IRR) contain provisions that have an impact on the industry as a whole, and to the Group in particular, that need to be complied with within 44 months from the effectivity date or by July 2004. Based on the assessment made on the Group's existing facilities and audits conducted by external stakeholders, management believes it complies with the provisions of the Clean Air Act and the related IRR.

b. Clean Water Act (RA 9275)

On February 4, 2004, the Senate and House of Representatives passed the *Clean Water Act* and the related IRR which contain provisions that have an impact on the industry as a whole, and to the Group in particular. Based on the assessment made on the Group's existing facilities and audits conducted by external stakeholders, management believes it complies with the provisions of the Clean Water Act and the related IRR.

c. Ecological Solid Waste Management Act (RA 9003)

On December 12, 2000, the Senate and House of Representatives passed the *Ecological Solid Waste Management Act* which contains provisions that have an impact to the Group. The Group adheres to all the rules and regulations and follows the waste management hierarchy which prioritizes waste avoidance, reduction, re-processing, and recycling. As an attestation to Geocycle's responsible handling and management of qualified wastes including hazardous wastes, the Group has valid Treatment, Storage and Disposal (TSD) Certificate.

HPI's four cement integrated plants continued to be recognized by the relevant national government agencies for its environmental programs.



d. Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990 (RA 6969)

The Company is subject to the provisions of Republic Act No. 6969, which regulates the generation, importation, manufacture, handling, storage, transportation, and disposal of toxic chemicals and hazardous wastes to mitigate risks to human health and the environment. In strict compliance with this Act and its corresponding Implementing Rules and Regulations, the Company's cement plants are duly registered with the Environmental Management Bureau (EMB). The Company utilizes its cement kilns to co-process qualified industrial hazardous and non-hazardous wastes, recovering thermal and mineral properties while guaranteeing complete destruction of harmful substances at temperatures up to 1450°C. The Company strictly conforms to DENR-EMB systems to track the cradle-to-grave transport and treatment of these materials, ensuring operational compliance and zero-residue waste management.

e. Extended Producer Responsibility Act of 2022 (RA 11898)

The Company operates in compliance with Republic Act No. 11898, which amended the Ecological Solid Waste Management Act of 2000 (RA 9003) to institutionalize the Extended Producer Responsibility (EPR) framework. As an Obligated Enterprise (OE), the Company is mandated to establish and implement an EPR program for its plastic packaging footprint, adhering to the phased recovery targets stipulated by the Department of Environment and Natural Resources (DENR). The Company continuously evaluates its packaging footprint (e.g., plastic and paper sacks). Beyond internal compliance, the Company enables the national circular economy. Through its Geocycle operations, the Company partners with local government units (LGUs) and other Obligated Enterprise to divert non-recyclable plastics and municipal solid wastes from landfills. By substituting traditional fossil fuels with these alternative fuels and raw materials in the cement manufacturing process, the Company facilitates verified plastic footprint recovery for its partners, directly supporting national EPR targets and Holcim's global decarbonization and circularity goals



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and the Stockholders
Holcim Philippines, Inc. and Subsidiaries
7th floor, Two World Square, McKinley Hill, Fort Bonifacio
Taguig City, Metro Manila

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Holcim Philippines, Inc. and Subsidiaries (the Group) as at December 31, 2025, and have issued our report thereon dated April 13, 2026. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez

Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 105007-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-116-2025, December 19, 2024, valid until December 18, 2027

PTR No. 10765059, January 2, 2026, Makati City

April 13, 2026



HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

Reconciliation of Retained Earnings Available for Dividend Declaration

(Note: Amounts below are in thousands)

For the reporting period ended December 31, 2025

Holcim Philippines, Inc. and Subsidiaries

7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City

Unappropriated Retained Earnings, January 1, 2025	₱5,425,159
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	—
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings	—
Dividend declaration during the reporting period	—
Beginning deferred tax assets	(937,254)
Unappropriated Retained Earnings, as adjusted	4,487,905
Add/Less: Net Income (loss) for the current year	(3,870,013)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax) Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	(3,417)
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)	—
Add: Category C.3: Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)	—
Adjusted Net Income (Loss)	(3,873,430)
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)	—
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP	—
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
Net movement of deferred tax asset not considering in the reconciling items under the previous categories	(318,344)
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g. set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	(1,815)
Subtotal	(320,159)
Total Retained Earnings, end of the reporting period available for dividend	₱294,316

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES

INDEX TO SUPPLEMENTARY SCHEDULES

FORM 17-A

Supplementary Schedules

Independent Auditors' Report on Supplementary Schedules (Annex A and B)

A. Reconciliation of Retained Earnings Available for Dividend Declaration

B. Supplementary Schedules Required by Annex 68-J

Schedule A. Financial Assets

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

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

Schedule D. Long-Term Debt

Schedule E. Indebtedness to Related Parties

Schedule F. Guarantees of Securities of Other Issuers

Schedule G. Capital Stock

C. Supplementary Schedule of External Auditor Fee-Related Information

D. Schedule of Financial Soundness Indicators

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule A. Financial Assets
For the Year Ended December 31, 2025
(Amounts in Thousands)

Name of Issuing Company and Association of Each Issue	Number of Units or Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statements of Financial Position	Value Based on Market Quotations at Reporting Date	Income Received and Accrued
Financial assets at amortized costs				
Cash and cash equivalents	N/A	P 1,198,803	N/A	N/A
Trade and other receivables	N/A	2,212,445	N/A	N/A
Loan receivable from a related party	N/A	1,637,066	N/A	N/A
Restricted cash	N/A	269,426	N/A	N/A
Guarantee deposits	N/A	143,275	N/A	N/A
Financial assets at FVOCI	N/A	5,056	N/A	N/A
		P 5,466,071		

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
For the Year Ended December 31, 2025
(Amounts in Thousands)

Name and Designation of Debtor	Beginning Balance	Additions/Reclass	Deductions		Current	Non Current	Ending Balance
			Amount Collected	Amount Written-Off			
Directors, Officers and Employees							
Advances to Directors, Officers and Employees							
Accounts Receivable from related parties							
	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Holcim Ltd. (HOFI)	P 16,586	P 23,295	P (35,332)	P -	P 4,549	P -	P 4,549
Cemco Holdings, Inc.	516	3,895	(3,720)	-	691	-	691
Holcim Group Services Ltd. (HGSX)	393	6,822	(7,215)	-	-	-	-
HMDC Group	201,146	230,320	(3,047)	-	428,419	-	428,419
	218,641	264,332	(49,314)	-	433,659	-	433,659
Loan receivable							
Cemco Holdings, Inc.	28,231	-	(28,231)	-	-	-	-
HMDC	1,637,066	-	-	(28,231)	-	1,637,066	1,637,066
	1,665,297	-	-	-	-	1,637,066	1,637,066
Related Parties							
	P 1,883,938	P 264,332	P (77,545)	P -	P 433,659	P 1,637,066	P 2,070,725

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule C. Amounts Receivable from Related Parties which are Eliminated during the
Consolidation of Financial Statements
For the Year Ended December 31, 2025
(Amounts in Thousands)

Name and Designation of Debtor	Beginning Balance	Additions	Amounts Collected	Amounts Written Off/Impaired	Reclassification to Investments	Reclassification from Due to related parties	Current	Non Current	Balance at the End of Period
Holcim Philippines, Inc.									
Due from:									
Holcim Philippines Manufacturing Corp.	P 758,690	P 675,388	P (618,898)	P -	P -	P -	P 815,180	P -	P 815,180
Excel Concrete Logistics Inc.	-	-	-	-	-	-	-	-	-
SHOP AND BUILD CORPORATION	40,943	-	(15,051)	-	-	-	25,892	-	25,892
CALAMBA AGGREGATES CORPORATION	-	2,639	-	-	-	-	2,639	-	2,639
Hubb Stores and Services, Inc.	-	-	-	-	-	-	-	-	-
	P 799,633	P 678,027	P (633,949)	P -	P -	P -	P 843,712	P -	P 843,712

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule D. Long-Term Debt
For the Year Ended December 31, 2025
(Amounts in Thousands)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown as Current	Amount Shown as Long-Term	Remarks
	NIL	NIL	NIL	

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule E: Indebtedness to Related Parties (Long-term Loans from Related Companies)
For the Year Ended December 31, 2025
(Amounts in Thousands)

Name of Related Party	Beginning Balance	Balance at the End of Period
NIL	P NIL	P NIL
	-	-

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule G. Capital Stock
For the Year Ended December 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversions and Other Rights	Affiliates	Number of Shares Held by Directors, Officers and Employees	Others
Preferred Shares	20,000,000	-	-	-	-	-
Common Shares	9,980,000,000	6,452,099,144	-	6,362,378,367	41,418,538	48,302,239
	<u>10,000,000,000</u>	<u>6,452,099,144</u>	<u>-</u>	<u>6,362,378,367</u>	<u>41,418,538</u>	<u>48,302,239</u>

HOLCIM PHILIPPINES, INC. AND SUBSIDIARIES
Schedule F. Guarantees of Securities of Other Issuers
For the Year Ended December 31, 2025
(Amounts in Thousands)

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee
NIL	-	P NIL	P NIL	NIL

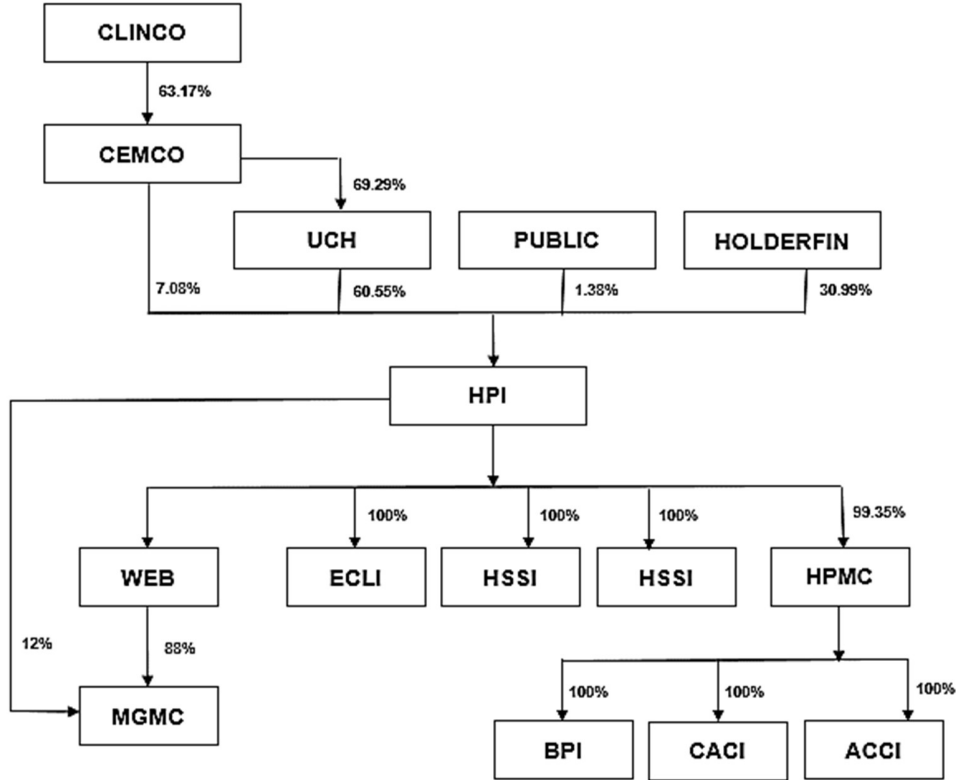
Holcim Philippines Inc., and Subsidiaries
Schedule of Financial Soundness Indicators

Financial KPI	Definition	For the Calendar Year ended December 31	
		2025	2024
<u>Current/Liquidity ratios</u>			
Current Ratio	Current Assets	67%	87%
	Current Liabilities		
Quick Ratio	Current Assets-Inventory-Prepayments	32%	54%
	Current Liabilities		
<u>Solvency ratio/Debt-to-equity ratio</u>			
Debt-to Equity Ratio	Total Debt	51%	48%
	Equity		
<u>Asset to Equity Ratios</u>			
Asset to Equity Ratio/ Equity Multiplier	Total Assets	151%	148%
	Equity		
<u>Interest Rate Coverage Ratio</u>			
Interest Coverage Ratio/EBITDA Net Interest Cover	Operating EBITDA	-7.49	11.72
	Net Interest		
<u>Pofitability Ratios</u>			
Return on Assets	Net Income	-10.0%	-2.9%
	Average Total Assets		
Return on Equity	Net Income	-15.0%	-4%
	Average Total Equity		
Operating EBITDA Margin	Operating EBITDA	-5.6%	5.5%
	Net Sales		

Company: Holcim Philippines Inc. (HPI)

Illustration of relationships between the company and its ultimate parent company, middle parent, and its subsidiaries

As of December 31, 2025



COMPANY NAME	PRINCIPAL ACTIVITIES
CLINCO	Clinco Corporation Investment holding in CEMCO
CEMCO	Cemco Holdings, Inc. Investment holding in UCHC and HPI.
UCHC	Union Cement Holdings Corporation Investment holding in HPI
HPI	Holcim Philippines, Inc. Manufacture and distribute cement products
HPMC	Holcim Philippines Manufacturing Corporation Manufacture and distribute cement products
BPI	Bulkcem Philippines, Inc. Purchase, lease, sale of real properties
CACI	Calamba Aggregates Co., Inc. Mining, Processing and sale of quarry resources
ACCI	Alsons Construction Chemical, Inc. Manufacture, use and sale of admixtures
WEB	Wellbourne International Group Limited Investment holding in MGMC
MGMC	Mabini Ginding Mill Corporation Manufacture and distribute cement products
ECLI	Excel Concrete Logistics, Inc. Distribution of concrete and cement products
S&B	Shop and Build Corporation Retail operations
HSSI	Hubb Stores and Services, Inc. Retail operations

Holcim Philippines, Inc. and Subsidiaries
Supplementary Schedule of External Auditor Fee-related Information
December 31, 2025

	Current Year	Prior Year
Total Audit Fees (Section 2.1a)	₱7,170,955	₱7,556,600
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	1,125,000	—
Total Non-audit Fees (Section 2.1b)	—	—
Total Audit and Non-audit Fees	₱8,295,955	₱7,556,600

Audit and Non-audit fees of other related entities (Section 2.1c)

	Current Year	Prior Year
Audit fees	₱—	₱—
Non-audit services fees:		
Other assurance services	—	—
Tax services	—	—
All other services	—	—
Total Audit and Non-audit Fees of other related entities	₱—	₱—

Note: Above fees are inclusive of 10% out-of-pocket expenses as approved by the Ultimate Parent Company and EY Switzerland.



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: RICHMOND CARLOS AGTARAP

Receipt Date and Time: August 13, 2025 03:47:44 PM

Company Information

SEC Registration No.: 0000026126

Company Name: HOLCIM PHILIPPINES, INC.

Industry Classification: D26200

Company Type: Stock Corporation

Document Information

Document ID: OST10813202583656246

Document Type: Quarterly Report

Document Code: SEC_Form_17-Q

Period Covered: June 30, 2025

Submission Type: Original Filing

Remarks: None

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

SECURITIES AND EXCHANGE COMMISSION

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 June 30, 2025
2. Commission identification number 026126 3. BIR Tax Identification No 000-121-507-000
4. Exact name of issuer as specified in its charter HOLCIM PHILIPPINES, INC.
5. Province, country or other jurisdiction of incorporation or organization Republic of the Philippines
6. Industry Classification Code: (SEC Use Only)
7. Address of issuer's principal office Postal Code
7th Floor Two World Square, McKinley Hill, Fort Bonifacio, Taguig City 1634
8. Issuer's telephone number, including area code (632) 8581-1511
9. Former name, former address and former fiscal year, if changed since last report N. A.
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	6,452,099,144

11. Are any or all of the securities listed on a Stock Exchange?
Yes [] No [x]
- If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
N/A Common Shares

12. Indicate by check mark whether the registrant:
- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
Yes [x] No []
- (b) has been subject to such filing requirements for the past ninety (90) days.
Yes [x] No []

PART I- FINANCIAL INFORMATION

Item 1. Financial Statements.

- Exhibit I – Consolidated Balance Sheets as of June 30, 2025 and December 31, 2024
- Exhibit II – Consolidated Statements of Income for the quarters ended June 30, 2025 and 2024
- Exhibit III – Consolidated Statements of Comprehensive Income for the quarters ended June 30, 2025 and 2024
- Exhibit IV – Consolidated Statements of Changes in Stockholders' Equity for the quarters ended June 30, 2025 and 2024
- Exhibit V – Consolidated Statements of Cash Flows for the quarters ended June 30, 2025 and 2024
- Exhibit VI – Aging of Trade and Other Receivables as of June 30 , 2025

HOLCIM PHILIPPINES, INC.
CONSOLIDATED BALANCE SHEETS
As of June 30, 2025 and December 31, 2024
(In Thousands)

	30 Jun 2025	31 Dec 2024
ASSETS		
Current Assets		
Cash and cash equivalents	₱2,461,559	₱4,077,142
Trade and other receivables - net	2,232,023	1,788,817
Inventories	2,722,522	2,914,465
Derivative Asset	710	-
Other current assets	1,307,529	685,893
Total Current Assets	8,724,343	9,466,317
Noncurrent Assets		
Investments	5,342,850	5,413,437
Property, plant and equipment - net	16,962,292	17,269,938
Right-of-use assets	1,259,539	1,307,999
Goodwill	2,635,738	2,635,738
Intangibles – net	28,370	30,097
Deferred tax assets	-	220,658
Retirement assets – net	2,805,162	2,561,519
Other noncurrent assets	1,254,480	1,263,132
Total Noncurrent Assets	30,288,431	30,702,518
TOTAL ASSETS	₱39,012,774	₱40,168,835
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	₱10,732,456	₱10,877,034
Current portion of lease liabilities	183,711	39,427
Income tax payable	36,478	14,929
Total Current Liabilities	10,952,645	10,931,390
Noncurrent Liabilities		
Provisions	57,819	57,819
Deferred tax liabilities	217,942	140,315
Long-term lease liabilities	1,288,039	1,460,144
Long-term derivative liability	295,946	365,044
Other non-current liabilities	75,698	-
Total Noncurrent Liabilities	1,935,444	2,023,322
Total Liabilities	12,888,089	12,954,712
Equity		
Capital stock	6,452,099	6,452,099
Additional paid-in capital	8,476,002	8,476,002
Other reserves	(510,292)	(445,601)
Re-measurement gain on retirement benefits - net	1,580,491	1,580,491
Retained earnings	10,113,269	11,135,135
Equity Attributable to Equity Holders of Parent	26,111,569	27,198,126
Noncontrolling Interest	13,116	15,997
Total Equity	26,124,685	27,214,123
TOTAL LIABILITIES AND EQUITY	₱39,012,774	₱40,168,835

Exhibit II

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF INCOME
For the quarters ended June 30, 2025 and 2024
(In Thousands, Except Per Share Data)

	Quarter Ended			
	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Net Sales	₱5,847,338	₱ 5,769,546	₱10,959,149	₱11,346,558
Cost of sales	5,038,117	4,331,848	10,378,113	8,530,980
Gross Profit	809,221	1,437,698	581,036	2,815,578
Operating expenses	429,126	319,585	835,040	710,777
Operating EBITDA	380,095	1,118,113	(254,004)	2,104,801
Depreciation and amortization	395,462	400,598	782,654	803,554
Profit (Loss) from Operations	(15,367)	717,515	(1,036,658)	1,301,247
Other income (expenses)				
Impairment of PPE	3,187	-	3,187	-
Net financial income/(expense)	14,767	7,881	29,887	(9,858)
Other income (expense) - net	125,538	51,602	(13,465)	86,208
Total	143,492	59,483	19,609	76,350
Profit (Loss) before Income Tax	128,125	776,998	(1,017,049)	1,377,597
Provision for income tax				
Current	41,626	109,248	77,750	243,520
Deferred	(31,532)	37,779	(73,629)	33,097
Total	10,094	147,027	4,121	276,617
Profit (Loss) for the Period	118,031	629,971	(1,021,170)	1,100,980
Non-controlling interest	525	365	696	665
Profit (Loss) for the period attributable to Equity holders of the Parent Company	₱117,506	₱629,606	₱ (1,021,866)	₱1,100,315

Basic/Diluted Earnings Per Share (EPS)

Computation of EPS:

(a) Profit for the period attributable to Equity holders of the parent company	117,506	629,606	(1,021,866)	1,100,315
(b) Common shares issued and outstanding	6,452,099	6,452,099	6,452,099	6,452,099
EPS [(a)/(b)]	₱0.018	₱0.098	₱(0.158)	₱0.171

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the quarters ended June 30, 2025 and 2024
(In Thousands)

	Quarter Ended		Six (6) Months Ended	
	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024
Total Comprehensive Income	₱118,031	₱629,971	₱(1,021,170)	₱1,100,980
Attributable to:				
Equity holders of Parent Company	117,506	629,606	(1,021,835)	1,100,315
Noncontrolling interest	525	365	665	665
Total Comprehensive Income	₱118,031	₱629,971	₱(1,021,170)	₱1,100,980

HOLCIM PHILIPPINES, INC.
 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
 For the six (6) months ended June 30, 2025 and 2024
(In Thousands)

	Jan- Jun 2025	Jan-Jun 2024
Capital Stock		
Common Stock		
Balance at beginning and end of period	₱6,452,099	₱6,452,099
Additional Paid-in Capital		
Balance at beginning and end of period	8,476,002	8,476,002
Other comprehensive income	1,580,491	1,763,008
Other reserves	(510,292)	(367,820)
Retained Earnings		
Balance at beginning of period	11,135,135	14,898,531
Profit for the Period	(1,021,866)	1,100,315
Balance at end of period	10,113,269	15,998,846
Non-controlling Interest	13,116	13,116
	₱26,124,685	₱32,335,251

HOLCIM PHILIPPINES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six (6) months ended June 30, 2025 and 2024
(In Thousands)

	Jan-Jun 2025	Jan-Jun 2024
Operating Activities		
Profit before Income Tax	₱(1,017,049)	₱1,377,597
Adjustments to reconcile profit to cash		
Depreciation and amortization	782,654	803,554
Other items (net)	(167,452)	(653,111)
Changes in current assets and liabilities	(776,825)	(1,872,292)
Cash provided by operating activities	(1,178,672)	(344,252)
Investing Activities		
Additions to plant, property and equipment	(391,332)	(309,814)
Repayment of loan receivable	-	210,351
Cash used in investing activities	(391,332)	(99,463)
Financing Activities		
Repayment of loan payable		(245,000)
Repayment of long-term leases	(33,409)	(58,198)
Increase in short-term financial receivable	794	
Dividend paid	(16,983)	-
Cash provided (used in) financing activities	(49,598)	(303,198)
Net increase in cash and cash equivalents	(1,619,602)	(746,913)
Cash and cash equivalents, beginning	4,077,142	5,180,147
Effect of exchange rate changes on cash and cash equivalents	4,109	24,206
Cash and cash equivalents, end	₱2,461,559	₱4,457,440

HOLCIM PHILIPPINES, INC
Aging of Trade and Other Receivables
As of June 30, 2025
(In Thousands)

	Total	Current	1-30 days	31-60 days	Over 60 days
Trade Receivables	₱1,588,459	₱1,101,624	₱159,419	₱72,367	₱255,049
Other Receivables	686,381	332,434	77,922	10,522	265,503
Total		₱1,434,058	₱237,341	₱82,889	₱520,552
Allowance for Doubtful Accounts	(42,817)				
Net Receivables	₱2,232,023				

Certified correct:

Zoe Verna M. Sibala
Chief Financial Officer

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

Results of Operations

At the end of the Second quarter, the Group posted net sales of ₱10.96 billion, lower by 3.4% compared to ₱11.3 billion reported in the same period last year. Despite the increase in volumes sold as overall market demand increased for the period, this was partly offset by several factors affecting performance such as lower selling price and higher costs from the maintenance activities incurred until this quarter and higher costs for distribution and selling activities.

Net loss after tax stood at ₱1.02 billion giving earnings per share of (₱0.16).

Financial Position

The Group's financial position has slowly been recovering this period despite losses incurred from previous year operations as market demand steadily increases. The return on assets decreased to -2.6% as of June 30, 2025 which is 5.2 percentage point lower from the end of June 30, 2024 as a result of net loss. Total assets stood at ₱39.01 billion as of June 30, 2025, 2.9% lower from end of 2024.

Cash Flow Generation

The Group has resulted in net cash outflow for the period as working capital spending, and fixed asset acquisitions increased to help drive production and sales.

Key Performance Indicators

The comparative financial KPI's of the Group for the periods ended June 30, 2025 and 2024 were as follows:

Financial KPI	Definition	For the period ended June 30	
		2025	2024
<u>Profitability</u>			
Return on Equity (ROE)	Net Income	(3.6%)	3.5%
	Ave. Total Shareholders' Equity		
Return on Asset (ROA)	Net Income	(2.6%)	2.6%
	Average Total Assets		
<u>Efficiency</u>			
EBITDA Margin	Operating EBITDA	(4.3%)	18.6%
	Net Sales		
<u>Liquidity</u>			
Gearing	Net Financial Debt (Asset)	(8.8%)	(12.8%)
	Stockholders' Equity		
EBITDA Net Interest Cover	Operating EBITDA	(8.2 times)	52.7 times
	Net Interest		

Profitability and Efficiency

Profitability indicators have decreased due to Net loss, along with lower Efficiency indicator compared to the same period last year due to lower Operating EBITDA.

Liquidity

The Group's liquidity position remains strong despite lower cash balance as evidenced by its lower gearing ratio signifying that less portion of its total equity is financed by outstanding debt.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

These condensed consolidated interim financial statements have been prepared in accordance with PAS 34 *Interim Financial Reporting* and do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2024.

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. 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.

- Amendments to PFRS 3, *Reference to the Conceptual Framework*

The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of PFRS 3, Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of PAS 37, Provisions, Contingent Liabilities and Contingent Assets or Philippine-IFRIC 21, Levies, if incurred separately.

At the same time, the amendments add a new paragraph to PFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

- Amendments to PAS 16, *Property, Plant and Equipment: Proceeds before Intended Use*

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

- Amendments to PAS 37, *Onerous Contracts – Costs of Fulfilling a Contract*

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

- Annual Improvements to PFRSs 2018-2020 Cycle

- o Amendments to PFRS 1, *First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter*

The amendment permits a subsidiary that elects to apply paragraph D16(a) of PFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to PFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of PFRS 1.

- o Amendments to PFRS 9, *Financial Instruments, Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

o Amendments to PAS 41, *Agriculture, Taxation in fair value measurements*

The amendment removes the requirement in paragraph 22 of PAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of PAS 41.

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, 2023

- Amendments to PAS 1 and PFRS Practice Statement 2, Disclosure of Accounting Policies
- Amendments to PAS 8, Definition of Accounting Estimates
- Amendments to PAS 12, Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective beginning on or after January 1, 2024

- Amendments to PAS 1, Classification of Liabilities as Current or Non-current
- Amendments to PFRS 16, Lease Liability in a Sale and Leaseback

Effective beginning on or after January 1, 2025

- PFRS 17, Insurance Contracts

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

2. Seasonality Aspects of the Business

Like any other company in the construction industry, the operations of the Group are affected by seasonality. Net sales are generally higher in dry months from February to May and lower during the rainy months of June to November. Low sales are also experienced during December due to holidays until early January. Unpredictable weather could also significantly affect sales and profitability compared to previous periods coupled with any unforeseen circumstances like disruptions in productions.

3. Financial Risk Management Objectives and Policies

General Risk Management Approach

The Group is exposed to various financial risks, which include the effect of changes in debt structure, equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential and adverse effects on the financial performance of the Group. The Group does not enter into other derivative or financial transactions which are unrelated to its operating business as a risk-averse approach is pursued.

Financial risk management of the Group is governed by policies approved by management. It provides principles for overall risk management, as well as policies covering specific risk areas such as interest rate risk, foreign exchange risk, counterparty risk, and use of derivative financial instruments and investing assets in excess of liquidity requirements.

The Group's principal financial instruments, other than derivatives, consist of cash and cash equivalents and notes payable. The main purpose of these financial instruments is to raise funds

for the Group's operations. The Group also has various other financial assets and liabilities such as trade and other receivables, advances to employees, guarantee deposits, restricted cash and trade and other payables which arise directly from operations.

The main risks arising from the Group's financial instruments are market risks (which include foreign currency risk and interest rate risk), credit risk and liquidity risk. The BOD reviews and approves the policies for managing each of these risks and they are summarized below. The Group's accounting policies in relation to financial instruments are set out in Note 2 of the prior year consolidated financial statements.

Market Risks

The Group is exposed to market risks, such as foreign currency and interest rate risks. To manage volatility relating to these exposures, the Group enters into derivative financial instruments, when necessary. The Group's objective is to reduce, where appropriate, fluctuations in earnings and cash flows associated with changes in foreign currency, interest rate and equity price.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has foreign exchange exposures, arising primarily from purchases of goods and services and debt servicing requirements in currencies other than the Philippine Peso that leads to currency translation effects. As of June 30, 2025, there are no revenues denominated in currencies other than the Philippine Peso.

Due to the local nature of the cement business, transaction risk is limited. However, income may primarily be in local currency whereas debt servicing and significant amount of capital expenditures may be in foreign currencies. As a consequence, thereof, the Group may enter into derivative contracts whenever necessary, which may be designated either as cash flow hedges or fair value hedges, as appropriate.

As of June 30, 2025, the Group had minimal assets and liabilities exposed to foreign currency risks.

Interest Rate Risk

Interest rate risk is the risk that future cash flows from a financial instrument (cash flow interest rate risk) or its fair value (fair value interest rate risk) will fluctuate because of changes in market interest rates.

The Group is exposed to fluctuations in financing costs and market value movements of its debt portfolio related to changes in market interest rates. The Group's interest rate exposure is mainly addressed through the steering of the fixed/floating ratio of net debt. To manage this mix, the Group may enter into derivative transactions, as appropriate. As at June 30, 2025 and 2024, the Group has minimal exposure to interest rate risk.

Credit Risk

Credit risk is the risk that counterparties may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers.

The Group constantly monitors its credit risk exposures. Counterparties to financial instruments consist of a large number of major financial institutions. The Group does not expect any counterparties to fail in meeting their obligations, given their high credit ratings. In addition, the Group has no significant concentration of credit risk with any single counterparty or group of counterparties.

The maximum and minimum exposure to credit risk is represented by the carrying amount of each financial asset.

The Group trades only with recognized, credit-worthy third parties. It is the Group's policy that all third-party customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts to minimum.

With respect to credit risk arising from the other financial assets of the Group, which consist of due from related parties, advances to employees, financial assets at FVTPL, and guarantee and refundable deposits, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its contractual obligations and commitments. The seasonality of revenue generation exposes the Group to shortage of funds during slack season and may result in payment defaults of financial commitments. The Group monitors this risk using a recurring liquidity planning tool. This tool considers the maturity of both its financial assets and projected cash flows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank credit facilities, and purchase contracts. It is responsible for its own cash surpluses and the raising of loans to cover cash deficits, subject to policies and guidelines approved by management and, in certain cases, at the Management level.

The Group maintains sufficient reserves of cash in banks, which are short-term in nature and unused credit lines and readily available marketable securities to meet its liquidity requirements at all times. In addition, the strong credit worthiness of the Group allows it to make efficient use of the financial markets for financing purposes. As at June 30, 2025, the Group has unutilized credit facilities of 12.9 billion.

Capital Management Policy

The Group considers equity attributable to the equity holders of the Parent Company as its capital. The Group's objectives when managing capital are to secure the Group's ongoing financial needs to continue as a going concern as well as to cater for its growth targets in order to provide returns to shareholders and benefits for other stakeholders and to maintain a cost-efficient and risk-optimized capital structure.

The Group manages the capital structure and makes adjustments to it in light of the changes in economic conditions, its business activities, investment and expansion program and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital, among others, on the basis of gearing ratio.

4. Financial Assets and Liabilities

Fair Value of Financial Instruments

The estimated fair value of each class of the Group's financial instruments, is equal to their carrying amount as at June 30, 2025 and December 31, 2024. The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash in Banks, Trade and Other Receivables, Advance to Employees, Loan Receivable from a related party, Long Term Financial Receivable, Loan Payable and Trade and Other Payables. Due to the short-term nature of the transactions, the fair values of these instruments approximate the corresponding carrying values as at end of each reporting period.

Derivatives. The fair values of the embedded currency forwards are calculated by reference to current forward exchange

Financial Assets at FVTPL The fair values of publicly traded instruments are determined by reference to quoted market prices as at the end of each reporting period.

Long Term Financial Receivable and Guarantee Deposits. These are carried at cost, less any impairment in value, which approximates their fair values calculated using the discounted cash flows method.

Fair Value Hierarchy

As at June 30, 2025 and December 31, 2024, the Group's financial instruments measured at fair value include only the quoted equity securities, classified as financial assets at FVTPL (Level 1).

As at June 30, 2025 and December 31, 2024, the Group does not have financial instruments whose fair values are determined using inputs that are not based on observable market data (Level 3). There were no reclassifications made between the different fair value hierarchy levels in 2025 and 2024.

5. Segment Reporting

Operating segments are components of the Group that engage in business activities from which they may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the chief operating decision maker to make decisions about how resources are to be allocated to each of the segments and to assess their performances, and for which discrete financial information is available. Management reassesses on an annual basis whether there has been any change in the operating segments or in the reportable operating segments in accordance with PFRS 8, *Operating Segments*.

For management purposes, the Group is organized into activities based on their products and has two segments, as follows:

- Clinker and Cement segment, which manufactures and sells clinker and cement for domestic customers; and
- Other Construction Materials and services segment, which includes operations from Dry Mortar products and Aggregates Trading.

Management monitors the operating results of its business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is based on operating EBITDA and is measured consistently with consolidated net income in the consolidated statement of profit or loss and other comprehensive income. However, the Group's finance income and charges and income taxes are managed on a group basis, and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis similar to transactions with third parties.

Segment revenues, EBITDA, assets and liabilities as at June 30, 2025 and 2024 are presented below:

	2025				
	Clinker and cement	Others	Total	Adjustments and eliminations	Consolidated
	<i>(In Thousands)</i>				
Revenue:					
External customers	P10,018,281	P898,254	P10,916,805	P42,344	P10,959,149
Inter-segment	4,679	-	4,679	(4,679)	-
	P10,022,960	P898,254	P10,921,484	P37,665	P10,959,149
Operating EBITDA	P52,946	P722,299	P775,245	P (1,029,249)	P (254,004)
Segment assets	28,474,621	269,758	28,744,379	10,268,396	39,012,775
Segment liabilities	8,185,521	784,475	8,969,996	3,918,093	12,888,089
	2024				
	Clinker and cement	Others	Total	Adjustments and eliminations	Consolidated
	<i>(In Thousands)</i>				
Revenue:					
External customers	P10,358,141	P937,566	P11,295,707	P50,851	P11,346,558
Inter-segment	5,044	-	5,044	(5,044)	-
	P10,363,185	P937,566	P11,300,751	P45,807	P11,346,558
Operating EBITDA	P2,065,548	P832,729	P2,898,277	P(793,476)	P2,104,801
Segment assets	31,252,958	337,555	31,590,513	11,044,488	42,635,001
Segment liabilities	7,040,778	337,145	7,377,923	2,921,827	10,299,750

* Chief operating decision maker is composed of the Group's Executive Committee

6. Retained Earnings

The BOD did not declare any cash dividends as of June 30, 2025.

Interim Disclosures

There was a reclassification in the prior year's interim financial statements to enhance comparability with the current year's interim financial statements for the intercompany margin allocation. This has no impact in net income.

The Group is not aware of the following or is not applicable to the Group's interim operations:

1. Unusual items that materially affect the Group's consolidated assets, liabilities, equity, net income or cash flows because of their nature, size or incidents.
2. Changes in estimates of amounts reported in prior financial years that have a material effect in the current period.
3. Issuances and repurchases of equity securities.
4. Material changes in contingent liabilities or contingent assets since the last annual balance sheet date.
5. Existence of material contingencies and other events of transactions that are material to an understanding of the current interim period.
6. Known trends, demands, commitments, events and uncertainties that will result in or likely to decrease its liquidity in any material way. The Group does not anticipate having within the next twelve (12) months any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing notes, loans, leases, other indebtedness or financing arrangements requiring it to make payments.
7. Events that will trigger direct or contingent material financial obligations to the Group.
8. Material off-balance sheet transactions, arrangements, obligations (direct or contingent), and other relationships of the Group with unconsolidated entities or other persons created during the year.
9. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales/revenues/income from continuing operations.
10. Significant elements of income or loss that did not arise from the Group's continuing operations.
11. Material events subsequent to end of the reporting period that have not been reflected in this report.
12. Material changes in the composition of the Group, including any business combination, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.
13. Any seasonal aspect that had a material effect on the financial condition or results of operation.

Material Changes in Balance Sheet Accounts

40% decrease in Cash and cash equivalents

Decrease is mainly due to higher working capital spending, and acquisition of fixed assets.

44% increase in Due from related parties

Increase is mainly due to recognition of unrecorded output vat on group revenues.

91% increase in Other current assets

Increase is mainly due to reclass of overpayment of taxes to prepaid expense.

7% decrease in Trade and other payables

Decrease is mainly due to reclassification of dividend payable to related party liabilities.

144% increase in Income tax payable

Increase is due to correction of tax overpayments from previous quarters.

55% increase in deferred tax liabilities - net

Increase was due correction of deferred tax provisions.

15% increase in other reserves

Movement is due to commodity derivative hedge.

12% decrease in lease liabilities

Movement is due to repayment of leases.

Material Changes in Income Statement Accounts

22% increase in Cost of sales

Increase is mainly due to higher production costs attributable to maintenance and third-party distribution expenses.

99% decrease in Provision for income tax

Decrease is mainly due to year-to-date Net Loss from operations.

Holcim Philippines, Inc. and Subsidiaries
Schedule of Financial Soundness Indicators

Financial KPI	Definition	For the six (6) Months Ended June 30	
		2025	2024
<u>Current/Liquidity ratio</u> Current Ratio	Current Assets Current Liabilities	79.7%	154.0%
<u>Solvency ratio/Debt-to-equity ratio</u> Gearing	Net Financial Debt (Asset) Stockholder's Equity	(8.8%)	(12.8%)
<u>Asset to Equity Ratios</u> Asset to Equity Ratio/ Equity Multiplier	Total Assets Stockholder's Equity	149.3%	131.9%
<u>Interest Rate Coverage Ratio</u> Interest Rate Coverage	Income before Tax Net Interest	32.9 times	34.5 times
<u>Profitability Ratios</u> Return on Assets	Net Income Average Total Assets	(2.6%)	2.6%
Return on Equity	Net Income Average Total Equity	(3.8%)	3.5%

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.

HOLCIM PHILIPPINES, INC.



Zoë Verna M. Sibala
Chief Financial Officer
Date: August 12, 2025



SECURITIES AND EXCHANGE COMMISSION

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

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



The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: November 14, 2025 11:26:48 AM

Company Information

SEC Registration No.: 0000026126

Company Name: HOLCIM PHILIPPINES, INC.

Industry Classification: D26200

Company Type: Stock Corporation

Document Information

Document ID: OST11114202583818037

Document Type: Quarterly Report

Document Code: SEC_Form_17-Q

Period Covered: September 30, 2025

Submission Type: Original Filing

Remarks: None

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



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: RICHMOND CARLOS AGTARAP

Receipt Date and Time: April 23, 2025 03:43:54 PM

Company Information

SEC Registration No.: 0000026126

Company Name: HOLCIM PHILIPPINES, INC.

Industry Classification: D26200

Company Type: Stock Corporation

Document Information

Document ID: OST10423202583195534

Document Type: Current Report

Document Code: SEC_Form_17-C

Period Covered: March 20, 2025

Submission Type: Original Filing

Remarks: None

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

Item 9. (Other Events)

The Board of Directors of Holcim Philippines, Inc. authorizes the postponement of the 2025 Annual Stockholders Meeting (ASM) from the second Thursday of May of each year pursuant to the By-laws of the Corporation, to 15 May 2025 due to conflicting schedules of the members of the Board of Directors. Therefore, the Board of Directors hereby calls for the Annual Stockholders' Meeting to be held on 15 May 2025, with a Record Date of 15 April 2024;

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 hereunto duly authorized

HOLCIM PHILIPPINES, INC.
Issuer

16 April 2025
Date

A rectangular grey box used to redact the signature of the Corporate Secretary.

BELINDA E. DUGAN
Corporate Secretary


CERTIFICATION

I, **BELINDA E. DUGAN**, the Corporate Secretary of **HOLCIM PHILIPPINES, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration 026126 and with registered principal office address at 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:


1. That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");
2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or authentic records;
3. That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
4. That I am fully aware that the submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
5. That the e-mail account(s) designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand on this APR 22 2025 at Taguig City.


BELINDA E. DUGAN
Corporate Secretary

BEFORE ME, a notary public in and for PASIG CITY, personally appeared Belinda E. Dugan exhibiting to me her  2018 at DFA Legazpi and expiring on July 11, 2028, who was identified by me through such competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Doc. No. 146;
Page No. 31;
Book No. XI;
Series of 2025.

ATTY. SH  JORPES
Notary Public in and in the
Cities of Pasig, San Juan and Bateros
Until 31, December 2025
Roll No. 73520
IBP No. 47663111 21 24; RSM
PTS No. 2009700, 01 02.25; Pasig City
MCLE Compliance No. VIII-0003595
Valid until April 14, 2028
Appointment No. 32 (2025-2026)
TIN 934-883-860-000

SECRETARY'S CERTIFICATE

I, **BELINDA E. DUGAN**, Filipino citizen, of legal age, with office address at 7th Floor, Two World Square, McKinley Hill, Taguig City, Metro Manila as Corporate Secretary of **HOLCIM PHILIPPINES, INC.** (the "Corporation"), a corporation duly organized and existing under and by virtue of the laws of the Philippines, do hereby certify that:

1. At the Regular Meeting of the Board of Directors of the Corporation held on 20th March 2025 at which meeting a quorum was present and voting throughout, the following resolutions were adopted and approved:

"RESOLVED, that the Board of Directors of Holcim Philippines, Inc. (the "Corporation") authorize the postponement of the 2025 Annual Stockholders Meeting (ASM) from the second Thursday of May of each year pursuant to the By-laws of the Corporation, to 15 May 2025.

RESOLVED, FURTHER, that the Board of Directors hereby calls for the Annual Stockholders' Meeting to be held on 15 May 2025, with a Record Date of 15 April 2024;

RESOLVED, FINALLY, that the Corporate Secretary is hereby authorized to fix and confirm the details of the meeting including but not limited to the agenda, time and venue of the meeting, as well as the authority to secure the necessary approvals for the publication of the notice and agenda, and the Information Statement necessary to conduct the Annual Stockholders Meeting."

2. The postponement of the 2025 Annual Stockholders Meeting from the second Thursday of May each year to 15 May 2025 was caused by the conflicting schedules of the members of the Board of Directors.

3. The original copy of this resolution is in the official custody of the undersigned and has not been revised, revoked or modified as of the date of this certification.

IN WITNESS WHEREOF, I have signed this Secretary's Certificate this

APR 22 2025

at Taguig City.



BELINDA E. DUGAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 22 2025 at Taguig City exhibiting to me her [redacted] at DFA Legazpi and expiring on 11 July 2028.

Doc. No. 145;
Page No. 32;
Book No. XL;
Series of 2025.

ATTY. S [redacted] BORRES
Notary and in the
Cities of Pasig, Marikina and Pateros
Until 31, December 2025
Roll No. 78620
IBP No. 478353;11.21.24; RSM
PTR No. 2989269; 01.02.25; Pasig City
MCLE Compliance No. VIII-0003595
Valid until April 14, 2028
Appointment No. 32 (2025-2026)
TIN 934-883-860-000



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: RICHMOND CARLOS AGTARAP

Receipt Date and Time: May 20, 2025 02:13:02 PM

Company Information

SEC Registration No.: 0000026126

Company Name: HOLCIM PHILIPPINES, INC.

Industry Classification: D26200

Company Type: Stock Corporation

Document Information

Document ID: OST10520202583374904

Document Type: Current Report

Document Code: SEC_Form_17-C

Period Covered: May 15, 2025

Submission Type: Original Filing

Remarks: None

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

Item 9 (Other Events)

Please be advised of the Results of the Annual Stockholders Meeting held on May 15, 2025, as follows:

1. Board of Directors for 2025 - 2026:

Name	Position
Martin Kriegner	Chairman
Nicolas George	Vice Chairman/President & CEO
Rajesh Surana	Member
Tan Then Hwee	Member
Gerardo G. Ablaza, Jr.	Member/Independent Director

2. List of other material resolutions, transactions and corporate actions approved by the stockholders:

- a. Approval of the Annual Stockholders' meeting held via Remote Communication on May 15, 2024.
- b. Approval of the Operations Report comprised of the Annual Report and the Audited Financial Statements of the Company as of 31 December 2024.
- c. Approval of the acquisition of Ecoedge Resources Corporation Shares of Stock.
- d. Approval of the change of address of the Corporation.
- e. Ratification of all acts, contracts, investments and resolutions of the Board of Directors, Board Committees, Corporate Officers and Management since the last annual meeting.
- f. Appointment of SGV & Co. as the Company's external auditor for the year 2025.

SIGNATURE

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 hereunto duly authorized.

HOLCIM PHILIPPINES, INC.
Issuer

15 May 2025
Date


BELINDA E. DUGAN
Corporate Secretary

CERTIFICATION

I, **BELINDA E. DUGAN**, the Corporate Secretary of **HOLCIM PHILIPPINES, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration 026126 and with registered principal office address at 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:

1. That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");
2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or authentic records;
3. That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
4. That I am fully aware that the submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
5. That the e-mail account(s) designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand on this MAY 19 2025 at Taguig City.

[Redacted Signature]
BELINDA E. DUGAN
Corporate Secretary

BEFORE ME, a notary public in and for Taguig City MAY 19 2025, personally appeared Belinda E. Dugan exhibiting to me her [Redacted] 2018 at DFA Legazpi and expiring on July 11, 2028, who was identified by me through such competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Doc. No. 28;
Page No. 5;
Book No. III;
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Notary Public's copy



[Redacted Signature]
CARYL LOUISE L. MEDINA
Notary Public – Taguig City
Appointment No. 180, valid until 31 December 2025
16th Floor, One NEO Building, 26th Street corner 3rd Ave.,
Crescent Park West, Bonifacio Global City, Taguig City PH 1834
Roll of Attorneys No. 81711
IBP No. 512965; 01/15/25; Makati City
PTR No. A-6485874; 01/06/25; Taguig City
Admitted to the Philippine Bar in 2022



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: RICHMOND CARLOS AGTARAP

Receipt Date and Time: May 20, 2025 02:14:35 PM

Company Information

SEC Registration No.: 0000026126

Company Name: HOLCIM PHILIPPINES, INC.

Industry Classification: D26200

Company Type: Stock Corporation

Document Information

Document ID: OST10520202583374969

Document Type: Current Report

Document Code: SEC_Form_17-C

Period Covered: May 15, 2025

Submission Type: Original Filing

Remarks: None

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

Item 9 (Other Events)

Please be advised of the Results of the Organizational Board Meeting held on May 15, 2025, immediately after the Annual Stockholders Meeting as follows:

Officers for 2025 - 2026:

Name	Position
Martin Kriegner	Chairman
Nicolas George	Vice-Chairman, President & CEO
Zoe Verna M. Sibala	SVP, Chief Financial Officer & Treasurer
Sajith Madusanka Edirisuriya Mudiyanseelage	SVP, Head of Commercial
Saeed Ola Ande	SVP, Head of Supply Chain
Mario Gereis	SVP, Head of Cement Industrial Performance
Elynor J. Roque	SVP, Head of Organization & Human Resources
Samuel O. Manlosa, Jr.	SVP, Head of Geocycle
Belinda E. Dugan	General Counsel, Corporate Secretary & Compliance Officer
Frances Margaret Alger-del Rosario	Assistant Corporate Secretary
Mara Kriska C. Chen	Data Protection Officer

Audit Committee for 2024 - 2025:

Audit Committee	
Rajesh Surana	Chairman
Gerardo C. Ablaza, Jr.	Member
Tan Then Hwee	Member

SIGNATURE

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 hereunto duly authorized.

HOLCIM PHILIPPINES, INC.
Issuer

15 May 2025
Date



BELINDA E. DUGAN
Corporate Secretary

CERTIFICATION

I, **BELINDA E. DUGAN**, the Corporate Secretary of **HOLCIM PHILIPPINES, INC.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration 026126 and with registered principal office address at 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City on oath state:

1. That I have caused this SEC Form 17C to be prepared on behalf of Holcim Philippines, Inc. (the "Company");
2. That I have read and understood its contents which are true and correct based on my own personal knowledge and/or authentic records;
3. That the Company will comply with the requirements set forth in SEC Notice dated 12 May 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
4. That I am fully aware that the submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
5. That the e-mail account(s) designated by the Company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the Company in its online submissions to CGFD.

IN WITNESS WHEREOF, I have hereunto set my hand on this MAY 19 2025 at Taguig City.

[Redacted Signature]
BELINDA E. DUGAN
Corporate Secretary

BEFORE ME, a notary public in and for Taguig City MAY 19 2025, personally appeared Belinda E. Dugan exhibiting to me her [Redacted] 2018 at DFA Legazpi and expiring on July 11, 2028, who was identified by me through such competent evidence of identity to be the same person who presented the foregoing instrument and signed the instrument in my presence, and who took an oath before me as to such instrument.

Doc. No. 257;
Page No. 53;
Book No. III;
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Notary Public's copy.



[Redacted Signature]
CARYL LOUISE L. MEDINA
Notary Public - Taguig City
Appointment No. 108, valid until 31 December 2025
16th Floor, One/NEO Building, 29th Street corner 3rd Ave.,
Crescent Park West, Bonifacio Global City, Taguig City PH 1834
Roll of Attorneys No. 81711
IBP No. 812866; 01/15/25; Makati City
PTR No. A-6465674; 01/08/25; Taguig City
Admitted to the Philippine Bar in 2022

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **17 January 2025**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **026126** 3. BIR Tax Identification No. **002-121-507-000**
4. **Holcim Philippines, Inc.**
Exact name of issuer as specified in its charter
5. **Philippines**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **7th Floor, Two World Square, Mckinley Hill, Fort Bonifacio, Taguig City 1634**
Address of principal office Postal Code
8. **(632) 8581 1511**
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	6,452,099,144
11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

Item 9. (Other Events)

The collective bargaining agreement (CBA) negotiations of Holcim Philippines, Inc. with the Unions at its Lugait Plant - the Holcim Lugait Supervisory Workers Union-FDLO and the Holcim Philippine Workers Union-FDLO - have been successfully concluded. With negotiation agreements signed by all parties, the lockout was lifted on January 17, 2025 together with the resumption of work of Union employees on the same day.

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 hereunto duly authorized

HOLCIM PHILIPPINES, INC.
Issuer

17 January 2025
Date



BELINDA E. DUGAN
Corporate Secretary

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **10 January 2025**
Date of Report (Date of earliest event reported)
2. SEC Identification Number **026126** 3. BIR Tax Identification No. **002-121-507-000**
4. **Holcim Philippines, Inc.**
Exact name of issuer as specified in its charter
5. **Philippines**
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. **7th Floor, Two World Square, Mckinley Hill, Fort Bonifacio, Taguig City 1634**
Address of principal office Postal Code
8. **(632) 8581 1511**
Issuer's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock
Outstanding and Amount of Debt Outstanding |
|---------------------|--|
| Common | 6,452,099,144 |
11. Indicate the item numbers reported herein: *Item 9 (Other Events)*

Item 9. (Other Events)

On January 6, 2025, HPI has declared a lockout or the temporary refusal to furnish work to both members of Holcim Philippines Workers Union (HPWU/Associates) and Holcim Lugait Supervisory Union (HLSU) located at our Manufacturing plant in the Municipality of Lugait, Misamis Oriental and Iligan City, as a result of bargaining deadlock. Lockout will continue until the negotiations are resolved and concluded.

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 hereunto duly authorized

HOLCIM PHILIPPINES. INC.
Issuer

10 January 2025
Date



BLINDA E. DUGAN
Corporate Secretary