

COVER SHEET

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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)

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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

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Form Type

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Not Applicable

(Secondary License Type, If Applicable)

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Amended Articles Number/Section

Total Amount of Borrowings

2,885

Total No. of Stockholders

-

Domestic

-

Foreign

To be accomplished by SEC Personnel concerned

File Number

Document ID

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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)

2025 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, 2025**
- 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 April 30, 2025.

ESEX ENERGY CORP.

DocuSigned by:



JOHN ERIC T. FRANCIA

Vice Chairman and President

DocuSigned by:



HANNIELYN F. TUCAY

Treasurer and Chief Financial Officer

DocuSigned by:



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Annex A

ENEX Energy Corp.
and Subsidiary

**Unaudited Interim Condensed Consolidated
Financial Statements
as at March 31, 2025
and for the three-month periods ended
March 31, 2025 and 2024
(with Comparative Audited Figures
as at December 31, 2024)**

ENEX ENERGY CORP. AND SUBSIDIARY**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****As at March 31, 2025 (with Comparative Audited Figures as at December 31, 2024)**

	Notes	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	4,13	₱21,644,372	₱28,107,477
Receivables	5,15	1,993,925	1,145,848
Other current assets		234,490	106,021
Total Current Assets		23,872,787	29,359,346
Noncurrent Assets			
Investment in a joint venture	6	64,882,622	66,256,650
Deferred exploration costs	7	54,349,977	54,349,977
Total Noncurrent Assets		119,232,599	120,606,627
TOTAL ASSETS		₱143,105,386	₱149,965,973
LIABILITY AND EQUITY			
Current Liability			
Accounts payable and other current liabilities	8	₱84,261,677	₱87,709,788
Total Liability		84,261,677	87,709,788
Equity			
Attributable to Equity Holders of the Parent Company:			
Capital stock	10	250,000,001	250,000,001
Deposit for future stock subscription	9, 10	207,544,011	207,544,011
Deficit		(393,479,296)	(390,234,709)
		64,064,716	67,309,303
Non-controlling interest	12	(5,221,007)	(5,053,118)
Total Equity		58,843,709	62,256,185
TOTAL LIABILITY AND EQUITY		₱143,105,386	₱149,965,973

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

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

	Notes	Three-Month Period Ended March 31 (Unaudited)	
		2025	2024
EXPENSES			
Management and professional fees		₱2,327,159	₱1,456,285
Taxes, registration, and license fees		266,215	343,805
Training fund contribution	7	217,051	211,054
Rent		81,531	–
Communication		3,897	3,897
Depreciation		–	39,506
Others		4,726	883,007
		2,900,579	2,937,554
OTHER CHARGES (INCOME) – net			
Equity in net loss of a joint venture	6	1,374,028	5,767,832
Foreign exchange loss (gain) - net		67,259	(70,731)
Interest expense	9	–	3,514,741
Interest income	4	(114,958)	(1,705)
Other income	9	(854,539)	–
		471,790	9,210,137
LOSS BEFORE INCOME TAX		3,372,369	12,147,691
PROVISION FOR INCOME TAX		40,107	68,397
NET LOSS		3,412,476	12,216,088
OTHER COMPREHENSIVE INCOME		–	–
TOTAL COMPREHENSIVE LOSS		₱3,412,476	12,216,088
Total Comprehensive Loss Attributable to:			
Equity holders of the Parent Company		₱3,244,587	₱12,069,095
Non-controlling interest	12	167,889	146,993
		₱3,412,476	₱12,216,088
Basic/Diluted Loss Per Share	11	₱0.013	₱0.048

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, 2025 AND 2024**

	Attributable to Equity Holders of the Parent Company					Total Equity
	Capital Stock (Note 10)	Deposit for future stock subscription (Notes 9 and 10)	Deficit	Total	Non-controlling Interest (Note 12)	
BALANCES AT JANUARY 1, 2025	₱250,000,001	₱207,544,011	(₱390,234,709)	₱67,309,303	(₱5,053,118)	₱62,256,185
Total comprehensive loss/ net loss for the period	–	–	(3,244,587)	(3,244,587)	(167,889)	(3,412,476)
BALANCES AT MARCH 31, 2025	₱250,000,001	₱207,544,011	(₱393,479,296)	₱64,064,716	(₱5,221,007)	₱58,843,709
BALANCES AT JANUARY 1, 2024	₱250,000,001	₱–	(₱358,153,763)	(₱108,153,762)	(₱4,433,261)	(₱112,587,023)
Total comprehensive loss/ net loss for the period	–	–	(12,069,095)	(12,069,095)	(146,993)	(12,216,088)
BALANCES AT MARCH 31, 2024	₱250,000,001	₱–	(₱370,222,858)	(₱120,222,857)	(₱4,580,254)	(₱124,803,111)

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

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

	Notes	Three-Month Period Ended March 31 (Unaudited)	
		2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		(₱3,372,369)	(₱12,147,691)
Adjustments for:			
Equity in net loss of a joint venture	6	1,374,028	5,767,832
Interest income	4	(114,958)	(1,705)
Unrealized foreign exchange gain (loss)		58,428	(70,731)
Depreciation		–	39,506
Interest expense	9	–	3,514,741
Operating loss before working capital changes		(2,054,871)	(2,898,048)
Decrease (increase) in:			
Receivables		(854,539)	27,601
Other current assets		(128,469)	(210,000)
Increase (decrease) accounts payable and other current liabilities		(3,417,235)	1,558,164
Cash used in operations		(6,455,114)	(1,522,283)
Interest received		121,421	1,705
Income tax paid		(45,823)	–
Net cash used in operating activities		(6,379,516)	(1,520,578)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES			
Availment of short-term loans	9	–	700,000
Interest paid	9	(15,913)	–
Net cash (used in) from financing activities		(15,913)	700,000
NET DECREASE IN CASH AND CASH EQUIVALENTS		(6,395,429)	(820,578)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(67,676)	70,730
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		28,107,477	7,538,325
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4	₱21,644,372	₱6,788,477

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).

As at March 31, 2025 and December 31, 2024, AC Energy and Infrastructure Corporation (“ACEIC”) owns 58.23% of ACEN’s total outstanding shares of stock. This is based on direct and indirect ownership of ACEIC.

The direct Company (or intermediate Company) of ACEN is ACEIC, a wholly owned subsidiary of Ayala Corporation (“AC”). AC is a publicly-listed company which is 47.57% owned by Mermac, Inc. (ultimate Company). ACEN, ACEIC, AC and Mermac, Inc. are all incorporated and domiciled in the Philippines.

As at April 30, 2025, 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 ₱3.41 million and ₱12.22 million for the three-month period ended March 31, 2025 and 2024, respectively, and has reported an equity of ₱58.84 million and ₱62.26 million as at March 31, 2025 and December 31, 2024, respectively.

The accompanying unaudited interim condensed consolidated financial statements of ENEX and its subsidiary as at March 31, 2025, and for the three-month periods ended March 31, 2025 and 2024 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 April 30, 2025.

2. Summary of Significant Accounting Policies**Basis of Preparation**

The unaudited interim condensed consolidated financial statements as at March 31, 2025 and for the three-month periods ended March 31, 2025 and 2024 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, 2024.

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, 2025 and December 31, 2024. 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.

New Standards, Interpretations and Amendments

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, 2024, except for the adoption of new standards and amendments effective as at January 1, 2025. 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, 2025

- Amendments to PAS 21, *Lack of exchangeability*

The amendment specifies:

- when a currency is exchangeable into another currency and when it is not;
- how an entity determines the exchange rate to apply when a currency is not exchangeable; and,
- the required disclosure of additional information when a currency is not exchangeable.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025 and must be applied retrospectively. The amendments do not 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:

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- 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, 2025 and December 31, 2024, the Group's SCs are assessed as joint arrangements in the form of joint operations (see Note 7).

4. Cash and Cash Equivalents

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash in bank	₱8,644,372	₱2,145,797
Cash equivalents	13,000,000	25,961,680
	₱21,644,372	₱28,107,477

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months, depending on the immediate cash requirements of the Group.

Interest income on cash and cash equivalents amounted to ₱14,958 and ₱1,705 as at March 31, 2025 and 2024, respectively.

5. Receivables

This account consists of the following:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Due from:		
Third party	₱20,000,000	₱20,000,000
Related party (Note 9)	1,993,925	1,139,386
Others	-	6,462
	21,993,925	21,145,848
Less allowance for credit losses	20,000,000	20,000,000
	₱1,993,925	₱1,145,848

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The aging analysis of receivables is as follows:

March 31, 2025 (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
Due from related party	1,993,925	1,993,925	–	–	–	–	–
	₱21,993,925	₱1,993,925	₱–	₱–	₱–	₱–	₱20,000,000

December 31, 2024 (Audited)							
	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
Due from related party	1,139,386	1,139,386	–	–	–	–	–
Others	6,462	6,462	–	–	–	–	–
	₱21,145,848	₱1,145,848	₱–	₱–	₱–	₱–	₱20,000,000

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.

The Group has written-off other receivables amounting to ₱27,601 in 2024 (nil in 2025).

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:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Acquisition cost	₱150,220,000	₱150,220,000
Accumulated equity in net losses	(85,337,378)	(83,963,350)
Balance at end of period	₱64,882,622	₱66,256,650

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

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Summarized Statements of Financial Position:		
Cash	₱7,620,753	₱10,496,949
Other current assets	21,603,080	21,464,023
Total assets	29,223,833	31,960,972
Accounts payable and other current liabilities	(22,578,127)	(22,567,210)
Total liabilities	(22,578,127)	(22,567,210)
Equity	₱6,645,706	₱9,393,762
	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Share in net assets	₱3,322,853	₱4,696,881
Notional goodwill	61,559,769	61,559,769
Carrying value of the investment	₱64,882,622	₱66,256,650
Summarized Statements of Comprehensive Income:		
	March 31, 2025	March 31, 2024
	(Unaudited)	(Unaudited)
Revenue	₱-	₱-
Interest income	539	4,776
Cost and expenses	(2,748,595)	(11,540,439)
Net loss	(2,748,056)	(11,535,663)
Other comprehensive income	-	-
Total comprehensive loss	(₱2,748,056)	(₱11,535,663)
Group's share in total comprehensive loss	(₱1,374,028)	(₱5,767,832)

As at March 31, 2025 and December 31, 2024, BCEI is currently in pre-development stage.

7. Deferred Exploration Costs

Details of deferred exploration costs as at March 31, 2025 and December 31, 2024 are as follows:

ENEX	
SC 6 (Northwest Palawan):	
Block A	₱23,963,291
Block B	4,892,178
SC 50 (Northwest Palawan)	11,719,085
	<u>40,574,554</u>
Less allowance for probable losses	<u>40,574,554</u>
	–
Palawan55	
SC 55 (Southwest Palawan)	54,349,977
	<u>₱54,349,977</u>

Below is the rollforward analysis of the deferred exploration costs as at March 31, 2025 and December 31, 2024:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at beginning and end of period	<u>94,924,531</u>	<u>94,924,531</u>
Allowance for a probable loss:		
Balances at beginning and end of period	<u>40,574,554</u>	<u>40,574,554</u>
Net book value	<u>₱54,349,977</u>	<u>₱54,349,977</u>

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 a 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, 2025 and December 31, 2024, Palawan55 holds 75.00% participating interests in SC 55 and has met all compliance requirements of the DOE. As at March 31, 2025 and 2024, total training fund contribution to DOE amounted to ₱0.22 million and ₱0.21 million, respectively.

No impairment was recognized for SC 55 as at March 31, 2025 and December 31, 2024 as there are no indicators for impairment.

8. Accounts Payable and Other Current Liabilities

This account consists of:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Accrued expenses and other payables	₱1,505,880	₱2,671,639
Due to:		
Related parties (Note 9)	54,568,953	56,468,781
Third party	28,132,570	28,248,708
Taxes payable	54,274	320,660
	₱84,261,677	₱87,709,788

Accrued expenses include accruals for professional fees such as retainers fee and audit fee that are noninterest-bearing and are normally settled on 30 to 60-day net terms from the date of billing. This also includes accrual for training obligations for SC 55 payable to the DOE, payable within 30 days

Due to a third party is an advance payment made by a partner in the Consortium to be applied to SC 55's work program. As at March 31, 2025 and December 31, 2024, infusions from a consortium partner amounted to nil and ₱2.07 million, respectively.

The rollforward of the Due to Third Party payable are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at the beginning of year	₱28,248,708	₱28,733,133
Cash infusion	-	2,068,621
Recoveries	(154,737)	(787,022)
Reclassification from (to) accrued expenses	38,599	(1,766,022)
	₱28,132,570	₱28,248,708

9. Related Party Transactions

Parties are related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates. Related parties may be individual or corporate entities.

Outstanding balances for the period are unsecured and are to be settled in cash throughout the financial year.

In the ordinary course of business, the Group transacts with intermediate Parent, affiliates, jointly controlled entities and other related parties on advances, loans, reimbursement of expenses and management service agreements.

The transactions and balances of accounts as at and for the three-month period ended March 31, 2025 and the year ended December 31, 2024 with related parties are as follows:

Company	As at and for the three months ended March 31, 2025 (Unaudited)					
	Amount/ Volume	Nature	Outstanding Balance		Terms	Conditions
			Receivable	Payable		
Intermediate Parent Company						
ACEIC						
Accounts payable and other current liabilities (see Note 8)	₱-	Advances	₱-	₱58,200	Due and demandable, noninterest-bearing	Unsecured
ACEN						
Accounts payable and other current liabilities (see Note 8)	505,415	Management and professional fees	-	2,407,266	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)	-	Advances	-	12,234,686	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	-	Interest expense on short-term loans	-	19,324,264	Noninterest bearing	Unsecured
Entities Under Common Control						
ACES						
Accounts payable and other current liabilities (see Note 8)	248,365	Management fees	-	1,138,928	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	670,312	Contracted services	-	2,065,609	Due and demandable, noninterest bearing	Unsecured
Due to related parties				54,568,953		
Joint venture						
BCEI						
Receivables (Note 5)	854,539	Cost recoveries	1,993,925	-	Noninterest bearing	Unsecured
Due from related party			1,993,925			

Company	December 31, 2024					
	Amount/ Volume	Nature	Outstanding Balance		Terms	Conditions
			Receivable	Payable		
Intermediate Parent Company						
ACEIC						
Accounts payable and other current liabilities (see Note 8)	₱-	Advances	₱-	₱58,200	Due and demandable, noninterest-bearing	Unsecured
ACEN						
Short-term loans	21,272,858	Short-term loans	-	-	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	2,442,999	Management and professional fees	-	1,414,861	Due and demandable, noninterest bearing	Unsecured

(Forward)

Company	December 31, 2024					
	Amount/ Volume	Nature	Outstanding Balance		Terms	Conditions
			Receivable	Payable		
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)	–	Advances	–	14,682,686	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	6,459,565	Interest expense on short-term loans	–	19,324,264	Noninterest bearing	Unsecured
Deposit for future stock subscriptions (see Note 10)	30,000,000	Cash subscription	–	–	–	–
Deposit for future stock subscriptions (see Note 10)	6,271,153	Assigned ACEN International short-term loans, including accrued interest expense	–	–	–	–
Deposit for future stock subscriptions (see Note 10)	171,272,858	Assigned ACEN short-term loans	–	–	–	–
<i>Entities Under Common Control</i>						
<i>ACES</i>						
Accounts payable and other current liabilities (see Note 8)	1,290,759	Management fees	–	890,563	Due and demandable, noninterest bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	2,742,294	Contracted services	–	2,742,294	Due and demandable, noninterest bearing	Unsecured
<i>BPGC</i>						
Accounts payable and other current liabilities (see Note 8)	4,000,000	Advances	–	–	Due and demandable, noninterest bearing	Unsecured
ACEN International Short-term loans	700,000	Short-term loans	–	–	Interest-bearing	Unsecured
Accounts payable and other current liabilities (see Note 8)	256,905	Interest expense on short-term loans	–	15,913	Noninterest bearing	Unsecured
<i>Due to related parties</i>				56,468,781		
<i>Joint venture</i>						
<i>BCEI</i>						
Receivables (Note 5)	1,139,386	Cost recoveries	1,139,386	–	Noninterest bearing	Unsecured
<i>Due from related party</i>			1,139,386			

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ACEIC

Payable to ACEIC pertains to advances to Palawan55 for payment of management fee.

ACEN

Payables to ACEN comprise of advances received by ENEX to cover working capital as well as interest expense on short-term loans. For the three-month period ended March 31, 2025, ENEX made partial payment of its advances amounting to ₱1.96 million (nil in 2024).

Short-term Loans and Interest Expense

ENEX availed short-term loan from ACEN to fund the initial subscription by ENEX to shares in BCEI. Subsequently, ACEN converted its short-term loans and interest receivable from ENEX amounting to ₱177.27 million and ₱0.27 million, respectively, to subscription to ENEX's non-voting.

For the three-month period ended March 31, 2024, interest expense amounted to ₱3.39 million (nil in 2025).

Deposit for Future Stock Subscriptions

In 2024, ENEX received from ACEN deposits for future stock subscriptions (see Note 10) to fund its capital and pre-operational requirements.

ACES

Payable to ACES includes management fees and contracted services.

ACEN International

Short-term Loan and Interest Expense

ENEX availed short-term loan from ACEN International. Subsequently, on June 26, 2024, ACEN International assigned its short-term loans and interest receivable from ENEX amounting to ₱6.00 million and ₱0.27 million, respectively, in favor of ACEN.

BCEI

Cost recoveries

On September 1, 2024, the Group and BCEI executed a service and cost recovery agreement wherein BCEI agrees to reimburse ENEX for the cost of the service and personnel from effective date of the agreement to August 31, 2025.

Other income recognized from this transaction amounts to amounting to ₱0.85 million and nil for the period ended March 31, 2025 and 2024, respectively.

Compensation of Key Management Personnel

The compensation of the Group's key management personnel is paid ACEN and as such, the necessary disclosures required by PAS 24, *Related Party Disclosures*, are included in the financial statements of ACEN.

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, 2025 and December 31, 2024:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Authorized - ₱1 par value	1,000,000,000	1,000,000,000
Issued and outstanding - ₱1 par value	250,000,001	250,000,001

The issued and outstanding shares as at March 31, 2025 and December 31, 2024 are held by 2,885 and 2,858 equity holders.

On March 14, 2024 special meeting, the BOD approved the amendment to the Seventh Article of the Articles of Incorporation (AOI) to increase the authorized capital stock of the Parent Company from ₱1,000 million consisting of 1,000.00 million common shares at ₱1.00 par value a share, to ₱1,300 million consisting of 1,000.00 million common shares at ₱1.00 par value a share and 300.00 million preferred shares at ₱1.00 par value a share, subject to the approval by the SEC on the increase in authorized capital stock.

Deposit for Future Stock Subscription

On April 30, 2024, ENEX, signed a subscription contract with ACEN for the subscription by ACEN to 30,000,000 non-voting Preferred Shares of ENEX at par value of ₱1.00, for a total subscription price of ₱30.00 million.

On June 26, 2024, ENEX signed a subscription agreement with ACEN for the subscription by ACEN to 177,544,011 non-voting Preferred Shares of ENEX at par value of ₱1.00, for a total subscription price of ₱177.54 million, to be paid out of the assignment of short-term loans and interest receivable from ENEX via the Deed of Assignment between ACEN and ENEX.

On August 19, 2024, ENEX submitted its application for increase of authorized capital stock and creation of non-voting Preferred shares for review of the SEC. The non-voting Preferred shares are to be issued upon the SEC's approval of the increase in the authorized capital stock of the Company and the creation of the non-voting Preferred shares.

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ACEN's subscription to Preferred Shares will be in exchange of below ACEN receivables from ENEX and cash infusion (Note 9):

Short-term loan principal	₱171,272,858
Assigned receivables from ACEN International	
Short-term loan principal	6,000,000
Short-term loan interest accrued	271,153
	177,544,011
Cash infusion	30,000,000
Deposit for future stock subscription	₱207,544,011

The application was submitted and duly received by the SEC as of December 31, 2024. Accordingly, the subscription is treated as deposit for future stock subscription presented as equity as of such date. As of April 30, 2025, ENEX application for increase of authorized capital stock and creation of non-voting Preferred shares is still undergoing review of the SEC.

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, 2025 and December 31, 2024.

11. Basic/Diluted Loss Per Share

Basic/diluted loss per share is computed as follows:

	Three-Month Period Ended March 31 (Unaudited)	
	2025	2024
(a) Net loss attributable to equity holders of the Parent Company	₱3,244,587	₱12,069,095
(b) Weighted average number of common shares outstanding	250,000,001	250,000,001
Basic/diluted loss per share (a/b)	₱0.013	₱0.048

As at March 31, 2025 and December 31, 2024, 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:

	For the three months ended March 31 (Unaudited)	
	2025	2024
Equity interest held by NCI	30.65%	30.65%
Accumulated balances of NCI	₱5,221,007	₱4,580,254
Net loss allocated to NCI	167,889	146,993

The summarized financial information of Palawan55 is provided below.

Statements of Comprehensive Income

	For the three months ended March 31 (Unaudited)	
	2025	2024
Other (income) loss	(₱9,612)	(₱72,366)
Expenses	557,391	551,952
Total comprehensive loss	₱547,781	₱479,586
Total comprehensive loss attributable to NCI	₱167,889	₱146,993

Statements of Financial Position

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Total current assets	₱6,271,216	₱7,519,073
Total noncurrent assets	54,349,977	54,349,977
Total current liabilities	(77,656,045)	(78,356,123)
Total capital deficiency	(₱17,034,852)	(₱16,487,073)
Attributable to equity holders of the Parent Company	(₱11,813,845)	(₱11,433,955)
NCI	(₱5,221,007)	(₱5,053,118)

Cash Flow Information

	For the three months ended March 31 (Unaudited)	
	2025	2024
Net cash flows provided by:		
Operating activities	(₱1,247,199)	₱1,920,521

There were no dividends paid to NCI in the three-month period ended March 31, 2025 and 2024.

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 cash equivalents and receivables 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:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash and cash equivalents (Note 4)	₱21,644,372	₱28,107,477
Receivables (Note 5)	1,993,925	1,145,848
	₱23,638,297	₱29,253,325

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, 2025 (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
Due from related party	-	-	1,993,925	-	-	1,993,925
	₱-	₱-	₱1,993,925	₱-	₱20,000,000	₱21,993,925

	December 31, 2024 (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
Due from related party	-	-	1,139,386	-	-	1,139,386
Others	-	-	6,462	-	-	6,462
	₱-	₱-	₱1,145,848	₱-	₱20,000,000	₱21,145,848

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 and cash equivalents, 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 and cash equivalents, receivables, and accounts payable and other current liabilities approximate their fair values due to the 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, 2025 and for the year ended December 31, 2024 were nil.

As at April 30, 2025, the Group has not started commercial operations yet and has no revenue or gross profit. The total assets of the segment of ₱143.11 million and ₱149.97 million and liabilities amounting to ₱84.26 million and ₱87.71 million as at March 31, 2025 and December 31, 2024, 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, 2025, for the three months ended March 31, 2025 and 2024 and the audited consolidated financial statements as at December 31, 2024. 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

	Three-Month Period Ended March 31		Increase (Decrease)	
	(Unaudited)		Amount	%
	2025	2024		
Expenses	₱2,900,579	₱2,937,554	(₱36,975)	(1)
Other charges (income) - net	471,790	9,210,137	(8,738,347)	(95)
Loss before income tax	3,372,369	12,147,691	(8,775,322)	(72)
Provision for income tax	40,107	68,397	(28,290)	(41)
Net loss	₱3,412,476	₱12,216,088	(₱8,803,612)	(72)

The following are the material changes in the consolidated statements of comprehensive income for the three months ended March 31, 2025 and 2024:

- Taxes and licenses decreased due to prior period’s documentary stamp taxes on availment and renewal of short-term loans. The decrease was offset by increase in management and professional fee in the current period arising from retainer fee for stock transfer and consultancy fee.
- Decrease in Other charges (income) – net mainly from lower equity in net loss of a joint venture (BCEI) amounting to ₱1.37 million from ₱5.77 million in previous period. These are ENEX’s share in pre-development expenses of BCEI. Further, the interest expense on short-term loan from ACEN and ACEN International amounting to ₱3.51 million in 2024 (nil in 2025) decreased due to conversion of short-term loans to deposit for future stock subscription. The decrease was offset by increase in other income charged to BCEI for cost recoveries amounting to ₱0.85 million in 2025 (nil in 2024).

Consolidated Statements of Financial Position

	March 31,	December 31,	Increase (Decrease)	
	2025	2024	Amount	%
	(Unaudited)	(Audited)		
Current Assets				
Cash and cash equivalents	₱21,644,372	₱28,107,477	(₱6,463,105)	(23)
Noncurrent Assets				
Investment in a joint venture	64,882,622	66,256,650	(1,374,028)	(2)
Deferred exploration costs	54,349,977	54,349,977	–	–
Current Liability				
Accounts payable and other current liabilities	84,261,677	87,709,788	(3,448,111)	(4)

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The following are the material changes in the Consolidated Statements of Financial Position as at March 31, 2025 and December 31, 2024:

- Decrease in cash and cash equivalents was primarily due to payment of various working capital expenditures related to the Group's pre-operating activities for the current period
- 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 (₱1.37 million)
- Decrease in Accounts payable and other current liabilities mainly due to settlement of prior year liabilities to ACEN pertaining to management fees (₱1.96 million), payment to DOE training fund contributions (₱1.15 million) and professional fees (₱0.28 million).

Financial Soundness Indicators

		March 31, 2025 (Unaudited)	December 31, 2024 (Audited)	Increase (Decrease) Amount %	
Liquidity Ratios					
Current Ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	0.28	0.33	(0.05)	(15)
Acid test ratio	$\frac{\text{Cash + Short-term investments +Accounts receivables +Other liquid assets}}{\text{Current liabilities}}$	0.28	0.33	(0.05)	(15)
Solvency Ratios					
Debt-to-equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	1.43	1.41	0.02	1
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	2.43	2.41	0.02	1
Net bank Debt to Equity Ratio	$\frac{\text{Short \& long-term loans- Cash}}{\text{Total Equity}}$	N/A	N/A	N/A	N/A
Profitability					
Return on equity	$\frac{\text{Net income after tax}}{\text{Average stockholders' equity}}$	N/A	N/A	N/A	N/A
Return on assets	$\frac{\text{Net income after taxes}}{\text{Average total assets}}$	N/A	N/A	N/A	N/A
Asset turnover	$\frac{\text{Revenues}}{\text{Average total assets}}$	N/A	N/A	N/A	N/A

Current ratio and acid test ratio

Current ratio and acid test ratios decreased mainly from the decrease in cash and cash equivalents as used in pre-operating activities.

Debt-to-equity ratios

Slight increase mainly from net loss for the period offset by the decrease in total liabilities from partial settlement of due to related parties.

Debt-to-equity ratios

Slight increase from net loss for the period and decrease in total asset arising mainly from the decrease in cash and cash equivalents as used in operating activities.

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 2025:

- 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 condensed 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

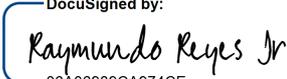
For the Quarter January 01 to March 31, 2025

SC 55 (Ultra Deepwater West Palawan)

Service Contract 55 is currently under Force Majeure. Under this condition, the Consortium will 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 serves as the Operator.

Certified Correct:

DocuSigned by:

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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 2025:

1. January 13, 2025 – Public Ownership Report as of December 31, 2024
2. January 13, 2025 – List of Top 100 Stockholders of December 31, 2024
3. March 4, 2025 – Matters approved at the regular board meeting held on March 4, 2025
 - a. Schedule, mode of conduct, and agenda for the 2025 Annual Stockholders' Meeting (the "2025 ASM");
 - b. Appointment of SGV & Co. as the Company's external auditor for 2025 and endorsement thereof to the stockholders for approval at the 2025 ASM;
 - c. The Company's 2024 Audited Financial Statements; and
 - d. Letter of support in favor of Palawan55 Exploration & Production Corporation.
4. March 5, 2025 – Notice of Annual Stockholders' Meeting
5. March 6, 2025 – Annual Certification of the Department of Energy
6. March 24, 2025 – The Company's Definitive Information Statement will be uploaded at <https://enexor.com.ph/2025-dis/>