



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Friday, 26 July 2024

**Philex Mining reports Php305 million core net income for 2Q2024
Php410 million core net income for 1H2024
Silangan Project development works continues**

The attached press release was released in Manila by Philex Mining Corporation (“Philex”) (PSE: PX), in which First Pacific Group holds an economic interest of approximately 31.2%*.

Philex is a Philippine-listed company engaged in the exploration and mining of mineral resources, and through investment in Philippine-listed PXP Energy Corporation (PSE: PXP), in upstream oil and gas exploration and production.

Further information on Philex can be found at www.philexmining.com.ph and on PXP at www.pxpenergy.com.ph.

** Two Rivers Pacific Holdings Corporation, a Philippine affiliate of First Pacific, holds an additional 15.0% economic interest in Philex.*

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25 July 2024

PRESS RELEASE

**PHILEX MINING REPORTS PHP305 MILLION CORE NET INCOME FOR 2Q2024,
PHP410 MILLION CORE NET INCOME FOR 1H2024
SILANGAN PROJECT DEVELOPMENT WORKS CONTINUES**

(MANILA, PHILIPPINES) – Philex Mining Corporation (the “Company” or “Philex”) generated Php305 million core net income and an EBITDA of Php617 million for 2Q2024 compared with the Php314 million core net income and EBITDA of Php553 million for the same period in 2023. This brings a total of Php410 million core net income and a total EBITDA of Php912 million for the first half of 2024.

Average realized gold prices in 2Q2024 were higher at US\$2,008 per ounce compared with the US\$1,937 per ounce in 2Q2023, but slightly lower than the US\$2,061 of 1Q2024. On the other hand, realized copper prices for the second quarter was at US\$4.45 per pound, slightly higher than the US\$4.00 in 1Q2024 and the US\$3.82 per pound in 2Q2023.

Tonnage milled for 2Q2024 was at 1.687 million tonnes, higher than the 1.585 million tonnes in 1Q2024. Gold output for 2Q2024 was also higher at 7,962 ounces compared with the 7,803 ounces of the first quarter. On the other hand, Copper output for 2Q2024 was at 5.133 million pounds compared to the 4.669 million pounds in 1Q2024. Total tonnes milled for 1H2024 was 3.272 million tonnes, with gold output at 15,765 ounces and copper output at 9.802 million pounds.

Silangan Project Development Works in Progress

Outlook still remains positive with the continued development works at the Silangan Copper and Gold Project in Surigao Del Norte. Mine development including the tunnel leading to the Boyongan Ore body is entering its final stages while construction of the tailings storage facility is in full swing. The earthworks for the construction of the Process Plant are in progress while the procurement of the major and long lead equipment packages had been completed. The general contractor is set to commence the design and construction phase of the Process Plant.

“Acceleration to commercial operations of the Silangan Project will be foremost of our priorities, and we are targeting to have our first metal output before the end of 2025 ” says Eulalio Austin Jr., Philex President and CEO. “As soon as we reach the Boyongan Ore body during the end of this 3rd quarter, we will start the block development works of the first production level, and thereafter, we will be seeing the first ore coming from the Boyongan Ore body. Construction works on other ancillary facilities such a ventilation shaft at the underground mine had been awarded to a mining contractor and are in progress.”

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Disclaimer on Forward Looking Statements

This press release may contain forward looking statements with respect to the results of operations and business of Philex Mining Corporation (“PX”). Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual performance of PX to be different from any future performance implied.

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PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Peso Thousands, except Par Value Per Share)

| | June 30 2024 (Unaudited) | December 31 2023 (Audited) |
|--|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | P 8,184,448 | P 3,814,350 |
| Accounts receivable - net | 1,378,182 | 405,641 |
| Inventories - net | 1,301,568 | 1,245,128 |
| Derivative assets | 49,502 | - |
| Other current assets - net | 1,466,371 | 737,399 |
| Total Current Assets | 12,380,071 | 6,202,519 |
| Noncurrent Assets | | |
| Deferred exploration costs | 32,114,717 | 30,721,524 |
| Investment in associates - net | 3,569,780 | 3,575,019 |
| Property, plant and equipment - net | 3,847,239 | 3,356,714 |
| Pension asset - net | 173,169 | 180,388 |
| Financial assets measured at fair value through other comprehensive income (FVOCI) | 177,394 | 177,394 |
| Other noncurrent assets | 713,282 | 1,197,785 |
| Total Noncurrent Assets | 40,595,581 | 39,208,824 |
| TOTAL ASSETS | P 52,975,652 | P 45,411,342 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Loans payable | P 2,813,280 | P 1,882,580 |
| Accounts payable and accrued liabilities | 3,370,120 | 2,768,034 |
| Subscription payable | 2,767 | 2,767 |
| Income tax payable | 112,798 | 41,638 |
| Dividends payable | 169,376 | 224,257 |
| Total Current Liabilities | 6,468,341 | 4,919,276 |
| Noncurrent Liabilities | | |
| Loans and bonds Payable | 13,126,598 | 7,246,489 |
| Deferred tax liabilities - net | 1,418,603 | 1,555,037 |
| Provision for losses and mine rehabilitation costs | 2,342 | 2,342 |
| Total Noncurrent Liabilities | 14,547,543 | 8,803,868 |
| Total Liabilities | 21,015,884 | 13,723,144 |
| Equity Attributable to Equity Holders of the Parent Company | | |
| Capital stock - P1 par value | 5,782,399 | 5,782,399 |
| Additional paid-in capital | 2,885,163 | 2,885,163 |
| Retained earnings | | |
| Unappropriated | 9,500,992 | 9,287,207 |
| Appropriated | 10,500,000 | 10,500,000 |
| Net unrealized gain on financial assets measured at FVOCI and derivative | 138,131 | 80,346 |
| Equity Conversion option | 857,863 | 857,863 |
| Equity Reserves | 367,655 | 367,655 |
| Net revaluation surplus | 1,849,971 | 1,849,971 |
| Effect of transactions with non-controlling interests | 77,892 | 77,892 |
| | 31,960,066 | 31,688,496 |
| Non-controlling Interests | (298) | (298) |
| Total Equity | 31,959,768 | 31,688,198 |
| TOTAL LIABILITIES & EQUITY | P 52,975,652 | P 45,411,342 |

PHILEX MINING CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIOD ENDED JUNE 30, 2024
(Amounts in Peso Thousands, Except Earnings Per Share)

| | UNAUDITED | | | |
|--|------------------|------------------|------------------|--------------------|
| | 2024 | | 2023 | |
| | 1Q | 2Q | 1H | 1H |
| REVENUES | P 1,737,740 | P 2,235,995 | P 3,973,735 | P 4,156,466 |
| COSTS AND EXPENSES | | | | |
| Production costs | 1,263,594 | 1,398,572 | 2,662,166 | 2,575,231 |
| Depletion, amortization and depreciation | 195,075 | 224,885 | 419,960 | 357,885 |
| Excise taxes and royalties | 111,475 | 142,173 | 253,648 | 285,292 |
| General and administrative expenses | 72,893 | 59,674 | 132,567 | 119,240 |
| | <u>1,643,037</u> | <u>1,825,304</u> | <u>3,468,341</u> | <u>3,337,648</u> |
| OTHER (CHARGES) INCOME | | | | |
| Foreign exchange (losses) gain - net | (1,304) | (125,630) | (126,934) | 27,489 |
| Interest income | 14,945 | 13,363 | 28,308 | 16,651 |
| Interest expense | - | (33,133) | (33,133) | - |
| Share in net losses of associates | (2,750) | (2,489) | (5,239) | (12,063) |
| Others - net | 4,531 | (19,954) | (15,423) | (20) |
| | <u>15,421</u> | <u>(167,842)</u> | <u>(152,421)</u> | <u>32,057</u> |
| INCOME BEFORE INCOME TAX | 110,124 | 242,849 | 352,973 | 850,875 |
| PROVISION FOR (BENEFIT FROM) INCOME TAX | | | | |
| Current | 27,418 | 112,827 | 140,245 | 175,596 |
| Deferred | (32,009) | (84,696) | (116,705) | (28,857) |
| | <u>(4,591)</u> | <u>28,131</u> | <u>23,540</u> | <u>146,739</u> |
| NET INCOME | P 114,715 | P 214,718 | P 329,433 | P 704,136 |
| NET INCOME ATTRIBUTABLE TO: | | | | |
| Equity holders of the Parent Company | 114,715 | 214,718 | 329,433 | 704,136 |
| Non-controlling interests | - | - | - | - |
| | <u>P 114,715</u> | <u>P 214,718</u> | <u>P 329,433</u> | <u>P 704,136</u> |
| CORE NET INCOME | P 105,274 | P 305,061 | P 410,335 | P 701,518 |
| BASIC/DILUTED EARNINGS PER SHARE | P 0.020 | P 0.037 | P 0.057 | P 0.121 |
| CORE NET INCOME PER SHARE | P 0.018 | P 0.053 | P 0.071 | P 0.121 |
| EBITDA | P 295,318 | P 616,886 | P 912,203 | P 1,188,245 |