



SECURITIES AND EXCHANGE COMMISSION

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Certification

I, ANNABELLE S. GUZMAN, Vice President - Controller of PHINMA CORPORATION with SEC registration number 12397 with principal office at Level 12, PHINMA Plaza, 39 Plaza Drive, Rockwell Center Makati City, on oath state:


- 1) That on behalf of PHINMA Corporation, I have caused this SEC Form 17 – Q (Quarterly Report) as of March 31, 2026 to be prepared;
- 2) That I read and understood its contents which are true and correct of my own personal knowledge and/or based on true records;
- 3) That PHINMA Corporation will comply with the requirements set forth in SEC Notice dated June 24, 2020 for a complete and official submission of reports and/or documents through electronic mail; and
- 4) That I am fully aware that documents filed online which requires pre-evaluation and/or processing fee shall be considered complete and officially received only upon payment of a filing fee.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of May, 2026.


ANNABELLE S. GUZMAN
Vice President - Controller

SUBSCRIBED AND SWORN to before me this MAY 05 2026 day of May, 2026 in Makati City, affiant exhibited her Driver's License No.  with expiration date April 15, 2034.

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 **NOTARY PUBLIC**
ATTY. RIAN ANTHONY G. PEREÑA
NOTARY PUBLIC for MAKATI CITY
Commission No. M-012 until Dec. 31, 2027
Roll of Attorneys 77327
PTR No. 10764513; 01/02/2026; Makati City
IBP OR No. 566188; 12/16/2025; Pasig City
MCLE Compliance No. VIII-0000389
8553 San Jose St., Guadalupe Nuevo, Makati City

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17 – Q
QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE (SRC) AND SRC RULE 17 (2)(b) THEREUNDER

1. For the quarterly period ended March 31, 2026
2. Commission identification no. 12397
3. BIR Tax Identification No. 000-107-026-000
4. PHINMA Corporation
Exact name of registrant as specified in its charter
5. Manila, Philippines
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code:
7. 12/F, Phinma Plaza, 39 Plaza Drive, Rockwell Center, Makati City 1210
Address of registrant's principal office
8. (632) 8870-01-00
Registrant's telephone number, including area code
9. Former name, former address, and former fiscal year, if changed since last report: N/A
10. Common Shares – **336,343,544** shares issued and outstanding
11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes () No ()

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

Philippine Stock Exchange, Inc.

Common Shares

12. Indicate by check mark whether the registrant:

(a) Has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or 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 12 months (or for such shorter period the registrant was required to file such reports)

Yes [] No []

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

Yes [] No []

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PHINMA CORPORATION AND SUBSIDIARIES**UNAUDITED INTERIM CONDENSED CONSOLIDATED****STATEMENT OF FINANCIAL POSITION****AS AT MARCH 31, 2026****(With Comparative Audited Figures as at December 31, 2025)****(Amounts in Thousands)**

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7 and 29)	₱4,287,374	₱3,194,549
Investments held for trading (Notes 8, 29 and 30)	206,520	359,648
Current portion of:		
Trade and other receivables (Notes 9 and 29)	12,981,221	13,550,168
Contract assets (Notes 9 and 29)	1,640,579	1,745,221
Inventories (Note 10)	5,425,180	5,448,159
Input value-added taxes and other current assets	2,781,748	3,427,822
Current assets - excluding held for sale	27,322,622	27,725,567
Assets held for sale	224,793	224,793
Total Current Assets	27,547,415	27,950,360
Noncurrent Assets		
Noncurrent portion of:		
Trade and other receivables (Notes 9 and 29)	493,610	424,500
Contract assets (Notes 9 and 29)	1,322,568	1,521,676
Investment in and advances to associates and joint ventures (Note 11)	864,273	863,462
Financial assets at fair value through profit or loss (Notes 12, 29 and 30)	2,193,806	2,123,097
Financial assets at fair value through other comprehensive income (Notes 13 and 30)	95,248	95,355
Property, plant and equipment (Note 14)	22,687,920	20,580,057
Investment properties (Note 15)	871,989	864,009
Intangible assets (Note 16)	2,401,003	2,415,943
Right-of-use assets (Note 31)	454,695	423,511
Deferred tax assets - net (Note 27)	366,062	361,106
Derivative asset (Notes 12, 29 and 30)	1,213,026	1,173,929
Other noncurrent assets (Notes 17 and 29)	583,650	596,280
Total Noncurrent Assets	33,547,850	31,442,925
	₱61,095,265	₱59,393,285
LIABILITIES AND EQUITY		
Current Liabilities		
Notes payable (Notes 18, 29 and 30)	₱12,096,316	₱12,388,806
Trade and other payables (Notes 19, 29 and 30)	6,185,355	5,612,973
Contract liabilities (Note 20 and 29)	1,081,384	3,596,291
Trust receipts payable (Notes 18, 29 and 30)	1,572,533	1,332,356
Income and other taxes payable	507,057	257,501
Current portion of:		
Long-term debt (Notes 21, 29 and 30)	2,059,995	1,995,780
Lease liabilities (Notes 31)	147,671	143,464
Non-controlling interest put liability (Notes 6, 22 and 29)	-	-
Due to related parties (Notes 26 and 29)	30,094	34,592
Total Current Liabilities	23,680,405	25,361,763
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 21, 29 and 30)	16,970,913	15,627,227
Non-controlling interest put liability (Notes 6, 22 and 29)	-	-
Deferred tax liabilities - net (Note 27)	807,543	645,600
Pension and other post-employment benefits (Note 28)	391,937	406,525
Lease liabilities - net of current portion (Notes 29 and 31)	463,094	397,762
Other noncurrent liabilities	175,275	246,455
Total Noncurrent Liabilities	18,808,762	17,323,569
Total Liabilities	42,489,167	42,685,332

(Forward)

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
Equity Attributable to Equity Holders of the Parent		
Capital stock (Note 22)	₱3,363,312	₱3,363,312
Additional paid-in capital	919,367	919,367
Treasury shares (Note 22)	(2,282)	(2,282)
Exchange differences on translation of foreign operations	(1,113)	
Equity reserves (Note 6)	464,755	129,353
Other comprehensive income (Note 13)	12,089	12,185
Retained earnings (Note 22)	4,803,454	4,597,823
Equity Attributable to Equity Holders of the Parent	9,559,582	9,018,645
Non-controlling Interests	9,046,516	7,689,308
Total Equity	18,606,098	16,707,953
	₱61,095,265	₱59,393,285

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

PHINMA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF INCOME
(Amounts in Thousands, Except Per Share Data)

	Three-Month Periods Ended March 31	
	2026 (Unaudited)	2025 (Unaudited)
REVENUES		
Revenue from contracts with customers		
Sale of goods	₱2,652,258	₱3,958,682
Tuition, school fees and other services	2,109,836	1,893,160
Hospital routine services	86,189	60,560
Real estate sales	200,046	284,680
Construction contracts	57,652	31,163
Hotel operations	107,993	99,951
Management and administrative fees	48,658	47,035
Installation services	22,516	34,995
Consultancy services	-	10,920
Commission income	13,634	13,277
Royalty and franchise fees	9,711	9,282
Investment and interest income	107,018	124,012
Rental income	36,253	32,696
	5,451,764	6,600,390
COSTS AND EXPENSES		
Cost of sales (Note 23)	2,227,721	3,498,506
Cost of educational and hospital services (Note 23)	803,233	681,039
Cost of installation services	47,995	23,115
Cost of real estate and construction services	225,815	216,403
Cost of hotel operations	58,823	56,008
Cost of management and administrative services	28,194	28,124
General and administrative expenses (Note 24)	675,979	765,766
Selling expenses (Note 25)	213,691	258,595
	4,281,451	5,527,556
OTHER INCOME (EXPENSES)		
Interest expense and other financing charges	(503,185)	(446,828)
Foreign exchange gain (loss) – net (Note 29)	34,908	(13,090)
Equity in net gain (loss) of associates and joint ventures	812	3,748
Gain on bargain purchase option	147,142	
Gain (loss) on derivatives – net	39,098	(11,708)
Gain on change in fair value of financial assets at FVPL	70,710	(22,418)
Gain (loss) on sale of property, plant and equipment – net	(14)	(1,665)
Others – net	49,028	45,100
	(161,501)	(446,861)
INCOME BEFORE INCOME TAX	1,008,812	625,973
Current	118,098	90,697
Deferred	(1,563)	(27,342)
	116,535	63,355
NET INCOME	₱892,277	₱562,618
Attributable to:		
Equity holders of the Parent	₱407,426	₱191,274
Non-controlling interests	484,851	371,344
Net income	₱892,277	₱562,618
Basic/Diluted Earnings Per Common Share - Attributable to		
Equity Holders of the Parent (Note 33)	₱1.21	₱0.57
Dividends declared per share (Note 22)		
	₱0.60	₱-

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

PHINMA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	Three-Month Periods Ended March 31	
	2026 (Unaudited)	2025 (Unaudited)
NET INCOME (LOSS)	₱ 892,277	₱562,618
OTHER COMPREHENSIVE INCOME (LOSS)		
Items not to be reclassified to profit or loss in subsequent periods		
Re-measurement gain (loss) on defined benefit obligation	-	-
Unrealized gain on change in fair value of financial assets at fair value through other comprehensive income	(107)	(161)
Share in unrealized gain (loss) on change in fair value of financial assets at fair value through other comprehensive income and defined benefit obligation of associates and joint ventures	-	-
Income tax effect	(107)	(161)
Items to be reclassified to profit or loss in subsequent periods		
Exchange differences on translation of foreign operations	-	-
Total other comprehensive loss	(107)	(161)
TOTAL COMPREHENSIVE INCOME	₱ 892,170	₱562,457
Attributable to:		
Equity holders of the Parent	₱ 407,330	₱191,129
Non-controlling interests	484,840	371,328
Total comprehensive income	₱ 892,170	₱562,457

PHINMA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands)

	Equity Attributable to Equity Holders of the Parent											Non-controlling Interests	Total Equity
	Capital Stock	Additional Paid-in Capital	Treasury Shares	Exchange Differences on Translation of Foreign Operations	Equity Reserves	Other Comprehensive Income	Share in Other Comprehensive Income (Loss) of Associates and Joint Ventures	Retained Earnings		Subtotal	Interests		
								Appropriated	Unappropriated				
Balance, December 31, 2025 (Audited)	₱3,363,312	₱919,367	(₱2,282)	(₱1,113)	₱129,353	₱12,185	₱-	₱1,000,000	₱3,597,823	₱9,018,645	₱7,689,308	₱16,707,953	
Adjustment on PFRS 15: Significant financing component (Note 3)	-	-	-	-	-	-	-	-	-	-	-	-	
Total adjustment	-	-	-	-	-	-	-	-	-	-	-	-	
Balance, January 1, 2026	3,363,312	919,367	(2,282)	(1,113)	129,353	12,185	-	1,000,000	3,597,823	9,018,645	7,689,308	16,707,953	
Net income	-	-	-	-	-	-	-	-	407,426	407,426	484,851	892,277	
Other comprehensive income (loss)	-	-	-	-	-	(96)	-	-	-	(96)	(11)	(107)	
Total comprehensive income	-	-	-	-	-	(96)	-	-	407,426	407,330	484,840	892,170	
Cash dividends (Note 22)	-	-	-	-	-	-	-	-	(201,795)	(201,795)	-	(201,795)	
Business combination (Note 6)	-	-	-	-	-	-	-	-	-	-	88,770	88,770	
Issuance of shares (Note 6)	-	-	-	-	335,402	-	-	-	-	335,402	783,598	1,119,000	
Balance, March 31, 2026 (Unaudited)	₱3,363,312	₱919,367	(₱2,282)	(₱1,113)	₱464,755	₱12,089	₱-	₱1,000,000	₱3,803,454	₱9,559,582	₱9,046,516	₱18,606,098	

Equity Attributable to Equity Holders of the Parent												
	Capital Stock	Additional Paid-in Capital	Treasury Shares	Exchange Differences on Translation of Foreign Operations	Equity Reserves	Other Comprehensive Income	Share in Other Comprehensive Income (Loss) of Associates and Joint Ventures	Retained Earnings			Non-controlling Interests	Total Equity
								Appropriated	Unappropriated	Subtotal		
Balance, December 31, 2024 (Audited)	₱3,363,312	₱919,367	(₱2,282)	(₱1,113)	(₱44,678)	₱49,523	₱-	₱1,600,000	₱3,452,873	₱9,337,002	₱6,485,988	₱15,822,990
Adjustment on PFRS 15: Significant financing component (Note 3)	-	-	-	-	-	-	-	-	-	-	-	-
Total adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Balance, January 1, 2025	3,363,312	919,367	(2,282)	(1,113)	(44,678)	49,523	-	1,600,000	3,452,873	9,337,002	6,485,988	15,822,990
Net income	-	-	-	-	-	-	-	-	191,274	191,274	371,344	562,618
Other comprehensive income (loss)	-	-	-	-	-	(145)	-	-	-	(145)	(16)	(161)
Total comprehensive income	-	-	-	-	-	(145)	-	-	191,274	191,129	371,328	562,457
Issuance of shares from stock purchase plan (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-
Business combination	-	-	-	-	(101,713)	-	-	-	-	(101,713)	10,000	(101,713)
Issuance of shares	-	-	-	-	-	-	-	-	-	-	-	10,000
Reversal of Appropriation	-	-	-	-	-	-	-	(1,600,000)	1,600,000	-	-	-
Appropriation of retained earnings	-	-	-	-	-	-	-	1,000,000	(1,000,000)	-	-	-
Parent company share held by subsidiary (Note 22)	-	-	-	-	-	-	-	-	-	-	-	-
Balance, March 31, 2025 (Unaudited)	₱3,363,312	₱919,367	(₱2,282)	(₱1,113)	(₱146,391)	₱49,378	₱-	₱1,000,000	₱4,244,147	₱9,426,418	₱6,867,316	₱16,293,734

Equity Attributable to Equity Holders of the Parent													
	Notes	Capital stock (Note 23)	Additional paid-in capital	Treasury shares (Note 23)	Exchange differences on translation of foreign operations	Equity reserves (Note 6)	Other comprehensive income (Note 14)	Share in other comprehensive income of associates and joint ventures (Note 12)	Retained earnings (Note 23)			Noncontrolling interests	Total (Note 23)
									Appropriated	Unappropriated	Subtotal		
Balance, January 1, 2023 (as previously reported)		2,863,312	396,845	(182)	(933)	(299,535)	50,920	9,809	1,765,500	3,595,143	8,380,879	2,761,790	11,142,669
Prior period adjustments	41	-	-	-	-	-	-	-	-	(893,481)	(893,481)	(18,106)	(911,587)
Balance, January 1, 2023 (as restated)		2,863,312	396,845	(182)	(933)	(299,535)	50,920	9,809	1,765,500	2,701,662	7,487,398	2,743,684	10,231,082
Comprehensive income (loss)													
Net income		-	-	-	-	-	-	-	-	831,266	831,266	666,416	1,497,682
Other comprehensive income (loss)		-	-	-	160	-	27,370	(201)	-	(4,078)	23,251	(13,223)	10,028
Total comprehensive income (loss)		-	-	-	160	-	27,370	(201)	-	827,188	854,517	653,193	1,507,710
Transactions with owners													
Cash dividends	23	-	-	-	-	-	-	-	-	(171,795)	(171,795)	(301,564)	(473,359)
Business combination	5	-	-	-	-	(636,375)	(14,280)	(9,608)	-	(10,631)	(670,894)	573,887	(97,007)
Dilution of equity shares	6	-	-	-	-	(3,053)	-	-	-	-	(3,053)	(734)	(3,787)
Acquisition of NCI	6	-	-	-	-	(522,315)	-	-	-	-	(522,315)	(542,437)	(1,064,752)
Accretion of interest in NCI put liability	6	-	-	-	-	(248,477)	-	-	-	-	(248,477)	(133,821)	(382,298)
Reversal of appropriation	23	-	-	-	-	-	-	-	(1,765,500)	1,765,500	-	-	-
Appropriation of retained earnings	23	-	-	-	-	-	-	-	1,600,000	(1,600,000)	-	-	-
Parent company shares held by a subsidiary	23	-	-	(57,727)	-	-	-	-	-	-	(57,727)	-	(57,727)
Total transactions with owners		-	-	(57,727)	-	(1,410,220)	(14,280)	(9,608)	(165,500)	(16,926)	(1,674,261)	(404,669)	(2,078,930)
Realized gain on sale of financial assets at FVOCI	14	-	-	-	-	-	(238)	-	-	238	-	-	-
Balance, December 31, 2023		2,863,312	396,845	(57,909)	(773)	(1,709,755)	63,772	-	1,600,000	3,512,162	6,667,654	2,992,208	9,659,862
Adjustment on PFRS 15: Significant financing component		-	-	-	-	-	-	-	-	(142,170)	(142,170)	(9,068)	(151,238)
Balance, January 1, 2024 (as adjusted)		2,863,312	396,845	(57,909)	(773)	(1,709,755)	63,772	-	1,600,000	3,369,992	6,525,484	2,983,140	9,508,624
Comprehensive income (loss)													
Net income		-	-	-	-	-	-	-	-	279,550	279,550	657,318	936,868
Other comprehensive income (loss)		-	-	-	(340)	(5,594)	(5,594)	-	-	(33,529)	(39,463)	(13,308)	(52,771)
Total comprehensive income (loss)		-	-	-	(340)	(5,594)	(5,594)	-	-	246,021	240,087	644,010	884,097

Equity Attributable to Equity Holders of the Parent													
	Notes	Capital stock (Note 23)	Additional paid-in capital	Treasury shares (Note 23)	Exchange differences on translation of foreign operations	Equity reserves (Note 6)	Other comprehensive income (Note 14)	Share in other comprehensive income of associates and joint ventures (Note 12)	Retained earnings (Note 23)			Noncontrolling interests	Total (Note 23)
									Appropriated	Unappropriated	Subtotal		
Transactions with owners													
Cash dividends	23	-	-	-	-	-	-	-	-	(171,795)	(171,795)	(377,197)	(548,992)
Stock rights offering (SRO)	23	500,000	473,500	-	-	-	-	-	-	-	973,500	-	973,500
Business combination	5	-	-	-	-	-	-	-	-	-	-	474,084	474,084
Issuance of shares from stock purchase plan (SPP)	6	-	-	-	-	(8,424)	-	-	-	-	(8,424)	58,933	50,509
Dilution of equity shares	6	-	-	-	-	(443,539)	-	-	-	-	(443,539)	(391,688)	(835,227)
Issuance of shares of subsidiaries	6	-	-	-	-	977,637	-	-	-	-	977,637	1,670,473	2,648,110
Buyback of shares in UGC	6	-	-	-	-	(30,995)	-	-	-	-	(30,995)	24,012	(6,983)
Accretion of interest in NCI put liability	6	-	-	-	-	(279,069)	-	-	-	-	(279,069)	(57,747)	(336,816)
Derecognition of NCI put liability	6	-	-	-	-	1,449,467	-	-	-	-	1,449,467	1,457,968	2,907,435
Parent company shares held by a subsidiary	23	-	49,022	55,627	-	-	-	-	-	-	104,649	-	104,649
Total transactions with owners		500,000	522,522	55,627	-	1,665,077	-	-	-	(171,795)	2,571,431	2,858,838	5,430,269
Realized gain on sale of financial assets at FVOCI	14	-	-	-	-	-	(8,655)	-	-	8,655	-	-	-
Balance, December 31, 2024		3,363,312	919,367	(2,282)	(1,113)	(44,678)	49,523	-	1,600,000	3,452,873	9,337,002	6,485,988	15,822,990
Comprehensive income (loss)													
Net income		-	-	-	-	-	-	-	-	(308,827)	(308,827)	635,479	326,652
Other comprehensive income (loss)		-	-	-	-	-	16,643	-	-	1,591	18,234	(6,352)	11,882
Total comprehensive income (loss)		-	-	-	-	-	16,643	-	-	(307,236)	(290,593)	629,127	338,534
Transactions with owners													
Cash dividends	23	-	-	-	-	-	-	-	-	(201,795)	(201,795)	(321,638)	(523,433)
Business combination	5	-	-	-	-	(101,713)	-	-	-	-	(101,713)	-	(101,713)
Dilution of equity shares	6	-	-	-	-	(33,437)	-	-	-	-	(33,437)	357,137	323,700
Issuance of shares of subsidiaries	6	-	-	-	-	309,181	-	-	-	-	309,181	538,694	847,875
Reversal of appropriation of retained earnings	23	-	-	-	-	-	-	-	(1,600,000)	1,600,000	-	-	-
Appropriation of retained earnings	23	-	-	-	-	-	-	-	1,000,000	(1,000,000)	-	-	-
Total transactions with owners		-	-	-	-	174,031	-	-	-	398,205	(27,764)	574,193	546,429
Realized gain on sale of financial assets at FVOCI	14	-	-	-	-	-	(53,981)	-	-	53,981	-	-	-
Balance, December 31, 2025		3,363,312	919,367	(2,282)	(1,113)	129,353	12,185	-	1,000,000	3,597,823	9,018,645	7,689,308	16,707,953

PHINMA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Three-Month Periods Ended	
	March 31	
	2026	2025
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱1,008,812	₱625,973
Adjustments to reconcile income before income tax to net cash flows:		
Depreciation and amortization (Notes 23, 24 and 25)	294,753	279,829
Interest expense and other financing charges	503,185	446,828
Unrealized foreign exchange loss (gain) - net	(34,908)	13,090
Pension and other employee benefits expense (Note 28)	27,105	24,611
Equity in net losses (earnings) of associates and joint ventures (Note 11)	(812)	(3,748)
Gain on investments held for trading – net	(2,011)	(5,608)
Interest income	(98,272)	(118,135)
Loss (gain) on derivatives – net (Note 12)	(39,097)	11,708
Dividend income	(79)	(3)
Unrealized loss (gain) on change in fair value of investment (Note 12)	(70,709)	24,419
Loss (gain) on sale of property, plant and equipment – net	14	1,655
Gain on bargain purchase	(147,142)	-
Operating income before working capital changes	1,440,839	1,298,629
Decrease (increase) in		
Trade and other receivables	559,307	1,014,159
Contract assets	303,750	(16,941)
Inventories	22,979	260,933
Input value-added taxes and other current assets	647,211	390,493
Other non-current assets	12,630	(150,696)
Increase (decrease) in:		
Trade and other payables	697,975	516,067
Due to related parties	(4,498)	(30,634)
Trust receipts payables	240,177	278,636
Contract liabilities	(2,518,647)	(2,484,161)
Other non-current liabilities	(71,180)	302
Net cash (used in) provided by operations	1,330,543	1,076,787
Interest paid	(473,146)	(424,419)
Income tax paid	(25,529)	(17,705)
Contributions to the pension fund and benefits paid from operating fund	(38,962)	(72,316)
Interest received	46,545	91,288
Net cash provided by (used in) operating activities	839,451	653,635
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Short-term investments		(19,476)
Investment held for trading		(17,073)
Property, plant and equipment	(1,775,991)	(1,147,772)
Investment properties	(11,223)	(14,564)
Intangible assets	(1,610)	(15,948)
Proceeds from sale of:		
Investment held for trading	155,139	365,822
Property, plant and equipment	6,222	30,635
Acquisition of subsidiary - net of cash acquired	(350,666)	(98,489)
Dividends received	79	3
Net cash provided by (used in) investing activities	(1,978,050)	(916,862)

(Forward)

	Three -Month Periods Ended March 31	
	2026	2025
	(Unaudited)	(Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Notes payable	(₱1,737,703)	(₱610,067)
Cash dividends (Note 22)		(79,402)
Lease liability (Note 31)	(28,287)	(34,240)
Long-term debt (Note 21)	(194,914)	(175,668)
Proceeds from availments of:		
Notes payable	1,445,213	1,424,656
Long-term debt	1,598,125	393,307
Issuance of shares to non-controlling interest	1,119,000	10,000
Net cash provided by financing activities	2,201,434	928,568
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	29,990	(6,132)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,092,825	659,227
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3,194,549	3,096,553
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 5)	₱4,287,374	₱3,755,780

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

PHINMA CORPORATION AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

1. Corporate Information

PHINMA Corporation (PHN or the Parent Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on March 12, 1957.

The Parent Company is listed in the Philippine Stock Exchange (PSE) since August 15, 1958.

On August 2, 2006, the Philippine SEC approved the extension of the Parent Company's corporate life for another 50 years. On May 27, 2010, the Philippine SEC approved the change in the Parent Company's corporate name from Bacnotan Consolidated Industries, Inc. to PHINMA Corporation. Its principal activity is holding investments in shares in various subsidiaries, associates and investees and other financial instruments.

Following are the subsidiaries of the Parent Company and the nature of their principal business activities:

Subsidiaries	Nature of Business	Calendar/ Fiscal Yearend	December 31, 2025			December 31, 2024		
			PHN Direct Interest	Direct Interest of Subsidiary	PHN Effective Interest	PHN Direct Interest	Direct Interest of Subsidiary	PHN Effective Interest
<i>Construction Materials Group</i>								
Union Galvasteel Corporation (UGC)	Manufacturing and distribution of steel products	December 31	98.97	-	98.97	98.64	-	98.64
PHINMA Solar Energy Corporation (PHINMA Solar)	Solar rooftop	December 31	-	100.00	98.97	-	100.00	98.64
Bacnotan Solar Power Corporation (BSPC) ⁽ⁱ⁾	Solar rooftop	December 31	-	100.00	98.97	-	-	-
Union Insulated Panel Corporation ⁽ⁱ⁾	Manufacturing and distribution of insulated panel	December 31	-	100.00	98.97	-	100.00	98.64
Philcement Corporation (PCC) ^(e)	Manufacturing and distribution of cement products	December 31	55.70	-	55.70	60.00	-	60.00
Philcement Mindanao Corporation (PMC) ^{(e) (i)}	Manufacturing and distribution of cement products	December 31	-	70.00	42.00	-	70.00	42.00
<i>Education Group</i>								
PHINMA Education Holdings, Inc. (PEHI) ^(a)	Holding company	March 31	63.93	-	63.93	66.42	-	66.42
Pamantasan ng Araullo (Araullo University), Inc. (AU) ^(a)	Educational institution	March 31	-	97.77	62.50	-	97.76	64.93
Cagayan de Oro College, Inc. (COC) ^(a)	Educational institution	March 31	-	92.92	59.40	-	91.27	60.62
University of Iloilo (UI) ^(a)	Educational institution	March 31	-	69.33	44.32	-	69.23	45.98
University of Pangasinan (UPANG) and Subsidiary ^(a)	Educational institution	March 31	-	69.40	44.37	-	69.33	46.05
Southwestern University (SWU) ^(a)	Educational institution	March 31	-	95.57	61.10	-	94.51	62.77
St. Jude College, Inc. (SJCI) ^(a)	Educational institution	March 31	-	98.58	63.02	-	98.44	65.38
Republican College, Inc. (RCI)	Educational institution	December 31	-	99.99	63.92	-	99.97	66.40
Rizal College of Laguna (RCL) ^(a)	Educational institution	April 30	-	90.00	57.54	-	90.00	59.80
Union College of Laguna (UCL)	Educational institution	December 31	-	80.91	51.73	-	80.91	53.74
St. Jude College, Inc. Cavite (SJC-C)	Educational Institution	December 31	-	94.62	60.49	-	94.62	62.85
Southeastern College, Inc. (SE)	Educational Institution	December 31	-	84.91	54.28	-	-	-
Career Academy Asia, Inc. (CAA) ^(a and b)	Educational Institution	March 31	90.00	-	90.00	90.00	-	90.00
<i>Properties Group</i>								
PHINMA Property Holdings Corporation (PPHC) ^(d)	Real estate development	December 31	80.31	19.03	94.93	78.61	22.38	94.01
PHINMA CoHo Corporation (PCH)	Socialized housing development	December 31	99.45	0.55	99.97	-	-	-
P & S Holdings Corporation (PSHC)	Investment and real estate holdings	December 31	60.00	-	60.00	60.00	-	60.00
Asian Plaza, Inc. (API)	Lease of real property	December 31	57.62	-	57.62	57.62	-	57.62
Community Developers and Construction Corporation (CDCC) ^(d)	Real estate development	December 31	-	99.22	94.19	-	99.22	93.28
Community Property Managers Group, Inc. (CPMG) ^(d)	Property Management	December 31	-	95.35	90.52	-	95.75	90.01
ABCIC Property Holdings, Inc. (APHI) ^(d)	Selling of real and personal properties	December 31	89.99	-	89.98	89.98	-	89.98
JEPP Property Corporation ^(e)	Real estate development	December 31	-	55.00	52.21	-	55.00	51.71
<i>Hospitality Group</i>								
PHINMA Hospitality, Inc. (PHI) and Subsidiaries ^(d and h)	Management services and investment holdings	December 31	63.77	36.23	84.65	63.77	36.23	84.65
PHINMA Hospitality Management Corporation (PHMC)	Management services and investment holdings	December 31	100.00	-	100.00	-	-	-
PHINMA Microtel Hotels, Inc. (PHINMA Microtel) ^(d)	Hotel franchising	December 31	51.00	-	51.00	51.00	-	51.00
Coral Way City Hotel Corp. (Coral Way) ^(l)	Hotel operations	December 31	23.75	26.44	46.13	23.75	26.44	46.13
Krypton Esplanade Hotel Corporation (KEHC) ^(l)	Hotel operations	December 31	-	100.00	46.13	-	100.00	46.13

Subsidiaries	Nature of Business	Calendar/ Fiscal Yearend	December 31, 2025			December 31, 2024		
			PHN Direct Interest	Direct Interest of Subsidiary	PHN Effective Interest	PHN Direct Interest	Direct Interest of Subsidiary	PHN Effective Interest
<i>Others</i> PHINMA Insurance Brokers, Inc. (PIBI) ^(b)	Insurance brokers	December 31	100.00	-	100.00	-	-	-
One Animate Limited (OAL) and Subsidiary ^(c)	Business process outsourcing - animation services	December 31	80.00	-	80.00	80.00	-	80.00

^(a) Balances at and for the year ended December 31 of these subsidiaries were used for consolidation purposes.

^(b) CAA ceased its operations on March 31, 2019.

^(c) OAL owns 100.00% interest in Toon City Animation, Inc. (Toon City). OAL and Toon City ceased operations in April 2013.

^(d) On July 17, 2023, PHN acquired shares in the following companies: 36.71% ownership interest of PPHC; 63.47% ownership interest of APhi; 63.77% ownership interest of PHI; 51.00% ownership interest of PHINMA Microtel and 8.03% ownership interest of PEHI

^(e) PPHC and Jepp Real Estate Co. Inc. (JREC) entered into a joint development agreement in 2022 to form Jepp Property Corporation (JEPP) in Bacolod.

^(f) On November 6, 2024, PPHC obtained 55% controlling shares of stock of JEPP.

^(g) PHMC was incorporated on May 9, 2024. In 2025, PHN investment for a 100% ownership interest.

^(h) On March 15, 2024, Philcement Mindanao Corporation (PMC) was incorporated. Philcement entered in a share purchase agreement with Philcement Dipolog Corporation (PDC) (previously Petra Cement, Inc.) for the acquisition of 100% outstanding shares of PDC. PCC intends to transfer the shares of PDC to PMC. On April 17, 2025, the transfer agreement between PCC and PMC was finalized but still pending regulatory approvals. As at December 31, 2025, the transaction valuation is still pending approval of the SEC.

⁽ⁱ⁾ On May 15, 2024, the Board of Directors (BOD) approved PHN's additional investment to be made to PHI amounting to P252 million.

^(j) On September 2, 2022, Union Insulated Panel Corporation (UIPC) was incorporated, which is 100% owned by UGC. On August 6, 2024, the BOD approved an investment up to P210 million in UIPC Insulated Panel Plant Project, through UGC.

^(k) On October 24, 2025, Phinma Solar acquired 100% ownership interest in BSPC.

^(l) On January 9, 2025, PHN and PHINMA, Inc. executed a Deed of Sale for the purchase of investments of PHINMA, Inc. for 100% ownership interest in PIBI.

Entities in which the Group holds less than a 50%-effective interest but considered subsidiaries, as the Parent Company, together with its immediate parent companies, has established control by having the ability to direct the relevant activities that significantly affect the returns from these entities

The Parent Company and its subsidiaries (collectively referred to as “the Company”) were all incorporated in the Philippines, except for OAL which was incorporated in Hong Kong. The Company’s ultimate parent company is Philippine Investment-Management (PHINMA), Inc., which is also incorporated in the Philippines.

The information on the segments of the Company is presented in Note 34 to the consolidated financial statements.

The registered office address of the Parent Company is 12th Floor, PHINMA Plaza, 39 Plaza Drive, Rockwell Center, and Makati City.

The accompanying unaudited interim condensed consolidated financial statements were authorized for issue by the Board of Directors (BOD), as approved and recommended for approval by the Audit Committee on May 11, 2026.

2. Basis of Preparation and Consolidation and Statement of Compliance

The interim consolidated financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by SEC in response to COVID-19 pandemic for the years ended December 31, 2023.

The Company availed of the relief granted by the SEC under Memorandum Circular (MC) No. 34-2020 which further extended the deferral of Philippine Interpretations Committee (PIC) Q&A 2018-12-D (assessment if the transaction price includes a significant financing component) until December 31, 2023.

PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards
- PAS Standards; and
- Interpretations issued by the of the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee

(SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the SEC.

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Basis of Consolidation

The interim consolidated financial statements comprise the financial statements of the Parent Company and its controlled subsidiaries.

The Company controls an investee if and only if the Company has:

- Power over an investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

For entities wherein the indirect ownership is equal to or lower than 50%, management considers the situations when control is achieved in determining whether the entities will be classified as controlled subsidiaries.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction and is shown as part of "Equity reserves" under the consolidated statement of changes in equity.

Accounting policies and reporting period of its subsidiaries are consistent with the policies adopted by and the reporting period of the Parent Company.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired in the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of a subsidiary

When the Company ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the Company surrenders control to a related party within the group it ultimately belongs, the difference between the consideration received and the fair value of the subsidiary at divestment date, is recognized as other charges to equity.

3. Changes in Accounting Policies and Disclosures

New standards, amendments and interpretations adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of new standards effective as of January 1, 2026. The Company has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

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

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Financial Instruments: Disclosures*

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the sole payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at FVOCI.

The adoption of the above amendments is not expected to have a material impact on the consolidated financial statements of the Company except on the timing of derecognition of financial liability through electronic fund transfers and checks.

- Annual Improvements to PFRS Accounting Standards - Volume 11

On July 18, 2024, the IASB has issued narrow amendments to PFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several PFRS Accounting Standards. The Company does not expect the amendments to have a significant impact on the Company's consolidated financial statements. The amended Standards are:

- PFRS 1, *First-time Adoption of International Financial Reporting Standards*;
 - PFRS 7, *Financial Instruments: Disclosures*, and its accompanying Guidance on implementing PFRS 7;
 - PFRS 9, *Financial Instruments*;
 - PFRS 10, *Consolidated Financial Statements*; and
 - PAS 7, *Statement of Cash Flows*.
- Amendments to PFRS 18, *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1, *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Company's net profit, the Company expects that grouping items of income and expenses in the statements of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Company has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item 'other income (expenses), net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - PFRS 18 has specific requirements on the category in which derivative gains or losses are recognized - which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognizes some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognized, and the group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statements of financial position.
- The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of PFRS 18, a reconciliation of each line item in the statements of profit or loss between the restated amounts presented by applying PFRS 18 and amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Company will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

There are no other relevant standards, amendments or interpretations that are effective beginning on or after January 1, 2026 that are expected to have a material impact on the Group's financial statements.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the interim condensed consolidated financial statements and accompanying notes. Changes in these estimates and assumptions could result in outcomes that may require material adjustments to the carrying amounts of the affected assets or liabilities in the future.

There were no significant changes in accounting judgments, estimates, and assumptions that affect the amounts reported in the interim condensed consolidated financial statements and accompanying notes.

5. Business Combination

i. Acquisition of Southeastern College, Inc (SE) by PEHI

On March 11, 2026, PEHI signed and closed the Share and Asset Purchase Agreement and acquired 84.91% controlling shares of stock of SE. SE offers Basic Education, Junior High School and Senior High School. SE also offers undergraduate courses in Education, Business Administration, Computer Science.

The fair value of the identifiable assets and liabilities of SE as at the date of the acquisition are as follows:

	Fair Values Recognized at Acquisition Date
<hr/>	
Total assets:	
Cash and cash equivalents	1,698
Tuition fee and other receivables	2,824
Prepaid expenses and other current assets	1,137
Land	540,442
Building and improvements	32,124
<hr/> Total assets	<hr/> 578,225
Total liabilities:	
Trade and other payables	16,204
Pension liability	10,088
Deferred tax liabilities	52,428
<hr/> Total liabilities	<hr/> 78,720
Total identifiable net assets acquired	499,503
Proportionate share of NCI in net assets acquired	88,780
Gain from bargain purchase	147,142
<hr/> Purchase consideration transferred	<hr/> 352,363

The net cash outflow related to the acquisition is as follows:

	Amount
Cash payments relating to acquisition	352,363
Less cash of acquired subsidiaries	(1,698)
<hr/> Net cash outflow	<hr/> 350,665

The net assets recognized in the March 31, 2026 financial statements were based on a provisional assessment of the fair value while PEHI sought an independent valuation for the assets of the acquired business. From the date of acquisition to March 31, 2026, the net revenue included in the consolidated statement of comprehensive loss contributed by SE was 3.1 million. SE also contributed net loss of 5.8 million over the same period. If the acquisition had taken place at the beginning of the year 2026, the consolidated statement of comprehensive income would have included net revenue of 9.2 million and net loss of 13.3 million.

The description of the valuation technique used and key inputs to fair valuation are as follows:

	Valuation Technique	Inputs	Value
Buildings and improvements	Cost approach	Reproduction or replacement cost of the property	Buildings - 89.5million

ii. Acquisition of JEPP Properties Corporation by PPHC

On October 22, 2022, PPHC and Jepp Real Estate Co. Inc (JREC). entered into a joint development agreement to form JEPP Property Corporation (JEPP), in Bacolod. JEPP was incorporated and registered with Philippine SEC on December 12, 2022. The Company's purpose is to deal and engage in the real estate business in all aspects: to hold, develop, finance and otherwise deal in and dispose of all kinds of real estate development. As at December 31, 2022, the PPHC has no ownership interest in JEPP.

On January 19, 2023, PPHC and JREC entered into a Contract to Sell whereby PPHC agreed to purchase 9.7% ownership interest in JEPP from JREC, for a total consideration of P294.1 million. These were recorded as advances to third party as part of receivables, pending resolution of certain conditions in the agreement.

On November 17, 2023, PPHC entered into a subscription agreement with JEPP, whereby it agreed to subscribe and purchase 18.2 million shares of JEPP for a price of P18.2 million. As at December 31, 2023, PPHC has no ownership interest in JEPP.

PPHC entered into additional subscription agreement with JEPP whereby it agreed to subscribe and purchase 60.0 million shares of JEPP for a price of P60.0 million, and 55.04 million shares of JEPP for a price of P55.04 million, these were paid on January 15, 2024 and October 28, 2024, respectively.

On November 6, 2024 (the acquisition date), PPHC obtained 55.00% controlling shares of stock of JEPP for a total consideration of P827.1 million, of which P399.7 million is outstanding as at December 31, 2024. The amount also includes the abovementioned subscriptions for primary shares of JEPP amounting to P133.2 million. Net purchase consideration paid to JREC amounted to P294.1 million. The acquisition increased PPHC's market through expansion in Bacolod.

The fair value of the identifiable assets and liabilities of JEPP as at the date of the acquisition are as follows:

	Fair Values Recognized at Acquisition Date
Total assets:	
Cash and cash equivalents	5,043
Trade and other receivables	52,081
Inventories	657,827
Prepaid expenses and other current assets	18,009
Property, plant and equipment	553
Total assets	733,513
Total liabilities:	
Trade payables and other payables	(101,192)
Total liabilities	(101,192)
Total identifiable net assets acquired	632,321
Less: PPHC subscriptions to JEPP	(133,238)
Net identifiable assets acquired	499,083
Less: Share of NCI in net assets acquired	(478,042)
Add: Goodwill arising from acquisition	273,077
Purchase consideration transferred for net assets acquired	294,118

The net assets recognized in the December 31, 2024 financial statements were based on a provisional assessment of the fair value. The Company recognized the noncontrolling interests using fair value method. Upon acquisition, PPHC recognized goodwill amounting to P273.1 million attributable to the increase in market share and will not be deductible for tax purposes. From the date of acquisition, JEPP's revenues and net income amounting to P316.4 million and P123.5 million, respectively, formed part of the 2024 consolidated statement of income. If the combination had taken place at the beginning of 2024, JEPP's total contribution to revenues and net income to the 2024 consolidated statements of income would have been P316.4 million and P100.2 million, respectively.

The net cash outflow related to the acquisition is as follows:

	Amount
Cash payments relating to acquisition	294,118
Less cash of acquired subsidiaries	(5,043)
Net cash outflow	289,075

In 2025, PPHC completed its review of the provisional fair values of identifiable assets acquired and liabilities assumed that were initially disclosed as of December 31, 2024. The final purchase price allocation resulted in an increase in recognized goodwill by P3.6 million (Note 17) due to an adjustment in the valuation of acquired receivables. The adjustments in allocation of fair values were not considered significant and were taken up in the current year. PPHC determined that the finalized fair value measurements represent the most reasonable allocation of purchase consideration.

ii. *Acquisition of St. Jude College - Cavite by PEHI*

On December 6, 2024, PEHI entered into a deed of absolute sale of shares agreement to acquire a 94.62% ownership in St. Jude College - Cavite.

The fair value of the identifiable assets and liabilities of the acquiree as at the date of the acquisition are as follows:

	Fair Values Recognized at Acquisition Date
Total assets:	
Cash and cash equivalents	5,277
Property, plant and equipment	89,504
Other assets	18,015
Total assets	112,796
Total liabilities:	
Trade and other payables	(183,194)
Pension	(3,167)
Total liabilities	(186,361)
Total identifiable net liabilities assumed	(73,565)
Add: Proportionate share of NCI in net liabilities assumed	3,958
Goodwill arising from acquisition	154,200
Purchase consideration transferred	84,593

The net liabilities assumed in the December 31, 2024 financial statements were based on a provisional assessment of the fair value. The Company recognized the noncontrolling interests at their proportionate share of the acquired net identifiable liabilities.

The net cash outflow related to the acquisition is as follows:

	Amount
Cash payments relating to acquisition	84,593
Less cash of acquired subsidiaries	(5,277)
Net cash outflow	79,316

From the date of acquisition, SJC Cavite's revenues and net income amounting to P19.4 million and P8.0 million, respectively, formed part of the 2024 consolidated statement of income. If the combination had taken place at the beginning of 2024, SJC Cavite's total contribution revenues and net loss in the 2024 consolidated statements of income would have been P142.5 million and P111.7 million, respectively.

In 2025, PEHI completed its review of the provisional fair values of identifiable assets acquired and liabilities assumed that were initially disclosed as of December 31, 2024. The final purchase price allocation resulted in an increase in recognized goodwill by P2.3 million (Note 17) due to an adjustment in the valuation of other assets. The amount of increase is considered insignificant and was charged to other income and expense in 2025. PEHI determined that the finalized fair value measurements represent the most reasonable allocation of purchase consideration.

iii. *Acquisition of PHINMA Insurance Brokers, Inc.(PIBI)*

On January 9, 2025, the Parent Company and PHINMA, Inc. executed a Deed of Sale for the Parent Company's purchase of 100% ownership interest in PIBI for P150.5 million. PIBI is an insurance brokerage company involved in developing, packaging and servicing life, non-life and HMO insurance

programs while dealing with reputable local and global insurance companies to answer its clients' various requirements,

The fair value of the identifiable assets and liabilities of the acquiree as at the date of the acquisition are as follows:

	Amount
Current assets	
Cash and cash equivalents	52,046
Short-term investments	50,000
Investments held for trading	5,807
Current portion of trade and other receivables	2,971
Other current assets	8,417
	119,241
Noncurrent assets	
Noncurrent portion of trade and other receivables	950
Property, plant and equipment	1,602
Investment properties	1,872
Deferred tax assets – net	8,777
Other noncurrent assets	17
	13,218
Total assets	132,459
Current liabilities	
Trade and other payables	(63,293)
Income and other taxes payable	(7,602)
	(70,895)
Noncurrent liabilities	
Pension and other post-employment benefits	(12,742)
Total liabilities	(83,637)
Net assets acquired	48,822

The net cash outflow related to the acquisition is as follows:

	Amount
Cash payments relating to acquisition	150,535
Less cash of PIBI	(52,046)
Net cash outflow	98,489

The Parent Company and PIBI are subsidiaries of PHINMA, Inc. before and after the business combination. Thus, the acquisition was accounted for as business combination under common control for which pooling of interests method was applied in the preparation of the consolidated financial statements. The assets, liabilities and equity of PIBI are included in the consolidated financial statements at their carrying amounts. Financial information for periods prior to the date of business combination was not restated.

In 2025, the combination resulted to equity adjustment from common control business combination, included under “Equity reserves” account, amounting to P101.7 million.

6. Transactions with Non-controlling Interests and Others Changes in Ownership

a. PEHI and subsidiaries

(i) Call and Put Option over the NCI in PEHI and Issuance of shares to NCI

In 2021, PEHI and the Parent Company signed a Shareholders Agreement with third party investors (the “Investors”) who acquired noncontrolling interest in PEHI. As part of the signed investment agreement of PEHI and the Investors, in the event that an initial public offering (IPO) of PEHI is not completed on the fifth anniversary of the agreement, the Investors have an irrevocable right and option to sell to and obligate the Parent Company to purchase all or portion of their shares (put option). On the other hand, the Parent Company has an irrevocable right and option to purchase and obligate all of the Investors to sell all of its shares under certain conditions.

The exercise price of the options is based at a price that generates 10% internal rate of return, based on the investor US dollar subscription price per share, which is calculated at the agreed exchange rate for the period beginning on the closing date and ending on the date of the relevant notice.

Asian Development Bank (ADB) invested 1.1 million shares of PEHI for a total consideration of P625.0 million. The stock purchase agreement contains call and put options and as a result, additional noncontrolling interest put liability is recognized.

The transactions described above resulted to recognition of “Noncontrolling interest put liability” amounting to P2,570.6 million as at 2023, and derecognition of “Noncontrolling interests” amounting to P133.8 million in 2023, with the difference recorded as “Equity reserves” amounting to P248.5 million in 2023.

For the year ended December 31, 2024 , accretion of interest in the put liability amounts to P336.8 million, presented in the statements of changes in equity as decreases in “Equity Reserves” and “Noncontrolling interest” amounting to P279.1 million and P57.7 million, respectively.

On May 21, 2024, PEHI signed an investment agreement with Phoenix Investments II Pte. Ltd (Phoenix II), an investment vehicle of funds managed by KKR, a leading global investment firm, relating to the issuance of newly issued shares. Concurrently, Phoenix II entered into an agreement to acquire all of the shares in PEHI owned, directly or indirectly, by Asian Development Bank (ADB), Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) and Kaizen Private Equity II Pte. Ltd. (Kaizen) and a termination agreement between PHN and the original shareholders was executed.

In the fourth quarter of 2024, all of the completion obligation requirements indicated in the new shareholder agreement and termination agreement were met. Following the completion of the two transactions, ADB, FMO and Kaizen will no longer be shareholders of PEHI and PHN derecognized the put liability amounting to P2,907.4 million and the related reserve in equity amounting to P1,449.5 million, and increased the noncontrolling interest by P1,458.0 million.

In October 2024, PEHI sold 25,132,793 shares to Phoenix Investments II Pte LTD (KKR) for a total consideration of P2,439.7 million. The transaction resulted to the increase in “Equity reserves” and “Noncontrolling interests” accounts in the statements of changes in equity by P977.6 million and P1,462.1 million, respectively.

The transactions described above further reduced the Company’s ownership in PEHI to 66.42% as at December 31, 2024.

In August 2025, PEHI issued 8,204,057 common shares to Rise Edu Pte. Ltd. for a total consideration of P825.0 million. The transaction resulted to the increase in “Equity reserves” and Noncontrolling interest” accounts in the statements of changes in equity by P309.2 million and P515.8 million, respectively. The Company’s ownership decreased to 63.93%.

(ii) Additional Investment in SWU

On April 26, 2024, PEHI acquired additional 226,922 common shares of SWU for a total consideration of P835.2 million, which increased its ownership interest to 97.76%. The acquisition resulted to the decrease in “Equity reserves” and “Noncontrolling interest” accounts in the statements of changes in equity by P443.5 million and P391.7 million, respectively.

(iii) Additional Investment in AU, UI, UPang, COC, SWU and RCI

On September 1, 2023, PEHI acquired 32,361 shares in AU for a total cost of P3.79 million, which increased its ownership interest to 97.76%. The transaction resulted to the decrease in “Equity reserves” and “Noncontrolling interests” accounts in the statements of changes in equity by P3.1 million and P0.7 million, respectively.

In 2025, PEHI acquired 679,234 unissued common shares of UI for a total consideration of P347.8 million, increasing its ownership interest to 69.33%. At the same month, PEHI also acquired an additional 9,959,885 unissued common shares of UPang for a total consideration of P348.6 million, increasing its ownership interest to 69.40%.

In 2025, PEHI acquired 195,768 unissued common shares of COC for a total consideration of P195.8 million, increasing its ownership interest to 92.92%. It also acquired an additional 128,903 common shares of SWU for a total consideration of P193.4 million, increasing its ownership interest to 95.57%. Furthermore, PEHI acquired an additional 1,999,988 unissued common shares of RCI for a total consideration of P200.0 million, increasing its ownership interest to 99.99%.

The transactions resulted to the increase in “Equity reserves” and “Noncontrolling interests” accounts by P21 million and P302.7 million.

b. CMG

(i) *Buy back of UGC shares*

On May 22, 2024, UGC acquired 780,811 shares of its own common shares under stock purchase plan from retired employees for P6.98 million which increased the Company's ownership interest to 98.64%. The transaction resulted to the decrease in "Equity reserves" and increase to "Noncontrolling interests" accounts by P31 million and P24 million, respectively.

(ii) *Acquisition of Ownership Interest in PMC*

In the fourth quarter of 2024, ANFLO Management and Investment Corporation subscribed to 30% ownership interest in PMC for a total consideration of P208.3 million.

(iii) *Additional Investment in UGC*

In 2025, the Parent Company acquired additional shares of UGC for P380 million resulting in a change in ownership interest from 98.64% to 98.97%. The transaction also resulted to a decrease in "Equity reserves" and increase in "Noncontrolling interests" accounts by P4.5 million.

(iv) *Acquisition of BSPP*

On October 24, 2025, Phinma Solar acquired 100% ownership of BSPP, an entity whose primary activities is to construct, develop, own, operate, manage, repair and maintain solar power generation plants including solar farms, to generate electricity from such power plants and to market and sell the electricity produced, for P1 million. BSPP was incorporated only on August 6, 2024 and has not started commercial operations as of December 31, 2025.

(v) *Additional Investment and Issuance of shares to NCI of PCC*

On January 2026, the Parent Company acquired additional shares of PCC for P114 million, and Edcommerce Corporation infused P19 million in capital. Furthermore, PCC received a remittance of P1.1 billion from Sumitomo Osaka Cement Co. Ltd. ("Sumitomo") for the acquisition of a 15% interest through the issuance of common and preferred shares.

As a result of these transactions, the ownership interest has changed from 60.0% to 55.70%. These movements also resulted in an increase in the "Equity reserves" and "Non-controlling interests" accounts by P335.4 million and P783.6 million, respectively.

c. Hospitality

(i) *Additional Investment in Coral Way*

In 2025, the Company acquired additional shares of Coral Way amounting to P7.1 million upon the SEC's approval of the increase in authorized capital stock of Coral Way. There is no change in the Company's ownership interest but the transaction resulted to an increase in "Noncontrolling interests" by P22.9 million.

(ii) *Investment in PHMC*

On June 16, 2025, the Parent Company infused P20 million investment to PHMC, an entity engaged in the business of developing, owning and managing economy lodging facilities, for a 100% ownership interest in PHMC. PHMC started commercial operations in October 2025, after the transfer of certain management contracts from PHI.

d. Properties

(i) *Dilution and Acquisition of Ownership Interest in PPHC*

In 2025, the Company's advances to PPHC amounting to P276 million was converted to investment in PPHC upon the SEC's approval of PPHC's equity restructuring and increase in capital stock on December 11, 2025. This resulted in a change in ownership interest from 76.81% to 80.31%.

The transaction resulted to a decrease in "Equity reserves" and increase in "Noncontrolling interests" accounts by P49.9 million.

(ii) *Investment to PHINMA Community Housing Corporation (PCH)*

On March 21, 2025, the Company's BOD approved the investment of P250 million in PHINMA Community Housing Corporation for a 99.45% ownership interest. The initial investment will be used to purchase of land and its initial working capital requirements.

Summary of the transactions above and their impact on equity is as follows:

	Reference	Equity reserves	Noncontrolling interests
<i>2025</i>			
Issuance of shares of subsidiaries	a(ii), c(i)	309,181	538,694
Dilution of equity shares	a(v), b(iii), d(i)	(33,437)	357,137
<i>2024</i>			
Derecognition of NCI put liability	a(ii)	1,449,467	1,457,968
Issuance of shares of subsidiaries	a(ii), b(ii)	977,637	1,670,473
Issuance of shares from SPP	a(i)	(8,424)	58,933
Buyback of shares in UGC	b(i)	(30,995)	24,012
Accretion of interest in NCI put liability	a(ii)	(279,069)	(57,747)
Dilution of equity shares	a(iv)	(443,539)	(391,688)

7. **Cash and Cash Equivalents**

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2025 (Unaudited)
Cash on hand and in banks	3,351,320	2,382,326	3,317,839
Short-term deposits	936,054	812,223	437,941
	4,287,374	3,194,549	3,755,780

Cash in banks earn interest at the prevailing bank deposit rates. Short-term deposits are made for varying periods of up to three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

8. **Investments Held for Trading**

This account consists of investments in:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Unit Investment Trust Funds (UITFs)	203,031	356,344
Marketable equity securities	3,489	3,304

	206,520	359,648
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9. Trade and Other Receivables; Contract Assets and Liabilities

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Receivables from customers (Note 25)	7,388,772	8,486,384
Advances to suppliers and contractors	5,511,125	5,106,959
Advances to other third parties	102,086	102,086
Accrued interest receivables	759,848	708,121
Loans receivables	35,057	32,706
Due from related parties (see Note 33)	351,268	287,170
Rent receivable	123,321	120,573
Advances to officers and employees	134,053	115,936
Others	477,454	560,261
	14,882,984	15,520,196
Less allowance for expected credit losses (ECLs)	1,408,153	(1,545,528)
	13,474,831	13,974,668
Less: Noncurrent portion	493,610	424,500
	12,981,221	13,550,168

Non-current portion of receivables from customers pertain to consideration for sold solar photovoltaic rooftop system with an annual effective interest rate of 6% and 8% payable monthly for five (5) to ten (10) years. Interest income realized from sale of solar photovoltaic rooftop system amounted to ₱6.5 million and ₱ 4.3 million for the period ended March 31, 2026 and 2025, respectively.

Movements in the allowance for ECLs are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Beginning balance	1,545,528	1,780,639
Provisions (see Notes 22 and 23)	3,430	248,395
Reversal	(140,805)	-
Write-off	-	(485,581)
Acquisition through business combination	-	2,075
	1,408,153	1,545,528

Contract assets and liabilities

Contract assets represent the right to consideration that was already delivered by PPHC in excess of the amount recognized as installment contracts receivable. This is reclassified as real estate installment contracts receivable when the monthly amortization of the customer is already due for collection or, in the case of sales of real estate under HDMF and bank financing schemes, upon submission of the documentary requirements to HDMF and the lending bank, respectively and upon approval of the loan. Movements in contract asset during the year is mainly due to real estate sales recognized during the period less transfer to real estate installment contracts receivable.

Contract liabilities include unearned revenue from tuition, school and other service fees and deposits from customer for future goods and services. Contract liabilities also consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the goods and services transferred by PPHC based on POC. When the

conditions for revenue recognition are met for the related customer account, sale is recognized and these contract liabilities will be recognized as revenue. The movement in contract liabilities is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in POC.

For construction segment, contract liabilities include billings in excess of costs and estimated earnings on uncompleted contracts which represents billings in excess of total costs incurred and estimated earnings recognized.

10. Inventories

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
At cost:		
Land and development cost	3,246,101	3,115,205
Finished goods	762,436	1,319,554
Raw materials	980,798	409,826
Condominium and housing units for sale	138,983	139,874
Spare parts and others	46,630	226,474
Other inventories	233,825	214,973
	5,408,773	5,425,906
At net realizable value:		
Finished goods		3,360
Other inventories	21,739	24,225
	21,739	27,585
Less: Allowance for inventory write down	(5,332)	(5,332)
	16,407	22,253
	5,425,180	5,448,159

The Company recognized provision (reversal) for inventory obsolescence of nil and (1.4 million) in March 31, 2026 and December 31, 2025, respectively. The reversal pertains to inventories which have been disposed of or sold during the period. Write-off of inventory amounted to nil in 2026 and 2025. The allowance for inventory obsolescence amounted to 5.3 million and as at March 31, 2026 and December 31, 2025, respectively.

11. Investment in and advances to Associates and Joint Ventures

The Company's associates and joint ventures consist of the following:

	Percentage of Ownership (Effective)	
	2026	2025
Interests in joint ventures:		
PHINMA Saytanar Education Company Limited (PHINMA Saytanar) ^(c)	31.97	31.97
PT Ind-Phil Management (IPM) ^(c)	43.93	43.93
Investment in associates:		
Diniwid Beach Hotel Corp. (DBHC) ^(s)	36.46	36.46
First Batangas Hotel Corp (FBHC) ^(a)	35.83	35.83
Nemo Beach Hotel Corp. (NBHC) ^(a)	16.93	16.93
First Commonwealth Hotel Corp.(FCHC) ^(a)	16.93	16.93
South Forbes Silangan Hotel Corp. (SFSHC) ^(a)	25.39	25.39
Inphin8 Space, Inc. (InPHIN8) ^(b)	42.72	42.72
Phinma Properties Sales and Marketing Inc. (PPSMI) ^(b)	37.97	37.97
DITC Bulk Terminal, Inc. (DBTI) ^(d)	18.00	18.00

^(a) Indirect ownership through PHI.

^(b) Indirect ownership through PPHC

^(c) Indirect ownership through PEHL.

^(d) Indirect ownership through PCC

Investment in and advances to associates and joint ventures

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Interests in joint ventures	698,182	700,199
Investments in associates	166,091	163,263
	864,273	863,462

Interests in Joint Ventures

The detailed carrying values of interests in joint ventures (accounted for under the equity method) are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
IPM	698,182	700,199
PHINMA Saytanar	-	-
	698,182	700,199

The movements and details of the investments in joint ventures are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Acquisition costs:		
Balance at beginning of period	715,859	715,859
Additions	-	-
Balance at end of period	715,859	715,859
Accumulated equity in net earnings (losses):		
Balance at beginning of period	(15,660)	(21,255)
Equity in net earnings	(2,017)	5,595
Balance at end of period	(17,677)	(15,660)
	698,182	700,199

The detailed carrying values of investments in associates (accounted for under the equity method) are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
DBTI	56,605	56,605
DBHC	32,233	31,686
FBHC	23,641	22,147
NBHC	7,541	7,615
FCHC	8,584	8,541
SFSHC	33,583	32,588
InPHIN8	3,904	3,413
PPSMI	-	668
	166,091	163,263

The movements and details of the investments in associates are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Acquisition costs		
Balances at beginning of period	208,076	208,076
Additions	-	-
Balances at end of period	208,076	208,076
Accumulated equity in net losses		
Balances at beginning of period	(44,814)	(41,640)
Equity in net earnings (loss)	2,829	(1,057)
Dividends	-	(2,116)
Balances at end of period	(41,985)	(44,813)
Share in other comprehensive income of associates		
Balances at beginning of period	-	-
Share in other comprehensive loss	-	-
Balances at end of period	-	-
	166,091	163,263

The movement in advances to associate is as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of period	–	1,299
Collections	–	(1,299)
Balance at end of period	–	–

12. Financial Assets at FVPL

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Investment in preferred shares	2,193,806	2,123,097

On September 18, 2019, the Parent Company executed a Term Sheet with Song Lam Cement Joint Stock Company (Song Lam), Vissai Ninh Binh Joint Stock Company (Vissai) and Hoang Manh Truong (Sponsor) for the investment of US\$50.0 million via preferred shares in Song Lam. Song Lam Joint Stock Company manufactures, markets, distributes and exports clinker, cement and cement products and is a supplier of Phylcement, a 60%-owned subsidiary of PHN. Vissai is the parent company of Song Lam which owns and manages five cement plants in Vietnam.

In January 2020, the Parent Company, Song Lam, Vissai and Hoang Minh Truong entered into share subscription agreement related to the Parent Company's subscription of the new preferred shares of Song Lam. An advance payment of 10% equivalent to US\$5.0 million was made on November 26, 2019 and the 90% balance or US\$45.0 million was paid on May 18, 2021. The total US\$50.0 million investment has an equivalent peso amount of 2.39 billion on May 18, 2021.

The preferred shares are entitled to receive an annual fixed cumulative dividend of 7.5%, independent of Song Lam's business outcome and regardless of operating business results of Song Lam and the existence of retained earnings. For the three months ended March 31, 2025 and 2024, the investment income recognized from the dividends in Song Lam amounts to 52.9 million and 52.6 million, respectively.

The preferred shares shall be convertible to common shares after two (2) years from issuance thereof. The Parent Company may convert the preferred shares between the last day of the second (2nd) year after issuance thereof until the end of the seventh (7th) year following said issuance.

The Parent Company has the option to sell the preferred shares or converted shares to Vissai, the Sponsor or Song Lam at a price equivalent to seventy-five million US Dollars (US\$75,000,000.00), less the amount of preferred dividends received by the Parent Company. The put option may be exercised by the Parent Company after five (5) years from closing and until the end of the seventh (7th) year from said closing.

The Parent Company performs valuation of embedded derivatives and financial assets at FVPL at every reporting date using Cox-Ross-Rubenstein Binomial Lattice Model (Binomial Model). This requires an estimation of the expected future cash flows from the investee and applying a discount rate to calculate the present value of these cash flows. The discount rate uses the weighted average cost of capital (WACC) which incorporates the median debt-to-equity ratios and median beta of comparable companies as well as applying an alpha based on small-risk premium. The cash flow projections cover a five-year period.

The significant assumptions used in the fair value computation as at March 31, 2026 and December 31, 2025 are as follows:

- a. The discount rate applied to cash flow projection is 14.80% and 14.79%, respectively.
- b. The terminal value in the discounted cash flow uses 5.60% and 6.10% long-term growth rate based on expected Vietnam Gross Domestic Product (GDP) growth rate in 2025 and 2024, respectively.
- c. The binomial model uses 31.0% and 33.3% average volatility of comparable companies' quarterly historical prices and used interquartile range to consider outliers in 2025 and 2024, respectively.
- d. The option-adjusted spread computed at inception from the binomial model is 9.93% in 2025 and 2024.

The Company's fair value exercise is done at year end. The changes in the carrying amount of investment in FVPL for the period ended March 31, 2026 and 2025 pertains to the impact of foreign currency revaluation.

The derivative asset arising from the put option amounted to ₱1,213.0 million and ₱1,173.9 million as at March 31, 2026 and December 31, 2025, respectively. The unrealized loss on change in fair value of the derivative asset amounted to ₱39.1 million and ₱10.9 million as of March 31, 2026 and March 31, 2025, respectively.

13. Financial Assets at FVOCI

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Investment in club shares	92,708	92,815
Non-listed equity securities	2,540	2,540
	95,248	95,355

Investment in equity investments pertain to shares of stock and club shares which are not held for trading. The Company has irrevocably designated the equity instruments at FVOCI, as the Company considers these investments to be strategic in nature.

The movements in net unrealized gain on financial assets at FVOCI, net of tax are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period	12,185	49,523
Gain (loss) due to changes in fair value of investment in equity instruments	(96)	10,006
Sale of equity instruments	-	(53,981)
Income tax effect	-	6,637
Balance at end of the period	12,089	12,185

14. Property, Plant and Equipment

This account consists of:

	January 1, 2026	Acquisition through business Combination	Additions	Disposals	Reclassifications	March 31, 2026 (Unaudited)
Cost						
Land	5,503,443	540,442	94,993	-	-	6,138,878
Plant site improvements	4,620,907	-	-	-	-	4,620,907
Buildings and improvements	9,023,664	32,124	671,280	-	8,355	9,735,423
Machinery and equipment	3,777,168	-	52,263	-	-	3,829,431
Transportation and other equipment	1,162,964	-	14,233	(2,280)	-	1,174,917
Linens, curtains and draperies	40,224	-	61	-	-	40,285
	24,128,370	572,566	832,830	(2,280)	8,355	25,539,841
Less Accumulated Depreciation						
Plant site improvements	882,824	-	29,702	3,662	-	916,188
Buildings and improvements	2,946,059	-	95,696	-	-	3,041,755
Machinery and equipment	2,710,795	-	84,947	-	-	2,795,742
Transportation and other equipment	897,844	-	23,122	294	-	921,260
Linens, curtains and draperies	33,212	-	990	-	-	34,202
	7,470,734	-	234,457	3,956	-	7,709,147
	16,657,636	572,566	598,373	(6,236)	8,355	17,830,694
Construction in progress (see Note 13)	3,922,421	-	943,159	-	(8,355)	4,857,225
Net Book Value	20,580,057	572,566	1,541,532	(6,236)	-	22,687,919

	January 1, 2025	Acquisition through business combination	Additions	Disposals	Reclassifications	December 31, 2025
Cost						
Land	4,783,992	-	719,451	-	-	5,503,443
Plant site improvements	4,313,745	-	1,126	(7,595)	313,631	4,620,907
Buildings and improvements	7,696,426	-	636,060	(15,637)	706,815	9,023,664
Machinery and equipment	3,451,573	-	329,107	(3,662)	150	3,777,168
Transportation and other equipment	1,157,033	11,398	68,412	(75,365)	1,486	1,162,964
Linens, curtains and draperies	35,564	-	4,660	-	-	40,224
	21,438,333	11,398	1,758,816	(102,259)	1,022,082	24,128,370
Less Accumulated Depreciation						
Plant site improvements	(698,796)	-	(185,716)	1,688	-	882,824
Buildings and improvements	(2,624,527)	-	(337,169)	15,637	-	2,946,059
Machinery and equipment	(2,436,801)	-	(290,065)	16,071	-	2,710,795
Transportation and other equipment	(795,695)	(9,796)	(104,192)	11,839	-	897,844
Linens, curtains and draperies	(29,798)	-	(3,414)	-	-	33,212
	(6,585,617)	(9,796)	(920,556)	45,235	-	7,470,734
	14,852,716	1,602	838,260	(57,024)	1,022,082	16,657,636
Construction in progress	2,008,892	-	3,482,319	(247,632)	(1,321,158)	3,922,421
Net Book Value	16,861,608	1,602	4,320,579	(304,656)	(299,076)	20,580,057

	January 1, 2025	Acquisition through business Combination	Additions	Disposals	Reclassifications	March 31, 2025 (Unaudited)
Cost						
Land	4,783,992	-	440,812	-	-	5,224,804
Plant site improvements	4,313,745	-	168	-	-	4,313,913
Buildings and improvements	7,696,426	-	209,549	-	842	7,906,817
Machinery and equipment	3,451,573	-	45,484	-	589	3,497,646
Transportation and other equipment	1,157,033	11,398	20,678	(3,521)	-	1,185,588
Linens, curtains and draperies	35,564	-	520	-	-	36,084
	21,438,333	11,398	717,211	(3,521)	1,431	22,164,852
Less Accumulated Depreciation						
Plant site improvements	698,796	-	44,926	-	-	743,722
Buildings and improvements	2,624,527	-	77,701	-	-	2,702,228
Machinery and equipment	2,436,801	-	72,350	-	-	2,509,151
Transportation and other equipment	795,695	9,796	26,231	(3,228)	-	828,494
Linens, curtains and draperies	29,798	-	628	-	-	30,426
	6,585,617	9,796	221,836	(3,228)	-	6,814,021
	14,852,716	1,602	495,375	495,375	1,431	15,350,831
Construction in progress (see Note 13)	2,008,892	-	430,561	(32,007)	(2,111)	2,405,335

Net Book Value	16,861,608	1,602	925,936	(32,300)	(680)	17,756,166
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In 2025, the Company transferred construction in progress amounting to P165.0 million to receivables as it agreed to transfer the construction of the related asset and claim the related costs from Petra Cement, and reclassified completed assets to land improvements and intangibles amounting to P133.3 million and P0.7 million, respectively. Land improvements amounting to P133.3 million were classified as assets held for sale as of December 31, 2025 since the Company has finalized its intention to sell the related assets as of reporting date.

Outstanding construction in progress pertains to construction costs for various buildings and hospital renovations which are expected to be completed in various dates from 2026 to 2027.

Outstanding construction in progress pertains to construction costs for various buildings and hospital renovations which are expected to be completed in 2025 to 2027.

Interest capitalized as part of "Construction in progress" account amounted to ₱ nil and ₱160 million and nil at a capitalization rate ranging from 6.65% to 8.20% and 5.575% to 8.45% in March 31, 2026, December 31, 2025 and March 31, 2025, respectively.

Certain property and equipment of AU, COC, UI, UPANG, PCC, UGC, Coral Way and Krypton Esplanade Hotel Corporation (KEHC) with aggregate amount of ₱6,351.3 million and ₱6,358.1 million as at March 31, 2026 and December 31, 2025, respectively, are used as collateral for their respective long-term debts obtained from local banks.

15. Investment Properties

This account consists of:

	January 1, 2026	Additions	Acquisition thru business combination	Disposal	March 31, 2026 (Unaudited)
Cost:					
Land	529,313	11,222	-	-	540,535
Buildings for lease	449,030	-	-	-	449,030
	978,343	11,222			989,565
Less accumulated depreciation -					
Buildings for lease	114,334	3,242	-	-	117,576
	864,009	7,980	-	-	871,989

	January 1, 2025	Additions	Acquisition thru business combination	Reclassification	Disposal	December 31, 2025
Cost:						
Land	624,740	715	1,872	(91,457)	(6,556)	529,314
Buildings for lease	445,659	3,370	-	-	-	449,029
	1,070,399	4,085	1,872	(91,457)	(6,556)	978,343
Less accumulated depreciation -						
Buildings for lease	(102,459)	(11,875)	-	-	-	(114,334)
	967,940	(7,790)		(91,457)	(6,556)	864,009

	January 1, 2025	Additions	Acquisition thru business combination	Disposal	March 31, 2025 (Unaudited)
Cost:					
Land	624,740	12,879	1,872	-	639,491
Buildings for lease	445,660	1,685	-	-	447,345
	1,070,400	14,564	1,872	-	1,086,836
Less accumulated	102,460	3,593			106,054

depreciation -

Buildings for lease	967,940	10,971	1,872	-	980,782
				-	

As at March 31, 2026 and December 31, 2025, the fair values of the investment properties amounted to ₱2,619.0 million based on valuations performed by accredited independent appraisers on various dates from 2024 to 2025.

The description of the valuation techniques used and key inputs to fair valuation are as follows:

	Valuation technique	Significant inputs	Range (in absolute amounts)	Relationship of unobservable inputs to fair value
Land	Market comparison approach	Price per square meter	250 to 100,000	The higher the price per square meter, the higher the fair value.
Buildings/units for lease - PPHC	Income approach	Discount rates for similar lease contracts, market rent levels, expected vacancy and expected maintenance	Discount rate - 8%	The higher the rate, the lower the fair value.
			Expected vacancy - 5%	The higher the rate, the lower the fair value.
			Expected maintenance - 15% of gross revenue	The higher the rate, the lower the fair value.
			Market rent levels (housing units) - 33,134 to 46,648	The higher the market rental rate, the higher the fair value.
			Market rent levels (commercial units) - 8,021 to 17,783	The higher the market rental rate, the higher the fair value.
Buildings/units for lease - Parent Company	Market comparison approach	Price per square meter	201,400 to 282,100	The higher the price per square meter, the higher the fair value.

The fair value disclosure is categorized under Level 3, except for the investment property of COC which is categorized under Level 2.

PSHC's land amounting to ₱220.0 million as at March 31, 2026 and as at December 31, 2025, respectively, is used as a security for its long-term debt (see Note 20). Other than this, the Company has no restrictions on the realizability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties.

16. Intangible Assets

Following are the details and movements in this account:

	Student List	Software Costs	Trademark with Indefinite Useful Life	Goodwill	Total
Cost					
At January 1, 2025	165,638	275,970	15,335	2,652,467	3,110,240
Additions	-	98,388	-	5,940	104,328
Reclassification (Note 16)	-	748	-	-	748
At December 31, 2025 (Audited)	165,638	375,106	15,335	2,652,467	3,215,316
Reclassifications (see Note 11)	-	-	-	-	-
Additions	-	1,610	-	-	1,610
At March 31, 2026 (Unaudited)	165,638	376,717	15,335	2,658,407	3,216,927
Amortization and Impairment					
At January 1, 2025	(165,638)	93,952	7,719	(403,132)	(716,002)
Amortization (see Note 31)	-	(82,604)	(767)	-	(83,371)
At December 31, 2025 (Audited)	(165,638)	176,557	8,486	(403,132)	(79,373)
Amortization	-	16,458	92	-	16,550

At March 31, 2026 (Unaudited)	165,638	193,014	8,578	403,132	815,923
Net Book Value					
At March 31, 2026 (Unaudited)	-	183,702	6,757	2,255,275	2,401,003
At December 31, 2025 (Audited)	-	153,756	6,912	2,255,275	2,415,943

	Student List	Software Costs	Trademark with Indefinite Useful Life	Goodwill	Total
Cost					
At January 1, 2024	165,638	215,758	15,335	2,225,190	2,621,921
Additions	-	44,960	830	427,277	473,067
Reclassification (Note 16)	-	15,252	-	-	15,252
At December 31, 2024 (Audited)	165,638	275,970	16,165	2,652,467	3,110,240
Reclassifications (see Note 11)	-	680	-	-	680
Additions	-	15,948	-	-	15,948
At March 31, 2025 (Unaudited)	165,638	292,597	16,165	2,652,467	3,126,867
Amortization and Impairment					
At January 1, 2024	(165,638)	(93,952)	(7,719)	(403,132)	(670,441)
Amortization (see Note 31)	-	(44,794)	(767)	-	(45,561)
At December 31, 2024 (Audited)	(165,638)	(138,746)	(8,486)	(403,132)	(716,002)
Amortization	-	27,884	192	-	28,075
At March 31, 2025 (Unaudited)	165,638	166,629	8,677	403,132	744,076
Net Book Value					
At March 31, 2025 (Unaudited)	-	125,968	7,487	2,249,335	2,382,791
At December 31, 2024 (Audited)	-	137,225	7,679	2,249,335	2,394,238

17. Other Noncurrent Assets

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Advances to suppliers and contractors	445,816	480,252
Deposit in escrow – bonds	53,020	53,020
Refundable and other deposits	35,140	25,257
Noncurrent input VAT	-	18,919
Creditable withholding taxes	8,043	7,812
Indemnification assets	6,412	6,412
Others	12,497	4,608
	583,650	596,280

18. Notes Payable and Trust Receipts Payable

This account consists of notes payable of the Parent Company and subsidiaries:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
PCC	6,037,000	6,317,000
PPHC	2,484,580	2,509,267
UGC	2,541,736	2,353,539
PEHI	600,000	-
PMC	-	600,000
PSEC	233,000	509,000
PHN	200,000	100,000

12,096,31612,388,806

The notes payable are unsecured short-term peso-denominated loans obtained from financial institutions with an annual interest rate ranging between 4.25% to 10.75% and 4.25% to 17.0% in 2026 and 2025, respectively.

Trust Receipts Payable

Trust receipts payable pertains to short-term import loans from banks for purchases of inventories from foreign suppliers amounting to ₱1,575.5 million and ₱1,332.4 million with an annual interest of 6.6% and 7.5% for 60-182 days as at March 31, 2026 and December 31, 2025, respectively. UGC and Philcement opened lines of credit with local banks that would initially pay the suppliers' banks for the cost of imported goods upon the receipt of the Company of the commercial invoice from the supplier. Thereafter, UGC and Philcement banks will bill the Company for the amount paid to suppliers' banks.

19. Trade and Other Payables

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade	2,434,678	2,004,055
Accruals for:		
Professional fees and others	1,302,001	1,320,761
Commission	204,075	222,364
Personnel costs (Note 30)	137,104	140,237
Freight, hauling and handling	(5,583)	105,592
Interest (see Notes 23 and 32)	224,769	199,420
Processing cost	3,024	833
Premiums Due	22,190	20,986
Dividends	615,164	343,687
Deposits from buyers	305,507	308,421
Retentions payable	188,558	171,783
Deposit liabilities	298,615	332,542
Liability from acquisition of land	216,868	222,136
Others	238,388	220,156
	6,185,358	5,612,973

20. Contract Liabilities

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Unearned revenues	678,570	3,198,554
Customers' deposits	402,814	397,737
	1,081,384	3,596,291

Unearned revenues pertain to portion of tuition fees received or due from students to which the Company still has an obligation to transfer services to the students within the next financial year. The amount of unearned revenues for a term shall be divided equally by the number of months covered by the term (five months each for the 1st and 2nd semesters and two months for summer). The resulting amount shall be recorded as the amount of tuition and school fees for the month, net of amortization of deferred scholarship and discounts. Customers' deposits pertain to cash advance received to which the Company has an obligation to deliver roofing and other steel products and installation services within the next financial year.

21. Long-term Debt

Long term debt as at March 31, 2026 and December 31, 2025 are as follows:

	2026		2025	
	Current portion	Non-current portion	Current portion	Non-current portion
Long term loans payable, net of debt issuance costs	2,059,995	16,970,913	1,995,780	15,627,227
	2,059,995	16,970,913	1,995,780	15,627,227

Long- Term Loans

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
PHN	6,881,250	6,890,000
PEHI	1,000,000	1,000,000
PCC	783,250	906,750
PMC	1,000,000	-
UGC	800,000	812,500
UPANG	602,406	604,447
SWU	920,000	571,500
PPHC	3,488,689	3,489,375
AU	633,259	640,726
UI	494,375	499,500
COC	966,524	781,964
SJC	370,000	370,000
PHINMA Solar	144,341	149,746
PSHC	85,998	85,998
Coral Way	451,017	463,517
RCL	400,000	400,000
UCLI	100,000	50,000
	19,121,109	17,716,023
Less debt issuance cost	90,201	(93,016)
	19,030,908	17,623,007
Less current portion - net of debt issuance cost	(2,059,995)	(1,995,780)
	16,970,913	15,627,227

The debt agreements presented in the succeeding pages include, among others, certain restrictions and requirements. The loan agreements with Security Bank Corporation (SBC), Rizal Commercial Banking Corporation (RCBC) and China Banking Corporation (CBC) stipulate, among others, positive and negative covenants which must be complied with by PHN, UGC, PCC, PEHI, AU, COC, UPANG, UI, SWU, PPHC and Coral Way for as long as the loans remain outstanding. Negative covenants include certain restrictions and requirements, such as maintenance of certain current, debt-to-equity and debt service coverage ratios.

As at December 31, 2025, all entities within the group are compliant with the required financial ratios and other loan covenants, except for PHN, PCC and UGC. PHN breached the required debt service coverage ratios, PCC breached the required current and debt-to-equity ratios, and UGC breached the required debt-to-equity ratio. PHN and PCC were able to obtain waivers from its banks in relation to the breach and the related loans remain to be

classified as noncurrent liabilities as at December 31, 2025. However, UGC was not able to obtain a waiver from its bank, which resulted in the classification of its long-term debt amounting to P812.5 million to current liabilities as at December 31, 2025.

Certain assets amounting ₱6,571.3 million and ₱6,578.1 million as at March 31, 2026 and December 31, 2025, respectively, are mortgaged as collaterals for the respective long-term debts as follows (see Notes 16 and 17):

Entity	Collateral
AU	Land and land improvements in the main campus
COC	Land in the main campus
UPANG	Land and land improvements
UI	Land and land improvements
Philcement	Assignment of leasehold rights on the land where the cement terminal is constructed, registration of real estate or chattel mortgage on cement terminal building, equipment and other assets, and assignment of port ownership, right to land lease and rights to foreshore lease
UGC	Land, plant site improvements, buildings, installations, machinery, and equipment
PSHC	Land
PPHC	Real estate ICR under receivable purchase agreements
Coral Way	Real estate mortgage on a hotel building
KEHC	Assignment of the lease rights over the land where the hotel is constructed and real estate mortgage over the hotel building and its permanent improvements

PEHI's loan agreement with CBC is covered by a negative pledge on the shares of stocks held by PEHI with AU, COC, UPANG, UI and SWU.

The balance of unamortized debt issuance cost follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Beginning of year	93,016	43,466
Additions	1,875	75,750
Acquisition through business combination	-	-
Amortization	(4,690)	(26,200)
End of year	90,201	93,016

The details of long-term debts are summarized below:

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms			Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment						2026	2025
PEHI	1,500,000	December 7, 2015	RCBC	28 equal quarterly payments of P3.8 million with the remaining balance to be paid on maturity date. First principal payment commenced on March 7, 2019.	December 7, 2025	First five years is based on the three-day average of five-year Philippine Dealing System Treasury Reference Rate (PDST-R2) plus a 1.35% spread or 5.00%, whichever is higher, and to be repriced at the end of the fifth year for the remaining five years at an interest rate based on the interest rate then current or the applicable five-year benchmark rate plus 1.35% spread or 5.00%, whichever is higher.	The loan is availed to finance the acquisition of majority ownership in AU, COC, UPANG, UI and SWU.	December 7, 2015	500,000	-	-	
PEHI		December 7, 2015	RCBC	28 equal quarterly payments of P6.8 million with the remaining balance to be paid on maturity date. First principal payment commenced on March 7, 2019.	December 7, 2025	First seven years is based on the three-day average of seven-year PDST-R2 plus a 1.40% spread or 5.00%, whichever is higher, and to be repriced at the end of the seventh year for the remaining three years at an interest rate based on the interest rate then current or the applicable three-year benchmark rate plus 1.40% spread or 5.00%, whichever is higher.		December 7, 2015	900,000	-	-	
PEHI	1,000,000	December 1, 2015	CBC	28 equal quarterly payments of P3.8 million with the remaining balance to be paid on maturity date. First principal payment commenced on March 8, 2019.	December 8, 2025	First five years is based on the three-day average of five-year PDST-R2 plus a 1.35% spread or 5.00%, whichever is higher, and to be repriced at the end of the fifth year for the remaining five years at an interest rate based on the interest rate then current or the applicable five-year benchmark rate plus 1.35% spread or 5.00%, whichever is higher.	The loan is availed to finance the acquisition of majority ownership in AU, COC, UPANG, UI and SWU.	December 8, 2015	500,000	-	-	
PEHI	364,000	December 27, 2021	RCBC	16 equal quarterly payments of P2.73 million with the remaining balance to be paid on maturity date. First principal payment commenced on March 27, 2022.	December 7, 2025	First 7 years is based on the 3-day average of 7-year PDST-R2 plus a 1.40% spread or 5.00%, whichever is higher, and to be repriced at the end of the 7th year for the remaining 3 years at an interest rate based on the interest rate then current or the applicable 3-year benchmark rate plus 1.40% spread or 5.00%, whichever is higher.	The loan is availed to refinance the loan used to invest in majority ownership of PEHI's subsidiaries, AU, COC, UPANG, UI and SWU.	December 27, 2022	364,000	-	-	
PEHI	1,000,000	December 5, 2025	RCBC	Sculpted quarterly amortizations equivalent to 33% of the total principal amount payable from the 2nd quarter up to the 19th quarter and 67% of the total principal payable on the 20th quarter	December 5, 2030	Fixed for 5 years, higher of 5Y BVAL+87.5bps spread and floor rate of 5.75%	The loan is availed to finance the additional investments in COC, UPANG, UI, SWU and RCL.	December 5, 2025	1,000,000	993,004	992,619	
COC	125,000	June 24, 2018	CBC	28 unequal quarterly payments as follows: 8 quarterly installments of P0.3 million from October 9, 2021 to July 9, 2023; 8 quarterly installments of P1.6 million from October 9, 2023 to July 9, 2025; 8 quarterly installment of P3.1 million from October 9, 2025 to July 9, 2027 and 4 quarterly installments of P21.3 million from October 9, 2027 to July 9, 2028. First principal payment commenced on July 9, 2021.	July 9, 2028	Fixed rate of 6.25% p.a. for the first five years; for remaining five years, higher of applicable five-year PDST-R2 plus a spread of up to 100 bps or 6.25% p.a.	The loan is availed to fund the expansion projects and development plans.	July 9, 2018	125,000	103,750	106,875	
COC	200,000	February 1, 2023	CBC	Quarterly principal payments as follows: P1.69 million from	February 10, 2033	Interest payable quarterly in arrears at 7.3170% p.a. fixed up to 2/10/2028, and 7.6258% p.a. thereafter	The loan is availed to fund the capital expenditures	February 10, 2023	150,000	144,397	144,397	

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms			Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment						2026	2025
				May 10, 2025 to November 10, 2032 and; P97.5 million upon maturity on February 10, 2033		up to 2/10/2030. On the day after the seventh (7th) anniversary from the Initial Drawdown Date until the Maturity Date, the Interest Rate per annum shall be reset on the Interest Rate Resetting Date to the higher of: (a) Benchmark Rate plus Interest Spread, divided by the Interest Premium Factor; or (b) existing interest rate.	and expansion plans.					
COC		February 1, 2023	CBC	Quarterly principal payments as follows: P0.565 million from May 10, 2025 to November 10, 2032 and; P32.5 million upon maturity on February 10, 2033	February 10, 2033	Interest payable quarterly in arrears at 7.2824% per annum fixed up to February 10, 2028, and 7.5897% per annum thereafter up to February 10, 2030. On the day after the seventh (7th) anniversary from the initial drawdown date until the maturity date, the interest rate per annum shall be reset on the interest rate resetting date to the higher of: (a) benchmark rate plus interest spread, divided by the interest premium factor; or (b) existing interest rate.		March 17, 2023	50,000	47,742	48,133	
COC	400,000	March 10, 2025	SBC	36 quarterly installments of P5.5 million for the first 9 years and P50 million quarterly on the 10th year	March 19, 2035	First 2 years floating rate, with repricing on semi-annual basis.	The loan is availed to fund the capital expenditures.	March 19, 2025	400,000	372,222	380,533	
COC	100,000	November 25, 2025	SBC	36 quarterly installments of P1.4 million for the first 9 years and P12.5 million quarterly on the 10th year	March 19, 2035	First 2 years floating rate, with repricing on semi-annual basis.		November 25, 2025	100,000	97,060	97,643	
COC	200,000	March 10, 2026	SBC	36 quarterly installments of 1.4million for the first 9 years and 12.5million quarterly on the 10th year	March 10, 2035	First 2 years floating rate, with repricing on semi-annual basis.		March 19, 2026	200,000	196,970	-	
UI	200,000	December 12, 2017	CBC	Quarterly principal payments as follows: P1.0 million per quarter for the 3rd and 4th year from initial drawdown; P1.5 million per quarter for the 5th and 6th year; P2.5 million per quarter for the 7th until 9th year and P37.5 million per quarter for the 10th year.	December 20, 2027	Fixed for the first seven years. Applicable seven-year PDST-R2 a spread up to 1.25%, for the remaining three years, the applicable three-year PDST-R2 plus a spread up to 1.25%	The loan is availed to finance the expansion and development plans, including school building upgrades and improvement of the existing facilities.	December 20, 2017	100,000	73,036	75,599	
UI		December 12, 2017	CBC	Principal payments will be the same with the first drawdown. As per agreement both the first and second drawdown will be repaid at the same dates and terms.	December 20, 2027	Fixed for the first seven years. Applicable seven-year PDST-R2 a spread up to 1.25%, and for the remaining three years, the applicable three-year PDST-R2 plus a spread up to 1.25%.		April 24, 2018	100,000	73,274	75,836	
UI	200,000	October 14, 2022	RCBC	Quarterly principal payments as follows: P1.5 million per quarter from the beginning of the 3rd year drawn	December 18, 2032	For the first seven years, from the initial drawn date to the end of the 7th year. Interest shall be based on the sum of the applicable 7-year benchmark and margin. For the next 3 years: from the beginning of the 8th year to final maturity date - sum of the applicable 3-year benchmark and the margin.	The loan is availed to finance the expansion and development plans, including school building upgrades and improvement of the existing facilities.	October 18, 2022	200,000	198,004	198,004	
UI	150,000	October 17, 2024	RCBC	Quarterly principal payments as follows: P1.5 million per quarter from the beginning of the 3rd year drawn	October 17, 2032	For the first seven years, from the initial drawn date to the end of the 7th year. Interest shall be based on the sum of the applicable 7-year benchmark and margin. For the next 3 years: from the beginning of	The loan is availed to finance the expansion and development plans, including school building	October 17, 2024	150,000	148,503	148,503	

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms		Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment					2026	2025
AU	100,000	November 29, 2019	CBC	27 equal quarterly payments of P1.5 million starting from November 29, 2022 to May 5, 2029 with the remaining balance of P60.3 million to be paid on maturity date. First principal payment commenced on February 28, 2023.	November 29, 2029	the 8th year to final maturity date - sum of the applicable 3-year benchmark and the margin. 6.9836% inclusive of GRT (first 5 years); 7.2048% inclusive of GRT (next 2 years) Fixed rate for the first five years based on the five-year Benchmark rate of the term plus interest spread or a floor rate of 5.25% plus applicable GRT. Interest rate is subject for repricing for the remaining five years based on: i. Initial interest rate; or ii. Then prevailing five-year Benchmark rate plus interest spread, whichever is higher.	upgrades and improvement of the existing facilities. The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	November 29, 2019	100,000	81,042	82,500
AU	100,000	November 29, 2019	CBC	28 unequal quarterly payments as follows: 8 quarterly installments of P2.5 million from February 28, 2023 to November 29, 2024; 16 quarterly installments of P3.8 million from February 28, 2025 to November 29, 2028 and four quarterly installment of P5.0 million from February 28, 2029 to November 29, 2029. First principal payment commenced on February 28, 2023.	November 29, 2029	Fixed rate for the first five years based on the five-year Benchmark rate of the term plus interest spread or a floor rate of 5.25% plus applicable GRT. Interest rate is subject for repricing for the remaining five years based on: i. Initial interest rate or ii. Then prevailing five-year Benchmark rate plus interest spread, whichever is higher.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	November 29, 2019	100,000	61,250	65,000
AU	200,000	February 1, 2023	CBC	Quarterly principal payments as follows: P1.1 million from June 1, 2025 to December 1, 2032 and; P65.0 million upon maturity on March 1, 2033	March 1, 2033	Interest payable quarterly in arrears at 7.3900% per annum fixed up to March 1, 2028, and 7.7019% per annum thereafter up to March 1, 2030. On the day after the seventh (7th) anniversary from the initial drawdown date until the maturity date, the interest rate per annum shall be reset on the interest rate resetting date to the higher of: (a) benchmark rate plus interest spread, divided by the interest premium factor; or (b) existing interest rate.	The loan is availed to fund the capital expenditures and expansion plans.	March 1, 2023	100,000	95,039	95,696
AU	Included in the P200 million loan facility taken on February 1, 2023	February 1, 2023	CBC	Quarterly principal payments as follows: P1.1 million from June 1, 2025 to December 1, 2032 and; P65.0 million upon maturity on March 1, 2033	March 1, 2033	Interest payable quarterly in arrears at 7.7601% per annum fixed up to March 1, 2028, and 8.8076% per annum thereafter up to March 1, 2030. On the day after the seventh (7th) anniversary from the initial drawdown date until the maturity date, the interest rate per annum shall be reset on the interest rate resetting date to the higher of: (a) benchmark rate plus interest spread, divided by the interest premium factor; or (b) existing interest rate.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	July 11, 2023	100,000	95,084	96,612
AU	200,000	March 17, 2025	CBC	28 quarterly installments of P14 million from June 17, 2027 to March 17, 2032, quarterly installment of P102 million from June 17, 2032 until maturity	March 17, 2035	First 2 years floating rate, with repricing on semi-annual basis + 8 years tiered fixed rate.	The loan is availed to finance the capital expenditures.	March 17, 2025	200,000	198,632	198,632

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms		Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment					2026	2025
AU	100,000	March 17, 2025	CBC	28 quarterly installments of P14 million from June 17, 2027 to March 17, 2032, quarterly installment of P102 million from June 17, 2032 until maturity	March 17, 2035	First 2 years floating rate, with repricing on semi-annual basis + 8 years tiered fixed rate.		July 8, 2025	100,000	100,000	100,000
UPANG	190,000	March 27, 2018	CBC	32 unequal quarterly payments as follows: P1.9 million from June 27, 2020 to March 27, 2022; P2.9 million from June 27, 2022 to March 27, 2025; P4.8 million from June 27, 2025 to March 27, 2027; and P25.7 million from June 27, 2027 to March 27, 2028.	March 27, 2028	Interest shall be payable quarterly in arrears from February 27, 2018 to June 27, 2018 (92 days) shall be at 6.50% inclusive of GRT fixed for the first five years. Interest shall be based on five-year PDST-R2 (5.22% + 122 bps + 1% GRT. The interest rate for the remaining five years of the loan shall be the PDST-R2 plus a spread of up to 125 bps or 6.50% whichever is higher.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	March 27, 2018	190,000	120,937	117,333
UPANG	200,000	February 1, 2023	CBC	Quarterly principal payments as follows: P1.1 million from May 27, 2025 to November 27, 2032 and; P65.0 million upon maturity on February 27, 2033	February 27, 2033	Interest payable quarterly in arrears at 7.3871% per annum fixed up to February 27, 2028, and 7.6988% per annum thereafter up to February 27, 2030. On the day after the seventh (7th) anniversary from the initial drawdown date until the maturity date, the interest rate per annum shall be reset on the interest rate resetting date to the higher of: (a) benchmark rate plus interest spread, divided by the interest premium factor; or (b) existing interest rate.	The loan is availed to fund the capital expenditures and expansion plans.	February 27, 2023	100,000	95,484	96,613
UPANG	Included in the P200 million loan facility taken on February 1, 2023.	February 1, 2023	CBC	Quarterly principal payments as follows: P0.57 million from May 27, 2025 to November 27, 2032 and; P32.5 million upon maturity on February 27, 2033	February 27, 2033	Interest payable quarterly in arrears at 7.4081% p.a. fixed up to 2/27/2028, and 7.7207% p.a. thereafter up to 2/27/2030. On the day after the seventh (7th) anniversary from the Initial Drawdown Date until the Maturity Date, the Interest Rate per annum shall be reset on the Interest Rate Resetting Date to the higher of: (a) Benchmark Rate plus Interest Spread, divided by the Interest Premium Factor; or (b) existing interest rate.	The loan is availed to fund the capital expenditures and expansion plans.	July 3, 2023	50,000	47,742	48,306
UPANG	Included in the P200 million loan facility taken on February 1, 2023.	February 1, 2023	CBC	31 quarterly installments of P0.564 million from May 27, 2025 to November 27, 2032, full payment of P32.5 million upon maturity	February 27, 2033	Interest payable quarterly in arrears at 7.3775% p.a. fixed up to 2/27/2028, and 7.6888% p.a. thereafter up to February 27, 2030. On the day after the seventh (7th) anniversary from the Initial Drawdown Date until the Maturity Date, the Interest Rate per annum shall be reset on the Interest Rate Resetting Date to the higher of: (a) Benchmark Rate plus Interest Spread, divided by the Interest Premium Factor; or (b) existing interest rate.	The loan is availed to fund the capital expenditures and expansion plans.	December 13, 2023	50,000	47,742	48,306
UPANG Urdaneta	100,000	September 29, 2015	RCBC	28 quarterly payments, to commence at the end of the 13th quarter from the initial drawdown date.	September 29, 2025	Interest shall be payable quarterly in arrears. i. Fixed rate for the first seven (7) years of the term based on three-day average of seven-year PDST-R2 + 1.42%, subject to repricing at the end of the seventh year; and ii. On the last three years of the term, the interest rate shall be based on the interest rate then current or the three-day average of three-year PDST-R2 + 1.42%, whichever is higher.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	September 29, 2015	100,000	-	-

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms			Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment						2026	2025
UPANG Urdaneta	300,000	April 25, 2023	RCBC	31 quarterly payments of P1.5 million with the remaining balance of P84.5 million to be paid on maturity date. First principal payment will commence on September 1, 2025.	June 1, 2033	Interest payable quarterly in arrears at 7.0200% per annum fixed up to June 1, 2028 and 7.3160% thereafter up to June 1, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	June 1, 2023	130,000	123,961	125,429	
UPANG Urdaneta	Included in the P300 million loan facility taken on April 25, 2023.	April 25, 2023	RCBC	31 quarterly installments of P0.790 million from September 1, 2025 to March 1, 2033, full payment of P45.5 million upon maturity	June 1, 2033	Interest payable quarterly in arrears at 7.652% p.a. fixed up to June 1, 2028 and 7.9750% thereafter up to June 1 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	September 8, 2023	70,000	67,629	68,419	
UPANG Urdaneta	Included in the P300 million loan facility taken on April 25, 2023.	April 25, 2023	RCBC	31 quarterly installments of P0.566 million from September 1, 2025 to March 1, 2033, full payment of P32.5 million upon maturity.	June 1, 2033	Interest payable quarterly at 7.691% inclusive of GRT (first 5 years); 8.015% inclusive of GRT (next 2 years)	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	July 5, 2024	50,000	48,306	48,871	
UPANG Urdaneta	Included in the P300 million loan facility taken on April 25, 2023.	April 25, 2023	RCBC	31 quarterly installments of P0.566 million from September 1, 2025 to March 1, 2033, full payment of P32.5 million upon maturity.	June 1, 2033	Interest payable quarterly at 7.199% inclusive of GRT (first 5 years); 7.5030% inclusive of GRT (next 2 years)	The loan is availed to finance the capital expenditure projects and refinance existing loan obligations.	November 22, 2024	50,000	48,306	48,871	
SWU	400,000	December 6, 2017	RCBC	28 quarterly payments of P1.0 million. First principal payment commenced on March 7, 2021.	December 7, 2027	Interest is payable quarterly in arrears, commencing at the end of the first quarter from the initial drawdown date. Interest shall be fixed at 6.66% from years one to five and at 6.94% onwards until maturity.	The loan is availed to finance the building development, expansion and purchase of equipment for SWU's Hospital and building developments.	December 7, 2017; December 20, 2017; March 29, 2018	100,000 200,000 100,000	94,500 190,000 94,500	95,250 190,500 95,250	
SWU	200,000	April 18, 2018	CBC	27 equal quarterly payments of P0.5 million with the remaining balance to be paid on maturity date. First principal payment commenced on July 18, 2021.	April 18, 2028	6.4178% from years one to five and subsequently interest shall be based on the applicable five-year base rate plus spread up to 125 basis points. Effective April 18, 2023, the interest rate was repriced to 7.44%.	The loan is availed to finance the building development, expansion and purchase of equipment for SWU's Hospital and building developments.	April 18, 2018	200,000	191,000	190,500	
SWU	350,000	March 19, 2026	CBC	28 equal quarterly payments of 4.375 million, then 4 quarterly payments of 56.875 million until maturity. First principal payment will commence on June 17, 2028.	February 8, 2036	Interest rate will be based on the higher of the following interest rates per annum: (a) the benchmark rate plus the interest spread divided by the applicable interest premium factor; or (b) the floor rate divided by the applicable interest premium factor.	The loan is availed to finance the building development, expansion and purchase of equipment for SWU's Hospital and building developments.	March 30, 2026	350,000	350,000	-	
SJC	110,000	April 25, 2023	RCBC	31 quarterly payments of P1.2 million with the remaining balance of P71.5 million to be paid on maturity date. First principal payment commenced will commence on	May 3, 2033	Interest payable quarterly in arrears at 7.2320% per annum fixed up to May 3, 2028 and 7.5340% thereafter up to May 3, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	May 3, 2023	110,000	109,583	109,583	

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms		Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment					2026	2025
					August 3, 2025						
SJC	70,000	April 25, 2023	RCBC	31 quarterly payments of P0.79 million with the remaining balance of P45.5 million to be paid on maturity date. First principal payment will commence on August 3, 2025	May 3, 2033	Interest payable quarterly in arrears at 7.0670% per annum fixed up to May 3, 2028 and 7.3650% thereafter up to May 3, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	May 31, 2023	70,000	69,746	69,746
SJC	90,000	April 25, 2023	RCBC	31 quarterly payments of P1.0 million with the remaining balance of P58.5 million to be paid on maturity date. First principal payment will commence on August 3, 2025	May 3, 2023	Interest payable quarterly in arrears at 7.5080% per annum fixed up to May 3, 2028 and 7.824% thereafter up to May 3, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	July 5, 2023	90,000	89,645	89,645
SJC	100,000	February 5, 2024	RCBC	31 quarterly payments of P0.5 million with the remaining balance of P32.5 million to be paid on maturity date. First principal payment will commence on August 3, 2025.	May 3, 2033	Interest payable quarterly in arrears at 7.5080% p.a. fixed up to May 3, 2028 and 7.824% thereafter up to May 3, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	February 5, 2024	50,000	49,769	49,769
SJC				31 quarterly payments of P0.5 million with the remaining balance of P32.5 million to be paid on maturity date. First principal payment will commence on August 3, 2025.	May 3, 2033	Interest payable quarterly in arrears at 7.1102% p.a. fixed up to May 3, 2028 and 7.4095% thereafter up to May 3, 2030. From the beginning of the 8th year to final maturity date, interest shall be applicable 3-year BVAL + 115bps.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	November 8, 2024	50,000	49,648	49,648
RCL	100,000	March 19, 2024	RCBC	31 quarterly payments of P0.564 million with the remaining balance of P39.5 million to be paid on maturity date. First principal payment will commence on September 27, 2026.	June 27, 2034	Interest payable quarterly in arrears at 7.690% p.a. fixed up to June 27, 2029 and Sum of 5-yr BVAL + 1.150% Margin + 5% GRT For Borrower's Account for the next five years	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	June 27, 2024	50,000	49,626	49,648
RCL			RCBC	31 quarterly payments of P0.564 million with the remaining balance of P39.5 million to be paid on maturity date. First principal payment will commence on September 27, 2026.	June 27, 2034	Interest payable quarterly in arrears at 7.3035% p.a. fixed up to June 27, 2029 and Sum of 5-yr BVAL + 1.150% Margin + 5% GRT For Borrower's Account for the next five years.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	August 15, 2024	50,000	49,627	49,647

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms			Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment						2026	2025
RCL	300,000	March 19, 2024	RCBC	31 quarterly payments of P3.387 million with the remaining balance of P198 million to be paid on maturity date. First principal payment will commence on September 27, 2026	June 27, 2034	Interest payable quarterly in arrears @ 7.3035% p.a. fixed up to June 27, 2029 and Sum of 5-yr BVAL + 1.150% Margin + 5% GRT For Borrower's Account for the next five years	The loan is availed to finance capital expenditures.	August 7, 2025	300,000	297,808	297,829	
UCLI	50,000	August 15, 2024	RCBC	31 quarterly payments of P0.564 million with the remaining balance of P39.5 million to be paid on maturity date. First principal payment will commence on August 15, 2026.	May 15, 2034	Interest payable quarterly in arrears at 7.3035% p.a. fixed up to August 15, 2029 and Sum of 5-yr BVAL + 1.150% Margin + 5% GRT For Borrower's Account for the next five years.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	August 15, 2024	50,000	99,179	49,576	
PHN	2,000,000	May 23, 2017	SBC	Principal repayment shall commence at the end of the 3rd year from initial drawdown date until maturity date; balloon payment amounting to P1.9 billion or 94% of principal amount on maturity date.	May 21, 2027	Interest rate is equivalent to: i) the applicable 10-year PDST-R2 Benchmark Rate plus an interest spread of 125 basis points per annum (1.25% p.a.), and ii) 6.25% p.a., whichever is higher.	The loan is availed to refinance investments in subsidiaries and other general corporate purposes.	May 23, 2017	2,000,000	1,882,997	1,887,400	
PHN	1,000,000	July 11, 2023	CBC	Principal repayment of P50.0 million after 1 year of initial drawdown date and balance on principal amount on maturity date.	July 17, 2025	With regular interest of 7.8557%. Interest to be paid on quarterly basis.	The loan is availed to finance capital expenditures, expansion plans, and other general corporate purposes of the debtor.	July 17, 2023	1,000,000	-	-	
PHN	1,500,000	August 15, 2025	SBC	Principal repayment of P3.75 million or 0.25% per quarter shall commence on February 17, 2026 with remaining balance of P1.432 billion or 95.5% to be paid on final maturity date.	August 15, 2030	Interest rate shall be the higher of i) applicable 5Y BVAL + 1.15% interest margin, and (ii) floor Rate of BSP Overnight Policy Rate + 50 bps	The loan is availed to refinance maturing short-term and long-term obligations, including investments in CMG, community housing and Bacolod Township	August 15, 2025	1,500,000	1,486,225	1,489,485	
PHN	2,000,000	August 18, 2025	RCBC	Principal repayment of P20 million or 1% per year shall commence on August 18, 2026 with remaining balance of P1.820 billion or 91% to be paid on final maturity date	August 18, 2035	Interest rate is equivalent to the applicable 2Y+3Y+5Y BVAL plus 1.15% interest margin with floor rate of 5.75%		August 18, 2025	2,000,000	1,985,703	1,985,418	
PHN	1,500,000	October 21, 2025	CBC	Principal repayment of P15 million or 1% per year shall commence on October 28, 2026 with remaining balance of P1.440 billion or 96% to be paid on final maturity date	October 28, 2030	Interest rate is equivalent to the applicable 5Y BVAL plus 1.15% interest margin with floor rate of 6.25%		October 28, 2025	1,500,000	1,489,567	1,489,087	
UGC	1,000,000	February 18, 2022	BDO	Principal amortization commence three months after drawdown date and every quarter thereafter and shall be paid based on 1.25% every quarter for 4 years and the remaining 80% paid in balloon upon maturity.	February 18, 2027	Interest rate is based on 3Y BVAL 3.3618+ spread 1.25%= 4.6118% + 5% GRT = 4.8545%	The loan is availed to refinance the outstanding loan of UGC with BDO and convert the short term loans to long-term loans.	February 18, 2022	1,000,000	798,215	810,226	

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms			Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment						2026	2025
PCC	720,000	February 26, 2021	SBC	Eight quarterly principal payments of P10.3 million, nine quarterly principal payments of P20.5 million and remaining balance to be paid at maturity date	June 13, 2025	Interest rate of 6.73% GRT inclusive, fixed rate up to maturity Interest rate of 6.84% GRT inclusive, fixed rate up to maturity	The loan is availed to partially finance the acquisition of Phase 2 port terminal. This is a continuation of the remaining tenor with the original SNPSI loan.	February 26, 2021	369,363	-	-	
									350,637	-	-	
PCC	500,000	March 19, 2021	SBC	20 unequal quarterly payments	March 30, 2026	Interest rate of 5.1% GRT inclusive, fixed rate up to March 29, 2024 and for the remaining two years, the applicable two-year BVAL plus 40 bps, subject to a floor rate of 5.1%	The loan is availed to refinance short-term project costs and finance the mixer facility.	March 19, 2021	500,000	-	36,684	
PCC	1,000,000	September 5, 2023	SBC	Eight quarterly principal payments of P10.0 million, Four quarterly payments of P50.0 million and four quarterly payments of P180.0 million. First principal payment commenced on December 7, 2023.	September 7, 2027	Interest rate of 7.2056% fixed rate for the first 2 years, subject to repricing at the end of the 2nd year (2+2 structure)	The loan is availed to refinance existing loans and finance the expansion and improvement projects in the Mariveles facility.	September 7, 2023	1,000,000	777,676	864,492	
Phinma Solar	20,000	June 25, 2021	DBP	Principal repayment to commence at the end of the fifth (5th) quarter from date of Initial Draw Down. Principal shall be payable in thirty-six equal quarterly installments.	August 13, 2031	4.875% (4.924% GRT inc.) for the 1st 5 years. Next 5 years based on the relevant 5YR BVAL + 1% spread with a floor rate not lower than the rate prior to repricing (4.875%). Interest to be paid on quarterly basis	The loan is availed to finance the general corporate requirements of the rooftop solar projects.	August 31, 2021	20,000	12,175	12,729	
Phinma Solar	80,000	April 21, 2022	DBP	Principal repayment to commence at the end of the sixth (6) months from date of Draw Down. Principal shall be payable in thirty-six equal quarterly installments.	August 13, 2031	With regular interest of 6.37710%	The loan is availed to finance the general corporate requirements of the rooftop solar projects.	April 21, 2022	80,000	49,386	50,888	
Phinma Solar	50,000	August 2, 2023	DBP	Principal repayment commenced on August 13, 2023 from date of drawdown and principal shall be payable in 33 equal quarterly installments.	August 13, 2031	With regular interest of 7.31470%	The loan is availed to finance the general corporate requirements of the rooftop solar projects.	August 2, 2023	50,000	33,155	34,662	
PHINMA Solar	40,000	November 10, 2023	DBP	Principal repayment commenced on November 13, 2023 and shall be payable in 32 equal quarterly installments.	August 13, 2031	With regular interest rate of 7.5413%	The loan is availed to finance the general corporate requirements of the rooftop solar projects.	November 10, 2023	40,000	27,347	28,591	
PHINMA Solar	30,000	December 22, 2023	DBP	Principal repayment commenced on February 13, 2024 and shall be payable in 31 equal quarterly installments.	August 13, 2031	With regular interest rate of 6.9291%	The loan is availed to finance the general corporate requirements of the rooftop solar projects.	December 22, 2023	30,000	21,172	21,770	
PSHC	154,000	July 15, 2006	UPPC	Annual installment payments of P4 million for 32 years starting December 31, 2021.	December 31, 2052	The effective interest rate after the modification of term is 6.80%	The loan is availed to finance the acquisition of land from UPPC.	July 15, 2006	154,000	85,998	85,998	
PPHC	500,000	March 31, 2016	CBC	Payable in 36 quarterly installments with final repayment on April 11, 2026. Annual principal payment of 1/4 of 1% of beginning principal balance to commence on 5th quarter with remaining principal balance payable on final maturity date. The loan has prepayment option and contains negative pledges.	April 11, 2026	Fixed interest rate per annum of 6.1567%	The loan is availed to finance the ongoing projects of PPHC.	April 11, 2016	100,000	97,786	97,848	
						Fixed interest rate per annum of 6.04%		March 20, 2016	400,000	391,242	391,391	
PPHC	3,000,000	December	RCBC	Sculpted principal amortizations	December	Fixed for first 5 years, repricing after 5th year (5Y +	The loan is availed to	December 22,	3,000,00	2,977,500	2,977,500	

Debtor	Loan Amount	Date of Loan Agreement	Lender	Terms		Interest Rate	Purpose	Dates Drawn	Amount Drawn	Outstanding Amounts	
				Installments	Final Installment					2026	2025
		22, 2025		commencing after the second year from initial drawdown date	22, 2035	5Y) based on BVAL plus 1.50% excluding GRT. 1st drawdown: Interest rate of 7.27% for first 5 years, repricing after 5th year"	refinance the existing short-term loan to term loan.	2025	0		
Coral Way	200,000	October 29, 2015	BDO	40 quarterly installments in June 2021, the term of the loan was refinanced under the same term of the facility agreement except that the loan principal is payable quarterly until 2026.	October 29, 2026	First 7 years - fixed based on a seven-year Philippine Daily System Treasury Fixing - R2 benchmark rate plus the minimum spread of 1.4% or annual fixed 5.75%; whichever is higher. Next 3years – subject to repricing after the 7 th year based on the prevailing market rate as mutually agreed upon by the third parties.	The loan is availed to partially finance the equity contribution in a subsidiary for construction of a hotel.	October 29, 2015	200,000	7,017	19,517
Coral Way	440,000	June 30, 2025	BDO	Sculpted amortization after 2 years of grace period	June 30, 2035	For 1st 5 years, fixed rate of 7.2567%op.a. (inclusive of 1% grt), subject to repricing after the 5th year based on 5-year BVAL + 1.25% spread divided by applicable interest rate premium factor (5% grt)	The loan is availed to finance expansion plans.	June 30, 2025	120,000	120,000	120,000
Coral Way	440,000	June 30, 2025	BDO	Sculpted principal amortizations commencing at the end of the 2nd year from drawdown date	June 30, 2035	Fixed for first 5 years, repricing after 5th year (5Y + 5Y) based on BVAL plus 1.25% excluding GRT. 1st drawdown: Interest rate of 7.26% for first 5 years, repricing after 5th year		December 4, 2025	170,000	170,000	170,000
KEHC	300,000	January 2017	CBC	35 quarterly installments	January 2017	The term loan bears quarterly interest of 5.5% for the first seven (7) years and subject to repricing after the 7 th year.	The loan is availed to partially finance the construction of a hotel and for working capital requirements.	January 2017	300,000	154,000	154,000
Philcement Mindanao	1,000,000	February 2, 2026	BDO	Principal amortization to start after 2 years, and every quarter thereafter	March 27, 20233	Interest rate of 6.3382%, fixed for first year (March 2026 to March 2027), subject to repricing in 2027 and 2030 based on 3-year BVAL (1Y+3Y+3Y)		March 27, 2026	1,000,000	1,000,000	-
Total										19,030,908	17,623,007

22. Equity

a. Capital Stock

The composition of the Parent Company's capital stock as at March 31, 2026 and December 31, 2025 is as follows:

	2026		2025	
	Number of Shares	Amount	Number of Shares	Amount
Preferred - cumulative, nonparticipating, 10 par value				
Class AA – Authorized	50,000,000	500,000	50,000,000	500,000
Class BB – Authorized	50,000,000	500,000	50,000,000	500,000
Issued and subscribed	-	-	-	-
Common - 10 par value				
Authorized	420,000,000	4,200,000	420,000,000	4,200,000
Issued	336,303,550	3,363,036	336,303,550	3,363,036
Subscribed	39,994	400	39,994	400
Issued and subscribed	336,343,544	3,363,436	336,343,544	3,363,436
Less: Subscription receivable		(124)		(124)
	336,343,544	3,363,312	336,343,544	3,363,312

The issued and outstanding shares as at March 31, 2026 and December 31, 2025 are held by 1,207 and 1,209 equity holders, respectively.

Capital stock presented in the statements of financial position is net of subscription receivable amounting to 0.1 million as at March 31, 2026 and December 31, 2025.

The following summarizes information on the Parent Company's track record of registration of securities under the Securities Regulation Code:

Date of SEC Approval	Authorized Shares	Issue/Offer Price
March 12, 1957	1,200,000	10
June 12, 1968	1,000,000	10
April 7, 1969	800,000	10
January 21, 1980	2,000,000	10
November 3, 1988	10,000,000	10
October 13, 1992	25,000,000	10
June 3, 1995	60,000,000	10
March 16, 1999	320,000,000	10

b. Retained Earnings

Appropriated

In February 2020, the Parent Company's BOD approved the appropriation of 165.5 million of retained earnings for the buyback of PHN shares until February 2022.

On November 10, 2021, an appropriation was made for the investment in Construction Materials business until December 31, 2022 amounting to 1.1 billion. Another 500.0 million of the retained earnings was appropriated for the Education business until December 31, 2022.

As at December 31, 2022, appropriated retained earnings amounts to 1,765.5 million.

On March 3, 2023, upon the expiration of the previously appropriated retained earnings of 1.1 billion, the Parent Company's BOD resolved to reverse the expired appropriation and re-appropriate the same amount for the investment in the Construction Materials business until December 31, 2024. On the same date, the Parent Company's BOD approved the appropriation of 500.0 million for the investment in PPHC.

In addition, the Parent Company's BOD approved the reversal of previous appropriations of retained earnings amounting to 500.0 million for investment in Education business in 2021 and 165.5 million for buyback of PHN shares in 2020.

As at December 31, 2024 and 2023, the appropriated retained the amounts to 1.6 billion.

On March 21, 2025, the Company's BOD approved the appropriation of 500 million for the investment in the Construction Materials Group and 500 million for the investment in the PHINMA Community Housing Corporation until December 31, 2026. In addition, the BOD approved the reversal of previous appropriations of retained earnings amounting to 500 million for the investment in PPHC and 1.1 billion for the investment in the Construction Materials business

Unappropriated

On March 1, 2022, the Parent Company's BOD declared a regular cash dividend of 0.40 per share or an equivalent of 108.8 million and a special cash dividend of 0.10 per share or an equivalent of 27.2 million, to all common shareholders of record as at March 22, 2022. The cash dividends were paid on April 6, 2022.

On March 3, 2023, the Parent Company's BOD declared a regular cash dividend of ₱0.60 per share or an equivalent of ₱171.8 million to all common shareholders of record as at March 22, 2023. The cash dividends were paid on April 5, 2023.

On March 5, 2024, the Parent Company's BOD declared a regular cash dividend of ₱0.60 per share or an equivalent of ₱171.8 million to all common shareholders of record as at March 25, 2024. The cash dividends were paid on April 12, 2024.

On April 14, 2025, the Parent Company's BOD declared a regular cash dividend of ₱0.60 per share or an equivalent of ₱201.8 million to all common shareholders of record as at May 13, 2025 payable on May 26, 2025.

On March 6, 2026, the BOD approved the declaration of cash dividends subject to the confirmation and approval of audited financial statements by the Executive Committee. On March 10, 2026, the Executive Committee approved the audited financial statements and has confirmed the details of the cash dividend declaration of P0.60 per share amounting to P201.8 million payable on April 13, 2026 to shareholders of record as at March 31, 2026.

The balance of retained earnings includes Parent Company's accumulated equity in net earnings of subsidiaries and associates which are not currently available for dividend declaration until declared by the respective subsidiaries and associates amounting to 1,433.0 million and 1,026.3 million as at March 31, 2026 and December 31, 2025, respectively.

c. Buyback of Shares

There was no share buy backs for the period ended March 31, 2026 and December 31, 2025.

d. Treasury shares

Details of treasury shares as at March 31, 2026 and December 31, 2025 are as follows:

<i>Number of shares</i>	Parent Company Treasury Shares		Parent Company Shares held by ABCIC		Total	
	2026	2025	2026	2025	2026	2025
Balance at beginning of year	18,279	18,279	100,000	100,000	118,279	118,279
Acquisition of shares	-	-	-	-	-	-
Issuance of shares	-	-	-	-	-	-
Balance at end of year	18,279	18,279	100,000	100,000	118,279	118,279
Balance at beginning of year	182	182	2,100	2,100	2,282	2,282
Acquisition of shares	-	-	-	-	-	-
Issuance of shares	-	-	-	-	-	-
Balance at end of year	182	182	2,100	2,100	2,282	2,282

In 2024, proceeds from the sale of 5,411,822 treasury shares amounts to 104.6 million. There is no treasury shares sold in 2023.

In 2022, the Parent Company sold 14,431,900 treasury shares with cost of 143.9 million for 281.4 million.

e. Parent company shares held by a subsidiary

In 2023, APHI acquired additional 164,100 PHN shares with a total cost of 3.2 million. As at December 31, 2023, APHI holds 5,407,822 shares with a total cost of 57.7 million accounted as treasury shares.

In 2024, APHI acquired additional 104,000 PHN shares with a total cost of 2.2 million. At the same period, APHI sold 5,411,822 shares. The gain of 49.0 million on the disposal of shares is accounted for as APIC. As at December 31, 2024, APHI holds shares with a total cost of 2.1 million, accounted for as treasury shares.

f. Stock rights offering (SRO)

On August 6, 2024, the Parent Company's BOD approved the SRO. The proceeds will be used to support PHINMA Corporation's subsidiaries in relation to their relevant expansion plans, increase capital for the Company's potential new ventures and/or general corporate purposes.

On October 16, 2024, the SEC issued a Notice of Confirmation of Exempt Transaction confirming that the Offer is exempt from the registration requirements of the Securities Regulation Code.

On October 21, 2024, the Philippine Stock Exchange (PSE) approved the application of

the Parent Company for the listing of up to 51,493,306 common shares (“Offer Shares”) for the Company’s SRO of common shares to be issued from the unissued capital stock of the Parent Company, at an offer price range of 19.42 to 21.55 per Offer Share.

On November 27, 2024, the Parent Company closed the SRO with an offered a total of 50,000,000 Common Shares with a par value of 10.00 per share (the “Rights Shares”) at an offer price of 20.00 per share (the “Offer Price”) and raised 1 billion in capital. The Offer Price was determined based on the volume-weighted average price of the Issuer’s Common Shares traded on the PSE for each of the 90 consecutive trading days immediately prior to (and excluding) pricing date of 31 October 2024, subject to a discount of 3.46%. The entitlement ratio is one rights share for every 5.73 existing common shares.

The transaction resulted to increases in issued share capital of 50,000,000 common shares, capital stock of 500 million and additional paid-in capital of 473.5 million.

23. Cost of Sales, Educational, Real Estate Sold and Construction Services, Hospital and Installation Services

This account consists of:

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Cost of sales	2,227,721	3,498,506
Cost of educational services	748,606	638,155
Cost of hospital services	54,627	42,884
Cost of installation	47,995	23,115
Cost of sales, educational, hospital and installation	3,078,949	4,202,660
Cost of real estate sold and construction services	225,815	216,403
Cost of hotel operations	58,823	56,008
Cost of management and administrative services	28,194	28,125
	3,391,781	4,503,195

The details of cost of sales, educational and hospital services are as follows:

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Inventories used	1,952,493	3,111,810
Personnel costs	472,754	447,721
Depreciation	181,913	171,258
Power and fuel	6,780	70,065
Repairs and maintenance	22,008	26,824
Laboratory and school supplies	33,005	31,438
Rent expense	39,880	25,262
Graduation expenses	58,346	50,532
School affiliations and other expenses	37,537	29,892
Educational tour expenses	31,719	34,712
School materials, publication and supplies	9,474	425
Review expenses	35,797	21,414
Sports development and school activities	1,408	1,758
Subscription	2,846	1,605
Accreditation expenses	1,730	1,004

Installation cost	47,995	23,115
Others	143,263	153,824
	3,078,949	4,202,660

24. General and Administrative Expenses

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Personnel costs	362,805	405,173
Professional fees and outside services	83,473	121,735
Taxes and licenses	39,117	72,546
Depreciation and amortization	92,561	58,470
Utilities	42,497	38,018
Security and janitorial	44,177	34,135
Transportation and travel	21,615	20,544
Insurance	12,164	18,677
Meetings and conferences	7,032	6,399
Repairs and maintenance	21,473	9,637
Provision (reversal) for ECLs	(137,375)	(107,411)
Rent	10,628	13,085
Office supplies	15,273	8,914
Donations	322	1,016
Communications	2,769	3,260
Advertising and promotions	1,984	1,085
Dues and subscription	11,108	3,146
Others	44,356	57,337
	675,979	765,766

25. Selling Expenses

This account consists of:

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Personnel costs	59,671	66,948
Advertising	60,255	48,919
Commission	17,367	10,393
Depreciation and amortization	17,338	31,240
Transportation and travel	7,568	14,930
Outside services	892	1,616
Taxes and licenses	568	9,248
Postage, telephone and telegraph	3,590	2,703
Insurance	726	3,220
Repairs and maintenance	70	3,300
Rent and utilities	1,285	310
Supplies	2,543	1,170
Entertainment, amusement and recreation	244	1,145
Freight, handling and hauling	28,646	53,179
Others	12,928	10,034
	213,691	258,595

26. Related Party Transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions and the parties are subject to common control. Related parties may be individual or corporate entities.

The Company has a policy that requires approval of related party transaction by the Audit and Related Party Transactions Committee of the BOD when these breach certain limits and/or when these are not of a usual nature.

Outstanding balances at year-end are unsecured and settlement occurs in cash throughout the financial year. There have been no guarantees provided or received for any related party receivables or payables. For the periods ended March 31, 2026 and 2025, the Company's impairment of receivables from related parties amounted to nil. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The significant related party transactions entered by the Company with its associates and entities under common control and the amounts included in the interim condensed consolidated financial statements with respect to such transactions are shown below.

Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties (Note 10)	Loans receivable (Note 10)	Terms	Conditions
2026							
<i>Ultimate Parent</i> PHINMA Inc.	Share in expenses, management fees and bonus	27,628	29,129	4,726	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
	Purchase of shares				-		
<i>Other related parties*</i>							
PHINMA Insurance Brokers, Inc. (PHINMA Insurance), PHINMA Foundation, Inc., Phinma Plaza Condominium Corporation, Phinma Prism Property Development Corp.	Advances (PHINMA Prism)	-	-	56,142	-	Interest-bearing at range of 4.7% - 6.3% ; payable in March 2026 and to be settled in cash. This is presented as part of non-current receivables.	Unsecured, no impairment
	Interest income (PHINMA Prism)	876	-	-	-	Interest at 4.7% to 6.3% for 95 days; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
	Share in expenses	4,333	742	98,941	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
PTC Myanmar, IPM, PHINMA Saytanar (PSEd), PE International, Yayasan Triputra Persada	Share in expenses	751	-	18,792	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
PPSMI	Advances	417	-	15,476	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
JEPP Real Estate Co., Inc.	Advances	61,610	-	157,191	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
InPHIN8, PPSMI, DBHC, FBHC, SFSHC	Management And Incentive Fees	14,854	-	-	-	Noninterest bearing; due and demandable; and to be settled in cash. at gross amounts.	Unsecured, no impairment
	Rent (Inphin8)	2,586	-	-	-	and to be settled in cash. at gross amounts.	
	Loan receivable (SFSHC)	-	-	-	5,000	Noninterest bearing; due and demandable; and to be settled in cash. at gross amounts.	Unsecured, no impairment
			29,871	351,268	5,000		

Company	Nature	Amount/ Volume	Amount Due to Related Parties	Amount Due from Related Parties (Note 10)	Loans receivable (Note 10)	Terms	Conditions
2025							
<i>Ultimate Parent</i> PHINMA Inc.	Share in expenses, management fees and bonus	130,299	30,818	4,587	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
	Purchase of shares (Note 5)	150,535	-	-	-		
<i>Other related parties*</i> PHINMA Foundation, Inc., Phinma Plaza Condominium Corporation, Phinma Prism Property Development Corp.	Advances (PHINMA Prism)	-	-	56,142	-	Interest-bearing at range of 4.7% - 6.3% ; payable in March 2026 and to be settled in cash. This is presented as part of non-current receivables.	Unsecured, no impairment
	Interest income (PHINMA Prism)	3,563	-	-	-	Interest at 4.7% to 6.3% for 95 days; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
	Share in expenses	18,070	3,774	97,760	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
PTC Myanmar, IPM, PHINMA Saytanar (PSEd), PE International, Yayasan Triputra Persada	Share in expenses	6,359	-	18,041	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
PPSMI	Advances	-	-	15,059	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
JEPP Real Estate Co., Inc.	Advances	95,581	-	95,581	-	Noninterest bearing; due and demandable; and to be settled in cash at gross amounts.	Unsecured, no impairment
InPHIN8, PPSMI, DBHC, FBHC, SFSHC	Management and incentive fees	10,712	-	-	-	Noninterest bearing; due and demandable; and to be settled in cash. at gross amounts.	Unsecured, no impairment
	Rent (InPHIN8)	10,786	-	-	-	Noninterest bearing; due and demandable; and to be settled in cash. at gross amounts.	Unsecured, no impairment
	Loan receivable (SFSHC)	5,000	-	-	5,000	Noninterest bearing; due and demandable; and to be settled in cash. at gross amounts.	Unsecured, no impairment
			34,592	287,170	5,000		

* Entities under common control or with common shareholders

PHINMA, Inc. The Parent Company has a 5-year management contract with PHINMA, Inc. up to June 30, 2029, renewable thereafter mutual agreement. Under this contract, PHINMA, Inc. has a general management authority with corresponding responsibility over all operations and personnel of the Parent Company including planning, direction, and supervision of all the operations, sales, marketing, distribution, finance and other business activities of the Parent Company. Under the existing management agreement, the Parent Company pays PHINMA, Inc. a fixed monthly management fee plus an annual incentive based on a certain percentage of the Parent Company's net income.

Management and Directors' Compensation

PHN, UGC, COC, AU, UPANG, SWU, UI and PPHC are under common management of PHINMA, Inc. and pay PHINMA, Inc. a fixed annual management fee plus an annual bonus based on a certain percentage of the respective companies' adjusted net income, as defined in the management contract between PHINMA, Inc. and the respective companies, pursuant to the provisions of the same contract

Management fees and bonuses, presented as "Professional fees and outside services" under "General and administrative expenses" account, amounted to ₱33.3 million and ₱50.2 million for the three-months periods ended March 31, 2026 and 2025, respectively. The related unpaid amount, presented as "Accruals for professional fees and others" under "Trade and other payables" account in the unaudited interim condensed consolidated statement of financial position, amounted to ₱1.7 million and ₱13.1 million as of March 31, 2026 and December 31, 2025, respectively.

PHN, UGC, UI and AU recognized bonus to directors computed based on net income with pre-agreed adjustments. Directors' bonus, presented in "Personnel costs" under "General and administrative expenses" account, amounted to ₱21.74 million and ₱9.35 million for the three-month periods ended March 31, 2026 and 2025, respectively. The related unpaid amount, presented in "Accruals for personnel costs" under "Trade and other payables" account in the unaudited interim condensed consolidated statement of financial position, amounted to ₱38.7 million and ₱38.2 million as at March 31, 2026 and December 31, 2025, respectively.

Compensation of Key Management Personnel

Compensation of key management personnel of the Company are as follows:

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Short-term employee benefits	₱134,474	₱105,038
Pension and other post-employment benefits	2,470	2,738
	₱136,944	₱107,776

Key management personnel compensation is presented as part of personnel costs under general and administrative expenses.

27. Income Taxes

The deferred tax assets and liabilities are presented in the consolidated statements of financial position as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Deferred tax assets – net	₱366,062	₱361,106
Deferred tax liabilities – net	(807,543)	(645,600)
	(₱441,481)	(₱284,494)

The deferred tax assets consist of the tax effects of lease liabilities, net operating loss carryover (NOLCO), pension liability, allowance for ECLs, accrued expenses, management bonus and allowance for inventory write-down.

The deferred tax liabilities consist of excess of fair value over cost, right-of use assets, and fair value adjustments on property, plant and equipment of subsidiaries, unrealized gains on change in fair value, unamortized debt issuance costs, unrealized foreign exchange gain and unamortized capitalized borrowing cost.

The disproportionate relationship between income before income tax and the provision for income tax is due to various factors such as income of schools subjected to lower income tax rate, interest income subjected to lower final tax rate and equity in net losses of associates and joint ventures.

Reconciliation between the statutory tax rates and the Company's effective tax rates follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2025 (Unaudited)
Applicable statutory tax rate	25.0%	25.00%	25.0%
Income tax effects of:			
Income of school's subject to lower income tax rate of 10%/1%	(30.34)	(98.78)	(39.48)
Change in unrecognized deferred tax assets and others	17.23	106.42	25.49
Equity in net earnings of associates and joint ventures	(0.02)	(0.25)	(0.15)
Interest income subjected to lower final tax rate	(0.32)	(4.39)	(0.74)
Effective tax rates	11.55%	28.00%	10.12%

28. Pension and Other Post-employment Benefits

Pension and other post-employment benefits consist of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Net pension liability	₱258,788	₱268,031
Vacation and sick leave	133,009	138,354
Defined contribution plan	140	140
	391,937	406,525

29. Financial Risk Management Objectives and Policies

The main risks arising from the Company's treasury transactions are credit risk, liquidity risk, market risk, foreign currency risk, interest rate risk and equity price risk. Careful study, skill, prudence and due diligence are exercised at all times in the handling of the funds of the Company.

Credit Risk

Credit risk is the risk that the Company will incur a loss arising from customers, clients or counterparties that fail to discharge their contractual obligations. Due to the Company's investing and operating activities, the Company is exposed to the potential credit-related losses that may occur as a result of an individual, counterparty or issuer being unable or unwilling to honor its contractual obligations.

In managing credit risk on these financial instruments, the Company transacts only with the Company's duly accredited domestic and foreign banks. Investments per financial institution are subject to a maximum of 20% of the Company's investible funds. It is the Company's policy that investments cannot exceed 10% of the trust or mutual fund's total assets. A comprehensive credit and business review in coordination with dealers or underwriters is performed whenever the Company invests in non-rated securities. Furthermore, the Company monitors the credit quality of corporate and sovereign bonds with reference to credit rating studies and updates from the major rating agencies. The Company's exposure to credit risk on its cash and cash equivalents and trade and other receivables arises from default of the counterparties with maximum exposures equal to the carrying amounts of the instruments.

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Financial assets at amortized cost:		
Cash and cash equivalents*	₱4,171,282	3,044,237
Trade and other receivables	7,963,706	8,867,709
Contract assets	2,963,147	3,266,897
Refundable deposits**	72,546	85,011
	₱15,170,681	15,263,854

*Excluding cash on hand amounting to P121.9 million and P150.3 million as at March 31, 2026 and December 31, 2025 respectively.

**Presented under "Other current assets" and "Other noncurrent assets" account in the consolidated statements of financial position.

Credit Quality of Receivables from Customers and Contract Assets

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable

information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure of the Company's receivables from customers and contract assets using provision matrix:

March 31, 2026	Receivables from customers and contract assets					
	Days past due					Total
	Current	<30 Days	30-60 Days	61-90 Days	>91 Days	
Expected credit loss rate	1%	17%	4%	39%	30%	12%
Estimated total gross carrying amount default	6,090,730	654,685	278,412	391,343	2,708,641	10,123,811
Expected credit loss	78,513	109,475	10,557	153,550	821,548	1,173,643

December 31, 2025	Receivables from customers and contract assets					
	Days past due					Total
	Current	<30 Days	30-60 Days	61-90 Days	>91 Days	
Expected credit loss rate	2%	16%	2%	47%	29%	11%
Estimated total gross carrying amount default	6,976,878	775,292	437,213	333,723	2,996,382	11,519,488
Expected credit loss	147,089	120,914	8,343	158,144	870,841	1,305,331

Customer receivables amounting to P245.5 million and P251.2 million as at March 31, 2026 and December 31, 2025, respectively, was specifically identified to be fully impaired. Impaired financial instruments comprise of receivables from customers and other receivables. The past due but not impaired trade and other receivables are expected to be collected the following year.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risks by restricting investments and continuously monitoring weekly and monthly cash flows as well as updates of annual plans.

The maturities of the financial liabilities are determined based on the Company's projected payments and contractual maturities. The current liabilities usually mature within in a period of one (1) year and the non-current liabilities mature with a period of more than one (1) year to 28 years.

The average duration adheres to guidelines provided by the Investment Committee. It is the Company's policy to restrict investment principally to publicly traded securities with a history of marketability and by dealing with only large reputable domestic and international institutions.

Changes in liabilities arising from financing activities

The changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are as follows:

	January 1, 2026	Additions	Payment	Others*	March 31, 2026
Notes payable	12,388,806	1,445,213	(1,737,703)	-	12,096,316
Long-term debt	17,623,007	1,600,000	(194,914)	(49,550)	18,978,543
Due to related parties	34,592	-	(42,860)	-	(8,268)
Dividends payable	343,687	201,795	123,385	--	668,867
Lease liabilities	541,226	91,155	(28,287)	6,671	610,765
	30,931,318	3,338,163	(1,880,378)	(42,879)	32,346,224

* Others include amortization of debt issuance cost, accretion and roll-over of interest.

	January 1, 2025	Additions	Payments	Others*	December 31, 2025
Notes payable	16,022,789	10,167,403	(13,805,072)	3,686	12,388,806
Long-term debt	10,937,557	10,314,250	(3,655,000)	26,200	17,623,007
Due to related parties	77,452	-	(42,860)	-	34,592
Dividends payable	214,981	523,433	(394,727)	-	343,687
Lease liabilities	518,400	154,618	(167,539)	35,747	541,226
Total liabilities from financing activities	27,771,179	21,159,704	(18,065,198)	65,633	30,931,318

* Others include amortization of debt issue cost and accretion of interest. For lease liabilities, this also includes derecognized amount of P2.3 million due to pre-termination of long-term lease contract.

	January 1, 2025	Additions	Payment	Others*	March 31, 2025
Notes payable	16,022,789	1,424,656	(610,0670)	192	16,837,570
Long-term debt	10,937,557	400,000	(175,668)	9,144	11,171,033
Due to related parties	77,452	-	(30,634)	-	46,818
Dividends payable	214,981	-	(79,402)	--	135,579
Lease liabilities	518,400	-	(34,240)	9,263	493,423
Other noncurrent liabilities	395,908	302	-	--	396,210
	28,167,087	1,824,958	(930,010)	18,599	29,080,634

* Others include amortization of debt issuance cost, accretion and roll-over of interest.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Market risks are managed by constant review of global and domestic economic and financial environments as well as regular discussions with banks' economists/strategy officers to get multiple perspectives on interest rate trends/forecasts. Regular comparison of the portfolio's marked-to-market values and yields with defined benchmarks are also made.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's financial assets that are exposed to foreign currency risk are foreign currency denominated cash and cash equivalents, investment in bonds and investments in UITFs.

Foreign exchange risks on the U.S. dollar and other foreign currencies are managed through constant monitoring of the political and economic environment. Returns are also calibrated on a per currency basis to account for the perceived risks with higher returns expected from weaker currencies.

The following table shows the foreign currency-denominated financial assets and financial liabilities and their peso equivalents as of March 31, 2026 and December 31, 2025:

	March 31, 2026 (Unaudited)		December 31, 2025 (Audited)	
	Foreign Currency	Peso Equivalent	Foreign Currency	Peso Equivalent
Financial assets:				
Cash and cash equivalents	US\$1,607	97,644	US\$954	56,059
Cash and cash equivalents	VND8,501,595	19,607	VND8,501,595	19,006
Short term investment	US\$1,911	116,095	US\$ 1,911	112,353
Receivables	US\$16,245	986,879	US\$ 15,328	901,107
Investment at FVPL	US\$36,113	2,193,806	US\$ 36,113	2,123,097
Derivative assets	US\$19,968	1,213,026	US\$ 19,968	1,173,929
Investment in UITF	US\$36	2,196	US\$36	2,097
		4,629,255		4,387,648
Financial liabilities:				
Trade and other payables	-	-	CNY1,300	10,966
Trade and other payables	-	-	JPY33	13
Trade and other payables	US\$118	7,168	US\$1,417	83,302
		7,168		94,281

In translating foreign currency-denominated financial assets into peso amounts, the exchange rates used were ₱60.748 and ₱58.79 to US\$1.00 and P0.0021567 and P0.0022355 to VND1.00 as at March 31, 2026 and December 31, 2025, respectively.

Interest Rate Risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The following tables set out the carrying amounts, by maturity, of the Company's financial assets and liabilities that are exposed to interest rate risk as at March 31, 2026 and December 31, 2025:

March 31, 2026 (Unaudited)							
	Interest Rates	Within 1 Year	1 to < 2 Years	2 to < 3 Years	3 to 5 Years	More than 5 Years	Total
Financial Assets:							
Placements (PHP)	4.45% to 5.0%	₱936,054	₱-	₱-	₱-	₱-	₱936,054
Financial Liabilities:							
PEHI	6.0%-8.20%	366,719	546,143	504,748	560,900	1,287,596	3,266,106
PHN	6.00%-7.86%	62,932	1,909,107	44,046	2,917,464	1,910,894	6,844,345
UGC	4.85%-5.11%	798,215	-	-	-	-	810,226

December 31, 2025 (Audited)							
	Interest Rates	Within 1 Year	1 to < 2 Years	2 to < 3 Years	3 to 5 Years	More than 5 Years	Total
Financial Assets:							
Placements (PHP)	4.45% to 5.0%	812,223	-	-	-	-	812,223
Financial Liabilities:							
PEHI	5.32%-5.48%	398,290	577,714	536,319	592,471	1,319,167	3,423,961
PHN	6.00 - 7.86%	62,932	1,913,732	44,118	2,920,067	1,910,541	6,851,390
UGC	4.85% - 5.11%	810,226	-	-	-	-	810,226

Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument.

Equity Price Risk

Equity price risk is the risk that the fair values of equities decrease as a result of changes in the levels of the equity indices and the values of individual stocks. The Company's exposure to equity price risk relates primarily to its equity investments listed in the PSE classified under investments held for trading.

The Company's policy is to maintain the risk to an acceptable level. Movement of share price is monitored regularly to determine impact on the Company's financial position.

Capital Management

The primary objective of the Company's capital management is to ensure that the Company maintains a healthy capital structure to maintain strong credit rating and maximize shareholder value.

Capital includes all the accounts appearing in the "Equity attributable to equity holders of the parent" and "Equity attributable to non-controlling interests" in the interim condensed consolidated statements of financial position.

The Company keeps the debt-to-equity ratio at a level no higher than 3.33:1, with the DE ratio computed as consolidated total adjusted indebtedness over consolidated total equity.

The Company's consolidated debt-to-equity ratio as at December 31 are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Total Indebtedness	33,310,522	31,885,395
Total equity	18,606,089	16,707,953

Debt-to-equity ratio	1.79:1	1.91:1
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The Company expects to improve the debt-to-equity ratio mainly through improvement in the Company's business operations.

30. Financial Instruments

Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of its assets and liabilities by valuation technique:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input is significant to their fair value measurement is unobservable

Assets and liabilities measured or disclosed at fair value are as follows:

	March 31, 2026 (Unaudited)			
	Total	Level 1	Level 2	Level 3
Assets				
Investments held for trading:				
Investments in UITFs	203,031	-	203,031	-
Investments in marketable equity securities	3,489	3,489	-	-
Investment in club shares designated at FVOCI	2,540	-	2,540	-
Non-listed equity instruments designated at FVOCI	92,708	-	-	92,708
Non-listed debt instruments designated at P&L	2,193,806	-	-	2,193,806
Derivative assets	1,213,026	-	-	1,213,026
	3,708,600			3,499,540
Liabilities				
Long-term debt	19,030,908	-	-	19,030,908

2024	December 31, 2025 (Audited)			
	Total	Level 1	Level 2	Level 3
Assets				
Investments held for trading:				
Investments in UITFs	356,344	-	356,344	-
Investments in marketable equity securities	3,304	3,304	-	-
Club shares designated at FVOCI	2,540	-	2,540	-
Non-listed equity instruments designated at FVOCI	92,815	-	-	92,815
Non-listed debt instrument designated at FVPL	2,123,097	-	-	2,123,097
Derivative assets	1,173,929	-	-	1,173,929
	3,752,029	3,304	358,884	3,389,841
Liabilities				
Long-term debt	17,623,007	-	-	17,623,007

During the periods ended March 31, 2026 and December 31, 2025, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

The following methods and assumptions are used to estimate the fair value of the following financial instruments.

Investments Held for Trading, Financial Assets at FVPL, Financial Assets at FVOCI and Derivative Assets. Quoted market prices have been used to determine the fair value of

investments in marketable equity securities and club shares designated at FVOCI. The fair values of unquoted equity investments at FVOCI, unquoted debt investment classified as financial asset at FVPL and derivative asset have been estimated using a future cash flow from the investee and applying a discount rate to calculate the present value of the cash flows.

The valuation requires management to make certain assumptions about the model inputs including forecast cashflows, discount rate, long-term growth rate, comparable companies' average volatility, option adjusted spread and risk-free rate. The probabilities of various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted investments.

The fair values of non-listed shares of stock were determined through the following valuation approach: income approach and asset-based approach. Income approach is predicated upon the concept that the value of any asset can be estimated by ascertaining the amount and timing of future cash flows or earnings that are generated by that asset. Asset-based approach is based on the value of all the tangible and intangible assets and liabilities of the company.

For financial assets at FVOCI, the higher the value of the share price, the higher the fair value. Any change in the fair value of the non-listed equity shares will not significantly impact the consolidated financial statements.

Cash and Cash Equivalents, Trade and Other Receivables, Notes Payable, Trade and Other Payables, Trust Receipts Payable and Due to Related Parties. Due to the short-term nature of these transactions, the carrying value approximate the fair values as at the reporting date.

Long-term Debt. The Company's borrowings as at March 31, 2026 and December 31, 2025 are stated at amortized cost. The fair values of the borrowings approximate their carrying amounts.

Derivative Instruments

Freestanding Derivatives. The Company's derivative financial instruments are accounted for as financial instruments at FVPL.

31. Leases

Company as Lessee

The Company has various lease contracts for land, buildings, warehouses and vehicles. The leases have lease terms of between 2 and 25 years.

The Company also has certain leases with lease terms of 12 months or less. The Company applies the "short-term lease" recognition exemptions for these leases.

The roll forward analysis of right-of-use assets follows:

March 31, 2026 (Unaudited)					
	Right-of-use: Land	Right-of-use: Buildings & Warehouses	Right-of-use: Vehicles	Right-of-use: Others	Right-of-use: Total
Cost					
At January 1, 2026	248,434	532,864	397,174	3,425	1,181,897
Additions	-	71,686	-	-	71,686
At March 31, 2026	248,434	604,550	397,174	3,425	1,253,583
Accumulated Depreciation and Amortization					
At January 1, 2026	101,561	309,785	343,723	3,317	758,386
Depreciation	3,297	27,539	9,613	53	40,502
At March 31, 2026	104,858	337,324	353,336	3,370	798,888
Net Book Value	143,576	267,226	43,838	55	454,695

December 31, 2025 (Audited)					
	Right-of-use: Land	Right-of-use: Buildings & Warehouses	Right-of-use: Vehicles	Right-of-use: Others	Right-of-use: Total
2025					
Cost					
At January 1, 2025	248,434	391,328	386,798	3,225	1,029,785
Additions	-	141,536	14,284	200	156,020
Pre-termination	-	-	(3,908)	-	(3,908)
At December 31, 2025	248,434	532,864	397,174	3,425	1,181,897
Accumulated depreciation and amortization					
At January 1, 2025	(84,557)	(233,857)	(303,579)	(3,122)	(625,115)
Depreciation	(17,004)	(75,928)	(41,835)	(195)	(134,962)
Pre-termination	-	-	1,691	-	1,691
At December 31, 2025	(101,561)	(309,785)	(343,723)	(3,317)	(758,386)
Net Book Value	146,873	223,079	53,451	108	423,511

March 31, 2025 (Unaudited)					
	Right-of-use: Land	Right-of-use: Buildings & Warehouses	Right-of-use: Vehicles	Right-of-use: Others	Right-of-use: Total
Cost					
At January 1, 2025	248,434	391,328	386,798	3,225	1,029,785
Additions	-	-	-	-	-
At March 31, 2025	248,434	391,328	386,798	3,225	1,029,785
Accumulated Depreciation and Amortization					
At January 1, 2025	84,557	233,857	303,579	3,122	625,115
Depreciation	4,550	8,782	12,916	76	26,324
At March 31, 2025	89,107	242,639	316,495	3,198	651,439
Net Book Value	159,327	148,689	70,303	27	378,346

The roll forward analysis of lease liabilities follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of year	541,226	518,400
Payments	(28,288)	(167,539)
Additions	91,155	154,618
Accretion of interest	6,671	38,070
Pre-termination	-	(2,323)
As at end of year	610,764	541,226
Less current portion of lease liabilities	147,640	143,464
Noncurrent portion of lease liabilities	463,093	397,762

The following are the amounts recognized in the interim condensed consolidated statement of income (amounts in thousands):

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Amortization expense of right-of-use assets (included in general and administrative expenses)	28,661	26,324
Interest expense on lease liabilities (included in interest expense and other financing charges)	6,671	9,263
	35,333	35,587

32. Contingencies

There are contingent liabilities arising from tax assessments occurring in the ordinary course of business, including the petition filed for the reversal and nullification of safeguard duties on its importation of cement. On the basis of information furnished by the Company's legal counsel, management believes that none of these contingencies will materially affect the Company's interim financial position and result of operations.

33. Earnings per Share (EPS) Computation

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
(a) Net income (loss) attributable to equity holders of the parent	407,326	191,274
(b) Weighted average number of common shares outstanding	336,325	336,325
Basic/diluted EPS attributable to equity holders of the parent (a/b)	1.21	0.57

34. Segment Information

For management purposes, the Company is organized into business units based on its products and services and has six (6) reportable operating segments as follows:

- Investment holdings - PHN and PSHC are engaged in investment holding activities of shares of stocks and other financial instruments.
- Property development - PPHC is engaged in real estate development. API and APHI lease out its real and personal properties. CoHo is engaged in delivering socialized housing solutions.
- Construction materials – PCC and PMC encompass the operations of the cement trading. UGC handles the manufacturing and trading of iron and steel products. PHINMA Solar provides solar rooftop system to customers. The Company has assessed that the nature of the products and services and the type or class of customers for these products and services are related.
- Educational services - PEHI holds interest in AU, COC, UPANG, UI, SWU, SJC, RCI, RCL, UCLI and SE which offer graduate, tertiary, secondary and elementary education services.

CAA conducts a non-sectarian institution of learning and operates schools for all levels below tertiary level, whether preschool, primary, secondary, technical and vocational, specialized programs and for all and any form of educational activities.

- Hospitality – PHI and PHMC provides management services and is engaged in investment holding activities for the hotels. PHINMA Microtel is engaged in hotel franchising. Coral Way is engaged in hotel operations.
- Insurance Brokerage and Others - PIBI is the insurance brokerage arm of the Group and OAL was engaged in animation services.

The BOD (Chief Operating Decision Maker) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. Segment result is defined as the segment's income generated from its own operations, net of its share in the equity in net earnings of associates and joint ventures and investment income, before deducting interest and financing charges, provision for income tax and share of NCI. The amounts of segment assets and liabilities, and segment profit or loss are based on measurement principles that are similar to those used in measuring the assets, liabilities and profit or loss in the interim condensed consolidated financial statements, which is in accordance with PFRS.

The Company does not report its results based on geographical segments since the Company's risks and rates of return are substantially in the same economic and political environment with the companies incorporated and operated in the Philippines. There are no transactions with a single customer that accounts to 10% or more of the Company's revenue.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transaction with third parties. Segment revenues, segment expenses and segment results include transfers between operating segments. These transfers are eliminated in full upon consolidation

Segment Information

Financial information on the operating segments is summarized as follows:

	Three-Month Period Ended March 31, 2026 (Unaudited)								
	Investment Holdings	Property Development	Construction Materials	Educational Services	Hospitality	Others	BPO	Eliminations	Total Operations
Revenue	71,574	340,969	2,557,024	2,340,057	144,056	14,381	-	(16,297)	5,451,764
Segment results	70,780	(90,387)	128,486	1,317,970	11,285	7,381	-	(41,348)	1,404,167
Investment income and interest income	58,192	38,388	6,482	4,176	1,767	747	-	(2,734)	107,018
Equity in net earnings (losses) of associates and joint ventures	-	(43,448)	-	(2,017)	4,291	-	-	41,986	812
Interest expense and financing charges	(125,048)	(115,427)	(167,832)	(96,028)	(3,134)	-	-	4,284	(503,185)
Provision for income tax	(975)	(21,309)	9,085	(98,726)	(2,693)	(1,917)	-	-	(116,535)
Share of non-controlling interest	-	(999)	-	(135,652)	-	-	-	(348,200)	(484,851)
Net income (loss) attributable to equity holders of parent	2,949	(233,182)	(23,779)	989,723	11,516	6,211	-	(346,012)	407,426
Total assets	15,503,154	10,789,146	21,897,077	23,348,720	1,569,480	127,097	769	(12,140,177)	61,095,266
Total liabilities	7,683,735	8,696,593	16,358,875	9,835,271	730,615	72,424	310,156	(1,198,501)	42,489,168

	Three-Month Period Ended March 31, 2025 (Unaudited)								
	Investment Holdings	Property Development	Construction Materials	Educational Services	Hospitality	Others	BPO	Eliminations	Total Operations
Revenue	108,348	415,753	3,872,882	2,098,460	136,336	12,848	-	(44,237)	6,600,390
Segment results	(96,066)	(32,802)	102,559	1,018,560	11,133	4,896	-	(59,482)	948,798
Investment income and interest income	84,211	55,813	4,355	10,059	1,317	129	-	(31,872)	124,012
Equity in net earnings (losses) of associates and joint ventures	-	(21,633)	-	2,023	1,198	-	-	22,160	3,748
Interest expense and financing charges	(107,576)	(106,711)	(191,824)	(41,992)	(5,528)	-	-	6,803	(446,828)
Provision for income tax	(1,763)	8,647	15,197	(81,305)	(2,896)	(1,235)	-	-	(63,355)
Share of non-controlling interest	-	(3,761)	-	(131,126)	-	-	-	(236,457)	(371,344)
Net income (loss) attributable to equity holders of parent	(121,194)	(100,447)	(69,713)	776,219	5,224	3,790	-	(298,848)	195,031
Total assets	14,713,305	11,661,453	16,455,603	20,404,572	1,308,200	108,448	769	(11,013,040)	53,639,310
Total liabilities	6,691,733	8,868,620	12,382,630	9,236,002	501,662	80,906	310,156	(726,131)	37,345,578

	Investment holdings	Property development	Construction materials	Educational services	Hospitality	Insurance brokerage and others	Eliminations	Total operations
<i>Year Ended December 31, 2025</i>								
Revenue	701,922	1,453,029	13,327,546	7,192,381	527,332	68,660	(430,024)	22,840,846
Segment results	(67,230)	(266,006)	288,892	1,964,012	10,864	31,121	(212,689)	1,748,964
Investment income	605,491	234,625	16,018	43,705	5,015	3,301	(384,200)	523,955
Equity in net earnings (losses) of associates and joint ventures	-	(153,322)	-	5,595	(3,703)	-	155,968	4,538
Interest expense and financing charges	(464,289)	(456,996)	(675,797)	(220,896)	(20,879)	-	15,034	(1,823,823)
Provision for income tax	(7,012)	(24,233)	105,493	(184,972)	(5,806)	(10,452)	-	(126,982)
Share of noncontrolling interest	-	(16,900)	-	(265,817)	-	-	(352,762)	(635,479)
Net income attributable to equity holders of parent	66,960	(682,832)	(265,394)	1,341,627	(14,509)	23,970	(778,649)	(308,827)
Total assets	15,430,913	11,088,703	19,997,340	23,264,237	1,580,805	120,818	(12,089,531)	59,393,285
Total liabilities	7,412,704	8,711,501	15,533,275	10,966,785	754,968	381,743	(1,075,644)	42,685,332

Seasonality of Operations

Like any company in the construction industry, the operations of UGC and Philcement are affected by seasonality demand. Demand for construction materials is greater during the dry months from December to May than during the rainy months of June to November. Hence, the demand for the first semester of the calendar year is normally higher than that of the second semester.

The revenues of the schools under the PHINMA Education network decline during summer months. Hence, net income during the first half of the calendar year is lower than the second half.

For other subsidiaries, there is no significant seasonality that would materially affect their operations.

Management's Discussion and Analysis of Financial Condition and Results of Operations

PHINMA Corporation recognized consolidated revenues of ₱5.45 billion, net income of ₱892.28 million and a net income attributable to the parent of ₱407.43 million as of the first quarter of 2026. Results were primarily shaped by the strong performance of PHINMA Education, with PHINMA Solar Energy Corp., and PHINMA's Hospitality segment also contributing to earnings. Overall, key drivers were higher enrollment, improved sales execution, cost-reduction initiatives and disciplined capital management.

PHINMA Education Holdings Inc. 's (PHINMA Education) 12% enrollment growth for the second semester of School Year (SY) 2025-2026, together with enhanced student retention efforts, translated into consolidated revenues of ₱2.34 billion and consolidated net income of ₱1.13 billion. During the period, it also successfully acquired Southeastern College, its 12th institution in the Philippines and 14th in the region. The Pasay campus provides another growth area in the National Capital Region for the PHINMA Saint Jude College network, joining campuses in Manila and Quezon City.

The PHINMA Construction Materials segment —comprising Union Galvasteel Corp. (UGC), Philcement Corp., Union Insulated Panel Corp. (UIPC), and PHINMA Solar Energy Corp. (PSEC) – recognized combined revenues of ₱2.56 billion and a net loss of ₱23.78 million. In the first quarter of 2026, Philcement Corp. welcomed an equity investment from Sumitomo Osaka Cement Corporation, reflecting confidence in the industry's long-term fundamentals despite continued near-term weakness. Supported by this investment, Philcement Corp. and its subsidiary, Philcement Mindanao Corp., advanced the construction of the Davao manufacturing and terminal facility. Across the segment, operations focused on efficiency and selective execution: UGC prioritized higher-margin prime products to capture project-driven demand, UIPC secured large-scale projects, and PSEC benefited from rising demand for solar solutions amid elevated energy costs.

PHINMA Property Holdings Corp. (PHINMA Properties) recorded revenues of ₱337.52 million and a net loss of ₱230.04 million, reflecting the persistent slowdown in the Metro Manila real estate market. The property segment remained focused on its regional developments with its Saludad Township in Bacolod while expanding access to affordable housing through PHINMA CoHo Corporation (PHINMA Community Housing), which is preparing to start construction in Davao.

PHINMA's Hospitality segment, which includes Coral Way City Hotel Corporation, PHINMA Hospitality, Inc., PHINMA Hospitality Management Corporation, and PHINMA Microtel Hotels, Inc., reported revenues of ₱144.06 million and a combined net income of ₱12.80 million. Domestic business and leisure activities ticked up in the 1st Quarter which led to higher occupancy and room rates across multiple hotel properties.

As of March 31, 2026, PHINMA Corporation had cash and cash equivalents of ₱4.29 billion, total assets of ₱61.10 billion and total stockholders' equity of ₱18.61 billion.

STRATEGIC BUSINESS UNITS (SBU)

The following discussion describes the performance of PHINMA's SBUs as of the first quarter of 2026:

Education Group

In its drive to bridge underserved learners in the Philippines and Indonesia to success, PHINMA Education achieved strong enrollment growth of 12% year-on-year for the second semester of SY 2025-2026, driven by improvements in college retention. This resulted in consolidated revenues of ₱2.34 billion and consolidated net income of ₱1.13 billion for the quarter.

PHINMA Education also successfully expanded its reach with the acquisition of Southeastern College, its 12th institution in the Philippines and 14th across its regional network. The Pasay campus will become part of the PHINMA Saint Jude College network in the National Capital Region, joining campuses in Manila and Quezon City. Southeastern College currently offers Business Administration, Office Administration, Education and Computer Science. PHINMA Education will improve and elevate these programs and expand

the course offerings of its newest college to Criminology, Allied Health Sciences, Accountancy, Psychology, Tourism, and Engineering.

Construction Materials Group

Union Galvasteel Corporation (UGC) operated amid a softer construction demand environment during the first quarter of 2026, reflecting the slowdown in building permit applications in late 2025 and delays in infrastructure project rollouts. Inflation accelerated toward the end of the quarter, driven by fuel, transport, food, and utility costs, while governance reviews continued to temper government construction activity. Despite weaker demand, market supply remained stable, although upward pressure on raw material costs persisted due to higher average coil prices.

Sales volumes in January and February reflected subdued market conditions, consistent with broader industry trends, before recovering in March and providing improved momentum toward the end of the quarter. During the period, UGC increased participation in project-driven demand by prioritizing higher-margin prime products while reducing exposure to lower-margin offerings.

As a result of the improved product mix and pricing actions, contribution margins improved despite lower overall volumes, with revenues reaching approximately ₱1.19 billion for the quarter. UGC recorded a net loss of approximately ₱21.47 million for the first quarter of 2026, an improvement from the same period last year, driven by stronger margins and disciplined cost management, partially offset by softer volumes and higher finance charges.

In Q1 2026, Philcement Corp. (with subsidiary Philcement Mindanao Corp.) followed through on its strategic initiatives of operational efficiency, customer engagement, organizational flexibility and capacity building.

Despite a volatile business landscape with heavily competitive pressures, coupled with the abnormal surge in fuel, freight, and materials costs as a result of the ongoing Middle East war, Philcement remained true to its growth trajectory as it returned to profitability during the quarter, while it continued to develop its expanding footprint with the ongoing construction of a new manufacturing and terminal facility in Davao. The Company's financial position was also boosted with the receipt of the infusion of equity investment from Sumitomo Osaka Cement Corporation in January 2026.

For the quarter, Philcement generated ₱1.31 billion in revenues, with net loss of ₱231.06 million.

For PHINMA Solar Energy Corporation, regular solar PV sales provided modest income while Solar Farm Development efforts provided a profitable opportunity to recycle capital.

Properties Group

PHINMA Property Holdings Corp. (PHINMA Properties) recognized ₱337.52 Million in revenues and a net loss of ₱230.04 million amid a broad slowdown in the Metro Manila real estate market. The company prioritized regional developments, particularly its Saludad township in Bacolod where market demand is favorable.

PHINMA Property Holdings Corporation continued to experience a challenged market in the 1Q of 2026, with overall financial performance expected to improve as project construction advances and the company begins to recognize its unbooked reservations. Nevertheless, collections remained strong and reservation levels stable during the period. The affordable housing segment continues to be the primary focus on 2026, with the Maayo segment still dedicated to providing accessible and sustainable communities that empower middle-income Filipinos.

PHINMA CoHo obtained approval of its development permit from the Davao City Council on May 4, 2026, for its maiden socialized housing project, PHINMA Tatag, located in Barangay Riverside, Calinan District, Davao City. The said approval paves the way for the CoHo Team to proceed with the application for building permit as pre-requisite for the commencement of the construction activities.

PHINMA Corp.'s equity funded PHINMA CoHo's pre-operating expenses with P181 million infused in 2025 and the remaining P69 million expected to be drawn in the second quarter of 2026. In the first quarter of 2026, PHINMA CoHo incurred a net loss of P5 million, reflecting a disciplined approach to cost management aligned with the project timeline.'

Hospitality Group

PHINMA Hospitality group (PHINMA Hospitality) remains committed to delivering clean, comfortable, and secure lodging to leisure and business travelers in the country through its Microtel by Wyndham and TRYP by Wyndham hotel properties. PHINMA Hospitality operates 13 Microtel by Wyndham hotels and one TRYP by Wyndham hotel in the Philippines.

Combined revenues of the Hospitality Group increased versus the same period last year, supported by sustained domestic leisure and business travel, alongside meetings related bookings that translated to higher occupancy across multiple properties

Coral Way, which owns Microtel by Wyndham Mall of Asia and TRYP by Wyndham Mall of Asia, posted a significantly improved performance for the period, as improved revenue generation of TRYP Mall of Asia offset the anticipated temporary occupancy decline at Microtel Mall of Asia due to the ongoing construction works for the hotel's expansion. Both hotels continue to benefit from sustained demand from the leisure and meetings segments, complemented by event-driven bookings.

Insurance

Phinma Insurance Brokers Inc. (PIBI) recorded total premiums of ₱93.0 million. Renewal business accounted for the majority of premium volume, amounting to ₱84.0 million, reflecting the Company's continuing role as the insurance broker of the PHINMA Group. Renewal premiums were primarily supported by adjustments in insured values of policies renewed during the period, particularly in medical, property, and miscellaneous insurance lines, partially offset by the non-renewal of selected institutional programs and lower employee and dependent declarations from certain corporate accounts. New business premiums amounted to ₱9.0 million, attributable to ongoing open market business development and client acquisition activities during the quarter.

Key Performance Indicators (KPI)

The top five (5) KPI's used to measure the financial performance of PHINMA and its subsidiaries as of the three (3) month period ended March 31, 2026 compared to the same period in the previous year are shown in the following table:

Financial KPI	Definition	Mar 2026	Mar 2025
<u>Profitability</u>			
Return on Equity (ROE)	Net income attributable to equity holders of the parent Average equity attributable to equity holders of the parent ⁱ	4.39%	2.04%
Gross Profit Margin	<u>Gross profit</u> ⁱⁱ Total Revenues	37.79%	31.77%
<u>Efficiency</u>	<u>Cash flows from operating activities</u>		
Cash Flow Margin	Total Revenues	15.40%	9.90%

Liquidity			
Current Ratio	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	1.16 : 1.00	0.84 : 1.00
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Total Equity}}$	2.28 : 1.00	2.29 : 1.00

i Average Equity Attributable to Equity Holders of the Parent is derived by dividing in two (2) the sum of beginning Equity Attributable to Equity Holders of the Parent and ending Equity Attributable to Equity Holders of the Parent.

ii Gross Profit is calculated by deducting cost of sales and cost of educational, installation, hospital and consultancy service from total revenues.

Profitability

The 4.39% return on equity is higher than same period from previous year, mainly due to a higher net income in Q1 2026 and a negative equity attributable to parent at the beginning of 2026. Gross profit margin rose from 31.77% in 2025 to 37.79% in 2026, driven by the schools' higher enrollment for second semester, stronger online bookings for TRYP hotel, tight cost discipline across all companies, improved product cost structure and better product mix for UGC and Philcement.

Efficiency

Net cash flow margin for the three months ended March 31, 2026 was 15.40%, up from last year's 9.90%, mainly due to improved collections of receivables by schools and PPHC.

Liquidity

The current ratio rose from 0.84 to 1.16 between 2025 and 2026, mainly due to reduction in contract liabilities from schools as tuition which has been recorded as liability at the start of the semester has been earned and converted to income.

Debt-equity ratio of PHINMA and its subsidiaries as of end March 2026 was 2.28:1.00.

The accompanying interim condensed consolidated financial statements of PHINMA for the three (3) months ended March 31, 2026 have been prepared in accordance with PAS 34, Interim Financial Reporting. The 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 financial statements as of December 31, 2025.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit and loss and derivative investments that have been measured at fair value.

The consolidated financial statements are prepared in Philippine pesos, the company's functional and presentation currency.

Interim Disclosures on Financial Statements

Below are additional disclosures on the Company's operations:

a. On any known trend, demand, commitment, event and uncertainty that will result in or likely to decrease its liquidity in any material way:

PHN does not anticipate having any cash flow or liquidity problems nor does it anticipate any default or breach of any of its existing loans.

b. On any event that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:

None

c. On material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the company with unconsolidated entities or other person created during the reporting period:

None

d. On material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures:

None

e. On any known trend, event or uncertainty that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations:

The geopolitical tensions, aggressive expansion across all industries and consequently higher domestic competition and interest rates remaining elevated, resulted in a sharp increase in input costs, which significantly affected the Company's margins. Their impact is reflected in the financial statements as of March 31, 2026.

The current US-Iran war in the Middle East poses a significant ongoing risk to the Global economies and to PHINMA's own businesses.

PHINMA's risk management team, together with the management team of each business, are continuously assessing the possible impacts of the crisis to their respective businesses and consequently will prepare and identify action plans that can safeguard the achievement of their 2026 objectives and financial performance.

f. Any significant elements of income or loss that did not arise from the Issuer's continuing operations.

None.

g. On the causes for any material change from period to period which shall include vertical and horizontal analyses of any material item:

Increase or decrease of 5% or more in the financial statements are discussed below.

h. On any seasonal aspect that had a material effect on the financial condition or results of operations.

Like any other company in the construction industry, the operations of UGC are affected by seasonality demand. Demand for roofing materials is greater during the months from December to May than during the rainy months of June to November. Hence, the demand for the first semester of the calendar year is normally higher than that of the second semester.

The revenues of the PHINMA Education schools decline during summer months. Hence, net income during the first half of the calendar year is lower than the second half.

For other subsidiaries, there is no significant seasonality that would materially affect their operations.

Material Changes in Statement of Financial Position Accounts

ASSETS

Cash and cash equivalents

The movement in cash and cash equivalents are shown in the cash flow statement

Investments held for trading

The decrease in the account is mainly attributable to redemption of UITFs and money market placements by PEHI, Hospitality Group and the Parent company.

Contract assets

The decrease in the account is mainly due to significant collection from PPHC buyers and loan take-outs from HDMF and banks and cancellations of sales, partially offset by new sales and reclassification from noncurrent.

Input tax

The increase in this account is mainly attributable to purchases of Philcement of raw materials and fuel and PHINMA Properties' purchase of SWU land. Input tax from the purchase of SWU land was initially included as cost of the project but after the cancellation of the sale, input tax was reclassified accordingly.

Other current assets

The decrease in the account is mainly due to amortization of deferred charges relating to scholarship from the schools of about P676 million.

Long-term receivables

The increase in the account is mainly due to advances to minority shareholders of JEPP Property amounting to P60 million.

Contract assets - noncurrent

The decrease of P199.11 million is mainly due to reclassification of the asset to current.

Property, plant and equipment

The increase in this account is attributable to acquisition of land and equipment and renovation of the schools totaling P1.58 billion as well as construction of Panabo terminal and purchase of land and equipment by UIPC, amounting to P524 million.

Right-of-use of assets

The P31.18 million increase resulted from the additional lease for Hanston building by PPHC amounting to P66.12 million, net of depreciation of P34.93 million from CMG and Hospitality.

LIABILITIES

Trade and other payables

The net increase of ₱572.38 million in Trade and other payables is mainly due to subscription to Philcement's preferred shares by Sumitomo, currently recorded as deposit from future stock subscription, since issuance of additional shares is pending approval from SEC. In addition, the account balance includes unearned payments from BSPC sales received by PHINMA Solar.

Contract liabilities

The account fell by ₱2.51 billion, mainly because schools in the education group earned revenue from January to March 2026. (Tuition fees for the semester are accrued as receivable at the start of the semester and the corresponding liability is booked under Contract Liabilities).

Trust receipts payable

The increase of ₱240.18 million in the account is attributable to increased trust receipts availed by CMG for May requirement for coils and cement.

Income and other taxes payable

The increase of ₱249.56 million in the account is attributable to higher taxable income from the schools and PPHC.

Due to related parties

This account increased due to PPHC catch up billings from UGC.

Long-term debt – net of current portion

The increase in this account pertains to new loans obtained by CMG and the schools.

Deferred tax liabilities

The increase in the account amounting to ₱158.94 million represents mainly deferred liability on the fair value of assets during acquisition by the schools.

Lease liabilities – net of current portion

The increase in the account amounting to ₱65.33 million represents recognition of ROU asset on PPHC's new head office space.

Other non-current liabilities

The decrease in this account is mainly due to reclassification of noncurrent accrued expenses by SWU to current as the items are approaching their due dates and payment on Land by PPHC for Likha Residence expansion project.

EQUITY

Equity reserves

The movement in the account is mainly due to the Sumitomo investment in Philcement

Non-controlling interest

The movement in the account is mainly due to the Sumitomo investment in Philcement and additional NCI from the purchase of Southeastern College.

Retained earnings

The increase in the account represents net income for the first three months of 2026.

Material Changes in Income Statement Accounts

Revenue

The revenue drop is primarily due to soft demand experienced by UGC and Philcement in January and February but partially recovered in March and reduced income from PHINMA Properties' real estate and construction contracts. The decrease was partly balanced by revenue growth from PHINMA Education due to the 12% surge in enrollment for the second semester, as well as stronger online bookings for TRYP and higher chainwide occupancy for Q1 2026.

Cost of Sales

The net decrease is primarily due to reduced CMG volume and improved product cost structure. This was partially offset by an increase in the variable cost of schools required to support the higher enrollment figures.

General and administrative expenses

General and administrative expenses decreased from the same period of previous year, mainly due to the tighter cost discipline across the group. Due to the ongoing fuel crisis, all companies have closely scrutinized discretionary spending and prioritized expenses that are necessary to the operations.

Selling expenses

The decrease in the account is attributed to tighter cost discipline applied to general and administrative expenses.

Equity in net earnings (losses) of associates and joint ventures

The decrease in equity in net earnings of associates and joint ventures is mainly attributable to PEHI's equity in net loss of IPM, partially offset by PHINMA Hospitality's equity in hotels.

Interest expense and other financing charges

Interest expense rose primarily because the group took out additional loans for operations.

Gain (loss) on change in fair value of financial assets at FVPL

The gain on change in fair value of financial assets pertain to the unrealized foreign exchange gain from the investment in Song Lam preferred shares.

Gain (loss) on sale of property, plant and equipment

The gain arises mainly from the sale of various office furniture and fixtures by the Parent Company.

Gain (loss) on derivatives

The gain on derivatives mainly resulted from the higher unrealized foreign exchange gain from the put option on the Song Lam preferred shares.

Gain on bargain purchase option

The balance on this accounts pertains to the one-time gain from the purchase of Southeastern College by PEHI.

Foreign exchange gains (losses) – net

The net forex gain is attributable to the forex gain of Parent and PEHI's USD holdings restated at the forex rate of ₱60.748: \$1 compared to ₱58.79: \$1 as of December 31, 2025.

Other - net

The increase is mainly due to higher miscellaneous receipts from the schools and other income from PPHC.

Provision for (benefit from) income tax

The provision resulted mainly from the schools, CMG, PPHC and Hospitality group.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PHINMA CORPORATION



EDMUND ALAN A. QUA HANSEN
Senior Vice President – CFO



ANNABELLE S. GUZMAN
Vice President - Controller

May 14, 2026

PHINMA CORPORATION AND SUBSIDIARIES
Consolidated Aging of AR-Trade and Contract assets
As of March 31, 2026

in thousands

	Amount
Current	6,090,730
1-30 days	654,685
31-60 days	278,412
61-90 days	391,343
Over 90 days	2,954,118
TOTAL	10,369,288
Less: Allowance for expected credit losses (ECL)	1,419,120
Net Trade Receivable and contract assets	8,950,168

PHINMA CORPORATION AND SUBSIDIARIES

Consolidated Aging of AR-Nontrade

As of March 31, 2026

in thousands

	<u>Amount</u>
Current	5,744,456
1-30 days	119,148
31-60 days	47,850
61-90 days	52,214
Over 90 days	<u>1,530,546</u>
TOTAL	7,494,214
Less: Allowance for expected credit losses (ECL)	<u>6,403</u>
Net Nontrade Receivable	<u>7,487,811</u>