

# COVER SHEET

A S O 9 4 - 8 8 1 1

SEC Registration Number

E N E X E N E R G Y C O R P . A N D  
S U B S I D I A R Y

(Company's Full Name)

3 5 T H F L O O R , A Y A L A T R I A N G L E  
G A R D E N S T O W E R 2 , P A S E O D E  
R O X A S C O R N E R M A K A T I A V E N U E ,  
M A K A T I C I T Y 1 2 2 6

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

ATTY. ALAN T. ASCALON

Contact Person

(632) 7730-6300

Company's Telephone Number

1 2

Month

3 1

Day

1 7 - Q

Form Type

0 4

Month

2 4

Day

Not Applicable

(Secondary License Type, If Applicable)

C F D

Dept. Requiring this Doc.

-

Amended Articles Number/Section

Total Amount of Borrowings

2,892

Total No. of Stockholders

-

Domestic

-

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

CASHIER

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

SEC Number: 094008811  
File Number: \_\_\_\_\_

**ENEX Energy Corp.**  
*(Company's Full Name)*

**35th Floor, Ayala Triangle Gardens Tower 2,  
Paseo de Roxas corner Makati Avenue, Makati City**  
*(Company's Address)*

**(632) 7730-6300**  
*(Telephone Number)*

**2024 March 31**  
*(Fiscal Year ending) (month & day)*

**SEC FORM 17-Q**  
*(Form Type)*

## SECURITIES AND EXCHANGE COMMISSION

## SEC FORM 17-Q

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

1. For the fiscal period ended **March 31, 2024**
2. Commission identification number **094008811**
3. BIR Tax Identification No. **004-500-964-000**
4. Exact name of issuer as specified in its charter **ENEX Energy Corp.**
5. Province, country or other jurisdiction of incorporation or organization **Metro Manila, Philippines**
6. Industry Classification Code:  (SEC Use Only)
7. Address of issuer's principal office **35th Floor, Ayala Triangle Gardens  
Tower 2, Paseo de Roxas corner  
Makati Avenue, Makati City  
Postal Code: 1226**
8. Issuer's telephone number, including area code **(632) 7730-6300**
9. Former name, former address and former fiscal year, if changed since last report **ACE Enexor, Inc.**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA  
Number of shares of common stock outstanding : **250,000,001 shares**  
Amount of debt outstanding : **None registered in the Philippine SEC  
and listed in PDEX/others**
11. Are any or all of the securities listed on a Stock Exchange?  
Yes  No   
Stock Exchange : Philippine Stock Exchange  
Classes of Securities Listed : Common shares
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  No   
(b) has been subject to such filing requirements for the past ninety (90) days.  
Yes  No

## **PART I--FINANCIAL INFORMATION**

### **Item 1. Financial Statements.**

Please refer to attached ANNEX "A"

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

Please refer to attached ANNEX "B"

## **PART II--OTHER INFORMATION**

Please refer to attached ANNEX "C"


## **SIGNATURES**

Pursuant to the requirements of Section 17 of the Securities Regulation 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 Makati on May 6, 2024.

ENEX ENERGY CORP.

DocuSigned by:  


02B056275DA34BE...  
**JOHN ERIC T. FRANCIA**  
President and Chief Executive Officer

DocuSigned by:  


4C3C7CC7B2444AE...  
**HANNIELYN F. TUCAY**  
Treasurer and Chief Financial Officer

## Annex A

### ENEX Energy Corp. and Subsidiary

Unaudited Interim Condensed Consolidated  
Financial Statements  
as at March 31, 2024  
and for the three-month periods ended  
March 31, 2024 and 2023  
(with Comparative Audited Figures  
as at December 31, 2023)

**ENEX ENERGY CORP. AND SUBSIDIARY****UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As at March 31, 2024 (with Comparative Audited Figures as at December 31, 2023)

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash (Notes 4 and 13)	P6,788,477	P7,538,325
Receivables (Notes 5 and 13)	–	27,601
Other current assets	234,399	24,399
<b>Total Current Assets</b>	<b>7,022,876</b>	<b>7,590,325</b>
<b>Noncurrent Assets</b>		
Investment in a joint venture (Notes 6 and 9)	75,041,299	80,809,131
Deferred exploration costs (Note 7)	54,349,977	54,349,977
Property and equipment	92,177	131,682
<b>Total Noncurrent Assets</b>	<b>129,483,453</b>	<b>135,290,790</b>
<b>TOTAL ASSETS</b>	<b>P136,506,329</b>	<b>P142,881,115</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and other current liabilities (Note 8)	P105,309,440	P100,168,139
Short-term loan (Note 9)	156,000,000	155,300,000
<b>Total Liabilities</b>	<b>261,309,440</b>	<b>255,468,139</b>
<b>Equity</b>		
Attributable to Equity Holders of the Parent Company:		
Capital stock (Note 10)	250,000,001	250,000,001
Deficit	(370,222,858)	(358,153,764)
	(120,222,857)	(108,153,763)
Non-controlling interest (Note 12)	(4,580,254)	(4,433,261)
<b>Total Capital Deficiency</b>	<b>(124,803,111)</b>	<b>(112,587,024)</b>
<b>TOTAL LIABILITIES AND CAPITAL DEFICIENCY</b>	<b>P136,506,329</b>	<b>P142,881,115</b>

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**ENEX ENERGY CORP. AND SUBSIDIARY****UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	<b>Three-Month Period Ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
<b>EXPENSES</b>		
Management and professional fees	<b>₱1,456,285</b>	₱3,922,985
Taxes, registration, and license fees	<b>343,805</b>	425,349
Training fund contribution	<b>211,054</b>	–
Depreciation	<b>39,506</b>	39,505
Communication	<b>3,897</b>	–
Others	<b>883,007</b>	39,536
	<b>2,937,554</b>	4,427,375
<b>OTHER CHARGES (INCOME)– NET</b>		
Equity in net loss of a joint venture (Note 6)	<b>5,767,832</b>	7,050,798
Interest expense (Note 9)	<b>3,514,741</b>	2,284,560
Foreign exchange loss (gain) – net	<b>(70,731)</b>	239,842
Interest income (Note 4)	<b>(1,705)</b>	(1,933)
	<b>9,210,137</b>	9,573,267
<b>LOSS BEFORE INCOME TAX</b>	<b>12,147,691</b>	14,000,642
<b>PROVISION FOR INCOME TAX</b>	<b>68,397</b>	–
<b>NET LOSS</b>	<b>12,216,088</b>	14,000,642
<b>OTHER COMPREHENSIVE INCOME</b>	<b>–</b>	–
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>12,216,088</b>	14,000,642
Total Comprehensive Loss (Income) Attributable to:		
Equity holders of the Parent Company	<b>₱12,069,095</b>	₱13,931,645
Non-controlling interest (Note 12)	<b>146,993</b>	68,997
	<b>₱12,216,088</b>	₱14,000,642
<b>Basic/Diluted Loss Per Share (Note 11)</b>	<b>₱0.048</b>	₱0.056

*See accompanying Notes to Interim Condensed Consolidated Financial Statements.*

**ENEX ENERGY CORP. AND SUBSIDIARY****UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024 AND 2023**

	<u>Attributable to Equity Holders of the Parent Company</u>			Non-controlling Interest (Note 12)	Total Equity
	Capital Stock (Note 10)	Deficit	Total		
<b>BALANCES AT JANUARY 1, 2024</b>	<b>₱250,000,001</b>	<b>(₱358,153,763)</b>	<b>(₱108,153,762)</b>	<b>(₱4,433,261)</b>	<b>(₱112,587,023)</b>
Total comprehensive loss/ net loss for the period	–	(12,069,095)	(12,069,095)	(146,993)	(12,216,088)
<b>BALANCES AT MARCH 31, 2024</b>	<b>₱250,000,001</b>	<b>(₱370,222,858)</b>	<b>(₱120,222,857)</b>	<b>(₱4,580,254)</b>	<b>(₱124,803,111)</b>
<b>BALANCES AT JANUARY 1, 2023</b>	₱250,000,001	(₱306,529,127)	(₱56,529,126)	(₱4,437,765)	(₱60,966,891)
Total comprehensive loss/ net loss for the period	–	(13,931,645)	(13,931,645)	(68,997)	(14,000,642)
<b>BALANCES AT MARCH 31, 2023</b>	₱250,000,001	(₱320,460,772)	(₱70,460,771)	(₱4,506,762)	(₱74,967,533)

*See accompanying Notes to Interim Condensed Consolidated Financial Statements.*



**ENEX ENERGY CORP. AND SUBSIDIARY****UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Three-Month Period Ended March 31 (Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	<b>(P12,147,691)</b>	(P14,000,642)
Adjustments for:		
Equity in net loss of a joint venture (Note 6)	<b>5,767,832</b>	7,050,798
Interest expense (Note 9)	<b>3,514,741</b>	2,284,560
Unrealized foreign exchange gain (loss)	<b>(70,731)</b>	(227,565)
Depreciation	<b>39,506</b>	39,505
Interest income (Note 4)	<b>(1,705)</b>	(1,933)
Operating loss before working capital changes	<b>(2,898,048)</b>	(4,855,277)
Decrease in:		
Receivables	<b>27,601</b>	–
Other current assets	<b>(210,000)</b>	–
Accounts payable and other current liabilities	<b>1,558,164</b>	(2,602,766)
Cash used in operations	<b>(1,522,283)</b>	(7,458,043)
Interest received	<b>1,705</b>	1,933
Net cash used in operating activities	<b>(1,520,578)</b>	(7,456,110)
<b>CASH FLOWS FROM A FINANCING ACTIVITIES</b>		
Availments of short-term loans (Note 9)	<b>700,000</b>	–
Increases in due to related parties	–	3,161,649
Net cash from financing activities	<b>700,000</b>	3,161,649
<b>NET DECREASE IN CASH</b>	<b>(820,578)</b>	(4,294,461)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH</b>	<b>70,730</b>	227,565
<b>CASH AT BEGINNING OF PERIOD</b>	<b>7,538,325</b>	13,435,336
<b>CASH AT END OF PERIOD (Note 4)</b>	<b>P 6,788,477</b>	P9,368,440

*See accompanying Notes to Interim Condensed Consolidated Financial Statements.*

**ENEX ENERGY CORP. AND SUBSIDIARY****NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****1. Corporate Information**

ENEX Energy Corp. (“ENEX” or “the Parent Company”) and Palawan55 Exploration & Production Corporation (Palawan55 or the Subsidiary), collectively referred to as “the Group”, were incorporated in the Philippines on September 28, 1994 and November 16, 2012, respectively, to engage in oil and gas exploration, exploitation and production. The Parent Company’s primary purpose also includes generally engaging in the business of power generation. Palawan55 is 69.35% owned by the Parent Company.

The Parent Company and the Subsidiary are 75.92% and 30.65% directly owned, respectively, by ACEN CORPORATION (“ACEN” or the Intermediate Parent Company). ACEN is 57.74% owned by AC Energy and Infrastructure Corporation (ACEIC), a wholly owned subsidiary of Ayala Corporation (“AC”). AC is a publicly listed company incorporated in the Philippines which is 47.86% owned by Mermac, Inc. (ultimate parent company), and the rest by the public.

As at May 6, 2024, ENEX and Palawan55 have not yet started commercial operations.

The consolidated financial statements have been prepared on the basis that the Group will continue as a going concern. The Group has incurred net losses amounting to ₱12.22 million and ₱14.00 million for the years ended March 31, 2024 and 2023, respectively, and has a capital deficiency amounting to ₱124.80 million and ₱112.59 million as at March 31, 2024 and December 31, 2023, respectively. The projects of the Group are at pre-development stages which contribute to the capital deficiency and raises an issue on the Group’s going concern status. In view thereof, on August 4, 2023, ENEX has submitted to the Philippine Stock Exchange, Inc. a detailed plan to address the capital deficiency (referred to as “the Plan”). To address ENEX’s capital deficiency, ENEX intends to cause the conversion of advances made to ENEX by its parent company, ACEN, and certain of the latter’s affiliates into additional equity of ENEX. The advances include the short-term loan from ACEN and its affiliate. With the conversion of these advances to additional equity, ENEX stockholders’ equity will have a positive balance as illustrated in the pro forma and indicative balance sheet appended to the submitted detailed plan. To implement the Plan, ENEX will perform, and/or caused to be performed, the following activities with relevant timetable:

Activity	Target Date
<p>1. ACEN affiliates namely ACEN International, Inc. (ACEN International), Bulacan Power Generation Corporation (BPGC), and ACES Shared Services, Inc. (ACES) (collectively the ACEN Group) to secure approval from their respective BOD to assign their receivables from ENEX to ACEN.</p> <p>ACEN International, BPGC, and ACES to enter into the relevant Deed of Assignment with ACEN.</p>	BOD approval – May 2024

Activity	Target Date
<p>2. ENEX to obtain BOD approval for the following matters:</p> <p>a. Amendment of the Seventh Article of its Articles of Incorporation (“AOI”) to increase the authorized capital stock from 1,000 million shares to 1,300 million shares and to create 300 million redeemable preferred shares (RPS) with par value of ₱1/share (RPS) (the “AOI Amendment”)</p> <p>Subject to relevant approvals, the RPS shall have the following features:</p> <ul style="list-style-type: none"> <li>i. Non-voting;</li> <li>ii. With cumulative dividends;</li> <li>iii. Non-participating;</li> <li>iv. Non-convertible;</li> <li>v. Non-reissuable;</li> <li>vi. Redeemable at the option of the issuer at issue price;</li> <li>vii. With preference as to liquidation; and</li> <li>viii. With preference as to dividend distribution, at a dividend rate to be determined by the BOD at the time of issuance of the shares.</li> </ul> <p>b. Conversion of ACEN Group’s loans and receivables into equity in ENEX and subscription by ACEN to, and the issuance to ACEN of up to 300 million RPS to be issued out of the newly created RPS, via a Private Placement.</p> <p>Consideration of the subscription will be the ACEN Group loans and receivables (for conversion), and cash, to address the negative stockholders’ equity and cover working capital.</p> <p>c. Valuation of ACEN’s advances reported by an independent external auditor, which valuation is subject to the approval of the SEC.</p>	<p>Approved by the BOD on March 14, 2024</p> <p>Approved by the Stockholders, representing at least 2/3 of the Corporation’s total outstanding shares, on April 24, 2024</p>
<p>3. ENEX to file an application with the SEC for the amendment of its AOI to increase its authorized capital stock and create RPS.</p>	<p>Within May/June 2024</p>
<p>4. ENEX to request SEC confirmation of valuation of advances.</p>	<p>June 2024</p>
<p>5. Upon SEC approval of the AOI amendment and confirmation of valuation, ENEX to convert ACEN loans and receivables into RPS and issue the corresponding shares to ACEN.</p> <p>Upon issuance of the shares, the equity of ENEX is forecasted to be positive.</p>	<p>June 2024</p>
<p>6. ENEX to continue to find options for de-risking its projects, namely Service Contract (SC) 55 and the proposed LNG project under Batangas Clean Energy, Inc. (BCEI) to ensure positive stockholders’ equity moving forward.</p>	<p>Within 30 days from issuance of SEC approval of the AOI Amendment.</p> <p>Ongoing activity.</p>

The accompanying unaudited interim condensed consolidated financial statements of ENEX and its subsidiary as at March 31, 2024, and for the three-month periods ended March 31, 2024 and 2023 were approved and authorized for issuance by the Parent Company’s Audit Committee (pursuant to the authority delegated by the Parent Company’s BOD) on May 6, 2024.

---

## 2. Summary of Significant Accounting Policies

### Basis of Preparation

The unaudited interim condensed consolidated financial statements as at March 31, 2024 and for the three-month periods ended March 31, 2024 and 2023 have been prepared on a historical cost basis. The unaudited interim condensed consolidated financial statements are presented in Philippine peso which is the Parent Company's functional and presentation currency. All values are rounded to the nearest Peso, except when otherwise indicated.

### Statement of Compliance

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2023.

### Basis of Consolidation

The unaudited interim consolidated financial statements comprise the financial statements of the Parent Company and its subsidiary, Palawan55, as at March 31, 2024 and December 31, 2023. The interim financial statements of the subsidiary are prepared for the same reporting year as the Parent Company using uniform accounting policies. When necessary, adjustments are made to the separate financial statements of the subsidiary to bring its accounting policies in line with the Parent Company's accounting policies.

### Changes in Accounting Policies

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards and amendments effective as at January 1, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### *Effective beginning on or after January 1, 2024*

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

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

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

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

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

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 and must be applied retrospectively. The amendments are not expected to have a material impact on the Group.

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

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

The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier adoption is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group.

---

### 3. Significant Accounting Judgments and Estimates

The Group's consolidated financial statements prepared in accordance with PFRS require management to make a judgment and estimates that affect the amounts reported in the consolidated financial statements and related notes. In preparing the Group's consolidated financial statements, management has made its best estimate and judgment of certain amounts, giving due consideration to materiality.

The estimates and judgments used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from such estimates.

#### *Determining and Classifying a Joint Arrangement*

Judgment is required to determine when the Group has joint control over an arrangement, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement. Judgment is also required to classify a joint arrangement. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, the Group considers:

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

This assessment often requires significant judgment, and a different conclusion on joint control and also whether the arrangement is a joint operation or a joint venture, may materially impact the accounting. As at March 31, 2024 and December 31, 2023, the Group's SCs are assessed as joint arrangements in the form of joint operations (see Note 7).

#### *Investment in a Joint Venture*

The Group's investments in joint ventures are structured in separate incorporated entities. The investment in BCEI is accounted for as an investment in a joint venture since the fundamental business and operational matters require unanimous consent from all parties. The Group and the parties to the agreement only have rights to the net assets of the joint venture through the terms of the contractual arrangements (see Note 6).

#### Estimates

##### *Impairment of Deferred Exploration Costs.*

The carrying value of deferred exploration costs is reviewed for impairment by management when there are indications that the carrying amount exceeds the recoverable amount under PFRS 6. Among the factors considered by management in the impairment review of deferred exploration costs are the expiration of the contracts and the technical evaluation that the remaining prospects in these areas are small and are likely to be uneconomic. In the event of impairment, the Group measures, presents and discloses the resulting impairment loss in accordance with PAS 36.

The Group did not recognize impairment loss in March 31, 2024 and 2023. The carrying value of deferred exploration costs amounted to ₱54.35 and ₱54.35 million as at March 31, 2024 and December 31, 2023 (see Note 7).

##### *Recognition of Deferred Income Tax Asset.*

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that sufficient taxable income will be generated to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred tax assets as at March 31, 2024 and December 31, 2023 amounted to ₱56.96 million and ₱53.91 million respectively.

---

#### 4. **Cash**

Cash in banks amounted to ₱6.79 million and ₱7.54 million as at March 31, 2024 and December 31, 2023, respectively. Cash in banks earn interest at the respective bank deposit rates.

Interest income on cash amounted to ₱1,705 and ₱1,933 as at March 31, 2024 and 2023, respectively.

## 5. Receivables

This account consists of the following:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Due from third party	<b>₱20,000,000</b>	₱20,000,000
Others	–	27,601
	<b>20,000,000</b>	20,027,601
Less allowance for credit losses	<b>20,000,000</b>	20,000,000
	<b>₱–</b>	<b>₱27,601</b>

The aging analysis of receivables is as follows:

	March 31, 2024 (Unaudited)						
	Total	Neither Past Due nor Impaired	Past Due but not Impaired				Past Due and Impaired
			<30 Days	30–60 Days	61–90 Days	Over 90 Days	
Due from third party	₱20,000,000	₱–	₱–	₱–	₱–	₱–	₱20,000,000
Others	–	–	–	–	–	–	–
	<b>₱20,000,000</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱20,000,000</b>

	March 31, 2023 (Unaudited)						
	Total	Neither Past Due nor Impaired	Past Due but not Impaired				Past Due and Impaired
			<30 Days	30–60 Days	61–90 Days	Over 90 Days	
Due from third party	₱20,000,000	₱–	₱–	₱–	₱–	₱–	₱20,000,000
Others	27,601	27,601	–	–	–	–	–
	<b>₱20,027,600</b>	<b>₱27,600</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱–</b>	<b>₱20,000,000</b>

Due from third party pertains to advance payment made pursuant to the Memorandum of Agreement with Frontier Energy and Frontier Oil. This has been fully provided with allowance for impairment since 2016.

## 6. Investment in a Joint Venture

BCEI is a joint venture to develop a 1,100MW combined cycle power plant that will be able to use natural gas and/or green hydrogen as its fuel. BCEI's principal place of business and country of incorporation is Batangas City, Philippines.

The details of the movement of investment in a joint venture accounted for under equity method are as follows:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Acquisition costs	<b>₱150,220,000</b>	₱150,220,000
Equity in net losses	<b>(75,178,701)</b>	(69,410,869)
Balance at end of period	<b>₱75,041,299</b>	<b>₱80,809,131</b>

- 7 -

The summarized financial information of BCEI, and the reconciliation with the carrying amounts of the investments in the consolidated financial statements are shown below:

	<b>March 31, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
<b>Summarized Statements of Financial Position:</b>		
Cash	<b>₱7,053,255</b>	₱19,650,193
Other current assets	<b>21,615,383</b>	21,376,176
Total assets	<b>28,668,638</b>	41,026,369
Accounts payable and other current liabilities	<b>(1,705,578)</b>	(2,527,645)
Total liabilities	<b>(1,705,578)</b>	(2,527,645)
Equity	<b>₱26,963,060</b>	₱38,498,724
Share in net assets	<b>₱13,481,530</b>	₱19,249,362
Notional goodwill	<b>61,559,769</b>	61,559,769
Carrying value of the investment	<b>₱75,041,299</b>	₱80,809,131
<b>Summarized Statements of Comprehensive Income:</b>		
Revenue	<b>₱-</b>	₱-
Interest income	<b>4,776</b>	9,640
Cost and expenses	<b>(11,540,439)</b>	(14,105,235)
Net loss	<b>(11,535,663)</b>	(14,101,595)
Other comprehensive income	-	-
Total comprehensive loss	<b>(₱11,535,663)</b>	(₱14,101,595)
Group's share in total comprehensive loss	<b>(₱5,767,832)</b>	(₱7,050,798)

## 7. Deferred Exploration Costs

Details of deferred exploration costs are as follows:

	<b>March 31, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
<b>ENEX</b>		
SC 6 (Northwest Palawan):		
Block A	<b>₱23,963,291</b>	₱23,963,291
Block B	<b>4,892,178</b>	4,892,178
SC 50 (Northwest Palawan)	<b>11,719,085</b>	11,719,085
	<b>40,574,554</b>	40,574,554
Less allowance for probable losses	<b>40,574,554</b>	40,574,554
	-	-
<b>Palawan55</b>		
SC 55 (Southwest Palawan)	<b>54,349,977</b>	54,349,977
	<b>₱54,349,977</b>	₱54,349,977



Below is the rollforward analysis of the deferred exploration costs:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Cost:		
Balances at beginning of period	<b>₱94,924,531</b>	₱97,725,103
Additions	–	54,614
Recoveries from a consortium partner	–	(2,855,186)
Balance at end of period	<b>94,924,531</b>	94,924,531
Allowance for a probable loss:	<b>40,574,554</b>	40,574,554
Net book value	<b>₱54,349,977</b>	₱54,349,977

The foregoing deferred exploration costs represent the Group's share in the expenditures incurred under petroleum SCs with the DOE. The contracts provide for certain minimum work and expenditure obligations and the rights and benefits of the contractor. Operating agreements govern the relationship among co-contractors and the conduct of operations under an SC.

The Group's SCs are assessed as joint arrangements in the form of joint operations.

Additions for SC 55 pertains to the well engineering, drilling planning services and assessment. Specialized pre-drill geological and geophysical studies were completed while well planning and drilling preparations are ongoing. The consortium conducted scoping activities for the environmental baseline study as part of the ongoing well planning and drilling preparations. ENEX's subsidiary, Palawan 55, has 75% participating interest in SC 55 and is the Operator.

As at March 31, 2024 and December 31, 2023, Palawan55 holds 75.00% and 37.50% participating interests in SC 55, respectively, and has met all compliance requirements of the DOE.

No impairment was recognized for SC 55 as at March 31, 2024 and December 31, 2023 as there are no indicators for impairment.

## 8. Accounts Payable and Other Current Liabilities

This account consists of:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Accrued expenses and other payables	<b>₱1,034,758</b>	₱1,300,091
Due to:		
Related parties (Note 9)	<b>73,769,771</b>	70,044,440
Third party	<b>28,733,133</b>	28,733,133
Withholding taxes	<b>1,771,778</b>	90,475
	<b>₱105,309,440</b>	₱100,168,139

## 9. Related Party Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely its legal form.

Outstanding balances for the period 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.

The transactions and balances of accounts as at and for the three-month period ended March 31, 2024 and year ended December 31, 2023 with related parties are as follows:

Company	Amount/ Volume	Nature	As at and for the three months ended March 31, 2024 (Unaudited)		Terms	Conditions
			Receivable	Payable		
<b>Intermediate Parent Company</b>						
<b>ACEIC</b>						
Accounts payable and other current liabilities (see Note 8)	P-	Advances	P-	P58,200	Due and demandable, noninterest-bearing	Unsecured
<b>ACEN</b>						
Short-term loans	-	Short-term loans	-	150,000,000	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	148,949	Management and professional fees	P-	P13,476,450	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	-	Management and professional fees capitalized as deferred exploration cost	-	12,240,000	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	-	Management and professional fees charged to a Consortium Partner	-	5,100,000	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	845,507	Advances	-	19,071,133	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	1,924,401	Interest expense on short-term loans	-	16,259,854	Noninterest bearing	Unsecured
<b>Entities Under Common Control</b>						
<b>ACES</b>						
Accounts payable and other current liabilities (see Note 8)	15,116	Management fees	-	262,951	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	671,772	Contracted services	-	3,030,030	Due and demandable, noninterest bearing	Unsecured
<b>BPGC</b>						
Accounts payable and other current liabilities (see Note 8)	-	Advances	-	4,000,000	Due and demandable, noninterest bearing	Unsecured

(Forward)

- 10 -

<b>As at and for the three months ended March 31, 2024 (Unaudited)</b>						
Company	Amount/ Volume	Nature	Outstanding Balance		Terms	Conditions
			Receivable	Payable		
<b>ACEN International</b>						
Short-term loans	<b>700,000</b>	Short-term loans	–	<b>6,000,000</b>	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	<b>119,586</b>	Interest expense on short-term loans	–	<b>271,153</b>	Noninterest bearing	Unsecured
<b>As at and for the year ended December 31, 2023 (Audited)</b>						
Company	Amount/ Volume	Nature	Outstanding Balance		Terms	Conditions
			Receivable	Payable		
<i>Intermediate Parent Company</i>						
<b>ACEIC</b>						
Accounts payable and other current liabilities (see Note 8)		₱– Advances	₱–	₱58,200	Due and demandable, noninterest-bearing	Unsecured
<b>ACEN</b>						
Short-term loans	23,000,000	Short-term loans	–	150,000,000	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	₱2,651,147	Management and professional fees	₱–	₱13,327,501	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	–	Management and professional fees capitalized as deferred exploration cost	–	12,240,000	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	–	Management and professional fees charged to a Consortium Partner	–	5,100,000	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	416,177	Advances	–	18,225,626	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	9,805,028	Interest expense on short-term loans	–	14,335,453	Noninterest bearing	Unsecured
<i>Entities Under Common Control</i>						
<b>ACES</b>						
Accounts payable and other current liabilities (see Note 8)	1,252,598	Management fees	–	247,835	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	2,860,074	Contracted services	–	2,358,258	Due and demandable, noninterest bearing	Unsecured
<b>BPGC</b>						
Accounts payable and other current liabilities (see Note 8)	–	Advances	–	4,000,000	Due and demandable, noninterest bearing	Unsecured
<b>ACEN International</b>						
Short-term loans	5,300,000	Short-term loans	–	5,300,000	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	151,567	Interest expense on short-term loans	–	151,567	Noninterest bearing	Unsecured

ACEN

Payables to ACEN as at March 31, 2024 comprise of advances received by ENEX to cover for working capital as well as interest expense on short-term loans.

*Short-term Loans*

On December 10, 2021, the ENEX BOD approved the availment of a short-term loan from ACEN of up to ₱150.00 million to fund the initial subscription by ENEX to shares in BCEI and authorized ENEX to secure bank loans in an aggregate amount of up to ₱150.00 million to be guaranteed by ACEN, subject to the payment of a guarantee fee. On December 13, 2021, the ACEN BOD approved the short-term loan up to ₱150.00 million in favor of ENEX.

On January 13, 2022, first loan drawdown was made amounting to ₱127.00 million with 3.875% interest per annum, payable on or before July 12, 2022. Maturity date was subsequently extended until November 10, 2022. On November 11, 2022, the loan was restructured to 7.2954% interest per annum payable on or before November 10, 2023. On November 11, 2023 the loan was restructured to 8.66% interest per annum payable on or before September 30, 2024.

On August 2, 2023, second loan drawdown was made amounting to ₱23.00 million with 5.75% interest per annum, payable on or before February 1, 2024. On February 2, 2024, the loan was restructured to 8.10% interest per annum payable on or before September 30, 2024.

Interest expense related to the short-term loans amounted to ₱3.39 million and ₱5.32 million for the period ended March 31, 2024 and December 31, 2023 respectively.

ACES

Payable to ACES includes management fees and contracted services.

BPGC

BPGC provided advances to ENEX in 2022 amounting to ₱4.00 million for its operating expenses.

ACEN International*Short-term Loan*

On June 7, 2023, ENEX's Executive Committee approved the availment of short-term loan of up to ₱6.00 million from ACEN International. As of March 31, 2024, a total of ₱6.00 million was availed by ENEX to fund its working capital requirements.

The first drawdown amounted to ₱1.00 million is subject to 8.203% per annum, payable on or before June 5, 2024. The second drawdown amounted to ₱1.50 million is subject to 8.3899% per annum, payable on or before August 1, 2024. The third drawdown amounted to ₱2.80 million is subject to 8.3628% per annum, payable on or before September 26, 2024. The fourth drawdown amounted to ₱0.70 million is subject to 8.2894% per annum, payable on or before February 1, 2025.

Interest expense related to the short-term loans amounted to ₱0.12 million for the period ended March 31, 2024.

Compensation of Key Management Personnel

Starting January 1, 2020, the compensation of the Group's key management personnel is paid by the Intermediate Parent Company and as such, the necessary disclosures required by PAS 24, *Related Party Disclosures*, are included in the financial statements of the Intermediate Parent Company.

Identification, Review and Approval of Related Party Transactions

All (1) SEC-defined material related party transactions, i.e., related party transaction/s, either individually or in aggregate over a twelve (12)-month period of the Group with the same related party, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited consolidated financial statements; and (2) any related party transaction/s that meet the threshold values approved by the Risk Management and Related Party Transactions Committee (the Committee), i.e., ₱50.00 million or five percent (5%) of the Group's total consolidated assets, whichever is lower, shall be reviewed by the Committee and approved by the BOD before its commencement, except transactions that are explicitly excluded/exempted by the SEC and transactions delegated to management.

For SEC-defined material related party transactions, the approval shall be by at least 2/3 vote of the BOD, with at least a majority vote of the independent directors. In case that the vote of a majority of the independent directors is not secured, the material related party transactions may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock.

---

**10. Capital Stock**

Following are the details of the Parent Company's capital stock as at March 31, 2024 and December 31, 2023:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Authorized – ₱1 par value	<b>1,000,000,000</b>	1,000,000,000
Issued and outstanding – ₱1 par value	<b>250,000,001</b>	250,000,001

The issued and outstanding shares as at March 31, 2024 and December 31, 2023 are held by 2,892 equity holders.

*Capital Management*

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes as of March 31, 2024 and December 31, 2023.

---

## 11. Basic/Diluted Loss Per Share

Basic/diluted loss per share is computed as follows:

	<b>Three-Month Period Ended March 31 (Unaudited)</b>	
	<b>2024</b>	2023
(a) Net loss attributable to equity holders of the Parent Company	<b>₱12,069,095</b>	₱13,931,645
(b) Weighted average number of common shares outstanding	<b>250,000,001</b>	250,000,001
<b>Basic/diluted loss per share (a/b)</b>	<b>₱0.048</b>	₱0.056

As at March 31, 2024 and December 31, 2023, the Group does not have any potential common share nor other instruments that may entitle the holder to common shares. Hence, diluted loss per share is the same as basic loss per share.

---

## 12. Material Partly Owned Subsidiary

Financial information of Palawan55 is provided below:

	<b>For the three months ended March 31 (Unaudited)</b>	
	<b>2024</b>	2023
Equity interest held by NCI	<b>30.65%</b>	30.65%
Accumulated balances of NCI	<b>₱4,580,254</b>	₱4,506,762
Net loss (income) allocated to NCI	<b>146,993</b>	68,997

The summarized financial information of Palawan55 is provided below.

### Statements of Comprehensive Income

	<b>For the three months ended March 31 (Unaudited)</b>	
	<b>2024</b>	2023
Other (income) loss	<b>(72,366)</b>	₱220,558
Expenses	<b>551,952</b>	4,560
<b>Total comprehensive loss</b>	<b>479,586</b>	₱225,118
<b>Attributable to NCI</b>	<b>146,993</b>	₱68,997

Statements of Financial Position

	<b>March 31, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Total current assets	<b>₱6,736,893</b>	₱6,927,010
Total noncurrent assets	<b>54,349,977</b>	54,349,977
Total current liabilities	<b>(46,142,637)</b>	(75,741,620)
Total capital deficiency	<b>(₱14,944,233)</b>	(₱14,464,633)
Attributable to equity holders of the Parent Company	<b>(₱10,363,979)</b>	(₱10,031,372)
NCI	<b>(₱4,580,254)</b>	(₱4,433,261)

Cash Flow Information

	<b>For the three months ended March 31</b>	
	<b>(Unaudited)</b>	
	<b>2024</b>	2023
Net cash flows provided by:		
Operating activities	<b>₱1,920,521</b>	₱249,739
Investing activities	-	-
Financing activity	-	-

There were no dividends paid to NCI in the three-month period ended March 31, 2024 and 2023.

**13. Financial Assets and Financial Liabilities**Financial Risk Management Objectives and Policies

The main purpose of the Group's principal financial instruments is to fund its operations and capital expenditures. The main risk arising from the use of financial instruments are credit risk and liquidity risk.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Group's holding of cash and due from related parties exposes the Group to credit risk of the counterparty. Credit risk management involves dealing only with institutions for which credit limits have been established.

The following table shows the maximum exposure to credit risk for the components of the statement of financial position:

	<b>March 31, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Cash	<b>₱6,788,477</b>	₱7,538,325
Receivables	-	27,601
	<b>₱6,788,477</b>	₱7,565,926

- 15 -

With respect to credit risk arising from the receivables of the Group, the Group's exposures arise from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

March 31, 2024 (Unaudited)						
	Neither Past Due nor Impaired			Past Due but not Impaired	Past Due Individually Impaired	Total
	Class A	Class B	Class C			
Due from third party	₱-	₱-	₱-	₱-	₱20,000,000	₱20,000,000
Others	-	-	-	-	-	-
	₱-	₱-	₱-	₱-	₱20,000,000	₱20,000,000

December 31, 2023 (Audited)						
	Neither Past Due nor Impaired			Past Due but not Impaired	Past Due Individually Impaired	Total
	Class A	Class B	Class C			
Due from third party	₱-	₱-	₱-	₱-	₱20,000,000	₱20,000,000
Others	-	-	-	27,601	-	27,601
	₱-	₱-	₱-	₱27,601	₱20,000,000	₱20,027,601

The Group uses the following criteria to rate credit risk as to class:

Class	Description
Class A	Collateralized accounts with excellent paying habits
Class B	Secured accounts with good paying habits
Class C	Unsecured accounts

With respect to credit risk arising from the other financial assets of the Group, which comprise cash, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. These financial assets are assessed as high grade since these are deposited in or transacted with reputable banks, which have low probability of insolvency.

#### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments.

The Group manage liquidity risk by maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover working capital requirements. The Group maintains a level of cash deemed sufficient to finance its operations. As part of liquidity risk management, the Group regularly evaluates its projected and actual cash flows.

The Group's financial assets and financial liabilities are settled within one year.

#### Fair Value Information

The carrying value of the Group's cash in banks, receivables, accounts payable and other liabilities, and short-term loans approximate their fair values due to short-term nature of these instruments.

#### Fair Value Information

The carrying value of the Group's cash in banks, receivables, accounts payable and other liabilities, and short-term loans approximate their fair values due to short-term nature of these instruments.



---

**14. Segment Information**

The Group has only one reportable segment, Petroleum and Gas, which is engaged in oil and gas exploration and development. The Group planned to expand its operations to include geothermal exploration and development; however, there are no activities undertaken under this segment during the period and all activities reported pertains to oil and gas exploration. Management monitors the operating results of the reportable segment for the purpose of making decisions about resource allocation and performance assessment.

Capital expenditures for the three-month period ended March 31, 2024 and for the year ended December 31, 2023 were nil and ₱0.05 million, respectively, mainly on deferred exploration cost (see Note 8).

As at May 6, 2024, the Group has not started commercial operations yet and has no revenue or gross profit. The total assets of the segment of ₱136.51 million and ₱142.88 million and liabilities amounting to ₱261.31 million and ₱255.47 million as at March 31, 2024 and December 31, 2023, respectively, are the same as that reported in the consolidated statements of financial position.

## ANNEX B

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATIONS**

The following discussion and analysis of financial position and results of operations of ENEX Energy Corp. (ENEX) and its subsidiary should be read in conjunction with the unaudited interim consolidated financial statements as at March 31, 2024, for the three months ended March 31, 2024 and 2023 and the audited consolidated financial statements as at December 31, 2023. The unaudited interim consolidated financial statements have been prepared in compliance with the Philippine Accounting Standards ("PAS") 34, *Interim Financial Reporting*.

**Consolidated Statements of Income**

	<b>Three-Month Period Ended March 31</b>		<b>Increase (Decrease)</b>	
	<b>(Unaudited)</b>		<b>Amount</b>	<b>%</b>
	<b>2024</b>	<b>2023</b>		
Expenses	<b>₱2,937,554</b>	₱4,427,375	(₱1,489,821)	(34)
Other charges (income) - net	<b>9,210,137</b>	9,573,267	(363,130)	(4)
Loss before income tax	<b>12,147,691</b>	14,000,642	(1,852,951)	(13)
Provision for income tax	<b>68,397</b>	–	68,397	–
Net Loss	<b>₱12,216,088</b>	₱14,000,642	(₱1,784,554)	(13)

The following are the material changes in the consolidated statements of comprehensive income for the three months ended March 31, 2024 and 2023:

- Decrease in management and professional fees and taxes, licenses and registration fees expenses from previous period following limited activity in current period.
- Other charges (income) – net mainly came from equity in net losses of the Parent Company's joint venture investee (BCEI) (₱5.77 million). These are ENEX's share in pre-development expenses of BCEI, while increase in interest expense on short-term loan from ACEN and ACEN International (₱3.51 million).

**Consolidated Statements of Financial Position**

	<b>March 31,</b>	December 31,	<b>Increase (Decrease)</b>	
	<b>2024</b>	2023	<b>Amount</b>	<b>%</b>
	<b>(Unaudited)</b>	(Audited)		
<b>Current Assets</b>				
Cash	<b>₱6,788,477</b>	₱7,538,325	(₱749,848)	(10)
<b>Noncurrent Assets</b>				
Investment in a joint venture	<b>75,041,299</b>	80,809,131	(5,767,832)	(7)
Property and equipment	<b>92,177</b>	131,682	(39,505)	(30)
Deferred exploration costs	<b>54,349,977</b>	54,349,977	–	–
<b>Current Liabilities</b>				
Accounts payable and other current liabilities	<b>105,309,440</b>	100,168,139	5,141,301	5
Short-term loans	<b>156,000,000</b>	155,300,000	700,000	1

The following are the material changes in the Consolidated Statements of Financial Position as at March 31, 2024 and December 31, 2023:

- Decrease in Cash was primarily due to payment of various working capital expenditures related to the Group's activities for the current period aggregating to ₱0.75 million.
- Investment in joint venture pertains to the Parent Company's ownership interest in BCEI which includes subscription cost (₱150.22 million) and accumulated share in net loss (₱5.77 million)
- Decrease in Property and equipment is due to depreciation.
- Accounts payable and other current liabilities increased mainly due to accruals of management fees amounting to ₱1.18 million, interest expense amounting to ₱3.51 million and miscellaneous expense amounting to ₱.85 million.
- Additional Short-term loan ₱0.70 million from ACEN International.

### **Financial Soundness Indicators**

Key Performance Indicator	Formula	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	Increase (Decrease)	
				Amount	%
<b>Liquidity Ratios</b>					
Current Ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	<b>0.03</b>	0.03	–	–
Acid test ratio	$\frac{\text{Cash + Short-term investments + Accounts receivables + Other liquid assets}}{\text{Current liabilities}}$	<b>0.03</b>	0.03	–	–
<b>Solvency Ratios</b>					
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	<b>(2.09)</b>	(2.27)	0.18	(8)
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	<b>(1.09)</b>	(1.27)	0.18	(14)
Net bank Debt to Equity Ratio	$\frac{\text{Short \& long-term loans} - \text{Cash}}{\text{Total Equity}}$	<b>N/A</b>	N/A	N/A	N/A
<b>Profitability</b>					
Return on equity	$\frac{\text{Net income after tax}}{\text{Average stockholders' equity}}$	<b>N/A</b>	N/A	N/A	N/A
Return on assets	$\frac{\text{Net income after taxes}}{\text{Average total assets}}$	<b>N/A</b>	N/A	N/A	N/A
Asset turnover	$\frac{\text{Revenues}}{\text{Average total assets}}$	<b>N/A</b>	N/A	N/A	N/A

**Debt-to-equity ratio**

The Group's debt-to-equity ratio is negative with the capital deficiency reported in Q1 2024, same as last year.

**Asset-to-equity ratio**

As of March 31, 2024, asset-to-equity ratio is negative with the capital deficiency reported for the period.

**Return on equity, Return on assets and Asset turnover**

These ratios are not applicable since the Group has not started commercial operations yet.

**During the first quarter 2024:**

- There were no unusual items that affected assets, liabilities, equity, net income or cash flows.
- There were no events that will trigger direct or contingent financial obligation that was material to the Group, including any default or acceleration of an obligation.
- There were no events that had occurred subsequent to the balance sheet date that required adjustments to or disclosure in the interim consolidated financial statements.
- There were no contingent assets or contingent liabilities since the last annual balance sheet date.
- ENEX's subsidiary, Palawan 55, has 75% participating interest in SC 55 and is the Operator.
- There were no other material trends, demands, commitments, events or uncertainties known to the Group that would likely affect adversely the liquidity of the Group.
- There were no trends, events or uncertainties that have had or that were reasonably expected to have material favorable or unfavorable impact on net revenues/income from continuing operations.
- There were no significant elements of income or loss that did not arise from continuing operations that had material effect on the financial condition or result of operations.
- There were no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.
- There were no operations subject to seasonality and cyclicity.

**ENEX Energy Corp. (formerly ACE ENEXOR, INC.)**  
**PROGRESS REPORT**

***For the Quarter January 01 to March 31, 2024***

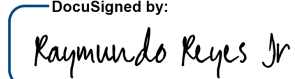
---

**SC 55 (Ultra Deepwater West Palawan)**

The Department of Energy granted approval of the Consortium's request for an eighteen (18) month extension to drill a well under SC 55 once the Force Majeure is lifted. Given this approval, Palawan55 shall have a total of twenty-three (23) months from the lifting of Force Majeure to drill the committed well.

Enexor's subsidiary, Palawan55 Exploration & Production Corporation, has 75% participating interest in SC 55 and is the Operator.

Certified Correct:

DocuSigned by:  
  
06A06989CA974CE...  
**RAYMUNDO A. REYES, JR.**

General Manager

## ANNEX C

### Reports on SEC Form 17-C

The Company submitted SEC form 17-C and Press Statements to PSE, SEC on the following matters in the first quarter ended 31 March 2024:

1. January 9, 2024 – List of Top 100 Stockholders of December 31, 2023
2. January 11, 2024 – Public Ownership Report as of December 31, 2023
3. January 23, 2023 – Change in Stock Transfer Agent effective February 1, 2023
4. March 1, 2024 – Annual Certification of the Department of Energy
5. March 8, 2024 – Matters approved at the regular board meeting held on March 7, 2024
  - a. The Company's 2023 Audited Financial Statements;
  - b. Schedule, mode of conduct, and agenda for the 2024 Annual Stockholders' Meeting (the "2024 ASM"); and
  - c. Re-appointment of SGV & Co. as the Company's external auditor for 2024 and endorsement thereof to the stockholders for approval at the 2024 ASM.
6. March 8, 2024 – Detailed Notice and Agenda of the 2024 Annual Stockholders' Meeting
7. March 15, 2024 – Matters approved at the special board meeting held on March 14, 2024
  - a. Conversion of ACEN group advances and receivables into additional equity, upon approval of the Securities and Exchange Commission of the creation of the Company's 300 Million Preferred Shares;
  - b. Amendment of the Seventh Article of the Articles of Incorporation to increase the authorized capital stock from Php1,000,000,000.00 to Php1,300,000,000.00 and to create 300,000,000 Preferred Shares, and endorsement thereof to the stockholders for approval at the 2024 Annual Stockholders' Meeting (the "ASM"); and
  - c. Issuance and/or Private Placement of up to 300 Million Preferred Shares, and endorsement thereof to the stockholders for approval at the ASM
8. March 15, 2024 – Amendment of the Articles of Incorporation to Increase the Authorized Capital Stock and Create Preferred Shares
9. March 15, 2024 – Amended Detailed Notice and Agenda of the 2024 Annual Stockholders' Meeting
10. March 26, 2024 – The Company's Definitive Information Statement will be uploaded at <https://enexor.com.ph/2024-dis/>