COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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S	U	B	S	I	D	I	A	R	I	E	S																		

PRINCIPAL OFFICE *(No. / Street / Barangay / City / Town / Province)*

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Form Type	Department requiring the report	Secondary License Type, If Applicable
1 7 - A		N / A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
www.jgsummit.com.ph	8633-7631	-

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
977	Last Thursday of May	12/31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Brian M. Go	brian.go@jgsummit.ph	8633-7631	–

CONTACT PERSON's ADDRESS

42nd Floor, Robinsons-Equitable Tower, ADB Avenue corner Poveda Road, Pasig City

NOTE 1 : *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2 : *All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies*

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the year ended **December 31, 2025**

2. SEC Identification Number **184044**

3. BIR Tax Identification No. **000-775-860**

4. **JG Summit Holdings, Inc.**
   Exact name of registrant as specified in its charter

5. **Pasig City, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **43rd Floor, Robinsons-Equitable Tower, ADB Ave. corner Poveda Road, Pasig City 1600**
   Address of principal office Postal Code

8. **(632) 633-7631**
   Registrant's telephone number, including area code

9. **Not Applicable**
   Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the RSC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	**7,520,983,658**

11. Are any or all of these securities listed on the Philippine Stock Exchange.

Yes [/] No [ ]

12. Check whether the registrant:

    (a) has filed all reports required to be filed by Section 17 of the SRC 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 that 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 [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within 60 days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form.

    The aggregate market value of stocks held by non-affiliates is ₱178,799,690,820.

TABLE OF CONTENTS

PART I - BUSINESS AND GENERAL INFORMATION

Item 1: Description of Business. 5
A. Business Development 5
B. Business of Issuer 6
i. Food 7
ii. Air Transportation 12
iii. Real Estate and Hotels 19
iv. Petrochemicals 33
v. Core Investments 37
vi. Supplementary Businesses 38
C. Competition 41
D. Publicly-Announced New Product or Service 41
E. Patents, Trademarks, Licenses, Franchises Concessions and Royalty Agreements 41
F. Effect of Existing or Probable Governmental Regulations on the Business 42
G. Cost and Effects of Compliance with Environmental Laws 42
H. Employees and Labor 42
I. Risks 43
J. Working Capital 45
Item 2: Properties. 45
Item 3: Legal Proceedings. 49
Item 4: Submission of Matters to a Vote of Security Holders. 49

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5: Market for Registrant's Common Equity and Related Stockholder Matters. 50
A. Principal Market or Markets where the Registrant's Common Equity is Traded 50
B. Dividends 50
C. Restricted Retained Earnings 51
D. Recent Sales of Unregistered Securities 51
E. Top 20 stockholders as of December 31, 2025 52
Item 6: Management's Discussion and Analysis or Plan of Operation. 53
A. Year Ended December 31, 2025 versus same period in 2024 54
B. Year Ended December 31, 2024 versus same period in 2023 64
C. Year Ended December 31, 2023 versus same period in 2022 74
D. Key Financial Indicators 84
E. Commitments and Contingent Liabilities 85
F. Trends, Events and Uncertainties 85
G. Disclosure of Effects of Peso Depreciation and other current events 85
Item 7: Financial Statements. 85
Item 8: Information on Independent Accountant and other Related Matters 86
A. External Audit Fees and Services. 86
B. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure 86

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9: Directors and Executive Officers of Registrant Related Stockholder Matters. 87
A. Directors. 87
B. Executive Officers 87
C. Significant Employee 93
D. Involvement in Certain Legal Proceedings which occurred during the Past Five 93
E. Family Relationship 93
Item 10: Executive Compensation 94
Item 11: Security Ownership of Certain Record and Beneficial Owners and Management. 95
A. Security Ownership of Certain Record and Beneficial Owners. 95
B. Security Ownership of Management 96
C. Voting Trust Holders of 5% or More 97
D. Changes in Control 97
Item 12: Certain Relationships and Related Transactions and other Related Matters. 97

PART IV - CORPORATE GOVERNANCE AND SUSTAINABILITY REPORT

Item 13: Corporate Governance…. 97
Item 14: Sustainability Report…. 98

PART V - EXHIBITS AND SCHEDULES

Item 15: Exhibits and Reports on SEC Form 17-C…. 98
A. Exhibits…. 98
B. Reports on SEC Form 17-C (Current Report)…. 98

SIGNATURES…. 99

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Description of Business

A. Business Development

JG Summit Holdings, Inc. (JG Summit / the Company / the Group), was incorporated in November 1990 as the holding company for a group of companies with substantial stakes in foods, agro-industrial and commodities, real estate and hotel, air transportation and petrochemicals. The Company also has core investments in telecommunications, banking and power generation and distribution.

The Company is one of the largest and most diversified conglomerates within the Philippines. The Company was listed on the PSE in 1993.

The Company and its subsidiaries (the Group), conduct businesses throughout the Philippines, but primarily in and around Metro Manila (where it is based) and in the regions of Luzon, Visayas and Mindanao.

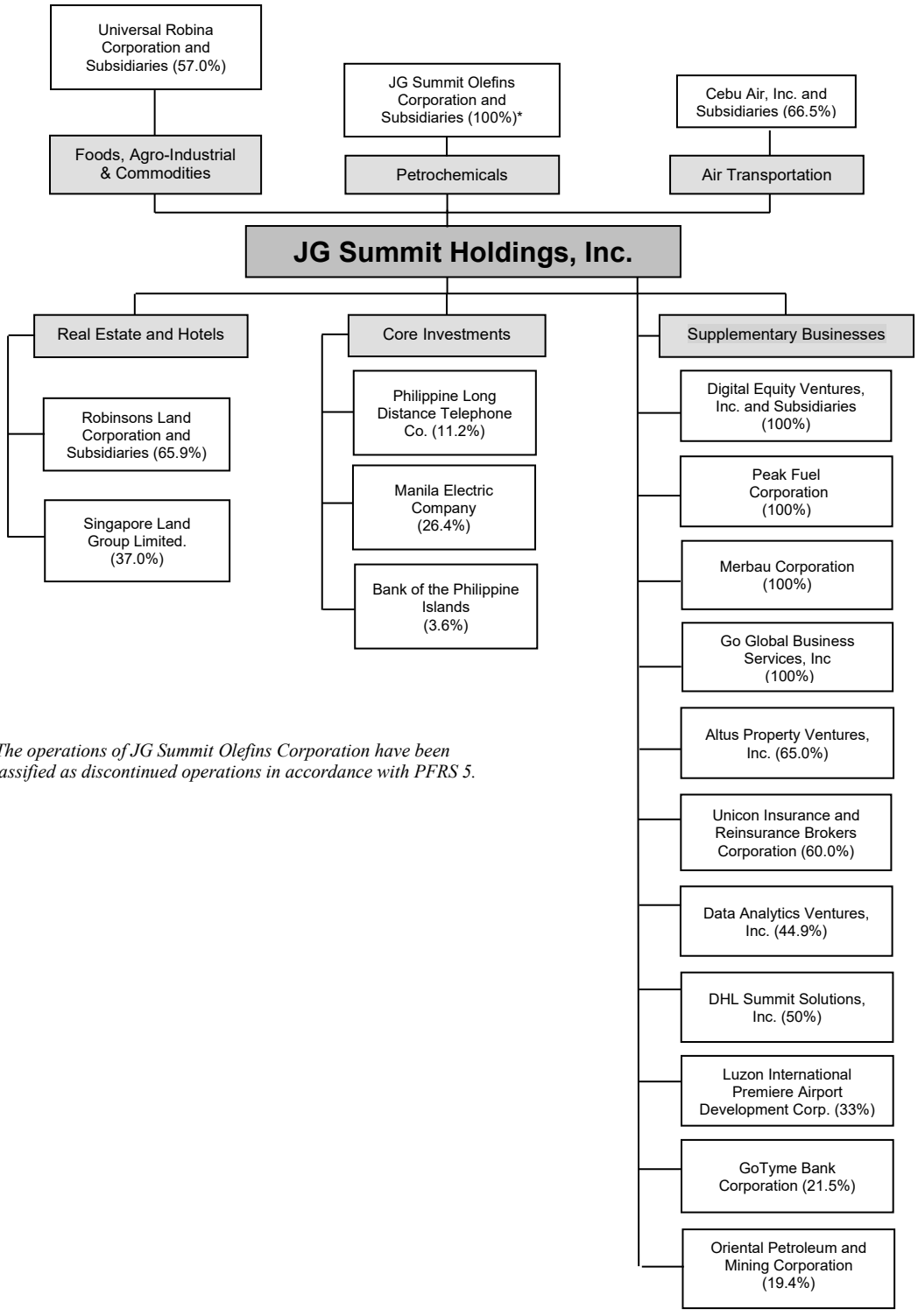
The Group also has a branded consumer foods business in numerous countries around the ASEAN region, and a core investment in a listed real estate development and investment company in Singapore.

The Company has not been into any bankruptcy, receivership or similar proceedings for the past two years.

The Gokongwei Family beneficially owns approximately 14.2% of the outstanding share capital of the Company. In addition, certain members of the Gokongwei Family are trustees of the Gokongwei Brothers Foundation, which holds interest in approximately 27.9% of the existing outstanding share capital of the Company.

B. Business of Issuer

The industry segments where the Company and its subsidiaries and affiliates operate are summarized below:



**The operations of JG Summit Olefins Corporation have been classified as discontinued operations in accordance with PFRS 5.*

The following table shows the breakdown of the Company's revenues and net profits from continuing operations by business areas (in millions except % amounts):

	REVENUES						Net Income attributable to Parent Co.					
	2025		2024		2023		**2025**		2024		2023	
	Peso	**%**	Peso	%	Peso	%	Peso	%	Peso	%	Peso	%
Branded Consumer Foods, Animal Nutrition Health and Commodities	**167,924**	**45**	161,776	48	157,530	51	**5,848**	**16**	6,797	17	6,770	21
Air Transportation	**120,044**	**33**	105,016	31	90,661	29	**8,148**	**23**	3,628	9	5,314	16
Real estate and hotels	**52,047**	**14**	46,168	14	44,030	14	**12,397**	**35**	11,461	30	10,683	33
Core Investments	**16,400**	**4**	14,959	4	12,439	4	**16,400**	**46**	14,959	39	12,439	38
Supplementary Businesses	**12,412**	**3**	9,384	3	7,585	2	**(7,199)**	**(20)**	2,021	5	(2,595)	(8)
Adjustments/eliminations	**(295)**	**–**	(287)	–	(266)	–	**93**	–	126	–	57	–
Total from Continuing Operations	**368,532**	**100**	337,016	100	311,979	100	**35,687**	**100**	38,992	100	32,668	100

Information as to domestic and foreign revenues, including foreign currency-denominated revenues and dollar-linked revenues, and their contributions to total revenues follow (in millions except % amounts):

	2025		2024		2023	
	Amount	**%**	Amount	%	Amount	%
Domestic	**274,624**	**75**	251,369	75	236,384	76
Foreign	**93,908**	**25**	85,647	25	75,596	24
	368,532	**100**	337,016	100	311,979	100

i. FOOD

Business Development

URC is one of the largest branded food and beverage companies in the Philippines and has established a strong presence in the ASEAN region. URC was founded in 1954 when Mr. John Gokongwei, Jr. established Universal Corn Products, Inc., a cornstarch manufacturing plant in Pasig. Today, URC is involved in a wide range of food-related businesses, including the manufacture and distribution of branded consumer foods, manufacture of animal feeds and veterinary products, production of hogs and poultry, flour milling, sugar milling and refining, and has ventured into the renewables business through its Distillery and Cogeneration divisions.

No material reclassifications, merger, consolidation, or purchase or sale of significant amount of assets (not ordinary) were made in the past three years (2023-2025) except those mentioned in the succeeding paragraphs. URC's financial condition has remained solid in the said period.

Principal Products or Services

URC manages its food business through operating divisions and wholly-owned or majority-owned subsidiaries that are organized into its business segments: Branded Consumer Foods, Commodities, and Animal Nutrition and Health (ANH).

The Branded Consumer Foods (BCF) is URC's largest segment which contributed about 68.4% of revenues for the year ended December 31, 2025. Established in the 1960s, URC's BCF segment manufactures, distributes, sells, and markets a diverse mix of food and beverage products. In the Philippines, URC is a dominant player with leading market shares in Snacks, Candies and Chocolates, and is a significant player in the Biscuits and Noodles categories. Beyond Snackfoods, URC is also present in the Beverage space. URC is a competitive player in the Coffee category, is the largest player in the Ready-to-Drink (RTD) Tea market and is further expanding into other RTD

beverage categories. URC also conducts some of its branded consumer foods operations through its majority-owned subsidiaries and joint venture companies.

Majority of URC's consumer foods business are conducted in the Philippines but URC has expanded more aggressively into other ASEAN markets, primarily through its wholly-owned subsidiary, URC International. In 2021, URC acquired Munchy's, one of the leading players in the Biscuits category in Malaysia, which provides a wide variety of offerings across all key biscuit segments with well-loved brands including Munchy's Crackers, Lexus Cream Sandwich, Oat Krunch and Muzic Wafer. International operations contributed about 21.4% of the URC's sale of goods and services for the year ended December 31, 2025.

The Commodities segment comprises the (a) Sugar and Renewables (SURE), (b) Flour, and (c) Others. The Commodities segment contributed approximately 23.6% of URC's revenues for the year.

URC's ANH segment focuses on animal nutrition through its core animal feeds business, complemented by the expansion of its pet food portfolio, and its drugs and disinfectants business. ANH contributed approximately 8.0% of URC's revenues for the year ended December 31, 2025.

With several mills operating across the Philippines, URC SURE remains to be the largest producer in the country based on capacity, aided by the purchase of Roxas Holdings, Inc's sugar mill, ethanol plant and other investment properties in La Carlota City, Negros Occidental in 2020, and idle sugar milling machinery and equipment in Central Azucarera Don Pedro Inc. in Balayan, Batangas in 2023. The acquisition allows for operational synergies, increase in capacity and efficiency of URC's existing operations and continue in the efforts to support the development of the sugar industry in the Philippines. URC's financial condition remained solid in the said period despite the acquisition.

The percentage contribution to URC's sale of goods and services from continuing operations for each of the three years ended December 31, 2025, 2024 and 2023, by each of URC's principal business segments is as follows:

	For the years ended December 31		
	2025	2024	2023
Branded Consumer Foods Group	**68.4%**	68.0%	68.3%
Commodities	**23.6%**	23.4%	22.1%
Animal Nutrition and Health	**8.0%**	8.6%	9.6%
	100.0%	100.0%	100.0%

The geographic percentage distribution of the URC's sale of goods and services for each of the three years ended December 31, 2025, 2024 and 2023 is as follows:

	For the years ended December 31		
	2025	2024	2023
Philippines	**78.6%**	78.5%	79.6%
International	**21.4%**	21.5%	20.4%
	100.0%	100.0%	100.0%

Customers

None of the URC's businesses is dependent upon a single customer or a few customers that a loss of anyone of them would have a material adverse effect on the Company. URC has no single customer that, based upon existing orders, will account for 20.0% or more of the URC's total sale of goods and services.

Distribution, Sales and Marketing

URC has developed an effective nationwide distribution chain and sales network that it believes provide its competitive advantage. URC sells its branded food products primarily to supermarkets, as well as directly to top wholesalers, large convenience stores, large scale trading companies and regional distributors, which in turn sell its products to other small retailers. URC branded consumer food products are distributed directly to over 300,000 outlets in the Philippines and sold through various retailers and regional distributors. URC intends to expand its distribution network coverage in the Philippines by not only increasing the number of retail outlets that its sales force and distributors directly service but also the number of products sold per store. The branded consumer food products are generally sold by URC from salesmen to wholesalers or supermarkets, and regional distributors to small retail outlets. 15 to 30-day credit terms are extended to wholesalers, supermarkets, and regional distributors.

Through various institutional accounts, traders, dealers, and resellers, URC is able to reach and make its products available to consumers. In particular, AIG's Animal Nutrition business has increased its distribution network. It has expanded to various supermarkets and convenience stores, making its pet products more accessible to owners.

URC believes that its emphasis on marketing, product innovation and quality, and strong brand equity has played a key role in its success in achieving leading market shares in the different categories where it competes. In particular, URC launched "Jack 'n Jill" as a master umbrella brand for all its snack food products in order to enhance customer recognition. URC devotes significant expenditures to support advertising and branding to differentiate its products and further expand market share both in the Philippines and in its overseas markets. This includes advertising campaigns such as television and radio commercials, print and digital advertisements, as well as trade and consumer promotions.

Competition

The BCF business is highly competitive and competition varies by country and product category. URC believes that the principal competitive factors include price, taste, quality, convenience, brand recognition and awareness, advertising and marketing, availability of products and ability to get its product widely distributed. Generally, URC faces competition from both local and multinational companies in all of its markets. In the Philippines, major competitors in the market segments in which it competes include Liwayway Marketing Corporation, Perfetti Van Melle Group, Mondelez Philippines Inc., Republic Biscuit Corporation, Suncrest Foods Inc., Monde Nissin Corporation and Nestle Philippines, Inc.v Internationally, major competitors include Tan Hiep Phat Beverage Group, Mondelez International, Inc., PT Mayora Indah Tbk, Glico, Mamee-Double Decker Sdn Bhd and PepsiCo, Inc.

Outside of the BCF business, URC is also a significant player in the agricultural sector as one of the leading flour and sugar millers in the country. In these industries, it is important for the Company to implement various initiatives ensuring its relevance to its partners and consumers, setting it apart from competition. SURE's Project Salig offers farming assistance to support planters, which includes conducting seminars on good farming practices and providing farm equipment needs. Flourish Pilipinas, an initiative started by the Flour division, organizes workshops and trainings in bread and pastry production to support the country's baking industry. Similarly, AIG's Kabalikat Program is also about sharing best farming operations and practices. These programs, among others, gives URC an advantage against its key competitors such as San Miguel Corporation, Victorias Milling Company, Pilmico, UNAHCO (Unilab Group), and Bounty Farms.

Enhancement and Development of New Products
URC intends to continuously introduce innovative new products, product variants and line extensions in the food and beverage space. This year, new products contribute about 7% of URC's BCF business sales. New products are defined as being launched any time in the prior 3 calendar years, including the current year.

URC supports the rapid growth of the business through line expansion, construction and acquisition of plants.

Raw Materials
A wide variety of raw materials are required in the manufacture of the URC's food products, including corn, wheat, flour, sugar, robusta coffee beans, palm oil and cocoa powder. Some of these are purchased domestically and some are imported. URC also obtains a major portion of its raw materials from its commodity food products segments, such as flour and sugar, and flexible packaging materials from its packaging segment.

For its Animal Nutrition and Health segment, URC requires a variety of raw materials, including corn grains, soya beans and meals, feed-wheat grains, wheat bran, wheat pollard, soya seeds, rice bran, copra meal and fish meal. URC purchases corn locally from corn traders and imports feed wheat from suppliers in North America, Australia, Europe and China. Likewise, soya seeds are imported by URC from the USA.

For its Drugs and Disinfectants segment, URC sources its major raw materials locally.The key ingredient in alcohol is rectified spirit, which is sourced internally from its distillery plants across the country. For its animal health products, URC requires a variety of antibiotics and vitamins, which it acquires from suppliers in Europe and Asia.

For its Farms segment, URC requires a variety of raw materials, primarily close-herd breeding stocks. For its poultry business, URC purchases the parent stock for its layer chicks from Dekalb from Europe and Hy-line from the USA. Robina Farms obtains all of the feeds it requires from its Animal Nutrition and Health segment and substantially all of the minerals and antibiotics from its Drugs and Disinfectants segment as part of its vertical integration. URC purchases vaccines, medications and nutritional products from a variety of suppliers based on the values of their products.

URC obtains sugar cane from local farmers. Competition for sugar cane supply is very intense and is a critical success factor for its sugar business. Additional material requirements for the sugar cane milling process are either purchased locally or imported.

URC purchases wheat, the principal raw material for its flour milling and pasta business, from suppliers in the United States, Canada and Australia.

URC's policy is to maintain a number of suppliers for its raw and packaging materials to ensure a steady supply of quality materials at competitive prices. However, the prices paid for raw materials generally reflect external factors such as weather conditions, commodity market fluctuations, currency fluctuations and the effects of government agricultural programs. URC believes that alternative sources of supply of the raw materials that it uses are readily available. URC's policy is to maintain approximately 30 to 90 days of inventory.

Patents, Trademarks, Licenses, Franchises, Concessions or Labor Contract
URC owns a substantial number of trademarks registered with the Bureau of Trademarks subject to the provisions of Republic Act (RA) 8293 also known as the Intellectual Property Code of the Philippines (IP Code) and recorded with the Intellectual Property Office of the Philippines (IPPHL).

In addition, certain trademarks have been strategically registered in other countries in which it operates. These trademarks are important in the aggregate because brand name recognition is a key factor in the success of many of URC's product lines. Trademark registration is a means to protect these brand names from counterfeiting and infringement.

Trademarks registered under RA 166, also known as the Trademark Law, are registered for twenty years. Upon renewal, these trademarks become subject to the IP Code having a registration period of ten years and renewable thereafter. In general, trademarks in other countries have a ten-year registration which are renewable as well, allowing relatively a lifetime of territorial and limited trademark registration.

URC also uses brand names under licenses from third parties. These licensing arrangements are generally renewable based on mutual agreement. URC's licensed brands include Nissin Cup Noodles, Nissin Yakisoba Instant Noodles and Nissin Pasta Express, Vitasoy, Calbee and B'lue, among others.

Licensing agreements are voluntarily registered with the Documentation, Information and Technology Transfer Bureau of the IPPHL.

Regulatory Overview
As manufacturer of consumer food and commodity food products, URC is required to guarantee that the products are pure and safe for human consumption, and that the Company conforms to standards and quality measures prescribed by the Food and Drugs Authority (FDA).

URC's sugar mills are licensed to operate by the Sugar Regulatory Administration and URC renews its sugar milling licenses at the start of every crop year. URC is also registered with the Department of Energy as a manufacturer of bio-ethanol and as a renewable energy developer.

All of URC's livestock and feed products have been registered with and approved by the Bureau of Animal Industry, an agency of the Department of Agriculture which prescribes standards, conducts quality control test of feed samples, and provides technical assistance to farmers and feed millers.

Some of its projects, such as the sugar mill and refinery, bioethanol production, biomass power cogeneration and hog and poultry farm operations, are registered with the Board of Investments (BOI) which allows URC certain fiscal and non-fiscal incentives.

Effects of Existing or Probable Governmental Regulations on the Business
URC operates its businesses in a highly regulated environment. These businesses depend upon licenses issued by government authorities or agencies for their operations. The suspension or revocation of such licenses could materially and adversely affect the operation of these businesses.

Research and Development
URC develops new products and variants of existing product lines, research new processes, and tests new equipment regularly in order to maintain and improve the quality of URC's food products. In Philippine operations alone, about ₱432 million was spent for research and development activities in 2025 and approximately ₱332 million and ₱251 million in 2024 and 2023, respectively.

URC has research and development staff for its branded consumer foods and packaging divisions located in its research and development facility in Metro Manila and in each of its manufacturing facilities. In addition, URC hires experts from all over the world to assist its research and development staff. URC conducts extensive research and development for new products, line extensions for existing products and for improved production, quality control and packaging as well as customizing products to meet the local needs and tastes in the international markets. URC's

commodity foods segment also utilizes this research and development facility to improve their production and quality control. URC also strives to capitalize on its existing joint ventures to effect technology transfers.

URC has a dedicated research and development team for its agro-industrial business that continually explores advancements in feeds, breeding and farming technology. URC regularly conducts market research and farm-test for all of its products. As a policy, no commercial product is released if it was not tested and used in Robina Farms.

Costs and Effects of Compliance with Environmental Laws
The operations of URC are subject to various laws and regulations enacted for the protection of the environment, including Extended Producer Responsibility Act (R.A. No. 11898), Philippine Clean Water Act (R.A. No. 9275), Clean Air Act (R.A. No. 8749), Ecological Solid Waste Management Act (R.A. No. 9003), Toxic Substances and Hazardous and Nuclear Wastes Control Act (R.A. No. 6969), Pollution Control Law (R.A. No. 3931, as amended by P.D. 984), the Environmental Impact Statement System (P.D. 1586), Laguna Lake Development Authority (LLDA) Act of 1966 (R.A. No. 4850), Renewable Energy Act (R.A. No. 9513), Electric Power Industry Reform Act (R.A. No. 9136) and Environmental Compliance Certificates (ECCs) requirements of P.D. No. 1586, in accordance with DENR Administrative Order No. 2003-30. URC believes that it has complied with all applicable environmental laws and regulations, an example of which is the installation of wastewater treatment systems in its various facilities. Compliance with such laws does not have, and, in URC's opinion, is not expected to have, a material effect upon URC's capital expenditures, earnings or competitive position. URC regularly incurs costs related to compliance with environmental laws.

ii. AIR TRANSPORTATION

Business Development
Cebu Air, Inc. (CEB) is is an airline that operates under the trade names "Cebu Pacific" and "Cebu Pacific Air". It pioneered the "low fare, great value" strategy in the local aviation industry, and is now the leading airline in the Philippines. Since its inception, it has flown over 270 million passengers.

CEB was incorporated on August 26, 1988 and was granted a 40-year legislative franchise to operate international and domestic air transport services in 1991. It commenced its scheduled passenger operations in 1996 with its first domestic flight from Manila to Cebu. In 1997, it was granted the status as an official Philippine carrier to operate international services by the Office of the President of the Philippines pursuant to Executive Order (E.O.) No. 219. International operations began in 2001 with flights from Manila to Hong Kong. CEB's common stock was listed with the Philippine Stock Exchange (PSE) on October 26, 2010, CEB's initial public offering (IPO).

On October 7, 2024, CEB signed a share purchase agreement (SPA) with ALI Capital Corp. for the acquisition of 100% of AirSWIFT Transport, Inc. (AirSWIFT) for consideration of ₱1.75 billion, comprised of payment for outstanding shares and shareholder advances. AirSWIFT, a boutique airline that caters to domestic leisure, operates flights from Manila and Clark to El Nido in northern Palawan, and from El Nido to other major tourist destinations in the country, including Cebu, Boracay, Coron and Bohol. Following the purchase, CEB added El Nido to its network, widening its growth opportunities, and leveraging its operational expertise to be able to offer more cost-effective options for its growing customer base.

On October 29, 2024, CEB signed a Deed of Assignment of Credit and Subscription with 1Aviation Groundhandling Services, Corp. (1Aviation), for the assignment of credit and subscription to 1,130,000 shares, with par value of ₱100 per share, amounting to ₱113.0 million, equivalent to additional 20% ownership. This effectively converts a portion of CEB's shareholder loans and advances into an equivalent number of common stock in 1Aviation ("debt-to-equity conversion").

On August 15, 2025, the SEC approved the debt-to-equity conversion, increasing CEB's ownership interest in 1Aviation from 40% to 60%. As a result, CEB obtained control over 1Aviation, which is now accounted for as a subsidiary. This will enhance CEB's operational control in 1Aviation, allowing it to better integrate services for efficiency, align strategic plans more effectively, and improve service quality.

CEB, its wholly owned subsidiaries namely, CEBGO, Inc., AirSWIFT Transport, Inc. (the "Airline Group"), A-Plus, 1Aviation and the 21 SPEs (collectively known as "the Group") are consolidated for financial reporting purposes.

As of December 31, 2025, CEB operates a route network serving 83 domestic routes and 42 international routes with over 3,800 scheduled weekly flights. It operates from five hubs, including the Ninoy Aquino International Airport (NAIA) Terminal 2 and Terminal 3 both located in Pasay City, Metro Manila; Mactan-Cebu International Airport located in Lapu-Lapu City, part of Metropolitan Cebu; Diosdado Macapagal International Airport (DMIA) located in Clark, Pampanga, Davao International Airport located in Mindanao, and Iloilo International Airport located in Iloilo City.

As of December 31, 2025, CEB has fleet of 100 aircraft. The fleet excludes two (2) ATR Freighters classified as other assets as these are currently not operating and are held for sale. The average aircraft age of CEB's fleet is approximately 5.74 years as of December 31, 2025.

Aside from passenger service, CEB also provides airport-to-airport cargo services on its domestic and international routes. In addition, it offers ancillary services such additional baggage, rebooking options, in-flight merchandising and other travel-related products and services.

A-plus, on the other hand, is engaged in the business of line maintenance, including certification and providing mechanic assistance, to provide technical ramp, equipment handling, and light maintenance aircraft checks.

1Aviation is engaged in the business of providing ground handling services for all types of aircraft, whether for the transport of passengers or cargo, international or domestic flights, private. 1Aviation is authorized to provide ground handling services to 34 domestic airports with Cebu Pacific flights.

The percentage contributions to the CEB's revenues of its principal business activities are as follows:

	For the Years Ended December 31		
	2025	2024	2023
Passenger Services	**67.3%**	68.0%	68.9%
Cargo Services	**6.0%**	5.4%	4.5%
Ancillary Services*	**26.7%**	26.6%	26.6%
	100.0%	100.0%	100.0%

**includes A-Plus and 1Aviation's revenue from rendering line, light, and base maintenance services and ground handling services to third party customers, respectively.*

There are no material reclassifications, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business that was made in the past three years aside from those discussed above. CEB has not been subjected to any bankruptcy, receivership or similar proceeding in the said period.

Distribution Methods of Products or Services
CEB has three principal distribution channels: the internet; direct sales through booking sales offices, call centers and government/corporate client accounts; and third-party sales outlets.

Internet
CEB has its internet booking system platform through www.cebupacificair.com where passengers can book flights and purchase ancillary products and services online. The system also provides passengers with real-time access to CEB's flight schedules and fare options.

CEB also has its official mobile application which allows guests to book flights on-the-go through their mobile devices.

Booking and Regional Branch Offices
CEB has closed down its booking offices located in the Philippines. CEB also has seven (7) regional branch offices in Australia, Brunei, Hong Kong, Japan, Macau, Singapore, and South Korea.

Government/Corporate Client Accounts
CEB has government and corporate accounts for passenger sales. It provides these accounts with direct access to its reservation system and seat inventory as well as credit lines and certain incentives.

Third Party Sales Outlets
CEB has a network of distributors in the Philippines selling its air services within an agreed territory or geographical coverage. Each distributor maintains and grows its own client base and can impose on its clients a service or transaction fee. Typically, a distributor's client base would include agents, travel agents or end customers. CEB also has a network of foreign general sales agents, wholesalers, and preferred sales agents who market, sell and distribute CEB's air services in other countries.

Customers
CEB's business is not dependent upon a single customer or a few customers that a loss of anyone of which would have a material adverse effect on CEB.

A-Plus' and 1Aviation's major customer is Cebu Pacific, its Parent Company.

Competition
CEB maintains a strong market position despite competition on both its domestic and international routes. The level and intensity of competition varies from route to route. Principally, it competes with other airlines that service the routes it flies. However, on certain domestic routes, CEB also considers alternative modes of transportation, particularly sea and land transport, to be competitors for its services. Substitutes to its services also include video conferencing and other modes of communication.

In the domestic market, CEB is the leading domestic airline in the Philippines by passengers carried, with a market share of 56% from 54% in the previous year. Its major competitors in the Philippines are Philippine Airlines ("PAL"), PAL Express; and Philippines Air Asia (PAA).

Internationally, CEB competes with the following LCC's and full-service airlines in its international operations: AirAsia, Jetstar Airways, PAL, Cathay Pacific, Singapore Airlines, Scoot, Jeju Air and

Thai Airways, among others. For full year 2025, CEB continued to expand its market share to 22.0% from 21% in previous year, despite the heightened competitive activity. In the fourth quarter of 2025, this increased further to 22.7%.

A-Plus' major competitor is Lufthansa Technik Philippines ("LTP"); however, the latter focuses mostly on rendering base maintenance services or heavy checks.

1Aviation's major competitors are Transnational Aviation Support Services, Inc. (TASSI), MacroAsia Corporation and Dubai National Air Travel Agency (DNATA).

Publicly-Announced New Product or Service
In January 2025, CEB launched its maiden Manila-Chitose route. It is scheduled to fly three (3) times weekly. The launch of this direct flight increased CEB's operations in Japan, now totaling with five (5) destinations.

In March 2025, CEB expanded its Clark hub with the launch of flights from Clark to El Nido, Siargao and Masbate. Also, as part of the rebasing of turboprop fleet in Clark, CEB launched direct flights to Siargao, Masbate and Busuanga (Coron). An expansion was also made to its Iloilo hub with the launch of Iloilo to Bangkok via Don Mueang International Airport, flying three (3) times weekly.

In April 2025, CEB also launched direct flights from Cebu to Ho Chi Minh. The flight was scheduled to fly three (3) times a week.

In October 2025, CEB further expands its Clark hub with the launch of turboprop flights from Clark to San Jose (Mindoro) and Naga.

Known for its affordable promos, CEB also offered seat sales on various dates in 2025 which allowed passengers to book ahead for their domestic or international destinations, and score value-for-money fares, making the low fares even more affordable.

Raw Materials
Fuel is a major cost component for airlines. CEB's fuel requirements are classified by location and sourced from various suppliers.

CEB's fuel suppliers at its international stations include Shell-Dubai, Shell-Hongkong, Shell-Singapore, World Fuel-Japan, World Fuel-Canton, PTT-Bangkok, PTT-Incheon and Ampol-Sydney among others. It also purchases fuel from local suppliers like Petron and PTT Philippines. CEB purchases fuel stocks on a per parcel basis, in such quantities as are sufficient to meet its monthly operational requirements. Most of CEB's contracts with fuel suppliers are on a yearly basis and may be renewed for subsequent one-year periods.

Patents, Trademarks, Licenses, Franchises, Concessions and Royalty Agreements

Trademarks
Trademark registrations with the Intellectual Property Office of the Philippines (IPOPhil) prior to the effective date of Republic Act (R.A) No. 8293, or the current Intellectual Property Code of the Philippines, are valid for twenty (20) years from the date of issue of the certificate of registration.

Trademark registrations covered by R.A. No. 8293 are valid for ten (10) years from the date of the certificate of registration. Regardless of whether the trademark registration is for twenty (20) years or ten (10) years, the same may be renewed for subsequent ten (10)-year terms.

CEB holds the following valid and subsisting trademark registrations:

Jurisdiction	Mark
Philippines	CEBU PACIFIC, CEBU PACIFIC AIR, Cebu Pacific Eagle Head Logo, Cebu Pacific (with Eagle Head), Cebu Pacific Air.Com, Cebu Pacific Mascot, CEBGO, Cebu Pacific Logo (Eagle Head), Cebu Pacific, CEBGO, 1AVIATION, 1AV, 1 Aviation Logo, Super Seat Fest, Travel Sure, CEBU PACIFIC TRAVEL SURE YEAR-ROUND PROTECT, CEBU PACIFIC TRAVEL SURE FLY ME NEXT, CEB TravelSure, CEBU PAC, CEB, CEB PAC, Cebu Pacific, CEB Getaways, CEB Meals, CEB Moments, CEB Prepaid Baggage, CEB Seat Selector, CEB Sports Equipment, CEB Surfboard, CEB Transfers, CEB Wi-Fi Kit, Eco Plane, Every Juan, EveryJuan, Fly Easy, Go Ahead, Go Basic, Go Easy, Go Flexi, Juan for Fun, Juan for Fun Cebu Pacific, P1so Club, The Juan Effect, It's Time Every Juan Flies, It's Time Everyone Flies, Cebu Pacific and Device, Cebupacificair.com and logo, AVIATION PARTNERSHIP PHILIPPINES & DESIGN, Let's Fly every Juan, AirSwift standard character mark, AirSWIFT logo, and AirSWIFT logo-stylized
China	CEBU PACIFIC AIR, CEBU PACIFIC, IT'S TIME EVERYONE FLIES, Cebu Pacific (Eagle Head Logo), Cebu Pacific Mascot, Cebu Pacific (With Eagle Head) and Cebu Pacific Air.Com (With Eagle Head)
Japan	Ceppie, Cebu Pacific Eagle Head Logo, Cebu Pacific wordmark
Singapore	Cebu Pacific Mascot, Cebu Pacific Eagle Head Logo, Cebu Pacific with Eagle Head Logo, Cebu Pacific Eagle Head Logo, Cebu Pacific word mark, Cebu Pacific in figurative wordmark, and Cebu Pacific Air wordmark
WIPO Cambodia	Cebu Pacific Air
Cambodia	Cebu Pacific, Cebu Pacific Eagle Head, and Cebu Pacific in figurative mark
WIPO	Cebu Pacific
WIPO US	Cebu Pacific (Eagle Head Logo), Cebu Pacific wordmark, Cebu Pacific in figurative mark, and Cebu Pacific Air wordmark
Australia	Cebu Pacific (Eagle Head Logo), Cebu Pacific wordmark, Cebu Pacific Air wordmark, and Cebu Pacific in figurative mark
Brunei	Cebu Pacific (Eagle Head Logo), Cebu Pacific wordmark, Cebu Pacific Air wordmark, and Cebu Pacific in figurative mark
Vietnam	Cebu Pacific (Eagle Head Logo), Cebu Pacific wordmark, Cebu Pacific Air wordmark, and Cebu Pacific in figurative mark
Korea	Cebu Pacific (Eagle Head Logo), Cebu Pacific Air wordmark, Cebu Pacific in figurative mark, and Cebu Pacific wordmark
Malaysia	Cebu Pacific with Eagle Head Logo in figurative mark, Cebu Pacific in figurative mark, Eagle Head Logo, Eagle Head Logo, Cebgo in figurative mark, Cebu Pacific wordmark, and Cebu Pacific wordmark

Franchise

In 1991, pursuant to R.A. No. 7151, CEB was granted a franchise to operate air transportation services, both domestic and international. In August 1997, the Office of the President of the Philippines gave CEB the status of official Philippine carrier to operate international services. On June 30, 2001, the Philippine Civil Aeronautics Board (CAB) issued the permit to operate scheduled international services and a certificate of authority to operate international charters.

In December 2008, pursuant to R.A. No. 9517, CEBGO, Inc., CEB's wholly owned subsidiary, was granted a franchise to establish, operate and maintain domestic and international air transport services with Clark Field, Pampanga as its base. This franchise shall be for a term of twenty-five (25) years.

Government Approval of Principal Products or Services

CEB complies with and adheres to existing government regulations of the following regulatory bodies:

- Civil Aeronautics Board (CAB)
- Civil Aviation Authority of the Philippines (CAAP)

CEB's business depends upon the permits and licenses issued by the government authorities or agencies for its operations which include the following:

- Legislative Franchise to Operate Transport Services by Air
- Certificate of Public Convenience and Necessity (CPCN)
- Foreign Air Operator Permit
- Air Operator Certificate
- Certificate of Registration
- Certificate of Airworthiness
- Aviation Insurance Coverage

CEB also has to seek approval from the relevant airport authorities to secure airport slots for its operations.

Effects of Existing or Probable Government Regulations on the Business

CEB recognizes the effect of the nature and extent of regulations on the results of its operations. Consequently, in conducting its businesses, CEB has secured or seeks to secure all relevant and applicable government approvals at both the national and local levels.

Aviation Safety Ranking and Regulations - The Airline Group is part of the International Air Transportation Association (IATA), the trade association for the global airline industry, where it gained access to expertise and learnings on best practices and innovations among global airlines, as well as help formulate policies on critical aviation issues.

CEB completed its renewal of IATA Operational Safety Audit (IOSA) certification. IOSA is an internationally recognized and accepted evaluation system designed to assess the operational management and control systems of an airline.

In pursuit of maintaining and improving its safety procedures, CEB has also invested in technology that would improve its capability to manage safety risks such as on-board Runway Overrun Prevention System (ROPS) cockpit technology for its Airbus fleet for purposes of calculating whether the aircraft can safely stop in the runway length remaining ahead of the aircraft, Area Navigation (RNAV) data for more accurate navigation and approaches to various airports, a Fatigue Risk Management System to ensure that pilots are at adequate levels of alertness, Ground Proximity Warning System (GPWS) that provides automated alert to pilots when an aircraft is in danger of colliding with terrain or obstacles, Traffic Collision Avoidance System (TCAS) that continuously monitors nearby aircraft and provides real-time traffic advisories and resolution maneuver to pilots, reducing the risk of mid-air collisions by ensuring safe separation between aircraft, and Flight Data Monitoring (FDM) as a proactive safety management tool that continuously records and analyzes flight data to identify operational trends, deviation from standard procedures and potential risks. Through the integration of these advances safety systems, strict compliance with regulations and ongoing investment in crew training and operational oversight, CEB reinforces its commitment to maintaining the highest safety standards.

ASEAN Open Skies Agreement – The ASEAN Open Skies agreement allows designated carriers of ASEAN countries to operate unlimited flights between capitals, leading to better connectivity and more competitive fares and services. Subject to regulatory approvals, this liberalized and equitable air services agreement further allows carriers to upgrade its ASEAN flights to wide-bodied aircraft and increase capacity without the need for air talks thus allowing airlines to focus on expanding its operations, stimulating passenger traffic, and improving customer experience rather than spending valuable resources on negotiating for additional air rights.

Air Passenger Bill of Rights – The Air Passenger Bill of Rights, which was formed under a joint administrative order of the Department of Transportation and Communications, CAB and the Department of Trade and Industry, sets the guidelines on several airline practices such as overbooking, rebooking, ticket refunds, cancellations, delayed flights, lost luggage and misleading advertisement on fares.

R.A. No. 11659 – Public Service Act, as Amended - This amends Commonwealth Act No. 146, otherwise known as the Public Service Act passed in 1936. Among others, this distinguishes a public utility from a public service. The scope of a public utility is limited to persons who operate, manage and control for public use any of the following: (i) electricity distribution; (ii) electricity transmission; (iii) petroleum and petroleum products pipelines transmissions systems; (iv) water pipeline distribution systems and wastewater pipeline systems, including sewerage pipeline systems; (v) seaports; and (vi) public utility vehicles. It further provides that nationality requirements shall not be imposed by the relevant Administrative Agencies, as defined in the said act, on any public service not classified as a public utility. CEB is considered as a public service and not a public utility.

Research and Development
CEB incurred minimal amounts for research and development activities, which do not amount to a significant percentage of revenues.

Costs and Effects of Compliance with Environmental Laws
The operations of CEB are subject to various laws enacted for the protection of the environment. CEB has complied with the following applicable environmental laws and regulations:

- Presidential Decree No. 1586 (Establishing an Environmental Impact Assessment System) which directs every person, partnership or corporation to obtain an Environmental Compliance Certificate (ECC) before undertaking or operating a project declared as environmentally critical by the President of the Philippines. Petro-chemical industries, including refineries and fuel depots, are considered environmentally critical projects for which an ECC is required. CEB has obtained ECCs for the fuel depots it operates and maintains for the storage and distribution of aviation fuel for its aircraft.

- R.A. No. 8749 (The Implementing Rules and Regulations of the Philippine Clean Air Act of 1999) requires operators of aviation fuel storage tanks, which are considered as a possible source of air pollution, to obtain a Permit to Operate from the applicable regional office of the Environment Management Bureau (EMB). CEB's aviation fuel storage tanks are subject to and are compliant with this requirement.

- R.A. No. 9275 (Implementing Rules and Regulations of the Philippine Clean Water Act of 2004) requires owners or operators of facilities that discharge regulated effluents to secure from the Laguna Lake Development Authority (LLDA) (Luzon area) and/or the applicable regional office of the EMB (Visayas and Mindanao areas) a Discharge Permit, which is the legal authorization granted by the Department of Energy and Natural Resources for the discharge of waste water. The Group's operations generate waste water and effluents for the disposal of which a Discharge

Permit was obtained from the LLDA and the EMB of Region 7 which enables it to discharge and dispose of liquid waste or water effluent generated in the course of its operations at specifically designated areas. CEB also contracted the services of government-licensed and accredited third parties to transport, handle and dispose its waste materials.

- Republic Act No. 11697 (Electric Vehicle Industry Development Act, otherwise known as "EVIDA Law") outlines the regulatory framework, creates a comprehensive roadmap for development, commercialization, and utilization of electric vehicles (EV) in the Philippines, and at the same time, enumerates the fiscal and non-fiscal incentives for compliant electric vehicle users. CEB took deliveries of electric passenger shuttles, employee shuttles, and baggage tractors, as part of CEB's sustainable initiatives to reduce its carbon footprints.

- Extended Producer Responsibility Law ("EPR Law") of 2022 is the law that amends Republic Act No. 9003, otherwise known as the Ecological Solid Waste Management Act of 2000, to institutionalize the extended producer responsibility on plastic packaging waste. It requires obliged enterprises (OEs), by themselves or collectively, with or without a Producer Responsibility Organization (PRO) to prepare and register with the National Solid Waste Management Commission their EPR Programs to reduce and/or recover for reuse, recycling, treatment, or proper ecological disposal the plastic packaging waste that they release or released to the domestic market.

  Compliance with the foregoing laws does not have a material effect to the CEB's capital expenditures, earnings and competitive position. CEB spent over ₱95 million in connection with its compliance with applicable environmental laws for the above.

iii. REAL ESTATE AND HOTELS

Business Development

RLC is one of the Philippines' leading real estate developers in terms of revenues, number of projects and total project size. It is engaged in the construction and operation of lifestyle commercial centers, offices, hotels and industrial facilities; and the development of integrated developments and mixed-use properties, residential buildings, as well as land and residential housing developments, including socialized housing projects located in key cities and other urban areas nationwide. RLC adopts a diversified business model, with both an 'investment' component, in which the Company develops, owns and operates commercial real estate projects (principally lifestyle commercial centers, office buildings, hotels and industrial facilities); and a 'development' component, in which RLC develops real estate projects for sale (principally residential condominiums, serviced lots, house and lot packages and commercial lots).

RLC was incorporated on June 4, 1980 and its shares were offered to the public in an initial public offering and were subsequently listed in the Manila Stock Exchange and Makati Stock Exchange (predecessors of the Philippine Stock Exchange) on October 16, 1989. RLC had successful follow-on offering of primary and secondary shares in October 2006 where a total of 932.8 million shares were offered to domestic and international investors, generating USD 223 million or ₱10.87 billion in proceeds. Of this amount, approximately ₱5.30 billion was raised from the primary portion, intended to be used to fund its capital expenditure programs for fiscal year 2007. The additional shares were listed on October 4, 2006.

On November 19, 2010, the Board of Directors approved the increase in the authorized capital stock of RLC from 3,000,000,000 common shares into 8,200,000,000 common shares, with a par value of one peso (₱1) per share. In line with the foregoing, the Board of Directors (BOD) also approved on February 16, 2011 a 1:2 stock rights offering to stockholders of record as of March 30, 2011

(ex - date March 25, 2011). Accordingly, RLC received subscriptions for 1,364,610,228 shares at an offer price of ₱10 per share on April 11-15, 2011. The subscription receivables were fully collected in October 2011. The Securities and Exchange Commission (SEC) approved the increase in capital stock on May 17, 2011.

On November 13, 2017, the BOD of RLC approved in principle the stock rights offering (SRO) of up to ₱20 billion composed of 1.1 billion common shares, with a par value of ₱1.00 per share, to all stockholders as of record date January 31, 2018. RLC intended to use the proceeds from the Offer to finance the acquisition of land located in various parts of the country for all its business segments.

RLC has obtained the approval of the BOD of the Philippine Stock Exchange, Inc. (PSE) for the listing and trading of the rights shares on January 10, 2018, while the PSE's confirmation of exempt transaction covering the offer was obtained on December 14, 2017. The following are the key dates of the SRO:

- Pricing date – January 24, 2018
- Ex-date – January 26, 2018
- Record date – January 31, 2018
- Offer period – February 2 to 8, 2018
- Listing date – February 15, 2018

RLC has successfully completed its ₱20 billion SRO of common shares following the close of the offer period on February 8, 2018. A total of 1.1 billion common shares from the SRO were issued at a price of ₱18.20 each. The listing of the shares occurred on February 15, 2018.

On July 31, 2019, the BOD of RLC approved the declaration of property dividend, of up to One Hundred Million (100,000,000) common shares of Altus Property Ventures, Inc. (APVI) (formerly Altus San Nicolas Corp.) in favor of the registered shareholders (the Receiving Shareholders) as of August 15, 2019. The SEC approved the property dividend declaration on November 15, 2019 and the Certificate Authorizing Registration was issued by the Bureau of Internal Revenue on December 6, 2019.

The Receiving Shareholders received a ratio of one (1) share of APVI for every fifty-one and 9384/10000 (51.9384) shares of RLC, net of applicable final withholding tax on December 20, 2019. No fractional shares were issued and no shareholder was entitled to any fractional shares. RLC's remaining interest in APVI after the dividend distribution is 6.11%.

As of December 31, 2025, JG Summit, RLC's controlling shareholder, owned approximately 65.91% of RLC's outstanding shares.

Treasury Stock
On November 4, 2021, the BOD approved the 3 billion common share buyback program of RLC. On November 8, 2022, the BOD approved the extension of share buyback program for an additional 3 billion common shares. On March 20, 2023, the BOD approved the extension of the share buyback program by Three Billon Pesos (₱3,000,000,000) worth of RLC's common shares bringing the total buy-back program to Nine Billion Pesos (₱9,000,000,000).

RLC has outstanding treasury shares of 388.8 million shares (₱6.23 billion), 365.5 million shares (₱5.93 billion) and 354.7 million shares (₱5.79 billion) as of December 31, 2025, 2024 and 2023, respectively.

Principal Products or Services
RLC has seven business divisions: a) Robinsons Malls, b) Residential Division, c) Robinsons Offices, d) Robinsons Hotels and Resorts, e) Robinsons Logistics and Industrial Facilities, f) Robinsons Destination Estates; and g) Chengdu Ban Bian Jie.

a.) Robinsons Malls
Robinsons Malls develops, leases and manages lifestyle centers throughout the Philippines. As of December 31, 2025, RLC operates fifty-seven (57) shopping malls, comprising ten (10) malls in Metro Manila and forty-seven (47) malls in other urban areas throughout the Philippines, including two (2) new malls this year.

Robinsons Malls rental revenues continued to register 11% growth. The sustained healthy spending behavior of Filipino consumers in essential and discretionary purchases including food, fashion, leisure, services, and entertainment significantly contributed to the upsurge in foot traffic and revenues.

In April 2025, Robinsons Malls opened its 8th mall in Mindanao, Robinsons Pagadian. The opening of the mall was welcomed with high anticipation, both by tenant partners and customers. The mall showcases four-storeys of dining, retail, service, and amusement offerings.

Then in November 2025, The Plaza Bagong Silang, a community mall, opened in Caloocan City. The Plaza Bagong Silang is anchored by a supermarket and also comprises a community center and a basketball court at the third level.

The main revenue stream of Robinsons Malls is derived from the lease of commercial spaces and it comprises a significant part of RLC's revenues. Historically, revenues from lease rentals have been a steady source of operating cash flows for the Company. RLC expects that the revenues and operating cash flows generated by the malls business shall continue to be a major driver for the Company's growth in the future.

As of calendar year 2025, the Company has two (2) new malls and two (2) expansions in the planning and development stage for completion in the next two (2) years. The Company's business plan for Robinsons Malls over the next five years, subject to market conditions, is to sustain its growth momentum via development of new lifestyle centers and expansion of existing ones.

The Company also leases commercial properties to affiliated companies. Rental income arising from the lease of commercial properties to affiliated companies amounted to about ₱2.98 billion and ₱3.70 billion for the calendar years ended December 31, 2025 and 2024, respectively.

b.) Residential Division
RLC's Residential Division focuses on the construction and sale of residential condominiums and house and lot and subdivision projects under its RLC Residences brand.

RLC Residences, the vertical and horizontal residential division of Robinsons Land, aims to provide seamless customer journey for its clients and focus to build beautiful and well-designed residential condominiums in key urban areas and central business districts as well as lots and house and lot packages in master planned, gated subdivisions to satisfy every Filipino's dream of owning his own home. The brand redefined its new core offering under its enhanced customer-centric value propositions: Raise, Live and Connect. Raise stands for raising living standards through elevated design and quality standards, elegant lobbies, and global design and property consultants. Live is all about living smart and productive through the digital solutions for a hassle-free condo-living experience and the introduction of work-from-home nooks and smart home features integrated

within the units. Lastly, Connect promotes meaningful connections through amenities for bonding and the convenience of being near life's essentials.

As part of the new brand's efforts to provide a more customer-centric service to its clients and to answer the growing need to do transactions safely at home due to the pandemic, RLC Residences introduced multiple digital innovation such as the myRLC Homeowners Portal (for RLC Residences property residents) and Buyer's Portal (for property buyers) in order to help them access their accounts in real time and accomplish other obligations at the comforts of their home such as payments and gate pass filings. The myRLC Homeowners Portal also provides easier access to the Ring Rob Concierge, RLC Residences' exclusive service for residents where they can book for home services online such as water delivery, laundry, interior design, and more. For potential clients, RLC Residences also has its virtual gallery of its model units that clients may access anytime, anywhere.

In terms of home offerings, RLC Residences also integrated home upgrades in its new properties. These upgrades are the inclusion of work-from-home provisions in all units, smart home features, pantry and storage areas inside the unit, bike parking areas and allotment of more open spaces within the development among others.

Currently, there are ninety (90) residential condominium projects under its portfolio, of which seventy-two (72) are completed while eighteen (18) are still under construction. Also, as of December 31, 2025, RLC Residences has forty-four (44) residential subdivision projects in its portfolio and eight (8) of these projects are on-going construction.

c.) Robinsons Offices

Robinsons Offices develops office buildings for lease. As of December 31, 2025, this division has completed thirty-four (34) office developments. These are located in Quezon City, Mandaluyong City, Cebu City, Ilocos Norte, Tarlac City, Naga City, Davao City, Bacolod City, Iloilo City, Pasig City, Makati City and Taguig City.

Robinsons Offices is redefining the future of workspaces through innovation. Guided by the development principle of creating premium, accessible, future-ready and sustainable spaces, Robinsons Offices is committed to elevating workspace standards across its entire portfolio to become the preferred address of Business Process Outsourcing (BPO) firms and multinational companies.

In line with its vision to attract new clients and support the growth of existing tenants, the Company has embarked on premiumization initiatives including the upgrade of lobbies and common areas in its office buildings by leveraging cutting-edge advancements in building designs, office layouts, sustainable features, and top-tier services and amenities. These enhancements reflect Robinsons Offices' dedication to creating world-class spaces that inspire success and foster economic growth. Designed to meet global standards, these modernized spaces aim to attract high-value jobs and empower local professionals, including returning Overseas Filipino Workers (OFWs), enabling them to thrive locally while staying close to their families and communities.

In its continuous effort to practice and promote sustainability, Robinsons Offices has built green certified office buildings. A number of projects are Leadership in Energy and Environmental Design (LEED) certified. The US Green Building Council registered LEED buildings are: Tera Tower (Gold), Exxa Tower (Silver), Zeta Tower (Silver), Giga Tower (Gold), Iloilo Towers One and Two (LEED-Certified), and GBF Centers One and Two (Gold). GBF Center set a new benchmark in sustainable office developments as being the largest office project in the Philippines, with more than 115,600 square meters of gross leasable area, to achieve LEEDv4 Gold certification – an achievement that reflects Robinsons Offices strong commitment to environmental excellence and

innovation. Administered by Green Business Certification Inc. (GBCI), LEEDv4 sets a high standard for green buildings by evaluating key factors such as energy and water efficiency, indoor air quality, sustainable design, and access to green transportation options. Aside from LEED, there are twelve (12) existing buildings that have been certified by the IFC-backed EDGE or Excellence in Design For Greater Efficiencies: Cyberscape Gamma, Cyberscape Beta, Cybergate Galleria Cebu, Cyber Omega, Cyberscape Alpha and Cybergate Sigma, Cybergate Delta 2, Robinsons Summit Center, Cybergate Bacolod 2, Robinsons Cybergate Center One, Robinsons Cybergate Center 3 and Robinsons Cybgergate Plaza, all of which are constantly striving to minimize their environmental impact and have identified the most cost-effective strategies to reduce energy use, water consumption, and optimizing material efficiency. The Company stays committed to its goal of expanding its green building portfolio through continuous applications for LEED and EDGE certifications.

In 2025, Robinsons Offices completed GBF Center 2, a 30-storey tower with large floors plates of 2,800 square meters, or a 20% increase compared to the adjacent GBF Center 1 at 2,500 square meters. The larger floor plates were designed to accommodate bespoke tenant layouts and evolving business needs of multi-national tenants. GBF Center 2's inverted silhouette is a bold architectural statement, placing larger, premium spaces on higher floors, that have panoramic views of Ortigas and the Sierra Madre mountains. The tower features touchless technology, including facial recognition-enabled turnstiles; featuring a full destination control vertical lift system, advance air filtration systems, while interiors are finished with high-grade materials that combine form and function in every detail. These features are part of Robinsons Offices future-ready promise, ensuring that every tenant experiences a workplace that is secure, smart, seamless and with hotel-like features that cater to the needs of its diverse and dynamic tenants. GBF Center 2 adds 60,872 square meters of premium, flexible and sustainable leasable office space to the expanding portfolio of Robinsons Offices.

Recognized for its outstanding design, GBF Center 2 received multiple prestigious awards, including Best Green Commercial Development, Best Architectural Design and Best Office Interior Design at the 13th PropertyGuru Philippines Property Awards and as finalist for Best Green Commercial Development, Best Office Architectural Design and Best Office Interior Design at the 20th Asia PropertyGuru Property Awards. These accolades reinforce Robinsons Offices' commitment to delivering world-class developments.

Robinsons Offices continues to play an active role in supporting the IT-BPM industry on its plans to significantly expand business operations in high-growth areas nationwide with the completion Cybergate Iloilo 3 within Robinsons Place Pavia complex. The new and tallest tower adds 31,476 square meters of BPO-ready leasable space over 12 floors of premium office facilities with state-of-the art amenities. With scenic views of Iloilo's idyllic landscape and tree-lined countryside, Cybergate Ililo 3 offers an inspiring environment for creativity and productivity. Cybergate Iloilo 3 and GBF Center 2 increased portfolio size by more than ninety-three thousand square meters of total leasable area in 2025.

Robinsons Offices continues to strengthen its flexible workspace business through its own brand, work.able, which offers innovative solutions for today's dynamic business environment. Providing plug-and-play and build-to-suit workspaces, work.able caters to clients seeking private offices, co-working spaces, conferencing facilities, and event venues.

As of December 31, 2025, work.able operates sixteen (16) centers across prime locations, including the Ortigas CBD in Pasig City, Quezon City, Taguig City, and Makati City.

In 2025, six (6) new centers were launched; four (4) at Robinsons Summit Center in Makati—two speculative and two hybrid (portion is build-to-suit, while another portion is speculative) and

two (2) new centers in GBF Center, one in each tower. With an impressive 79% occupancy rate, work.able has proven its ability to meet the growing demand for flexible offices by offering thoughtfully designed spaces that promote collaboration and creativity.

Looking ahead to 2026, Robinsons Offices plans to continually expand the work.able brand in high-growth areas such as Makati and Bridgetowne, and venture into high-demand provincial areas such as Iloilo City, reinforcing its position as a trusted partner for businesses and a catalyst for growth in the Philippines.

d.) Robinsons Hotels and Resorts

Robinsons Hotels and Resorts owns, develops, and operates hotels and resorts within Metro Manila, and urbanized and targeted tourist destinations in the Philippines. It has a has a diverse portfolio covering the following brand segments: Ultra-Luxury Hotels, Luxury Hotels and Resorts, Upper Upscale Hotels and Resorts, Upscale Hotels and Resorts, and Essential Service Value Hotels. As of December 31, 2025, RLC owned twenty-seven (27) hotels and resort for a total of 4,463 owned room keys in strategic metropolitan and urbanized locations consisting of thirteen (13) Go Hotels, seven (7) Summit Hotels and Resorts, one (1) Grand Summit Hotel, four (4) international brands, one (1) Fili Hotel, and one (1) NUSTAR Hotel, which is the first ultra-luxury Filipino hotel brand in Cebu City launched in 2025.

RHR owns and operates food and beverage outlets spanning across its various hotel properties. RHR's F&B wide range of offerings include fine dining, premium restaurant concepts, and casual dining. It also offers an exclusive coffee brand, RCoffee, in all Café Summit outlets since June 2024.

RLC has entered into an agreement with its franchisee, Roxaco-Asia Hospitality Corporation, for four (4) Go Hotels present in Manila Airport Road, Ermita Manila, Timog-Quezon City, and North EDSA-Quezon City. Combined, the four Go Hotels account for 804 rooms.

As the largest hospitality group with the most diverse hotel formats and widest geographic presence, RHR continues to solidify its position in the Philippine hospitality space through project launches, product enhancements and numerous local and international recognitions. In 2025, RHR officially launched the development of Summit Villas Siargao and Grand Summit Pangasinan, renovated Summit Ridge Tagaytay, opened Grazie Bistro at Grand Summit General Santos, and added Aire[32] rooftop bar at The Westin Manila. RHR has a total count of twenty-seven (27) owned properties with 4,463 keys across nineteen (19) cities and municipalities.

In 2026, RHR looks forward to unveil its first upscale resort, Summit Villas Siargao, to bring global hospitality standards with a unique Filipino heart of service on the island. RLC and Hira Holdings, Inc. entered into a ten (10) year management agreement in 2024.

e.) Robinsons Logistics and Industrial Facilities

Robinsons Logistics and Industrial Facilities (RLX) focuses on industrial leasing. As of December 31, 2025, total net leasable area reached 328,000 square meters. The accelerated growth of e-Commerce in the Philippines significantly increased demand for logistics facilities with new specifications. RLC capitalized on this opportunity and supplied the need for logistics facilities with capabilities and features tailor-fit for Fast-Moving Consumer Goods (FMCG) and e-Commerce companies, among others. Key specifications of these facilities include high ceilings, raised flooring, loading docks with roll up doors, high strength flooring, and complete Fire Detection and Alarm Systems (FDAS), and fire protection systems. Through all these, RLC ensures the longevity and safety of its logistics facilities and enables optimized operations for customers.

Its completed projects have cemented RLX in key strategic locations. It now has presence within the National Capital Region, and in both the North and South of Metro Manila. It has a total of fifteen (15) industrial warehouses nationwide.

RLX is on track to becoming the fastest growing logistics facility provider in the country with additional warehouses in the pipeline. To further accelerate the growth of GLA, RLX aims to expand its footprint outside Luzon through exploring opportunities in the Visayas and Mindanao regions. As RLX continues to expand its reach and support more businesses, it remains steadfast in its core of maintaining its exceptional quality of service to all current and future clients.

f) Robinsons Destination Estates
RLC's Robinsons Destination Estates (RDE) focuses on strategic land bank acquisition in collaboration with corporate land acquisition, exploration of real estate infrastructure projects, and partnerships that create growth opportunities.

RDE develops master-planned communities that seamlessly integrate residential, commercial, office, hospitality, and logistics components. Centered on a live-work-play-inspire lifestyle, these estates promote connectivity, accessibility, and inclusivity. Through these initiatives, they create value for communities and stakeholders alike, enhance everyday experiences, support economic activity, and contribute to nation-building.

Bridgetowne – The Premier Urban Center
Strategically nested between Quezon City and Pasig City, Bridgetowne continues to evolve as one of Metro Manila's most dynamic business and lifestyle estates. The 32-hectare estate defines ambition and welcomes innovation, highlighted by The Victor, a landmark public art installation. The Victor gained local and international awards including Best Landmark Design in the 2025 PropertyGuru Asia Property Awards held in Bangkok, Thailand.

In 2025, Bridgetowne reached significant milestones. Helios, a sports and wellness complex that will feature professional-grade pickleball courts, including a stadium court built to international standards, broke ground in July 2025. The facility will also include a gym and curated dining options, reinforcing Bridgetowne's position as a center for active and lifestyle-oriented communities. In October 2025, the estate also broke ground on the Bridgetowne Esplanade, a landscaped pedestrian corridor designed to enhance walkability and connectivity across the development.

Complementing these additions, Bridgetowne welcomed a new Starbucks Drive-Thru, expanding its retail and dining offerings. Together, these developments further strengthen Bridgetowne's role as a destination estate where business, culture, and lifestyle converge.

Sierra Valley – The Suburban Community
Sierra Valley continues to thrive as a key lifestyle destination east of Metro Manila. Located across Cainta and Taytay, Rizal, the 18-hectare estate offers a balanced environment and mixed-use developments in a growing suburban corridor.

A major highlight in 2025 was the opening of The Shops at Sierra Valley, a curated retail strip that enhances the estate's role as a commercial and community hub. The estate also welcomed UNIQLO Sierra Valley, further strengthening its retail mix and attracting greater foot traffic.

Supporting Robinsons Land's logistics platform, Sierra Valley is also home to two operational RLX warehouse facilities, reinforcing the estate's strategic importance as a logistics and distribution location. These developments reflect Sierra Valley's continued evolution into a well-rounded estate that supports both lifestyle and economic activity in the eastern growth corridor.

Montclair – The Global Gateway
Montclair, Robinsons Land's 230-hectare estate, continues to make steady progress as a major mixed-use development in Central Luzon. Strategically located near the Clark Freeport Zone, the estate is envisioned to support a diverse mix of commercial, residential, logistics, and institutional uses.

In 2025, construction momentum continues across the estate, with significant progress in land development, including the paving of key roads to enhance accessibility and support future locators. In addition, Montclair also began activating its spaces through large scale events such as the CF Moto MT Challenge, which drew motorsport enthusiasts and visitors. These developments signal Montclair's steady transition from land development to a more dynamic mixed- use destination in Central Luzon.

Building the Destinations of Tomorrow
RDE remains focused on crafting dynamic destination estates that stimulate economic activity, foster innovation, and enrich quality of life by elevating experiences through strategic premiumization.

Throughout 2025, RDE reinforced its presence in strategic growth corridors across Greater Manila while expanding into South Luzon, the Visayas, and Mindanao. Key milestones included the continued development of Bridgetowne, Sierra Valley, and Montclair, as well as the detailed planning of new projects near the upcoming Senate–DepEd station of the Metro Manila Subway Project, notably the 16-hectare Bonifacio South Pointe and the 6-hectare former NOVAI property within the Bonifacio Capital District.

Simultaneously, RDE continues to refresh and modernize existing mixed-use developments to ensure long-term relevance and competitiveness, guided by human-centered development principles and designs that enhance accessibility and connectivity within and beyond its communities.

Leveraging RLC's expansive platform and deepening presence across key urban and regional markets, RDE continues to shape destination estates where people, businesses, and communities thrive—creating enduring value and a legacy of progress for generations to come.

g) Chengdu Ban Bien Jie
Building on its well-established expertise and reputation in the Philippines, RLC expanded its presence beyond local shores and launched its first international venture with a residential project in Chengdu City, China. The city of Chengdu, the capital of Sichuan Province, is the fifth largest city in China with over 16 million residents and is considered as one of the richest urban areas in the country. RLC's Ban Bian Jie Project is strategically located in Wuhou District, the largest of the five inner districts of Chengdu. Situated next to the majestic sceneries of the Jiang An River and Yong Kang Forest Park, the project's prime location and quality features make it an attractive and preferred choice for employees and families.

The Chengdu Ban Bian Jie project is a residential development with a total gross floor area of approximately 220,000 square meters. Comprised of a series of carefully designed high-rise towers, townhouses and shops, Chengdu Ban Bian Jie caters to the sophisticated, discerning lifestyle of the upper-middle-class market. The project features an entertainment area for children, and various sports facilities, including gyms and a swimming pool, to suit even the most active residents. With its convenient proximity to the main Chengdu Shuangliu International Airport, the sprawling community offers entertainment centers, a shopping complex, and relaxation areas, such as the clubhouse and ecological gardens, for rest and recreation.

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The percentage contribution to RLC's revenues for the three years ended December 31, 2025, 2024 and 2023 by each of its business segment is as follows:

	For the years ended December 31		
	2025	2024	2023
Commercial Centers	**41.0%**	42.0%	38.6%
Residential	**25.0%**	20.0%	28.6%
Office Buildings	**17.0%**	19.0%	17.5%
Hotels and Resorts	**13.0%**	14.0%	10.9%
Robinsons Destination Estates	**2.0%**	3.0%	2.8%
Logistics and Industrial Facilities	**2.0%**	2.0%	1.6%
Chengdu Ban Bian Jie	**0.0%**	0.0%	0.0%
	100.0%	100.0%	100.0%

Competition

Commercial Centers Division
RLC has two major competitors in its Commercial Centers Division—SM Prime Holdings, Inc. (SMPHI) and Ayala Land, Inc. (ALI). Each of these companies has certain distinct advantages over RLC, including SMPHI's considerably larger mall portfolio and ALI's access to prime real estate in the heart of Metro Manila. There are a number of other players in the shopping mall business in the Philippines, but they are significantly smaller and, because of the high barriers to entry into the business (which include cost, branding, reputation, scale and access to prime real estate), RLC expects that it will continue to compete principally with these two major companies in this market sector for the foreseeable future. Shopping mall operators also face competition from specialty stores, general merchandise stores, discount stores, warehouse outlets, street markets and online stores.

RLC believes its strength is in its mixed-use, retail, commercial and residential developments. RLC operates on the basis of its flexibility in developing malls with different sizes depending on the retail appetite of the market per location. It is focused on balancing its core tenant mix and providing a more distinctive shopping mall experience to its loyal customers, as well as its ability to leverage the brand equity and drawing power of its affiliated companies in the retail trade business.

Residential Division
RLC Residences continues to develop beautiful, well-designed, high-quality homes catered to young professionals, starting and growing families under the BC1 segment looking for a home in the city that they can proudly call their own. Competitors such as Alveo Land, MEG, Filinvest Land, Inc. (FLI), SM Prime Holdings (SMPHI), and DMCI Homes. target the young professionals and starting families under this bracket. There are also a number of players who try to compete in this segment of the market with one or two projects. Projects under RLC Residences remain among the top-of-mind developments as a result of growing experienced sales and distribution networks and convenient locations. Projects are located within Central Business Districts or RLC's mixed-use development.

RLC Residences has numerous competitors in the middle-income segment. This is in part a function of the fact that, as compared to other business areas, RLC does not enjoy the same "early mover" advantage. Currently, they are companies like Avida Land (AL), FLI, SMPHI, and DMCI Homes. Based on public records and independent industry reports and its own market knowledge, RLC believes that it is among the top five middle-ranged condominium developers in the Philippines in terms of revenues from sales. RLC believes that it can successfully compete in this market segment on the basis of its brand name, technical expertise, financial standing and track record of successfully completed, quality projects.

The brand strives to compete with developers who have already established their names in tapping the elite market. RLC Residences aims to increase its share of this market segment and steer buyers of competitors such as Ayala Land Premier, Rockwell Land Corporation (ROCK), Century Properties Group, Inc. (CPGI) and Megaworld Corporation (MEG) to its developments.

Recognizing the growing housing market in the Philippines, RLC continues to embark on building subdivisions through its RLC Residences brand. For families aspiring to own their first home or upgrade to a better abode and neighborhood, RLC Residences provides them themed, master-planned, secure and gated horizontal subdivisions in key urbanized cities nationwide ideal to start the good life. RLC Residences offers horizontal developments that caters to the affordable and mid-cost segment, as well as the premier market.

RLC Residences' competitors in these markets are: Ayala Land Inc., Filinvest Land Inc., Vista Land & Lifescapes, Inc., Aboitiz Land Inc. and Cebu Landmasters Inc. Also competing in the affordable segment are PHirst Park Homes, Inc. and and 8990 Holdings Inc.

RLC Residences has an established presence in key locations nationwide, with projects in Laoag, Tarlac, Puerto Princesa, Bacolod, and General Santos. It has also built a strong reputation in strategic areas through the development of several projects in Pampanga, Bulacan, Antipolo, Angono, Cavite, Batangas, Cebu, Cagayan de Oro, and Davao. RLC Residences is committed to provide green and sustainable communities with lifestyle amenities in response to the needs of the market.

RLC believes that its reliability to deliver and consistent quality products at an affordable price has contributed to its ability to generate sales and its overall success.

Robinsons Offices
Robinsons Offices recognizes that competition in the office space market is driven by key factors such as location, accessibility, quality and reliability of design and equipment, the developer's reputation, availability of space, sustainability, and PEZA registration. Its primary competitors include Ayala Land Inc. (ALI), Megaworld, and SM.

Robinsons Offices leverages its competitive edge through the strategic locations of its buildings, which are integrated into mixed-use developments near malls, residential communities, and public transportation hubs. These locations ensure accessibility and convenience, making them attractive to a diverse range of tenants, including companies in the IT-Business Process Management (IT-BPM) sector, corporate headquarters, and traditional office users.

Guided by a commitment to innovation, Robinsons Offices continues to redefine the future of workspaces by creating premium, accessible, future-ready, and sustainable office environments. RLC is dedicated to elevating workspace standards across its entire portfolio, striving to be the preferred office landlord. By delivering innovative, sustainable, and award-winning office

developments, Robinsons Offices empowers businesses to thrive while continuously raising the bar for office spaces in the Philippines.

Robinsons Hotels and Resorts
RLC competes in different markets for its hotels and resorts segments. Across all of its hotel formats, its main competitors in terms of number of rooms are: Ayala Land, Alliance Global Group Inc., SM Hotels and Conventions Corporation, Filinvest Land Inc and Double Dragon Corporation. Aside from these large hotel owners and developers, there is a growing number of small independent players and foreign entrants that increases the competitive landscape of hospitality in the country.

RLC continues to strengthen its market leadership through elevating its portfolio of hotel brands, enhancing its brand standards, and investing in strategic locations and its people. With RLC's longstanding expertise in developing and managing hotels, RLC is focused on scaling the business while improving standards leading up to world-class quality.

Logistic and Industrial Facilities Division
Demand for logistics facilities continues to be strong. Under its RLX Logistics Facilities brand, RLX develops excellent quality logistics facilities in industrial centers of growth around the Philippines. The biggest competitors of RLC in the development of logistics facilities are SM Commercial Properties Group and Ayalaland Logistics Holdings Corp.

Robinsons Destination Estates
RLC is an accomplished developer of integrated developments. RLC has developed four major mixed used developments in Metro Manila alone, namely, Robinsons Galleria, Robinsons Forum, Robinsons Manila, and Robinsons Magnolia. These projects are anchored by Robinsons Mall with components of Office and/or Residential and/or Hotel/Leisure. Furthermore, it continues to develop its destination estates namely Bridgetowne, Sierra Valley and Montclair. RDE remains focused on this fast-growing development format.

Major developers are still into integrated developments. Developers have been acquiring big parcels of land and incorporating different real estate components to attract investors and customers. The biggest competitors of RLC in integrated developments are Ayala Land, Inc., Megaworld Corp, Filinvest, Inc., Double Dragon Properties Corp., and SM Prime Holdings.

RDE will harness opportunities for synergies with RLC's other business units: Robinsons Malls, Residential, Robinsons Hotels and Resorts, and Robinsons Offices. RLC, having years of experience in these real estate components, will thus have a competitive advantage. With efficient master planning, innovative designs, and quality construction, RLC is committed to sustainable and future-proof communities.

Sources and Availability of Raw Materials and Suppliers
Construction and development of malls, high-rise office and condominium units as well as land and housing construction are awarded to various reputable construction firms subject to a bidding process and management's evaluation of the price and qualifications of and its relationship with the relevant contractor. Most of the materials used for construction are provided by the contractors themselves in accordance with the underlying agreements, although sometimes RLC will undertake to procure the construction materials when it believes that it has an advantage in doing so. RLC typically will require the contractor to bid for a project on an itemized basis, including separating the costs for project materials that it intends to charge the Company. If RLC believes that it is able to acquire any of these materials (such as cement or steel) at a more competitive cost than is being quoted to it, it may remove these materials from the project bid and enter into a separate purchase order for the materials itself, to reduce project costs.

Customers
RLC has a broad base of customers, comprised of both local and foreign individuals, and institutional clients. RLC is not dependent on a single or a few customers, the loss or any of which would have a material adverse effect on the business taken as a whole.

Regulatory and Environmental Matters

Shopping Malls
Shopping mall centers are regulated by the local government unit of the city or municipality where the establishment is located. In line with this, mall operators must secure the required mayor's permit or municipal license before operating. In addition, no mall shall be made operational without complying first with the provisions of the fire code and other applicable local ordinances. Furthermore, shopping malls with food establishments must obtain a sanitary permit from the Department of Health. It is also compulsory for shopping malls discharging commercial wastewater to apply for a wastewater discharge permit from the DENR and to pay the fee incidental to the permit.

As a tourism-related establishment, shopping malls may obtain accreditation from the Department of Tourism. A shopping mall can only be accredited upon conformity with the minimum physical, staff and service requirements promulgated by the Department of Tourism.

For the shopping malls owned by RLC, RLC has ensured that it is compliant with all of the above regulations.

Residential Condominium and Housing and Land Projects
Presidential Decree No. 957 (The Subdivision and Condominium Buyers' Protective Decree) as amended, is the principal statute which regulates the development and sale of real property as part of a condominium project or subdivision. The law covers subdivision projects and all areas included therein for residential, commercial, industrial and recreational purposes as well as condominium projects for residential or commercial purposes. It also sets out standards for lower density developments.

Republic Act No. 4726 (The Condominium Act), on the other hand, is the primary law governing condominiums. The law covers the legal definition of a condominium, the rights of a unit owner, and the rules governing transfers, conveyances and partitions in condominiums.

The Department of Human Settlements and Urban Development (DHSUD) is the administrative agency of the Government which, together with local government units, enforces these laws and has jurisdiction to regulate the real estate trade and business. Subdivision or condominium units may be sold or offered for sale only after a license to sell (LTS) has been issued by the DHSUD. The LTS may be issued only against a performance bond posted to guarantee the completion of the construction of the subdivision or condominium project and compliance with applicable laws and regulations.

All subdivision and condominium plans are subject to approval by the relevant Local Government Unit (LGU) in which the project is situated and by the DHSUD. The development of subdivision and condominium projects can commence only after the DHSUD has issued a development permit. Approval of such plans is conditional on, among other things, the developer's financial, technical and administrative capabilities. Alterations of approved plans which affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the LGU and DHSUD.

Owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of lots or real estate projects. Republic Act No. 9646 (The Real Estate Service Act of the Philippines) provides that real estate consultants, appraisers, assessors and brokers must pass the requisite exams and be duly registered and licensed by the Professional Regulation Commission (PRC), while real estate salespersons, or those who act for a real estate broker to facilitate a real estate transaction, only need to be accredited by the PRC.

Project permits and the LTS may be suspended, cancelled or revoked by the DHSUD by itself or upon a verified complaint from an interested party for reasons such as non-delivery of title to fully paid buyers or deviation from approved plans. A license or permit to sell may only be suspended, cancelled or revoked after notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the DHSUD's rules of procedure and other applicable laws.

Residential subdivision developments must comply with applicable laws and standards regarding the suitability of the site, road access, necessary community facilities, open spaces, water supply, the sewage disposal system, electrical supply, lot sizes, the length of the housing blocks and house construction. Under current regulations, a developer of a residential subdivision is required to reserve at least 30% of the gross land area of such subdivision for open space for common uses, which include roads and recreational facilities. A developer of a commercial subdivision is required to reserve at least 3.5% of the gross project area for parking and pedestrian malls, but the minimum parking area requirement may be further increased by ordinances promulgated by LGUs.

Republic Act No. 7279 (Urban Development and Housing Act of 1992), as amended by Republic Act No. 10884, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 15% of the total subdivision area or total subdivision project cost and at least 5% of condominium area or project cost, at the option of the developer, in accordance with the standards set by the DHSUD. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with other developers engaged in socialized housing development. RLC has benefited from providing low-income housing or projects of such types which are financially assisted by the government. These policies and programs may be modified or discontinued in the future.

The Government may also adopt regulations which may have the effect of increasing the cost of doing business for real estate developers. Under R.A. No. 10884, income derived by domestic corporations from the development and sale of socialized housing is exempt from project related income taxes, capital gains tax on raw lands used for the project, value-added tax for the project contractor concerned, transfer tax for both raw completed projects, and donor's tax for lands certified by the LGUs to have been donated for socialized housing purposes. Under the current Investment Priorities Plan issued by the Board of Investments, mass housing projects including development and fabrication of housing components, are eligible for government incentives subject to certain policies and guidelines. In the future, since the sale of socialized housing units comprise a portion of homes sold by RLC, any changes in the tax treatment of income derived from the sale of socialized housing units may affect the effective rate of taxation of RLC.

Hotels

To encourage inbound investments and economic growth, the Philippine Board of Investments (BOI) as operated by the Department of Trade and Industry (DTI), provides tax incentive packages to eligible businesses operating in the Philippines. Enterprises that provide tourism-related services fall under the eligible industries for these incentives.

All hotels and resorts operated by the Company are compliant with the Hotel Code and registered with the Board of Investments.

Since the onset of the COVID-19 pandemic in 2021, the Philippine hospitality industry has been subjected to various implementing rules and regulations set by the government's Inter-Agency Task Force (IATF) and Department of Tourism. These guidelines are regularly updated according to the requirements of community quarantine classifications intended to manage and curb the pandemic. As the country eases out of the pandemic, government restrictions on mobility and travel requirements have generally been lifted.

Zoning and Land Use
Under the agrarian reform law currently in effect in the Philippines and the regulations issued thereunder by the DAR, land classified for agricultural purposes as of or after 15 June 1988, cannot be converted to non-agricultural use without the prior approval of DAR.

Land use may be also limited by zoning ordinances enacted by local government units. Once enacted, land use may be restricted in accordance with a comprehensive land use plan approved by the relevant local government unit. Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Special Economic Zone
The Philippine Economic Zone Authority ("PEZA") is a government corporation that operates, administers and manages designated special economic zones ("Ecozones") around the country. Ecozones, which are generally created by proclamation of the President of the Philippines, are areas earmarked by the government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers. PEZA registered enterprises locating in an Ecozone are entitled to fiscal and nonfiscal incentives such as income tax holidays and duty-free importation of equipment, machinery and raw materials.

Information technology ("IT") enterprises offering IT services (such as call centers, and business process outsourcing using electronic commerce) are entitled to fiscal and non-fiscal incentives if they are PEZA-registered locators in a PEZA-registered IT Park, IT Building, or Ecozone. An IT Park is an area which has been developed into a complex capable of providing infrastructures and other support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities and amenities.

PEZA requirements for the registration of an IT Park or IT Building differ depending on whether it is located in or outside Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board, and the DENR.

RLC actively seeks PEZA registration of its buildings, as this provides significant benefits to RLC's tenants. PEZA registration provides significant tax incentives to those of RLC's customers that are PEZA-registered (they can, for example, avail themselves of income tax incentives such as income tax holidays or 5% gross income taxation), thereby making tenancy in RLC's PEZA-registered buildings potentially more attractive to them. As of calendar year 2025, a number of RLC malls and office buildings are PEZA-registered.

Singapore Land Group Limited

In May 1999, the Company, through a subsidiary, acquired a 23.0% stake in a Singapore listed company, Singapore Land Group Limited (SLG) (formerly United Industrial Corporation Limited/UIC) which is a Singapore-based real estate company and is one of the leading diversified developers of commercial and retail properties. SLG works across a diversified portfolio that includes commercial offices, retail properties, residential developments, hotels and IT services. Through an extensive portfolio of prime commercial assets in Singapore and investment properties in Australia, China and the United Kingdom, SLG owns 3.9 million square feet of office space and 1.2 million square feet of retail space, which includes some of Singapore's well-known landmarks such as Singapore Land Tower, The Gateway and Marina Square. As of December 31, 2025, the Company holds an indirect interest of 37.0% in the shares of SLG.

iv. PETROCHEMICALS

Business Development

JG Summit Olefins Corporation (JGSOC) is a pioneer in the petrochemical industry in the Philippines, with its fully integrated manufacturing complex in Batangas City. Previously there were two subsidiaries, JG Summit Petrochemical Corporation (JGSPC) established in 1994, which operated the polymer facilities, and JGSOC established in 2008, which operates the naphtha cracker plant. These two companies were collectively known as the JG Summit Petrochemicals Group (JGSPG). As of January 1, 2022, the two companies have been merged to a single corporate entity, with JGSOC as the surviving entity of the merger. JGSOC is 100% owned by the Company.

JGSOC operates the first and only naphtha cracker plant in the country, which produces the olefin raw materials ethylene and propylene used as feedstock by the downstream polymer plants. The cracker's products also include pyrolysis gasoline or 'pygas' and mixed C4, which are in turn the raw materials to produce C4 olefins and aromatics products from its butadiene and aromatics extraction plants, respectively.

The naphtha cracker plant started commercial operations in 2014 and employs proprietary Lummus Technology. The cracker was initially built to produce 320 Kilo Tons per Annum (KTA) of polymer-grade ethylene and 190 KTA of polymer-grade propylene. After its expansion was completed in 2020, the naphtha cracker can now produce 480 KTA of polymer-grade ethylene, 240 KTA of polymer-grade propylene, 180 KTA of mixed C4, and 250 KTA of pygas.

The olefin raw materials ethylene and propylene are used as feedstock for the downstream polymer plants to produce polyethylene (PE) and polypropylene (PP). As the largest manufacturer of polyolefins in the Philippines, JGSOC has production capacities of 320 kilo tons per annum (kTA) for PE and 300 kTA for PP. The polyolefins manufacturing processes are based on widely-used UNIPOL™ PE and PP Process Technology licensed from Univation Technologies, LLC for the PE Process, and from W.R. Grace & Co. for the PP Process. JGSOC markets its world-class quality PE and PP resins under the brand name EVALENE® which is a dominant player in the local resins market and is likewise distributed in more than 30 countries all over the world.

The cracker's two other products, pygas and mixed C4, likewise undergo further extraction in respective downstream facilities to produce intermediate petrochemical derivatives. A new aromatics extraction unit, which started operations in July 2021, produces benzene, toluene, mixed xylenes and mixed aromatics using the cracker's pygas as feed. The unit's rated production capacity is around 90 KTA of benzene, 50 KTA of toluene, 30 KTA of mixed xylenes and 20 KTA of mixed aromatics. It is the first aromatics extraction plant in the Philippines to use GT-BTX® technology from Sulzer GTC.

In 2022, JGSOC has started commercial operations of the first and only butadiene extraction unit in the Philippines, which uses BASF Process licensed from Lummus Technology. This facility processes mixed C4 from the naphtha cracker to produce butadiene and raffinate-1, with production capacities of 70 KTA for butadiene and 110 KTA for raffinate-1.

In December 2022, JGSOC has started to commission its new 250 kTA PE plant which uses the MarTECH™ loop slurry process, licensed by Chevron Phillips Chemical. The MarTECH™ loop slurry process is also one of the world's leading processes for the manufacture of PE, and which will allow JGSOC to produce bimodal, metallocene and bimodal metallocene PE grades. Expected start of commercial operations of this unit is within 1H 2024.

The expansion project, with its additional volumes and new downstream value-added products, is a step towards product diversification of the Philippine petrochemical industry, and aims to strengthen further the industrial value chain for the various domestic manufacturing sectors.

Principal Products or Services

JGSOC manufactures Olefins, Aromatics, PE and PP products. For polymers, JGSOC's principal product lines include High Density Polyethylene (HDPE) grades for film, blow molding, monofilament, pipe and injection molding applications, Linear Low Density Polyethylene (LLDPE) grades for film and injection molding applications, PP homopolymer grades for yarn, film, injection molding and thermoforming applications, and random copolymer PP grades for blow molding and injection molding applications. Aromatics pertain to pygas, benzene, toluene, mixed xylenes and mixed aromatics. Olefins refers to ethylene, propylene, mixed C4, butadiene and raffinate-1.

The percentage contribution to JGSOC's for the three years ended December 31, 2025, 2024 and 2023 by each of its principal product categories is as follows:

	For the years ended December 31		
	2025	2024	2023
Polyethylene (PE)	**58.3%**	42.2%	42.0%
Polypropylene (PP)	**19.7%**	22.7%	25.1%
Aromatics	**17.6%**	17.8%	16.6%
Butadiene	**4.4%**	12.9%	9.9%
Olefins	**0.0%**	4.4%	6.4%
	100.0%	100.0%	100.0%

JGSOC's polymer products are sold under the EVALENE brand name, are compliant with FDA Philippines food-contact requirements and are also Halal certified. In addition, JGSOC ensures adherence to the highest standards for quality management, environmental performance, and occupational health and safety management with its ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certifications.

Distribution, Sales and Marketing

For its polymer products, JGSOC sells directly to small, medium and large plastic converters in the Philippines through its in-house Commercial Polymer Sales group. For its aromatics products, JGSOC sells to bulk chemicals traders and end-users through its in-house Commercial Aromatics Sales group. Product distribution to the domestic market is handled directly by JGSOC in coordination with third party trucking services. JGSOC also sells its products for export to international markets, either direct to end users or through reputable trading companies.

Competition
To be highly competitive, JGSOC is committed to produce consistently good quality products using world-class technology and by employing highly competent personnel. Continuous product and process improvements and research and development is conducted in-house with the assistance of the different technology licensors.

JGSOC is the largest polymer resins producer and the only local manufacturer that can produce both PE and PP in an integrated complex. The two other companies that produce polyolefins produce either PE or PP only. These are NPC Alliance Corporation (NPCAC), whose production capacity is 250,000 MT per annum for PE, and Philippine Polypropylene Inc. (PPI), whose production capacity is 160,000 MT per annum for PP. Manufacturing sites of both competitors are located in Bataan province, north of Manila. The balance for the local polyolefins demand is supplied by imported material brought in either directly by local plastic products manufacturers or by international and local traders. Imported PE and PP resin goods are currently JGSOC's primary competition. JGSOC also is able to develop specialty PE and PP grades for specific niche markets, products for which may be difficult to source via the import market.

For bulk petrochemical products, Petron Corp. based also in Bataan province is the only other domestic manufacturer in the country, with capabilities to produce propylene, benzene, toluene and mixed xylenes.

Raw Materials/Suppliers
The principal raw materials used by JGSOC in the production of its polyolefin products are polymer-grade propylene and ethylene, commonly known as olefins, which are mainly derived from naphtha produced in the oil refining process. Prior to the completion of JGSOC's Naphtha Cracker Plant, JGSPC purchased olefins from international sources though suppliers such as petrochemicals traders.

Since November 2014, the naphtha cracker has been directly supplying previously imported raw materials ethylene and propylene. Per design, the olefins output capacity of the cracker matches the feedstock volume requirements of the polymer plants.

Starting 2021, the naphtha cracker also started supplying pyrolysis gasoline as feedstock for the aromatics extraction unit and as of 2022, mixed C4 as feedstock for the butadiene extraction unit.

Customers
JGSOC aims to supply the majority of manufacturers of plastic-based products in the Philippines. It also sells its products to internal parties which include the packaging division of URC, and to external parties comprised of more than 300 local manufacturers. Loss of any one customer would not have a materially adverse effect on JGSOC. JGSOC also exports PE and PP worldwide.

Related Party Transactions
JGSOC, in its regular conduct of business, has engaged in transactions with the Company and its affiliates. These transactions principally consist of sales, advances to and from these affiliated companies.

Regulatory Overview
The Philippine Government through the DTI's Board of Investments (BOI) implements policies which directly affect the various manufacturing industries including the petrochemical industry. Under the Philippine Investment Priorities Plan, the BOI has the power to grant fiscal incentives to manufacturers establishing new plants or undertaking rehabilitation or expansion programs. Through several dialogues held with the BOI, JGSOC has emphasized the importance of fully developing the petrochemical industry to help with the sustainable development of the Philippine

economy. The BOI has granted JGSOC projects registrations and under its certificates of registration, JGSOC shall be entitled to certain tax and nontax incentives such as: (a) income tax holiday (ITH) from actual start of commercial operations (6 years for pioneer projects and 3 years for expansion projects); only income generated from the registered activity shall be entitled to ITH incentives; additional deduction from taxable income of fifty percent (50%) of wages corresponding to the increment of direct labor; (c) employment of foreign nationals; (d) tax credit for taxes and duties on raw materials and supplies and semi-manufactured products used on its export products and forming part thereof, among others; (e) simplification of customs procedures for the importation of equipment, spare parts, raw materials and supplies; (f) access to Customs Bonded Manufacturing Warehouse (CBMW); (g) exemption from wharfage dues, export taxes, duties, imposts and fees on export products; and (h) importation of consigned equipment.

Currently, JGSOC has ITH incentives with pioneer status for its Aromatics, Butadiene and Bimodal PE plants, and ITH incentives with non-pioneer status for its expanded Naphtha Cracker and PP plants.

Costs and Effects of Compliance with Environmental Laws
JGSOC takes pride in consistently undertaking projects to help preserve the environment. The safety of employees and the community is foremost and is never compromised. JGSOC complies with all applicable laws on the environment and is committed to be environmentally responsible by having an effective environmental management system based on the requirements of ISO 14001:2015 (EMS). Compliance with such laws has not had, and in JGSOC's opinion, is not expected to have a material effect upon JGSOC's capital expenditures, earnings or competitive position.

Merger of JGSPC and JGSOC
As of January 1, 2022, JGSPC and JGSOC have been merged to a single corporate entity, with JGSOC as the surviving entity of the merger. JGSOC fully absorbed the business operations of both JGSOC and JGSPC, and assumed all assets, liabilities, rights and obligations of JGSPC, from the effective date of the merger. In 2023 and 2022, JG Summit made additional investment in JGSOC amounting to ₱11.0 billion and ₱5.0 billion, respectively.

Prolonged Shutdown of JGSOC and Asset Write down
In May 2025, JGSOC's board of directors approved a prolonged shutdown of the company for a period of at least two (2) years, due to persistent market challenges in the global petrochemical industry. During the shutdown period, JGSOC will focus on preserving its assets and evaluating its strategic options. Also, part of this process includes implementing manpower rationalization in accordance with all applicable laws and regulations, as well as the Parent Company's assumption of the company's rights and obligations under its outstanding loan agreements.

In November 2025, the Parent Company's board of directors approved the management's plan to pursue various paths in monetizing JGSOC's assets, and consequently write down the carrying value of the assets to their recoverable amount resulting to an impairment loss estimated at ₱114.3 billion.

Presently, JGSOC continues plant preservation while pursuing opportunistic monetization of idled assets. At the same time, there are ongoing engagements with various relevant organizations as it explores strategic options to optimize company value considering prevailing market conditions.

v. CORE INVESTMENTS

PLDT, Inc. (PLDT)
On March 29, 2011, the Company executed a sale and purchase agreement with PLDT under which PLDT has agreed to purchase all the rights, title and interest in the assets of Digitel. The acquisition was completed on October 26, 2011 following the issuance by the SEC of its confirmation of the valuation of the enterprise assets and the approval by National Telecommunications Commission of the transfer of 51.6% interest in Digitel. In November 2011, the Company subsequently sold 5.81 million and 4.56 million PLDT shares to an associate company of First Pacific Company Limited and NTT Docomo, Inc., respectively for approximately US$600 million. The Company is represented in PLDT's board of directors (BOD) with one board seat. The transaction triggered a mandatory tender offer for the acquisition of the remaining 48.5% of Digitel shares held by the public. PLDT launched a tender offer for such shares that ended January 16, 2012.

In December 2019, the Company acquired 7,046,979 American Depositary Receipts (ADRs) of PLDT amounting to ₱7.0 billion, which was then converted into common shares in January 2020 and resulted to the Company's additional 3.3% stake in PLDT. The Company has a total of 11.27% interest in PLDT after the transaction. PLDT is one of the largest and most diversified telecommunications provider in the Philippines, which provides a wide range of telecommunications services in the country through its extensive fibre optic backbone and wireless, fixed line, broadband and satellite networks. PLDT's business comprises three divisions: wireless, fixed line and BPO.

Manila Electric Company (Meralco)
On December 11, 2013, the Company completed the purchase of a 27.1% stake in Manila Electric Company (Meralco) for ₱71.9 billion, which was funded by a combination of debt and equity capital. Meralco is the largest private sector electric distribution utility company in the Philippines and has been serving Filipinos for over 117 years. Today, Meralco provides electricity to 7 million customers in 36 cities and 75 municipalities in a 9,685 square km franchise area that includes Metro Manila, Rizal, Cavite, Bulacan, and portions of Pampanga, Laguna and Quezon. On June 14, 2017, the Company acquired additional 2.44% stake in Meralco for ₱6.9 billion, resulting in the increase in ownership interest in Meralco to 29.56%. On July 28, 2022, the BOD of the Company approved the holding of an overnight block trade for the sale of its 36.0 million common shares in Meralco. On the same day, the Company entered into a Secondary Block Trade Agreement with UBS AG, Singapore Branch (UBS) whereby it appointed UBS, to procure purchasers for the 36.0 million common shares of Meralco at a price of ₱344 per share for a total consideration of ₱12.4 billion together with all dividends, distributions and other benefits attaching to the shares. The sale represents 3.2% of Meralco's total outstanding shares which resulted to the change in the Company's equity interest over Meralco from 29.56% to 26.37%.

Bank of the Philippine Islands (BPI)
On January 1, 2024, the merger of RBC and BPI became effective, with BPI as the surviving entity. A total of 314 million BPI common shares were issued to RBC shareholders as a result of the merger, equivalent to 6.0% ownership in BPI (3.58% ownership by JGSCSC and 2.4% ownership by Robinsons Retail Holdings, Inc).

vi. SUPPLEMENTARY BUSINESSES

JGDEV and DAVI

Part of the Group's digital transformation was the establishment of JG Digital Equity Ventures (JGDEV) and Data Analytics Ventures Inc. (DAVI) in 2018 and 2019, which currently trail blazing the Group's next generation of digital business.

JGDEV is the Group's venture capital arm with a portfolio of 15 companies, a set of strategically selected fund investments to ensure diversification across JGDEV's two funds.

JGDEV's investment strategy remains consistent with prior years - it has maintained a disciplined and strategic approach to capital deployment. For 2025, its focus was on deepening conviction in existing portfolio companies particularly through follow-on investments in Philippine digital bank GoTyme and Ecommerce Enabler Etaily, in a round where SMBC Asia Rising fund led. Etaily enables brands to scale efficiently across digital marketplaces by providing proprietary end-to-end solutions spanning storefront management, data analytics, fulfillment optimization, and performance marketing.

For the follow-on investments JGDEV made in 2024, the respective portfolio companies have translated prior funding received into measurable growth and expansion as follows:

- Tyme Group, a multi-country digital banking group that has major operations in South Africa, Philippines, and Vietnam, was able to increase its aggregate customer base by 30% YoY, reaching ~20mn by December 2025. Out of the total, ~12mn customers are from South Africa. In 2025, Tyme Group has made it into TIME's 2025 list of the 100 Most Influential Companies in the World and has also announced its rebranding of its digital banks to GoTyme starting 2026.
- GoTyme, Tyme Group's Philippine digital bank and a JV with the Gokongwei Group, has increased its customer base from ~5mn in 2024 to ~8mn by end of 2025. Key products launched in 2025 include MoreTyme a Buy-now, Pay-later service, and international remittance service in partnership with Wise Platform.
- Locad, an AI-enabled logistics engine for E-commerce brands that stores, packs, ships, and tracks orders globally powered by its network of warehouses and shipping partners, has expanded to other countries such as the United States, UAE, and Saudi Arabia, bringing its coverage to ~10 markets. In 2025, Locad has also been awarded "Best Southeast Asia Fulfillment Warehouse 2025" by DNY123 at the Nanyang Power Spark Awards and featured on Forbes Asia 100 to Watch 2025.

DAVI, on the other hand, is principally engaged in the operation of a coalition-based loyalty program as well as the provision of data analytics and consumer insights. It manages a shared loyalty platform that enables participating partners to offer a common rewards currency, allowing consumers to earn and redeem points across multiple partners.

Peak Fuel Corporation (Peak Fuel)

Peak Fuel was incorporated in 2020 as a subsidiary and fuels trading arm of JGSPC. With the merger of JGSOC and JGSPC effective as of January 1, 2022, wherein JGSOC was the surviving entity, Peak Fuel Corp. became the subsidiary of JGSOC. Its mission is to support local industries through reliable supply of essential fuels, starting with liquefied petroleum gas (LPG). It started commercial operations in August 2021. Peak Fuel supplies LPG from its facilities located inside the JG Summit Petrochemical Complex in Batangas City. Peak Fuel's current key markets are LPG importers and local refillers based in various parts of Luzon in coordination with third party trucking

services. It can also fill-in pressurized gas carriers to serve domestic and export customers with sea-fed terminals. It also envisions serving the LPG industrial and commercial sectors.

With the combined volume of its two refrigerated tanks at 32,000 metric tons, Peak Fuel boasts of the largest LPG storage capacity in the Philippines. Additionally, it has two LPG bullet tanks designed for truck loading with combined capacity of 900 metric tons. For ship loading, it has a spherical pressurized tank with a capacity of 4,000 metric tons that can load into 2,000 to 2500 metric ton vessels through the jetty facility of the JGSPG complex.

Merbau Corporation (Merbau)
Merbau Corporation, the renewable energy arm of the Group. Merbau's primary purpose is to engage in the generation, production, sale, supply, transmission, and distribution of power and electricity, including the development, construction, and operation of power generation facilities, as well as the acquisition of related technologies and infrastructure.

In late 2023, Merbau completed a 13.811 MWp solar rooftop project in Batangas City, covering nine buildings within the JG Summit Petrochemical complex. The project was recognized in 2024 as the largest consumer-driven rooftop solar installation in the Philippines. Implemented in partnership with Upgrade Energy Philippines, the project has been commended by the Department of Energy and the Energy Regulatory Commission for supporting energy diversification.

In 2025, Merbau initiated the installation and construction of an additional 11.735 MWp solar project in partnership with its affiliates, Universal Robina Corporation and Robinsons Land Corporation, of which 3.941 MWp remains subject to an ongoing application with the Energy Regulatory Commission for the issuance of a Delivered Energy Resources – Certificate of Compliance.

Go Global Business Services, Inc. (GoGBS)
GoGBS, formerly known as Aspen Business Solutions, Inc. (ABSI), is the Gokongwei Group's Global Business Services organization, aligned with the Group's long-term growth ambitions. Established in 2013 as the Philippines' first multi-function, multi-industry shared services organization, it was created to centralize and standardize support services across the Group. Since then, it has evolved into a value-driven partner that transforms how work is delivered across the enterprise. The rebranding to GoGBS in early 2026 reflects this shift toward a more future-ready global business services model.

Today, GoGBS delivers integrated, technology-enabled services across Procurement, Human Resources, Treasury, and Finance, supporting a diverse portfolio of companies within the Group. It plays a key role in enhancing operational efficiency, driving process excellence, and enabling data-driven decision-making.

GoGBS remains focused on advancing the way work is done by combining global standards with deep local expertise, underpinned by continuous innovation and a strong commitment to service excellence.

Altus Property Ventures, Inc. (APVI)
APVI is a Philippine-based real estate company that primarily owns and operates the North Wing of the Robinsons Place Ilocos mall in San Nicolas, Ilocos Norte, while serving as a strategic vehicle for future property ventures within the JG Summit Holdings group. In 2025, APVI continued to demonstrate operational resilience by maintaining a zero-debt position and funding activities through internally generated cash.

Unicon Insurance and Reinsurance Brokers Corporation (Unicon)
Following the merger of Robinsons Bank into the BPI on January 1, 2024, BPI assumed a 40% equity stake in Unicon, while JG Summit holds the remaining 60%. Unicon serves as a key intermediary for the JG Summit ecosystem, utilizing a new reinsurance brokerage license obtained in May 2024 to expand externally while leveraging BPI's network.

DHL Summit Solutions, Inc. (DSSI)
On December 18, 2019, the Company invested in DSSI. DSSI was incorporated on October 1, 2019 and shall engage in the business of providing domestic transportation, logistics, warehousing and distribution of cargoes, and other supply chain management activities. DSSI started commercial operations in July 2020. In 2025, DSSI delivered strong operational gains, driven by the strategic expansion of its fleet and improved resource utilization. Investments in its own fleet played a pivotal role in enhancing service availability, improving on-time performance, and reducing reliance on third-party providers. Additionally, route productivity improved with the deployment of newer and more reliable units, further optimizing operations and ensuring better service delivery to customers.

Luzon International Premiere Airport Development Corporation (LIPAD)
On February 18, 2019, the Company invested in LIPAD. The shares acquired represented 33% of LIPAD's total outstanding common shares. LIPAD is a corporation organized and incorporated in the Philippines to engage in the operation and maintenance of airports, whether operating as a domestic or international airport or both, including day-to-day administration, functioning, management, manning, upkeep, and repair of all facilities necessary for the use or required for the safe and proper operation of airports. In 2025, LIPAD achieved remarkable growth with Clark International Airport (CRK) serving a total of 2.7 million passengers, a 14% YoY increase. Domestic travel was a key driver of this performance, surging by an impressive 23% YoY, as passenger volumes rose sharply. Meanwhile, international traffic also demonstrated robust growth, increasing by 10% YoY. CRK's system-wide capacity *(seats)* grew by 12% YoY, fueled by a 21% increase in domestic capacity and an 8% increase in international capacity. This expansion was supported by airlines boosting flight frequencies, further enhancing CRK's ability to accommodate the growing demand for both domestic and international travel.

GoTyme Bank Corporation
On December 28, 2021, GoTyme Bank Corporation was incorporated and registered with the Philippine SEC primarily to engage in, and carry on, the business of a digital bank, to grant loans both secured and unsecured, accept savings and time deposits, invest in marketable securities, to act as correspondent for other financial institutions, to act as collection agent for non-government entities, to issue electronic money products and credit cards, to buy and sell foreign exchange, to present, market, sell and service microinsurance products, to present, market, and sell a range of third party products through its platform. In 2025, GoTyme was able to expand its total customer base to 8.3 million. This was accomplished with the help of the growing number of physical access points, which ended the year at more than 500 kiosks nationwide. Additionally, deposits reached ₱43 billion, up more than 70% year on year, reflecting sustained customer trust and account utilization.

The bank's net loan book more than doubled year on year, driven by the scale up of its buy-now-pay-later product, SME lending, and continued expansion of its salary lending portfolio. These cater to a broad base of underserved and credit consumers. Its SME lending solution was also boosted by its partnership with online merchants, expanding access to working capital for online sellers. Aside from these, GoTyme launched several new products throughout the year, including inward remittance, cryptocurrency trading, virtual cards, and being one of the first banks in the Philippines to launch Google Pay compatibility. These expand accessible options for payments, credit, transfers, and digital investments for Filipinos within one platform.

The Group also has interests in gas exploration and production.

C. Competition

Many of the Group's activities are carried on in highly competitive industries. Given the Group's diversity, the Group competes with different companies domestically and internationally, depending on the product, service or geographic area. While the Group is one of the largest conglomerates in the Philippines, its subsidiaries compete in different sectors against a number of companies with greater manufacturing, financial, research and development and market resources than the Group.

The following table sets out the Group's principal competitors in each of the principal industry segments in which it operates:

Industry Segment	Principal Competitors
Branded Consumer Foods, Commodities, and Animal Nutrition and Health	Liwayway Marketing Corporation, Perfetti Van Melle Group, Mondelez Philippines Inc., Republic Biscuit Corporation, Suncrest Foods Inc., Monde Nissin Corporation, and Nestle Philippines, Inc. Internationally, major competitors include Tan Hiep Phat Beverage Group, Mondelez International, Inc., PT Mayora Indah Tbk, Glico, Mamee-Double Decker Sdn Bhd, and PepsiCo, Inc.
Real Estate and Hotels	SM Prime Holdings, Inc., Ayala Land, Inc., Alveo Land, Megaworld Corporation, Filinvest Land, Inc., DMCI Homes, Alliance Global Group Inc., SM Hotels and Conventions Corporation, Filinvest Land Inc, Double Dragon Corporation, SM Commercial Properties Group, Ayalaland Logistics Holdings Corp., Filinvest, Inc., and Double Dragon Properties Corp.
Air Transportation	PAL, PAL Express, Philippines Air Asia for domestic flights; AirAsia, Jetstar Airways, PAL, Cathay Pacific, Singapore Airlines, Scoot, Jeju Air and Thai Airways, among others for International flights
Petrochemicals	Imports

D. Publicly-Announced New Product or Service

Other than those discussed above under the air transportation segments, the Group has no publicly-announced new product or service as of the date of the report.

E. Patents, Trademarks, Licenses, Franchises Concessions and Royalty Agreements

The Group owns a substantial number of trademarks registered with the Intellectual Property Office of the Philippines (IPPHL). Trademark registrations with the IPPHL prior to the effective date of Republic Act No. 8293, or the current Intellectual Property Code of the Philippines, are valid for 20 years from the date of issue of the certificate of registration. Meanwhile, trademark registrations covered by Republic Act No. 8293 are valid for ten years from the date of the certificate of registration. Regardless of whether the trademark registration is for 20 years or ten years, the same may be renewed for subsequent ten-year terms.

The Group also has various licenses and franchises issued by the government to enable them to operate its diverse businesses including food, real estate, banking and financial services, telecommunications, air transportation and power generation.

F. Effect of Existing or Probable Governmental Regulations on the Business

The Group operates the majority of its businesses, including food, real estate, banking and financial services, telecommunications, air transportation and power generation activities, in a highly regulated environment. Many of these businesses depend upon licenses or franchises issued by the government authorities or agencies for their operations. These businesses would be materially adversely affected by the suspension or revocation of these licenses or franchises, which in turn may have a material adverse effect upon the Group. In addition, the introduction or inconsistent application of, or changes in regulations may from time to time materially affect the Group's operations.

G. Cost and Effects of Compliance with Environmental Laws

The operations of the Group are subject to various laws enacted for the protection of the environment. The Group believes that it has complied with all applicable Philippine environmental laws and regulations, an example of which is the installation of waste and industrial water treatments in its various facilities. Compliance with such laws has not had, and in the Group's opinion, is not expected to have, a material effect upon the Group's capital expenditures, earnings or competitive position.

H. Employees and Labor

The number of full-time employees employed by the Company and its operating subsidiaries as of December 31, 2025 is shown in the following table:

Company	No. of Employees
Branded Consumer Foods, Agro-industrial and Commodities	13,527
Airlines	12,788
Property Development and Hotel Management	3,899
Petrochemicals	188
Supplementary Businesses	649
	31,051

The Group's management believes that good labor relations generally exist throughout the operating companies. For most of the operating companies, collective bargaining agreements exist between the relevant representative unions for the employees and the relevant operating companies. The collective bargaining agreements generally cover a five-year term with a right to renegotiate the economic terms of the agreement after three years, and contain provisions for annual salary increment, health and insurance benefits and closed-shop arrangements. The management believes that those collective bargaining agreements, which are soon to expire or which have expired, will, as a result of existing good labor relations, be successfully renewed or renegotiated.

I. Risks

The major business risks facing the Group are as follows:

a. *Climate-related Risk*

Climate-related risk is considered one of the most relevant risks for the Group. The inability to mitigate or address the impact of climate-related and extreme weather events could result in damage to facilities, obsolescence or loss of assets, disruptions in supply chain and operations, as well as endangerment of people and the ecosystem. Enhancing infrastructure resilience against extreme weather events and adapting to changing conditions could require significant financial and capital investments. Regulatory changes related to climate change, such as carbon pricing, emissions caps, and extended producer responsibility, may also affect operations with financial implications due to escalating compliance costs. To address these risks, the business units are encouraged to conduct vulnerability assessments of critical facilities and implement risk management measures. Furthermore, the business units have been enabled to assess and prioritize climate-related regulatory and market risks, and conduct scenario analyses to anticipate potential impacts. The Group is also monitoring evolving carbon policies and sustainability regulations to anticipate compliance challenges, while exploring opportunities for efficiencies and savings.

b. *Emerging Risk*

Emerging risks refer to new or developing risks that the Company has little to no experience in. The Company considers geopolitical tensions as one of the top emerging risks, given the continuing conflict in the global order. Potential impact to the Company includes difficulty in sourcing raw materials, decreased profits due to higher input costs, and reduced growth prospects. The Company incorporates geopolitical risk considerations into strategic planning, market evaluations, and capital allocation decisions, while strengthening business continuity and supply chain resilience through scenario planning and contingency measures across the Group.

c. *Financial Risk*

The Group's key financial risks relate to fluctuations in market variables, including interest rates, foreign exchange rates, and commodity prices, which may significantly impact financial performance through higher cost of debt, margin compression, and lower investment returns. To mitigate these risks, the Group maintains a balanced mix of foreign-denominated financial assets and local currency borrowings, supported by the use of appropriate hedging instruments. The Group also conducts regular cash flow and funding requirement analyses to optimize its debt portfolio and proactively manage obligations, while strengthening onshore and offshore banking relationships to enhance liquidity and financial flexibility.

d. *Governance Risk*

The Group's Governance risk relates to compliance with company policies, ethical business practices, and adequate top management oversight. Unintended or intentional breaches of company policies and ethical standards may result in operational inefficiencies, significant financial losses, loss of stakeholder trust, or reputational damage. The Company addresses this by strengthening the internal control measures and functions, reinforcing good corporate governance practices, and regularly conducting training on code of business conduct and ethics.

e. *IT and Digitalization Risk*

Cybersecurity remains the most significant IT and digitalization risk for the Group,

with potential impacts including data breaches, business disruptions, increased recovery costs, regulatory violations, and reputational damage. To mitigate these risks, the Group continues to strengthen its cybersecurity posture through proactive threat management, enhanced system and data access controls, regular data backups, and periodic disaster recovery testing. The Group also manages risks arising from reliance on third-party IT providers through structured vendor due diligence, contractual safeguards, and ongoing performance and security assessments. In addition, the growing adoption of artificial intelligence introduces governance, data privacy, and compliance risks, which are addressed through strengthened oversight, formalized policies, and centralized standards to ensure responsible and secure use across the organization.

f. *Legal and Compliance Risk*

The Group's Legal and Compliance risks pertain to compliance with regulations, including those related to tax laws, product safety, environmental protection, data privacy, and corporate governance, which could have financial and reputational implications for the Company. This risk is mitigated by closely monitoring legislative developments, including key policies related to transition to low carbon operations and climate resilience, and employing in-house legal experts who coordinate with concerned business units on potential legal issues and pursue all remedies available. The Company also engages with third-party consultants, as necessary, to strengthen its position on related issues.

g. *Operational Risk*

The Group's operational risks include material cost and availability, product and service quality, and business continuity. Fluctuations in commodity prices, supply chain disruptions, and material shortages may impact production efficiency, margins, and overall business continuity, while any lapse in product quality or service delivery may result in customer dissatisfaction, regulatory sanctions, and reputational damage. To mitigate these risks, the Group implements diversified sourcing strategies, maintains robust supplier accreditation processes, and enforces stringent quality and safety standards supported by preventive maintenance and continuous process improvements. Business continuity is further strengthened through regular risk assessments, tested contingency and recovery plans, and adequate insurance coverage. The Group also promotes sustainable sourcing and resource efficiency, alongside environmental management initiatives, to support long-term operational resilience.

h. *People Risk*

The Group's top People risk pertains to talent development and retention in the face of intense competition for key talents, especially for those with digital aptitude. This could result in business disruptions and compromised service quality. High attrition also results in increased cost of talent acquisition and training. This is addressed by continually upgrading the Company's talent acquisition strategies, conducting wages and benefits benchmarking, and employing data insights and advanced analytics in developing HR programs for employees' professional growth and development.

i. *Reputational Risk*

The Group's Reputational risk pertains to how public sentiment and third-party ratings and views affect the corporate image and brands. Misinformation about JGSHI and its subsidiaries, as well as unfavorable public opinion could impact the Company's social license to operate. The Company performs active scanning of mainstream and social media outlets, and continuously monitors its business positioning in the market and external reputation. Customer platforms are also improved continuously to provide

better customer experience.

j. *Strategic Risk*
The Group's top Strategic risks cover areas of capital allocation, business performance and competition, which could affect the Company's market capitalization, or pose an unfavorable view in the Group's value creation, and limit growth prospects. To mitigate these risks, the Company conducts sector analysis in relation to customer trends, regular review of capital allocation decisions, and incorporates risk management in the strategic planning process of the Group's businesses.

J. Working Capital

The working capital requirement of each subsidiary varies depending on the industry it is engaged in and is financed by operations and short-term loans from banks.

Item 2. Properties

JG Summit and its Subsidiaries conduct businesses throughout the Philippines, but primarily in and around Metro Manila (where it is based) and in the regions of Visayas and Mindanao. Substantially, all facilities are owned by the Company and are in good condition.

URC operates the manufacturing/farm facilities located in the following:

Location (Number of facilities)	Type of Facility	Owned/Rented	Condition
Pasig City (4)	Branded consumer food plant, flour mills and feed mill	Owned	Good
Libis, Quezon City (1)	Branded consumer food plant	Owned	Good
Cabuyao, Laguna (1)	Branded consumer food plant	Owned	Good
Luisita, Tarlac (1)	Branded consumer food plant	Rented/Owned	Good
San Fernando, Pampanga (1)	Branded consumer food plant	Rented/Owned	Good
Dasmariñas, Cavite (2)	Branded consumer food plants	Owned	Good
Cagayan de Oro (1)	Branded consumer food plant	Owned	Good
San Pedro, Laguna (2)	Branded consumer food plants	Owned	Good
Calamba, Laguna (1)	Branded consumer food plant	Rented/Owned	Good
San Pablo, Laguna (1)	Branded consumer food plant	Owned	Good
Biñan, Laguna (1)	Branded consumer food plant	Owned	Good
Antipolo, Rizal (5)	Poultry and piggery farms, slaughterhouse and meat processing plant	Rented/Owned	Good
Naic, Cavite (1)	Poultry farm	Owned	Good
San Miguel, Bulacan (3)	Feed mill and piggery farms	Owned	Good
Bustos, Bulacan (1)	Poultry farm/Piggery farm	Owned	Good
Consolacion, Cebu (1)	Feed mill	Owned	Good
Davao City, Davao (1)	Flour mills and Packing Lines	Owned	Good
Tabok City, Cebu (1)	Branded consumer food plant	Owned	Good
San Fernando, Cebu (1)	Branded consumer food plant	Owned	Good
Mandaue City, Cebu (1)	Feed mill	Owned	Good
Bais, Negros Oriental (1)	Distillery/CO2 plant	Owned	Good
Manjuyod, Negros Oriental (1)	Sugar mill	Owned	Good
Piat, Cagayan (1)	Sugar mill	Owned	Good
Kabankalan, Negros Occidental (2)	Sugar mill and cogeneration plant	Owned	Good
San Enrique, Iloilo City (1)	Sugar mill	Owned	Good
Balayan, Batangas (1)	Sugar mill	Owned	Good
La Carlota City, Negros Occidental (2)	Sugar mill and distillery/CO2 plant	Owned	Good
Simlong, Batangas (3)	BOPP plant/Flexible packaging	Owned	Good

Location (Number of facilities)	Type of Facility	Owned/Rented	Condition
Samutsakhorn Industrial Estate, Samutsakhorn, Thailand (6)	Branded consumer food plants	Owned	Good
Pasir Gudang, Johor, Malaysia (1)	Branded consumer food plant	Owned	Good
Industrial Town, Bekasi, Indonesia (2)	Branded consumer food plants	Owned	Good
VSIP, Binh Duong Province, Vietnam (3)	Branded consumer food plants	Owned	Good
Thach That District, Ha Noi, Vietnam (1)	Branded consumer food plant	Owned	Good
Mingaladon, Yangon, Myanmar (1)	Branded consumer food plant	Rented/Owned	Good
Batu Pahat, Johor, Malaysia (2)	Branded consumer food plant	Owned	Good

URC intends to continuously expand the production and distribution of the branded consumer food products internationally through the addition of manufacturing facilities located in geographically desirable areas, especially in the ASEAN countries, the realignment of the production to take advantage of markets that are more efficient for production and sourcing of raw materials, and increased focus and support for exports to other markets from the manufacturing facilities. It also intends to enter into alliances with local raw material suppliers and distributors. Annual lease payments for rented properties amounted to ₱177 million in 2025.

As of December 31, 2025, CEB does not own any land. CEB, however, owns an office building that serves as its corporate headquarters and training center, and the buildings on either side of the corporate headquarters that serves as additional offices and storage of some departments, office of 1Aviation, and office of A-Plus, all located at the Domestic Road, Barangay 191, Zone 20, Pasay City. The land on which said office buildings stand is leased from the New NAIA Infra Corp. (NNIC). CEB also leases its hangar, aircraft parking and other operational space from NNIC.

CEB owns the Philippine Academy for Aviation Training, Inc. (PAAT) building located in C.M. Recto, Clark Freeport Zone, Philippines. This is subleased to PAAT. The land on which this building stands is leased from the Clark Development Corporation.

As of December 31, 2025, CEB has 100 aircraft (excluding two (2) ATR Freighter aircraft classified as held for sale).

RLC has invested in a number of properties located across the Philippines for existing and future development projects. All of these properties are fully owned by RLC and none of which are subject to any mortgage, lien or any form of encumbrance. RLC also enters into joint venture arrangements with landowners in order to optimize their capital resources. Not only does this encourage raw land development for future projects but it also provides them exclusive development and marketing rights.

As of December 31, 2025, the following are locations of RLC's properties:

a) Land

Location	Use	Status
Metro Manila		
Manila	Mixed-use (mall/residential/hotel)	No encumbrances
Quezon City	Residential/Office Building/Mixed-use (mall/residential/hotel/office)	No encumbrances
Pasay City	Residential	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential)/Hotel	No encumbrances
Makati City	Office Building/Residential	No encumbrances
Pasig City	Residential/Mall/Office Building/	No encumbrances
Paranaque City	Mixed-use (mall/hotel/residential)/Residential	No encumbrances
Muntinlupa City	Residential	No encumbrances
Las Pinas City	Residential	No encumbrances

Location	Use	Status
Taguig City	Mall	No encumbrances
Malabon City	Residential	No encumbrances
San Juan City	Mall	No encumbrances
Metro Manila area	Residential/Hotel	No encumbrances
Luzon		
La Union	Residential/Mall	No encumbrances
Pangasinan	Mall	No encumbrances
Bulacan	Mall/Residential	No encumbrances
Nueva Ecija	Mall	No encumbrances
Pampanga	Mall/Warehousing facility	No encumbrances
Tarlac	Mall/Office Building	No encumbrances
Batangas	Mall/Residential	No encumbrances
Cavite	Mall/Residential/Mixed-use (mall/hotel/residential)	No encumbrances
Laguna	Mall/Warehousing facility	No encumbrances
Palawan	Mixed-use (mall/hotel/residential)	No encumbrances
Rizal	Residential/Mall/Warehousing facility	No encumbrances
Isabela	Mall	No encumbrances
Ilocos Norte	Mixed use (mall/office)	No encumbrances
Camarines Sur	Mall/Hotel/Office Building	No encumbrances
Cagayan	Mall/Hotel	No encumbrances
Laguna	Mall/Warehousing facility	No encumbrances
Luzon area	Land bank	No encumbrances
Visayas		
Iloilo	Mall	No encumbrances
Negros Occidental	Mall/Hotel/Office Building	No encumbrances
Cebu	Hotel/ Residential/Mixed-use (mall/hotel/residential/office)	No encumbrances
Negros Oriental	Mixed-use (mall/hotel)	No encumbrances
Leyte	Mall/Mixed-use(mall/hotel)	No encumbrances
Capiz	Mall	No encumbrances
Antique	Mall	No encumbrances
Visayas area	Land bank	No encumbrances
Mindanao		
Agusan Del Norte	Mixed-use (mall/hotel)	No encumbrances
Misamis Oriental	Residential	No encumbrances
Davao Del Sur	Mall/Hotel/Office Building	No encumbrances
South Cotabato	Mall/ Residential/Hotel	No encumbrances
Lanao Del Norte	Mixed-use (mall/hotel)	No encumbrances
Davao Del Norte	Mall	No encumbrances
Bukidnon	Mall	No encumbrances
Mindanao Area	Land bank	No encumbrances

b) Building and Improvements

Location	Use	Status
Metro Manila		
Manila	Mixed-use (mall/residential/hotel)	No encumbrances
Quezon City	Residential/Office Building/Mixed-use (mall/residential/hotel/office)	No encumbrances
Pasay City	Residential	No encumbrances
Mandaluyong City	Mixed-use (mall/hotel/residential/office)/Hotel	No encumbrances
Makati City	Office Building/Residential	No encumbrances
Pasig City	Residential/Mall/Office Building/	No encumbrances
Paranaque City	Mixed-use (mall/hotel/residential)/Residential	No encumbrances

Location	Use	Status
Muntinlupa City	Residential	No encumbrances
Las Pinas City	Residential/Warehousing facility	No encumbrances
Taguig City	Mall	No encumbrances
Malabon City	Residential/Office Building	No encumbrances
San Juan City	Mall	No encumbrances
Luzon		
La Union	Residential/Mall	No encumbrances
Pangasinan	Mall	No encumbrances
Bulacan	Mall/Residential	No encumbrances
Nueva Ecija	Mall	No encumbrances
Pampanga	Mall/Warehousing facility	No encumbrances
Tarlac	Mall/Office Building	No encumbrances
Batangas	Mall/Residential	No encumbrances
Cavite	Mall/Residential/Mixed-use (mall/hotel/residential)	No encumbrances
Laguna	Mall/Warehousing facility	No encumbrances
Palawan	Mixed-use (mall/hotel/residential)	No encumbrances
Rizal	Mall/Residential/Warehousing facility	No encumbrances
Isabela	Mall	No encumbrances
Ilocos Norte	Mixed-use (mall/office)	No encumbrances
Camarines Sur	Mall/Hotel/Office Building	No encumbrances
Cagayan	Mall/Hotel	No encumbrances
Laguna	Mall/Warehousing facility	No encumbrances
Visayas		
Iloilo	Mall/Mixed-use (mall/hotel)/Office Building	No encumbrances
Negros Occidental	Mall/Hotel/Office Building	No encumbrances
Cebu	Hotel/Residential/Mixed-use (mall/hotel/residential/office)	No encumbrances
Negros Oriental	Mixed-use (mall/hotel)	No encumbrances
Leyte	Mall/Mixed-use (mall/hotel)	No encumbrances
Capiz	Mall	No encumbrances
Antique	Mall	No encumbrances
Mindanao		
Misamis Oriental	Mall/Residential	No encumbrances
Davao Del Sur	Mall/Hotel/Office Building	No encumbrances
South Cotabato	Mall/Residential/Hotel	No encumbrances
Agusan Del Norte	Mixed-use (mall/hotel)	No encumbrances
Davao Del Norte	Mall	No encumbrances
Lanao Del Norte	Mixed-use (mall/hotel)	No encumbrances
Bukidnon	Mall	No encumbrances
China		
Chengdu	Residential	No encumbrances

RLC owns all the land properties upon which all of its existing commercial centers and offices are located, except for the following: (i) Robinsons Place Iloilo, (ii) Robinsons Cagayan de Oro, (iii) Robinsons Cainta, (iv) Robinsons Pulilan, (v) Robinsons Place Jaro, (vi) Cyber Sigma, (vii) Robinsons Place Tuguegarao, (viii) Bulacan Property and (ix) The Plaza Bagong Silang. These nine land properties are leased at prevailing market rates. The leases for the Iloilo and Cagayan de Oro properties are for 50 years each and commenced in October 2001 and December 2002, respectively. The lease for the Cainta property is for 25 years and commenced in December 2003. In 2022, the Company exercised its renewal option further extending the lease for 25 years. The leases for the Pulilan, Cyber Sigma and Tuguegarao properties are for 25 years each and commenced in January 2008, August 2014, and January 2018, respectively. The lease for the Jaro, Iloilo property is for 30 years and commenced in March 2015. The lease for Bulacan Property is

for 28 years, which commenced in November 2024. Lastly, the lease for The Plaza Bagong Silang is for 25 years and commenced in December 2025. Renewal options for Pulilan, Cyber Sigma, Tuguegarao, Bulacan Property and The Plaza Bagong Silang are available to the Company, with an Option to Purchase the property and its improvements for Cyber Sigma.

SOC's complex is located 120 km south of Metro Manila, in Barangays Simlong and Pinamucan Ibaba, Batangas City, overlooking Batangas Bay. At present, JGSOC has a 250-hectare fully integrated, world-class manufacturing complex that houses the Naphtha Cracker Plant, the Polymer Plants, the Aromatics Extraction Plant and the Butadiene Extraction Plant.

Item 3. Legal Proceedings

Certain consolidated subsidiaries are defendants to lawsuits or claims filed by third parties which have pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the Company's consolidated financial position. Refer to Note 43 of the Consolidated Financial Statements attached to this report for a detailed description.

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

There were no matters submitted to a vote of security holders during the fourth quarter of the year covered by this report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

A. Principal Market or Markets where the Registrant's Common Equity is Traded

The common stock of the Company is listed on the Philippine Stock Exchange. Sales prices of the common stock follow:

	High	Low
2025		
First Quarter	₱21.00	₱14.96
Second Quarter	21.80	17.10
Third Quarter	25.15	19.68
Fourth Quarter	24.90	20.20
2024		
First Quarter	₱43.10	₱35.30
Second Quarter	36.70	25.50
Third Quarter	28.30	23.05
Fourth Quarter	27.95	19.60
2023		
First Quarter	₱57.50	₱47.90
Second Quarter	51.50	43.00
Third Quarter	46.10	35.05
Fourth Quarter	42.00	35.90

The stock price of the Company's shares as of April 8, 2026 is ₱29.0.

B. Dividends

i. Dividends Policy

The Company's policy is to deliver a steady flow of dividends to its shareholders. In the past five years, JGSHI has successfully paid out at least ₱0.40 per share annually, demonstrating its commitment to providing shareholders with sustainable returns. The Company shall declare cash dividends annually. The dividend rate, however, shall be reviewed every year by the BOD taking into account the absence of circumstances which may restrict the payment of such dividends and considering applicable laws and regulations, the Company's results of operations, medium and long-term growth and investment strategies, cash flow requirements, and other relevant factors.

The Group's significant operating subsidiaries' dividend policy are as follows:

a) URC intends to maintain an annual cash dividend payment ratio of 50.0% of the Group's consolidated net income from the preceding fiscal year, subject to the requirements of the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. The BOD may, at any time, modify such dividend payment ratio;

b) CEB does not have a fixed dividend payout ratio. Dividend declarations are subject to the BOD's discretion and depend on CEB's financial performance, cash flow, and capital requirements, particularly for fleet expansion and debt servicing. Dividends may vary annually based on these considerations; and

c) RLC shall implement an annual cash dividend pay-out ratio of at least twenty (20%) of its recurring net income for the preceding year. The payment of RLC's dividends depends upon the earnings, cash flow and financial condition of RLC, legal, regulatory and contractual restrictions, loan obligations, and other factors that the BOD may deem relevant.

ii. Declaration of Dividends

On May 14, 2025, JGSHI declared a regular cash dividend of ₱0.42 per common share from the unrestricted retained earnings of the Corporation as of December 31, 2023, to all stockholders of record as of May 30, 2025 and payable on June 11, 2025.

On May 8, 2024, JGSHI declared a regular cash dividend of ₱0.42 per common share from the unrestricted retained earnings of the Corporation as of December 31, 2023, to all stockholders of record as of May 23, 2024 and payable on June 5, 2024.

On May 8, 2023, JGSHI declared a regular cash dividend of ₱0.40 per common share from the unrestricted retained earnings of the Corporation as of December 31, 2022, to all stockholders of record as of May 23, 2023 and payable on June 14, 2023.

See Note 25 (Dividend declaration of significant operating subsidiaries under Equity Disclosures) of the Notes to Consolidated Financial Statements filed as part of this Form 17-A.

Stock Dividends Declared

No stock dividend was declared in 2025, 2024 and 2023.

C. Restricted Retained Earnings

As of December 31, 2024, the ₱101.2 billion restricted retained earnings of the Parent Company are earmarked for the following: (a) settlement of a certain subsidiary's loan obligations guaranteed by the Parent Company; (b) settlement of Parent Company loan obligations; and (c) general corporate purposes.

On July 30, 2025, the BOD of the Parent Company approved the appropriation of retained earnings of the Corporation amounting to ₱11.0 billion.

On December 10, 2025, the Parent Company's BOD approved the reversal of appropriated retained earnings amounting to ₱112.2 billion. The reversal was approved following the transfer of the subsidiary loan obligations to the Parent Company and the determination by the Board of Directors that the other purposes of the appropriation, including those relating to Parent Company loan obligations and general corporate purposes, no longer required specific earmarking. Accordingly, the reversed amount was reclassified to unappropriated retained earnings. There were no restricted retained earnings as of December 31, 2025.

D. Recent Sales of Unregistered Securities

Not Applicable. All shares of the Company are listed on the Philippine Stock Exchange.

The number of shareholders of record holding common shares as of December 31, 2025 was 977. Total common shares outstanding as of December 31, 2025 were 7,520,983,658 common shares with a par value of ₱1.00.

E. Top 20 stockholders as of December 31, 2025

	Name	No. of Common Shares Held	% to Total Outstanding (Common)
1.	Gokongwei Brothers Foundation, Inc.	2,096,930,273	27.88
2.	PCD Nominee Corporation (Filipino)	2,190,250,942	29.12
3.	RSB-TIG No. 030-46-000001-9	1,084,985,186	14.43
4.	PCD Nominee Corporation (Non-Filipino)	694,393,571	9.23
5.	Lance Yu Gokongwei	323,643,574	4.30
6.	Ego Investments Holdings Limited	280,946,400	3.74
7.	Robina Gokongwei Pe	188,432,999	2.51
8.	James L. Go	156,113,638	2.08
9.	Gosotto & Co., Inc.	105,676,718	1.41
10.	RBC-TIG ATF TA#030-172-530121	101,871,000	1.35
11.	Lisa Yu Gokongwei	87,076,500	1.16
12.	Lisa Gokongwei Cheng	56,910,000	0.76
13.	RBC-TIG ATF TA#030-172-530122	37,905,000	0.50
14.	Nicris Development Corporation	35,776,914	0.48
15.	Quality Investments & Securities Corp.	8,794,498	0.12
16.	Rowena G. Alano	5,717,411	0.08
16.	Ruth Tiu Gotao	5,717,411	0.08
17.	Maxwell G. Ahyong and/or Christine Y. Ahyong	4,410,000	0.06
18.	Manuel Go Ahyong, Jr. and/or Vivian Yu Ahyong	4,147,500	0.06
19.	Marites G. Ahyong	3,570,000	0.05
20.	JG Summit Capital Services Corporation	3,320,625	0.04
	Other stockholders	44,393,498	0.59
		7,520,983,658	100.00

Item 6. Management's Discussion and Analysis or Plan of Operation

The following discussion and analysis should be read in conjunction with the accompanying consolidated financial statements and notes thereto as of and for the years ended December 31, 2025, 2024 and 2023, which form part of this Report. The consolidated financial statements and notes thereto have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) and after reflecting the following transaction:

- On November 13, 2025, the BOD approved management's plan to pursue various options to monetize the assets of JGSOC and, consequently, to write down the carrying value of such assets to their recoverable amounts, resulting in an impairment loss of ₱114.3 billion.

  PFRS 5 requires income and expenses from disposal groups to be presented separately from continuing operations, down to the level of profit after taxes. The resulting profit or loss (after taxes) is reported separately in the consolidated statements of income. Accordingly, the consolidated statements of income for the years ended December 31, 2024 and 2023 were restated to present the results of operations of JGSOC as 'Net income from discontinued operations.' Peak Fuel Corporation, a subsidiary of JGSOC, remains under continuing operations and forms part of the Group's supplementary business.

A. Year Ended December 31, 2025 versus same period in 2024

i. Consolidated Operations

In Millions Except Per Share Amounts	For the Years Ended December 31		Horizontal		Vertical	
	2025	2024	Inc (Dec)		2025	2024
REVENUE						
Sale of goods and services:						
Foods	**168,009**	161,867	6,142	4%	46%	48%
Air transportation	**119,928**	104,909	15,019	14%	33%	31%
Real estate and hotels	**46,944**	40,079	6,865	17%	13%	12%
Equity in net earnings of associates and joint ventures	**17,608**	16,735	873	5%	5%	5%
Dividend income	**3,468**	3,376	92	3%	1%	1%
Supplementary businesses	**12,576**	10,051	2,525	25%	3%	3%
	368,532	337,016	31,516	9%	100%	100%
COST OF SALES AND SERVICES						
Cost of Sales	**139,755**	129,076	10,679	8%	38%	38%
Cost of Services	**114,528**	101,959	12,569	12%	31%	30%
	254,283	231,035	23,248	10%	69%	69%
GROSS INCOME	**114,249**	105,982	8,268	8%	31%	31%
GENERAL AND ADMINISTRATIVE EXPENSES	**47,273**	44,272	3,001	7%	13%	13%
OPERATING INCOME	**66,977**	61,710	5,267	9%	18%	18%
OTHER INCOME (LOSSES)						
Impairment losses and others	**(720)**	(325)	(396)	-122%	0%	0%
Financing costs and other charges:						
Financing and others	**(14,030)**	(10,533)	(3,497)	-33%	-4%	-3%
PFRS 16 Leases	**(5,170)**	(3,882)	(1,287)	-33%	-1%	-1%
Finance income	**1,868**	1,808	60	3%	1%	1%
Foreign exchange gains (losses)	**(996)**	211	(1,208)	-571%	0%	0%
Market valuation gains (losses) on financial assets at fair value through profit or loss	**539**	(2,019)	2,558	127%	0%	-1%
Others	**7,779**	10,432	(2,653)	-25%	2%	3%
INCOME BEFORE INCOME TAX	**56,247**	57,402	(1,155)	-2%	15%	17%
PROVISION FOR INCOME TAX	**4,023**	4,407	(384)	-9%	1%	1%
NET INCOME FROM CONTINUING OPERATIONS	**52,224**	52,995	(771)	-1%	14%	16%
NET LOSS FROM DISCONTINUED OPERATIONS	**(124,062)**	(17,842)	(106,219)	-595%	-34%	-5%
	(71,838)	35,152	(106,991)	-304%	-19%	10%
NET INCOME (LOSS) ATTRIBUTABLE TO						
Equity holders of the Parent Company	**(88,343)**	21,326	(109,669)	-514%	-24%	6%
Non-controlling interests	**16,505**	13,827	2,678	19%	4%	4%
	(71,838)	35,152	(106,991)	-304%	-19%	10%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Continuing Operations	**35,687**	38,992	(3,306)	-8%	10%	12%
Discontinued Operations	**(124,030)**	(17,667)	(106,363)	-602%	-34%	-5%
	(88,343)	21,326	(109,669)	-514%	-24%	6%
Earnings Per Share Attributable to Equity Holders of the Parent Company						
Basic/diluted earnings per share	**(11.75)**	2.83	(14.58)	118%		

Robust leisure demand, strong consumption in Full Year 2025 lift JGS' recurring net profits

JG Summit Holdings, Inc. (JGS), one of the largest conglomerates in the Philippines, recorded a slight 1% year-on-year (YoY) increase in its recurring net income from continuing operations, totaling ₱31.5 billion for the full year of 2025 (FY2025), driven mainly by growing demand for travel and leisure and continued strength in consumer spending.

Core net income and net income from continuing operations fell 11% and 8% YoY to ₱36.3 billion and ₱35.7 billion, respectively, primarily from the absence of the ₱7.9 billion gain recognized in 2024 on its bank merger transaction, but was cushioned by the equitized ₱4.2 billion gain from its

airline's receipt of free-of-charge engines in 2025. Excluding these one-off gains, JG Summit closed the year with recurring net profits of ₱31.5 billion. This was underpinned by the strong performance of its leisure businesses and favorable mark-to-market movements, which outweighed the effects of elevated coffee costs in branded foods and higher parent interest expense.

The conglomerate's consolidated revenues from ongoing businesses hit ₱368.5 billion, up 9% YoY. This performance was fueled by the double-digit growth in its airline and real estate subsidiaries plus a steady volume-driven topline improvement in its food and beverage arm.

Consolidated cost of sales and services increased by 10% in 2025 to ₱254.3 billion, from ₱231.0 billion in the same period last year. The increase was primarily driven by higher cost of sales at URC due to elevated raw material costs, as well as higher cost of services arising from increased maintenance expenses, depreciation, and higher aircraft and traffic servicing costs.

The Group's general and administrative expenses increased by 7%, reaching ₱47.3 billion in 2025, compared to ₱44.3 billion in 2024 due to higher personnel-related costs and increased spending on outsourced services across the Group.

As a result, Consolidated Operating Income or EBIT from continuing operations amounted to ₱67.0 billion in 2025, 9% increase from ₱61.7 billion in 2024. Consolidated EBITDA from continuing operations amounted to ₱98.5 billion in 2025, 11% increase from ₱88.7 billion in 2024.

The Group's financing costs and other charges, net of interest income, increased by 37% to ₱17.3 billion this year. The increase was primarily driven by JG Parent, which absorbed all of JGSOC's outstanding debts and recognized the full interest expense in profit and loss. In contrast, a portion of the interest expense amounting to ₱1.8 billion was previously capitalized by JGSOC in the prior year. The increase also includes interest expense on lease liabilities mainly from CEB.

Market valuation gains from financial assets in 2025 amounted to ₱539 million, a reversal from the ₱2.0 billion losses in the SPLY, which was mainly attributable to more favorable mark-to-market valuation adjustments on the Group's financial assets this year vs SPLY.

The Group recognized net foreign exchange (FX) losses of ₱996 million in 2025, compared with net FX gains of ₱211 million in the same period last year. The reversal was mainly attributable to the depreciation of the Philippine Peso against both the US Dollar and Japanese Yen during the period, as opposed to the prior year when the Peso depreciated slightly against the US Dollar but appreciated against the Japanese Yen.

Impairment losses of ₱720 million recorded in 2025 mainly pertain to a one-time impairment of property, plant and equipment, and inventories of the URC's Polypropylene Packaging operations. Last year's impairment amounting to ₱325 million includes URC Sugar's inventory due to typhoon Kristine.

Other income amounted to ₱7.8 billion in 2025, lower than the ₱10.4 billion recorded in the same period last year. This year's figure includes ₱6.3 billion in gains from five free-of-charge (FOC) engines received by CEB, as well as net gains of ₱1.5 billion from outright sale and leaseback transactions (SLB). In contrast, the prior year's other income was boosted by a ₱7.9 billion gains from the merger of Bank of the Philippine Islands (BPI) and Robinsons Bank, along with CEB's ₱2.1 billion gains from a SLB transaction.

The Group's net income after tax from continuing operations in 2025 amounted to ₱52.2 billion, 1% lower than the ₱53.0 billion net income recorded in the same period last year. This was mainly

driven by higher financing cost and other charges, FX losses as well as lower other income, which offsets the higher operating income.

The Group's net loss after tax from discontinued operations amounted to ₱124.1 billion in 2025 and ₱17.8 billion in 2024, representing the result of operations of JGSOC and URC China.

Net loss attributable to equity holders of the parent amounted to ₱88.3 billion in 2025, a reversal from last year's ₱21.3 billion net income, which reflects the results of its discontinued petrochemical operations including the ₱114.3 billion impairment loss recorded this year.

ii. Segment Operations

a) Foods

URC generated consolidated sales of goods and services of ₱168.0 billion for the year ended December 31, 2025, ahead by 3.8% against last year. Growth was driven by BCF, which increased by ₱5.0 billion or 4.6% to ₱115.0 billion from ₱110.0 billion supported by strong sales volumes led by Snacks and RTD Beverage and resilient performance in Malaysia, Indonesia and Exports, Commodities rose by 4.5% to ₱39.6 billion from ₱37.9 billion, Sugar by 11.7% to ₱24.6 billion from ₱22.0 billion, and Flour by 2.2% to ₱6.3 billion from ₱6.2 billion, from higher sales volume. These gains were offset by the decline in ANH by 4.1% from ₱14.0 billion to ₱13.4 billion due to lower volumes of hog feeds and dog food, partially offset by cat food, cat litter, and animal drugs, Renewables business by 3.5% to ₱6.9 billion due to temporary closure and rehabilitation of Bais plant, and Packaging with 73.3% decline to ₱285 million from ₱1.1 billion due to wind-down of Polypropylene Packaging operations.

URC's cost of sales consists primarily of raw and packaging materials costs, manufacturing costs and direct labor costs. Cost of sales increased by ₱5.9 billion or 5.0% to ₱123.7 billion in 2025 from ₱117.8 billion recorded in 2024 due to higher material costs, particularly coffee.

URC's gross profit for 2025 amounted to ₱44.3 billion, higher by ₱280 million or 0.6% from ₱44.0 billion reported in 2024. Gross profit margin decreased by 83 basis points from 27.2% in 2024 to 26.4% in 2025 due to lower BCF gross profit margins driven by higher material costs, particularly coffee.

URC's selling and distribution costs and general and administrative expenses consist primarily of compensation benefits, advertising and promotion costs, freight and other selling expenses, depreciation, repairs and maintenance expenses, and other administrative expenses. Selling and distribution costs, and general and administrative expenses increased by ₱802 million or 2.9% to ₱28.2 billion in 2025 from ₱27.4 billion registered in 2024.

As a result of the above factors, operating income decreased by ₱522 million or 3.1% to ₱16.1 billion in 2025 from ₱16.7 billion reported in 2024.

URC reported an EBITDA (operating income plus depreciation and amortization) of ₱22.1 billion in 2025, 2.2% higher than ₱21.6 billion posted in 2024.

URC's finance costs consist mainly of interest expense, which decreased by ₱229 million to ₱1.5 billion in 2025 from ₱1.7 billion recorded in 2024 due to lower interest rates and average debt level.

Impairment losses increased to ₱707 million in 2025 from ₱325 million in 2024. The increase in 2025 mainly relates to a one-time impairment of property, plant and equipment (PPE) and inventories of the Polypropylene Packaging operations. In 2024, impairment losses primarily comprised inventory impairment of the Sugar business amounting to ₱168 million due to Typhoon Kristine, and impairment of receivables of CEB amounting to ₱139 million.

URC's finance revenue consists of interest income from money market placements, savings and dollar deposits, as well as dividend income from investments in equity securities. Finance revenue decreased by ₱74 million to ₱290 million in 2025 from ₱364 million in 2024 driven by lower interest income from money market placements.

Equity in net losses of joint ventures decreased to ₱133 million in 2025 from ₱140 million in 2024 due to lower net losses of Vitasoy-URC, Inc. (VURCI).

Net foreign exchange gain decreased by ₱724 million to ₱98 million in 2025 from the ₱823 million in 2024 driven by lower depreciation of peso this year compared to last year, lower foreign-denominated dividends received and one-off forex gains last year from Universal Robina (Cayman), Ltd. and URC International Co. Ltd. merger.

Market valuation gain (loss) on financial instruments at FVTPL increased to ₱43 million gain in 2025 from ₱4 million loss in 2024 driven by the increase in market value of equity investments.

Other income (expense) - net consists of gain on sale of fixed assets, rental income, and miscellaneous income and expenses. Other expenses - net in 2025 amounted to ₱766 million, while ₱4 million other income-net were recorded in 2024. This year's other expense – net includes separation pay, consultancy fees, and inventory write-off partially offset by gain on sale of non-factory asset.

URC recognized a provision for income tax of ₱2.6 billion in 2025, an 14.0% decrease from ₱3.1 billion in 2024.

URC's net income from continuing operations amounted to ₱10.8 billion in 2025, lower by ₱1.9 billion or 15.1%, from ₱12.8 billion in 2024.

URC's net loss from discontinued operations amounted to ₱35 million in 2025, lower by ₱371 million from ₱406 million in 2024 due to last year's closure of China business.

URC's core earnings after tax (operating profit after equity earnings, net finance costs, other income - net and provision from income tax) in 2025 amounted to ₱11.0 billion, a decrease of 4.3% from ₱11.4 billion recorded in 2024.

Net income attributable to equity holders of the parent decreased by ₱1.5 billion or 12.6% to ₱10.2 billion in 2025 from ₱11.7 billion in 2024 as a result of the factors discussed above.

Non-controlling interest (NCI) represents primarily the share in the net income attributable to non-controlling interest of Nissin-URC (51.0%-owned). NCI in net income of subsidiaries decreased from ₱692 million in 2024 to ₱607 million in 2025.

b) Air transportation

CEB revenues reached ₱119.9 billion for the year ended December 31, 2025, a 14.3% increase from ₱104.9 billion earned in the same period last year. Revenue growth was driven by the increase in Passenger revenues by ₱9.5 billion or 13.3% to ₱80.8 billion, from ₱71.3 billion in 2024 due to higher number of passengers carried supported by increased capacity, and improved average fares; Cargo revenues increased by ₱1.5 billion or 26.8% to ₱7.2 billion, from ₱5.6 billion in 2024, driven by a 27.5% increase in cargo volume, partially offset by a 0.5% decrease in yield; and Ancillary revenues increased by ₱4.1 billion or 14.5% to ₱32.0 billion from ₱28.0 billion in 2024, mainly due to an increase in passengers carried and improved yields.

CEB incurred operating expenses of ₱108.4 billion, higher by 13.2% compared to ₱95.7 billion incurred in 2024.

The increase was mainly driven by higher operating activity, since a material portion of its expenses is based on flights and flight hours. The weakening of the Philippine peso against the U.S. Dollar as referenced by the depreciation of the Philippine peso to an average of ₱57.51 per U.S. Dollar for 2025 from an average of ₱57.30 per U.S. Dollar in 2024 based on Philippine Bloomberg Valuation (PH BVAL) weighted average rates also contributed to the increase in operating expenses.

As a result of the foregoing, CEB earned an operating income of ₱11.5 billion for the year ended December 31, 2025, a ₱2.3 billion or 25.4% increase compared to ₱9.2 billion operating income earned in 2024.

Interest income increased by ₱164.6 million or 25.6% to ₱808.3 million from ₱643.7 million in 2024 largely due to higher short-term placements.

No gains from insurance claims were recorded in 2025, as compared to ₱137.1 million recorded in 2024.

Net gain of ₱1.5 billion and ₱2.1 billion from outright sale and leaseback transactions were recorded in 2025 and 2024, respectively.

Net foreign exchange losses of ₱937.7 million were recorded in 2025, driven by the depreciation of the Philippine Peso against the US Dollar and Japanese Yen, which affected the translation of foreign currency denominated loans. The Philippine Peso exchange rate closed at ₱58.79 per US Dollar as at end of 2025 compared to ₱57.85 in 2024, and at ₱0.3756 per Japanese Yen from ₱ 0.3672 in 2024.

CEB had equity in net income of joint ventures and associates of ₱116.9 million in 2025, compared to ₱107.0 million in 2024.

Interest expense increased by ₱820.7 million or 12.1% to ₱7.6 billion from ₱6.8 billion in 2024, due to financing of additional aircraft and engine deliveries during the year, as well as Peso depreciation.

As a result of the foregoing, Net income for the year ended December 31, 2025 reached ₱12.3 billion, more than double the ₱5.4 billion earned for the year ended December 31, 2024.

c) Real estate and hotels

RLC generated total gross revenues of ₱46.9 billion for calendar year 2025, an increase of 17% from ₱40.1 billion the previous year primarily driven by the strong performance of RLC's investment and development portfolios. As a result, EBIT and EBITDA increased by 11% and 10% as well to ₱19.6 billion and ₱25.7 billion, respectively. Consolidated net income improved by 5% versus the same period last year, totaling ₱16.2 billion for the full year. Meanwhile, net income attributable to equity shareholders of the parent entity increased by 2% to ₱13.5 billion. The modest growth in net income was mainly due to a one-time gain from the reclassification of RLC's investment in GoTyme and the temporary reduction in RLC's ownership in RCR from April to August in the prior year. Without the impact of the one-time gain from reclassification and decrease in ownership, net income attributable to equity shareholders of the parent entity will result to a 9% growth, in line with EBIT increase.

Rental income increased by ₱2.0 billion or by 10% to ₱22.7 billion due to increase in the revenues of Robinsons Malls and Robinsons Offices. Robinsons Malls' increase in rental income was supported by higher tenants' sales, increased foot traffic and contribution from newly opened malls. Robinsons Offices' improved performance was supported by rental growth across its high-quality office developments in strategic locations as well as the contributions from newly opened offices.

Real estate sales increased by ₱3.8 billion or by 59% to ₱10.3 billion mainly due to the revenue recognition from prior year sales that reached the equity threshold and recognition of lease-to-own sales of ready-for-occupancy units.

Other revenues under Real Estate Operations decreased by ₱0.68 billion or by 8% mainly from lower earnings from residential joint ventures.

Revenues from Hotel Operations increased by ₱0.5 billion or by 8% to ₱6.5 billion driven by strong performance across all brands, particularly international partnerships and Fili Hotel and Nustar Hotel in 2025, RLC's own Filipino branded 5-star hotels.

Under Cost of Real Estate Operations, cost of rental services increased by 6% to ₱6.1 billion due to higher depreciation brought by newly opened mall and hotel properties and repairs and maintenance of existing properties. Cost of real estate sales is higher by 64% to ₱5.2 billion due to higher realized sales. Other costs of real estate operations increased by 12% due to higher utilities cost and contracted services.

Cost of Hotel Operations increased by 10% to ₱5.5 billion, aligned with its revenue growth.

General and administrative expenses slightly increased by 3% to ₱6.0 billion due to higher commission expense and salaries and wages year-on-year.

Interest expense slightly decreased by 1% to ₱2.2 billion resulting from settlement of matured loans in 2025, partially offset by higher accretion of interest on outstanding lease liabilities.

Other income - net decreased from ₱0.7 billion last year to ₱1.0 million this year mainly due to the onetime gain from the reclassification of the RLC's investment in GoTyme and gain from insurance claims recognized in 2024.

d) Equity in net earnings of associates and joint ventures

Total equity in net earnings of associates and joint ventures amounted to ₱17.6 billion for the year ended December 31, 2025, a 5% increase from last year's ₱16.7 billion driven primarily by higher equity in net earnings of Meralco from ₱11.9 billion in 2024 to ₱13.3 billion in 2025 driven by strong power generation results, higher distribution pass-through charges, and increased retail electricity volumes

The equity income derived from Singapore Land Group (SLG) also improved, increasing to ₱3.5 billion from the previous year's ₱3.3 billion boosted by improved contributions from investment properties and enhanced performance across its Singapore-based assets.

e) Dividend income

Dividend income in 2025 reflected mixed movements. PLDT declared cash dividends of ₱95 per share, amounting to ₱2.3 billion, which was ₱1 per share lower than the prior year. Meanwhile, BPI increased its cash dividend payout by 10% to ₱4.36 per share, amounting to ₱821 million, from ₱746 million in 2024.

iii. Financial Condition

In Millions	December 31, 2025	December 31, 2024	Horizontal Inc (Dec)		Vertical 2025	Vertical 2024
ASSETS						
Current Assets						
Cash and cash equivalents	**51,429**	47,772	3,657	7.7%	5%	5%
Financial assets at fair value through profit or loss	**7,542**	7,134	407	5.7%	1%	1%
Financial assets at FVOCI	**5,106**	6,717	(1,610)	-24.0%	1%	1%
Receivables	**42,567**	42,426	141	0.3%	4%	4%
Inventories	**83,623**	98,369	(14,746)	-15.0%	9%	9%
Advances to suppliers and contractors	**11,303**	10,853	450	4.1%	1%	1%
Assets held for sale	**368**	3,541	(3,173)	-89.6%	0%	0%
Other current assets	**10,070**	15,951	(5,882)	-36.9%	1%	2%
Total Current Assets	**212,009**	232,763	(20,754)	-8.9%	22%	22%
Noncurrent Assets						
Financial assets at FVOCI	**57,590**	57,889	(299)	-0.5%	6%	6%
Receivables	**13,543**	9,695	3,848	39.7%	1%	1%
Investments in associates and joint ventures	**175,448**	163,372	12,076	7.4%	18%	16%
Property, plant and equipment	**200,123**	286,294	(86,171)	-30.1%	21%	27%
Investment properties	**135,833**	136,460	(627)	-0.5%	14%	13%
Right-of-use assets	**118,739**	106,078	12,661	11.9%	12%	10%
Goodwill	**23,581**	20,788	2,793	13.4%	2%	2%
Intangible assets	**7,772**	7,284	487	6.7%	1%	1%
Advances to suppliers and contractors	**4,087**	4,908	(820)	-16.7%	0%	0%
Other noncurrent assets	**21,224**	16,967	4,257	25.1%	2%	2%
Total Noncurrent Assets	**757,940**	809,735	(51,795)	-6.4%	78%	78%
	969,949	1,042,498	(72,549)	-7.0%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	**78,829**	80,436	(1,607)	-2.0%	8%	8%
Short-term debts	**42,734**	66,241	(23,507)	-35.5%	4%	6%
Current portion of:						
Long-term debts	**10,500**	34,641	(24,140)	-69.7%	1%	3%
Lease liabilities	**15,466**	13,744	1,722	12.5%	2%	1%
Income tax payable	**401**	667	(266)	-39.9%	0%	0%
Other current liabilities	**34,254**	32,822	1,432	4.4%	4%	3%
Total Current Liabilities	**182,185**	228,551	(46,366)	-20.3%	19%	22%
Noncurrent Liabilities						
Noncurrent portion of:						
Long-term debts	**244,084**	213,664	30,420	14.2%	25%	20%
Lease liabilities	**115,256**	103,628	11,628	11.2%	12%	10%
Deferred tax liabilities	**5,290**	5,302	(12)	-0.2%	1%	1%
Other noncurrent liabilities	**18,512**	17,218	1,294	7.5%	2%	2%
Total Noncurrent Liabilities	**383,143**	339,813	43,330	12.8%	40%	33%
Total Liabilities	**565,327**	568,364	(3,036)	-0.5%	58%	55%
Equity						
Equity attributable to equity holders of the Parent Company:						
Paid-up capital	**52,643**	52,727	(84)	-0.2%	5%	5%
Retained earnings	**187,736**	279,255	(91,519)	-32.8%	19%	27%
Equity reserve	**53,401**	46,788	6,613	14.1%	6%	4%
Other comprehensive loss	**(13,173)**	(14,328)	1,156	8.1%	-1%	-1%
	280,607	364,441	(83,834)	-23.0%	29%	35%
Non-controlling interests	**124,015**	109,693	14,321	13.1%	13%	11%
Total Equity	**404,622**	474,135	(69,513)	-14.7%	42%	45%
	969,949	1,042,498	(72,549)	-7.0%	100%	100%

As of December 31, 2025, the Group reported consolidated assets totaling ₱969.9 billion. The current ratio stands at 1.16. Furthermore, the Group's indebtedness is well-managed, with a gearing ratio of 0.73, comfortably within the financial covenant limit of 2.0. The net debt, amounting to ₱237.4 billion, translates to a net debt-to-equity ratio of 0.59.

As of December 31, 2025, the Group holds cash and cash equivalents amounting to ₱51.4 billion, which increased from the ₱47.8 billion reported as of December 31, 2024. The Group's cash requirements have been met primarily through operating activities, resulting in a net cash flow

provided by operating activities of ₱65.2 billion in 2025. Additionally, the net cash used in investing activities amounted to ₱14.8 billion which were predominantly utilized to the Group's capital expenditures, partially offset by the proceeds from the sale of fixed assets, refund of pre-delivery payments, and receipt of dividends. Net cash used in financing activities amounted to ₱46.8 billion primarily resulted from settlements of short-term and long-term loans, lease liabilities, dividend payments, and the purchase of treasury shares, partly offset by the proceeds from the partial sale of equity interest in RL Commercial REIT, Inc. (RCR).

The Group's capital expenditures totaling ₱48.3 billion in 2025 include CEB's additional aircraft and pre-delivery payments, RLC's investment and development of both new and existing facilities, and URC's capacity expansion initiatives.

As of December 31, 2025, the Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period that would have a significant impact on the Group's operations and/or financial condition.

As of December 31, 2025, except as otherwise disclosed in the financial statements and to the best of the Group's knowledge and belief, there are no events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

Material Changes in the 2025 Financial Statements
(Increase/Decrease of 5% or more versus 2024)

Material changes in the Statements of Consolidated Comprehensive Income were explained in detail in the management discussion and analysis or plan of operations stated above.

Consolidated Statements of Financial Position- December 31, 2025 versus December 31, 2024

7.7% increase in Cash and Cash Equivalents
Due to the Group's cash generated from operations, partially offset by cash used in financing activities, primarily for the settlement of short-term and long-term loans, lease liabilities, dividends, and the purchase of treasury shares, and cash used in investing activities, mainly for capital expenditures.

5.7% increase in Financial Assets at Fair Value through Profit or Loss
Increase in the market value of the Group's quoted equity securities.

7.7% increase in Receivables (including Noncurrent Portion)
Due to increase in RLC's noncurrent installment trade receivables resulting from additional sales reaching the equity threshold and lease-to-own sales.

15.0% decrease in Inventories
Due to significant drop in JGSOC finished goods, impairment of inventories, and consumption of URC and JGSOC raw materials, and supplies.

89.6% decrease in Assets Held for Sale
Due to CEB's sale of aircraft held for sale, partly offset by two (2) ATR Freighters classified as held for sale in 2025

36.9% decrease in Other Current Assets
Mainly from the decline in JGSOC's input VAT and creditable withholding tax.

7.4% increase in Investment in Associates and Joint Ventures (JVs)
Due to the recognized share in the net earnings of associates and joint venture during the period mainly from Meralco and SLG and additional investments in GoTyme Bank and GoTyme Financial, partly offset by dividends received.

30.1% decrease in Property and Equipment
Due to impairment of JGSOC and URC property and equipment and depreciation expense during the period, partially offset by aircraft acquisitions and other capital expenditures.

11.9% increase in Right-of-Use Assets
Due to new aircraft and engine acquisitions during the period, partly offset by depreciation.

13.4% increase in Goodwill
Mainly due to foreign exchange translation of URC's goodwill during the period and CEB's additional goodwill recognized from the step-up acquisition of 1Aviation in 2025.

6.7% increase in Intangible Assets
Mainly due to foreign exchange translation of URC's software costs during the period.

25.1% increase in Other Noncurrent Assets
Due to increase in RLC's advances to lot owners.

35.5% decrease in Short-term debts
Mainly driven by the settlement of JGSOC's trust receipts and CEB's short-term loans partly offset by short-term loan availments of JG Parent and URC.

11.4% increase in Lease Liabilities (including Noncurrent Portion)
Due to additional lease liability set up for various aircraft and engine deliveries offset by payments made during the period.

39.9% decrease in Income Tax Payable
Mainly due to lower taxable income of URC.

7.5% increase in Noncurrent Liabilities
Due to increases in RLC's deposits from lessees and CEB's provision for heavy maintenance visits.

14.1% increase in Equity Reserve
Mainly due to the gain from RLC's partial sale of RCR shares *(sale of interest in a subsidiary without loss of control)*.

8.1% increase in Other Comprehensive Income
Due to the increase in URC's cumulative translation adjustments offset by decreases in market value of the Group's investments in PLDT and BPI.

13.1% increase in Non-controlling Interests (NCI)
Due to the increase in NCI's share of income, partly offset by dividends paid to NCI shareholders.

Stockholders' equity, excluding minority interest, stood at ₱280.6 billion as of December 31, 2025 from ₱364.4 billion last year.

Book value per share amounted to ₱37.31 as of December 31, 2025 from ₱48.46 as of December 31, 2024.

B. Year Ended December 31, 2024 versus same period in 2023

i. Consolidated Operations

In Millions Except Per Share Amounts	For the Years Ended December 31		Horizontal		Vertical	
	2024	2023	Inc (Dec)		2024	2023
REVENUE						
Sale of goods and services:						
Foods	**161,867**	157,752	4,115	3%	48%	51%
Air transportation	**104,909**	90,603	14,306	16%	31%	29%
Real estate and hotels	**40,079**	39,034	1,045	3%	12%	13%
Equity in net earnings of associates and joint ventures	**16,735**	14,189	2,546	18%	5%	5%
Dividend income	**3,376**	2,870	505	18%	1%	1%
Supplementary businesses	**10,051**	7,532	2,519	33%	3%	2%
	337,016	311,979	25,037	8%	100%	100%
COST OF SALES AND SERVICES						
Cost of Sales	**129,076**	125,920	3,156	3%	38%	40%
Cost of Services	**101,959**	87,872	14,086	16%	30%	28%
	231,035	213,792	17,242	8%	69%	69%
GROSS INCOME	**105,982**	98,187	7,795	8%	31%	31%
GENERAL AND ADMINISTRATIVE EXPENSES	**44,272**	40,579	3,693	9%	13%	13%
OPERATING INCOME	**61,710**	57,608	4,102	7%	18%	18%
OTHER INCOME (LOSSES)						
Impairment losses and others	**(325)**	(358)	33	9%	0%	0%
Financing costs and other charges:	**-**					
Financing and others	**(10,533)**	(9,852)	(681)	-7%	-3%	-3%
PFRS 16 Leases	**(3,882)**	(2,440)	(1,443)	-59%	-1%	-1%
Finance income	**1,808**	1,943	(135)	-7%	1%	1%
Foreign exchange gains (losses)	**211**	(300)	512	170%	0%	0%
Market valuation losses on derivative financial instruments	**-**	880	(880)	-100%	0%	0%
Market valuation gains (losses) on financial assets at fair value through profit or loss	**(2,019)**	373	(2,393)	-641%	-1%	0%
Others	**10,432**	1,252	9,180	733%	3%	0%
INCOME BEFORE INCOME TAX	**57,402**	49,107	8,295	17%	17%	16%
PROVISION FOR INCOME TAX	**4,407**	2,628	1,778	68%	1%	1%
NET INCOME FROM CONTINUING OPERATIONS	**52,995**	46,478	6,517	14%	16%	15%
NET LOSS FROM DISCONTINUED OPERATIONS	**(17,842)**	(12,351)	(5,491)	-44%	-5%	-4%
	35,152	34,127	1,025	3%	10%	11%
NET INCOME ATTRIBUTABLE TO						
Equity holders of the Parent Company	**21,326**	20,045	1,281	6%	6%	6%
Non-controlling interests	**13,827**	14,082	(255)	-2%	4%	5%
	35,152	34,127	1,025	3%	10%	11%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Continuing Operations	**38,992**	32,669	6,324	19%	12%	10%
Discontinued Operations	**(17,667)**	(12,624)	(5,043)	-40%	-5%	-4%
	21,326	20,045	1,281	6%	6%	6%
Earnings Per Share Attributable to Equity Holders of the Parent Company						
Basic/diluted earnings per share	**2.83**	2.66	0.17	6%		

Sustained topline expansion plus merger gains boost JG Summit's Full Year 2024 profits

JG Summit Holdings, Inc. (JGS), one of the largest and most diversified Philippine conglomerates, saw its core net income and net income from continuing operations jump 27% and 19% year-on-year (YoY), respectively to ₱40.8 billion and ₱39.0 billion in 2024. This performance was driven by an 8% expansion in revenues and was further boosted by the realized gains from the merger between Robinsons Bank and Bank of the Philippine Islands (BPI).

JGS' consolidated topline for the full year of 2024 (FY24) reached ₱337.0 billion. This performance was driven by a robust demand for travel and leisure, an improvement in sales volumes for the food and beverage business, and the resumption of its petrochemical plant operations coming from a commercial shutdown in the previous year.

The Group's core net income was uplifted by the ₱7.9-billion-peso gain recognized after the merger of its banking subsidiary with BPI became effective last January 1, 2024. The gain more than offset specific headwinds in the conglomerate's other businesses, namely the unfavorable polymer margins in its petrochemical business, the additional depreciation and interest expense from its airline's fleet investments, and the sugar profit correction in its food and beverage arm.

Consolidated cost of sales and services in 2024 increased by 8.1% from ₱213.8 billion last year to ₱231.0 billion this year mostly driven by higher fuel consumption, aircraft maintenance costs, traffic servicing expenses and depreciation expense of CEB in line with the increased flight activity during the period,

The Group's general and administrative expenses increased by 9.1% to ₱44.3 billion in 2024 from ₱40.6 billion in 2023 driven by higher personnel-related costs, increased advertising and promotions expenses of URC, and higher outsourced services costs across the Group.

As a result, Consolidated Operating Income or EBIT from continuing operations amounted to ₱61.7 billion in 2024, 7.0% increase from ₱57.6 billion in 2023. Consolidated EBITDA from continuing operations amounted to ₱88.7 billion in 2024, 7.0% increase from ₱82.8 billion in 2023.

The Group's financing costs and other charges, net of interest income, increased by 21.8% to ₱12.6 billion this year from last year's ₱10.3 billion due to higher level of interest-bearing liabilities and higher interest rates.

Market valuation losses recognized from financial assets and derivative instruments in 2024 amounted to ₱2.0 billion from a market valuation gain of ₱1.3 billion in 2023 mainly attributable to the valuation losses incurred by the Group on its financial assets. The Group also recognized market valuation gains in 2023 on CEB's embedded derivative from its convertible bonds (nil in 2024).

The Group recognized net foreign exchange (FX) gains of ₱211 million in 2024 from ₱300 million FX losses in 2023 mainly due to the FX gains resulting from the appreciation of Philippine Peso to Japanese Yen rate from ₱0.3930 in 2023 to ₱0.3672 in 2024, offset by FX losses arising from the depreciation of Philippine Peso vis-à-vis US dollar from ₱55.37 in 2023 to ₱57.85 in 2024. The Group's major exposure to foreign exchange rate fluctuations is in respect to US Dollar-denominated and JPY-denominated loans.

Impairment losses decreased to ₱325 million in 2024 from ₱358 million in 2023. This year primarily comprised inventory impairment of the Sugar business amounting to ₱168 million due to Typhoon Kristine, and impairment of receivables of CEB amounting to ₱139 million, while last year impairment pertains to farm assets.

Other income amounted to ₱10.4 billion in 2024 from ₱1.3 billion in 2023 primarily due to the ₱7.9 billion gain on the merger of Bank of the Philippine Islands (BPI) and Robinsons Bank Corporation (RBC) this year, as well as the ₱896 million higher gain on CEB's sale and leaseback transactions.

Provision for income tax increased to ₱4.4 billion in 2024 from ₱2.6 billion in 2023 mainly due to lower benefit from deferred tax of CEB.

The Group's net income after tax from continuing operations in 2024 amounted to ₱39.0 billion from ₱32.7 billion net income in 2023 mainly from higher operating income coupled with the recognition of gains on BPI-RBC merger and aircraft sale.

Net income attributable to equity holders of the parent amounted to ₱21.3 billion in 2024, 6.3% higher from last year's ₱20.0 billion in 2023 as a result of the factors discussed above.

The Group's net loss after tax from discontinued operations amounted to ₱17.7 billion in 2024 and net income after tax from discontinued operations of ₱12.6 billion in 2023. These results pertain to the operations of JGSOC and URC China in 2024, and JGSOC, URC China, and RBC in 2023.

ii. Segment Operations

a) Foods

URC generated a consolidated sale of goods and services of ₱161.9 billion for the year ended December 31, 2024, ahead by 2.6% against last year. The BCF segment increased by 2.1% to ₱110.0 billion, driven by an 8.1% growth in international operations on stronger volumes across all markets, partially offset by a slight 0.5% decline in domestic operations due to mixed category performance. BCF accounted for 68.0% of total consolidated sales. The ANH segment declined by 8.0% to ₱14.0 billion, primarily due to lower hog feeds demand amid disease-affected swine populations in the Philippines. Commodities sales grew by 8.9% to ₱37.9 billion, led by a 16.8% increase in Sugar sales on higher refined sugar volumes and inventory sell-through, while Renewables grew by 4.0%. Flour sales declined marginally by 1.5% due to price adjustments, while Farms and Packaging posted lower sales due to reduced production volumes and weaker demand.

URC's cost of sales consists primarily of raw and packaging materials costs, manufacturing costs and direct labor costs. Cost of sales increased by ₱2.8 billion or 2.5% to ₱117.8 billion in 2024 from ₱115.0 billion recorded in 2023 due to higher volume.

URC's gross profit for 2024 amounted to ₱44.0 billion, higher by ₱1.3 billion or 3.0% from ₱42.7 billion reported in 2023. Gross profit margin increased by 11 basis points from 27.09% in 2023 to 27.20% in 2024 due to mix and cost savings, offsetting the impact of higher input costs and lower pricing.

URC's selling and distribution costs and general and administrative expenses increased by 8.0% or ₱2.0 billion to ₱27.4 billion in 2024, primarily driven by higher advertising and promotions due to increased consumer promotions, higher security and contracted services costs, and increased personnel expenses resulting from wage adjustments.

As a result of the above factors, operating income decreased by ₱737 million or 4.2% to ₱16.7 billion in 2024 from ₱17.4 billion reported in 2023. The BCF segment grew 19.8% to ₱14.5 billion, driven by margin improvement and cost savings in domestic operations and stronger topline and margins internationally. ANH operating income declined 13.5% to ₱1.7 billion due to lower sales. Commodities fell 41.3% to ₱3.8 billion amid weaker sugar margins, with Renewables also declining. Flour improved by 13.6% on better margins, while Farms returned to profitability and Packaging losses narrowed year-on-year.

URC reported an EBITDA (operating income plus depreciation and amortization) of ₱21.6 billion in 2024, 9.0% lower than ₱23.8 billion posted in 2023.

Net foreign exchange gain increased by ₱563 million to ₱823 million in 2024 from the ₱259 million in 2023 driven by depreciation of Philippine Peso compared to last year's appreciation.

URC's finance revenue consists of interest income from money market placements, savings and dollar deposits, as well as dividend income from investments in equity securities. Finance revenue increased by ₱53 million to ₱364 million in 2024 from ₱311 million in 2023 due to higher interest income from money market placements and bank savings.

Impairment losses increased by ₱68 million to ₱168 million in 2024 from ₱236 million in 2023. This year's impairment is from Sugar's inventory due to typhoon Kristine while last year impairment pertains to farm assets.

Equity in net losses of joint ventures decreased to ₱140 million in 2024 from ₱287 million in 2023. Last year's balance includes catch-up of URC's share in net losses of Danone Universal Robina Beverages, Inc. (DURBI), following an additional investment in the joint venture.

Market valuation gain (loss) on financial instruments at FVTPL decreased to ₱4 million loss in 2024 from ₱172 million in 2023 driven by decrease in market value of equity investments.

Other losses - net consists of gain on sale of fixed assets, rental income, and miscellaneous income and expenses. Other losses - net amounted to ₱74 million and ₱321 million in 2024 and 2023, respectively. This year's net losses are lower mainly due to gain on disposal of property in Malaysia.

URC recognized a provision for income tax of ₱3.1 billion in 2024, a 2.4% increase from ₱3.0 billion in 2023.

URC's net income from continuing operations amounted to ₱12.8 billion in 2024, higher by ₱37 million or 0.3%, from ₱12.7 billion in 2023.

URC's net loss from discontinued operations amounted to ₱406 million in 2024, higher by ₱387 million from ₱18 million in 2023 mainly driven by impairment arising from the closure of China business this year.

URC's core earnings after tax (operating profit after equity earnings, net finance costs, other income - net and provision from income tax) in 2024 amounted to ₱12.1 billion, a decrease of 3.4% from ₱12.6 billion recorded in 2023.

Net income attributable to equity holders of the parent decreased by ₱430 million or 3.6% to ₱11.7 billion in 2024 from ₱12.1 billion in 2023 as a result of the factors discussed above.

Non-controlling interest (NCI) represents primarily the share in the net income attributable to non-controlling interest of Nissin-URC (51.0%-owned). NCI in net income of subsidiaries increased from ₱613 million in 2023 to ₱692 million in 2024.

b) Air transportation

CEB generated revenues amounting to ₱104.9 billion for the year ended December 31, 2024, 15.8% higher than the ₱90.6 billion revenues earned in the same period last year. The overall CEB's revenues increased in 2024 was primarily driven by a 17.6% year-on-year growth in passenger volume. Passenger revenues rose 14.2% to ₱71.3 billion in 2024 from ₱62.5 billion in 2023, supported by higher load factors from 84.0% to 84.4%, partially offset by lower average fares. Cargo revenues increased 39.0% on higher yields and volumes, while ancillary revenues grew 16.1%, mainly due to increased passenger traffic despite lower ancillary yields.

CEB incurred operating expenses of ₱95.8 billion, higher by 16.8% compared to ₱82.0 billion incurred in 2023. The increase was mainly driven by the increase in CEB's operations, since a material portion of its expenses are based on flights and flight hours. The weakening of the Philippine peso against the U.S. Dollar as referenced by the depreciation of the Philippine peso to an average of ₱57.30 per U.S. Dollar for 2024 from an average of ₱55.63 per U.S. Dollar in 2023 based on the Philippine Bloomberg Valuation (PH BVAL) weighted average rates also contributed to the increase in operating expenses.

As a result of the foregoing, CEB earned an operating income of ₱9.1 billion for the year ended December 31, 2024, a ₱552 million or 6.4% increase compared to the ₱8.6 billion operating income earned in 2023.

Interest income decreased by ₱169 million or 20.8% to ₱644 million from ₱813 million earned in 2023 largely due to lower average interest rates for year ended December 31, 2024 as compared to 2023.

In 2024 and 2023, CEB received ₱137 million and ₱18 million, respectively, pertaining to insurance proceeds claimed for damages sustained from several incidents and loss events in prior periods.

CEB's market valuation gains amounting to ₱880 million in 2023 originated from the market valuation gains recognized from its convertible bonds' embedded derivative and fuel derivatives (nil in 2024).

CEB had equity in net income of joint ventures and associates of ₱107 million, compared to the ₱59 million earned in the same period last year.

Interest expense from debt and lease liabilities and maintenance provisions increased by ₱1.5 billion or 29.4% to ₱6.8 billion for the year ended December 31, 2024 from ₱5.3 billion for the same period last year due to the additional aircraft and engine deliveries during the year. The increase is coupled with the increase in bank interest rates for debts and the effect of depreciation of the Philippine Peso against the U.S. Dollar.

As a result of the foregoing, Net income for the year ended December 31, 2024 amounted to ₱5.2 billion, as compared to the ₱7.9 billion net income earned for the year ended December 31, 2023.

c) Real estate and hotels

RLC generated total gross revenues of ₱40.1 billion for calendar year 2024, an increase of 3% from ₱39.0 billion the previous primarily driven by the strong performance of RLC's investment portfolio offset by the lower realized revenues of the residential division. As a result, both EBIT and EBITDA increased by 2% as well to ₱17.6 billion and ₱23.3 billion, respectively. Consolidated net income improved by 15% versus the same period last year, totaling ₱15.3 billion for the full year. Meanwhile, net income attributable to equity shareholders of the parent entity increased by 10% to ₱13.2 billion. This growth was mainly driven by a one-time gain from the reclassification of RLC's investment in GoTyme and the temporary reduction in RLC's ownership in RCR from April to August. After the SEC approved the property-for-share swap in September 2024, RLC's ownership in RCR reverted to 66%. Even without the impact of the reclassification and decrease in ownership, net income still showed an increase of 2%, in line with EBIT growth.

Robinsons Malls, accounting for 41% of total company revenues, generated revenues of ₱18.0 billion in 2024 marking an 11% increase versus last year. This was supported by higher tenants sales, increased foot traffic and contribution from new mall. Amusement revenues increased by

38% due to further re-opening of cinemas during 2024 and improved consumer spending. Meanwhile, EBITDA rose by 14% to ₱10.6 billion while EBIT is higher by 23% to ₱7.2 billion year-on-year.

Robinsons Offices posted an 8% increase in revenues to ₱8.0 billion in 2024 and contributed 19% to consolidated revenues. This improved performance is supported by rental growth across its high-quality office developments in strategic locations. EBITDA and EBIT growth in 2024 are flat compared to last year at ₱6.4 billion and ₱5.3 billion, respectively.

Contributing 20% to consolidated revenues, RLC Residences generated realized revenues of ₱8.8 billion in 2024, including 2.63 billion from equity share in joint venture projects. EBITDA and EBIT ended at ₱2.9 billion and ₱2.8 billion, respectively.

Robinsons Hotels and Resorts maintained its growth momentum in 2024, with revenues rising 31% versus last year to ₱6.0 billion, accounting for 14% of consolidated revenues. This was driven by strong performance across all brands, particularly international partnerships and Fili Hotel, RLC's own Filipino branded 5-star hotel coupled with strong food and beverage revenues in 2024. EBITDA grew 61% to ₱1.8 billion; while EBIT more than doubled to ₱1.0 billion or a 127% increase versus last year.

Robinsons Logistics and Industrial Facilities recorded a 33% increase in revenues versus last year to ₱0.9 billion, supported by sustained demand for industrial and warehouse spaces. In 2024, EBITDA and EBIT grew 35% and 38% to ₱0.9 billion and ₱0.7 billion, respectively, compared to the previous year.

In 2024, Robinsons Destination Estates recorded realized revenues of ₱1.2 billion from the deferred sale of parcels of land to joint venture entities, a 5% growth versus 2023. EBITDA and EBIT were up by 6% in 2024 compared to last year, amounting to both ₱0.7 billion.

Cost of real estate sales is lower by 33% to ₱3.2 billion due to lower realized sales. Cost of amusement services increased by 34% from the previous year to ₱0.5 billion, as a function of higher amusement revenues. Cost of hotel operations increased by 21% to ₱5.0 billion, aligned with its robust revenue growth.

General and administrative expenses increased by 14% to ₱5.9 billion from ₱5.2 billion last year due to higher advertising and promotions, salaries and wages and taxes and licenses, partially offset by decrease in commission, among others.

Other income (losses) decreased from (₱2.1 billion) last year to (₱0.9 billion) this year mainly due to the one-time gain from the reclassification of the Company's investment in GoTyme, share in net loss of a joint venture in 2023 which is not present in 2024 as a result of the reclassification, and higher interest income, partially offset by increase in interest expense on loans.

d) Equity in net earnings of associates and joint ventures

Total equity in net earnings of associates and joint ventures amounted to ₱16.9 billion for the year ended December 31, 2024, a 19% increase from last year's ₱14.2 billion driven primarily by higher equity in net earnings of **Meralco** from ₱9.8 billion in 2023 to ₱11.9 billion in 2024 primarily driven by the record distribution sales volumes it saw in 2024, while being supported by increased contributions from its power generation and retail electricity supply businesses.

The equity income derived from **Singapore Land Group (SLG)** also improved, increasing to ₱3.3 billion from the previous year's ₱2.5 billion due to improved hotel operations plus increased rental rates and occupancy rates in its property investments.

e) Dividend income

Dividends received from PLDT in 2024 declined 11% to ₱2.3 billion due to the absence of the special dividends declared in 2023. Nonetheless, its regular dividends increased by ₱2 to ₱96 per share this year.

With the effectivity of the merger between Bank of the Philippine Islands (BPI) and Robinsons Bank at the start of the year, JGS received its first set of dividends from BPI at ₱1.98 per share, totaling to ₱746 million.

iii. Financial Condition

In Millions	December 31, 2024	December 31, 2023	Horizontal Inc (Dec)		Vertical 2025	Vertical 2024
ASSETS						
Current Assets						
Cash and cash equivalents	**47,772**	37,944	9,828	25.9%	5%	4%
Financial assets at fair value through profit or loss	**7,134**	7,259	(124)	-1.7%	1%	1%
Financial assets at FVOCI	**6,717**	8,403	(1,687)	-20.1%	1%	1%
Receivables	**42,426**	45,062	(2,636)	-5.8%	4%	4%
Inventories	**98,369**	99,912	(1,543)	-1.5%	10%	10%
Advances to suppliers and contractors	**10,853**	6,970	3,882	55.7%	1%	1%
Assets held for sale	**3,541**	171,287	(167,746)	-97.9%	0%	16%
Other current assets	**15,951**	18,476	(2,525)	-13.7%	2%	2%
Total Current Assets	**232,763**	395,313	(162,550)	-41.1%	22%	36%
Noncurrent Assets						
Financial assets at FVOCI	**57,889**	34,213	23,676	69.2%	6%	3%
Receivables	**9,695**	7,354	2,342	31.8%	1%	1%
Investments in associates and joint ventures	**163,372**	152,001	11,372	7.5%	17%	15%
Property, plant and equipment	**286,294**	270,080	16,213	6.0%	30%	26%
Investment properties	**136,460**	129,077	7,383	5.7%	14%	12%
Right-of-use assets	**106,078**	77,753	28,325	36.4%	11%	7%
Goodwill	**20,788**	19,201	1,586	8.3%	2%	2%
Intangible assets	**7,284**	6,123	1,161	19.0%	1%	1%
Advances to suppliers and contractors	**4,908**	4,937	(29)	-0.6%	1%	0%
Other noncurrent assets	**16,967**	16,204	763	4.7%	2%	2%
Total Noncurrent Assets	**809,735**	716,944	92,791	12.9%	78%	64%
	1,042,498	1,112,257	(69,759)	-6.3%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	**80,436**	80,887	(451)	-0.6%	8%	8%
Short-term debts	**66,241**	63,525	2,716	4.3%	7%	6%
Current portion of:						
Long-term debts	**34,641**	44,984	(10,343)	-23.0%	4%	4%
Lease liabilities	**13,744**	9,526	4,219	44.3%	1%	1%
Income tax payable	**667**	733	(66)	-8.9%	0%	0%
Liabilities directly associated with assets held for sale	**-**	151,292	(151,292)	-100.0%	0%	15%
Other current liabilities	**32,822**	24,347	8,475	34.8%	3%	2%
Total Current Liabilities	**228,551**	375,294	(146,743)	-39.1%	24%	36%
Noncurrent Liabilities						
Noncurrent portion of:						
Long-term debts	**213,664**	193,152	20,512	10.6%	22%	19%
Lease liabilities	**103,628**	75,923	27,706	36.5%	11%	7%
Deferred tax liabilities	**5,302**	5,484	(183)	-3.3%	1%	1%
Other noncurrent liabilities	**17,218**	17,325	(107)	-0.6%	2%	2%
Total Noncurrent Liabilities	**339,813**	291,884	47,928	16.4%	35%	28%
Total Liabilities	**568,364**	667,178	(98,815)	-14.8%	59%	64%
Equity						
Equity attributable to equity holders of the Parent Company:						
Paid-up capital	**52,727**	52,727	-	0.0%	5%	5%
Retained earnings	**279,255**	260,836	18,419	7.1%	29%	25%
Equity reserve	**46,788**	40,848	5,940	14.5%	5%	4%
Reserves of disposal group held for sale	**-**	(275)				
Other comprehensive loss	**(14,328)**	(18,233)	3,904	21.4%	-1%	-2%
	364,441	335,903	28,263	8.5%	38%	32%
Non-controlling interests	**109,693**	109,175	518	0.5%	11%	10%
Total Equity	**474,135**	445,079	28,781	6.5%	49%	43%
	1,042,498	1,112,257	(70,033)	-6.3%	107%	107%

The Group's balance sheet remains robust, providing a solid financial base to support growth across its operations, and has sustained its trillion level status. As of December 31, 2024, the Group reported consolidated assets totaling ₱1.04 trillion. The current ratio stands at 1.02. Furthermore, the Group's indebtedness is well-managed, with a gearing ratio of 0.66, comfortably within the financial covenant limit of 2.0. The net debt, amounting to ₱256.2 billion, translates to a net debt-to-equity ratio of 0.54.

As of December 31, 2024, the Group holds cash and cash equivalents amounting to ₱47.8 billion, which is slightly decrease from the ₱49.5 billion (including Robinsons Bank's) reported as of December 31, 2023. The Group's cash requirements have been met primarily through operating activities, resulting in a net cash flow provided by operating activities of ₱52.7 billion in 2024. Net cash used in investing activities amounted to ₱42.2 billion which were predominantly utilized to the Group's capital expenditures and cash transferred due to a merger, partially offset by the proceeds from the sales and leaseback transactions, refunds of pre-delivery payments, and receipt of dividends. Net cash used in financing activities amounted to ₱12.2 billion primarily resulted from lease liability and dividend payments; and the purchase of treasury shares, partly offset by the proceeds from the partial sale of equity interest in RL Commercial REIT, Inc. (RCR) and net settlement of loans.

The Group's capital expenditures totaling ₱76.7 billion in 2024 include URC's continued for expansions, sustainability, and facility upgrades; RLC's investments in land and construction costs for developing real estate properties; CEB's additional aircraft acquisition; and JGSOC's tail-end expansion projects and capitalizable maintenance capex.

As of December 31, 2024, the Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period that would have a significant impact on the Group's operations and/or financial condition.

As of December 31, 2024, except as otherwise disclosed in the financial statements and to the best of the Group's knowledge and belief, there are no events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

Material Changes in the 2024 Financial Statements
(Increase/Decrease of 5% or more versus 2023)

Material changes in the Statements of Consolidated Comprehensive Income were explained in detail in the management discussion and analysis or plan of operations stated above.

Consolidated Statements of Financial Position- December 31, 2024 versus December 31, 2023

51.6% increase in Financial assets at FVOCI ((including Noncurrent Portion)
Due to higher valuation of BPI and PLDT investments.

32.4% increase in Advances to Suppliers (including Noncurrent Portion)
Mainly due to higher advances for URC's importation of raw materials, spare parts, sugar, and capital expenditures and CEB's maintenance services.

13.7% decrease in Other Current Assets
Due to decline in JGSOC and RLC input VAT during the period

7.5% increase in Investment in Associates and Joint Ventures (JVs)
Due to the recognized share in the net earnings of associates and joint venture during the period mainly from Meralco, SLG and SRPI coupled with the additional investments in GoTyme Bank.

6.0% increase in Property and Equipment
Due to aircraft acquisitions and other capital expenditures, partly offset by depreciation expense during the period.

5.7% increase in Investment Properties
Due to investments in land as well as capital expenditures incurred for the ongoing construction and development of real estate properties, net of depreciation during the year.

36.4% increase in Right-of-Use Assets
Due to new aircraft deliveries during the period, offset by depreciation during the period.

8.3% increase in Goodwill
Mainly due to the provisional goodwill arising from the acquisition of new subsidiary during the period; and URC's translation of goodwill.

19.0% increase in Intangible Assets
Mainly due to the recognition of new intangible assets arising from acquisition of new subsidiary and URC's translation of intangible assets.

37.4% increase in Lease Liabilities (including Noncurrent Portion)
Due to additional lease liability set up for various aircraft delivered in 2024 offset by payments made during the period.

34.8% increase in Other Current Liabilities
Due to (i) CEB's higher unearned transportation revenue from significantly higher forward bookings as of December 31, 2024 compared to December 31, 2023, in line with the increased airline services demand during the period; and (ii) RLC's higher deposits from real estate buyers and lessees.

21.4% increase in Other Comprehensive Income
Due to the increases in market value of the Group's investments in PLDT and BPI; along with an increase in URC cumulative translation adjustments.

14.5% increase in Equity Reserve
Mainly due to the gain from RLC's sale of RCR shares *(sale of interest in a subsidiary without loss of control)*.

Stockholders' equity, excluding minority interest, stood at ₱364.4 billion as of December 31, 2024 from ₱335.9 billion last year.

Book value per share amounted to ₱48.46 as of December 31, 2024 from ₱44.66 as of December 31, 2023.

C. Year Ended December 31, 2023 versus same period in 2022

i. Consolidated Operations

In Millions Except Per Share Amounts	For the Years Ended December 31		Horizontal		Vertical	
	2023	2022	Inc (Dec)		2023	2022
REVENUE						
Sale of goods and services:						
Foods	**157,752**	149,124	8,628	6%	51%	55%
Air transportation	**90,603**	56,751	33,851	60%	29%	21%
Real estate and hotels	**39,034**	43,380	(4,346)	-10%	13%	16%
Equity in net earnings of associates and joint ventures	**14,189**	11,852	2,337	20%	5%	4%
Dividend income	**2,870**	3,069	(199)	-6%	1%	1%
Supplementary businesses	**7,532**	7,521	10	0%	2%	3%
	311,979	271,698	40,281	15%	100%	100%
COST OF SALES AND SERVICES						
Cost of Sales	**125,920**	130,625	(4,705)	-4%	40%	48%
Cost of Services	**87,872**	74,822	13,050	17%	28%	28%
	213,792	205,448	8,345	4%	69%	76%
GROSS INCOME	**98,187**	66,250	31,937	48%	31%	24%
GENERAL AND ADMINISTRATIVE EXPENSES	**40,579**	35,527	5,052	14%	13%	13%
OPERATING INCOME	**57,608**	30,724	26,884	88%	18%	11%
OTHER INCOME (LOSSES)						
Impairment losses and others	**(358)**	(459)	101	22%	0%	0%
Financing costs and other charges:						
Financing and others	**(9,852)**	(7,787)	(2,065)	-27%	-3%	-3%
PFRS 16 Leases	**(2,440)**	(1,315)	(1,125)	-86%	-1%	0%
Finance income	**1,943**	1,682	260	15%	1%	1%
Foreign exchange gains (losses)	**(300)**	(6,637)	6,337	95%	0%	-2%
Market valuation losses on derivative financial instruments	**880**	978	(98)	-10%	0%	0%
Market valuation gains (losses) on financial assets at fair value through profit or loss	**373**	(273)	646	237%	0%	0%
Others	**1,252**	7,178	(5,926)	-83%	0%	3%
INCOME BEFORE INCOME TAX	**49,107**	24,091	25,016	104%	16%	9%
PROVISION FOR INCOME TAX	**2,628**	2,783	(155)	-6%	1%	1%
NET INCOME FROM CONTINUING OPERATIONS	**46,478**	21,308	25,170	118%	15%	8%
NET LOSS FROM DISCONTINUED OPERATIONS	**(12,351)**	(13,266)	915	7%	-4%	-5%
	34,127	8,041	26,086	324%	11%	3%
NET INCOME ATTRIBUTABLE TO						
Equity holders of the Parent Company	**20,045**	651	19,394	2981%	6%	0%
Non-controlling interests	**14,082**	7,391	6,691	91%	5%	3%
	34,127	8,041	26,086	324%	11%	3%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Continuing Operations	**32,669**	14,552	18,117	124%	10%	5%
Discontinued Operations	**(12,624)**	(13,901)	1,277	9%	-4%	-5%
	20,045	651	19,394	2981%	6%	0%
Earnings Per Share Attributable to Equity Holders of the Parent Company						
Basic/diluted earnings per share	**2.66**	0.08	2.58	3060%		

Airline rebound and groupwide margin gains tripled JG Summit's 2023 core profits

JG Summit Holdings, Inc. (JGS), one of the largest and most diversified Philippine conglomerates, saw its core net income from continuing operations posted double-digit growth to ₱32.1 billion in 2023, from ₱19.0 billion in 2022. This robust performance came from the significant turnaround in the Company's airline, along with expanding margins in its property and food businesses and tapering losses from its petrochemical unit.

These financial results were delivered on the back of a 15% increase in total revenues of ₱312.0 billion, owing to the first full year of unrestricted travel demand coupled with the broad-based growth in its real estate unit and the steady improvement in its food and petrochemical sales. Despite the absence of the ₱3.2 billion gain on sale of Meralco shares that was recognized in 2022, JG Summit's consolidated core net income surged 69% year-on-year (YoY) as the strong topline was boosted by better operating margins across all its subsidiaries. Incorporating more favorable foreign exchange (FX) and mark-to-market adjustments, net income leapt to ₱20.0 billion, 30x the ₱0.7 billion reported in the same period last year (SPLY).

Consolidated cost of sales and services in 2023 increased only by 4.1% from ₱205.4 billion last year to ₱213.8 billion this year mainly as the higher fuel consumption of CEB and input costs of URC, were offset by the decline in costs of RLC.

The Group's general and administrative expenses increased by 14.2% to ₱40.6 billion in 2023 from ₱35.5 billion in 2022 driven by URC's higher advertising and promotions, freight costs and personnel-related expenses.

As a result, Consolidated Operating Income or EBIT from continuing operations amounted to ₱57.6 billion in 2023, 87.5% increase from ₱30.7 billion in 2022. Consolidated EBITDA from continuing operations amounted to ₱82.8 billion in 2023, 53.6% increase from ₱53.9 billion in 2022.

The Group's financing costs and other charges, net of interest income, increased by 39.5% to ₱10.3 billion this year from last year's ₱7.4 billion due to higher interest rates and higher level of interest-bearing liabilities.

Market valuation gains recognized from financial assets and derivative instruments in 2023 amounted to ₱1.3 billion, 77.7% higher from ₱705 million in 2022 mainly attributable to the increase in market values of the Group's equity investments, partly offset by CEB's lower market valuation gains from its convertible bonds' embedded derivative and fuel derivatives.

The Group recognized a lower net foreign exchange (FX) loss of ₱300 million in 2023 from ₱6.6 billion in 2022 primarily driven by the slight appreciation of Philippine Peso vis-à-vis US dollar this year compared to significant depreciation last year.

Impairment losses decreased to ₱358 million in 2023 from ₱459 million in 2022. In both years, impairment losses mainly related to farm assets, with the lower amount in 2023 reflecting reduced impairment recognized during the year.

Other income amounted to ₱1.3 billion in 2023 versus ₱7.2 billion in 2022 primarily due to last year's ₱3.2 billion gain on the sale of some MER shares and ₱3.3 billion gain on URC's sale of property.

Provision for income tax decreased to ₱2.6 billion in 2023 from ₱2.8 billion in 2022.

The Group's net income after tax from continuing operations in 2023 amounted to ₱32.7 billion, 124.0% increase from ₱14.6 billion in 2022, mainly driven by higher operating income, market valuation gains and lower foreign exchange losses, partly offset by higher interest expense and lower other income.

The Group's net loss after tax from discontinued operations amounted to ₱12.6 billion in 2023 and ₱13.9 billion in 2022 which pertains to the result of operations of JGSOC, URC China in 2023 and including RBC in 2022.

ii. Segment Operations

a) Foods

URC generated a consolidated sale of goods and services of ₱157.8 billion for the year ended December 31, 2023, ahead by 5.8% against last year. URC's consolidated sales in 2023 reflected growth across most business segments. The BCF segment increased by 2.5% to ₱107.8 billion from ₱105.2 billion in 2022, driven by price increases in domestic operations, which grew 2.7% to ₱75.6 billion, and continued growth in international markets, particularly Vietnam and Malaysia, where international sales increased to ₱32.2 billion from ₱31.5 billion. BCF accounted for 68.3% of total consolidated sales. ANH sales rose by 18.7% to ₱15.2 billion from ₱12.8 billion on strong volumes and improved pricing in hogs and pet food. Commodities sales increased by 11.6% to ₱34.8 billion from ₱31.2 billion, led by higher sugar volumes and prices, while Renewables also posted double-digit growth. Flour sales grew by 10.1% to ₱6.3 billion from ₱5.7 billion on improved commercial flour volumes. These gains were partially offset by lower sales in Farms and Packaging due to reduced volumes.

URC's cost of sales consists primarily of raw and packaging materials costs, manufacturing costs and direct labor costs. Cost of sales increased by ₱4.8 billion or 4.3% to ₱115.0 billion in 2023 from ₱110.2 billion recorded in 2022 with some key commodities remaining elevated.

URC's gross profit for 2023 amounted to ₱42.7 billion, higher by ₱3.9 billion or 9.9% from ₱38.9 billion reported in 2022. Gross profit margin increased by 102 basis points from 26.1% in 2022 to 27.1% in 2023 due to higher selling prices and cost savings, offsetting the impact of higher input costs.

URC's selling and distribution costs and general and administrative expenses increased by 7.2% or ₱1.7 billion to ₱25.4 billion in 2023 from ₱23.7 billion in 2022, primarily due to higher advertising and promotions, increased freight and delivery costs, and higher personnel expenses driven by wage increases.

As a result of the above factors, operating income increased by ₱2.2 billion or 14.2% to ₱17.4 billion in 2023 from ₱15.2 billion reported in 2022. URC's operating income improved across most segments in 2023. The BCFG segment increased by 9.4% to ₱12.1 billion, driven by growth in both domestic operations on the back of price increases and cost savings, and international operations, which rose 27.2% due to stronger topline performance and continued cost-efficiency initiatives. ANH posted a 34.3% increase in operating income on higher volumes and lower input costs. The Commodities segment grew 11.9%, supported by improved performance across Sugar, Renewables, and Flour, although Sugar margins began to normalize. Operating losses from Farms narrowed significantly, while the Packaging division incurred an operating loss due to lower volumes and selling prices.

URC reported an EBITDA (operating income plus depreciation and amortization) of ₱23.8 billion in 2023, 10.6% higher than ₱21.5 billion posted in 2022.

URC's finance costs consist mainly of interest expense, which increased by ₱782 million to ₱1.6 billion in 2023 from ₱806 million recorded in 2022, mostly due to higher interest rates.

URC's finance revenue consists of interest income from money market placements, savings and dollar deposits, as well as dividend income from investments in equity securities. Finance revenue increased by ₱38 million to ₱311 million in 2023 from ₱274 million in 2022 due to higher interest income from money market placements and bank savings.

Equity in net losses of joint ventures decreased to ₱287 million in 2023 from ₱379 million in 2022 due to lower equity take up in net losses of Vitasoy-URC, Inc. (VURCI) this year, partly offset by equity take-up in net losses of Danone Universal Robina Beverages, Inc. (DURBI).

Net foreign exchange gain decreased by ₱114 million to ₱259 million in 2023 from the ₱373 million in 2022 driven by appreciation of Philippine Peso compared to last year's depreciation.

Impairment losses decreased by ₱91 million to ₱236 million in 2023 from ₱327 million in 2022 due to lower provisions for impairment losses of farm assets this year.

Market valuation gain on financial instruments at fair value through profit or loss increased to ₱172 million in 2023 from ₱70 million in 2022 driven by increase in market value of equity investments.

Other income (losses) - net consists of gain on sale of fixed assets, rental income, and miscellaneous income and expenses. Other losses - net amounted to ₱321 million in 2023, while other income - net of ₱3.0 billion was recorded in 2022. A significant gain on sale of an investment property was recorded last year.

URC recognized a provision for income tax of ₱3.0 billion in 2023, a 0.6% decrease from ₱3.0 billion in 2022 due to lower taxable income.

URC's net income amounted to ₱12.7 billion in 2023, lower by ₱1.8 billion or 12.2%, from ₱14.5 billion in 2022, driven by cycling of last year's gain on sale of investment property.

Net income attributable to equity holders of the parent decreased by ₱1.9 billion or 13.4% to ₱12.1 billion in 2023 from ₱14.0 billion in 2022 as a result of the factors discussed above.

NCI represents primarily the share in the net income attributable to non-controlling interest of Nissin-URC (51.0%-owned). NCI in net income of subsidiaries increased from ₱515 million in 2022 to ₱613 million in 2023.

b) Air transportation

CEB generated revenues amounting to ₱90.6 billion for the year ended December 31, 2023, 59.6% higher than the ₱56.8 billion revenues earned in the same period last year. The overall increase in revenues was primarily driven by a significant increase in passenger volume, especially for international destinations as CEB continues its ramp-up its international network. International flights increased by 165.2% compared to the same period last year. The increase in revenues is accounted for as follows: (1) Passenger revenues increased by ₱27.3 billion or 77.7% to ₱62.5 billion from ₱35.1 billion generated in 2022. This was brought about by the increase in seat load factor from 75.3% to 84.0%, together with 259.5% increase in international passengers to 4.8 million from 1.3 million same period last year. With an overall increase in travel demand, and as more passengers fly longer international routes, average fares increased by 26.4% to ₱2,993 from ₱2,367 for 2022; (2) Cargo revenues decreased by ₱3.1 billion or 43.0% to ₱4.1 billion from ₱7.1 billion generated in 2022 due to 41.3% decrease in yield coupled with 1.5% decrease in cargo volume carried; and (3) Ancillary revenues increased by ₱9.6 billion or 66.2% to ₱24.1 billion from ₱14.5 billion generated in 2022, mainly due to higher passenger volume and higher take up of ancillary products and services as more passengers flew international flights.

CEB incurred operating expenses of ₱82.0 billion, higher by 20.3% compared to ₱68.2 billion incurred in 2022. The increase was mainly driven by the increase in CEB's operations, since a material portion of its expenses are based on flights and flight hours. The weakening of the

Philippine peso against the U.S. Dollar as referenced by the depreciation of the Philippine peso to an average of ₱55.63 per U.S. Dollar for 2023 from an average of ₱54.50 per U.S. Dollar in based on the Philippine Bloomberg Valuation (PH BVAL) weighted average rates also contributed to the increase in operating expenses.

As a result of the foregoing, CEB earned an operating income of ₱8.6 billion for the year ended December 31, 2023, a reversal from the ₱11.4 billion operating loss incurred for the same period last year.

Interest income increased by ₱504.7 million or 163.7% to ₱812.9 million from ₱308.3 million earned in 2022 largely due to increased placements in 2023 and higher average interest rates for cash in bank and short-term placements.

In 2023 and 2022, CEB received ₱17.9 million and ₱6.2 million, respectively, pertaining to insurance proceeds claimed for damages sustained from several incidents and loss events in prior periods.

CEB's market valuation gains amounting to ₱880.2 million originated from the market valuation gains recognized from its convertible bonds' embedded derivative and fuel derivatives. In the same period last year, CEB incurred a gain of ₱997.9 million.

During 2023, CEB entered into sale-and-leaseback transactions that resulted to a gain of ₱1.2 billion. In 2022, CEB entered into swap transactions to replace its two (2) engines resulting to the recognition of gain on exchange amounting to ₱99.5 million, and a sale and lease back transactions that resulted to a gain of ₱1.5 billion. Additionally, CEB entered into a buyback agreement which resulted to a loss of ₱381.6 million. Lastly, CEB has written down various property and equipment and recognized loss amounting to ₱427.6 million.

CEB had equity in net income of joint ventures and associates of ₱58.6 million, a reversal from the ₱113.3 million equity in net loss of joint venture and associates incurred in the same period last year, as CEB's joint ventures and associates reported a net profit during the current period.

Interest expense and accretion expense from lease liability increased by ₱1.9 billion or 55.5% to ₱5.3 billion for the year ended December 31, 2023 from ₱3.381 billion for the same period last year due to the additional aircraft deliveries during the year. The increase is coupled with the increase in bank interest rates for debts and the effect of depreciation of the Philippine Peso against the U.S. Dollar.

As a result of the foregoing, Net income for the year ended December 31, 2023 amounted to ₱7.9 billion, a turnaround from the ₱14.0 billion net loss incurred for the year ended December 31, 2022.

c) Real estate and hotels

RLC generated total gross revenues of ₱39.0 billion for calendar year 2023, a decrease of 10% from ₱43.4 billion the previous year mainly due to a high base in 2022 on account of the recognition of revenues from CDXY's phase 2. EBIT and EBITDA continue to improve coming in for a 22.8% increase to ₱17.3 billion and 17.9% increase to ₱22.8 billion, respectively. This translated to a record consolidated net income of ₱13.4 billion, 20.0% higher versus the same period last year. Meanwhile, net income attributable to equity shareholders of RLC rose by 24% to ₱12.1 billion.

The Commercial Centers Division accounted for 38% of total RLC revenues to close at ₱16.2 billion in 2023, 24% higher versus previous year driven by sustained strength of consumer

spending and robust retail sales and on the back of higher occupancy. Amusement revenues increased significantly by 79% due to re-opening of more cinemas during calendar year 2023. Meanwhile, EBITDA increased by 41% to ₱9.3 billion while EBIT ballooned by 94% to ₱5.9 billion year-on-year. Robinsons Malls continues to assert itself as the second largest mall operator in the country highlighted by its 54 lifestyle centers.

Robinsons Offices sustained its upward trajectory in 2023 with a 4% growth from the previous year, posting revenues at ₱7.4 billion and contributed 18% to consolidated revenues. This steady performance is primarily driven by the sustained occupancy of majority of its portfolio, which consists of 31 quality assets in strategic locations. EBITDA increased by 3% to ₱6.4 billion behind cost efficiencies while EBIT growth is flat at ₱5.3 billion due to the full year depreciation of offices completed in 2022.

RLC Residences and Robinsons Homes posted combined realized revenues of ₱12.0 billion in 2023, contributing 28% to consolidated revenues. The robust performance was driven by higher collections and faster completion of RLC's residential projects coupled with significant contribution from its joint venture equity earnings. EBITDA and EBIT surged by 35% and 36% to ₱4.7 billion and ₱4.6, billion, respectively.

With the complete lifting of travel restrictions, resurgence of domestic tourism, and re-opening of international borders, Robinsons Hotels and Resorts' revenues almost doubled versus last year to ₱4.6 billion, accounting for 11% of consolidated revenues. Higher average room rates, increased food and beverage sales, and the revival of Meetings, Incentives, Conferences and Exhibitions (MICE) events positioned RLC's hospitality business on a trajectory for solid financial performance in 2023. EBITDA climbed 303% to ₱1.1 billion; while EBIT rose by 293% to ₱0.4 billion.

Robinsons Logistics and Industrial Facilities continues to make strides in its pursuit of becoming a market leader in the industrial and logistics sector. Industrial leasing revenues accelerated by 24% versus last year to ₱0.7 billion in 2023 driven by the full-year contribution of new industrial facilities. EBITDA and EBIT escalated 32% and 38% to end at ₱0.6 billion and ₱0.5 billion, respectively.

Robinsons Destination Estates (*formerly Integrated Developments Division*) realized revenues registered at ₱1.2 billion in 2023 from a portion of the deferred gain on the sale of parcels of land to joint venture entities, an 80% growth versus the previous year. EBITDA and EBIT amounted to ₱0.7 billion during the period.

Cost of real estate sales is lower by 66% to ₱4.8 billion since last year includes Phase 2 of CDXY. Cost of amusement services notably increased by 66% from the previous year to ₱0.3 billion, also as a function of significantly higher amusement revenues. Cost of hotel operations increased by 62% to ₱4.1 billion due to higher level of operations with the resurgence of tourism and also due to newly opened hotel in 2023.
General and administrative expenses increased by 19% to ₱5.2 billion from ₱4.4 billion last year due to increase in advertising and promotions, salaries and wages, and commission, among others.

Other income (losses) increased from (₱1.1 billion) last year to (₱2.1 billion) this year mainly due to higher interest expense, lower gain from foreign exchange which mainly relates to foreign currency denominated transactions of RLC's foreign subsidiary and higher share in net loss of a joint venture.

d) Equity in net earnings of associates and joint ventures

Total equity in net earnings of associates and joint ventures amounted to ₱14.2 billion for the year ended December 31, 2023, a 20% increase from last year's ₱11.9 billion driven primarily by higher equity in net earnings of **Meralco** from ₱7.8 billion in 2022 to ₱9.8 billion in 2023 primarily driven by substantial contributions from both its power generation and retail electricity segments. Additionally, the continued expansion of its distribution business further bolstered these positive results.

The equity income derived from **Singapore Land Group (SLG)** experienced a decline, dropping to ₱2.5 billion from the previous year's ₱3.0 billion. This reduction was attributed to decreased contributions from residential projects, as most of them were substantially sold off by the end of 2022. On a brighter note, the recovery of the hospitality industry positively impacted hotel operations.

e) Dividend income

The Group saw 8% lower dividends from **PLDT**, Inc. totaling to ₱2.6 billion as the telecommunications company halved its special dividends from tower sales to ₱14 per share. Nonetheless, its regular dividends increased by ₱5 to ₱94 per share.

iii. Financial Condition

In Millions	December 31, 2023	December 31, 2022	Horizontal Inc (Dec)		Vertical 2025	2024
ASSETS						
Current Assets						
Cash and cash equivalents	**37,944**	79,072	(41,128)	-52.0%	4%	8%
Financial assets at fair value through profit or loss	**7,259**	7,246	13	0.2%	1%	1%
Financial assets at FVOCI	**8,403**	9,250	(847)	-9.2%	1%	1%
Receivables	**45,062**	41,427	3,634	8.8%	5%	4%
Inventories	**99,912**	92,052	7,860	8.5%	10%	9%
Advances to suppliers and contractors	**6,970**	6,434	536	8.3%	1%	1%
Assets held for sale	**171,287**	166,141	5,146	3.1%	18%	16%
Other current assets	**18,476**	18,884	(408)	-2.2%	2%	2%
Total Current Assets	**395,313**	420,506	(25,193)	-6.0%	38%	38%
Noncurrent Assets						
Financial assets at FVOCI	**34,213**	34,822	(609)	-1.7%	4%	3%
Receivables	**7,354**	6,594	760	11.5%	1%	1%
Investments in associates and joint ventures	**152,001**	143,295	8,706	6.1%	16%	14%
Property, plant and equipment	**270,080**	256,036	14,045	5.5%	28%	25%
Investment properties	**129,077**	123,083	5,994	4.9%	13%	12%
Right-of-use assets	**77,753**	45,067	32,686	72.5%	8%	4%
Goodwill	**19,201**	20,085	(883)	-4.4%	2%	2%
Intangible assets	**6,123**	5,890	233	4.0%	1%	1%
Advances to suppliers and contractors	**4,937**	4,441	496	11.2%	1%	0%
Other noncurrent assets	**16,204**	13,383	2,821	21.1%	2%	1%
Total Noncurrent Assets	**716,944**	652,695	64,249	9.8%	69%	59%
	1,112,257	1,073,202	39,055	3.6%	107%	96%
LIABILITIES AND EQUITY						
Current Liabilities						
Accounts payable and accrued expenses	**80,887**	70,279	10,608	15.1%	8%	7%
Short-term debts	**63,525**	91,917	(28,393)	-30.9%	7%	9%
Current portion of:						
Long-term debts	**44,984**	70,460	(25,476)	-36.2%	5%	7%
Lease liabilities	**9,526**	6,281	3,244	51.7%	1%	1%
Income tax payable	**733**	623	109	17.6%	0%	0%
Liabilities directly associated with assets held for sale	**151,292**	146,352	4,940	3.4%	16%	14%
Other current liabilities	**24,347**	21,170	3,177	15.0%	3%	2%
Total Current Liabilities	**375,294**	407,084	(31,791)	-7.8%	39%	39%
Noncurrent Liabilities						
Noncurrent portion of:						
Long-term debts	**193,152**	167,203	25,949	15.5%	20%	16%
Lease liabilities	**75,923**	44,906	31,017	69.1%	8%	4%
Deferred tax liabilities	**5,484**	5,253	231	4.4%	1%	1%
Other noncurrent liabilities	**17,325**	21,390	(4,065)	-19.0%	2%	2%
Total Noncurrent Liabilities	**291,884**	238,753	53,132	22.3%	30%	23%
Total Liabilities	**667,178**	645,837	21,341	3.3%	69%	62%
Equity						
Equity attributable to equity holders of the Parent Company:						
Paid-up capital	**52,727**	52,749	(22)	0.0%	5%	5%
Retained earnings	**260,836**	243,816	17,020	7.0%	27%	23%
Equity reserve	**40,848**	39,129	1,719	4.4%	4%	4%
Reserves of disposal group held for sale	**(275)**	(374)	99	26.5%	0%	0%
Other comprehensive loss	**(18,233)**	(15,388)	(2,845)	-18.5%	-2%	-1%
	335,903	319,932	15,971	5.0%	35%	31%
Non-controlling interests	**109,175**	107,433	1,743	1.6%	11%	10%
Total Equity	**445,079**	427,365	17,714	4.1%	46%	41%
	1,112,257	1,073,202	39,055	3.6%	115%	103%

The Group's balance sheet maintains a robust financial foundation to propel growth across its operations. As of December 31, 2023, the consolidated assets have surged to ₱1.112 trillion, up from ₱1.073 trillion at the end of 2022. The current ratio stands at 1.05, reflecting a healthy liquidity position. Additionally, the Group's indebtedness remains well-managed, with a gearing ratio of 0.68, comfortably within the financial covenant limit of 2.0. The net debt, amounting to ₱252.0 billion, translates to a net debt to equity ratio of 0.57.

As of December 31, 2023, the Group holds cash and cash equivalents amounting to ₱49.5 billion (including Robinsons Bank's), a decrease from the ₱85.7 billion reported as of December 31, 2022. The Group's cash requirements have been met primarily through operating activities, resulting in a net cash flow provided by operating activities of ₱43.7 billion in 2023. Net cash used in investing activities amounted to ₱25.7 billion which were predominantly utilized to the Group's capital expenditures and acquisition of financial investments which were partially offset by dividends received, refund of pre-delivery payments, proceeds from sales and lease-back transactions, and maturity of investments. Net cash used in financing activities amounted to ₱54.1 billion primarily stemmed from debt settlements, dividend and lease payments and subsidiaries' purchase of treasury shares.

The Group's capital expenditures totaling ₱59.3 billion in 2023 include URC's capacity expansion initiatives, RLC's investment and development of both new and existing facilities and acquisition of land; CEB's additional aircraft acquisition; JGSOC's tail-end expansion projects and capitalizable maintenance capex.

As of December 31, 2023, the Group is not aware of any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period that would have a significant impact on the Group's operations and/or financial condition.

As of December 31, 2023, except as otherwise disclosed in the financial statements and to the best of the Group's knowledge and belief, there are no events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

Material Changes in the 2023 Financial Statements
(Increase/Decrease of 5% or more versus 2022)

Material changes in the Statements of Consolidated Comprehensive Income were explained in detail in the management discussion and analysis or plan of operations stated above.

Consolidated Statements of Financial Position- December 31, 2023 versus December 31, 2022

9.1% increase in Receivables (including Noncurrent Portion)
Due to higher trade receivables of URC, RLC and JGSOC partly offset by the full payment received from the sale of property to an affiliate.

8.5% increase in Inventories
Due to (i) higher level of finished goods of URC particularly in its Sugar business; (ii) RLC's increase in subdivision land, condominium and residential units for sale mainly due to additional cost incurred on all ongoing projects; (iii) CEB's increased expendable parts, materials and supplies kept in stock for operations, partly offset by (iv) JGSOC's decrease in inventory balances mainly from increased sales volumes after strategically implementing a three-month facility shutdown in February 2023.

9.5% increase in Advances to Suppliers (including Noncurrent Portion)
Due to increase in advances to suppliers related to purchase of inventories and capital expenditures of URC and prepaid expenses of CEB.

6.1% increase in Investment in Associates and Joint Ventures (JVs)
Due to the recognized share in the net earnings of associates and joint venture during the period mainly from Meralco, SLG and SRPI.

5.5% increase in Property and Equipment
Due to aircraft acquisitions and other capital expenditures, partly offset by depreciation expense during the period.

72.5% increase in Right-of-Use Assets
Due to new aircraft deliveries during the period, offset by depreciation during the period.

21.1% increase in Other Noncurrent Assets
Due to increase in security deposits of CEB and URC as well as CEB's increase in deferred tax asset mainly driven by higher future deductible amounts such as those from unrealized foreign exchange losses and net lease liabilities posted during the period

15.1% increase in Accounts Payable and Accrued Expenses
Due to additional trade payables of SOC and CEB and higher accruals for the period.

30.9% decrease in Short Term Debt
Due to the settlement of loans and trust receipts of JGSOC partly offset by the net loan availment of URC.

66.9% increase in Lease Liabilities (including Noncurrent Portion)
Due to additional lease liability set up for various aircraft delivered in 2023 offset by payments made during the period

15.0% increase in Other Current Liabilities
Due to (i) CEB's higher unearned transportation revenue from significantly higher forward bookings as of December 31, 2023 compared to December 31, 2022, in line with the increased airline services demand during the period; and (ii) RLC's higher deposits from real estate buyers and lessees.

19.0% decrease in Other Noncurrent Liabilities
Due to CEB's decrease in provision for asset retirement obligation and heavy maintenance visits coupled with the increase in applications during the year.

18.5% increase in Other Comprehensive Loss
Due to (i) market valuation losses on the Group's investments in FVOCI securities primarily driven by lower PLDT share price from ₱1,317 per share as of end-December 2022 to ₱1,279 per share as of end-December 2023, (ii) lower in the share of remeasurements of the net defined benefit liability of Meralco, and (iii) URC's decrease in cumulative translation adjustments.

Stockholders' equity, excluding minority interest, stood at ₱335.9 billion as of December 31, 2023 from ₱319.9 billion last year.

Book value per share amounted to ₱44.66 as of December 31, 2023 from ₱42.54 as of December 31, 2022.

D. KEY FINANCIAL INDICATORS

The Company sets certain performance measures to gauge its operating performance periodically and to assess its overall state of corporate health. Listed below are the major performance measures, which the Company has identified as reliable performance indicators. Analyses are employed by comparisons and measurements on a consolidated basis based on the financial data as of and for the year ended December 31, 2025, 2024 and 2023.

Key Financial Indicators	**2025**	2024	2023
Revenues	**₱368.5 billion**	₱337.0 billion	₱312.0 billion
EBIT	**₱67.0 billion**	₱61.7 billion	₱57.6 billion
EBITDA	**₱98.5 billion**	₱88.7 billion	₱82.8 billion
Core net income after taxes	**₱36.3 billion**	₱40.8 billion	₱32.1 billion
Net income (loss) attributable to equity holders of the Parent Company	**(₱88.3 billion)**	₱21.3 billion	₱20.0 billion
Liquidity Ratio:			
Current ratio	**1.16**	1.02	1.05
Solvency ratios:			
Gearing ratio	**0.73**	0.66	0.68
Net debt to equity ratio	**0.59**	0.54	0.57
Asset-to-equity ratio	**2.40**	2.20	2.50
Interest rate coverage ratio	**5.13**	6.15	6.74
Profitability ratio:			
Operating margin	**0.18**	0.18	0.18
Book value per share	**₱37.31**	₱48.46	₱44.66

The manner in which the Company calculates the above key performance indicators is as follows:

Key Financial Indicators		
Revenues	=	Total of sales and services, dividend income and equity in net earnings
EBIT	=	Operating income
EBITDA	=	Operating income add back depreciation and amortization expense and impairment loss on property, plant and equipment
Core net income after taxes	=	Net income attributable to equity holders of Parent Company as adjusted for the net effect of gains/losses on foreign exchange, market valuations and other nonrecurring items.
Current ratio	=	Total current assets over current liabilities
Gearing ratio	=	Total financial debt over total equity
Net debt to equity ratio	=	Total financial debt less cash including financial assets at FVTPL and FVOCI investments over total equity
Asset-to-equity ratio	=	Total assets over total equity
Interest rate coverage ratio	=	EBITDA over interest expense
Operating Margin	=	Operating income over total revenue
Book value per share	=	Stockholders' equity (equity attributable to parent excluding preferred capital stock) over outstanding number of common shares

E. COMMITMENTS AND CONTINGENT LIABILITIES

The Company, in the normal course of business, makes various commitments and has certain contingent liabilities that are not reflected in the accompanying consolidated financial statements. The commitments and contingent liabilities include various guarantees, commitments to extend credit, standby letters of credit for the purchase of equipment, tax assessments and bank guarantees through its subsidiary bank. The Company does not anticipate any material losses as a result of these transactions.

In addition, the Group has capital expenditure commitments which principally relate to the acquisition of aircraft which will be funded through CEB's internally generated cash from operations and borrowings (see Note 43 of the Consolidated Financial Statements).

F. TRENDS, EVENTS AND UNCERTAINTIES

Geopolitical tensions in the Middle East, particularly the continuing conflict in the region, contribute to heightened volatility in global energy and commodities markets. A sustained increase in oil and energy prices may affect the Group's operations, as energy-related inputs are significant cost components for several of the Group's businesses. Higher fuel, power, and logistics costs may place pressure on margins, particularly in the Group's more energy- and logistics-intensive segments, and may also lead to higher operating expenses across certain business units. Prolonged price increases could further affect consumer demand and require pricing adjustments, which may impact volumes and profitability.

At present, the Group continues to monitor developments in the global geopolitical and economic environment. Other than the matter discussed above, management is not aware of (i) any other known trends, events or uncertainties that have had or that are reasonably expected to have a material effect on revenues or income from continuing operations, (ii) any significant elements of income or loss that did not arise from the Company's continuing operations, or (iii) any event that may trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of obligations.

The Group's operations are not materially affected by seasonality, except for income generated from retail leasing activities and the airline business, which historically experience higher revenues during the months of January, March, April, May, and December, driven primarily by festivals and school holidays in the Philippines. Other than these, there are no seasonal factors that have a material effect on the Group's financial condition or results of operations.

G. DISCLOSURE OF EFFECTS OF PESO DEPRECIATION AND OTHER CURRENT EVENTS

Refer to Management Discussion and Analysis on pages 53-85 of this report and Note 4 to the Consolidated Financial Statements.

Item 7. Financial Statements

The Consolidated Financial Statements and schedules listed in the accompanying Index to Consolidated Financial Statements and Supplementary Schedules (page 100) are filed as part of this report.

Item 8. Information on Independent Accountant and other Related Matters

A. External Audit Fees and Services

Independent Public Accountants

The Company's independent public accountant is the accounting firm of SyCip Gorres Velayo & Co. (SGV & Co.). The same accounting firm is tabled for reappointment for the current year at the annual meeting of stockholders. The representatives of the principal accountant have always been present at prior year's meetings and are expected to be present at the current year's annual meeting of stockholders. They may also make a statement and respond to appropriate questions with respect to matters for which their services were engaged. The current handling partner of SGV & Co. has been engaged by the Company in 2025 and is expected to be rotated every seven (7) years.

Audit Fees

The following table sets out the aggregate fees billed for each of the last three (3) years for professional services rendered by the Group's external auditors.

	2025	2024	2023
Total audit fees	**₱58,377,645**	₱57,212,667	₱53,862,946
Non-audit fees			
Tax services	**–**	98,508	3,997,467
All other services**	**3,284,200**	5,210,875	2,988,000
	3,284,200	5,309,383	6,985,467
Total	**₱61,661,845**	₱62,522,050	₱60,848,413

**Fees include other EY affiliates internationally, being the accounting firm engaged by foreign subsidiaries*
***All other services mainly pertain to the professional fees for Low carbon policy risk assessment report in 2025, due diligence reviews in 2024, and issuance of comfort letter for bond offerings in 2023*

The audit committee's approval policies and procedures for the services rendered by the external auditors

The Corporate Governance Manual of the Company provides that the audit committee shall, among others:

1. Evaluate all significant issues reported by the external auditors relating to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company.
2. Ensure that other non-audit work provided by the external auditors is not in conflict with their functions as external auditors.
3. Ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

B. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

NONE.

PART III - CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

The names and ages of the directors, member of the advisory board and executive officers of the Company are as follows:

A. Directors

Name	Age	Position	Citizenship
James L. Go	86	Director, Chairman	Filipino
Lance Y. Gokongwei	59	Director, President and Chief Executive Officer	Filipino
Patrick Henry C. Go	56	Director and Executive Director	Filipino
Robina Gokongwei Pe	64	Director	Filipino
Johnson Robert G. Go, Jr.	61	Director	Filipino
Antonio L. Go	86	Director (Lead-Independent)	Filipino
Artemio V. Panganiban	89	Director (Independent)	Filipino
Bernadine T. Siy	67	Director (Independent	Filipino
Antonio Jose U. Periquet, Jr.	65	Director (Independent)	Filipino

B. Executive Officers

Name	Age	Position	Citizenship
Michael P. Liwanag	52	Chief Strategy Officer	Filipino
Maria Celia H. Fernandez-Estavillo	54	Chief Legal Officer and Corporate Secretary	Filipino
Renato T. Salud	62	Chief Corporate Affairs	Filipino
Aldrich T. Javellana	52	Senior Vice President and Treasurer	Filipino
Brian M. Go	52	Chief Finance and Risk Officer	Singaporean
David Gulliver G. Go	54	Chief Human Resources Officer	Filipino
Michele F. Abellanosa	55	Vice President, Corporate Controllership	Filipino
Rya Aissa S. Agustin	45	Chief Audit Executive	Filipino
Laurinda R. Rogero	49	Chief Compliance Officer	Filipino
Ma Cristina Bellaflor P. Alvarez	54	Chief Information Officer	Filipino
Maria Gay D. Advincula	43	Data Protection Officer	Filipino
Andre Ria B. Buzeta-Acero	46	Assistant Corporate Secretary	Filipino

All of the above directors and officers have served their respective offices since May 15, 2025.

Messrs. Antonio L. Go, Artemio V. Panganiban, Ms. Bernadine T. Siy, and Mr. Antonio Jose U. Periquet, Jr. are the independent directors of the Company as defined under SRC Rule 38.1.

The directors of the Company are elected at the annual stockholders' meeting to hold office until the next succeeding annual meeting and until their respective successors have been elected and qualified.

Officers and members of the advisory board are appointed or elected annually by the BOD. Appointed or elected officers and advisory board members are to hold office until a successor shall have been elected, appointed or shall have qualified.

A brief description of the directors, and executive officers' business experience and other directorships held in other reporting companies are provided as follows:

Directors

1. ***James L. Go***, 86, is the Chairman, and Non-Executive and Non-Independent Director of JGSHI since May 14, 2018. He is also the Chairman and Chief Executive Officer of Oriental Petroleum and Minerals Corporation, the Vice Chairman of Robinsons Retail Holdings, Inc., and a Board Advisor of Cebu Air, Inc. since January 1, 2023. He is the Chairman Emeritus of Universal Robina Corporation, Robinsons Land Corporation and JG Summit Olefins Corporation. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a Director of PLDT, Inc. since November 3, 2011, and is an Advisor to the Audit Committee and a member of the Technology Strategy and Risk Committees. He was elected a Director of Manila Electric Company on December 16, 2013, and is a member of the Executive, Finance, Nomination and Governance, Audit, Risk Management, and Related Party Transactions Committees. Mr. James L. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA.

2. ***Lance Y. Gokongwei***, 59, is the President and Chief Executive Officer and Executive Director of JGSHI since May 14, 2018. He is the Chairman of Cebu Air, Inc., Universal Robina Corporation, and Robinsons Land Corporation, and the Chairman, President and Chief Executive Officer of JG Summit Olefins Corporation effective October 1, 2025. He is a Director and Vice Chairman of Manila Electric Company, Vice Chairman of Maxicare Corporation and member of the Advisory Council of Bank of the Philippine Islands since April 2023. He is also a Director of Oriental Petroleum and Minerals Corporation, Singapore Land Group Limited, Shakey's Asia Pizza Ventures, Inc., SP New Energy Corporation, and was elected Director of Robinsons Retail Holdings, Inc. on July 25, 2025. He is a Trustee and the Chairman of the Gokongwei Brothers Foundation, Inc. He holds a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania.

3. ***Patrick Henry C. Go***, 56, has been a Non-Executive and Non-Independent Director of JGSHI since January 17, 2000, and was appointed Executive Director effective August 1, 2023. He holds the positions of Director and Executive Vice President of Universal Robina Corporation; Director, President, and Chief Executive Officer of Merbau Corporation; and Director of Robinsons Land Corporation, Manila Electric Company, Meralco Powergen Corporation, and JG Summit Olefins Corporation. He is a Trustee and Treasurer of the Gokongwei Brothers Foundation, Inc. He is the Chairman and Nominee of Caballes-Go Securities, Inc. He received a Bachelor of Science degree in Management from the Ateneo De Manila University and attended the General Management Program at Harvard Business School. Mr. Patrick Henry C. Go is a nephew of Mr. John L. Gokongwei, Jr.

4. ***Robina Gokongwei Pe,*** 64, has been a Non-Executive and Non-Independent Director of JGSHI since April 15, 2009. She is the Chairman of Robinsons Retail Holdings, Inc. (RRHI). Operating a diverse portfolio of brands, RRHI is one of the largest multi-format retailers in the country. She is also a Director of Robinsons Land Corporation and Cebu Air, Inc. She is a Trustee and the Secretary of the Gokongwei Brothers Foundation, Inc. and a Trustee and Vice Chairman of the Immaculate Concepcion Academy Scholarship Fund. She is also a member of the Xavier School Board of Trustees. She was formerly a member of the University of the Philippines Centennial Commission. She attended the University of the Philippines-Diliman

from 1978 to 1981 and obtained a Bachelor of Arts degree (Journalism) from New York University in 1984. She has two children, Justin, 30 and Joan, 20. She is married to Perry Pe, a lawyer.

5. ***Johnson Robert G. Go, Jr.***, 61, has been a Non-Executive and Non-Independent Director of JGSHI since August 18, 2005. He is currently a Director of Universal Robina Corporation, Robinsons Land Corporation, and A. Soriano Corporation. He is a Trustee of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Arts degree in Interdisciplinary Studies (Liberal Arts) from the Ateneo de Manila University. He is a nephew of Mr. John L. Gokongwei, Jr.

6. ***Antonio L. Go***, 86, has been a Non-Executive and Independent Director of JGSHI since May 28, 2018, and the Lead Independent Director since November 11, 2021. He is the Chairman of Equicom Savings Bank, ALGO Leasing and Finance, Inc., My Health Ventures Corporation, and the Vice Chairman of Maxicare Healthcare Corporation, and Maxicare Life Insurance Corporation. He is a Director of Equitable Development Corp.,Equitable Computer Services, Inc., Medilink Network, Inc., Equicom Manila Holdings, Inc., Equicom Property Holdings, Inc., Pin-An Holdings, Inc., Equicom Inc., Mioki Holdings Pte. Ltd., T32 Dental Centre Pte. Ltd. (Singapore), Dental Implant and Maxillofacial Centre Pte. Ltd. (Hong Kong), Steel Asia Manufacturing Corporation, Algo Healthcare Holdings Pte. Ltd., Equicom Health Solutions Pte. Ltd., Equicom Solutions, Inc., Maxicare Health Services, Inc., DDMP REIT, Inc. He is also a Non-Executive Officer of Dito Telecommunity Corporation. He is a Trustee of Go Kim Pah Foundation, Equitable Foundation, Inc., and Gokongwei Brothers Foundation, Inc. He graduated from Youngstown University, United States with a Bachelor of Science Degree in Business Administration. He attended the International Advanced Management program at the International Management Institute, Geneva, Switzerland, and the Financial Planning/Control program at the ABA National School of Bankcard Management, Northwestern University, United States.

7. ***Artemio V. Panganiban***, 89, has been a Non-Executive and Independent Director of JGSHI since May 14, 2021. He previously served as an Independent Director of Robinsons Land Corporation. He is concurrently an Adviser, Consultant and/or Independent Director of several business, civic, non-government and religious groups. He also writes a regular column in the Philippine Daily Inquirer. He is a retired Chief Justice of the Philippines and was concurrently Chairperson of the Presidential Electoral Tribunal, the Judicial and Bar Council and the Philippine Judicial Academy. Prior to becoming Chief Justice, he was Justice of the Supreme Court of the Philippines (1995-2005), Chairperson of the Third Division of the Supreme Court (2004-2005), Chairperson of the House of Representatives Electoral Tribunal (2004-2005), Consultant of the Judicial and Bar Council (2004-2005) and Chairperson of eight Supreme Court Committees (1998-2005). He authored fourteen (14) books. Retired Chief Justice Panganiban obtained his Bachelor of Laws degree, cum laude, from the Far Eastern University and placed 6th in the 1960 bar examination. He was conferred the title Doctor of Laws (Honoris Causa) by the University of Iloilo in 1997, the Far Eastern University in 2002, the University of Cebu in 2006, the Angeles University in 2006, and the Bulacan State University in 2006.

8. ***Bernadine T. Siy***, 67, has been a Non-Executive and Independent Director of JGSHI since June 3, 2024. Concurrently, she serves as an Independent Director of Cebu Air, Inc., PLDT, Inc. and Anvaya Cove Golf and Country Club, Inc. She is currently the Chairperson of the Board of Trustees of Ateneo de Manila University, and a fellow and trustee of the Foundation for Economic Freedom, an economic policy advocacy organization. She is also a current member of BOD of Epicurean Partners Exchange Inc., the operators of the Kenny Rogers restaurant chain which she founded in 1994, and Seattle's Best Coffee which she introduced to the Philippine market in 2000. She also holds the position of President and Director of Interworld Properties

Corporation and B289 Properties Inc. She previously served as a director of Security Diners International Corporation, which was then a wholly-owned subsidiary of Security Bank operating the Diners Card business, from 1986 to 1992. She was the President and Chief Executive Officer of Fil-Pacific Apparel Corporation (one of the country's leading garment corporations) from 1987 to 1995, and again from 2004 to 2013, EPEI from 1994 to 2011, and Consultant to the BOD of Development `Bank of the Philippines from November 2012 to June 2014. She obtained her Bachelor of Arts Degree in Economics, Magna Cum Laude in 1980 from Ateneo de Manila University and Master's Degree in Management with Majors in Finance and Accounting in 1984 from the J.L. Kellogg Graduate School of Management of Northwestern University in Chicago, Illinois, USA.

9. **Antonio Jose U. Periquet, Jr.,** 65, is a Non-Executive and Independent Director of JGSHI, appointed in May 15, 2025. He is the Chairman and Chief Executive Officer of AB Capital & Investment Corporation, and Chairman of the Campden Hill Group, Inc. Mr. Periquet is also an Independent Director of the Albizia ASEAN Tenggara Fund, Globe Telecom, Semirara Mining and Power Corporation, Philippine Investment Management, Inc., and Universal Robina Corporation, and a Board Advisor to DMCI Holdings Corporation, ABS-CBN Corporation and the Tech for Good Institute (Singapore). He is also a member of the SEA Advisory Committee of British International Investments and a trustee of Lyceum of the Philippines University. Mr. Periquet holds a Bachelor of Arts in Economics degree from the Ateneo de Manila University, a Master of Science degree in Economics from Oxford University, and an MBA from the Darden School of Business, University of Virginia.

Executive Officers

1. ***Mr. Michael P. Liwanag****,* 52*,* is the Chief Strategy Officer of JGSHI since August 15, 2022. He is also a Director of Maxicare Healthcare Corporation, Maxicare Life Insurance Corporation (Maxilife) and DHL Summit Solutions, Inc. Prior to his current role, he was the Senior Vice President, Investor Relations, and Chief of Staff of JGSHI until August 14, 2022. He also served as URC's Senior Vice President until December 2020 and Vice President for Corporate Strategy and Development until May 14, 2018. Before joining URC in 2001, he was exposed to different business functions such as Portfolio & Strategy Management, Mergers and Acquisitions, Program Management, and Business Analytics in Digital Telecommunications Phils., Inc., Global Crossings and Philippine Global Communications, Inc. He studied Engineering at the University of the Philippines, is a Certified Management Accountant (ICMA Australia) and an alumnus of the Harvard Business School (AMP) and the Institute for Management Development (IMD). Mr. Liwanag is also an Executive & Leadership Coach with a credential from the International Coaching Federation.

2. ***Maria Celia H. Fernandez-Estavillo***, 54, is the Chief Legal Officer and Corporate Secretary of JGSHI since October 1, 2020. She is also the Corporate Secretary of Universal Robina Corporation and JG Summit Olefins Corporation and Assistant Corporate Secretary of Gokongwei Brothers Foundation, Inc. She is a member of the Parent and Family Advisory Board of Stanford University since 2025 and of the Solar Village Foundation Board of Trustees since 2022. Prior to joining JGSHI in March 2017, Atty. Fernandez-Estavillo held senior legal and regulatory roles at Rizal Commercial Banking Corporation, ABS-CBN, and various government offices, including as Head of the Presidential Management Staff. She graduated from the University of the Philippines with a Bachelor of Science degree in Business Economics (Summa Cum Laude, she secured her Juris Doctor (Cum Laude) from the same school and completed her Master of Laws in Corporate Law from New York University School of Law. She received the highest score in the Philippine Bar examinations of 1997.

3. ***Renato T. Salud***, 62, is the Chief Corporate Affairs Officer of JGSHI. Prior to joining JGSHI in March 2016, he was the Corporate Relations Director, Asia for Diageo Asia Pacific based in Singapore. In this role, he had oversight on a number of Asian countries in the areas of regulation, communications and corporate social responsibility. He has extensive experience in working with governments in formulating best practice policy recommendations. He started his career as Legislative Liaison Officer for the Department of National Defense and speechwriter for Defense Secretary Fidel Ramos. In 1992, when Fidel Ramos became President of the Philippines, he continued to serve him at the Office of the Press Secretary until 1998. He moved into the private sector with Pfizer Philippines where he was Corporate Affairs Director for two years. From 2000 to 2006, he then joined Philip Morris, starting as Philip Morris Philippines Corporate Affairs Director before moving to Hong Kong to take on the role of Director for Communications for Asia Pacific. He later became Regional Corporate Affairs Director for Eastern Europe, Africa and Middle East based in Switzerland and by the time he left Philip Morris to join Diageo in 2006, he held the position of Regional Corporate Affairs Director for the European Union. He has degrees in business and law both from Ateneo de Manila University. He also obtained his Master's Degree in Public Administration at Harvard's John F. Kennedy School of Government.

4. ***Aldrich T. Javellana***, 52, is the Senior Vice President and Treasurer of JGSHI. He is also the Finance Adviser of Oriental Petroleum and Minerals Corporation (since 2016), and an Adviser to the BOD of Maxicare Life Insurance Corp. (since 2023). Concurrently, he holds directorships at Liontide Holdings, Inc. (since 2023) and GoTyme Bank Corporation (since 2024). Prior to joining JGSHI, he worked in Corporate Finance with CLSA Exchange Capital. He graduated from De La Salle University with a degree in BS Accountancy, and is a Certified Public Accountant.

5. ***Brian M. Go***, 52, has served as Chief Finance and Risk Officer of JGSHI since July 1, 2021. He was appointed Chairman of UNICON Insurance & Reinsurance Brokers Corporation effective January 1, 2026. He also serves as a Director of Maxicare Healthcare Corporation, Maxicare Life Insurance Inc., Maxicare Health Services Inc., Luzon International Premiere Airport Development (LIPAD), and JG Digital Equity Ventures, Inc. Mr. Go began his professional career in New York City with Booz Allen Hamilton, where he was part of the Financial Services practice. He later returned to Manila and joined Digitel Telecommunications Philippines, Inc. (DTPI), where he worked in Corporate Planning and subsequently served as Managing Director of the Datacom business. From 2003 to 2013, Mr. Go was based in China, where he served as Finance Director and later as Chief Financial Officer of the Ding Feng Real Estate (DFRE) group of companies. Beginning in 2007, he concurrently assumed the role of General Manager of URC China and was later appointed General Manager for URC Malaysia and Singapore. He subsequently served as Vice President for URC's International Trading Operations based in Singapore. Mr. Go graduated from Harvard College in 1996. He earned an Executive MBA from the Kellogg School of Management at Northwestern University and the Hong Kong University of Science and Technology (Kellogg-HKUST) in 2007. He is a Chartered Financial Analyst (CFA) charterholder.

6. ***David Gulliver "Gully" G. Go***, 54, has served as Chief Human Resources Officer of JG Summit Holdings, Inc. since July 1, 2021. In this role, he is responsible for executing the Group's Corporate Human Resources agenda, with a focus on strengthening Groupwide leadership succession, enhancing employee experience and people analytics, and leading organizational transformation for the Corporate Center. In addition to his executive role, he is a Director of Cebu Air, Inc. and Luzon International Premier Airport Development (LIPAD) Corporation, positions he has held since 2024. Prior to his appointment as CHRO, Gully was Vice President for Organization Culture at JG Summit Holdings, Inc. He previously held senior leadership and academic roles, including Head of Executive Education at the Asian Institute of Management,

where he led executive programs for local and international corporations; Business Cluster Head of Enderun Colleges; and Business Development Director of Summit Internet Investments. He has also served as Executive Director of endowed research centers in banking and tourism, and as Visiting Faculty at BINUS University in Indonesia. He holds a Doctorate Degree from Ritsumeikan University in Japan and a Master in Business Administration, with distinction, from the Asian Institute of Management.

7. ***Michele F. Abellanosa,*** 55, is the Vice President, Corporate Controllership of JGSHI since May 2, 2016. She was elected Treasurer of DHL Summit Solutions, Inc. on February 15, 2022. She was Chief Compliance Officer of JGSHI from July 1, 2021 until March 30, 2022. She was elected a Director and appointed Chief Financial Officer of Peak Fuel Corporation and Chief Financial Officer of JG Summit Olefins Corporation, effective October 15, 2024. She brings with her 27 years of experience in finance and is mainly responsible for the consolidated financial statements of the JG group of companies, as well as heading the controllership of JGSHI and JG Summit Capital Services Corporation. Prior to joining JGSHI, she practiced public accounting with SGV & Co. She obtained her BS Accountancy degree, cum laude from the University of Santo Tomas and is a Certified Public Accountant.

8. ***Rya Aissa S. Agustin***, 45, is the Chief Audit Executive of JGSHI. Prior to her current role, she served as Director for Corporate Internal Audit. She has extensive experience in internal audit, compliance, risk management and finance in local and international sectors. Before joining JGSHI in 2020, she was the Compliance and Monitoring Head for National Grid Corporation of the Philippines. She started her audit practice in the Global Internal Audit group of Procter & Gamble handling several roles as Global Subject Matter Expert across various audit areas. She is a Certified Internal Auditor (CIA) and a Fellow, Life Management Institute, with Distinction (FLMI) which are globally recognized certifications for audit and financial services professionals. She graduated with a degree in BS Economics, Magna Cum Laude, from the University of the Philippines.

9. ***Laurinda R. Rogero***, 49, was appointed Chief Compliance Officer of JGSHI on March 30, 2022 and is currently the Vice President and Compliance Head of JGSHI's General Counsel Group, a role she has held since May 2017. Prior to joining JGSHI, she was Vice President and Head of the Anti-Money Laundering Department under the Legal and Regulatory Affairs Group of Rizal Commercial Banking Corporation. She also served as Legal Associate in ACCRA and as Court Attorney in the Supreme Court under Associate Justice Consuelo Ynares-Santiago. Atty. Rogero secured her Juris Doctor from the University of the Philippines and a Master of Laws from the University of Melbourne. She was admitted to the Philippine Bar in 2004.

10. ***Ma. Cristina Bellaflor P. Alvarez***, 54, has been the Chief Information Officer of JGSHI since May 15, 2023. Effective January 1, 2025, she was appointed Chief Digital Officer and will concurrently serve as both Chief Information Officer and Chief Digital Officer of JGSHI. She was also appointed President of Go Global Business Services, Inc. effective January 2, 2025. She serves as a board member in KauSAP, a non-profit SAP user group, and is a member of the advisory board for the Philippines in Asean Innovation Business Platform (AIBP). She received a Bachelor of Science degree in Industrial Engineering from the University of the Philippines - Diliman.

11. ***Maria Gay D. Advincula***, 43, is the Data Protection Officer (DPO) of JGSHI since December 16, 2025. She also serves as DPO of Gokongwei Brothers Foundation, Inc. (GBF), Go Global Business Services, Inc. (GGBS), JG Digital Equity Ventures, Inc. (JGDEV), JG Summit Olefins Corporation (JGSOC), Nissin Universal Robina Corporation (NURC), and Universal Robina Corporation (URC). Prior to her appointment, she held roles in security, privacy, operational and fraud risk management at Robinsons Bank Corporation, East West Banking

Corporation, and Bank of the Philippine Islands, where she served as Chief Information Security Officer and Data Protection Officer, Head of Security Governance and Assurance, and Data Privacy Program Manager, respectively. She holds a Master in Cybersecurity with high distinction from the Asian Institute of Management and a Bachelor of Science in Commerce, major in Management Accounting, from the University of St. La Salle. She is a Certified Data Privacy Solutions Engineer (CDPSE), a Certified Payment Security Practitioner (CPSP v2.0), and an NPC-certified Data Protection Officer (DPO-ACE1). She also serves as a Board Trustee of the Information Systems Audit and Control Association (ISACA) Manila Chapter (2025 to present).

12. ***Andre Ria B. Buzeta-Acero***, 46, is the Assistant Corporate Secretary of JGSHI since October 1, 2020. Concurrently, she is the Chief Legal Counsel and Corporate Secretary of Unicon Insurance and Reinsurance Brokers Corporation, and Corporate Secretary of JG Summit Capital Services Corp., JG Summit Infrastructure Holdings Corporation, JG Summit Capital Markets Corp., Chic Centre Corporation, Peak Fuel Corporation, Merbau Corporation, and DHL Summit Solutions, Inc. She is also the Assistant Corporate Secretary of JG Summit Olefins Corporation and JG Digital Equity Ventures, Inc. She joined JGSHI in 2007 as part of the General Counsel Group. Prior to joining JGSHI, she was a Senior Associate in Castillo Laman Tan Pantaleon & Jose Law Offices. She obtained her Juris Doctor degree from the Ateneo de Manila School of Law in 2007 and was admitted to the Philippine Bar in 2008.

C. Significant Employee

There are no persons who are not executive officers of the Company who are expected to make a significant contribution to the business.

D. Involvement in Certain Legal Proceedings which occurred during the Past Five Years

None.

E. Family Relationships

1. Mr. James L. Go is the uncle of Mr. Lance Y. Gokongwei
2. Ms. Robina Y. Gokongwei-Pe is the niece of Mr. James L. Go and sister of Mr. Lance Y. Gokongwei
3. Ms. Lisa Y. Gokongwei-Cheng is the niece of Mr. James L. Go and sister of Mr. Lance Y. Gokongwei
4. Mr. Patrick Henry C. Go is the nephew of Mr. James L. Go and cousin of Mr. Lance Y. Gokongwei
5. Mr. Johnson Robert G. Go, Jr. is the nephew of Mr. James L. Go and cousin of Mr. Lance Y. Gokongwei
6. Mr. Brian M. Go is the son of Mr. James L. Go and cousin of Mr. Lance Y. Gokongwei
7. Mr. David Gulliver G. Go is the nephew of Mr. James L. Go and cousin of Mr. Lance Y. Gokongwei

Item 10. Executive Compensation

The aggregate compensation given to officers and directors of the Company for the last 2 years and projected for the ensuing year (2026) are as follows:

	PROJECTED 2026				ACTUAL	
	Salary	Bonus	Others	Total	**2025**	**2024**
CEO and Four (4) most highly compensated executive officers	₱124,486,680	₱600,000	₱240,000	₱125,326,680	₱122,960,033	₱117,390,895
All other officers and directors as a group unnamed	₱74,891,528	₱5,900,000	₱3,640,000	₱84,431,528	₱67,169,070	₱85,227,214

The following constitute JG Summit's CEO and four (4) most highly compensated executive officers:

1. Mr. Lance Y. Gokongwei is the Director, President and Chief Executive Officer
2. Ms. Maria Celia H. Fernandez-Estavillo is Chief Legal Officer and Corporate Secretary
3. Mr. Renato T. Salud is the Chief Corporate Affairs and Sustainability Officer
4. Mr. Aldrich T. Javellana is the Senior Vice President and Treasurer
5. Mr. Michael P. Liwanag is the Chief Strategy Officer

Standard Arrangements

Other than payment of reasonable per diem, there are no standard arrangements pursuant to which directors of the Company are compensated, or are to be compensated, directly or indirectly, for any services rendered provided as a director for the last completed year and the ensuing year.

Other Arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the Company's last completed year, and the ensuing year, for any service provided as a director.

Terms and Conditions of any Employment Contract or any Compensatory Plan or Arrangement between the Company and the Executive Officers.

None.

Outstanding Warrants or Options Held by the Company's CEO, the Executive Officers and Directors.

None.

Item 11. Security Ownership of Certain Record and Beneficial Owners and Management

As of December 31, 2025, the Company is not aware of anyone who beneficially owns in excess of 5% of the Company's common stock except as set forth in the table below.

A. Security Ownership of Certain Record and Beneficial Owners

Title of class	Names and addresses of record owners and relationship with the Corporation	Names of beneficial owner and relationship with record owner	Citizenship	No. of shares held	% to total outstanding
Common	Gokongwei Brothers Foundation, Inc. 43/F Robinsons-Equitable Tower ADB Ave. cor. Poveda St. Ortigas Center, Pasig City (stockholder)	Same as record owner (See note 1)	Filipino	2,096,930,273	27.88
Common	PCD Nominee Corporation (Filipino) 37/F Tower I, The Enterprise Center, 6766 Ayala Ave. cor. Paseo de Roxas, Makati City (stockholder)	PCD Participants and their clients (See note 2)	Filipino	2,190,250,942 (See note 3)	29.12
Common	PCD Nominee Corporation (Non-Filipino) 37/F Tower I, The Enterprise Center, 6766 Ayala Ave. cor. Paseo de Roxas, Makati City (stockholder)	PCD Participants and their clients (See note 2)	Non-Filipino	694,393,571 (See note 3)	9.23
Common	RSB-TIG No. 030-46-000001-9 17/F Galleria Corporate Center, EDSA cor. Ortigas Avenue, Quezon City (stockholder)	Trustee's designated officers (See note 4)	Filipino	1,084,985,186	14.43

Notes:

1. Gokongwei Brothers Foundation, Inc. (the "Foundation") is a non-stock, non-profit corporation organized by the irrevocable donation by the incorporators, who are also Trustees of the Foundation, of shares of JG Summit Holdings, Inc. Under the Articles of Incorporation and By-Laws of the Foundation, except for salaries of employees and honoraria of consultants and similar expenses for actual services rendered to the Foundation or its projects, no part of the corpus or its income and increments shall benefit or be used for the private gain of any member, trustee, officer or any juridical or natural person whatsoever. The Chairman of the Board of Trustees shall exercise exclusive power and authority to represent and vote for any shares of stock owned by the Foundation in other corporate entities. The incumbent Chairman of the Board of Trustees of the Foundation is Mr. Lance Y. Gokongwei.

2. PCD Nominee Corporation is the registered owner of the shares in the books of the Corporation's transfer agent. PCD Nominee Corporation is a corporation wholly-owned by Philippine Depository and Trust Corporation, Inc. (formerly the Philippine Central Depository) ("PDTC"), whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged in the PDTC. PDTC is a private corporation organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. Under the current system of the PDTC, only participants (brokers and custodians) are recognized by PDTC as the beneficial owners of the lodged shares. Each beneficial owner of shares through his participant is the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee.

3. Out of the PCD Nominee Corporation account, "Citibank N.A." and "Philippine Equity Partners, Inc." hold for various trust accounts the following shares of the Corporation as of December 31, 2025:

	No. of shares	% to Outstanding
Citibank N.A.	871,857,919	12.35%
Standard Chartered Bank	450,172,853	5.98%

Voting instructions may be provided by the beneficial owners of the shares.

4. BPI Wealth - A Trust Corporation is the trustee of this trust account. The shares are voted by the trustee's designated officers.

B. Security Ownership of Management

Title of class	Names of beneficial owner	Position	Amount and nature of beneficial ownership		Citizenship	% to total outstanding
			Direct	Indirect		
	Named Executive Officers[1]					
Common	1. Lance Y. Gokongwei	Director, President and Chief Executive Officer	324,180,555	246,781,724	Filipino	7.59%
Common	2. Michael P. Liwanag	Chief Strategy Officer	–	105,000	Filipino	*
Common	3. Maria Celia H. Fernandez-Estavillo	Chief Legal Officer and Corporate Secretary	–	5,250	Filipino	*
Common	4. Renato T. Salud	Chief Corporate Affairs	–	–	Filipino	*
Common	5. Brian M. Go	Chief Finance and Risk Officer	–	2,237,577	Singaporean	0.03%
	Sub-Total		**324,180,555**	**249,129,551**		7.62%
	Other Directors and Executive Officers					
Common	6. James L. Go	Chairman	156,288,580	–	Filipino	2.08%
Common	7. Patrick Henry C. Go	Executive Director	98,175	34,989	Filipino	*
Common	8. Robina Gokongwei Pe	Director	190,435,617	29,157	Filipino	2.53%
Common	9. Johnson Robert G. Go, Jr.	Director	1	43,833	Filipino	*
Common	10. Antonio L. Go (Lead)	Director (Independent)	1	–	Filipino	*
Common	11. Artemio V. Panganiban	Director (Independent)	10	–	Filipino	*
Common	12. Bernadine T. Siy	Director (Independent)	1	–	Filipino	*
Common	13. Antonio Jose U. Periquet, Jr.	Director (Independent)	1,000	–	Filipino	*
Common	14. David Gulliver G. Go	Chief Human Resources Officer	–	43,832	Filipino	*
	Sub-Total		**346,823,385**	**151,811**		4.61%
	All directors and executive officers as a group unnamed		**671,003,940**	**249,281,362**		12.23%

Notes:

1. As defined under Part IV (B) (1) (b) of Annex "C" of SRC Rule 12, the "named executive officers" to be listed refer to the Chief Executive Officer and those that are the four (4) most highly compensated executive officers as of December 31, 2025.

* less than 0.01%

The other Executive Officers of the Company have no beneficial ownership over any shares of the Company as of December 31, 2025, namely:

1.	Renato T. Salud	-	Chief Corporate Affairs and Sustainability Officer
2.	Aldrich T. Javellana	-	Senior Vice President and Treasurer
3.	Michele F. Abellanosa	-	Vice President, Corporate Controllership
4.	Rya Aissa S. Agustin	-	Chief Audit Executive
5.	Laurinda R. Rogero	-	Chief Compliance Officer and Chief Digital Officer
6.	Ma. Cristina Bellafor P. Alvarez	-	Chief Information Officer
7.	Maria Gay D. Advincula	-	Data Protection Officer
8.	Andre Ria B. Buzeta-Acero	-	Assistant Corporate Secretary

C. Voting Trust Holders of 5% or More

As of December 31, 2025, there are no persons holding more than 5% of a class under a voting trust or similar agreement.

D. Changes in Control

None

Item 12. Certain Relationships and Related Transactions

See Note 40 (Related Party Transactions Disclosures) of the Notes to Consolidated Financial Statements filed as part of this Form 17-A.

The Company and its subsidiaries and affiliates, in their regular conduct of business, have engaged in arm's length transactions with each other and with other affiliated companies, consisting principally of sales and purchases at market prices and advances made and obtained.

PART IV - CORPORATE GOVERNANCE

Item 13. Corporate Governance

The Company upholds its commitment to doing business in accordance with good corporate governance and the highest ethical standards of always acting in good faith and in the best interest of all stakeholders. This is aligned with the Company's core values of entrepreneurial mindset, stewardship and integrity, and embodied in its Articles of Incorporation, By-Laws, Revised Corporate Governance Manual and Code of Business Conduct.

The Company complies with corporate governance standards enshrined in the Securities and Exchange Commission's ("SEC") Code of Corporate Governance for Publicly-Listed Companies, among other SEC regulations and applicable laws. It likewise continuously seeks to improve and strengthen its corporate governance practices through policy engineering and implementation. Moreover, the Company consistently strives to raise its financial reporting standards by adopting and implementing prescribed Philippine Financial Reporting Standards (PFRSs).

To know more about the Company's corporate governance and compliance programs and initiatives, please refer to the Corporate Governance Section in the annexed Sustainability Report.

Item 14. Sustainability Report

Please refer to the attached Sustainability Report.

PART V - EXHIBITS AND SCHEDULES

Item 15. Exhibits and Reports on SEC Form 17-C

A. Exhibits - See accompanying Index to Exhibits (page 100)

The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

B. Reports on SEC Form 17-C (Current Report)

Following is a list of disclosures filed by JGSHI under SEC Form 17-C for the six month period from July 1, 2025 to December 31, 2025:

Date of Disclosure	Description
August 5, 2025	Notice of Analysts'/Investors' Briefing
August 11, 2025	Amendments to By-Laws
August 11, 2025	Press Release entitled "Listed subs' robust performance, tapered petrochem losses lift JGS' 2Q & 1H results"
August 11, 2025	Material Information/Transactions regarding Listed subs' robust performance, tapered petrochem losses lift JGS' 2Q & 1H results
November 11, 2025	Notice of Analysts'/Investors' Briefing
November 13, 2025	Material Information/Transactions regarding the Approval of Management Plan to Write Down JGSOC Assets
November 13, 2025	Press Release entitled "Airline turnaround, property growth, petrochem shutdown doubled 3Q core profits "
November 13, 2025	Material Information/Transactions regarding Airline turnaround, property growth, petrochem shutdown doubled 3Q core profits
December 16, 2025	Appointment of an Officer

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Pasig on April 15, 2026.

By:

JAMES L. GO
Chairman of the Board
Date: April 15, 2026

LANCE Y. GOKONGWEI
President and
Chief Executive Officer
Date: April 15, 2026

BRIAN M. GO
Chief Finance and Risk Officer
Date: April 15, 2026

MARIA CELIA H. FERNANDEZ-ESTAVILLO
General Counsel and Corporate Secretary
Date: April 15, 2026

SUBSCRIBED AND SWORN to before me this APR 15 2026 day of _____ 2026 affiant(s) exhibiting to me his/their Passport numbers, as follows:

NAMES	PASSPORT NO.	DATE OF ISSUE
James L. Go	P2019464B	June 20, 2019
Lance Y. Gokongwei	P6235422B	February 5, 2021
Brian M. Go	K5963980R	December 26, 2025
Maria Celia H. Fernandez-Estavillo	P5542345A	January 6, 2018

Notary Public

ATTY. PHOEBE ANN S. BAYONA
Notary Public for Pasig and Pateros
Notarial Commission No. 63; Until December 31, 2026
40th Floor Robinsons Equitable Tower, ADB Ave.
cor. Poveda Road, Ortigas Center, Pasig City, 1605
Roll of Attorneys No. 62586
MCLE Compliance No. VIII-0015553; Valid until 14-Apr-2028
IBP O.R. No. 535562 / 19-Dec-2025 (for 2026)
PTR No. MKT10769301 / 07-Jan-2026 / Makati City

PHOEBE ANN S. BAYONA NOTARY PUBLIC PASIG AND PATEROS, PHILIPPINES ROLL NO. 62586

Doc. No. 306
Page No. 63
Book No. IV
Series of 2026

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

CONSOLIDATED COMPANY FINANCIAL STATEMENTS

Statement of Management's Responsibility for Financial Statements 101
Independent Auditor's Report 102
Consolidated Statements of Financial Position as of December 31, 2025 and 2024 107
Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2025, 2024 and 2023 109
Consolidated Statements of Changes in Equity for the Years Ended December 31, 2025, 2024 and 2023 111
Consolidated Statements of Cash Flows for the Years Ended December 31, 2025, 2024 and 2023 112
Notes to Consolidated Financial Statements 114

SUPPLEMENTARY SCHEDULES

Independent Auditor's Report on Supplementary Schedules 297
Independent Auditor's Report on Components of Financial Soundness Indicators 298

I. Reconciliation of Retained Earnings Available for Dividend Declaration (Annex 68-D) 299
II. Financial Soundness Indicator (Annex 68-E) 300
III. Map of the relationships of the companies within the group 301
IV. External Auditor Fee-Related Information 311

Supplementary Schedules Required by Annex 68-J
A. Financial Assets 312
B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties) 313
C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements 314
D. Long-term Debt 315
E. Indebtedness to Related Parties (Long-Term Loans from Related Companies) 316
F. Guarantees of Securities of Other Issuers 317
G. Capital Stock 318

JG SUMMIT
HOLDINGS, INC.
43rd FLOOR ROBINSONS EQUITABLE TOWER ASB AVE. COR. POVEDA RD. ORTIGAS CENTER, PASIG CITY
TEL. NO.: 633-7631, 637-1670, 240-8801 FAX NO.: 633-9387 OR 633-9207

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of JG Summit Holdings, Inc. and Subsidiaries (collectively referred to as the Group) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors (BOD) is responsible for overseeing the Group's financial reporting process.

The Board of Directors (BOD) reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co. (SGV), the independent auditors, appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

James L. Go
Chairman of the Board

Lance Y. Gokongwei
President & Chief Executive Officer

Brian M. Go
Chief Finance & Risk Officer

SUBSCRIBED AND SWORN to before me in the City of Pasig City this APR 15 2026, 2026 affiants(s) exhibiting to me his Passport numbers, as follows:

Names	Passport No.
James L. Go	P2019464B
Lance Y. Gokongwei	P5236422B
Brian M. Go	K5963980R

ATTY. PHOEBE ANN S. BAYONA
Notary Public for Pasig and Pateros
Notarial Commission No. 63; Until December 31, 2026
40th Floor Robinsons Equitable Tower, ADB Ave.
cor. Poveda Road, Ortigas Center, Pasig City, 1605
Roll of Attorneys No. 62586
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IBP O.R. No. 535562 / 19-Dec-2025 (for 2026)
PTR No. MKT10769301 / 07-Jan-2026 / Makati City

PHOEBE ANN S. BAYONA NOTARY PUBLIC ROLL NO. 62586 PASIG AND PATEROS, PHILIPPINES

Doc. No. 304
Book No. 62
Page No. IV
Series of 2026

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
JG Summit Holdings, Inc.
43rd Floor, Robinsons-Equitable Tower
ADB Avenue corner Poveda Road, Pasig City

Opinion

We have audited the accompanying consolidated financial statements of JG Summit Holdings, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025 are prepared in all material respects, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Recoverability of Goodwill and Intangible Assets

Under Philippine Accounting Standard (PAS) 36, Impairment of Assets, the Group is required to perform annual impairment tests on its goodwill and intangible assets with indefinite useful lives. As of December 31, 2025, the Group's goodwill amounted to ₱23.6 billion. The Group's intangible assets with indefinite useful lives consist of trademarks and brands, landing right and others, and product formulation amounting to ₱3.4 billion, ₱3.4 billion and ₱0.4 billion, as of December 31, 2025, respectively. The annual impairment test is significant to our audit because: (a) the balances of goodwill and intangible assets with indefinite useful lives are material to the consolidated financial statements; and (b) the determination of the recoverable amount of the cash-generating units (CGUs) to which goodwill is attributed, and as it relates to the other intangible assets with indefinite useful lives, involves significant management judgment and assumptions about the future results of business. The significant assumptions used in determining the recoverable amounts of these assets, specifically revenue growth rate, discount rate and the terminal growth rate that are applied to the cash flow forecasts, are subject to higher level of estimation uncertainty due to the current economic conditions.

The Group's disclosures about goodwill and other intangible assets with indefinite useful lives are included in Notes 3, 18 and 19 to the consolidated financial statements.

Audit response

We obtained an understanding of the management's process for evaluating the impairment of goodwill and other intangible assets with indefinite useful lives. We involved our internal specialists in evaluating the methodology and assumptions used in the value-in-use calculations. These assumptions include revenue growth rate, discount rate and the terminal growth rate. We compared the key assumptions used against the historical performance of the cash generating unit (CGU), industry/market outlook and other relevant external data. We tested the parameters used in the determination of the discount rate against market data. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of goodwill and intangible assets with indefinite useful lives.

Impairment Testing of Property, Plant and Equipment of the Petrochemicals Business

In 2025, the disruption caused by unfavorable market conditions in the global petrochemical industry, which led to the indefinite shutdown of the Group's petrochemical business beginning January 2025 and classification as discontinued operations in November 2025, was considered by management as an impairment indicator. Accordingly, management performed detailed impairment tests and compared the carrying amounts of property, plant and equipment against their recoverable amounts, which are determined as the higher of fair value less costs of disposal (FVLCD) and value-in-use. As a result, an impairment loss of ₱103.0 billion has been recorded to reduce the carrying values of certain property, plant and equipment to their estimated recoverable value of ₱11.0 billion, which was based on FVLCD.

Management's determination of FVLCD for property, plant and equipment requires significant judgment and is based on assumptions, specifically the estimated selling prices and costs of disposal, that are subject to higher level of estimation uncertainty.

We consider the impairment testing as a key audit matter given that the amount of impairment loss is significant to the consolidated financial statements of the Group and the heightened level of estimation uncertainty and the significant judgment involved given the subjectivity of assumptions.

The Group's disclosures in relation to property, plant and equipment are included in Notes 3 and 16 to the consolidated financial statements.

Audit response

We evaluated management's impairment assessment process and determined whether FVLCD was an appropriate basis for estimating recoverable amount. With the involvement of our internal specialist, we evaluated the key assumptions, such as selling prices, by comparing them with the available market information and assessing their basis and reasonableness. We evaluated the nature and reasonableness of costs of disposal and verified that only incremental and directly attributable costs were included. We assessed the competence, independence and objectivity of external specialists engaged by management. We tested the mathematical accuracy of the valuation model and independently recalculated the FVLCD. We also reviewed the Group's disclosures relating to the impairment assessment of property, plant and equipment, including the valuation basis applied and the key assumptions used, on the determination of the recoverable amount of property, plant and equipment.

Other Information

Management is responsible for the other information. The other information comprises the SEC Form 17-A for the year ended December 31, 2025 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the SEC Form 20-IS (Definitive Information Statement) and Annual Report for the year ended December 31, 2025, which are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Janeth T. Nuñez-Javier.

SYCIP GORRES VELAYO & CO.

Janeth T. Nuñez-Javier
Partner
CPA Certificate No. 111092
Tax Identification No. 900-322-673
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
SEC Partner Accreditation No. 111092-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-069-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765098, January 2, 2026, Makati City

April 15, 2026

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 7)	**₱51,429,257,166**	₱47,772,267,453
Financial assets at fair value through profit or loss (Note 9)	**7,541,645,592**	7,134,308,376
Financial assets at fair value through other comprehensive income (Note 10)	**5,106,296,398**	6,716,746,043
Receivables (Note 11)	**42,567,350,242**	42,426,002,271
Inventories (Note 12)	**83,623,224,443**	98,368,821,978
Advances to suppliers and contractors (Note 17)	**11,302,984,337**	10,852,659,370
Assets held for sale (Note 16)	**368,382,077**	3,541,263,581
Other current assets (Note 13)	**10,069,709,876**	15,951,216,017
Total Current Assets	**212,008,850,131**	232,763,285,089
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (Note 10)	**57,590,010,416**	57,889,200,426
Receivables (Note 11)	**13,543,278,025**	9,695,344,142
Investments in associates and joint ventures (Note 14)	**175,448,162,564**	163,372,076,044
Property, plant and equipment (Note 16)	**200,122,730,840**	286,293,739,832
Investment properties (Note 15)	**135,833,056,527**	136,459,981,551
Right-of-use assets (Note 42)	**118,739,046,396**	106,077,801,976
Goodwill (Note 19)	**23,580,724,568**	20,787,609,812
Intangible assets (Note 18)	**7,771,585,069**	7,284,369,722
Advances to suppliers and contractors (Note 17)	**4,087,380,954**	4,907,803,205
Other noncurrent assets (Note 20)	**21,224,271,179**	16,967,085,521
Total Noncurrent Assets	**757,940,246,538**	809,735,012,231
	₱969,949,096,669	₱1,042,498,297,320
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Notes 21 and 42)	**₱78,829,498,430**	₱80,436,064,082
Short-term debts (Note 23)	**42,733,816,311**	66,240,571,233
Current portion of:		
Long-term debts (Note 23)	**10,500,477,824**	34,640,620,677
Lease liabilities (Note 42)	**15,466,372,284**	13,744,429,317
Income tax payable	**400,760,698**	667,240,971
Other current liabilities (Note 22)	**34,253,696,544**	32,822,083,041
Total Current Liabilities	**182,184,622,091**	228,551,009,321
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debts (Note 23)	**244,084,323,520**	213,664,287,235
Lease liabilities (Note 42)	**115,256,177,682**	103,628,283,626
Deferred tax liabilities (Note 38)	**5,289,883,176**	5,301,583,579
Other noncurrent liabilities (Note 24)	**18,512,369,997**	17,218,499,763
Total Noncurrent Liabilities	**383,142,754,375**	339,812,654,203
Total Liabilities	**565,327,376,466**	568,363,663,524

(Forward)

	December 31	
	2025	2024
Equity		
Equity attributable to equity holders of the Parent Company:		
Paid-up capital (Note 25)	**₱52,642,575,441**	₱52,726,817,651
Retained earnings (Note 25)	**187,736,255,593**	279,255,194,389
Equity reserve (Note 25)	**53,400,576,625**	46,787,606,067
Other comprehensive losses (Note 36)	**(13,172,566,040)**	(14,328,454,083)
	280,606,841,619	364,441,164,024
Non-controlling interests (Note 25)	**124,014,878,584**	109,693,469,772
Total Equity	**404,621,720,203**	474,134,633,796
	₱969,949,096,669	₱1,042,498,297,320

See accompanying Notes to Consolidated Financial Statements.

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
REVENUE (Note 26)			
Sale of goods and services:			
Foods	**₱168,009,175,443**	₱161,867,243,890	₱157,752,179,737
Air transportation	**119,927,510,211**	104,908,632,355	90,602,558,755
Real estate and hotels	**46,943,939,860**	40,078,910,726	39,033,664,006
Equity in net earnings of associates and joint ventures (Note 14)	**17,608,156,626**	16,734,723,955	14,188,911,859
Dividend income (Note 28)	**3,467,588,770**	3,375,657,395	2,870,379,211
Supplementary businesses	**12,575,717,866**	10,051,058,753	7,531,732,513
	368,532,088,776	337,016,227,074	311,979,426,081
COST OF SALES AND SERVICES (Note 30)			
Cost of sales	**139,754,961,094**	129,075,921,337	125,920,073,062
Cost of services	**114,527,659,434**	101,958,672,234	87,872,359,950
	254,282,620,528	231,034,593,571	213,792,433,012
GROSS INCOME	**114,249,468,248**	105,981,633,503	98,186,993,069
GENERAL AND ADMINISTRATIVE EXPENSES (Note 31)	**47,272,752,302**	44,271,917,482	40,578,927,179
OPERATING INCOME	**66,976,715,946**	61,709,716,021	57,608,065,890
OTHER INCOME (LOSSES)			
Financing costs and other charges (Note 35)	**(19,199,487,533)**	(14,415,352,352)	(12,291,718,566)
Finance income (Note 27)	**1,868,115,729**	1,807,887,118	1,942,815,885
Market valuation gains (losses) on financial assets at fair value through profit or loss - net (Note 9)	**538,881,247**	(2,019,138,901)	373,390,014
Market valuation gains on derivative financial instruments - net (Note 8)	**–**	–	880,160,229
Foreign exchange gains (losses)	**(996,360,381)**	211,382,443	(300,330,788)
Provision for impairment losses (Note 34)	**(720,389,833)**	(324,665,142)	(357,878,941)
Others (Notes 14, 16 and 29)	**7,779,190,731**	10,431,840,155	1,252,091,525
INCOME BEFORE INCOME TAX	**56,246,665,906**	57,401,669,342	49,106,595,248
PROVISION FOR INCOME TAX (Note 38)	**4,023,163,354**	4,406,802,475	2,628,486,341
NET INCOME FROM CONTINUING OPERATIONS	**52,223,502,552**	52,994,866,867	46,478,108,907
NET LOSS FROM DISCONTINUED OPERATIONS (Note 44)	**(124,061,923,693)**	(17,842,433,521)	(12,351,112,823)
NET INCOME (LOSS)	**(71,838,421,141)**	35,152,433,346	34,126,996,084

(Forward)

	Years Ended December 31		
	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX (Note 36)			
Items that may be reclassified subsequently to profit or loss:			
Cumulative translation adjustments	**₱3,493,492,016**	₱1,220,281,846	(₱1,138,197,118)
Net gains on financial assets at FVOCI (debt securities) (Note 10)	**98,804,596**	58,833,202	124,045,867
Net losses from cash flow hedges (Note 8)	**(54,356,763)**	(64,792,591)	(189,120,991)
Share in the net unrealized gains on financial assets at FVOCI of associates (debt securities) (Note 14)	**28,477,440**	75,148,800	46,671,360
Items that will not be reclassified to profit or loss:			
Net gains (losses) on financial assets at FVOCI (equity securities) (Note 10)	**(1,456,717,835)**	3,819,492,835	(766,929,837)
Remeasurements of the net defined benefit liability (Note 37)	**470,058,579**	233,303,571	(626,210,486)
Share in the net unrealized gains (losses) on financial assets at FVOCI of associates (equity securities) (Note 14)	**(4,672,463)**	7,895,443	(7,987,295)
Share in remeasurements of the net defined benefit liability of associates (Note 14)	**288,089,853**	(652,739,778)	(1,022,155,894)
	2,863,175,423	4,697,423,328	(3,579,884,394)
TOTAL COMPREHENSIVE INCOME	**(₱68,975,245,718)**	₱39,849,856,674	₱30,547,111,689
NET INCOME ATTRIBUTABLE TO			
Equity holders of the Parent Company	**(₱88,343,325,660)**	₱21,325,557,665	₱20,044,801,947
Non-controlling interests (Note 25)	**16,504,904,519**	13,826,875,681	14,082,194,137
	(₱71,838,421,141)	₱35,152,433,346	₱34,126,996,084
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO			
Equity holders of the Parent Company	**(₱87,187,437,617)**	₱25,229,712,979	₱17,298,975,441
Non-controlling interests (Note 25)	**18,212,191,899**	14,620,143,695	13,248,136,248
	(₱68,975,245,718)	₱39,849,856,674	₱30,547,111,689
Earnings (Loss) Per Share Attributable to Equity Holders of the Parent Company (Note 39)			
Basic/diluted earnings per share	**(₱11.75)**	₱2.83	₱2.66
Earnings Per Share Attributable to Equity Holders of the Parent Company from Continuing Operations (Note 39)			
Basic/diluted earnings per share	**₱4.74**	₱5.18	₱4.34

See accompanying Notes to Consolidated Financial Statements.

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2025, 2024 and 2023

	Attributable to Equity Holders of the Parent Company														
	Paid-up Capital (Note 25)			**Retained Earnings** (Note 25)			**Other Comprehensive Income** (Note 36)								
	Capital Stock	**Additional Paid-in Capital**	**Total Paid-up Capital**	**Unrestricted Retained Earnings**	**Restricted Retained Earnings**	**Total Retained Earnings**	**Equity Reserve** (Note 25)	**Cumulative Translation Adjustments** (Note 25)	**Net Unrealized Gains (Losses) on Financial Assets at FVOCI** (Note 10)	**Net Unrealized Losses on Cash Flow Hedge** (Note 8)	**Remeasurements of the Net Defined Benefit Liability** (Note 37)	**Total Other Comprehensive Income (Loss)**	**Reserves of Disposal Group Held for Sale** (Note 44)	**Total**	**Non-Controlling Interests** (Note 25)	**Total Equity**
Balance at January 1, 2025	**₱7,562,983,658**	**₱45,163,833,993**	**₱52,726,817,651**	**₱178,031,194,389**	**₱101,224,000,000**	**₱279,255,194,389**	**₱46,787,606,067**	**₱1,040,531,986**	**(₱15,042,054,478)**	**₱201,637,701**	**(₱528,569,292)**	**(₱14,328,454,083)**	**₱–**	**₱364,441,164,024**	**₱109,693,469,772**	**₱474,134,633,796**
Total comprehensive income	–	–	–	**(88,343,325,660)**	–	**(88,343,325,660)**	–	**1,991,010,467**	**(1,352,370,037)**	**(34,863,792)**	**552,111,405**	**1,155,888,043**	–	**(87,187,437,617)**	**18,212,191,899**	**(68,975,245,718)**
Appropriation of retained earnings (Note 25)				**(11,000,000,000)**	**11,000,000,000**								–	–	–	–
Reversal of appropriation of retained earnings (Note 25)	–	–	–	**112,224,000,000**	**(112,224,000,000)**	–	–	–	–	–	–	–	–	–	–	–
Cash dividends	–	–	–	**(3,175,613,136)**	–	**(3,175,613,136)**	–	–	–	–	–	–	–	**(3,175,613,136)**	**(9,231,937,129)**	**(12,407,550,265)**
Sale of equity interest and transfer of assets to a subsidiary (by a subsidiary)	–	–	–	–	–	–	**6,641,426,092**	–	–	–	–	–	–	**6,641,426,092**	**7,006,240,521**	**13,647,666,613**
Increase in subsidiaries' treasury shares	–	–	–	–	–	–	**72,413,749**	–	–	–	–	–	–	**72,413,749**	**(1,589,578,480)**	**(1,517,164,731)**
Change in non-controlling interest without loss of control	–	–	–	–	–	–	**(751,129)**	–	–	–	–	–	–	**(751,129)**	**(12,704,796)**	**(13,455,925)**
Acquisition of non-controlling interest by a subsidiary	–	–	–	–	–	–	**(100,118,154)**	–	–	–	–	–	–	**(100,118,154)**	**(57,416,439)**	**(157,534,593)**
Subsidiary's share-based payments (Note 45)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	**(5,386,764)**	**(5,386,764)**
Stock issue costs of subsidiaries	–	**(84,242,210)**	**(84,242,210)**	–	–	–	–	–	–	–	–	–	–	**(84,242,210)**	–	**(84,242,210)**
Balance at December 31, 2025	**₱7,562,983,658**	**₱45,079,591,783**	**₱52,642,575,441**	**₱187,736,255,593**	**₱–**	**₱187,736,255,593**	**₱53,400,576,625**	**₱3,031,542,453**	**(₱16,394,424,515)**	**₱166,773,909**	**₱23,542,113**	**(₱13,172,566,040)**	**₱–**	**₱280,606,841,619**	**₱124,014,878,584**	**₱404,621,720,203**
Balance at January 1, 2024	₱7,562,983,658	₱45,163,833,993	₱52,726,817,651	₱159,611,995,193	₱101,224,000,000	₱260,835,995,193	₱40,847,939,056	₱292,471,751	(₱18,797,045,448)	₱244,232,299	₱27,732,001	(₱18,232,609,397)	(₱274,756,941)	₱335,903,385,562	₱109,175,435,324	₱445,078,820,886
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	–	–	–	269,254,667	–	269,254,667	–	–	–	–	–	–	–	269,254,667	141,272,931	410,527,598
Balance at January 1, 2024	7,562,983,658	45,163,833,993	52,726,817,651	159,881,249,860	101,224,000,000	261,105,249,860	40,847,939,056	292,471,751	(₱18,797,045,448)	244,232,299	27,732,001	(18,232,609,397)	(274,756,941)	336,172,640,229	109,316,708,255	445,489,348,484
Total comprehensive income	–	–	–	21,325,557,665	–	21,325,557,665	–	748,060,235	3,754,990,970	(42,594,598)	(556,301,293)	3,904,155,314	–	25,229,712,979	14,620,143,695	39,849,856,674
Derecognition of disposal group held for sale	–	–	–	–	–	–	–	–	–	–	–	–	274,756,941	274,756,941	(7,773,660,501)	(7,498,903,560)
Cash dividends	–	–	–	(3,175,613,136)	–	(3,175,613,136)	–	–	–	–	–	–	–	(3,175,613,136)	(7,018,748,584)	(10,194,361,720)
Sale of equity interest and transfer of assets to a subsidiary (by a subsidiary)	–	–	–	–	–	–	6,547,775,694	–	–	–	–	–	–	6,547,775,694	3,170,798,722	9,718,574,416
Increase in subsidiaries' treasury shares	–	–	–	–	–	–	(582,923,574)	–	–	–	–	–	–	(582,923,574)	(2,293,414,684)	(2,876,338,258)
Change in non-controlling interest without loss of control	–	–	–	–	–	–	(25,185,109)	–	–	–	–	–	–	(25,185,109)	(39,505,001)	(64,690,110)
Change in noncontrolling interest due to loss of control	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(206,205,042)	(206,205,042)
Acquisition of new subsidiary by a subsidiary	–	–	–	–	–	–	–	–	–	–	–	–	–	–	6,750,000	6,750,000
Subsidiary's share-based payments (Note 45)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(89,397,088)	(89,397,088)
Balance at December 31, 2024	₱7,562,983,658	₱45,163,833,993	₱52,726,817,651	₱178,031,194,389	₱101,224,000,000	₱279,255,194,389	₱46,787,606,067	₱1,040,531,986	(₱15,042,054,478)	₱201,637,701	(₱528,569,292)	(₱14,328,454,083)	₱–	₱364,441,164,024	₱109,693,469,772	₱474,134,633,796
Balance at January 1, 2023	₱7,562,983,658	₱45,186,067,411	₱52,749,051,069	₱142,591,586,710	₱101,224,000,000	₱243,815,586,710	₱39,128,890,681	₱868,619,877	(₱17,985,728,361)	₱369,271,764	₱1,360,129,544	(₱15,387,707,176)	(₱373,832,657)	₱319,931,988,627	₱107,432,694,405	₱427,364,683,032
Total comprehensive income	–	–	–	20,044,801,946	–	20,044,801,946	–	(578,943,107)	(672,481,855)	(125,039,465)	(1,369,362,078)	(2,745,826,505)	–	17,298,975,441	13,248,136,248	30,547,111,689
Reclassification to reserves of disposal group held for sale	–	–	–	–	–	–	–	2,794,981	(138,835,232)	–	36,964,535	(99,075,716)	99,075,716	–	–	–
Cash dividends	–	–	–	(3,024,393,463)	–	(3,024,393,463)	–	–	–	–	–	–	–	(3,024,393,463)	(6,748,756,616)	(9,773,150,079)
Change in non-controlling interest without loss of control	–	–	–	–	–	–	236,905,378	–	–	–	–	–	–	236,905,378	64,498,996	301,404,374
Acquisition of non-controlling interest by a subsidiary	–	–	–	–	–	–	(8,787,548)	–	–	–	–	–	–	(8,787,548)	9,361,702	574,154
Increase in subsidiaries' treasury shares	–	–	–	–	–	–	1,490,930,545	–	–	–	–	–	–	1,490,930,545	(4,843,685,471)	(3,352,754,926)
Stock issue costs of subsidiaries	–	(22,233,418)	(22,233,418)	–	–	–	–	–	–	–	–	–	–	(22,233,418)	–	(22,233,418)
Subsidiary's share-based payments (Note 45)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	13,186,060	13,186,060
Balance at December 31, 2023	₱7,562,983,658	₱45,163,833,993	₱52,726,817,651	₱159,611,995,193	₱101,224,000,000	₱260,835,995,193	₱40,847,939,056	₱292,471,751	(₱18,797,045,448)	₱244,232,299	₱27,732,001	(₱18,232,609,397)	(₱274,756,941)	₱335,903,385,562	₱109,175,435,324	₱445,078,820,886

See accompanying Notes to Consolidated Financial Statements.

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax from continuing operations	**₱56,246,665,906**	₱57,401,669,342	₱49,106,595,248
Loss before income tax from discontinued operations (Note 44)	**(124,061,923,693)**	(17,841,396,304)	(11,475,986,722)
Income (loss) before income tax	**(67,815,257,787)**	39,560,273,038	37,630,608,526
Adjustments for:			
Provision for impairment losses (Notes 34 and 44)	**115,020,389,833**	1,484,532,726	1,263,599,621
Depreciation and amortization (Notes 15, 16, 18, 33, 42 and 44)	**36,030,173,166**	31,593,148,501	30,076,831,117
Equity in net earnings of associates and joint ventures (Notes 14 and 44)	**(17,608,156,626)**	(16,734,723,955)	(13,954,686,739)
Interest expense (Note 35)	**15,680,861,153**	15,430,079,777	13,332,297,273
Provision for asset retirement obligation (ARO) and heavy maintenance visits (HMV) (Note 24)	**9,049,278,023**	5,196,166,354	1,349,982,077
Gain on free-of-charge engines (Notes 16 and 29)	**(6,343,611,600)**	–	–
Dividend income (Notes 28 and 44)	**(3,468,446,770)**	(3,375,657,395)	(2,879,295,286)
Gain on sale and retirement of property, plant and equipment (Notes 16 and 29)	**(2,677,116,776)**	(2,137,130,699)	(1,094,267,491)
Finance income (Note 27)	**(1,893,568,538)**	(1,830,081,665)	(1,972,482,422)
Foreign exchange losses (gains) (Note 44)	**996,360,381**	(213,743,724)	464,986,040
Market valuation losses (gains) on financial assets at fair value through profit or loss - net (Note 9)	**(538,881,247)**	2,019,138,901	(373,390,014)
Earned and expired portion of travel fund/deferred revenue on rewards program	**(58,598,014)**	(70,579,674)	(509,447,373)
Gain on sale of financial assets at fair value through OCI (Note 44)	**(16,459,699)**	(3,230,583)	(33,395,683)
Gain on a merger (Note 24 and 44)	**–**	(7,933,063,801)	–
Market valuation gains on derivative financial instruments - net (Note 8)	**–**	–	(880,160,229)
Operating income before changes in working capital accounts	**76,356,965,499**	62,985,127,801	62,421,179,417
Changes in operating assets and liabilities:			
Decrease (increase) in			
Financial assets at fair value through profit or loss	**131,544,031**	(1,894,899,576)	337,087,551
Receivables	**(4,014,446,275)**	92,230,353	(8,396,323,619)
Inventories	**9,167,530,215**	1,324,356,028	(10,250,378,553)
Advances to suppliers	**(450,324,967)**	(3,882,206,591)	(536,127,332)
Other current assets	**596,179,465**	2,296,613,055	(150,111,884)
Increase (decrease) in			
Accounts payable and accrued expenses	**1,463,588,807**	3,269,157,305	13,409,280,658
Unearned revenue	**2,734,767,692**	4,470,554,266	2,202,182,598
Other current liabilities	**(1,474,143,613)**	3,329,598,926	1,665,571,785
Net cash generated from operations	**84,511,660,854**	71,990,531,567	60,702,360,621
Interest paid	**(15,879,041,636)**	(15,915,736,425)	(13,775,994,331)
Income taxes paid	**(5,345,003,123)**	(5,341,170,949)	(5,268,583,981)
Interest received	**1,922,192,404**	1,934,335,946	2,023,473,911
Net cash provided by operating activities	**65,209,808,499**	52,667,960,139	43,681,256,220

(Forward)

	Years Ended December 31		
	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of:			
Property, plant and equipment (Note 16)	**(₱42,039,071,470)**	(₱63,059,971,724)	(₱47,997,600,372)
Investment properties (Note 15)	**(4,151,048,881)**	(11,633,750,898)	(9,805,145,056)
Investments in associates and joint ventures (Note 14)	**(2,142,762,778)**	(1,974,712,423)	(1,495,641,660)
Financial assets at fair value through other comprehensive income	**(158,394,947)**	(66,780,954)	(10,583,252,781)
Intangible assets (Note 18)	**(81,997,332)**	(51,023,778)	(234,618,618)
Subsidiaries, net of cash acquired (Notes 14 and 19)	**29,372,293**	(57,901,248)	–
Investment securities at amortized cost	**–**	–	(14,101,076,000)
Refund of pre-delivery payments (Note 16)	**10,536,894,760**	13,071,468,061	11,593,934,637
Dividends received from investments in associates and joint ventures (Note 14)	**8,499,229,434**	7,308,504,725	6,597,951,268
Dividends received from other investments (Note 28 and 44)	**3,468,446,770**	3,375,657,395	2,879,295,286
Net decrease (increase) in the amounts of:			
Advances to suppliers and contractors	**820,422,251**	344,707,450	(496,111,484)
Other noncurrent assets	**(3,236,062,247)**	(607,236,526)	(2,105,559,252)
Cash transferred on a merger (Note 44)	**–**	(11,603,831,759)	–
Proceeds from sale/maturity of:			
Property, plant and equipment (Note 16)	**7,751,801,263**	21,682,324,254	10,869,674,182
Assets held for sale (Note 16)	**3,898,264,816**	–	–
Financial assets at fair value through other comprehensive income (Note 10)	**2,006,398,083**	1,049,396,031	11,907,892,603
Investment in associate and joint venture (Note 14)	**–**	4,741,459	–
Investment securities at amortized cost	**–**	–	17,263,816,173
Net cash used in investing activities	**(14,798,507,985)**	(42,218,409,935)	(25,706,441,074)
CASH FLOWS FROM FINANCING ACTIVITIES			
Settlements of:			
Short-term debts (Note 47)	**(119,689,745,725)**	(152,379,207,296)	(199,633,130,497)
Long-term debts (Note 47)	**(34,959,643,433)**	(27,157,216,278)	(63,293,685,421)
Lease liabilities (Note 42)	**(19,247,317,559)**	(14,955,567,818)	(9,944,700,279)
Availments of:			
Short-term debts (Note 47)	**95,995,842,232**	154,824,312,743	171,573,491,995
Long-term debts (Note 47)	**39,591,292,458**	35,470,579,522	64,995,751,271
Net proceeds from sale of equity interest in a subsidiary (by a subsidiary) (Notes 2 and 25)	**13,647,666,613**	10,004,811,047	–
Dividends paid to non-controlling interests (Note 25)	**(8,777,023,237)**	(7,018,748,584)	(6,748,756,616)
Decrease in other noncurrent liabilities	**(8,622,604,283)**	(4,962,303,468)	(4,708,375,806)
Dividends paid on:			
Common shares (Note 25)	**(3,158,813,136)**	(3,158,813,136)	(3,008,393,463)
Preferred shares (Note 25)	**(16,800,000)**	(16,800,000)	(16,000,000)
Purchase of treasury shares by subsidiaries (Note 25)	**(1,517,164,731)**	(2,876,338,258)	(3,352,754,926)
Net cash used in financing activities	**(46,754,310,801)**	(12,225,291,526)	(54,136,553,742)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**3,656,989,713**	(1,775,741,322)	(36,161,738,596)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**47,772,267,453**	49,548,008,775	85,709,747,371
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	**₱51,429,257,166**	₱47,772,267,453	₱49,548,008,775

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

JG Summit Holdings, Inc. ("JGSHI" or "the Parent Company"), was incorporated in the Philippines on November 23, 1990. The Parent Company was listed on the Philippine Stock Exchange in 1993. The registered office address of the Parent Company is at 43rd Floor, Robinsons-Equitable Tower, ADB Avenue corner Poveda Road, Pasig City, Metro Manila.

JGSHI is the ultimate parent of the JG Summit Group (the Group) and is a holding company with substantial business interests in branded consumer foods, agro-industrial and commodity food products, real estate and hotel, air transportation and petrochemicals. The Group also has core investments in telecommunications, power generation and distribution and banking and financial services.

The Group conducts business throughout the Philippines, but primarily in and around Metro Manila where it is based. The Group also has branded food businesses in the Association of Southeast Asian Nations region and interests in property development businesses in Singapore and the People's Republic of China.

The principal activities of the Group are further described in Note 6, *Segment Information*, to the consolidated financial statements.

2. Material Accounting Policy Information

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVPL), financial assets at fair value through other comprehensive income (FVOCI), and derivative financial instruments that are measured at fair value, and certain biological assets and agricultural produce that are measured at fair value less estimated costs to sell.

The consolidated financial statements of the Group are presented in Philippine peso (₱), the functional currency of the Parent Company. All values are rounded to the nearest peso except when otherwise stated.

A summary of the functional currencies of certain foreign subsidiaries within the Group follows:

Subsidiaries	Country of Incorporation	Functional Currency
Parent Company		
JG Summit Philippines, Ltd. and Subsidiaries		
JG Summit Philippines, Ltd.	Cayman Islands	US Dollar
JGSH Philippines, Limited	British Virgin Islands	-do-
Telegraph Development, Ltd.	-do-	-do-
Summit Top Investment, Ltd.	-do-	-do-
JG Digital Equity Ventures and a Subsidiary		
JG Digital Capital Pte. Ltd.	Singapore	Singapore Dollar

(Forward)

Subsidiaries	Country of Incorporation	Functional Currency
Universal Robina Corporation (URC) Group		
URC Asean Brands Co. Ltd. (UABCL)	British Virgin Islands	US Dollar
Hong Kong China Foods Co. Ltd. (HCFCL)	- do -	- do -
URC Oceania Company Limited (UOCL)	- do -	- do -
URC International Co. Ltd. (URCICL)	- do -	- do -
Shanghai Peggy Foods Co., Ltd.(Shanghai Peggy)	China	Chinese Renminbi
URC China Commercial Co. Ltd. (URCCCL)	- do -	- do -
Xiamen Tongan Pacific Food Co., Ltd.	- do -	- do -
Guangzhou Peggy Foods Co., Ltd.	- do -	- do -
Shantou SEZ Shanfu Foods Co., Ltd.	- do -	- do -
Jiangsu Acesfood Industrial Co., Ltd.	- do -	- do -
Shantou Peggy Co. Ltd.	- do -	- do -
URC Hong Kong Company Limited	Hong Kong	Hong Kong Dollar
PT URC Indonesia	Indonesia	Indonesian Rupiah
URC Snack Foods (Malaysia) Sdn. Bhd. (URC Malaysia)	Malaysia	Malaysian Ringgit
Ricellent Sdn. Bhd.	- do -	- do -
Crunchy Foods Sdn. Bhd (Malaysia)	- do -	- do -
Munchy Food Industries Sdn. Bhd	- do -	- do -
Munchworld Marketing Sdn Bhd	- do -	- do -
URC Foods (Singapore) Pte. Ltd.	Singapore	Singapore Dollar
Advanson International Pte. Ltd. (Advanson)	- do -	- do -
Pan Pacific Investments Co. Ltd. (PPICL)	- do -	- do -
URC Equity Ventures Pte. Ltd.	- do -	- do -
URC (Thailand) Co., Ltd.	Thailand	Thai Baht
Siam Pattanasin Co., Ltd.	- do -	- do -
URC (Myanmar) Co. Ltd.	Myanmar	Myanmar Kyat
URC Vietnam Co., Ltd.	Vietnam	Vietnam Dong
URC Hanoi Company Limited	- do -	- do -
URC Central Co. Ltd.	- do -	- do -
Robinsons Land Corporation (RLC) Group		
Robinsons (Cayman) Limited	Cayman Islands	US Dollar
RLC Resources Ltd	British Virgin Islands	-do-
Land Century Holdings, Ltd.	Hong Kong	Hong Kong Dollar
World Century Enterprise Ltd.	-do-	-do-
First Capital Development, Ltd.	-do-	-do-

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

Basis of Consolidation

The consolidated financial statements include the financial statements of the Parent Company and the following wholly and majority-owned subsidiaries:

Subsidiaries	Country of Incorporation	Principal Place of Business	Effective Percentage of Ownership 2025	2024
Food				
URC and Subsidiaries	Philippines*	8th floor Tera Tower Bridgetowne E. Rodriguez Jr., Ave (C5 Road) Ugong Norte, Quezon City	**56.97**	56.66
CFC Corporation	-do-	-do-	**56.97**	56.66
Bio-Resource Power Generation Corporation	-do-	Manjuyod, Negros Oriental	**56.97**	56.66
Green Recovery, Incorporated (GRI)	-do-	Block 3 Warehouse No. 4 Baliwag Industrial Subdivision Tarcan 3006 City of Baliwag, Bulacan Philippines	**42.73****	42.49**
Nissin-URC	-do-	Tera Tower Bridgetowne E. Rodriguez Jr., Ave (C5 Road) Ugong Norte, Quezon City	**29.05****	28.90**
URC Philippines, Limited (URCPL)	British Virgin Islands	Offshore Incorporations Limited, P.O. Box 957 Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	**56.97**	56.66
URC International Co. Ltd. (URCICL) and Subsidiaries	-do-	-do-	**56.97**	56.66
URC China Commercial Co., Ltd.	China	318 Shangcheng Road, Room 1417 Lian You Bldg., Pudong, Shanghai, China	**56.97**	56.66
Najalin Agri-Ventures, Inc. (NAVI) (Note 16)	Philippines	CAC Compound, La Carlota City, Negros Occidental	**54.59****	54.30**
Air Transportation				
CP Air Holdings, Inc. (CPAHI) and Subsidiaries	Philippines	2nd Floor, Doña Juanita Marquez Lim Building, Osmeña Boulevard, Cebu City	**100.00**	100.00
Cebu Air, Inc. (CAI) and Subsidiaries	-do-	-do-	**65.51**	65.26
CEBGO, Inc. (CEBGO)	-do-	AO-08-09 Mezzanine Level, Passenger Terminal Building, Clark International Airport, Clark Freeport Zone, Pampanga	**65.51**	65.26
Aviation Partnership (Philippines) Corp	-do-	3rd Floor Aviation Partnership Philippines Bldg. 8006 Domestic Road Pasay City	**100.00**	100.00
AirSwift Transport, Inc. (AirSWIFT)	-do-	5001-5006, 5th Floor Ayalamall Manila Bay Diosdado Macapagal Blvd, cor Aseana Ave, Parañaque, 1701 Metro Manila	**100.00**	100.00
Real Estate and Hotels				
RLC and Subsidiaries	Philippines	43rd Floor, Robinsons Equitable Tower, ADB Avenue, Ortigas Center, Pasig City	**65.91**	65.59
Robinson's Inn, Inc.	-do-	-do-	**65.91**	65.59
RL Commercial REIT, Inc. (RCR)	-do-	-do-	**39.88****	43.22**
Robinsons (Cayman) Limited	Cayman Islands	Maples and Calder, P.O. Box 309, Ugland House, South Church Street, Grand Cayman, Cayman Islands		
Robinsons Properties Marketing and Management Corporation	Philippines	43rd Floor, Robinsons Equitable Tower, ADB Avenue, Artigas Center, Pasig City	**65.91**	65.59
Manhattan Buildings and Management Corp	-do-	-do-	**65.91**	65.59
Altus Angeles, Inc.	-do-	McArthur Highway, Balisage, Angeles City, Pampanga	**33.61****	33.45**

(Forward)

Subsidiaries	Country of Incorporation	Principal Place of Business	Effective Percentage of Ownership **2025**	2024
Go Hotels Davao, Inc.	Philippines	43/F Robinsons Equitable Tower, ADB Avenue corner Poveda Road, Ortigas Center, Pasig City	**33.61****	33.45**
RLC Resources Ltd	British Virgin Islands	Offshore Incorporations Centre, 2nd Floor, Nagico Building 139 Main Street, Tortola	**65.91**	65.59
Land Century Holdings, Ltd.	Hong Kong	Unit A, 14th Floor, Wing Shan Industrial Building No.428 Cha Kwo Ling Road Yau Tong, Kowloon	**65.91**	65.59
World Century Enterprise Ltd.	-do-	Flat/RM, C&D 18/F Monterey Plaza 15 Chong YIP Street, Kwun Tong, Kowloon	**65.91**	65.59
First Capital Development, Ltd	-do-	Flat/RM, A 14/F Wing Shan Industrial Building 428 Cha Kwo Ling Road, Yau Tong	**6591**	65.59
Chengdu Xin Yao Real Estate Development Co. Ltd.	China	Banbianjie Community, Jitou Street, Wuhou District, Chengdu	**65.91**	65.59
Bacoor R and F Land Corporation (BRFLC)	Philippines	Unit 3202, 32F Robinsons Equitable Tower, ADB Avenue cor. Poveda Road, San Antonio Pasig City	**46.13****	45.91**
Bonifacio Property Ventures, Inc.	-do-	Lower Ground Floor, Cyber Sigma Building, Lawton Avenue, Fort Bonifacio, Taguig City	**65.91**	65.59
Altus Mall Ventures, Inc.	-do-	Level 2 Galleria Corporate Center, EDSA cor. Ortigas Avenue, Quezon City	**65.91**	65.59
RLGB Land Corporation (RLGB)	-do-	Level 2 Galleria Corporate Center EDSA cor. Ortigas Avenue Ugong Norte Quezon City	**65.91**	65.59
Robinsons Logistix and Industrials, Inc. (RLII)	-do-	Level 2 Galleria Corporate Center EDSA cor. Ortigas Avenue Ugong Norte Quezon City	**65.91**	65.59
RL Property Management, Inc. (RLPMI)	-do-	11F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Brgy. San Antonio, Ortigas Center, Pasig City	**65.91**	65.59
RL Fund Management, Inc. (RLFMI)	-do-	14F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Brgy. San Antonio, Ortigas Center, Pasig City	**65.91**	65.59
Malldash Corp.	-do-	11F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Brgy. San Antonio, Ortigas Center, Pasig City	**65.91**	65.59
Staten Property Management, Inc.	-do-	27F Galleria Corporate Center, EDSA cor. Ortigas Avenue, Quezon City	**65.91**	65.59
RL Digital Ventures, Inc.	-do-	14F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Brgy. San Antonio, Ortigas Center, Pasig City,	**65.91**	65.59
Altus Property Ventures, Inc. (APVI)	-do-	Brgy. 1 San Francisco, San Nicolas, Ilocos Norte	**65.00**	64.98
Petrochemicals				
JG Summit Olefins Corporation (JGSOC)***	Philippines	9th Floor, Robinsons Cyberscape Gamma Bldg., Topaz and Ruby Roads, Ortigas Center, Pasig City	**100.00**	100.00
Peak Fuel Corporation	-do-	10th Floor Robinsons Cybergate Gamma, Bldg., Topaz and Ruby Roads, Ortigas Center, Pasig City	**100.00**	100.00
JGSOC Philippines Limited	British Virgin Islands	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	**100.00**	100.00
Supplementary Businesses				
Data Analytics Ventures, Inc. (DAVI)	-do-	37F Cyberscape Gamma Topaz and Ruby Roads Ortigas Center, Pasig City	**44.90****	44.38**
JG Digital Equity Ventures (JG DEV) and a Subsidiary	-do-	37F Cyberscape Gamma Topaz and Ruby Roads Ortigas Center, Pasig City	**100.00**	100.00
JG Digital Capital Pte. Ltd. (JGDCPL)	Singapore	168 Tagore Lane Singapore	**100.00**	100.00
JG Summit Capital Services Corp (JGSCSC) and Subsidiaries	Philippines	40th Floor, Robinsons-Equitable Tower, ADB Avenue corner Poveda Road, Ortigas Center, Pasig City	**100.00**	100.00
JG Summit Capital Markets Corporation (JGSMC)	-do-	-do-	**100.00**	100.00
Summit Internet Investments, Inc.	-do-	-do-	**100.00**	100.00

(Forward)

Subsidiaries	Country of Incorporation	Principal Place of Business	Effective Percentage of Ownership **2025**	2024
JG Summit Philippines Ltd. (JGSPL) and Subsidiaries	-do-	-do-	**100.00**	100.00
JGSH Philippines, Limited (JGSHPL)	British Virgin Islands	Offshore Incorporations Limited, P.O. Box 957 Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands	**100.00**	100.00
Telegraph Developments, Ltd.	-do-	-do-	**100.00**	100.00
Summit Top Investments, Ltd.	-do-	-do-	**100.00**	100.00
Unicon Insurance and Reinsurance Brokers Corporation (Unicon)	Philippines	25F Robinsons Equitable Tower, ADB Ave. corner Poveda St., San Antonio, Pasig City	**60.00**	60.00
JG Summit Infrastructure Holdings Corporation (JGSIHC)	-do-	43rd Floor Robinsons Equitable Tower, ADB avenue, Corner Poveda Road, Pasig City	**100.00**	100.00
Merbau Corporation	-do-	11th Floor, Cyberscape Gamma ,Topaz & Ruby Roads, Ortigas Center, San Antonio 1605, Pasig City	**100.00**	100.00
Batangas Agro-Industrial Development Corporation (BAID) and Subsidiaries	-do-	43rd Floor, Robinsons Equitable Tower ADB Avenue corner Poveda St., Ortigas Center, Pasig City	**100.00**	100.00
Fruits of the East, Inc.	-do-	-do-	**100.00**	100.00
Hometel Integrated Management Corporation	-do-	5th Floor, Citibank Center Bldg., Paseo De Roxas, Makati	**100.00**	100.00
King Leader Philippines, Inc.	-do-	43rd Floor, Robinsons Equitable Tower ADB Avenue corner Poveda St., Ortigas Center, Pasig City	**100.00**	100.00
Tropical Aqua Resources	-do-	-do-	**100.00**	100.00
United Philippines Oil Trading, Inc.	-do-	-do-	**100.00**	100.00
Samar Commodities Trading and Industrial Corporation	-do-	5th Floor, Citibank Center Bldg., 8741 Paseo De Roxas, Makati	**100.00**	100.00

* *Certain subsidiaries are located in other countries, such as China, Malaysia, Singapore, Thailand, Vietnam, Hongkong etc.*

** *These are majority-owned subsidiaries of the Parent Company's directly-owned subsidiaries.*

****In 2025, the BOD approved management's plan to exit the petrochemical business and to pursue various options to monetize JGSOC's assets. As a result, JGSOC was classified as a discontinued operation.*

RLC

Property-For-Share Swap Transaction
On July 16, 2024, RLC entered into the third property-for-share swap transaction with RCR through the execution of a Deed of Assignment for the infusion of thirteen (13) commercial assets totaling to 347,329 square meters ("sqm") of Gross Leasable Area (GLA) with a total appraised value of ₱33.9 billion in exchange for 4,987,641,178 primary common shares of RCR at a price of ₱6.80 per share. This resulted to an increase of RLC's interest in RCR from 50.05% to 65.90%.

On August 13, 2025, RLC entered into a fourth property-for-share swap transaction with RCR through the execution of a Deed of Assignment for the infusion of nine (9) commercial assets with a total appraised value of ₱30.7 billion in exchange for 3,834,357,500 primary common shares of RCR at a price of ₱8.00 per share. This resulted to an increase of RLCs equity interest in RCR to 65.62%.

Completion of the Overnight Block Placement of RCR Shares
On April 5, 2024, RLC sold a total of 1,725,995,000 RCR shares at a transaction price of ₱4.92 per share. Total proceeds, net of transaction costs, amounted to ₱8.2 billion. With this block placement, RLC's ownership in RCR was reduced to 50.05% from 66.14%.

On October 18, 2024, RLC completed the overnight block placement of its shares in RCR. RLC sold a total of 318,902,800 common shares of RCR at a transaction price of ₱5.86 per share equivalent to ₱1.8 billion, net of transaction costs resulting in a decline in RLC's ownership % in RCR from 65.90% to 63.87%.

On April 3, 2025, RLC completed the overnight block placement of its shares in RCR. RLC sold a total of 1,043,404,900 common shares at a transaction price of ₱5.95 per share. Total proceeds, net of transaction costs, amounted to ₱6.0 billion. As a result of the sale, the equity interest of RLC over RCR changed from 63.87% to 57.23%.

Lastly, on September 22, 2025, RLC completed the overnight block placement of its 1,000,000,000 common shares in RCR at a transaction price of ₱7.75 per share. Total proceeds, net of transaction costs, amounted to ₱7.7 billion. With this placement, the equity interest of RLC over RCR decreased to 60.51%.

CAI

Acquisition of AirSWIFT
On October 7, 2024, CEB signed a share purchase agreement (SPA) with ALI Capital Corp. for the acquisition of 100% of AirSWIFT for consideration of ₱1.75 billion, comprised of payment for outstanding shares and shareholder advances. AirSWIFT, a boutique airline that caters to domestic leisure, operates flights from Manila and Clark to El Nido in northern Palawan, and from El Nido to other major tourist destinations in the country, including Cebu, Boracay, Coron and Bohol.

Debt-to-Equity Conversion of 1AV
In October 2024, CEB signed a Deed of Assignment of Credit and Subscription ("debt-to-equity conversion") with 1Aviation, for the assignment of credit and subscription to 1,130,000 shares, with par value of ₱100 per share, amounting to ₱113.0 million, equivalent to additional 20% ownership. On August 15, 2025, the Securities and Exchange Commission (SEC) approved a debt-to-equity conversion, increasing CEB's ownership interest in 1Aviation from 40% to 60%. As a result, CEB obtained control over 1Aviation, which is now accounted for as a subsidiary.

URC

URC and GRI Joint Venture
On December 18, 2023, URC entered into a joint venture agreement with Greencycle Innovative Solutions, Inc., a corporation duly organized in Philippines to form GRI, a corporation duly incorporated and organized in the Philippines for waste management which includes collection, treatment, recovery, and processing of plastic wastes.

On July 8, 2024, the BOD approved the initial subscription of URC to the unissued authorized capital stock of GRI consisting of 20,250,000 common shares for a total cost of ₱20.3 million.

USVI's declaration of liquidating dividends approval
On April 25, 2024, the BOD of USVI approved the declaration of a liquidating dividend to URC amounting to ₱672.0 million, which was paid on May 6, 2024. This distribution is part of USVI's liquidation process and represents a return of capital to URC.

URCL and URCICL Merger
On March 25, 2024, the BOD approved the plan to merge URCL into URCICL. Subsequently, on June 25, 2024, the BOD approved the Plan of Merger and Articles of Merger, with the merger becoming effective on June 26, 2024. Both companies, incorporated under Cayman and BVI laws, received the necessary approvals to proceed with the merger. The merger does not impact on the consolidated financial statements of the Group since both URCL and URCICL are wholly owned subsidiaries of URC.

USVI and UBVI application to shorten corporate terms
On March 18, 2024, USVI applied to the Philippine SEC to shorten its corporate term from 30 years to 9 years and 11 months, to end on March 29, 2024. On the same date, UBVI applied to SEC to shorten its corporate term from 50 years to 40 years and 6 months, to end on March 27, 2024. On October 21, 2024, the SEC approved the application of UBVI. On November 19, 2024, the SEC approved the application of USVI.

Share Transfer Agreement
On July 30, 2025, the Administration for Market Regulation of China (Shanghai) Pilot Free Trade Zone approved the transfer of 100% of the equity of URC China Commercial Co., Ltd., from the Parent Company to Jiangsu Aces, representing the paid-in capital of USD 650,000, for a price of USD 650,000 (RMB 5,245,630).

JGSCSC

Investment in GTFPL
In December 2023, JGSCSC invested a total of ₱169.7 million equivalent to 51.0 million common shares and 168.9 million preferred shares of GTFPL. Total additional investment in 2024 amounted to ₱996.6 million equivalent to 499.6 million preferred shares of GFTPL. As of December 31, 2024, total investment of JGSCS to GTFPL amounted to ₱1.2 billion equivalent to 51.0 million common shares and 668.4 million preferred shares of GTFPL. In 2024, JGSCSC lost control over GTFPL but has significant influence. Accordingly, the investment in GTFPL was reclassified from investment in subsidiary to investment in associate due to change in contractual agreements. The fair value of the investment in GTFPL upon the loss of control approximates its total cost.

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

- Power over the 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.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

All intragroup transactions, balances, income and expenses are eliminated in the consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, non-controlling interests consist of the amount attributed to such interests at initial recognition and the non-controlling interest's share of changes in equity since the date of the combination.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the Group.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any non-controlling interest;
- derecognizes the related other comprehensive income recorded in equity and recycles the same to profit or loss or retained earnings;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained; and
- recognizes any surplus or deficit in profit or loss in the consolidated statement of comprehensive income.



When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of other comprehensive income. Any resulting gain or loss is recognized in the statement of profit or loss.

Business Combinations
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss in the consolidated statement of comprehensive income as incurred.

Where appropriate, the cost of acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant PFRS Accounting Standards. Changes in the fair value of contingent consideration classified as equity are not recognized.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date the Group receives complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum period of one year.

If the business combination is achieved in stages, the Group's previously-held interests in the acquired entity are remeasured to fair value at the acquisition date (the date when the Group attains control) and the resulting gain or loss, if any, is recognized in profit or loss in the consolidated statement of comprehensive income. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss in the consolidated statement of comprehensive income, where such treatment would be appropriate if that interest were disposed of.

Goodwill
Goodwill arising on the acquisition of a subsidiary is recognized as an asset at the date the control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously-held interest, if any, in the entity over the net fair value of the identifiable net assets recognized.

If after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously-held equity interest, if any, the excess is recognized immediately in profit or loss in the consolidated statement of comprehensive income as a bargain purchase gain.

Goodwill is not amortized, but is reviewed for impairment at least annually. Any impairment loss is recognized immediately in profit or loss in the consolidated statement of comprehensive income and is not subsequently reversed.



On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Changes in Accounting Policies
The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards and amendments effective in 2025. The Group did not early adopt any other standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 21*, Lack of exchangeability*
  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Material Accounting Policy Information

Current versus Noncurrent Classification
The Group presents assets and liabilities in the consolidated statement of financial position based on current or noncurrent classification. An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Fair Value Measurement
The Group measures certain financial instruments and nonfinancial assets at fair value at each reporting date. Fair values of financial instruments measured at amortized cost and investment properties carried at cost are disclosed in Note 5.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting date.

Foreign Currency Translation

The Group's consolidated financial statements are presented in Philippine peso, which is also the Parent Company's functional currency. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities in their respective functional currencies at the foreign exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated using the closing foreign exchange rate prevailing at the reporting date. All differences are charged to profit or loss in the consolidated statement of comprehensive income. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in the statement of comprehensive income.

Nonmonetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the dates of initial transactions. Nonmonetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Group companies
As of reporting date, the assets and liabilities of foreign subsidiaries, with functional currencies other than the functional currency of the Parent Company, are translated into the presentation currency of the Group using the closing foreign exchange rate prevailing at the reporting date, and their respective income and expenses are translated at the monthly weighted average exchange rates for the year.

The exchange differences arising on the translation are recognized in other comprehensive income as cumulative translation adjustment (CTA). On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation shall be recognized in profit or loss.

Cash and Cash Equivalents
Cash represents cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the dates of placement, and that are subject to an insignificant risk of changes in value.

Restricted cash
Restricted cash are cash in bank set aside as security for letters of credit issued to aircraft lessors and held at separate escrow account for the purchase of land properties. The nature of restriction is assessed by the Group to determine its eligibility to be classified as cash and cash equivalents. The Group classifies restricted cash as current and noncurrent assets depending on the tenure of the restriction.

Financial Instruments – Classification and Measurement

Initial recognition and measurement of financial assets
Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, FVOCI, and FVPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

Where the transaction price in a non-active market is different from the fair value from other observable current market transactions in the same instrument or computed based on valuation technique whose variables include only data from observable markets, the Group recognizes the difference between the transaction price and the fair value (a 'Day 1' difference) in the statement of comprehensive income unless it qualifies for recognition as some other type of asset or liability. In cases where fair value is determined using data which are not observable from the market, the difference between the transaction price and the model value is only recognized in the statement of comprehensive income when the inputs

become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the amount of 'Day 1' difference.

Contractual cash flows characteristics
If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent solely payments of principal and interest (SPPI) on the principal amount outstanding. Instruments that do not pass this test are automatically classified at fair value through profit or loss. In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time.

Business model
The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, rather it refers to how it manages its financial assets in order to generate cash flows. The Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the portfolio and the financial assets held within that portfolio are evaluated and reported to the Group's key management personnel, the risks that affect the performance of the portfolio (and the financial assets held within that portfolio) and how these risks are managed and how managers of the business are compensated.

Subsequent measurement of financial assets
For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortized cost (debt instruments);
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at FVPL.

Investment securities at amortized cost
A debt financial asset is measured at amortized cost if (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding. These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the Effective Interest Rate (EIR) method, less any impairment in value. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortization is included in 'Interest income' in the consolidated statement of comprehensive income and is calculated by applying the EIR to the gross carrying amount of the financial asset, except for (i) purchased or originated credit-impaired financial assets and (ii) financial assets that have subsequently become credit-impaired, where, in both cases, the EIR is applied to the amortized cost of the financial asset. Losses arising from impairment are recognized in 'Provision for impairment losses and others' in the consolidated statement of comprehensive income.

Financial assets at FVOCI
Financial assets at FVOCI include debt and equity securities. After initial measurement, investment securities at FVOCI are subsequently measured at fair value. The unrealized gains and losses arising from the fair valuation of financial assets at FVOCI are excluded, net of tax as applicable, from the reported earnings and are included in the statements of comprehensive income as 'Net gains (losses) on financial assets at FVOCI'.

Debt securities at FVOCI are those that meet both of the following conditions: (i) the asset is held within a business model whose objective is to hold the financial assets in order to both collect contractual cash flows and sell financial assets; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the outstanding principal amount. The effective yield component of debt securities at FVOCI, as well as the impact of restatements on foreign currency-denominated debt securities at FVOCI, is reported in the consolidated statements of comprehensive income. Interest earned on holding debt securities at debt securities at FVOCI are reported as interest income using the EIR method. When the debt securities at FVOCI are disposed of, the cumulative gain or loss previously recognized in the consolidated statements of comprehensive income is recognized in profit or loss. The expected credit losses (ECL) arising from impairment of such investments are recognized in OCI with a corresponding charge to 'Provision for impairment losses and others' in the consolidated statements of comprehensive income.

Equity securities designated at FVOCI are those that the Group made an irrevocable election to present in OCI the subsequent changes in fair value. Dividends earned on holding equity securities at FVOCI are recognized in the consolidated statements of comprehensive income as 'Dividend income' when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Gains and losses on disposal of these equity securities are never recycled to profit or loss, but the cumulative gain or loss previously recognized in the statements of comprehensive income is reclassified to 'Retained earnings' or any other appropriate equity account upon disposal. Equity securities at FVOCI are not subject to impairment assessment.

Financial assets at FVPL
Financial assets are measured at FVPL unless these are measured at amortized cost or at FVOCI. Included in this classification are equity and debt investments held for trading and debt instruments with contractual terms that do not represent solely payments of principal and interest. Financial assets held at FVPL are initially recognized at fair value, with transaction costs recognized in the profit or loss in the statement of comprehensive income as incurred. Subsequently, they are measured at fair value and any gains or losses are recognized in the consolidated statement of comprehensive income.

Additionally, even if the asset meets the amortized cost or the FVOCI criteria, the Group may choose at initial recognition to designate the financial asset at FVPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch) that would otherwise arise from measuring financial assets on a different basis.

Trading gains or losses are calculated based on the results arising from trading activities of the Group, including all gains and losses from changes in fair value for financial assets and financial liabilities at FVPL, and the gains or losses from disposal of debt instruments classified as FVOCI and investments securities at amortized cost.



Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated financial assets at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Derivative Financial Instruments
Derivative financial instruments, including bifurcated embedded derivatives, are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The Group's derivative instruments provide economic hedges under the Group's policies but are not designated as accounting hedges. Consequently, any gains or losses arising from changes in fair value are taken directly to profit or loss for the year.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a nonderivative host contract with the effect that some of the cashflows of the combined instrument vary, in a way similar to a stand-alone derivative. The Group assesses whether embedded derivatives are required to be separated from host contracts when the Group first becomes a party to the contract. An embedded derivative is separated from the host contract and accounted for as a derivative if all of the following conditions are met:

a. the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
b. a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
c. the hybrid or combined instrument is not recognized as at FVPL.

Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group determines whether a modification to cash flows is significant by considering the extent to which the expected future cash flows associated with embedded derivative, the host contract or both have changed and whether the change is significant relative to the previously expected cash flows on the contract.

The Group's bifurcated embedded derivatives pertain to options arising from the CAI's convertible bonds payable.

Hedge Accounting
The Group uses derivative financial instruments such as jet fuel/sing kero and brent crude swaps and zero cost collars and crack swap contracts to manage its exposure to fuel price fluctuations and forward contracts for the risk associated with foreign currency and interest rate swap to manage the volatilities on swap rates causing uncertainty on monthly rent of the aircraft. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:
- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment;



- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment; and
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes Group's risk management strategies and objectives focusing on the hedged risks, identification of the hedging instrument, the hedged item, and the nature of the risks being hedged and the Group's assessment on whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:
- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges
The change in the fair value of a hedging instrument is recognized in the consolidated statement of comprehensive income as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated statement of comprehensive income as other expense.

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss.

Cash flow hedges
The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately under 'Market valuation gains (losses) on derivative financial instruments - net' in the consolidated statement of comprehensive income. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.



The amounts accumulated in OCI are accounted depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Hedges of a net investment
Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI while any gains or losses relating to the ineffective portion are recognized in the consolidated statement of comprehensive income.

Derivatives not Designated as Hedging Instruments
Derivative financial instruments previously designated in hedging relationships that have been subsequently discontinued, either fully or partially, were recognized as financial assets or liabilities at FVPL in the consolidated statement of financial position. Hedge accounting is discontinued under the following circumstances:

- Risk management objectives were updated or modified;
- Economic relationship between the hedge item and hedging instrument was subsequently assessed to be non-existing;
- Effect of credit risk dominates the value changes of the hedging relationship upon performing subsequent effectiveness testing; and
- Forecasted underlying or hedged item is no longer highly probable to occur

Discontinuation of hedge accounting is applied prospectively upon determination that the forecasted cash flow is no longer highly probable, even if still expected to occur. Amounts accumulated in the cash flow hedge reserve remain recognized separately in equity until the forecasted transaction occurs if the loss is recoverable.

When discontinuation of hedge accounting arises due to hedged future cash flows are no longer expected to occur, amounts accumulated in the cash flow hedge reserve are immediately reclassified to profit or loss under 'Market valuation gains (losses) on derivative financial instruments - net' in the consolidated statement of comprehensive income. Any subsequent changes in the fair value of these derivative financial instruments are recognized under 'Market valuation gains (losses) on derivative financial instruments - net' in the consolidated statement of comprehensive income and are presented net.

Derivatives that do not meet the hedge accounting criteria are treated as economic hedges and not designated in hedging relationships.



Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Modification of financial assets
The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in profit or loss, to the extent that an impairment loss has not already been recorded.

The Group considers both qualitative and quantitative factors in assessing whether a modification of financial asset is substantial or not. When assessing whether a modification is substantial, the Group considers the following factors, among others:

- Change in currency
- Introduction of an equity feature
- Change in counterparty
- If the modification results in the asset no longer considered SPPI

The Group also performs a quantitative assessment similar to that being performed for modification of financial liabilities. In performing the quantitative assessment, the Group considers the new terms of a financial asset to be substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10.00% different from the present value of the remaining cash flows of the original financial asset.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased

or originated credit-impaired financial assets) and recognizes a modification gain or loss in the statement of income.

When the modification of a financial asset results in the derecognition of the existing financial asset and the subsequent recognition of a new financial asset, the modified asset is considered a 'new ' financial asset. Accordingly, the date of the modification shall be treated as the date of initial recognition of that financial asset when applying the impairment requirements to the modified financial asset. The newly recognized financial asset is classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be originated as credit impaired (POCI).

Initial recognition and measurement of financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, derivatives designated as hedging instruments in an effective hedge, or other financial liabilities. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement of financial liabilities
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVPL
Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statement of comprehensive income. Financial liabilities designated upon initial recognition at FVPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Group has not designated any financial liability as at FVPL.

Other financial liabilities
This category pertains to the Group's interest-bearing loans and borrowing and payables. After initial recognition, these other financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of comprehensive income.

Derecognition of financial liabilities
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.



Exchange or modification of financial liabilities
The Group considers both qualitative and quantitative factors in assessing whether a modification of financial liabilities is substantial or not. The terms are considered substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10.00% different from the present value of the remaining cash flows of the original financial liability. However, under certain circumstances, modification or exchange of a financial liability may still be considered substantial, even where the present value of the cash flows under the new terms is less than 10.00% different from the present value of the remaining cash flows of the original financial liability. There may be situations where the modification of the financial liability is so fundamental that immediate derecognition of the original financial liability is appropriate (e.g., restructuring a financial liability to include an embedded equity component).

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the fair value of the new liability is recognized in profit or loss.

When the exchange or modification of the existing financial liability is not considered as substantial, the Group recalculates the gross carrying amount of the financial liability as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR and recognizes a modification gain or loss in profit or loss.

If modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the financial instrument and are amortized over the remaining term of the modified financial instrument.

Reclassifications of financial instruments
The Group reclassifies its financial assets when, and only when, there is a change in the business model for managing the financial assets. Reclassifications shall be applied prospectively by the Group and any previously recognized gains, losses or interest shall not be restated. The Group does not reclassify its financial liabilities.

Impairment of Financial Assets
The Group recognizes an allowance for ECL for all debt instruments not classified as FVPL. ECLs represent credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions. ECL allowances will be measured at amounts equal to either (i) 12-month ECL or (ii) lifetime ECL for those financial instruments which have experienced a significant increase in credit risk (SICR) since initial recognition (General Approach). The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECL are credit losses that results from all possible default events over the expected life of a financial instrument.

Staging assessment
PFRS 9 establishes a three-stage approach for impairment of financial assets, based on whether there has been a significant deterioration in the credit risk of a financial asset. These three stages then determine the amount of impairment to be recognized.

For non-credit-impaired financial instruments:

- Stage 1 is comprised of all financial instruments which have not experienced a SICR since initial recognition or is considered of low credit risk as of the reporting date. The Group recognizes a 12-month ECL for Stage 1 financial instruments. The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.
- Stage 2 is comprised of all financial instruments which have experienced a SICR since initial recognition. The Group recognizes a lifetime ECL for Stage 2 financial instruments. Lifetime ECL are credit losses that results from all possible default events over the expected life of a financial instrument.

For credit-impaired financial instruments:

- Stage 3 is comprised of all financial assets that have objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognizes a lifetime ECL for Stage 3 financial instruments.

Definition of "default" and "restored"
The Group eventually classifies a financial instrument as in default when it is credit impaired, or becomes past due on its contractual payments for more than 90 days. As part of a qualitative assessment of whether a customer is in default, the Group considers a variety of instances that may indicate unlikeliness to pay. In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted.

An instrument is considered to be no longer in default (i.e. restored) if there is sufficient evidence to support that full collection is probable and payments are received for at least six months.

Credit risk at initial recognition
The Group uses internal credit assessment and approvals at various levels to determine the credit risk of exposures at initial recognition. Assessment can be quantitative or qualitative and depends on the materiality of the facility or the complexity of the portfolio to be assessed.

Significant increase in credit risk
The assessment of whether there has been a SICR is based on an increase in the probability of a default occurring since initial recognition. The SICR criteria vary by portfolio and include quantitative changes in probabilities of default and qualitative factors, including a backstop based on delinquency. The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Group's internal credit assessment, the borrower or counterparty is determined to require close monitoring or with well-defined credit weaknesses. For exposures without internal credit grades, if contractual payments are more than a specified days past due threshold, the credit risk is deemed to have increased significantly since initial recognition. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, the Group shall revert to recognizing a 12-month ECL.



ECL parameters and methodologies
ECL is a function of the probability of default (PD), loss given default (LGD) and exposure at default (EAD), with the timing of the loss also considered, and is estimated by incorporating forward-looking economic information and through the use of experienced credit judgment.

The PD is an estimate of the likelihood of default over a 12-month horizon for Stage 1 or lifetime horizon for Stage 2. The PD for each individual instrument is modelled based on historic data and is estimated based on current market conditions and reasonable and supportable information about future economic conditions. The Group segmented its credit exposures based on homogenous risk characteristics and developed a corresponding PD methodology for each portfolio. The PD methodology for each relevant portfolio is determined based on the underlying nature or characteristic of the portfolio, behavior of the accounts and materiality of the segment as compared to the total portfolio.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

Forward-looking information
The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. A broad range of forward-looking information are considered as economic inputs, such as GDP growth, exchange rate, interest rate, inflation rate and other economic indicators. The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The Group applied the general approach for customer receivables from its Banking Segment. For the trade receivables of other segments, the standard's simplified approach was applied where ECLs are calculated based on lifetime expected credit losses. Therefore, the Group does not track changes in credit risk of these receivables, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. For the Real estate and hotels segment's installment contract, the vintage analysis approach is used. This method accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the PD from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For cash and cash equivalents, short-term investments and debt securities, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a SICR since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from Standard and Poor's (S&P), Moody's and Fitch to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.



Debt instruments measured at FVOCI
The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the consolidated statements of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets are measured at amortized cost is recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognized in OCI is recycled to the profit and loss upon derecognition of the assets.

Write-off of Financial Assets
A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows (e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the Group has effectively exhausted all collection efforts).

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business of default, and event of solvency or bankruptcy of the Group and all of the counterparties.

Classification of Financial Instruments Between Debt and Equity
A financial instrument is classified as debt, if it provides for a contractual obligation to:
- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or
- satisfy the obligation other than by exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount, after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Debt Issuance Costs
Debt issue costs are amortized using the effective interest method. The unamortized debt issuance costs are offset against the related carrying value of the loan of the Group's statement of financial position. When a loan is paid, the related unamortized debt issuance costs at the date of repayment are charged against current operations.

Inventories
Inventories, including work-in-process, are valued at the lower of cost and net realizable value (NRV). NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. NRV for materials, spare parts and other supplies represents the related replacement costs. In determining the NRV, the Group deducts from cost 100.0% of the carrying value of slow-moving items and nonmoving items for more than one year.

When inventories are sold, the carrying amounts of those inventories are recognized under 'Cost of sales and services' in profit or loss in the period when the related revenue is recognized.



Some inventories may be allocated to other asset accounts, for example, inventory used as a component of a self-constructed property, plant or equipment. Inventories allocated to another asset in this way are recognized as an expense during the useful life of that asset.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Finished goods, work-in-process, raw materials and packaging materials

a. *Petrochemicals*
   Cost is determined using the moving average costing method. Cost of finished goods and work-in-process includes direct materials and labor and a proportion of manufacturing overhead costs based on actual goods processed and produced.

b. *Branded consumer foods, agro-industrial and commodity food products*
   Cost is determined using the weighted average method. Under the weighted average costing method, the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period. Cost of finished goods and work-in-process include direct materials and labor and a proportion of manufacturing overhead costs based on actual goods processed and produced, but excluding borrowing costs.

Subdivision land and condominium and residential units for sale
Subdivision land, condominium and residential units for sale in the ordinary course of business are carried at the lower of cost and NRV. Cost includes land costs, costs incurred for development and improvement of the properties and borrowing costs on loans directly attributable to the projects which were capitalized during construction.

NRV is the estimated selling price in the ordinary course of business less cost of completion and estimated costs necessary to make the sale.

The cost of inventory recognized in the consolidated statement of comprehensive income is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Factory supplies and spare parts
Cost is determined using the weighted average method.

Biological Assets
The biological assets of the Group are divided into two major categories with sub-categories as follows:

Swine livestock	-	Breeders (livestock bearer)
	-	Sucklings (breeders' offspring)
	-	Weanlings (comes from sucklings intended to be breeders or to be sold as fatteners)
	-	Fatteners/finishers (comes from weanlings unfit to become breeders; intended for the production of meat)
Poultry livestock	-	Breeders (livestock bearer)
	-	Chicks (breeders' offspring intended to be sold as breeders)

Biological assets are measured on initial recognition and at each reporting date at its fair value less estimated costs to sell. The fair values are determined based on current market prices of livestock of similar age, breed and genetic merit. Costs to sell include commissions to brokers and dealers, nonrefundable transfer taxes and duties. Costs to sell exclude transport and other costs necessary to get the biological assets to the market.

Agricultural produce is the harvested product of the Group's biological assets. A harvest occurs when agricultural produce is either detached from the bearer biological asset or when a biological asset's life processes cease. A gain or loss arising on initial recognition of agricultural produce at fair value less estimated costs to sell is recognized in the consolidated statement of income in the period in which it arises. The agricultural produce in swine livestock is the suckling that transforms into weanling then into fatteners/finishers, while the agricultural produce in poultry livestock is the hatched chick and table eggs.

A gain or loss on initial recognition of a biological asset at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of a biological asset are included in the consolidated statement of income in the period in which it arises.

Assets and Disposal Groups Held for Sale

The Group classifies assets and disposal groups as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, and its sale must be highly probable.

For the sale to be highly probable, (a) an appropriate level of management must be committed to a plan to sell the asset, (b) an active program must have been initiated, (c) the asset must be actively marketed for sale at a price that is reasonable in relation to its current fair value, (d) the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification and (e) actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Asset and disposal groups classified as held for sale are measured at the lower of their previous carrying amount, net of any impairment, and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (or disposal group), excluding finance costs and income tax expense.

In circumstances where certain events have extended the period to complete the sale of a disposal group beyond one year, the disposal group continues to be classified as held for sale if the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the disposal group. Otherwise, if the criteria for classification of a disposal group as held for sale are no longer met, the Group ceases to classify the disposal group as held for sale.

Initial and subsequent measurement

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amount of the asset (or all the assets and liabilities of the disposal group) shall be measured in accordance with applicable standards.

An entity shall present a disposal group held for sale separately from other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale shall be presented separately from other liabilities in the statement of financial position. These assets and liabilities shall not be offset and presented as a single amount.



Assets and disposal groups held for sale are measured at the lower of their carrying amount or fair value less costs to sell. Impairment losses are recognized for any initial or subsequent write-down of the assets held for sale to the extent that these have not been previously recognized at initial recognition. Reversals of impairment losses for any subsequent increases in fair value less cost to sell of the assets held for sale are recognized as a gain, but not in excess of the cumulative impairment loss that has been previously recognized. Liabilities directly related to assets held for sale are measured at their expected settlement amounts.

Discontinued Operation
A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to a separate major line of business or geographical area of operations , or
- is a subsidiary acquired exclusively with view to resale.

The related results of operations and cash flows of the disposal group that qualify as discontinued operations are separated from the results of those that would be recovered principally through continuing use, and the prior years' profit or loss in the consolidated statement of comprehensive income and consolidated statement of cash flows are re-presented. Results of operations and cash flows of the disposal group that qualify as discontinued operations are presented in profit or loss in the consolidated statement of comprehensive income and consolidated statement of cash flows as items associated with discontinued operations.

Additional disclosures are provided in Note 44. All other notes to the consolidated financial statements include amounts of disposal group, unless otherwise mentioned.

Investments in Associates and Joint Ventures
Associates pertain to all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group also has interests in joint ventures. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

The Group's investments in its associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investments in associates and joint ventures are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the associates and joint ventures. The consolidated statement of comprehensive income reflects the share of the results of operations of the associates and joint ventures. Where there has been a change recognized in the investees' other comprehensive income, the Group recognizes its share of any changes and discloses this, when applicable, in the other comprehensive income. Profits and losses arising from transactions between the Group and the associate are eliminated to the extent of the interest in the associates and joint ventures.

The Group's investments in certain associates and joint ventures include goodwill on acquisition, less any impairment in value. Goodwill relating to an associate or joint venture is included in the carrying amount of the investment and is not amortized.

Where necessary, adjustments are made to the financial statements of associates to bring the accounting policies used in line with those used by the Group.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Property, Plant and Equipment

Property, plant and equipment, except land which is stated at cost less any impairment in value, are carried at cost less accumulated depreciation, amortization and impairment loss, if any.

The initial cost of property, plant and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost also includes: (a) interest and other financing charges on borrowed funds used to finance the acquisition of property, plant and equipment to the extent incurred during the period of installation and construction; and (b) asset retirement obligation (ARO) relating to property, plant and equipment installed/constructed on leased properties or leased aircraft.

Subsequent replacement costs of parts of property, plant and equipment are capitalized when the recognition criteria are met. Significant refurbishments and improvements are capitalized when it can be clearly demonstrated that the expenditures have resulted in an increase in future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond the originally assessed standard of performance. Costs of repairs and maintenance are charged as expense when incurred.

Foreign exchange differentials arising from the acquisition of property, plant and equipment are charged against profit or loss in the consolidated statement of comprehensive income and are no longer capitalized.

Depreciation and amortization of property, plant and equipment commences once the property, plant and equipment are available for use, and are computed using the straight-line method over the EUL of the assets, regardless of utilization.

The EUL of property, plant and equipment of the Group follow:

	EUL
Land improvements	5 to 40 years
Buildings and improvements	3 to 50 years
Machinery and equipment	2 to 50 years
Leasehold improvements	15 years or the lease term, whichever is shorter
Passenger aircraft	15 years
Other flight equipment	3 to 5 years
Transportation, furnishing and other equipment	3 to 5 years

The assets' residual values, useful lives and methods of depreciation and amortization are reviewed periodically to ensure that the method and period of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property, plant and equipment. Any change in the expected residual values, useful lives and methods of depreciation are adjusted prospectively from the time the change was determined necessary.



Pre-delivery payments for the construction of aircraft are initially recorded as 'Construction in-progress' when paid to the counterparty. Construction in-progress are transferred to the related 'Property and equipment' account when the construction or installation and related activities necessary to prepare the property and equipment for their intended use are completed, and the property and equipment are ready for service. Construction in-progress is not depreciated until such time when the relevant assets are completed and available for use.

Construction in-progress is stated at cost. This includes cost of construction and other direct costs. Borrowing costs that are directly attributable to the construction of property, plant and equipment are capitalized during the construction period. Construction in-progress is not depreciated until such time as the relevant assets are completed and put into operational use. Assets under construction are reclassified to a specific category of property, plant and equipment when the construction and other related activities necessary to prepare the properties for their intended use are completed and the properties are available for use.

Major spare parts and stand-by equipment items that the Group expects to use over more than one period and can be used only in connection with an item of property, plant and equipment are accounted for as property, plant and equipment. Depreciation and amortization on these major spare parts and stand-by equipment commence once these have become available for use (i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Group).

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the consolidated statement of comprehensive income, in the year the item is derecognized.

Borrowing Costs

Interest and other finance costs incurred during the construction period on borrowings used to finance property development are capitalized to the appropriate asset accounts. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress, and expenditures and borrowing costs are being incurred. The capitalization of these borrowing costs ceases when substantially all the activities necessary to prepare the asset for sale or its intended use are complete. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded. Capitalized borrowing cost is based on the applicable weighted average borrowing rate for general borrowings. For specific borrowings, all borrowing costs are eligible for capitalization.

Borrowing costs which do not qualify for capitalization are expensed as incurred.

Interest expense on loans is recognized using the effective interest method over the term of the loans.

Investment Properties

Investment properties consist of properties that are held to earn rentals or for capital appreciation or both, and those which are not occupied by entities in the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and impairment loss, if any. Land is carried at cost less impairment loss, if any. Investment properties are measured initially at cost, including transaction costs. Transaction costs represent nonrefundable taxes such as capital gains tax and documentary stamp tax that are for the account of the Group. An investment property acquired through an exchange transaction is measured at the fair value of the asset acquired unless the fair value of such an asset cannot be measured, in which case the investment property acquired is measured at the carrying amount of the asset given up. Foreclosed properties are classified under investment properties upon: a) entry of judgment in case of judicial foreclosure; b) execution of the Sheriff's Certificate of Sale in case of



extra-judicial foreclosure; or c) notarization of the Deed of Dacion in case of dation in payment (dacion en pago).

The Group's investment properties are depreciated using the straight-line method over their estimated useful lives (EUL) as follows:

Land improvements	8 to 20 years
Buildings and improvements	10 to 40 years

The depreciation and amortization method and useful life are reviewed periodically to ensure that the method and period of depreciation and amortization are consistent with the expected pattern of economic benefits from items of investment properties.

Investment properties are derecognized when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment properties are recognized in profit or loss in the consolidated statement of comprehensive income in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under 'Property, plant and equipment' up to the date of change in use.

Construction in-progress is stated at cost. This includes cost of construction and other direct costs. Borrowing costs that are directly attributable to the construction of investment properties are capitalized during the construction period. Construction in-progress is not depreciated until such time as the relevant assets are completed and put into operational use.

Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included under 'General and administrative' account in the consolidated statement of comprehensive income.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in the consolidated statement of comprehensive income.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of PFRS 9, is measured at fair value with changes in fair value recognized either in profit or loss or as a change to OCI. If the contingent consideration is not within the scope of PFRS 9, it is measured in accordance with the appropriate PFRS Accounting Standards. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost, less any accumulated impairment losses.

Intangible Assets

Intangible assets (other than goodwill) acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the acquisition date. Following initial recognition, intangible assets are measured at cost less any accumulated amortization and impairment loss, if any.

The EUL of intangible assets are assessed to be either finite or indefinite.

The useful lives of intangible assets with finite lives are assessed at the individual asset level. Intangible assets with finite lives are amortized on a straight-line basis over their useful lives.

The period and the method of amortization of an intangible asset with a finite useful life are reviewed at least at each reporting date. Changes in the EUL or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized under 'Cost of sales and services' and 'General and administrative expenses' in profit or loss in the consolidated statement of comprehensive income in the expense category consistent with the function of the intangible asset. Intangible assets with finite lives are assessed for impairment, whenever there is an indication that the intangible assets may be impaired.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level (see further discussion under Impairment of Nonfinancial Assets). Such intangibles are not amortized. The intangible asset with an indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If the indefinite useful life is no longer appropriate, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Costs incurred to acquire computer software (which are not an integral part of its related hardware) and costs to bring it to its intended use are capitalized as intangible assets. Costs directly associated with the development of identifiable computer software that generate expected future benefits to the Group are also recognized as intangible assets. All other costs of developing and maintaining computer software programs are recognized as expense when incurred.



A gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in profit or loss in the consolidated statement of comprehensive income when the asset is derecognized.

A summary of the policies applied to the Group's intangible assets follows:

	Technology Licenses	Trade Secrets	Product Formulation and Brands	Software Costs	Customer Relationship	Trademarks
EUL	Finite (12 to 13.75 years)	Indefinite	Indefinite	Finite (5 to 8 years)	Finite (35 years)	Finite (4 years)
Amortization method used	Amortized on a straight-line basis over the EUL of the license	No amortization	No amortization	Amortized on a straight-line basis over the EUL of the software cost	Straight line amortization	Straight line amortization
Internally generated or acquired	Acquired	Acquired	Acquired	Acquired	Acquired	Acquired

Impairment of Nonfinancial Assets

This accounting policy applies primarily to the Group's 'Investments in associates and joint ventures', 'Property, plant and equipment', 'Investment properties', 'Right-of-Use (ROU) assets', 'Goodwill', 'Intangible assets', and 'Biological assets'.

Except for goodwill and intangible assets with indefinite lives which are tested for impairment annually, the Group assesses at each reporting date whether there is an indication that its nonfinancial assets may be impaired. When an indicator of impairment exists or when an annual impairment testing for an asset is required, the Group makes a formal estimate of recoverable amount. Recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value-in-use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of the cash-generating unit to which it belongs. Where the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, the asset (or cash-generating unit) is considered impaired and is written-down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit).

Impairment losses or reversal of impairment losses from continuing operations are recognized under 'Provision for (reversal of) impairment losses and others' in profit or loss in the statement of comprehensive income.

The following criteria are also applied in assessing impairment of specific assets:

Property, plant and equipment, investment properties, ROU assets, intangible assets with definite useful lives and costs

For property, plant and equipment, investment properties, intangible assets with definite useful lives, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss in the consolidated statement of comprehensive income.



After such a reversal, the depreciation expense is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill
Goodwill is reviewed for impairment, annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount to which goodwill has been allocated, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

The Group performs its impairment test of goodwill annually.

Investments in associates and joint ventures
After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on the Group's investments in associates and joint ventures. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the amount under 'Provision for Impairment losses and others' in profit or loss.

Intangible assets with indefinite useful lives
Intangible assets with indefinite useful lives are tested for impairment annually as of year-end either individually or at the cash-generating unit level, as appropriate.

Member Redemption Liability
The Group operates a reward program that issues loyalty points to its members for purchases made at any participating partner establishment that can be redeemed against any future purchases, subject to a minimum number of points obtained. The Group receives the cost per points issued (CPP) and service fees from the participating partner establishments based on agreed terms and conditions upon issuance of points to program members. The CPP of outstanding issued and unredeemed points are recognized as 'Membership redemption liability' and is presented under 'noncurrent liabilities' in the statement of financial position while the service fees are recognized as 'Revenues' in the statement of comprehensive income.

Equity

Common and Preferred Stocks
Common and preferred stocks are classified as equity and are recorded at par. Proceeds in excess of par value are recorded as 'Additional paid-in capital' in the consolidated statement of changes in equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Retained Earnings
Retained earnings represent the cumulative balance of periodic net income/loss, dividend distributions, prior period adjustments and effect of changes in accounting policy and capital adjustments.



Treasury Shares
Treasury shares are recorded at cost and are presented as a deduction from equity. When the shares are retired, the capital stock account is reduced by its par value. The excess of cost over par value upon retirement is debited to the following accounts in the order given: (a) additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued, and (b) retained earnings. No gain or loss is recognized in profit or on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Material Accounting Policy Information Generally Applicable to Foods, Agro-Industrial and Commodities and Petrochemicals

Revenue Recognition
Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it controls the goods or services before transferring them to the customer.

Sales of goods and services
Revenue from sale of goods and services is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods and services. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception using the expected value method and is constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods and services provide customers with a right to return the goods within a specific period.

Sale of sugar and molasses
Sale of raw sugar is recognized upon (a) endorsement and transfer of quedans for quedan-based sales and (b) shipment or delivery and acceptance by the customers for physical sugar sales. Sale of refined sugar and alcohol is recognized upon shipment or delivery to the customers. Sale of molasses is recognized upon (a) surrendering of molasses certificates (warehouse receipts for molasses) or (b) delivery and acceptance by the customer for physical molasses, whichever comes first.

Rendering of tolling services
Revenue derived from tolling activities is recognized as revenue at a point in time when the related services have been rendered.

Material Accounting Policy Information Generally Applicable to Air Transportation

Revenue Recognition
Revenue from contracts with passengers and cargo customers, and any related revenue from services incidental to the transportation of passengers, is recognized when carriage is provided or when the passenger is lifted in exchange for an amount that reflects the consideration to which the Group expects to be entitled to.

The following specific recognition criteria must also be met before revenue is recognized:

Sale of air transportation services
Passenger ticket and cargo waybill sales are initially recorded as contract liabilities under 'Unearned transportation revenue' account in the consolidated statement of financial position until earned and recognized under 'Revenue' account in the consolidated statement of comprehensive income when carriage is provided or when the passenger is lifted or flown.

Flight and booking services
Revenue from services incidental to the transportation of passengers such as excess baggage, inflight sales and rebooking and website administration fees are initially recognized as contract liabilities under 'Unearned transportation revenue' account in the consolidated statement of financial position until the services are rendered.

Revenue from estimated breakage (expiration) of unused travel funds
Travel fund is a virtual wallet that can be used as a form of payment for booking new flights and purchasing add-ons. Travel fund is offered for cancelled flights or for flights with schedule changes of more than 60 minutes.

In accordance with PFRS 15, *Revenue from Contracts with Customers,* upon receipt of a prepayment from customer, an entity shall recognize a contract liability in the amount of the prepayment for its performance obligation to transfer, or to stand ready to transfer, goods or services in the future. An entity shall derecognize that contract liability (and recognize revenue) when it transfers those goods or services and, therefore, satisfies its performance obligation.

A customer's non-refundable prepayment to an entity gives the customer a right to receive a good service in the future (and obliges the entity to stand ready to transfer a good or service). However, customers may not exercise all of their contractual rights. Those unexercised rights are often referred to as breakage.

If an entity expects to be entitled to a breakage amount in a contract liability, the entity shall recognize the expected breakage amount as revenue in proportion to the pattern of rights exercised by the customer. If an entity does not expect to be entitled to a breakage amount, the entity shall recognize the expected breakage amount as revenue when the likelihood of the customer exercising its remaining rights becomes remote.

Revenue from estimated breakage (expiration) of unused travel funds are recognized based on the historical expiration experience of the Group on the unused travel funds.

Other ancillary revenue
Other revenue such as refund surcharges, service income and cancellation fees are recognized when the services are provided.



Material Accounting Policy Information Generally Applicable to Real Estate and Hotels

Revenue Recognition

Revenue from Contract with Customers
The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, electricity, and common use service area in its mall retail spaces, wherein it is acting as agent.

The following specific recognition criteria must also be met before revenue is recognized:

Real estate sales – Philippines Operations – Performance obligation is satisfied over time
The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or POC) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses input method. Input methods recognize revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation. Progress is measured based on actual resources consumed such as materials, labor hours expended and actual overhead incurred relative to the total expected inputs to the satisfaction of that performance obligation, or the total estimated development costs of the real estate project. The Group uses the cost accumulated by the accounting department to determine the actual resources used. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the customer.

Estimated development costs of the real estate project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis.

Any excess of collections over the total of recognized trade receivables and installment contract receivables is included as 'Contract liabilities' under 'Other current and noncurrent liabilities' in the consolidated statements of financial position.

Real estate sales – Philippines Operations – Performance obligation is satisfied at a point in time
The Group also derives real estate revenue from sale of parcels of raw land and developed land. Revenue from the sale of these parcels of raw land are recognized at a point in time (i.e., upon transfer of control to the buyer) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use but the Group does not have an enforceable right to payment for performance completed to date. The Group is only entitled to payment upon delivery of the land to the buyer and if the contract is terminated, the Group has to return all payments made by the buyer.



Real estate sales – China Operations
Taking into account the contract terms per house purchase and sales contract, Chengdu Xin Yao's business practice and the legal and regulatory environment in China, most of the property sales contracts in China do not meet the criteria for recognizing revenue over time and therefore, revenue from property sales continues to be recognized at a point in time, while some property sales contracts meet the criteria for recognizing revenue over time as the properties have no alternative use to the Group due to contractual reasons and the Group has an enforceable right to payment from customer for performance completed to date. Under PFRS 15, revenue from property sales is generally recognized when the property is accepted by the customer, or deemed as accepted according to the contract, whichever is earlier, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property.

Rental income
The Group leases its commercial and office real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term and may include contingent rents based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Amusement income
Revenue is recognized upon rendering of services or at a point in time.

Revenue from hotel operations
Revenue from hotel operations is recognized when services are rendered or at a point in time. Revenue from banquets and other special events are recognized when the events take place or at a point in time. Rental income on leased areas of the hotel is recognized on a straight-line basis over the lease term. Revenue from food and beverage are recognized when these are served. Other income from transport, laundry, valet and other related hotel services are recognized when services are rendered.

Interest income
Interest income is recognized as the interest accrues using the EIR method.
Other income
Other income is recognized when earned.

Costs Recognition

Cost of Real Estate Sales
The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.



Contract Liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs and General and Administrative Expense
Costs and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in the consolidated statement of comprehensive income:
- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Costs to obtain contract
The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Real estate costs and expenses" account in the consolidated statement of income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract fulfillment assets
Contract fulfillment costs are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable.

The Group's contract fulfillment assets pertain to connection fees and land acquisition costs.



Amortization, de-recognition and impairment of capitalized costs to obtain a contract
The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using POC following the pattern of real estate revenue recognition. The amortization is included within general and administrative expenses.

A capitalized cost to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Reclassification in the presentation of certain expenses
The comparative figures for the years ended December 31, 2024 and 2023 have been reclassified to conform with the current year's presentation of certain expenses. These reclassifications had no effect on the Group's total profit or loss and other comprehensive income.

Other Income of the Group (Outside of Scope of PFRS 15)

Rental income
The Group leases its commercial and office real estate properties to others through operating leases. Rental income on leased properties is recognized on a straight-line basis over the lease term and may include contingent rents based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Contingent rents are recognized as revenue in the period in which they are earned.

Interest income
Interest income is recognized as it accrues using the EIR method under which interest income is recognized at the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend income
Dividend income is recognized when the shareholder's right to receive the payment is established.

Costs and Expenses
Cost and expenses are decreases in economic benefits during the accounting period in the form of outflows or decrease of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. Cost and expenses are recognized when incurred.

Provisions

Provisions are recognized when: (a) the Group has a present obligation (legal or constructive) as a result of a past event; (b) it is probable (i.e., more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense under 'Financing costs and other charges' account in the consolidated statement of comprehensive income. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is probable.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable.

Pension Costs

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.



Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefit
Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement
Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Share-based Payments
The Group has a Long-Term Incentive Plan (LTIP) granting eligible persons any one or a combination of Restricted Stock Units (RSUs) and Stock Options to purchase a fixed number of shares of stock at a stated price during a specified period ("equity-settled transactions").

The cost of equity-settled transactions is measured by reference to the fair value at the date at which these are granted. Said cost is recognized in profit or loss, together with a corresponding increase in 'Share-based payments' account in the consolidated statement of financial position, over the period in which the service conditions are fulfilled, ending on the date on which the eligible persons become fully entitled to the award ("vesting date"). The fair value of Stock Options is determined using the Cox-Ross-Rubinstein Binomial Option Pricing Method. The cumulative expense recognized for the share-based transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. No expense is recognized for awards that do not ultimately vest.

Where the terms of a share-based award are modified, at a minimum, an expense is recognized as if the terms had not been modified. In addition, an expense is recognized for any modification, which increases the total fair value of the share-based payment agreement, or is otherwise beneficial to the eligible persons as measured at the date of modification.

Where a share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if there were a modification of the original award. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Income Taxes

Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as of reporting date.

Deferred tax
Deferred tax is provided using the liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefits of unused tax credits from unused minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, and the carryforward benefits of unused tax credits from excess MCIT and unused NOLCO can be utilized, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor future taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilized.

The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to extent that it is no longer probable that sufficient future taxable income will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date, and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax assets to be recognized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as of reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss in the consolidated statement of comprehensive income. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Leases

Group as a lessee

The Group assesses whether a contract is, or contains a lease, at the inception of a contract. This assessment involves the exercise of judgment about whether it depends on a specified asset, whether the Group obtains substantially all the economic benefits from the use of the asset, whether the Group has the right to direct the use of the asset. The Group recognizes a ROU asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases and leases of low-value assets.

ROU assets

The Group recognizes ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received, and any estimated costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The depreciation period for each class of ROU assets follow:

	Period
Land and improvements	2 to 50 years
Buildings and improvements	2 to 30 years
Passenger aircraft and other flight equipment	1.25 to 18 years
Transportation and other equipment	2 to 30 years

ROU assets are also subject to impairment.

ARO

The Group is contractually required under various lease contracts to either restore certain leased aircraft to its original condition at its own cost or to bear a proportionate cost of restoration at the end of the contract period. The event that gives rise to the obligation is the actual flying hours, flying cycles or calendar months of the asset as used, as the usage determines the timing and nature of the overhaul and restoration work required or the amount to be contributed at the end of the lease term. For certain lease agreements, the Group provides for these costs over the terms of the leases through contribution to a maintenance reserve fund (MRF) which is recorded as outright expense. If the estimated cost of restoration is expected to exceed the cumulative MRF, an additional obligation is accounted on an accrual basis. Regular aircraft maintenance is accounted for as expense when incurred.

If there is a commitment related to maintenance of aircraft held under operating lease arrangements, a provision is made during the lease term for the lease return obligations specified within those lease agreements. The provision is made based on historical experience, manufacturers' advice and if relevant, contractual obligations, to determine the present value of the estimated future major airframe inspections cost and engine overhauls. The costs are accrued are accrued and charged to profit or loss over the remaining period until redelivery date, as the leased aircraft is utilized. At the reporting date, the cost of restoration is computed based on the Group's assessment of aircraft utilization. Any major overhaul made before redelivery will reverse the ARO liability set up. The ARO liability is carried at amortized cost using the effective interest method and is discounted using the prevailing market rate for certain maintenance events.

Advance payment for materials for the restoration of the aircraft is initially recorded under 'Advances to supplier' account in the consolidated statement of financial position. This is recouped when the expenses for restoration of aircraft have been incurred.

The Group regularly assesses the provision for ARO and adjusts the related liability.

Heavy Maintenance Visits (HMV)
The Group is contractually required under various lease contracts to undertake the maintenance and overhaul of certain leased aircraft throughout the contract period. Major maintenance events are required to be performed on a regular basis based on historical or industry experience and manufacturer's advise. Estimated costs of major maintenance events are accrued and charged to profit or loss over the estimated period between overhauls as the leased aircraft is utilized. HMV liability is carried at amortized cost using the effective interest method.

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflected the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the commencement date if the interest rate implicit to the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of other flight equipment, furniture and fixtures, and machineries (i.e., lease term of 12 months or less). It also applies the lease of low-value assets recognition exemption to leases of office spaces that are considered low-value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Sale and leaseback
When entering into a sale and leaseback (SLB) transaction, the Group determines whether the transfer qualifies as a sale based on the requirements satisfying a performance obligation under PFRS 15. When the transfer of the asset is a sale, the Group measures the ROU asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Gain or loss is recognized only at the amount that relates to the rights transferred to the buyer-lessor. When the transfer of the asset is not a sale under PFRS 15 requirements, the Group continues to recognize the asset in its consolidated statement of financial position and accounts for the proceeds from the SLB as a financial liability in accordance with PFRS 9.

Group as a lessor
Leases where the Group does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Joint Operation
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group recognize in relation to its interest in a joint operation its assets, including its share of any assets held jointly; liabilities, including its share of any liabilities incurred jointly; revenue from the sale of its share of the output arising from the joint operation; share of the revenue from the sale of the output by the joint operation; and expenses, including its share of any expenses incurred jointly.

Earnings Per Share (EPS)
Basic EPS is computed by dividing net income for the period attributable to the ordinary equity holders of the Parent Company by the weighted average number of common shares outstanding during the year, adjusted for any subsequent stock dividends declared.

Diluted EPS amounts are calculated by dividing the net income attributable to ordinary equity holders of the Parent Company (after deducting interest of the preferred shares, if any) by the weighted average number of common shares outstanding during the year plus the weighted average number of common shares that would be issued on the conversion of all the dilutive potential common shares into common shares.

Dividends on Common Shares
Dividends on common shares are recognized as a liability and deducted from equity when approved by the BOD of the Parent Company in the case of cash dividends, and the BOD and shareholders of the Parent Company in the case of stock dividends.

Segment Reporting
The Group's operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 6 to the consolidated financial statements.

Subsequent Events
Any post-year-end event up to the date of approval of the BOD of the consolidated financial statements that provides additional information about the Group's position at the reporting date (adjusting event) is reflected in the consolidated financial statements. Any post-year-end event that is not an adjusting event is disclosed in the notes to the consolidated financial statements, when material.



Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
  The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:
  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group aims to identify all impacts of the amendments will have on the consolidated financial statements prior to adoption of PFRS 18.

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Significant Accounting Judgments and Estimates

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements, as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

a. Revenue and cost recognition on real estate sales

Existence of a contract

The Group's primary document for a contract with a customer is a signed contract to sell. It has determined, however, that in cases wherein contract to sell are not signed by both parties, the combination of its other duly executed and signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as past history with the customer, age and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

Revenue recognition method and measure of progress

For the revenue from real estate sales in the Philippines, the Group concluded that revenue is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 10.0% on projects that are under development and construction demonstrate the buyer's commitment to pay. For certain inventories that have been fully completed and ready for occupancy, outright investment of the buyer of about 5.0% demonstrates the buyer's commitment to pay.

The Group has determined that input method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Principal versus agent considerations

The contract for the mall retail spaces and office spaces leased out by the Group to its tenants includes the right to charge for the electricity usage, water usage, air conditioning charges and common usage service area (CUSA) like maintenance, janitorial and security services.

For the electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group, administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

For the provision of CUSA and air-conditioning of the buildings, the Group acts as a principal because it retains the right to direct the service provider of maintenance, janitorial and security to the leased premises, and air-conditioning, respectively. The right to the services mentioned never transfers to the tenant and the Group has the discretion to price the CUSA and air-conditioning charges.

Revenue and cost recognition

The Group's real estate sales is recognized overtime and the percentage-of-completion is determined using input method measured principally based on total actual cost of resources consumed such as materials, labor hours and actual overhead incurred over the total expected project development cost. Actual costs also include incurred costs but not yet billed which are estimated by the project engineers. Expected project development costs include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis and is allocated between costs of sales and real estate inventories.

b. Definition of default and credit-impaired financial assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria - for installment contract receivables, the customer receives a notice of cancellation and does not continue the payments.

Qualitative criteria - the customer meets 'unlikeliness to pay' criteria, which indicates the customer is in significant financial difficulty. These are instances where: Qualitative criteria - the customer meets 'unlikeliness to pay' criteria, which indicates the customer is in significant financial difficulty. These are instances where:

a. The customer is experiencing financial difficulty or is insolvent
b. The customer is in breach of financial covenant(s)
c. An active market for that financial assets has disappeared because of financial difficulties
d. Concessions have been granted by the Group, for economic or contractual reasons relating to the customer's financial difficulty
e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to the financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Group's expected loss calculation.



c. *Revenue recognition on sale of goods from the food business*
Revenue recognition under PFRS 15 involves the application of significant judgment and estimation in the: (a) identification of the contract for sale of goods that would meet the requirements of PFRS 15; (b) assessment of performance obligation and the probability that the entity will collect the consideration from the buyer; (c) determining method to estimate variable consideration and assessing the constraint; and (d) recognition of revenue as the Group satisfies the performance obligation.

i. *Existence of a contract*
The Group enters into a contract with customer through an approved purchase order which constitutes a valid contract as specific details such as the quantity, price, contract terms and their respective obligations are clearly identified. In the case of sales to key accounts and distributors, the combined approved purchase order and trading terms agreement/exclusive distributorship agreement constitute a valid contract.

ii. *Identifying performance obligation*
The Group identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

Based on management assessment, other than the sale of goods and services, no other performance obligations were identified except in the case of milling revenue.

iii. *Recognition of revenue as the Group satisfies the performance obligation*
The Group recognizes its revenue for all revenue streams at a point in time, when the goods are sold and delivered and when services are already rendered. In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the goods sold that will be transferred to the customer.

iv. *Method to estimate variable consideration and assess constraint*
The Group uses historical experience with key accounts and distributors from the past 12 months to determine the expected value of rights of return and constrain the consideration under the contract accordingly.

v. *Recognition of milling revenue under output sharing agreement*
The Group applies both output sharing agreement and cane purchase agreement in relation to milling operation. Under output sharing agreement, milling revenue is recognized based on the fair value of the millshare at average raw sugar selling price on the month with sugar production after considering in-purchase, which represents cane purchase agreement. Under cane purchase agreement, the Group purchases raw sugar from the traders and/or planters. The in-purchase rate is derived by determining the total raw sugar purchases and the total planters' share. Raw production costs are allocated systematically based on the output sharing and cane purchase agreement rates.

d. *Classification of financial assets from the other businesses*
The Group classifies its financial assets depending on the business model for managing those financial assets and whether the contractual terms of the financial assets are SPPI on the principal amount outstanding.



The Group performs the business model assessment based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel
- Risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- Compensation of business units whether based on the fair value of those assets managed or on the contractual cash flows collected
- Expected frequency, value, and timing of sales

e. Determination of fair values of financial instruments

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgment. While significant components of fair value measurement were determined using verifiable objective evidence (i.e., foreign exchange rates, interest rates, volatility rates), the amount of changes in fair value would differ if the Group utilized different valuation methodologies and assumptions. Any change in fair value of these financial assets and liabilities would affect the consolidated statements of comprehensive income.

Where the fair values of certain financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. The judgments include considerations of liquidity and model inputs such as correlation and volatility for longer dated derivatives.

As of December 31, 2025 and 2024, the fair value of the Group's investments in unquoted equity securities classified as at FVOCI are established with reference to the International Private Equity and Venture Capital (IPEV) Valuation Guidelines. An assessment will be made at each measurement date as to the most appropriate valuation methodology. The Group's investments in unquoted equity securities pertain to early-stage and growth fintech companies. Given the nature of these investments, the appropriate approach to determine fair value is based on a methodology with reference to observable market data (i.e., the price of the most recent transaction or the most recent funding round). Recent transactions may include post year-end as well as pre year-end transactions depending on the nature and timing of these transactions. The initial use and length of period for which this methodology remains appropriate to use the calibration of last round price depends on the specific circumstances of the investment, and the Group will consider whether this basis remains appropriate each time valuations are reviewed.

Refer to Note 5 for the fair value measurements of financial instruments.

f. Determining whether it is reasonably certain that a renewal and termination option will be exercised - Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to renew the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include renewal and termination options. The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and

affects its ability to exercise (or not to exercise) the option to renew or terminate (e.g., a change in business strategy).

For most of its leases, the Group did not include the renewal or termination options in the lease term as the Group assesses that these options are not reasonably certain to be exercised. However, for some leases of parcels of land, the Group included the renewal period as part of the lease term due to significance of these assets to its operations. These leases have a short non-cancellable period (i.e., one year) and there will be a significant negative effect on the operations if a replacement is not readily available.

Refer to Note 42 for the disclosure on the Group's leases.

g. Classification of leases - Group as lessor

Operating lease commitments
The Group has entered into commercial, office and industrial property leases on its investment property portfolio. Based on the evaluation of the terms and conditions of the arrangements, the Group has determined that it retains all the significant risks and rewards of ownership of these properties and accounts for them as operating leases. In determining significant risks and benefits of ownership, the Group considered, among others, the significance of the lease term as compared with the EUL of the related asset.

A number of the Group's operating lease contracts are accounted for as noncancellable operating leases and the rest are cancellable. In determining whether a lease contract is cancellable or not, the Group considers, among others, the significance of the penalty, including the economic consequence to the lessee.

Finance lease commitments
The Group has entered into property leases on some of its real estate condominium unit property portfolio. The Group has determined based on evaluation of terms and conditions of the arrangements, particularly the bargain purchase option and minimum lease payments that the Group has transferred all the significant risks and rewards of ownership of these properties to the lessee and accounts for them as finance leases.

Refer to Note 42 for the disclosure on the Group's leases.

h. Assessment on whether lease concessions granted constitute a lease modification

The Group applies judgment when assessing whether the rent concessions granted is considered a lease modification under PFRS 16.

In making this judgment, the Group determines whether the rent concessions granted has changed the scope of the lease, or the consideration thereof, that was not part of the original terms and conditions of the lease. The Group assessed that the lease concessions it granted to lessees do not qualify as lease modifications since the terms and conditions under the corresponding lease contracts have not been modified by the waiver and therefore, is not a lease modification under PFRS 16.

There are no rent concessions in 2025, 2024 and 2023.



i. Distinction between investment properties and owner-occupied properties
The Group determines whether a property will be classified as Real estate inventories, Land held for future development and Investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (Real estate inventories), whether it will be retained as part of the Group's strategic land banking activities for development or sale in the medium or long-term (Land held for future development) or whether it will be held to earn rentals or for capital appreciation (Investment properties). For land properties, the Group considers the purpose for which the land was acquired.

j. Consolidation of special purpose entities (SPEs)
The Group periodically undertakes transactions that may involve obtaining the rights to variable returns from its involvement with the SPEs. These transactions include the purchase of aircraft and assumption of certain liabilities. In all such cases, management makes an assessment as to whether the Group has: (a) power over the SPEs; (b) the right over the returns of its SPEs; and (c) the ability to use power over the SPEs to affect the amount of the Group's return, and based on these assessments, the SPEs are consolidated as a subsidiary or associated company. In making these assessments, management considers the underlying economic substance of the transaction and not only the contractual terms. The Group has assessed that it will benefit from the economic benefits of the SPEs' activities and it will affect the returns for the Group. The Group is directly exposed to the risks and returns from its involvement with the SPEs. Such rights and risks associated with the benefits and returns are indicators of control. Accordingly, the SPEs are consolidated.

Upon loss of control, the Group derecognizes the assets and liabilities of its SPEs and any surplus or deficit is recognized in profit or loss.

k. Determination of functional currency
PAS 21, *The Effects of Changes in Foreign Exchange Rates*, requires management to use its judgment to determine an entity's functional currency such that it most faithfully represents the economic effects of the underlying transactions, events and conditions that are relevant to the entity. In making this judgment, each entity in the Group considers the following:

a. the currency that mainly influences sales prices for financial instruments and services (this will often be the currency in which sales prices for its financial instruments and services are denominated and settled);
b. the currency in which funds from financing activities are generated; and
c. the currency in which receipts from operating activities are usually retained.

Management determined that Philippine Peso is the functional currency for the Group, after considering the criteria stated in PAS 21.

l. Significant influence over an associate with less than 20.0% ownership or more than 50% ownership

In determining whether the Group has significant influence over an investee requires significant judgment. Generally, a shareholding of 20.0% to 50.0% of the voting rights of an investee is presumed to give the Group a significant influence.

There are instances that an investor exercises significant influence even if its ownership is less than 20.0%. The Group applies significant judgment in assessing whether it holds significant influence over an investee and considers the following: (a) representation on the BOD or equivalent governing body of the investee; (b) participation in policy-making processes, including participation in decisions about dividends or other distributions; (c) material transactions between

the investor and the investee; (d) interchange of managerial personnel; or (e) provision of essential technical information.

There are specific circumstances where an entity holds over 50% of the common interest but still accounts for it as an associate. This could be due to contractual arrangements or other factors that limit the investor's ability to control the entity despite holding a majority stake.

m. Discontinued operations

The Group determined that the sale of its Banking Segment, the indefinite shutdown of the petrochemical business and the cessation and abandonment of several China entities' business activities and operations, qualified for presentation as discontinued operations since it represented a separate line of business for which the operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes from the rest of the Group (Note 44). China represents a separate geographical area of operations of the Group, hence, the consolidated statements of income present its results of operations as discontinued operations. Comparative periods were also restated to align with this presentation.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are discussed below:

a. Impairment of goodwill and intangible assets

The Group performed its annual impairment test on its goodwill and other intangible assets with indefinite useful lives as of reporting date. The recoverable amounts of the intangible assets were determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The following assumptions were also used in computing value-in-use:

Growth rate estimates - growth rates include revenue growth and terminal growth rates that are based on experiences and strategies developed for the various subsidiaries. The prospect for the industry was also considered in estimating the growth rates.
Discount rates - discount rates were estimated based on the industry weighted average cost of capital, which includes the cost of equity and debt after considering the gearing ratio.

Value-in-use is most sensitive to changes in revenue growth rates and discount rates.
In the case of goodwill and intangible assets with indefinite lives, at a minimum, such assets are subject to an annual impairment test and more frequently whenever there is an indication that such asset may be impaired. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

As of December 31, 2025 and 2024, the balance of the Group's goodwill and intangible assets, net of accumulated depreciation, amortization and impairment loss, are disclosed in Notes 19 and 18, respectively.

b. Expected credit losses on receivables

For loans and receivables from the banking business, the Group reviews its financial assets and commitments at each reporting date to determine the amount of expected credit losses to be recognized in the balance sheet and any changes thereto in the statement of income. In particular, judgments and estimates by management are required in determining the following:

- whether a financial asset has had a significant increase in credit risk since initial recognition; whether default has taken place and what comprises a default;
- macro-economic factors that are relevant in measuring a financial asset's probability of
- default as well as the Group's forecast of these macro-economic factors;
- probability weights applied over a range of possible outcomes;
- sufficiency and appropriateness of data used and relationships assumed in building the
- components of the Group's expected credit loss models;
- measuring the exposure at default for unused commitments on which an expected credit loss
- should be recognized and the applicable loss rate

For installment contract receivables from the real estate business, the Group uses vintage analysis approach to calculate ECLs for installment contract receivables. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

For other trade receivables, provision matrix was used to calculate ECLs. The provision rates are based on historical default rates days past due for groupings of various segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group then calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions (i.e., gross domestic product and inflation rate) and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

Refer to Note 11 for the carrying amount of receivables subject to ECL and the related allowance for credit losses as of December 31, 2025 and 2024 and for the provisions for impairment losses for the years ended December 31, 2025, 2024 and 2023.

c. Revenue and cost recognition from the real estate business

The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenue and costs. The Group's revenue and cost from real estate where performance obligation is satisfied over time and recognized based on the POC is measured principally on the basis of the estimated completion by reference to the actual costs incurred to date over the estimated total costs of the project. For the years ended December 31, 2025, 2024 and 2023, the real estate sales recognized over time amounted to ₱5.4 billion, ₱5.4 billion and ₱8.7 billion, respectively, while the related cost of real estate sales amounted to ₱2.7 billion, ₱2.9 billion and ₱4.4 billion, respectively.

The Group also recognized revenue when control is passed on a certain point in time. The Group's revenue and cost of real estate sales were recognized upon transfer of control to the buyer. Real estate sales pertaining to this transaction amounted to ₱0.7 billion, ₱1.1 billion and ₱1.1 billion for the years ended December 31, 2025, 2024 and 2023, respectively. The related cost of sales amounted to ₱224.0 million, ₱322.0 million and ₱345.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

d. Valuation of ROU assets and lease liabilities

The application of PFRS 16 requires the Group to make assumptions that affect the valuation of its ROU assets and lease liabilities. These include determining the length of the lease term and determining the interest rate to be used for discounting future cash flows.

Lease term. The lease term determined by the Group comprises non-cancellable period of lease contracts, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. For lease contracts with indefinite term the Group estimates the length of the contract to be equal to the economic useful life of noncurrent assets located in the leased property and physically connected with it or determines the length of the contract to be equal to the average or typical market contract term of particular type of lease. The same economic useful life is applied to determine the depreciation rate of ROU assets.

Discount rate. The Group cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is determined using the rate of interest rate swap applicable for currency of the lease contract and for similar tenor, corrected by the average credit spread of entities with rating similar to the Group's rating, observed in the period when the lease contract commences or is modified.

As at December 31, 2025 and 2024, the carrying values of the Group's ROU assets and lease liabilities are disclosed in Note 42 to the consolidated financial statements.

e. Determination of the fair value of intangible assets and property, plant and equipment acquired in a business combination

The Group measures the identifiable assets and liabilities acquired in a business combination at fair value at the date of acquisition.

The fair value of the intangible assets acquired in a business combination is determined based on the net sales forecast attributable to the intangible assets, growth rate estimates and royalty rates using comparable license agreements. Royalty rates are based on the estimated arm's length royalty rate that would be paid for the use of the intangible assets. Growth rate estimate includes long-term growth rate and terminal growth rate applied to future cash flows beyond the projection period.

The fair value of property, plant and equipment acquired in a business combination is determined based on comparable properties after adjustments for various factors such as location, size and shape of the property. Cost information and current prices of comparable equipment are also utilized to determine the fair value of equipment.

The Group's acquisitions are discussed in Note 19 to the consolidated financial statements.

f. Determination of NRV of inventories

The Group, in determining the NRV, considers any adjustment necessary for obsolescence which is generally providing a 100.0% write down for nonmoving items for more than one year. The Group adjusts the cost of inventory to the recoverable value at a level considered adequate to reflect



any market decline in the value of the recorded inventories. The Group reviews the classification of the inventories and generally provides adjustments for recoverable values of new, actively sold and slow-moving inventories by reference to prevailing values of the same inventories in the market.

The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. An increase in inventory obsolescence and market decline would increase recorded operating expenses and decrease current assets.

Inventory obsolescence and market decline included under 'Provision for impairment losses and others' in profit or loss in the consolidated statements of comprehensive income are disclosed in Notes 12 and 34 to the consolidated financial statements.

The carrying value of the Group's inventories, net of inventory obsolescence and market decline, is disclosed in Note 12 to the consolidated financial statements.

g. *Estimation of ARO*
The Group is contractually required under certain lease contracts to restore certain leased passenger aircraft and engines to stipulated return condition or to bear proportionate costs of restoration at the end of the contract period. These costs are accrued based on an internal estimate which includes estimates of certain redelivery costs at the end of the operating aircraft lease. The contractual obligation includes regular aircraft maintenance, overhaul and restoration of the leased aircraft to its original condition. Regular aircraft maintenance is accounted for as expense when incurred, while overhaul and restoration are accounted on an accrual basis.

Assumptions and estimates used to compute ARO are reviewed and updated annually by the Group. As of December 31, 2025 and 2024, the cost of restoration is computed based on the Group's assessment on expected future aircraft utilization.

The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. The recognition of ARO would increase other noncurrent liabilities and repairs and maintenance expense.

The carrying values of the Group's ARO (included under 'Other noncurrent liabilities' in the consolidated statements of financial position) is disclosed in Note 24 to the consolidated financial statements.

h. *Estimation of HMV*
The Group is contractually required under various lease contracts to undertake the maintenance and overhaul of certain leased aircraft throughout the contract period. Major maintenance events are required to be performed on a regular basis based on historical or industry experience and manufacturer's advise. Estimated costs of major maintenance events are accrued and charged to profit or loss over the estimated period between overhauls as the leased aircraft is utilized.

The carrying values of the Group's HMV (included under 'Other noncurrent liabilities' in the consolidated statements of financial position) is disclosed in Note 24 to the consolidated financial statements.



i. Estimation of useful lives of property, plant and equipment, investment properties, intangible assets with finite life and biological assets at cost

The Group estimates the useful lives of its depreciable property, plant and equipment, investment properties, intangible assets with finite life and biological assets at cost based on the period over which the assets are expected to be available for use. The EUL of the said depreciable assets are reviewed at least annually and are updated, if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the EUL of the depreciable property, plant and equipment, investment properties and intangible assets would increase depreciation and amortization expense and decrease noncurrent assets.

In 2024, the Group has changed the estimated useful life of certain machinery and equipment of the food business from 10 to 15 years. The impact of the change in 2024 resulted in a decrease in depreciation expense amounting to ₱930.1 million.

The carrying balances of the Group's depreciable assets are disclosed in Notes 13, 15, 16, and 18 to the consolidated financial statements.

j. Estimation of pension and other benefits costs

The determination of the obligation and cost of pension and other employee benefits is dependent on the selection of certain assumptions used in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rates (see Note 37). Actual results that differ from the Group's assumptions are accumulated and amortized over future periods and therefore, generally affect the recognized expense and recorded obligation in such future periods.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Philippine government bonds with terms consistent with the expected employee benefit payout as of reporting date.

As of December 31, 2025 and 2024, the balance of the Group's present value of defined benefit obligations and other employee benefits is shown in Note 37 to the consolidated financial statements.

k. Assessment of impairment of nonfinancial assets excluding goodwill and intangible assets

The Group assesses impairment on its nonfinancial assets (i.e., property, plant and equipment, investment properties, investments in associates and joint venture and biological assets carried at cost) whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value-in-use and decrease the asset's recoverable amount materially;
- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- Significant negative industry or economic trends.

The Group determines an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset base of the cash-generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

In 2025, the Group recognized impairment losses of ₱103.0 billion to reduce the carrying value of certain property, plant and equipment of discontinued operations to their recoverable value, which was based on fair value less costs to sell. Fair value less costs to sell is based on estimated resale values and cost to sell as provided by external specialists engaged by management and is a level 3 fair value measurement.

Provision for impairment losses on nonfinancial assets recognized in 2025, 2024 and 2023 is disclosed in Notes 34 and 44 to the consolidated financial statements.

As of December 31, 2025 and 2024, the balance of the Group's nonfinancial assets excluding goodwill and intangible assets, net of accumulated depreciation, amortization and impairment loss are shown in Notes 14, 15, and 16 to the consolidated financial statements.

l. Recognition of deferred tax assets

The Group reviews the carrying amounts of its deferred tax assets at each reporting date and reduces the deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Group will generate sufficient taxable income to allow all or part of deferred tax assets to be utilized.

The Group has certain subsidiaries which enjoy the benefits of an income tax holiday (ITH). As such, no deferred tax assets were set up on certain gross deductible temporary differences that are expected to reverse or expire within the ITH period (see Note 38).

The Group's recognized and unrecognized deferred tax assets are disclosed in Note 38 to the consolidated financial statements.

4. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, investment securities at amortized cost, financial assets at FVPL, financial assets at FVOCI, financial liabilities at FVPL and interest-bearing loans and borrowings. The main purpose of these financial instruments is to finance the Group's operations and related capital expenditures. The Group has various other financial assets and financial liabilities, such as receivables and payables which arise directly from its operations. Also, the Parent Company and certain subsidiaries are counterparties to derivative contracts, such as interest rate swaps, currency forwards and currency swaps. These derivatives are entered into as a means of reducing or managing their respective foreign exchange and interest rate exposures.

The BOD of the Parent Company and its subsidiaries review and approve the policies for managing each of these risks which are summarized below, together with the related risk management structure.

Enterprise Risk Management
JG Summit recognizes the importance of sound risk management practices in fostering sustainable growth and ensuring organizational resilience. The Company has adopted a proactive ERM framework, guided by the principles outlined in the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM Framework, which is designed to facilitate the effective implementation of risk management processes to support decision-making.

With the increasing volatility and complexity in the global and national landscape, we continuously refine our risk management processes to deepen our understanding of key business risks and enhance the organization's capabilities to proactively identify, assess, and mitigate risks.

Risk Governance

Effective risk governance is fundamental to the Company's ERM framework, ensuring a structured approach to identifying and managing key business risks. The governance structure provides clear lines of responsibility and accountability, guiding the Board and Management in overseeing risk exposures at both the business unit and enterprise levels. This includes the governance of sustainability-related and climate-related risks, reinforcing the Company's commitment to integrating these important risks into its overall risk management approach.

- The Board of Directors (BOD) provides oversight to JGSHI's risk management practices and sets guidelines in managing critical risks.
- The Audit, RPT and Risk Oversight Committee (AURROC) supports the BOD by monitoring the implementation of and assessing the effectiveness of the ERM framework.
- The Chief Executive Officer (CEO) holds ultimate accountability for the overall risk management approach of the company, ensuring that risk considerations are embedded in strategic decision-making and operations.
- The Chief Risk Officer (CRO) leads the development and implementation of the ERM framework and processes and is responsible for reporting risk exposures and mitigation efforts to Senior Management and AURROC.
- The Risk Council, composed of JGSHI functional heads, supports the CRO in identifying and addressing significant risk exposures and in overseeing the Company's risk management strategies. Additionally, SBU CROs participate in Risk Council meetings to provide insights into the key risks affecting their respective business units, and support efforts to achieve a well-aligned and cohesive risk management approach across the Group.
- Risk Owners are accountable for the identification and management of risks in their assigned areas of responsibility, and for communicating risk status and progress to the relevant stakeholders.
- Risk Custodians support the Risk Owners in the monitoring, analysis, and reporting of risk status, trends, and progress of mitigation initiatives.
- The ERM Team supports the CRO in the development, continuous improvement and effective implementation of the ERM framework and methodologies across the organization.
- The Internal Control Team ensures that robust control mechanisms are in place to mitigate risks effectively, conducts periodic evaluation on the adequacy and effectiveness of controls and communicates significant control weaknesses or breaches to Management and AURROC.
- The Internal Audit Team provides independent assurance to Management and AURROC on the adequacy and effectiveness of the Company's risk management and internal control processes.



Risk Management Process

The Parent Company provides guidance on the ERM framework to promote alignment in risk management approach across the Group. It also fosters group-wide sharing of best practices and ERM learning initiatives. Each SBU establishes its own risk governance structure and processes to address the unique risks of its operations, according to its business environment, risk profile, and strategic and operational goals.

Risk Identification, Assessment, and Prioritization
Risks are identified using different tools such as risk factor analysis, megatrends analysis, and systems dynamics analysis. Identified risks are categorized and their potential impact is evaluated based on the risk assessment scale developed for various impact areas. Likewise, likelihood parameters are set to define the probability of occurrence of the risks. Each operating company developed its own risk assessment scale according to its context and risk appetite.

Highly-rated risks are subjected to further evaluation for prioritization, considering the organization's overall risk profile, level of vulnerability, and contribution to amplifying certain risks. Furthermore, the urgency of the risks and the mitigation timeframe are also considered in the prioritization.

Risk Response, Monitoring, and Reporting
For each priority risk, appropriate risk responses are developed, in alignment with the Company's risk appetite and overall risk management strategy. Risk Owners are tasked to continually monitor and evaluate the effectiveness of the risk responses. Material residual risks are assessed properly to improve risk responses and identify recovery measures. Given the dynamic nature of risks, the entire risk management is an iterative process. The risk management framework is presented to the AURROC for review on a regular basis, and the key risks are updated and reported annually.

Risk Management Policies
The main risks arising from the use of financial instruments are credit risk, liquidity risk and market risk, such as foreign currency risk, commodity price risk, equity price risk and interest rate risk. The Group's policies for managing the aforementioned risks are summarized below.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group transacts only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group continuously delivers credit notifications and implements various credit actions based on assessed risks to reduce credit exposure. Regular monitoring of receivable balances from trade customers ensures that appropriate credit treatments are applied to overdue accounts. Similarly, other receivable balances are also closely monitored and managed through appropriate actions to mitigate credit risk.

With respect to credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents, financial assets at FVPL, financial assets at FVOCI, investment securities at amortized cost and certain derivative investments, the Group's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amount of these instruments.

The Group has a counterparty credit risk management policy which allocates investment limits based on counterparty credit ratings and credit risk profile.

a. Credit risk exposure

The Group's maximum exposure to on-balance sheet credit risk is equal to the carrying value of its financial assets except for the Group's trade receivables as of December 31, 2025 and 2024 with carrying value of ₱18.1 billion and ₱16.4 billion, respectively which are secured by collateral with fair value amounting to ₱3.6 billion and ₱4.4 billion, respectively, resulting in net exposure of ₱14.5 billion and ₱12.0 billion, respectively.

The collateral securities related to the Group's trade receivables consist of standby letters of credit. The Group holds no other collateral or guarantee that would reduce the maximum exposure to credit risk.

Real estate receivables are secured by the real estates sold to the buyers as the ownership shall only be transferred upon full payment of the receivables.

b. Risk concentrations of the maximum exposure to credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Group's financial strength and undermine public confidence.

The Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. In order to avoid excessive concentrations of risks, identified concentrations of credit risks are controlled and managed accordingly.

i. Concentration by geographical location

The Group's credit risk exposures as of December 31, 2025 and 2024, before taking into account any collateral held or other credit enhancements, is categorized by geographic location as follows:

	December 31, 2025				
	Philippines	Asia (excluding Philippines)	Europe	Others*	Total
Cash and cash equivalents**	₱31,168,850,880	₱19,938,257,209	₱–	₱183,081,898	₱51,290,189,987
Financial assets at FVPL:					
Investment in convertible notes	–	227,087,239	–	–	227,087,239
Financial assets at FVOCI					
Debt securities:					
Government	125,128,636	93,476,541	–	28,708,362	247,313,539
Private	3,610,340,808	926,432,789	–	322,209,262	4,858,982,859
	3,735,469,444	1,019,909,330	–	350,917,624	5,106,296,398
Receivables:					
Trade receivables	44,886,291,928	5,857,572,658	30,895,589	792,530,189	51,567,290,364
Due from related parties	1,662,782,314	116,267,225	–	–	1,779,049,539
Interest receivable	168,815,068	36,914,984	–	21,396,115	227,126,167
Other receivables	3,143,947,049	157,005,427	1,176	2,036	3,300,955,688
	49,861,836,359	6,167,760,294	30,896,765	813,928,340	56,874,421,758
Refundable deposits***	3,564,292,375	–	–	–	3,564,292,375
Restricted cash***	87,269,574	–	–	–	87,269,574
	₱88,417,718,632	₱27,353,014,072	₱30,896,765	₱1,347,927,862	₱117,149,557,331

**Others include South American countries (i.e., Argentina and Mexico)*
*** Excludes cash on hand amounting to ₱139,067,179*
**** Included under 'Other noncurrent assets' in the consolidated statements of financial position*

	December 31, 2024				
	Philippines	Asia (excluding Philippines)	Europe	Others*	Total
Cash and cash equivalents**	₱ 27,295,517,642	₱ 20,122,697,029	₱–	₱214,879,784	₱47,633,094,455
Financial assets at FVPL:					
Investment in convertible notes	–	206,268,529	–	–	206,268,529
Derivatives	1,297,193	–	–	–	1,297,193
	1,297,193	206,268,529	–	–	207,565,722
Financial assets at FVOCI					
Debt securities:					
Government	124,783,212	200,300,026	–	28,549,335	353,632,573
Private	3,572,230,774	2,649,564,686	–	141,318,010	6,363,113,470
	3,697,013,986	2,849,864,712	–	169,867,345	6,716,746,043
Receivables:					
Trade receivables	41,167,304,069	4,516,117,097	506,760	144,477,955	45,828,405,881
Due from related parties	4,070,190,385	133,603,512	–	–	4,203,793,897
Interest receivable	163,930,469	76,246,650	52,003	15,520,911	255,750,033
Other receivables***	2,277,178,333	1,673,576	14,788,331	3,392,116	2,297,032,356
	47,678,603,256	4,727,640,835	15,347,094	163,390,982	52,584,982,167
Refundable deposits****	4,804,302,698	–	–	–	4,804,302,698
Restricted cash****	87,269,574	–	–	–	87,269,574
	₱83,564,004,349	₱27,906,471,105	₱15,347,094	₱548,138,111	₱112,033,960,659

** Others include South American countries (i.e., Argentina and Mexico)*
*** Excludes cash on hand amounting to ₱139,172,998*
**** Excludes claims receivable of JGSOC amounting to ₱364,806,582*
***** Included under 'Other noncurrent assets' in the consolidated statements of financial position*

ii Concentration by industry

The tables below show the industry sector analysis of the Group's financial assets as of December 31, 2025 and 2024, before taking into account any collateral held or other credit enhancements.

	December 31, 2025							
	Manufacturing	Real Estate, Renting and Related Business Activities	Wholesale and Retail trade	Financial Intermediaries	Transportation, Storage and Communicatoin	Electricity, Gas and Water	Others*	Total
Cash and cash equivalents**	₱–	₱–	₱–	₱51,290,189,987	₱–	₱–	₱–	₱51,290,189,987
Financial assets at FVPL								
Investment in convertible notes	–	–	–	–	–	–	227,087,239	227,087,239
Financial assets at FVOCI								
Debt securities								
Government	–	–	–	125,128,636	–	–	122,184,903	247,313,539
Private	–	835,725,333	–	1,192,955,457	567,119,860	594,149,377	1,669,032,832	4,858,982,859
	–	835,725,333	–	1,318,084,093	567,119,860	594,149,377	1,791,217,735	5,106,296,398
Receivables								
Trade receivables	16,962,937,827	28,840,596,248	–	295,190,714	3,299,364,949	–	2,169,200,626	51,567,290,364
Due from related parties	504,201,819	948,862,905	4,137,721	254,267,870	668,021	–	66,911,203	1,779,049,539
Interest receivable	–	38,470,667	–	60,952,923	1,822,629	14,262,593	111,617,355	227,126,167
Other receivables	1,951,868,377	517,759,107	–	1,898,849	–	–	829,429,355	3,300,955,688
	19,419,008,023	30,345,688,927	4,137,721	612,310,356	3,301,855,599	14,262,593	3,177,158,539	56,874,421,758
Refundable security deposits***	–	–	–	–	–	–	3,564,292,375	3,564,292,375
Restricted cash***	–	87,269,574	–	–	–	–	–	87,269,574
	₱19,419,008,023	₱31,268,683,834	₱4,137,721	₱53,220,584,436	₱3,868,975,459	₱608,411,970	₱8,759,755,888	₱117,149,557,331

* *Others include consumer, community, social and personal services, education, mining and quarrying, and health and social work sectors.*

** *Excludes cash on hand amounting to ₱139,067,179*

*** *Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position*

	December 31, 2024							
	Manufacturing	Real Estate, Renting and Related Business Activities	Wholesale and Retail trade	Financial Intermediaries	Transportation, Storage and Communicatoin	Electricity, Gas and Water	Others*	Total
Cash and cash equivalents**	₱–	₱–	₱–	₱47,633,094,455	₱–	₱–	₱–	₱47,633,094,455
Financial assets at FVPL								
Derivatives	–	–	–	1,297,193	–	–	–	1,297,193
Investment in convertible notes	–	–	–	–	–	–	206,268,529	206,268,529
	–	–	–	1,297,193	–	–	206,268,529	207,565,722
Financial assets at FVOCI								
Debt securities								
Government	–	–	–	124,783,234	–	–	228,849,339	353,632,573
Private	–	683,401,076	–	2,049,444,203	771,749,262	766,931,974	2,091,586,955	6,363,113,470
	–	683,401,076	–	2,174,227,437	771,749,262	766,931,974	2,320,436,294	6,716,746,043
Receivables								
Trade receivables	16,377,193,147	23,684,744,315	–	280,043,547	2,608,901,323	–	2,877,523,549	45,828,405,881
Due from related parties	404,301,415	69,848,862	4,137,721	180,349,076	668,021	–	3,544,488,802	4,203,793,897
Interest receivable	–	32,028,750	–	73,093,020	5,154,938	11,856,152	133,617,173	255,750,033
Other receivables***	1,020,481,068	630,010,090	–	2,302,388	–	–	644,238,810	2,297,032,356
	17,801,975,630	24,416,632,017	4,137,721	535,788,031	2,614,724,282	11,856,152	7,199,868,334	52,584,982,167
Refundable security deposits****	–	–	–	–	–	–	4,804,302,698	4,804,302,698
Restricted cash****	–	87,269,574	–	–	–	–	–	87,269,574
	₱17,801,975,630	₱25,187,302,667	₱4,137,721	₱50,344,407,116	₱3,386,473,544	₱778,788,126	₱14,530,875,855	₱112,033,960,659

* *Others include consumer, community, social and personal services, education, mining and quarrying, and health and social work sectors.*
** *Excludes cash on hand amounting to ₱139,172,998*
*** *Excludes claims receivable of JGSOC amounting to ₱364,806,582*
**** *Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position*

c. Credit quality per class of financial assets

The table below shows the maximum exposure to credit risk for the Group's financial assets not measured at fair value by credit rating grades:

	2025 (in millions)				
	General Approach			Simplified	
	Stage 1	Stage 2	Stage 3	Approach	Total
Cash and cash equivalents*					
Neither Past Due nor Individually Impaired					
High Grade	**₱51,290**	**₱–**	**₱–**	**₱–**	**₱51,290**
Financial Assets at FVPL					
Investment in convertible note					
Unrated	**227**	–	–	–	**227**
Financial Assets at FVOCI					
Neither Past Due nor Individually Impaired					
Standard	**5,106**	–	–	–	**5,106**
Receivables:					
Trade receivables					
Neither Past Due nor Individually Impaired					
High Grade	–	–	–	**40,077**	**40,077**
Standard	–	–	–	**459**	**459**
Past Due but not Individually Impaired	–	–	–	**10,508**	**10,508**
Individually Impaired	–	–	–	**523**	**523**
Due from related parties					
Neither Past Due nor Individually Impaired					
High Grade	–	–	–	**1,779**	**1,779**
Interest receivable					
Neither Past Due nor Individually Impaired					
High Grade	**227**	–	–	–	**227**
Other receivables					
Neither Past Due nor Individually Impaired					
High Grade	**586**	–	–	–	**586**
Standard	**2,202**	–	–	–	**2,202**
Past Due but not Individually Impaired	–	–	–	**273**	**273**
Individually Impaired	–	–	–	**241**	**241**
Refundable deposits**					
Neither Past Due nor Individually Impaired					
High Grade	**3,564**	–	–	–	**3,564**
Restricted cash**					
Neither Past Due nor Individually Impaired					
High Grade	**88**	–	–	–	**88**
	₱63,290	**₱–**	**₱–**	**₱53,860**	**₱117,150**

** Excludes cash on hand amounting to ₱139,067,179*
***Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position*

	2024 (in millions)				
	General Approach			Simplified	
	Stage 1	Stage 2	Stage 3	Approach	Total
Cash and cash equivalents					
Neither Past Due nor Individually Impaired					
High Grade	₱47,633	**₱–**	**₱–**	**₱–**	₱47,633
Financial Assets at FVPL					
Investment in convertible note					
Unrated	206	–	–	–	206
Derivatives	1	–	–	–	1
Financial Assets at FVOCI					
Neither Past Due nor Individually Impaired					
Standard	6,717	–	–	–	6,717
Receivables:					
Trade receivables					
Neither Past Due nor Individually Impaired					
High Grade	–	–	–	35,362	35,362
Standard	–	–	–	625	625
Past Due but not Individually Impaired	–	–	–	9,199	9,199
Individually Impaired	–	–	–	642	642

(*Forward*)

	2024 (in millions)				
	General Approach			Simplified	
	Stage 1	Stage 2	Stage 3	Approach	Total
Due from related parties					
Neither Past Due nor Individually Impaired					
High Grade	₱–	₱–	₱–	₱3,162	₱3,162
Standard	–	–	–	1,042	1,042
Interest receivable					
Neither Past Due nor Individually Impaired					
High Grade	256	–	–	–	256
Other receivables					
Neither Past Due nor Individually Impaired					
High Grade	858	–	–	–	858
Standard	1,204	–	–	–	1,204
Past Due but not Individually Impaired	–	–	–	48	48
Individually Impaired	–	–	–	186	186
Refundable deposits* **					
Neither Past Due nor Individually Impaired					
High Grade	4,804	–	–	–	4,804
Restricted cash* **					
Neither Past Due nor Individually Impaired					
High Grade	88	–	–	–	88
	₱61,767	₱–	₱–	₱50,266	₱112,033

** Excludes cash on hand amounting to ₱139,172,998*
*** Excludes claims receivable of JGSOC amounting to ₱364,806,582*
****Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position*

Classification of Financial Assets by Class used by the Group
High grade cash and cash equivalents are short-term placements and working cash fund placed, invested, or deposited in foreign and local banks belonging to the top 10 banks in the Philippines in terms of resources and profitability.

Other high grade accounts are considered to be of high value since the counterparties have a remote likelihood of default and have consistently exhibited good paying habits.

Standard grade accounts are active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Substandard grade accounts are accounts which have probability of impairment based on historical trend. These accounts show propensity to default in payment despite regular follow-up actions and extended payment terms.

d. Aging analysis of receivables by class

The aging analysis of the Group's Past Due but Not Impaired receivables as of December 31, 2025 and 2024 follow:

	2025 *(in millions)*				
	Less than 30 Days	**30 to 60 Days**	**61 to 90 Days**	**Over 90 Days**	**Total**
Trade receivables	**₱5,866**	**₱1,591**	**₱543**	**₱2,508**	**₱10,508**
Others	**68**	**31**	**1**	**173**	**273**
	₱5,934	**₱1,622**	**₱544**	**₱1,935**	**₱10,781**

	2024 *(in millions)*				
	Less than 30 Days	30 to 60 Days	61 to 90 Days	Over 90 Days	Total
Trade receivables	₱4,292	₱1,753	₱1,221	₱ 1,934	₱9,200
Others	1	11	34	1	47
	₱4,293	₱1,764	₱1,255	₱1,935	₱9,247

Liquidity risk

Liquidity risk refers to the possibility of being unable to meet financial obligations promptly. These obligations include repaying liabilities or making payments for asset purchases as they become due. The Group's liquidity management strategy involves maintaining sufficient funding capacity to cover capital expenditures, service maturing debts, and accommodate fluctuations in asset and liability levels. These fluctuations may arise due to changes in the Group's business operations or unforeseen events influenced by customer behavior or capital market conditions.

To ensure liquidity, the Group holds a level of cash and cash equivalents deemed adequate for financing its ongoing operations. As part of its liquidity risk management, the Group regularly assesses projected and actual cash flows. Additionally, it continuously monitors financial market conditions to identify opportunities for fund-raising activities. These activities may involve obtaining bank loans or issuing capital in both onshore and offshore markets.

The tables below summarize the maturity profile of the Group's financial assets and liabilities based on the applicable undiscounted contractual payments as of December 31, 2025 and 2024:

	2025					
	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 Years	More Than 5 Years	Total
Financial Assets						
Cash and cash equivalents*	**₱34,541,359,679**	**₱16,343,271,435**	**₱–**	**₱–**	**₱–**	**₱50,884,631,114**
Financial assets at FVPL:						
Equity securities						
Quoted	**159,764,667**	–	**2,719,950,215**	–	–	**2,879,714,882**
Unquoted	**325,728,825**	–	–	**4,109,114,646**	–	**4,434,843,471**
Investment in convertible note	–	–	–	**227,087,239**	–	**227,087,239**
	485,493,492	–	**2,719,950,215**	**4,336,201,885**	–	**7,541,645,592**
Financial assets at FVOCI:						
Debt securities:						
Private	–	**1,785,347,054**	**3,254,677,758**	–	–	**5,040,024,812**
Government	–	**14,927,961**	**293,820,596**	–	–	**308,748,557**
	–	**1,800,275,015**	**3,548,498,354**	–	–	**5,348,773,369**
Equity securities						
Quoted	–	–	–	**54,166,137,046**	–	**54,166,137,046**
Unquoted	–	–	–	**3,423,873,370**	–	**3,423,873,370**
	–	–	–	**57,590,010,416**	–	**57,590,010,416**
	–	**1,800,275,015**	**3,548,498,354**	**57,590,010,416**	–	**62,938,783,785**
Receivables:						
Trade receivables	**7,439,959,956**	**25,056,954,685**	**6,266,922,056**	**8,733,465,789**	**3,930,798,194**	**51,428,100,680**
Due from related parties	**900,035,496**	**500,000,000**	–	**379,014,043**	–	**1,779,049,539**
Interest receivable	**39,729,141**	**20,799,041**	**166,597,985**	–	–	**227,126,167**
Other receivables	**2,848,011,355**	**362,397,219**	**90,547,114**	–	–	**3,300,955,688**
	11,227,735,948	**25,940,150,945**	**6,524,067,155**	**9,112,479,832**	**3,930,798,194**	**56,735,232,074**
Refundable security deposits**	–	–	–	**689,557,122**	**2,874,735,253**	**3,564,292,375**
Restricted cash**	**87,269,574**	–	–	–	–	**87,269,574**
	₱46,341,858,693	**₱44,083,697,395**	**₱12,792,515,724**	**₱71,728,249,255**	**₱6,805,533,447**	**₱181,751,854,514**

** Excludes cash on hand amounting to ₱139,067,179*

***Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position.*

	2024					
	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 Years	More Than 5 Years	Total
Financial Assets						
Cash and cash equivalents*	₱30,630,738,112	₱17,108,601,171	₱–	₱–	₱–	₱47,739,339,283
Financial assets at FVPL:						
Equity securities						
Quoted	1,144,689,457	–	2,273,748,585	–	–	3,418,438,042
Unquoted	257,746,601	–	–	3,250,558,011	–	3,508,304,612
Investment in convertible note	–	–	–	206,268,529	–	206,268,529
Derivatives	1,297,193	–	–	–	–	1,297,193
	1,403,733,251	–	2,273,748,585	3,456,826,540	–	7,134,308,376
Financial assets at FVOCI:						
Debt securities:						
Private	–	778,738,427	6,059,765,636	–	–	6,838,504,063
Government	–	17,744,753	406,866,854	–	–	424,611,607
	–	796,483,180	6,466,632,490	–	–	7,263,115,670
Equity securities						
Quoted	–	–	–	55,142,481,125	–	55,142,481,125
Unquoted	–	–	–	2,746,719,301	–	2,746,719,301
	–	–	–	57,889,200,426	–	57,889,200,426
	–	796,483,180	6,466,632,490	57,889,200,426	–	65,152,316,096
Receivables:						
Trade receivables	5,348,405,400	25,527,116,149	6,448,745,131	6,334,568,068	1,966,511,543	45,625,346,291
Due from related parties	1,809,529,366	–	1,000,000,000	1,394,264,531	–	4,203,793,897
Interest receivable	45,341,714	17,198,673	193,209,646	–	–	255,750,033
Other receivables**	1,704,255,340	508,148,267	100,627,603	–	–	2,313,031,210
	8,907,531,820	26,052,463,089	7,742,582,380	7,728,832,599	1,966,511,543	52,397,921,431
Refundable security deposits***	6,952,316	–	–	679,848,045	4,117,502,337	4,804,302,698
Restricted cash***	87,269,574	–	–	–	–	87,269,574
	₱41,036,225,073	₱43,957,547,440	₱16,482,963,455	₱69,754,707,610	₱6,084,013,880	₱177,315,457,458

** Excludes cash on hand amounting to ₱139,172,998*
***Excludes claims receivable of JGSOC amounting to ₱364,806,582*
****Included under 'Other current' and 'Other noncurrent assets' in the consolidated statements of financial position.*

	2025					
	On Demand	**Up to 3 Months**	**3 to 12 Months**	**1 to 5 Years**	**More Than 5 Years**	**Total**
Financial Liabilities						
Accounts payable and accrued expenses*	**₱28,617,011,410**	**₱34,996,034,046**	**₱5,164,969,134**	**₱646,411,327**	**₱872,886,463**	**₱70,297,312,380**
Short-term debt	**–**	**42,790,553,343**	**39,695,603**	**–**	**–**	**42,830,248,946**
Due to related parties**	**605,323,407**	**–**	**–**	**–**	**–**	**605,323,407**
Deposits from lessees***	**–**	**1,718,779,057**	**1,857,940,960**	**2,356,170,092**	**3,924,826,370**	**9,857,716,479**
Long-term debt (including current portion)	**376,460,527**	**3,107,575,587**	**15,090,351,209**	**203,255,701,078**	**67,370,208,787**	**289,200,297,188**
Lease liabilities (including current portion)	**1,691,163,230**	**5,209,306,858**	**13,719,965,745**	**84,989,114,646**	**52,411,134,298**	**158,020,684,777**
	₱31,289,958,574	**₱87,822,248,891**	**₱35,872,922,651**	**₱291,247,397,143**	**₱124,579,055,918**	**₱570,811,583,177**

**Including noncurrent portion booked under 'Other noncurrent liabilities' in the consolidated statement of financial position but excluding Due to related parties, statutory payables, refund and travel fund payable*
*** Included under 'Accounts payable and accrued expense' in the consolidated statement of financial position*
****Included under 'Other current liabilities' and 'Other noncurrent liabilities' in the consolidated statement of financial position)*

	2024					
	On Demand	Up to 3 Months	3 to 12 Months	1 to 5 Years	More Than 5 Years	Total
Financial Liabilities						
Accounts payable and accrued expenses*	₱35,782,697,265	₱29,537,261,682	₱6,919,601,536	₱607,739,054	₱794,214,592	₱73,641,514,129
Short-term debt	–	62,742,040,477	3,835,009,499	–	–	66,577,049,976
Due to related parties**	583,829,550	–		–	–	583,829,550
Deposits from lessees***	–	1,678,682,685	1,817,067,683	2,304,775,724	3,517,034,973	9,317,561,065
Long-term debt (including current portion)	330,115,687	5,135,323,915	92,926,441,750	133,303,020,518	67,002,326,329	298,697,228,199
Lease liabilities (including current portion)	1,500,570,116	3,220,854,366	13,820,620,829	76,552,364,682	47,326,939,405	142,421,349,398
	₱38,197,212,618	₱102,314,163,125	₱119,318,741,297	₱212,767,899,978	₱118,640,515,299	₱591,238,532,317

**Including noncurrent portion booked under 'Other noncurrent liabilities' in the consolidated statement of financial position but excluding Due to related parties, statutory payables, refund and travel fund payable*
*** Included under 'Accounts payable and accrued expense' in the consolidated statement of financial position*
****Included under 'Other current liabilities' and 'Other noncurrent liabilities' in the consolidated statement of financial position)*

Market risk
Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in its price, in turn caused by changes in interest rates, foreign currency exchange rates, equity prices and other market factors.

Foreign currency risk
Foreign currency risk arises on financial instruments that are denominated in a foreign currency other than the functional currency in which they are measured.

The Group has transactional currency exposures. Such exposures arise from sales and purchases in currencies other than the entities' functional currency. As of December 31, 2025, 2024 and 2023, approximately 25.5%, 25.4% and 24.2%, respectively, of the Group's total sales are denominated in currencies other than the functional currency. In addition, approximately 23.8% and 24.8% of total debt are denominated in US Dollar as of December 31, 2025 and 2024, respectively. The Group's capital expenditures are likewise substantially denominated in US Dollar.

The tables below summarize the Group's exposure to foreign currency risk as of December 31, 2025 and 2024:

	2025		
	US Dollar	**Other Currencies***	**Total**
Assets			
Cash and cash equivalents	**₱14,030,835,018**	**₱2,451,100,424**	**₱16,481,935,442**
Financial assets at FVPL	**4,999,056,854**	**2,057,095,246**	**7,056,152,100**
Financial assets at FVOCI	**5,106,296,398**	**3,423,873,370**	**8,530,169,768**
Receivables	**635,092,944**	**500,604,743**	**1,135,697,687**
Other current assets	**1,905,670,995**	**31,461,818**	**1,937,132,813**
	26,676,952,209	**8,464,135,601**	**35,141,087,810**
Liabilities			
Accounts payable and accrued expenses	**4,492,714,159**	**2,243,326,006**	**6,736,040,165**
Short-term debt	**1,939,978,879**	**2,241,993,499**	**4,181,972,378**
Long-term debt (including current portion)	**54,388,279,585**	**27,432,125,407**	**81,820,404,992**
Bonds payable	**14,514,355,308**	**–**	**14,514,355,308**
Lease Liabilities	**123,565,737,322**	**–**	**123,565,737,322**
	198,901,065,253	**31,917,444,912**	**230,818,510,165**
Net Foreign Currency-Denominated Liabilities	**(₱172,224,113,044)**	**(₱23,453,309,311)**	**(₱195,677,422,355)**

** Hongkong Dollar, Singapore Dollar, Chinese Yuan, Japanese Yen, Thai Baht, Malaysian ringgit, Korean won, New Taiwan dollar, Australian dollar and Euro*

	2024		
	US Dollar	Other Currencies*	Total
Assets			
Cash and cash equivalents	₱14,635,385,660	₱1,929,487,435	₱16,564,873,095
Derivatives	1,297,193	–	1,297,193
Financial assets at FVPL	3,618,102,160	2,112,472,965	5,730,575,125
Financial assets at FVOCI	6,716,746,043	2,746,719,301	9,463,465,344
Receivables	1,034,468,457	464,830,183	1,499,298,640
Other current assets	3,098,232,871	30,848,500	3,129,081,371
	29,104,232,384	7,284,358,384	36,388,590,768
Liabilities			
Accounts payable and accrued expenses	4,980,269,598	2,028,724,497	7,008,994,095
Short-term debt	9,580,143,602	2,662,922,495	12,243,066,097
Long-term debt (including current portion)	54,421,259,138	16,247,504,940	70,668,764,078
Bonds payable	14,156,440,222	–	14,156,440,222
Lease Liabilities	110,540,453,488	–	110,540,453,488
	193,678,566,048	20,939,151,932	214,617,717,980
Net Foreign Currency-Denominated Liabilities	(₱164,574,333,664)	(₱13,654,793,548)	(₱178,229,127,212)

** Hongkong Dollar, Singapore Dollar, Chinese Yuan, Japanese Yen, Thai Baht, Malaysian ringgit, Korean won, New Taiwan dollar, Australian dollar and Euro*



The exchange rates used to convert the Group's US dollar-denominated assets and liabilities into Philippine peso as of December 31, 2025 and 2024 follow:

	2025	2024
	₱58.79 to	₱57.845 to
US dollar-Philippine peso exchange rate	**US$1.00**	US$1.00

The following table sets forth the impact of the range of reasonably possible changes in the US Dollar-Philippine peso exchange rate on the Group's income before income tax (due to the revaluation of monetary assets and liabilities) for the years ended December 31, 2025 and 2024:

Reasonably Possible Changes in	Change in Income Before Income Tax	
Exchange rates	**2025**	2024
₱2.0	**(₱5,858,959,450)**	(₱5,475,781,683)
(2.0)	**5,858,959,450**	5,475,781,683

Other than the potential impact on the Group's pre-tax income, the Group does not expect any other material effect on equity.

The Group does not expect the impact of the volatility on other currencies to be material.

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 equity indices and the value of individual stocks.

In 2025, 2024 and 2023, changes in fair value of equity instruments held as financial assets at FVOCI due to a reasonably possible change in equity indices, with all other variables held constant, will increase equity by ₱673.8 million, ₱743.7 million, and ₱326.7 million respectively, if equity prices will increase by 1.5%. In 2025, 2024 and 2023, changes in fair value of equity instruments held as financial assets at FVPL due to a reasonably possible change in equity indices, with all other variables held constant, will increase profit by ₱12.1 million, ₱28.6 million and ₱25.2 million, respectively, if equity prices will increase by 1.5%. An equal change in the opposite direction would have decreased equity and profit by the same amount.

Interest rate risk
The Group's exposure to market risk for changes in interest rates relates primarily to the Parent Company's and its subsidiaries' long-term debt obligations which are subject to floating rate. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt. The Group makes use of derivative financial instruments, such as interest rate swaps, to hedge the variability in cash flows arising from fluctuation in benchmark interest rates.

The following tables show information about the Group's long-term debt with floating interest rate presented by maturity profile:

	2025										
	<1 year	>1-<2 years	>2-<3 years	>3-<4 years	>4-<5 years	>5 years	Total (In Original Currency)	Total (in Philippine Peso)	Debt Issuance Costs	Carrying Value (in Philippine Peso)	Fair Value
Long-term debt											
Philippine peso											
Floating rate											
Commercial loans from banks											
Interest rate 6.26%-7.96% (PH BVAL)	**₱1,757,810,985**	**₱1,073,641,798**	**₱263,487,851**	**₱251,506,069**	**₱201,204,855**	**₱754,518,203**	**₱4,302,169,761**	**₱4,302,169,761**	**₱–**	**₱4,302,169,761**	**₱4,186,446,370**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	–	**7,500,000,000**	–	**7,500,000,000**	**7,500,000,000**	**52,510,606**	**7,447,489,394**	**7,529,475,032**
Term loan											
Interest rate											
(Prevailing market rate -0.20% + GRT)	–	–	–	–	**9,000,000,000**	–	**9,000,000,000**	**9,000,000,000**	**57,760,890**	**8,942,239,110**	**9,096,149,811**
Term loan											
Interest rate											
(PH BVAL + 0.90% + GRT)	–	–	–	**4,750,000,000**	–	–	**4,750,000,000**	**4,750,000,000**	**26,281,098**	**4,723,718,902**	**4,835,816,548**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	**10,000,000,000**	–	–	–	**10,000,000,000**	**10,000,000,000**	**42,021,636**	**9,957,978,364**	**10,225,039,596**
Term loan											
Interest rate											
(BSP Rate + 0.50% + GRT)	–	–	**5,000,000,000**	–	–	–	**5,000,000,000**	**5,000,000,000**	**19,902,818**	**4,980,097,182**	**5,044,232,739**
Term loan											
Interest rate											
(BVAL + 0.7875% + GRT)	–	–	–	**9,100,000,000**	–	–	**9,100,000,000**	**9,100,000,000**	**55,124,104**	**9,044,875,896**	**9,192,811,809**
Term loan											
Interest rate											
(BVAL + 0.85% + GRT)	–	–	–	**7,000,000,000**	–	–	**7,000,000,000**	**7,000,000,000**	**39,945,417**	**6,960,054,583**	**7,093,420,672**
Term loan											
Interest rate											
(BVAL + 0.7875% + GRT)	–	–	–	–	**10,770,000,000**	–	**10,770,000,000**	**10,770,000,000**	**73,721,240**	**10,696,278,760**	**10,856,080,893**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	**10,000,000,000**	–	–	–	**10,000,000,000**	**10,000,000,000**	**38,401,239**	**9,961,598,761**	**10,072,127,923**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	**25,000,000,000**	–	–	–	**25,000,000,000**	**25,000,000,000**	**102,716,211**	**24,897,283,789**	**25,478,126,360**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	**16,900,000,000**	–	–	**16,900,000,000**	**16,900,000,000**	**94,128,710**	**16,805,871,290**	**17,190,909,296**
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	**4,940,000,000**	–	–	**4,940,000,000**	**4,940,000,000**	**21,206,087**	**4,918,793,913**	**5,013,516,111**
Term loan											
Interest rate											
(BVAL + 0.95% + GRT)	–	–	–	–	**6,300,000,000**	–	**6,300,000,000**	**6,300,000,000**	**31,967,064**	**6,268,032,936**	**6,425,036,694**
Foreign currencies											
Floating rate											
JPY Commercial loans											
0.42%-2.00% (JPY TONA)	**¥4,581,128,195**	**¥5,305,690,506**	**¥4,821,306,113**	**¥8,398,024,476**	**¥3,865,900,723**	**¥40,415,093,194**	**¥67,387,143,207**	**25,310,610,988**	**–**	**25,310,610,988**	**21,719,514,357**
USD Commercial loans											
1.33%-6.20% (USD SOFR)	**US$18,547,483**	**US$19,162,208**	**US$16,933,558**	**US$76,104,253**	**US$14,205,105**	**US$193,317,585**	**US$338,270,192**	**19,886,904,579**	**–**	**19,886,904,579**	**21,068,837,532**
SGD Commercial loans											
7.96% (3M SGD SORA)	**SGD3,858,447**	**SGD3,858,447**	**SGD3,858,447**	**SGD3,858,447**	**SGD3,858,447**	**SGD27,009,125**	**SGD 46,301,360**	**2,121,514,425**	**–**	**2,121,514,425**	**1,866,072,332**
								₱177,881,199,753	**₱655,687,120**	**₱177,225,512,633**	**₱176,893,614,075**

	2024										
	<1 year	>1-<2 years	>2-<3 years	>3-<4 years	>4-<5 years	>5 years	Total (In Original Currency)	Total (in Philippine Peso)	Debt Issuance Costs	Carrying Value (in Philippine Peso)	Fair Value
Long-term debt											
Philippine peso											
Floating rate											
Commercial loans from banks											
Interest rate 6.26%-7.96% (PH BVAL)	₱1,757,810,985	₱1,757,810,984	₱1,073,641,798	₱313,789,064	₱201,204,854	₱955,723,061	₱6,059,980,746	₱6,059,980,746	₱–	₱6,059,980,746	₱5,262,800,387
Term loan											
Interest rate (BVAL + 0.90%)	–	–	–	–	4,750,000,000	–	4,750,000,000	4,750,000,000	32,713,561	4,717,286,439	4,765,873,449
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	10,000,000,000	–	–	10,000,000,000	10,000,000,000	56,548,625	9,943,451,375	10,102,442,877
Term loan											
Interest rate (BSP Rate + 0.50%)	–	–	–	5,000,000,000	–	–	5,000,000,000	5,000,000,000	27,239,711	4,972,760,289	4,964,579,262
Term loan											
Interest rate (BVAL + 0.75%)	–	–	–	–	9,100,000,000	–	9,100,000,000	9,100,000,000	67,229,471	9,032,770,529	9,046,074,252
Term loan											
Interest rate (BVAL + 0.85%)	–	–	–	–	7,000,000,000	–	7,000,000,000	7,000,000,000	49,418,999	6,950,581,001	6,983,197,879
Term loan											
Interest rate											
PHP BVAL + 0.75%, or BSP Rate + 0.65%											
(whichever is higher)	4,000,000,000	–	–	–	–	–	4,000,000,000	4,000,000,000	–	4,000,000,000	4,026,812,718
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	9,946,649,494	–	–	9,946,649,494	9,946,649,494	–	9,946,649,494	8,477,545,113
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	24,860,384,694	–	–	24,860,384,694	24,860,384,694	–	24,860,384,694	21,265,691,000
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	–	16,782,595,196	–	16,782,595,196	16,782,595,196	–	16,782,595,196	13,773,878,828
Term loan											
Interest rate											
(Prevailing market rate + GRT)	–	–	–	4,940,000,000	–	–	4,940,000,000	4,940,000,000	28,273,791	4,911,726,209	5,038,108,939
(Forward)											
Term loan											
Interest rate (BVAL + 0.95%)	–	–	–	–	6,300,000,000	–	6,300,000,000	6,300,000,000	40,706,680	6,259,293,320	6,458,859,875
Foreign currencies:											
Floating rate											
US Dollar loans											
JPY Commercial loans											
Less than 1.0% (JPY TONA)	¥3,879,178,397	¥3,912,155,760	¥3,945,446,607	¥3,978,430,067	¥6,436,450,809	¥22,095,356,173	¥ 44,247,017,813	16,247,504,940	–	16,247,504,940	15,524,540,301
USD Commercial loans											
Interest rate 1.0%-8.0% (USD SOFR)	US$14,545,966	US$20,231,435	US$19,162,209	US$19,801,453	US$73,236,358	US$207,260,037	US$354,237,458	20,490,865,747	–	20,490,865,747	15,274,054,843
								₱145,477,980,817	₱302,130,838	₱145,175,849,979	₱130,964,459,723

The following table sets forth the impact of the range of reasonably possible changes in the interest rates on the Group's income from floating debt obligations before income tax:

Reasonably Possible Changes in Interest Rates	Change in Income Before Income Tax	
	2025	2024
+150.0 basis points (bps)	**(₱1,894,604,859)**	(₱1,545,075,510)
-150.0 bps	**1,894,604,859**	1,545,075,510

Price interest rate risk
The Group is exposed to the risks of changes in the value/future cash flows of its financial instruments due to its market risk exposures. The Group's exposure to interest rate risk relates primarily to the Group's financial assets at FVPL and financial assets at FVOCI investments.

The table below shows the impact on income before income tax of the estimated future yield of the related market indices of the Group's FVPL and FVOCI investments using a sensitivity approach.

Reasonably Possible Changes in Interest Rates	Change in Income Before Income Tax	
	2025	2024
+150.0 basis points (bps)	**(₱4,194,421,772)**	(₱3,220,435,218)
-150.0 bps	**4,461,782,027**	3,757,667,750

Reasonably Possible Changes in Interest Rates	Change in Other Comprehensive Income	
	2025	2024
+150.0 basis points (bps)	**(₱95,698,442)**	(₱138,364,032)
-150.0 bps	**95,698,442**	138,364,032

Commodity price risk
In 2025 and 2024, the Group entered into commodity derivatives to hedge its exposure to jet fuel price risks arising from its forecasted fuel purchases. Commodity hedging allows stability in prices, thus, offsetting the risk of volatile market fluctuations.Depending on the economic hedge cover, the price changes on the commodity derivative positions are offset by higher or lower purchase costs on fuel. A change in price by US$10.00 per barrel of jet fuel affects the Group's fuel costs in pre-tax income by ₱3.6 billion and ₱3.0 billion for the years ended December 31, 2025 and 2024, respectively, in each of the covered periods, assuming no change in volume of fuel is consumed.

Derivative financial instruments which are part of hedging relationships do not expose the Group to market risk since changes in the fair value of the derivatives are offset by the changes in the fair value of the hedged items.

There is an economic relationship between the hedged items and hedging instruments as the terms of the foreign exchange forward contracts and commodity swaps and zero cost collars match the terms of the expected highly probable forecast transactions. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign currency forward contracts and commodity derivatives are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of hedging instruments against the changes in the fair value of hedged items attributable to the hedged risks. The hedge ineffectiveness arising from the differences on the counterparty and own credit risk incorporated in the hedging instrument and zero credit risk on the hedged item are deemed insignificant given that all counterparties are given investment grade ratings by the major credit rating agencies.

5. Fair Value Measurement

The following methods and assumptions were used to estimate the fair value of each asset and liability for which it is practicable to estimate such value:

Cash and cash equivalents, receivables (except installment contract receivables), accounts payable and accrued expenses and short-term debt
Carrying amounts approximate their fair values due to the relatively short-term maturities of these instruments.

Installment contract receivables
Fair values of installment contract receivables are based on the discounted value of future cash flows using the applicable rates for similar types of receivables. The discount rates used range from5.5% to 6.1% in 2025 and from 6.3% to 6.4% in 2024.

Debt securities
Fair values of debt securities are generally based on quoted market prices. If the fair value of financial assets cannot be derived from active markets, these are determined using internal valuation techniques using generally accepted market valuation models using inputs from observable markets subject to a degree of judgment.

Quoted equity securities
Fair values are based on quoted prices published in markets.

Unquoted equity securities
Investment in unquoted equity security classified as FVOCI include interest in unlisted preference shares of stock of a fintech company. Fair values are established with reference ot the IPEV Guidelines as discussed in Note 3. In line with the IPEV Valuation Guidelines, the valuation of unquoted equity securities are based on the price of the most recent transaction (i.e., latest funding round post-money valuation of the underlying companies). Funding rounds refer to the series of funding start-up companies go through to raise capital.

Due from and due to related parties
Carrying amounts of due from and due to related parties approximate their fair values because these are collectible/payable on demand, except for certain due from related parties amounting to ₱879 million and ₱1.4 billion as of December 31, 2025 and 2024, respectively, which will mature in April 2027. Due from related parties are unsecured.

Noninterest-bearing refundable security deposits
The fair values are determined as the present value of estimated future cash flows using prevailing market rates.

Investment in convertible notes
The fair value of the convertible notes are determined using HP binomial pricing model and EV/Sales multiple of comparable companies' market data.

Biological assets
Biological assets are measured at their fair values less costs to sell. The fair values of Level 2 biological assets are determined based on current market prices of livestock of similar age, breed and genetic merit while Level 3 are determined based on adjusted commercial farmgate prices. Costs to sell include commissions to brokers and dealers, nonrefundable transfer taxes and duties. Costs to sell exclude transport and other costs necessary to get the biological assets to the market.



The Group has determined that the highest and best use of the sucklings and weanlings is finishers while for other biological assets is their current use.

Derivative financial instruments
The fair values of the interest rate derivatives are determined based on the quotes obtained from counterparties. The fair value of the embedded derivative component for the equity conversion and redemption options of the convertible bonds payable was determined using the Jarrow-Rudd model (Note 23).

Investment properties
Fair value of investment properties is based on market data (or direct sales comparison) approach. This approach relies on the comparison of recent sale transactions or offerings of similar properties which have occurred and/or offered with close proximity to the subject property.

The fair values of the Group's investment properties have been determined by appraisers, including independent external appraisers, in the basis of the recent sales of similar properties in the same areas as the investment properties and taking into account the economic conditions prevailing at the time of the valuations are made.

The Group has determined that the highest and best use of the property used for the land and building is its current use.

Deposits from lessees
The fair value of customers' deposits is based on the discounted value of future cash flows using the applicable rates for similar types of loans and receivables as of reporting date. The discount rates used range from 5.5% to 6.1% in 2025 and from 6.3% to 6.4% in 2024.

Long-term debt
The fair value of long-term debt is based on the discounted value of future cash flows (interests and principal) using the applicable rates for similar types of loans. The discount rates used for peso-denominated long-term debt range from 4.6% to 6.4% in 2025 and from 2.0% to 7.0% in 2024, and for foreign currency-denominated long-term debt from 4.6% to 6.4% in 2025 and from 2.0% to 7.0% in 2024.

Fair Value Hierarchy of Assets and Liabilities
Assets and liabilities carried at fair value are those whose fair values are required to be disclosed.

(a) Level 1: quoted (unadjusted) prices in an active market for identical assets or liabilities;
(b) Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
(c) Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the Group's assets and liabilities carried at fair value:

	December 31, 2025				
	Carrying Value	**Level 1**	**Level 2**	**Level 3**	**Total Fair value**
Assets measured at fair value					
Financial assets at FVPL:					
Equiy securties					
Quoted	**₱2,879,714,882**	**₱2,879,714,882**	**₱–**	**₱–**	**₱2,879,714,882**
Unquoted	**4,434,843,471**	**–**	**4,434,843,471**	**–**	**4,434,843,471**
Investment in convertible notes	**227,087,239**	**–**	**227,087,239**	**–**	**227,087,239**
	7,541,645,592	**2,879,714,882**	**4,661,930,710**	**–**	**7,541,645,592**
Financial assets at FVOCI					
Debt securities:					
Government	**247,313,539**	**247,313,539**	**–**	**–**	**247,313,539**
Private	**4,858,982,859**	**–**	**4,858,982,859**	**–**	**4,858,982,859**
	5,106,296,398	**247,313,539**	**4,858,982,859**	**–**	**5,106,296,398**
Equity securities:					
Quoted	**54,166,137,046**	**53,963,137,046**	**203,000,000**	**–**	**54,166,137,046**
Unquoted	**3,423,873,370**	**–**	**3,423,873,370**		**3,423,873,370**
	57,590,010,416	**53,963,137,046**	**3,626,873,370**	**–**	**57,590,010,416**
	62,696,306,814	**54,210,450,585**	**8,485,856,229**	**–**	**62,696,306,814**
Biological assets	**461,290,792**		**57,264,380**	**404,026,412**	**461,290,792**
	₱70,699,243,198	**₱57,090,165,467**	**₱13,205,051,319**	**₱404,026,412**	**₱70,699,243,198**
Assets for which fair values are disclosed					
Receivables:					
Trade receivables	**₱51,044,018,603**	**₱–**	**₱–**	**₱49,094,298,137**	**₱49,094,298,137**
Other receivables	**3,060,433,958**	**–**	**–**	**3,060,433,958**	**3,060,433,958**
Refundable deposits	**3,564,292,375**	**–**	**–**	**3,227,765,220**	**3,227,765,220**
Investment properties	**135,833,056,527**	**–**	**–**	**445,450,517,514**	**445,450,517,514**
	₱193,501,801,463	**₱–**	**₱–**	**₱500,833,014,829**	**₱500,833,014,829**
Liabilities for which fair values are disclosed					
Deposits from lessees	**₱9,857,716,479**	**₱–**	**₱–**	**₱8,267,592,616**	**₱8,267,592,616**
Long-term debt (including current portion)	**254,584,801,344**	**–**	**–**	**250,444,630,782**	**250,444,630,782**
	₱264,442,517,823	**₱–**	**₱–**	**₱258,712,223,398**	**₱258,712,223,398**

	December 31, 2024				
	Carrying Value	Level 1	Level 2	Level 3	Total Fair value
Assets measured at fair value					
Financial assets at FVPL:					
Equiy securties					
Quoted	₱3,418,438,042	₱3,418,438,042	₱–	₱–	₱3,418,438,042
Unquoted	3,508,304,612	–	3,508,304,612	–	3,508,304,612
Investment in convertible notes	206,268,529	–	206,268,529	–	206,268,529
Derivatives	1,297,193	–	1,297,193	–	1,297,193
	7,134,308,376	3,418,438,042	3,715,870,334	–	7,134,308,376
Financial assets at FVOCI					
Debt securities:					
Government	353,632,573	353,632,573	–		353,632,573
Private	6,363,113,470	–	6,363,113,470		6,363,113,470
	6,716,746,043	353,632,573	6,363,113,470	–	6,716,746,043
Equity securities:					
Quoted	55,142,481,125	54,981,531,125	160,950,000	–	55,142,481,125
Unquoted	2,746,719,301		2,746,719,301		2,746,719,301
	57,889,200,426	54,981,531,125	2,907,669,301	–	57,889,200,426
	64,605,946,469	55,335,163,698	9,270,782,771	–	64,605,946,469
Biological assets	273,798,527		36,254,945	237,543,582	273,798,527
	₱72,014,053,372	₱58,753,601,740	₱13,022,908,050	₱237,543,582	₱72,014,053,372
Assets for which fair values are disclosed					
Receivables:					
Trade receivables	₱45,186,307,801	₱–	₱–	₱43,817,961,532	₱43,817,961,532
Other receivables	2,288,757,203	–	–	2,288,757,203	2,288,757,203
Refundable deposits	4,804,302,698	–	–	4,165,557,531	4,165,557,531
Investment properties	136,459,981,551	–	–	435,762,914,880	435,762,914,880
	₱188,739,349,253	₱–	₱–	₱486,035,191,146	₱486,035,191,146
Liabilities for which fair values are disclosed					
Deposits from lessees	₱9,317,561,065	₱–	₱–	₱7,765,119,887	₱7,765,119,887
Long-term debt (including current portion)	248,304,907,912	–	–	230,997,744,163	230,997,744,163
	₱257,622,468,977	₱–	₱–	₱238,762,864,050	₱238,762,864,050

In 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements. Non-financial asset determined under Level 3 includes investment properties. No transfers between any levels of the fair value hierarchy took place in the equivalent comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

Description of significant unobservable inputs to valuation:

Account	Valuation Technique	Significant Unobservable Inputs
Installment Contract receivable under 'Trade Receivables'	Discounted cash flow method	5.5% - 6.1% discount rate
Biological assets	Adjusted commercial farmgate prices	Commercial farmgate prices
Investment properties	Market data approach and Cost approach	Price/cost per square meter, size, shape, location, time element, discount, replacement cost and depreciation for improvements
	Discounted cash flow method	Discount rate, capitalization rate, growth rate, occupancy rate
Refundable deposits	Discounted cash flow method	3.5% - 6.1% discount rate
Long-term debt	Discounted cash flow method	4.6% - 6.4% discount rate

Significant increases (decreases) in reasonable profit margin applied would result in a significantly higher (lower) fair value of the biological assets, considering all other variables are held constant.

Significant Unobservable Inputs

Size	Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of the lot size differences on land value.
Shape	Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.
Location	Location of comparative properties whether on a main road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a main road are superior to properties located along a secondary road.
Time Element	An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investor's perceptions of the market over time. In which case, the current data is superior to historic data.
Discount	Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.
Risk premium	The return in excess of the risk-free rate of return that an investment is expected to yield.
Reasonable profit margin	Mark up of biological assets at different stages of development.
Adjusted commercial farmgate prices	Fair value based on commercial farmgate prices, adjusted by considering the age, breed and genetic merit

6. Segment Information

Operating Segments

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The industry segments where the Group operates are as follows:

- Foods, agro-industrial and commodities businesses – manufacturing and distribution of a diverse mix of salty snacks, chocolates, candies, biscuits, bakery products, beverages, instant noodles and pasta; hog and poultry farming, manufacturing and distribution of animal feeds, glucose and soya products, and production and distribution of animal health products; and sugar milling and refining and flour milling.

- Air transportation – air transport services, both domestic and international, for passengers and cargos; and line and light maintenance services.

- Real estate and hotels – ownership, development, leasing and management of shopping malls and retail developments; ownership and operation of prime hotels in major Philippine cities; development, sale and leasing of office condominium space in office buildings and mixed-use developments including high rise residential condominiums; and development of land into residential subdivisions and sale of subdivision lots and residential houses and the provision of customer financing for sales. This also includes equity in net earnings of SLG.

- Petrochemicals – manufacturer of polyethylene (PE), polypropylene (PP), polymer grade ethylene, polymer grade propylene, partially hydrogenated pyrolysis gasoline, pyrolysis fuel oil, aromatics, butadiene and liquefied petroleum gas (LPG).

  In November 2025, the petrochemical business has been classified as a discontinued operation in accordance with PFRS 5. Accordingly, revenues and results of the petrochemical business are no longer presented as a reportable operating segment and are disclosed separately under discontinued operations (see Note 44).

  Results of operations from Peak Fuel remains part of continuing operations and is now included under Other Supplementary Businesses.

- Core Investments – This includes equity in net earnings of Meralco and dividend income from PLDT and BPI.

- Supplementary Businesses – insurance brokering, data analytics, securities investment, business process outsourcing and LPG business.

No operating segments have been aggregated to form the above reportable operating business segments.

The Group does not have a single external major customer (which represents 10.0% of Group's revenues).

Management monitors the operating results of each segment. The measure presented to manage segment performance is the segment operating income (loss). Segment operating income (loss) is based on the same accounting policies as the consolidated operating income (loss) except that intersegment revenues are eliminated only at the consolidation level. Group financing (including finance cost and other charges), finance income, market valuation gains(losses) on financial assets at FVPL and derivatives, foreign exchange gains (losses), other operating income, general and administrative expenses, impairment losses and others and income taxes are managed on a group basis and are not allocated to operating segments. Transfer pricing between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The Executive Committee (Excom) is actively involved in planning, approving, reviewing, and assessing the performance of each of the Group's segments. The Excom oversees Group's decision making process. The Excom's functions are supported by the heads of each of the operating segments, which provide essential input and advice in the decision-making process. The Excom is the Group's chief operating decision maker.

The following tables present the financial information of each of the operating segments in accordance with PFRS except for 'Core earnings', EBIT' and EBITDA' as of and for the years ended December 31, 2025, 2024 and 2023. Core earnings pertain to income before income tax excluding market valuation gains (losses) on financial assets at FVPL, market valuation gains (losses) on derivative financial instrumentss and foreign exchange gains (losses).

The Group's operating segment information follows:

	December 31, 2025						
	Foods, Agro-Industrial and Commodities	Air Transportation	Real Estate and Hotels	Core Investments	Supplementary Businesses	Adjustments and Eliminations	TOTAL OPERATIONS
Revenue							
Sale of goods and services:							
External customers	**₱168,009,175,443**	**₱119,927,510,211**	**₱46,943,939,860**	**₱–**	**₱12,575,717,866**	**₱–**	**₱347,456,343,380**
Intersegment revenues	**–**	**–**	**119,885,651**	**–**	**176,275,788**	**(296,161,439)**	**–**
	168,009,175,443	**119,927,510,211**	**47,063,825,511**	**–**	**12,751,993,654**	**(296,161,439)**	**347,456,343,380**
Dividend income (Note 28)	**48,454,304**	**–**	**–**	**3,133,955,324**	**285,179,142**	**–**	**3,467,588,770**
Equity in net earnings (losses) of associates and joint ventures (Note 14)	**(133,250,279)**	**116,896,446**	**4,983,150,193**	**13,265,958,400**	**(625,142,220)**	**544,086**	**17,608,156,626**
Total revenue	**167,924,379,468**	**120,044,406,657**	**52,046,975,704**	**16,399,913,724**	**12,412,030,576**	**(295,617,353)**	**368,532,088,776**
Cost of sales and services (Note 30)	**123,695,901,010**	**96,926,126,194**	**22,860,103,610**	**–**	**11,005,770,729**	**(205,281,015)**	**254,282,620,528**
Gross income	**₱44,228,478,458**	**₱23,118,280,463**	**₱29,186,872,094**	**₱16,399,913,724**	**₱1,406,259,847**	**(₱90,336,338)**	**114,249,468,248**
General and administrative expenses (Note 31)							**47,272,752,302**
Operating income							**66,976,715,946**
Financing cost and other charges (Note 35)							**(19,199,487,533)**
Finance income (Note 27)							**1,868,115,729**
Provision for impairment losses and others (Note 34)							**(720,389,833)**
Other operating income (Note 29)							**7,779,190,731**
Core earnings							**56,704,145,040**
Market valuation losses on financial assets (Note 9)							**538,881,247**
Foreign exchange losses							**(996,360,381)**
Income before income tax							**56,246,665,906**
Provision for income tax (Note 38)							**4,023,163,354**
Net income from Continuing Operations							**52,223,502,552**
Net loss from Discontinued Operations (Note 44)							**(124,061,923,693)**
Net income							**(₱71,838,421,141)**
Net Income Attributable To							
Equity holders of the Parent Company							
Income (loss) from Continuing Operations	**₱5,847,913,004**	**₱8,148,339,374**	**₱12,396,705,894**	**₱16,399,913,724**	**(₱7,199,223,404)**	**₱92,959,756**	**₱35,686,608,348**
Loss from Discontinued Operations							**(124,029,934,008)**
							(₱88,343,325,660)
EBIT	**₱16,129,744,061**	**₱11,501,021,333**	**₱23,142,401,603**	**₱16,399,913,724**	**(₱436,921,051)**	**₱240,556,276**	**₱66,976,715,946**
Depreciation and amortization (Note 33)	**5,957,688,097**	**19,415,791,492**	**6,077,356,763**	**–**	**159,184,090**	**(85,891,419)**	**31,524,129,023**
EBITDA	**₱22,087,432,158**	**₱30,916,812,825**	**₱29,219,758,366**	**₱16,399,913,724**	**(₱277,736,961)**	**₱154,664,857**	**₱98,500,844,969**
Other information							
Non-cash expenses other than depreciation and amortization (Note 34):							
Impairment (reversal of) losses on:							
Receivables (Note 11)	**(₱15,148,800)**	**(₱7,910,592)**	**₱–**	**₱–**	**₱19,599,948**	**₱–**	**(₱3,459,444)**
Inventories	**291,417,063**	**1,451,142**	**–**	**–**	**–**	**–**	**292,868,205**
Property, plant and equipment	**430,981,072**	**–**	**–**	**–**	**–**	**–**	**430,981,072**
	₱707,249,335	**(₱6,459,450)**	**₱–**	**₱–**	**₱19,599,948**	**₱–**	**₱720,389,833**

	December 31, 2024 – As Restated (Note 44)						
	Foods, Agro-Industrial and Commodities	Air Transportation	Real Estate and Hotels	Core Investments	Supplementary Businesses	Adjustments and Eliminations	TOTAL OPERATIONS
Revenue							
Sale of goods and services:							
External customers	₱161,867,243,890	₱104,908,632,355	₱ 40,078,910,726	₱–	₱10,051,058,753	₱–	₱316,905,845,724
Intersegment revenues	–	–	174,965,808	–	166,810,352	(341,776,160)	–
	161,867,243,890	104,908,632,355	40,253,876,534	–	10,217,869,105	(341,776,160)	316,905,845,724
Dividend income (Note 28)	48,454,304	–	–	3,082,937,953	244,265,138	–	3,375,657,395
Equity in net earnings (losses) of associates and joint ventures (Note 14)	(140,071,400)	106,999,090	5,913,895,872	11,876,101,120	(1,077,813,640)	55,612,913	16,734,723,955
Total revenue	161,775,626,794	105,015,631,445	46,167,772,406	14,959,039,073	9,384,320,603	(286,163,247)	337,016,227,074
Cost of sales and services (Note 30)	117,829,129,480	85,769,744,267	19,410,771,714	–	8,417,997,644	(393,049,534)	231,034,593,571
Gross income	₱43,946,497,314	₱19,245,887,178	₱26,757,000,692	14,959,039,073	₱966,322,959	₱106,886,287	105,981,633,503
General and administrative expenses (Note 31)							44,271,917,482
Operating income							61,709,716,021
Provision for impairment losses and others (Note 34)							(324,665,142)
Financing cost and other charges (Note 35)							(14,415,352,352)
Finance income (Note 27)							1,807,887,118
Other operating income (Note 29)							10,431,840,155
Core earnings							59,209,425,800
Market valuation losses on financial assets							(2,019,138,901)
Foreign exchange gains							211,382,443
Income before income tax							57,401,669,342
Provision for income tax (Note 38)							4,406,802,475
Net income from Continuing Operations							52,994,866,867
Net income from Discontinued Operations (Note 44)							(17,842,433,521)
Net income							₱35,152,433,346
Net Income Attributable To							
Equity holders of the Parent Company							
Income from Continuing Operations	₱6,796,845,665	₱3,628,354,508	₱11,461,045,553	₱14,959,039,073	₱2,021,137,087	₱125,824,379	₱38,992,246,265
Loss from Discontinued Operations							(17,666,688,600)
							₱21,325,557,665
EBIT	₱16,652,038,589	₱9,172,287,740	₱20,897,871,301	₱14,959,039,073	(₱448,417,574)	₱476,896,892	₱61,709,716,021
Depreciation and amortization (Notes 33)	4,968,706,792	16,293,433,383	5,707,159,311	–	170,665,783	(187,346,689)	26,952,618,580
EBITDA	₱21,620,745,381	₱25,465,721,123	₱26,605,030,612	₱14,959,039,073	(₱277,751,791)	289,550,203	₱88,662,334,601
Other information							
Non-cash expenses other than depreciation and amortization (Note 34):							
Impairment losses on:							
Receivables (Note 11)	₱11,395,431	₱129,767,554	₱–	₱–	₱267,418	₱–	₱141,430,403
Inventories	102,810,276	26,663,350	–	–	–	–	129,473,626
Property, plant and equipment	53,761,113	–	–	–	–	–	53,761,113
	₱167,966,820	₱156,430,904	₱–	₱–	₱267,418	₱–	₱324,665,142

	December 31, 2023 – As Restated (Note 44)						
	Foods, Agro-Industrial and Commodities	Air Transportation	Real Estate and Hotels	Core Investments	Core Investments and Supplementary Businesses	Adjustments and Eliminations	TOTAL OPERATIONS
Revenue							
Sale of goods and services:							
External customers	₱157,752,179,737	₱90,602,558,755	₱39,033,664,006	₱–	₱7,531,732,513	₱–	₱294,920,135,011
Intersegment revenues	–	–	272,327,554	–	35,676,182	(308,003,736)	–
	157,752,179,737	90,602,558,755	39,305,991,560	–	7,567,408,695	(308,003,736)	294,920,135,011
Dividend income (Note 28)	64,605,739	–	–	2,628,985,140	176,788,332	–	2,870,379,211
Equity in net earnings (losses) of associates and joint ventures (Note 14)	(287,249,906)	58,564,194	4,723,779,098	9,809,904,640	(159,032,298)	42,946,131	14,188,911,859
Total revenue	157,529,535,570	90,661,122,949	44,029,770,658	12,438,889,780	7,585,164,729	(265,057,605)	311,979,426,081
Cost of sales and services (Note 30)	115,005,300,253	73,119,749,601	19,522,783,959	–	6,463,638,801	(319,039,602)	213,792,433,012
Gross income	₱42,524,235,317	₱17,541,373,348	₱24,506,986,699	₱12,438,889,780	₱1,121,525,928	₱53,981,997	98,186,993,069
General and administrative expenses (Note 31)							40,578,927,179
Operating income							57,608,065,890
Provision for impairment losses and others (Note 34)							(357,878,941)
Financing cost and other charges (Note 35)							(12,291,718,566)
Finance income (Note 27)							1,942,815,885
Other operating income (Note 29)							1,252,091,525
Core earnings							48,153,375,793
Market valuation losses on financial assets							1,253,550,243
Foreign exchange losses							(300,330,788)
Income before income tax							49,106,595,248
Provision for income tax (Note 38)							2,628,486,341
Net income from Continuing Operations							46,478,108,907
Net loss from Discontinued Operations (Note 44)							(12,351,112,823)
Net income							₱34,126,996,084
Net Income Attributable To							
Equity holders of the Parent Company							
Income (loss) from Continuing Operations	₱6,770,280,076	₱5,314,456,433	₱10,683,001,410	₱12,438,889,780	(₱2,594,485,096)	₱56,428,945	₱32,668,571,548
Loss from Discontinued Operations							(12,623,769,601)
							₱20,044,801,947
EBIT	₱17,388,611,632	₱8,578,962,404	₱19,850,458,166	₱12,438,889,780	(₱825,869,008)	₱177,012,916	₱57,608,065,890
Depreciation and amortization (Notes 33)	6,361,327,058	13,259,622,656	5,485,248,050	–	281,384,351	(196,828,729)	25,190,753,386
EBITDA	₱23,749,938,690	₱21,838,585,060	₱25,335,706,216	₱12,438,889,780	(₱544,484,657)	(19,815,813)	₱82,798,819,276
Other information							
Non-cash expenses other than depreciation and amortization (Note 34):							
Impairment losses on:							
Receivables (Note 11)	₱9,337,591	₱59,545,114	₱–	₱–	₱6,373,343	₱–	₱75,256,048
Inventories	8,060	–	–	–	–	–	8,060
Property, plant and equipment	226,540,141	–	–	–	–	–	226,540,141
Investments	–	–	–	–	56,074,692	–	56,074,692
	₱235,885,792	₱59,545,114	₱–	₱–	₱62,448,035	₱–	₱357,878,941

Other information on the Group's operating segments follow:

	December 31, 2025							
	Foods, Agro-Industrial and Commodities	**Air Transportation**	**Real Estate and Hotels**	**Petrochemicals**	**Core Investments**	**Supplementary Businesses**	**Adjustments and Eliminations**	**Consolidated**
Investments in associates and joint ventures (Note 14)	**₱103,207,476**	**₱564,340,501**	**₱78,133,290,920**	**₱–**	**₱92,169,397,209**	**₱4,477,382,371**	**₱544,087**	**₱175,448,162,564**
Segment assets	**₱183,049,480,450**	**₱263,829,541,024**	**₱341,929,312,483**	**₱15,389,345,838**	**₱144,714,079,889**	**₱77,900,958,104**	**(₱56,863,621,119)**	**₱969,949,096,669**
Short-term debt (Note 23)	**₱23,458,651,311**	**₱–**	**₱–**	**₱758,165,000**	**₱–**	**₱18,517,000,000**	**₱–**	**₱42,733,816,311**
Long-term debt (Note 23)	**₱–**	**₱66,135,555,061**	**₱39,530,385,252**	**₱–**	**₱–**	**₱148,918,861,031**	**₱–**	**₱254,584,801,344**
Segment liabilities	**₱57,665,203,996**	**₱255,668,270,133**	**₱90,354,115,951**	**₱2,092,598,036**	**₱–**	**₱185,653,273,007**	**(₱26,106,084,657)**	**₱565,327,376,466**
Capital expenditures (Notes 15 and 16)	**₱10,994,668,935**	**₱35,808,844,537**	**₱9,645,272,466**	**₱220,580,527**	**₱–**	**₱557,925,134**	**(₱1,662,035,365)**	**₱55,565,256,234**

	December 31, 2024							
	Foods, Agro-Industrial and Commodities	Air Transportation	Real Estate and Hotels	Petrochemicals	Core Investments	Supplementary Businesses	Adjustments and Eliminations	Consolidated
Investments in associates and joint ventures (Note 14)	₱132,536,261	₱447,444,055	₱73,757,800,094	₱–	₱85,968,803,135	₱3,064,879,586	₱612,913	₱163,372,076,044
Segment assets	₱178,687,860,228	₱ 237,323,656,286	₱326,261,817,653	₱144,020,906,149	₱54,508,226,033	₱234,012,005,969	(₱132,316,174,998)	₱1,042,498,297,320
Short-term debt (Note 23)	₱20,614,122,567	₱5,568,447,189	₱–	₱35,058,001,477		₱5,000,000,000	₱–	₱66,240,571,233
Long-term debt and bonds payable (Note 23)	₱–	₱56,954,791,659	₱53,216,520,261	₱64,589,629,382		₱73,543,966,610	₱–	₱248,304,907,912
Segment liabilities	₱57,447,998,532	₱238,161,631,493	₱100,317,027,936	₱104,132,839,559		₱93,066,611,772	(₱24,762,445,768)	₱568,363,663,524
Capital expenditures (Notes 15 and 16)	₱7,804,811,966	₱49,537,170,790	₱15,247,389,252	₱3,791,411,635		₱261,030,300	₱–	₱76,641,813,943

	December 31, 2023							
	Foods, Agro-Industrial and Commodities	Air Transportation	Real Estate and Hotels	Petrochemicals	Core Investments	Supplementary Businesses	Adjustments and Eliminations	Consolidated
Investments in associates and joint ventures	₱99,348,952	₱300,444,965	₱68,364,393,691	₱–	₱80,920,988,132	₱2,315,331,671	₱–	₱152,000,507,411
Segment assets*	₱ 180,320,567,543	₱186,340,996,956	₱297,721,314,142	₱149,346,782,589	112,054,989,356	₱140,236,636,559	(₱124,457,797,965)	₱941,563,489,180
Short-term debt	₱26,689,650,885	₱–	₱800,000,000	₱29,835,214,956		₱6,200,000,000	₱–	₱63,524,865,841
Long-term debt and bonds payable	₱–	₱52,137,467,285	₱53,149,167,459	₱69,758,917,897		₱63,090,404,703	₱–	₱238,135,957,344
Segment liabilities*	₱61,828,704,386	₱192,425,494,499	₱94,214,865,509	₱109,255,165,385		₱87,758,186,925	(₱29,596,300,707)	₱515,886,115,997
Capital expenditures*	₱10,215,347,977	₱30,499,712,253	₱11,969,837,192	₱6,455,840,307		₱302,852,685	₱–	₱59,443,590,414

**Excludes Assets held for sale and Liabilities directly associated with assets held for sale and Capital expenditures for the banking business of ₱275,244,873.*

Reconciliation of Income Before Income Tax to EBITDA and Core Earnings

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Income before income tax	**₱56,246,665,906**	₱57,401,669,342	₱49,106,595,248
Financing cost and other charges	**19,199,487,533**	14,415,352,352	12,291,718,566
Finance income	**(1,868,115,729)**	(1,807,887,118)	(1,942,815,885)
Market valuation losses (gains) on financial assets at FVPL and derivative financial instruments	**(538,881,247)**	2,019,138,901	(1,253,550,243)
Foreign exchange losses (gains)	**996,360,381**	(211,382,443)	300,330,788
Provision for impairment losses and others	**720,389,833**	324,665,142	357,878,941
Other operating income	**(7,779,190,731)**	(10,431,840,155)	(1,252,091,525)
EBIT	**66,976,715,946**	61,709,716,021	57,608,065,890
Depreciation and amortization	**31,524,129,023**	26,952,618,580	25,190,753,386
EBITDA	**₱98,500,844,969**	₱88,662,334,601	₱82,798,819,276
Income before income tax	**₱56,246,665,906**	₱57,401,669,342	₱49,106,595,248
Market valuation losses (gains) on financial assets at FVPL and derivative financial instruments	**(538,881,247)**	2,019,138,901	(1,253,550,243)
Foreign exchange losses (gains)	**996,360,381**	(211,382,443)	300,330,788
Core earnings	**₱56,704,145,040**	₱59,209,425,800	₱48,153,375,793

Intersegment Revenues
Intersegment revenues are eliminated at the consolidation level.

Segment Results
Segment results pertain to the net income (loss) of each of the operating segments. The chief decision maker also uses the 'Core earnings', 'EBIT' and 'EBITDA' in measuring the performance of each of the Group's operating segments. The Group defines each of the operating segment's 'Core earnings' as the total of the 'Operating income', 'Finance income' and 'Other operating income' deducted by the 'Financing cost and other charges'. EBIT is equivalent to the Group's operating income while EBITDA is computed by adding back to the EBIT the depreciation and amortization expenses including impairment of property, plant and equipment during the period.

Depreciation and amortization
In 2025, 2024 and 2023, the amount of reported depreciation and amortization includes depreciation of property, plant and equipment, investment properties, ROU assets and amortization of intangible assets.

Segment Assets
Segment assets are resources owned by each of the operating segments excluding significant intersegment balances which are eliminated.

Segment Liabilities
Segment liabilities are obligations incurred by each of the operating segments excluding significant intersegment balances which are eliminated. The Group also reports, separately, to the chief operating decision maker the breakdown of the short-term and long-term debt of each of the operating segments.

Capital Expenditures
The components of capital expenditures reported to the chief operating decision maker are the acquisitions of investment properties and property, plant and equipment during the period, including those acquired through business combination.

Geographical Information
The Group operates in the Philippines, Vietnam, Thailand, Myanmar, Indonesia, Malaysia, Singapore, and Hong Kong.

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Domestic	**₱274,624,029,288**	₱251,369,330,235	₱236,383,517,143
Foreign	**93,908,059,488**	85,646,896,839	75,595,908,938
	₱368,532,088,776	₱337,016,227,074	₱311,979,426,081

The Group has no significant customer which contributes 10.0% or more of the consolidated revenues of the Group.

The table below shows the Group's carrying amounts of noncurrent assets per geographic location excluding noncurrent financial assets, deferred tax assets and pension assets:

	2025	2024
Domestic	**₱565,840,702,234**	₱625,554,770,135
Foreign	**106,703,103,453**	100,325,754,126
	₱672,543,805,687	₱725,880,524,261

7. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	**₱139,067,179**	₱139,172,998
Cash in banks	**18,983,585,772**	18,387,461,677
Cash equivalents	**32,306,604,215**	29,245,632,778
	₱51,429,257,166	₱47,772,267,453

Cash in banks earns interest at the respective bank deposit rates. Cash equivalents represent money market placements made for varying periods depending on the immediate cash requirements of the Group, and earn annual interest ranging from 1.00% to 5.50%, from 0.01% to 5.30%, and from 0.10% to 7.30% for foreign currency-denominated money market placements for the years ended December 31, 2025, 2024, and 2023, respectively. Peso-denominated money market placements, on the other hand, earn interest ranging from 3.10% to 5.25%, from 3.60% to 6.13%, and from 2.00% to 6.00% for the years ended December 31, 2025, 2024, and 2023, respectively.

Interest earned on cash and cash equivalents amounted to ₱1.6 billion, ₱1.5 billion and ₱1.4 billion for the years ended December 31, 2025, 2024 and 2023, respectively (Note 27).

8. Derivative Financial Instruments

This account consists of derivative financial assets and liabilities as of December 31, 2025 and 2024. Details follow:

	2025	2024
Derivative financial assets (liabilities):		
Fuel derivatives (Note 9)	~~₱–~~	₱1,297,193

Interest rate derivatives

CAI entered into interest rate derivative contracts to manage exposure to the volatility of interest rates on the lease rates of the expected aircraft deliveries. These derivative contracts have various maturity dates where hedge accounting under PFRS 9 was also applied.

For the years ended December 31, 2025, 2024 and 2023, the Group has recycled the effective portion of its cash flow hedge reserves to 'Financing costs and other charges' in the consolidated statement of comprehensive income amounting to ₱80.5 million, ₱88.4 million and ₱100.7 million, respectively.

Fuel Derivatives

CAI entered into zero cost collars and call options derivative contracts to manage its exposure to fuel price fluctuations. The notional quantity is the amount of the derivatives' underlying asset or liability, reference rate or index and is the basis upon which changes in the value of derivatives are measured. These collars and options can be exercised at various calculation dates with specified quantities on each calculation date. The collars have various maturity dates through 2025.

As of December 31, 2025 and 2024, CAI has designated for hedge accounting derivatives with net asset and net liability positions, which are shown under 'Financial Assets at fair Value through Profit or Loss' and 'Other current liabilities' in the consolidated statement of financial position, amounting to nil and ₱1.3 million, respectively (see Note 9)

For the year ended December 31, 2025, 2024 and 2023, CAI has recycled the effective portion of its cash flow hedge reserves recognized under 'Cost of Services' in the consolidated statement of comprehensive income, amounting to ₱163.3 million, ₱8.0 million and ₱84.0 million, respectively.

Derivatives on the Convertible Bonds

'Market valuation gains (losses) on derivative financial instruments – net' for the years ended December 31, 2025, 2024 and 2023 follow:

	2025	2024	2023
Embedded derivatives arising from convertible bonds (Note 23)			
Net changes in fair value	~~₱–~~	~~₱–~~	₱846,835,509
Attributable to accounting hedges:			
Hedge ineffectiveness	–	–	33,324,721
	~~₱–~~	~~₱–~~	₱880,160,229

Fair Value Changes in Derivatives

Fair value changes in derivatives designated as accounting hedges

The net movements in fair value of the Group's derivative financial instruments designated as accounting hedges follow:

	2025	2024
Beginning balance	**₱1,297,193**	(₱1,291,971)
Net changes shown in other comprehensive income (Note 36):		
Net changes in fair value of derivatives taken to other comprehensive income	**(54,356,763)**	(64,792,591)
Fair value of settled instruments	**53,059,570**	67,381,755
	₱–	₱1,297,193

Net changes in fair value of derivatives taken to other comprehensive income are recorded under 'Net gains (losses) from cash flow hedges' in the consolidated statement of comprehensive income.

Refer to Note 23 for the changes in fair value of conversion option arising from convertible bonds.

9. Financial Assets at Fair Value through Profit or Loss

This account consists of the following:

	2025	2024
Equity securities:		
Quoted	**₱2,879,714,882**	₱3,418,438,042
Unquoted	**4,434,843,471**	3,508,304,612
Investment in convertible notes	**227,087,239**	206,268,529
Derivatives (Note 8)	–	1,297,193
	₱7,541,645,592	₱7,134,308,376

In 2025, 2024, and 2023, the Group recognized net market valuation gains (losses) on financial assets at FVPL (excluding derivatives) amounting to ₱538.9 million, (₱2.0 billion), and ₱373.4 million, respectively, included under 'Market valuation gains (losses) on financial assets at fair value through profit or loss - net' in the consolidated statements of comprehensive income.

Interest income on financial assets at FVPL amounting to nil for the years ended December 31, 2025 and 2024, and ₱145.4 million in 2023 are included under 'Net Income from discontinued operations' in profit or loss in the consolidated statements of comprehensive income (see Note 44).

10. Financial Assets at Fair Value through Other Comprehensive Income

This account consists of investments in:

	2025	2024
Debt securities:		
Private	**₱4,858,982,859**	₱6,363,113,470
Government	**247,313,539**	353,632,573
	5,106,296,398	6,716,746,043
Equity securities:		
Quoted	**54,166,137,046**	55,142,481,125
Unquoted	**3,423,873,370**	2,746,719,301
	57,590,010,416	57,889,200,426
	₱62,696,306,814	₱64,605,946,469

Quoted equity securities pertain to investment in PLDT and BPI common shares and various golf club shares. The Group has irrevocably elected to classify these investments under this category as it intends to hold these investments for the foreseeable future.

Breakdown of financial assets at FVOCI as shown in the consolidated statements of financial position follows:

	2025	2024
Current portion	**₱5,106,296,398**	₱6,716,746,043
Noncurrent portion	**57,590,010,416**	57,889,200,426
	₱62,696,306,814	₱64,605,946,469

The Group has classified its 24.3 million PLDT shares representing 11.27% ownership interest as financial assets at FVOCI, which have carrying values of ₱30.7 billion and ₱31.5 billion as of December 31, 2025 and 2024, respectively.

In January 2024, the Group received 188.4 million BPI shares, valued at ₱19.6 billion, representing 3.58% ownership interest, as a result of the merger of RBC with BPI (Note 44). The shares are recorded as financial assets at FVOCI. The Group's investment in BPI has a carrying value of ₱21.9 billion and ₱23.0 billion as of December 31, 2025 and 2024, respectively.

Interest income on debt financial assets at FVOCI follows (Note 27):

	2025	2024	2023
Debt securities:			
Private	**₱276,773,643**	₱251,647,762	₱516,575,422
Government	**18,892,120**	45,222,417	37,752,686
	₱295,665,763	₱296,870,179	₱554,328,108

The Group's effective interest rates range from 5.13% to 8.60%, 4.38% to 8.60%, and 4.38% to 7.50% on government securities in 2025, 2024, and 2023, respectively, and 1.00% to 10.50% and 3.90% to 10.50% on private bonds in 2025, and 2024 and 2023, respectively.

The movements in net unrealized gains (losses) on financial assets at FVOCI follow:

	2025		
	Parent Company	**Non-controlling Interests**	**Total**
Balance at beginning of year	**(₱15,042,054,478)**	**₱438,318,446**	**(₱14,603,736,032)**
Net changes shown in other comprehensive income (Note 36):			
Fair value changes during the year on financial assets at FVOCI of the Parent Company and its subsidiaries	**(1,359,715,314)**	**18,261,775**	**(1,341,453,539)**
Realized gain on sale of financial assets at FVOCI (Note 29)	**(16,459,700)**	**–**	**(16,459,700)**
	(16,418,229,492)	**456,580,221**	**(15,961,649,271)**
Net changes in fair value of FVOCI of associates (Note 14):			
Share in net changes in fair value of financial assets at FVOCI of an associates	**23,804,977**	**–**	**23,804,977**
Balance at end of year	**(₱16,394,424,515)**	**₱456,580,221**	**(₱15,937,844,293)**

	2024		
	Parent Company	Non-controlling Interests	Total
Balance at beginning of year	(₱18,797,045,448)	₱231,939,136	(₱18,565,106,312)
Net changes shown in other comprehensive income (Note 36):			
Fair value changes during the year on financial assets at FVOCI of the Parent Company and its subsidiaries	3,674,578,681	206,379,310	3,880,957,991
Realized gain on sale of financial assets at FVOCI (Note 29)	(2,631,954)	–	(2,631,954)
	(15,125,098,721)	438,318,446	(14,686,780,275)
Net changes in fair value of FVOCI of associates (Note 14):			
Share in net changes in fair value of financial assets at FVOCI of an associates	83,044,243	–	83,044,243
Balance at end of year	(₱15,042,054,478)	₱438,318,446	(₱14,603,736,032)

	2023		
	Parent Company	Non-controlling Interests	Total
Balance at beginning of year	(₱17,985,728,361)	₱256,214,008	(₱17,729,514,353)
Net changes shown in other comprehensive income (Note 36):			
Fair value changes during the year on financial assets at FVOCI of the Parent Company and its subsidiaries	(728,205,060)	68,281,950	(659,923,110)
Realized loss on sale of financial assets at FVOCI (Note 29)	17,039,140	–	17,039,140
Reclassification of unrealized gain on reserves of disposal group held for sale (Note 44)	(138,835,232)	(92,556,822)	(231,392,054)
	(18,835,729,513)	231,939,136	(18,603,790,377)
Net changes in fair value of FVOCI of associates (Note 14):			
Share in net changes in fair value of financial assets at FVOCI of an associates	38,684,065	–	38,684,065
Balance at end of year	(₱18,797,045,448)	₱231,939,136	(₱18,565,106,312)

11. **Receivables**

This account consists of:

	2025	2024
Trade receivables	**₱51,567,290,364**	₱45,828,405,881
Due from related parties (Note 40)	**1,779,049,539**	4,203,793,897
Interest receivable	**227,126,167**	255,750,033
Other receivables	**3,300,955,688**	2,661,838,938
	56,874,421,758	52,949,788,749
Less allowance for impairment losses	**763,793,491**	828,442,336
	₱56,110,628,267	₱52,121,346,413

Total receivables shown in the consolidated statements of financial position follow:

	2025	2024
Current portion	**₱42,567,350,242**	₱42,426,002,271
Noncurrent portion	**13,543,278,025**	9,695,344,142
	₱56,110,628,267	₱52,121,346,413

Noncurrent receivables consist of:

	2025	2024
Trade receivables	**₱12,664,263,982**	₱8,301,079,611
Due from related parties	**879,014,043**	1,394,264,531
	₱13,543,278,025	₱9,695,344,142

Trade Receivables

Included in trade receivables are installment contract receivables of the real estate segment of the Group amounting to ₱22.1 billion and ₱17.7 billion as of December 31, 2025 and 2024, respectively. These also include receivables from lease-to-own arrangements over a period of ten (10) years, which were classified as finance leases (see Note 42). These are carried at amortized cost. The title of the real estate property, which is the subject of the installment contract receivable due beyond 12 months, passes to the buyer once the receivable is fully paid.

Revenue from real estate sales includes interest income from installment contract receivables amounting to nil in 2025 and 2024, and ₱563.3 million in 2023, and is recorded under 'Sale of goods and services' on the consolidated statements of comprehensive income.

Other trade receivables are noninterest-bearing and generally have 30 to 90-day terms.

Other Receivables

Other receivables include claims receivables, advances to employees and other non-trade receivables. As of December 31, 2025 and 2024, claims receivables amounted to ₱429.6 million and ₱729.9 million, respectively.

Allowance for Impairment Losses on Receivables
Changes in the allowance for impairment losses on receivables follow:

	2025		
	Trade Receivables	**Other Receivables**	**Total**
Balance at beginning of year	**₱517,576,891**	**₱310,865,445**	**₱828,442,336**
Reversal of impairment losses from continuing operations (Note 34)	**(3,459,445)**	**–**	**(3,459,445)**
Write-offs, net of recoveries	**(59,741,434)**	**–**	**(59,741,434)**
Unrealized foreign exchange (gain) loss	**(7,244,480)**	**5,796,514**	**(1,447,966)**
Balance at end of year	**₱447,131,532**	**₱316,661,959**	**₱763,793,491**

	2024		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	₱484,991,714	₱309,601,845	₱794,593,559
Provision for impairment losses from continuing operations (Note 34)	141,430,404	–	141,430,404
Write-offs, net of recoveries	(150,524,328)	–	(150,524,328)
Unrealized foreign exchange loss	41,679,101	1,263,600	42,942,701
Balance at end of year	₱517,576,891	₱310,865,445	₱828,442,336

Provision for impairment losses on receivables for the years ended December 31, 2025, 2024 and 2023 amounted to (₱3.4 million), ₱141.4 million, and ₱75.3 million, respectively.

Allowance for credit losses on other receivables includes credit losses on non-trade receivables, advances to officers and employees and other receivables. Allowance for credit losses on advances to officers and employees amounted to ₱19.6 million as of December 31, 2025 and 2024. Allowance for credit losses on nontrade and other receivables amounted to ₱297.1 million and ₱291.3 million as of December 31, 2025 and 2024, respectively.

12. Inventories

This account consists of inventories held as follows:

	2025	2024
At cost:		
Subdivision land, condominium and residential units for sale	**₱40,301,369,188**	₱40,555,030,889
Raw materials	**16,490,000,538**	18,402,431,413
Finished goods	**11,630,245,861**	12,301,591,273
Spare parts, packaging materials and other supplies	**4,570,928,441**	4,662,476,727
Work-in-process	**2,096,790,743**	2,488,923,741
	75,089,334,771	78,410,454,043
At NRV:		
Spare parts, packaging materials and other supplies	**8,201,753,340**	12,463,522,229
Raw materials	**249,341,291**	1,433,901,585
Finished goods	**82,795,041**	6,060,944,121
	8,533,889,672	19,958,367,935
	₱83,623,224,443	₱98,368,821,978

Real estate inventory consists of:

	2025	2024
Land and condominium units	**₱21,344,039,290**	₱21,497,613,382
Land held for development	**16,665,949,973**	16,658,888,872
Residential units and subdivision land	**2,002,743,884**	2,062,728,303
Land use right and development cost	**288,636,041**	335,800,332
	₱40,301,369,188	₱40,555,030,889

Summary of the movements in real estate inventory follows:

	2025	2024
Balance at beginning of year	**₱40,555,030,889**	₱35,684,565,320
Construction and development costs incurred	**4,763,795,140**	6,196,364,537
Land acquisition	**–**	1,249,645,557
Transfers from (to):		
Investment properties (Note 15)	**42,217,474**	(51,645,928)
Property, plant and equipment (Note 16)	**6,326,395**	349,788,207
Unrealized land cost	**124,100,612**	298,353,841
Costs of real estate sales (Note 30)	**(5,190,101,322)**	(3,172,040,645)
Balance at end of year	**₱40,301,369,188**	₱40,555,030,889

Unrealized land costs pertain to the Parent Company's share in the cost of real estate sold to joint ventures, namely, Shang Robinsons Properties, Inc. (SRPI), RLC DMCI Property Ventures, Inc. (RLC DMCI) and RHK Land Corporation (RHK Land), which are not yet sold to third parties as of end of the year. The summary of the movement follows:

	2025	2024
Balance at beginning of year	**₱1,123,364,612**	₱1,421,718,453
Construction and development costs incurred	**(124,100,612)**	(298,353,841)
Balance at end of year	**₱999,264,000**	₱1,123,364,612

Borrowing cost capitalized amounted to nil for the years ended December 31, 2025 and 2024.

The amount of subdivision land, condominium and residential units for sale recognized as cost of real estate sales in the consolidated statements of comprehensive income amounted to ₱5.2 billion, ₱3.2 billion and ₱4.8 billion for the years ended December 31, 2025, 2024 and 2023, respectively.

No subdivision land, condominium and residential units for sale were pledged as security to liabilities as of December 31, 2025 and 2024.

Under the terms of agreements covering liabilities under trust receipts amounting to ₱6.4 billion and ₱8.0 billion as of December 31, 2025 and 2024, respectively, certain inventories which approximate the trust receipts payable, have been released to the Group under trust receipt agreement with the banks (see Note 23). The Group is accountable to the banks for the value of the trusteed inventories or their sales proceeds.

The Group recognized impairment losses on its inventories included under 'Provision for impairment losses and others' amounting to ₱292.9 million, ₱129.5 million, and ₱8,060 in 2025, 2024 and 2023, respectively (see Note 34). While, impairment losses on inventories for discontinued operations amounted to ₱5.3 billion in 2025 (see Note 44).



13. **Other Current Assets**

This account consists of:

	2025	2024
Prepaid expenses	**₱4,495,145,403**	₱4,295,823,164
Input value-added tax (VAT)	**2,922,757,883**	7,624,001,684
Creditable withholding tax (CWT)	**1,933,574,111**	3,381,573,131
Biological assets	**272,541,865**	174,320,301
Advances to lot owners	**259,189,144**	324,085,468
Restricted cash	**87,269,574**	87,269,574
Others	**99,231,896**	64,142,695
	₱10,069,709,876	₱15,951,216,017

Prepaid Expenses
This account consists of prepayments on rent, insurance, taxes, and office supplies.

Input VAT
Input tax pertains to VAT from purchases of goods and services, which will be claimed as credit against output tax liabilities in a manner prescribed by pertinent revenue regulations. The Group believes that the amount of input VAT is fully realizable in the future. In 2025, JGSOC recognized impairment losses on its input VAT amounting to ₱4.4 billion (see Note 44).

CWT
CWT are attributable to taxes withheld by customers arising from sale of goods that will be applied to future income tax payable. In 2025, JGSOC recognized impairment losses on its CWT amounting to ₱1.5 billion (see Note 44).

Biological Assets
Biological assets (including noncurrent portion shown in Note 20) consist of of commercial and breeder swine and poultry livestock.

Advances to Lot Owners
Advances to lot owners consist of advance payments to land owners which will be applied against the acquisition cost of the real properties that will be acquired. The application is expected to be within twelve (12) months after the reporting date.

Restricted Cash
RLC has restricted cash which includes deposits in local banks for the purchase of land. CAI also has restricted cash deposited with certain banks to secure standby letters of credit issued in favor of lessors. In 2024, the lessors have released all holdout from cash in banks and money market placements.

14. Investments in Associates and Joint Ventures

Details of this account follow:

	2025	2024
Acquisition cost:		
Balance at beginning of year	**₱102,952,572,646**	₱101,348,527,609
Additional investments	**2,142,762,778**	1,974,712,423
Disposal of investment	**–**	(4,741,459)
Reclassification (Note 19)	**(46,000,000)**	(365,925,927)
Balance at end of year	**105,049,335,424**	102,952,572,646
Accumulated equity in net earnings:		
Balance at beginning of year	**60,485,581,935**	50,290,927,472
Equity in net earnings	**17,608,156,626**	16,734,723,955
Dividends received	**(8,499,229,434)**	(7,308,504,725)
Realization of deferred gain from downstream sales	**517,351,028**	768,435,233
Reclassification	**(46,000,000)**	–
Balance at end of year	**70,065,860,155**	60,485,581,935
Share in unrealized gain on financial assets at FVOCI of associates:		
Balance at beginning of year	**129,476,026**	46,431,783
Share in net changes in fair value of financial assets at FVOCI of associates (Note 10)	**23,804,977**	83,044,243
Balance at end of year	**153,281,003**	129,476,026
Share in remeasurements of the net defined benefit liability of associates:		
Balance at beginning of year	**(183,491,101)**	469,248,677
Share in net changes in remeasurements of the net defined benefit liability of associates	**288,089,853**	(652,739,778)
	104,598,752	(183,491,101)
Cumulative translation adjustment	**460,962,303**	373,811,610
	175,834,037,637	163,757,951,116
Less allowance for impairment losses	**385,875,073**	385,875,072
	₱175,448,162,564	₱163,372,076,044

The composition of the carrying value of the Group's investments in associates and joint ventures and the related percentages of effective ownership interest are shown below:

	Effective Ownership		Carrying Value	
	2025	2024	**2025**	2024
			(In Million Pesos)	
Associates				
Domestic:				
Manila Electric Company (Meralco)	**26.37**	26.37	**₱92,169.4**	₱85,968.8
Oriental Petroleum and Mining Corporation (OPMC)	**19.40**	19.40	**683.8**	727.5
Luzon International Premiere Airport Development Corp. (LIPAD)	**33.00**	33.00	**479.8**	384.9
GoTyme Bank Corporation (GoTyme)	**21.80**	15.5%	**550.9**	–
DHL Summit Solutions, Inc. (DSSI)	**50.00**	50.00	**342.2**	254.1
Cebu Light Industrial Park, Inc. (CLIPI)	**20.00**	20.00	**55.4**	58.3

(*Forward*)

	Effective Ownership		Carrying Value	
	2025	2024	**2025**	2024
			(In Million Pesos)	
Foreign:				
Singapore Land Group Limited (SLG)	**37.05**	37.05	**₱66,926.0**	₱64,429.9
G2M Solutions Philippines Pte. Ltd. (G2M)	**12.48**	12.48	**693.6**	683.8
GoTyme Financial Pte.Ltd. (GTFPL)	**51.00**	51.00	**1,672.2**	956.9
Zyllem Pte. Ltd	**13.33**	13.33	**–**	–
			163,573.3	153,464.2
Joint Ventures				
Domestic:				
Shang Robinsons Properties, Inc. (SRPI)	**32.95**	32.79	**8,114.8**	6,493.1
RHK Land Corporation (RHK Land)	**39.54**	39.35	**1,879.9**	1,628.9
Robinsons DoubleDragon Corporation (RDDC)	**43.31**	43.10	**694.4**	676.2
RLC DMCI Property Ventures, Inc. (RLC DMCI)	**32.95**	32.79	**518.3**	529.8
Philippine Academy for Aviation Training (PAAT)	**39.90**	39.16	**564.3**	447.4
Vitasoy-URC, Inc (VURCI)	**28.48**	28.33	**12.1**	50.3
1Aviation Groundhandling Services Corp. (1Aviation)	**–**	26.10	**–**	–
Danone Universal Robina Beverages, Inc. (DURBI)	**28.48**	28.33	**–**	–
Foreign:				
Calbee - URC Malaysia Sdn. Bhd (CURM)	**28.48**	28.33	**91.1**	82.2
			11,874.9	9,907.9
			₱175,448.2	₱163,372.1

Material investees

Meralco
MER is a corporation organized and incorporated in the Philippines that operates across regulated and unregulated segments of the energy supply chain. Regulated activities primarily involve electricity distribution, while unregulated operations include power generation, retail electricity supply, and other energy-related and technology-enabled services.

SLG
SLG, a company incorporated in Singapore, is engaged in residential property management. SLG follows the fair value model in measuring investment properties while the Group follows the cost model in measuring investment properties. The financial information of SLG below represents the adjusted amounts after reversal of the effect of revaluation and depreciation on the said assets.

Fair value of investments in listed associates

As of December 31, 2025 and 2024, the Group's investments in the following listed investee companies have fair values of:

	Exchange Listed	**2025**	2024
Meralco	Philippine Stock Exchange	**₱170,586,713,878**	₱145,028,425,736
SLG	Singapore Exchange Limited	**76,219,535,233**	39,563,496,696
OPMC	Philippine Stock Exchange	**465,698,421**	287,180,693

As of December 31, 2025 and 2024, the breakdown of the total fair market value of the Group's investment in OPMC follows:

	2025	2024
Class A Common Stock	**₱108,126,378**	₱66,677,933
Class B Common Stock	**357,572,043**	220,502,760
	₱465,698,421	₱287,180,693

The fair value is based on the quoted price prevailing as of the reporting date.

Summarized below is the financial information of the significant associates of the Group:

- Summarized statements of financial position of the Group's significant associates as of December 31, 2025 and 2024:

	2025		2024	
	Meralco	**SLG**	Meralco	SLG
Current assets	**₱213,224,000,000**	**₱16,255,018,921**	₱179,616,000,000	₱15,859,407,479
Noncurrent assets	**610,655,000,000**	**455,315,152,656**	438,342,000,000	399,839,451,539
Current liabilities	**252,050,000,000**	**19,362,647,186**	236,374,000,000	11,651,000,498
Noncurrent liabilities	**348,305,000,000**	**28,807,145,959**	195,702,000,000	22,230,320,390
Equity	**₱223,524,000,000**	**₱423,400,378,432**	₱185,882,000,000	₱381,817,538,130
Group's carrying amount of the investment	**₱92,169,397,209**	**₱66,925,985,900**	₱85,968,803,135	₱64,429,933,309

As of December 31, 2025 and 2024, the Group's share in Meralco's net assets amounted to ₱58.9 billion and ₱49.0 billion, respectively. As of December 31, 2025 and 2024, the excess of the carrying value over the Group's share in Meralco's net assets is attributable to the notional goodwill and the difference between the fair value and carrying value of Meralco's net assets at the date of acquisition.

As of December 31, 2025 and 2024, the Group's share in SLG's net assets amounted to ₱156.9 billion and ₱141.5 billion, respectively. The excess of the Group's share in the carrying value of SLG's net assets over the carrying value of the investment is attributable to the difference between the fair value and carrying value of SLG's net assets at the date of acquisition.

- Summarized statements of comprehensive income of the Group's significant associates for the period ended December 31, 2025, 2024 and 2023:

	2025		2024		2023	
	Meralco	**SLG**	Meralco	SLG	Meralco	SLG
Revenues	**₱497,325,000,000**	**₱34,449,998,515**	₱470,362,000,000	31,020,625,758	₱443,612,000,000	₱ 28,434,147,211
Expenses	**448,852,000,000**	**22,220,621,647**	425,329,000,000	20,907,725,392	407,279,000,000	19,765,955,152
Other expenses	**(15,119,000,000)**	**(3,159,568,394)**	(11,651,000,000)	(5,210,624,454)	(10,456,000,000)	(5,390,024,020)
Profit before tax	**63,592,000,000**	**15,388,945,262**	56,684,000,000	15,323,524,820	46,789,000,000	14,058,216,079
Income tax expense	**12,750,000,000**	**2,314,500,535**	10,214,000,000	2,109,646,181	8,111,000,000	1,861,679,779
Profit from the year from continuing operations	**₱50,842,000,000**	**₱13,074,444,727**	₱46,470,000,000	₱13,213,878,639	₱38,678,000,000	₱12,196,536,300
Other comprehensive income (loss) for the year	**₱2,111,000,000**	**₱–**	(₱353,000,000)	₱–	(₱3,360,000,000)	₱–
Total comprehensive income for the year from continuing operations	**₱52,953,000,000**	**₱13,074,444,727**	₱46,117,000,000	₱13,213,878,639	₱35,318,000,000	₱12,196,536,300
Group's share of profit for the year	**₱13,265,958,400**	**₱3,522,264,878**	₱11,876,101,120	₱3,286,048,952	₱9,848,929,280	₱2,514,711,084

Individually immaterial investees

OPMC

OPMC is a company incorporated in the Philippines with the purpose of exploring, developing and producing petroleum and mineral resources in the Philippines. As an exploration company, OPMC operational activities depend principally on its service contracts with the government. The Group accounts for its investment in OPMC as an associate although the Group holds less than 20.00% of the issued share capital, as the Group has the ability to exercise significant influence over the investment, due to the Group's voting power (both through its equity holding and its representation in key decision-making committees) and the nature of the commercial relationships with OPMC.

LIPAD

On February 18, 2019, the Parent Company invested in LIPAD. The shares acquired represented 33.0% of LIPAD's total outstanding common shares. LIPAD is a corporation organized and incorporated in the Philippines to engage in the operation and maintenance of airports, whether operating as a domestic or international airport or both, including day-to-day administration, functioning, management, manning, upkeep, and repair of all facilities necessary for the use or required for the safe and proper operation of airports.

CLIPI

The Group has investment in CLIPI amounting to ₱10.0 million representing 20.0% of CLIPI's issued and outstanding capital stock of ₱50.0 million..

G2M

On September 20, 2018, the Parent Company invested in G2M's convertible note amounting to On September 16, 2020, the Parent Company entered into an assignment of agreement with JGDCPL to assign all its rights and obligations in the investment.

In June 2021 and December 2020, JGDCPL invested in G2M's convertible note amounting to $0.7 million and $1.5 million, respectively.

As of December 31, 2021, the convertible note has been converted into 231,120 preferred shares of series A2 and 34,668 preferred shares of series B, equivalent to the Group's 14.2% ownership in G2M. The Group has one representation in the BOD of G2M.

In March 2022, JGDCPL subscribed to G2M's 31,336 series C investments which resulted in a slight dilution of the Group's ownership in G2M to 13.1%.

In August 2024, JGDCPL sold 3,206 of G2M Series A shares at 197.872 per share which resulted in a slight dilution of the Group's ownership in G2M to 12.5%.

The Group accounts for its investment in G2M as an associate although the Group holds less than 20.00% of the issued share capital, as evidenced by provision of technical information, board seats and service agreement in the term sheet.

PAAT

Investment in PAAT pertains to CAI's 60.0% investment in shares of the joint venture. However, the joint venture agreement between the CAI and CAE International Holdings Limited (CAE) states that CAI is entitled to 50.0% share on the net income/loss of PAAT. As such, the CAI recognizes equivalent 50.0% share in net income and net assets of the joint venture.

PAAT was created to address the Group's training requirements and to pursue business opportunities for training third parties in the commercial fixed wing aviation industry, including other local and international airline companies. PAAT was formally incorporated on January 27, 2012 and started commercial operations in December 2012.

1Aviation
Investment in 1Aviation refers to CAI's 40.0% investment in shares of the joint venture. The joint venture agreement indicates that the agreed ownership ratio is 40.0% for CAI and the remaining 60.0% shall be collectively owned by PAGSS and an individual. CAI recognizes 40.0% share in net income and net assets of the joint venture.

1Aviation is engaged in the business of providing groundhandling services for all types of aircraft, whether for the transport of passengers or cargo, international or domestic flights, private. commercial, government or military purposes to be performed at the Ninoy Aquino International Airport and other airports in the Philippines as may be agreed by the co-venturers.

On October 29 2024, CEB signed a debt-to-equity conversion agreement with 1Aviation, for the assignment of credit and subscription to 1,130,000 shares, with par value of ₱100 per share, amounting to ₱113.0 million. On August 15, 2025, the SEC approved the debt-to-equity conversion, increasing CEB's ownership interest in 1Aviation from 40% to 60% making it a subsidiary of CEB (Note 2). This will enhance CEB's operational control in 1Aviation, allowing it to better integrate services for efficiency, align strategic plans more effectively, and improve service quality.

DURBI
URC entered into a joint venture agreement with Danone Asia Holdings Pte. Ltd., a corporation duly organized in the Republic of Singapore to form Danone Universal Robina Beverages, Inc. (DURBI), a corporation duly incorporated and organized in the Philippines to manufacture and distribute food products under the "B'lue" brand name, which is under exclusive license to DURBI in the Philippines.

On October 23, 2023, URC made additional subscriptions to unissued authorized capital stock of DURBI consisting of 8.75 million common shares for a total cost of ₱175.0 million which has been fully paid in cash.

VURCI
URC entered into a joint venture agreement with Vita International Holdings Limited, a corporation duly organized in Hong Kong to form VURCI, a corporation duly incorporated and organized in the Philippines to manufacture and distribute food products under the "Vitasoy" brand name, which is under exclusive license to VURCI in the Philippines.

On April 28, 2023, URC made additional subscriptions to the unissued authorized capital stock of VURCI consisting of 7.5 million common shares for a total cost of ₱75.0 million which has been fully paid in cash.

On March 18, 2024, the Philippine Securities and Exchange Commission (SEC) approved the Parent Company's additional subscription to the capital stock of VURCI consisting of 17.0 million common shares for a total cost of ₱170 million, which has been fully paid in cash.

On July 21, 2025, URC made additional subscriptions to the capital stock of VURCI consisting of 10.0 million common shares for a total cost of ₱100.0 million, which has been fully paid in cash.

CURM
On August 23, 2017, URC Malaysia entered into a joint venture agreement with Calbee, Inc., a corporation duly organized in Japan to form Calbee – URC Malaysia Sdn Bhd (CURM), a corporation registered with the Companies Commission of Malaysia organized to manufacture savoury snack products. Total consideration amounted to MYR2.7 million (₱34.3 million).



SRPI
On November 13, 2017, the Parent Company's BOD approved the agreement with Shang Properties, Inc. (SPI) to form a joint venture corporation (JVC).

On May 23, 2018, SRPI., the JVC, was incorporated. Both RLC and SPI each own 50% of the outstanding shares in the JVC. The office address of the JVC is at Lower Ground Floor, Cyber Sigma Building, Lawton Avenue, Fort Bonifacio Taguig.

RLC and SPI, through SRPI, shall build and develop a property situated at McKinley Parkway corner 5th Avenue and 21st Drive at Bonifacio Global City, Taguig, Metro Manila. The project is intended to be a mixed-use development and may include residential condominium units, serviced apartments and commercial retail outlets. SRPI also plans to pursue other development projects.

The investment in the SRPI is accounted as an investment in joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

In accordance with the joint venture agreement with SPI, RLC agrees to extend loan to SRPI, at fair and commercial rates comparable to loans extended by third party banks and financial institutions, an amount of ₱1.0 billion annually starting April 1, 2019 up to April 1, 2022. As of December 31, 2025, RLC has already extended a loan to SRPI amounting to ₱3.8 billion. Out of this amount, ₱3.4 billion has already been paid as of December 31, 2025.

RHK Land
On February 5, 2018, RLC's BOD approved the agreement with Hong Kong Land Group (HKLG) represented by Hong Kong Land International Holdings, Ltd. and its subsidiary Ideal Realm Limited to form a joint venture corporation (JVC).

On June 14, 2018, RHK Land Corporation, the JVC, was incorporated. RLC and HKLG owns 60.0% and 40.0%, respectively, of the outstanding shares in the JVC. The principal office of the JVC is at 12F Robinsons Cyberscape Alpha, Sapphire and Garnet Roads, Ortigas Center, Pasig City.

RLC and HKLG, through RHK Land, shall engage in the acquisition, development, sale and leasing of real property. The JVC shall initially undertake the purchase of a property situated in Block 4 of Bridgetowne East, Pasig City, develop the property into a residential enclave and likewise carry out the marketing and sales of the residential units. RHK Land also plans to pursue other development projects.

On October 2018, RLC entered into a Shareholder Loan Agreement with RHK Land to make available a loan facility of ₱1.4 billion which RHK Land may draw from time to time subject to the terms and conditions set out in the agreement.

RDDC
On December 26, 2019, RDDC was incorporated as the joint venture company (JVC) between RLC and DoubleDragon Corporation. The primary purpose is to engage in realty development.

RLC DMCI
In October 2018, RLC entered into a Joint Venture Agreement with DMCI Project Developers, Inc. (DMCI PDI) to develop, construct, manage, and sell a residential condominium situated in Las Piñas City. Both parties agreed to incorporate a joint venture corporation where each party will hold a 50.0% ownership.



On March 18, 2019, RLC DMCI was incorporated as the joint venture company (JVC) between RLC and DMCI PDI. The proposed project is intended to be a multi-tower residential condominium and may include commercial spaces.

The investments in JVCs are accounted as joint venture using equity method of accounting because the contractual arrangement between the parties establishes joint control.

DSSI
On December 18, 2019, the Parent Company invested in DSSI. DSSI was incorporated on October 1, 2019 and shall engage in the business of providing domestic transportation, logistics, warehousing and distribution of cargoes, and other supply chain management activities. DSSI started commercial operations in July 2020.

Zyllem Pte. Ltd.
In August 2019, JGDCPL invested in 7,476,857 Series A+ shares of Zyllem Pte. Ltd. (Zyllem) at SGD0.1806 per share, or total subscription price of SGD1.35 million. Zyllem is a private company incorporated and based in Singapore that provides fast, cost-effective and reliable on-demand delivery service. Zyllem operates in certain cities in Southeast Asia. Post-subscription, JGDCPL holds 13.3% ownership interest in Zyllem. Also, under the Shareholders' Agreement, subject to JGDCPL holding less than 10.0% ownership interest, JGDCPL is entitled to appoint one (1) director. The investment in Zyllem is accounted for as investment in an associate since the Group has one representation on the BOD of Zyllem. On November 13, 2020, JGDCPL invested in convertible note with face value of SGD0.3 million equivalent to ₱10.7 million. In 2023, JGDCPL fully impaired its investment in Zyllem amounting to ₱56.1 million (Note 34).

GoTyme
On February 18, 2021, RBC and RLC entered into a joint venture agreement with Robinsons Retail Holdings, Inc. (RRHI) and Tyme Global Limited (TGL) to establish a joint venture company (JVC) which will operate a digital bank in the Philippines and have its own banking license and independent governance structure, subject to the approval of the Bangko Sentral ng Pilipinas (BSP). The initial funding and capital structure required RBC, RLC and RRHI, named as the founding shareholders, to contribute a pro rata portion up to ₱1.3 billion. The shareholder percentage of the RBC, RLC, RRHI and TGL upon incorporation shall be 20.0%, 20.0%, 20.0% and 40.0%, respectively of the share capital and voting rights of the JVC.

In February 2022, GoTyme's BOD approved the additional capital infusion from the shareholders totaling ₱1.6 billion to support the pre-launch and operations of GoTyme and to comply with the ₱1.0 billion BSP-mandated minimum regulatory capital for digital banks.

In 2023, GoTyme's BOD approved the additional capital infusion from the shareholders totaling ₱3.1 billion to support the current operations of GoTyme. This includes ₱908.2 million total deposits for stock subscription in GoTyme pending approval by BSP and SEC of GoTyme's application for increased authorized capital stock.

On March 21, 2024, BPI divested all shares acquired through its merger with Robinsons Bank Corporation and sold them to GoTyme Financial Pte. Ltd. and Giga Investments Holdings Pte Ltd at a price of ₱1.20 per share. The transfer from BPI to GoTyme Financial Pte. Ltd., which exceeded 10% of the total outstanding shares of GoTyme Bank Corporation, was approved by the BSP on October 9, 2024.



On May 13, 2024, GoTyme filed an application with the SEC for an increase in Authorized Capital Stock as approved by the BOD. On July 5, 2024, BSP issued the Certificate of Authority for the increase of the authorized capital stock.

On July 5, 2024, BSP issued the Certificate of Authority to Register the Amended Articles of Incorporation, which included the increase in authorized capital stock.

As of November 2024, GoTyme received ₱2.3 billion as additional subscription from its investors and recognized this advance payment as deposit for future stock subscription.

On November 26, 2024, SEC issued the certificate of approval of the increase of authorized capital stock. GoTyme has reclassified all deposits for future stock subscription amounting to ₱3.2 billion, of which ₱1.5 billion was recognized as share capital and the remaining ₱1.6 billion excess of par value recognized as APIC.

On September 30, 2025, RLC's shares in GTB were fully acquired by JGSCS for ₱1.1 billion (Note 40). As a result, as of December 31, 2025, the Group shareholding interests in GTB were held by JGSCS (19.5%) and JG DEV (2.0%).

As of December 31, 2024, the Group shareholding interests in GTB were held by RLC (16.9%), JG DEV (2.0%), and JG Capital (2.4%).

GTFPL
The investment in GTFPL was reclassified from investment in subsidiary to investment in associate due to change in contractual agreements. The fair value of the investment in GTFPL upon the loss of control approximates its total cost amounting to ₱957 million.

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Aggregate information of associates and joint ventures that are not individually material follows:

	2025		2024	
	Associates	**Joint Venture**	Associates	Joint Venture
Group's share of:				
Profit (loss) for the year	**(₱624,598,134)**	**₱1,444,531,482**	(₱1,062,200,727)	₱2,634,774,610
Other comprehensive income for the year	**129,465,744**	**5,688,571**	149,525,340	1,767,077
Total comprehensive income (loss) for the year	**(₱495,132,390)**	**₱1,450,220,053**	(₱912,675,387)	₱2,636,541,687
Group's share of dividends for the year	**₱24,262,101**	**₱–**	₱22,262,101	₱–
Group's carrying amount of the investment	**₱4,477,926,459**	**₱ 11,874,852,996**	₱3,065,492,500	₱9,907,847,100

Investment in Subsidiaries
Financial information of subsidiaries that have material non-controlling interest is provided below:

- Portion of equity interest held by non-controlling interest

Name of Subsidiary	Country of Incorporation and Operation	**December 31, 2025**	December 31, 2024
URC	Philippines	**43.03%**	43.34%
RLC	Philippines	**34.09%**	34.41%
CAI	Philippines	**33.49%**	34.74%

- Accumulated balances of material non-controlling interest:

Name of Subsidiary	**2025**	2024
URC	**₱54,803,249,563**	₱53,302,574,885
RLC	**68,957,351,736**	59,292,040,613
CAI	**4,744,450,961**	1,557,434,461

- Profit allocated to material non-controlling interest:

Name of Subsidiary	**2025**	2024
URC	**₱4,997,464,494**	₱5,786,602,403
RLC	**7,292,655,575**	6,436,128,179
CAI	**4,165,370,161**	1,772,289,537

The summarized financial information of subsidiaries with material non-controlling interest are provided below. This information is based on amounts before inter-company eliminations.

- Summarized statement of financial position as at December 31, 2025:

	URC	**RLC**	**CAI**
Current assets	**₱77,518,137,287**	**₱71,325,750,265**	**₱39,220,415,589**
Noncurrent assets	**105,531,343,162**	**203,677,576,318**	**225,449,924,521**
Current liabilities	**52,457,757,622**	**41,133,375,398**	**66,485,035,261**
Noncurrent liabilities	**5,207,446,375**	**48,973,861,579**	**179,164,434,802**

- Summarized statement of financial position as at December 31, 2024:

	URC	RLC	CAI
Current assets	₱83,868,040,473	₱72,469,740,391	₱37,082,192,134
Noncurrent assets	94,819,819,755	189,362,143,953	201,085,232,653
Current liabilities	53,170,391,848	46,025,050,152	68,533,789,804
Noncurrent liabilities	4,277,606,686	54,291,977,788	159,609,041,623

- Summarized statements of comprehensive income for 2025:

	URC	**RLC**	**CAI**
Revenue	**₱168,009,175,443**	**₱48,524,710,826**	**₱119,927,510,211**
Profit for the year from continuing operations	**10,837,683,567**	**16,167,096,591**	**12,313,726,199**
Total comprehensive income	**14,626,659,622**	**16,193,100,350**	**12,346,802,094**
Dividends paid to non-controlling interests	**668,360,000**	**2,812,569,109**	–

- Summarized statements of comprehensive income for 2024:

	URC	RLC	CAI
Revenue	₱161,867,243,890	₱42,881,723,453	₱104,908,632,352
Profit for the year from continuing operations	12,759,192,989	15,340,679,174	5,400,655,222
Total comprehensive income	13,807,616,935	15,356,829,733	5,234,037,017
Dividends paid to non-controlling interests	98,000,000	2,161,738,516	–

- Summarized statements of comprehensive income for 2023:

	URC	RLC	CAI
Revenue	₱157,752,179,737	₱42,018,176,431	₱90,602,558,756
Profit for the year from continuing operations	12,722,651,489	13,372,323,819	7,922,664,507
Total comprehensive income	11,044,485,470	13,238,428,606	7,586,146,700
Dividends paid to non-controlling interests	512,050,000	1,442,078,334	–

- Summarized statements of cash flows for 2025:

	URC	RLC	CAI
Operating	**₱11,273,616,582**	**₱21,391,830,908**	**₱27,079,146,700**
Investing	**(4,937,841,992)**	**(12,108,042,147)**	**(6,370,133,630)**
Financing	**(6,706,566,187)**	**(8,846,340,372)**	**(19,304,338,686)**
Effect of exchange rate changes	**–**	**–**	**362,417,851**
Net cash flows	**(₱370,791,597)**	**₱437,448,389**	**₱1,767,092,235**

- Summarized statements of cash flows for 2024:

	URC	RLC	CAI
Operating	₱18,981,221,689	₱18,776,389,542	₱25,069,135,782
Investing	(4,249,112,197)	(5,463,069,889)	(15,613,468,999)
Financing	(15,322,216,813)	(8,502,422,545)	(5,854,034,791)
Effect of exchange rate changes	–	–	718,230,520
Net cash flows	(₱590,107,321)	₱4,810,897,108	₱4,319,862,512

- Summarized statements of cash flows for 2023:

	URC	RLC	CAI
Operating	₱9,086,944,867	₱15,977,892,821	₱17,454,433,374
Investing	(6,019,762,535)	(11,838,120,109)	(9,385,436,961)
Financing	(4,130,893,792)	(6,693,388,633)	(11,333,281,029)
Effect of exchange rate changes	–	–	(315,423,128)
Net cash flows	(₱1,063,711,460)	(₱2,553,615,921)	(₱3,579,707,744)

15. Investment Properties

Movements in this account follow:

	2025			
	Land and Land Improvements	**Buildings and Improvements**	**Construction In-Progress**	**Total**
Cost				
Balance at beginning of year	**₱52,950,511,241**	**₱125,547,779,665**	**₱15,434,796,345**	**₱193,933,087,251**
Additions	**64,848,076**	**1,167,503,934**	**2,943,764,665**	**4,176,116,675**
Reclassification and transfers - net	**(8,698,307)**	**6,569,417,769**	**(6,588,271,751)**	**(27,552,289)**
Balance at end of year	**53,006,661,010**	**133,284,701,368**	**11,790,289,259**	**198,081,651,637**
Accumulated Depreciation and Amortization				
Balance at beginning of year	**314,426,312**	**57,158,679,388**	**–**	**57,473,105,700**
Depreciation and amortization	**15,374,000**	**4,760,115,410**	**–**	**4,775,489,410**
Balance at end of year	**329,800,312**	**61,918,794,798**	**–**	**62,248,595,110**
	₱52,676,860,698	**₱71,365,906,570**	**₱11,790,289,259**	**₱135,833,056,527**

	2024			
	Land and Land Improvements	Buildings and Improvements	Construction In-Progress	Total
Cost				
Balance at beginning of year	₱47,779,409,011	₱113,603,579,371	₱20,565,416,345	₱181,948,404,727
Additions	4,996,841,695	2,516,507,032	4,240,254,972	11,753,603,699
Reclassification and transfers - net	174,260,535	9,427,693,262	(9,370,874,972)	231,078,825
Balance at end of year	52,950,511,241	125,547,779,665	15,434,796,345	193,933,087,251
Accumulated Depreciation and Amortization				
Balance at beginning of year	295,628,010	52,575,777,718	–	52,871,405,728
Depreciation and amortization	18,798,302	4,579,983,771	–	4,598,782,073
Reclassification due to a merger (Note 44)	–	2,917,899	–	2,917,899
Balance at end of year	314,426,312	57,158,679,388	–	57,473,105,700
	₱52,636,084,929	₱68,389,100,277	₱15,434,796,345	₱136,459,981,551

Investment properties consist mainly of land held for appreciation, shopping malls or commercial centers, office buildings and warehouses that are held to earn rentals. Most of the Group's properties are in prime locations across the Philippines.

On April 2, 2024, JGSIHC entered into a Deed of Absolute Sale with various sellers for the purchase of a parcel of land with an area of 40,951 sqm in Batangas. Total purchase price amounted to ₱144.1 million. Additionally, total transaction costs amounted to ₱11.4 million of which ₱2.7 million was capitalized.

On December 4, 2025, JGSHI entered into a Deed of Absolute Sale with URC for the sale of parcels of land located in Calamba and Cabuyao with a total area of 224,029 sqm with a carrying value amounting to ₱8.1 million. The intercompany sale resulted to a transfer of land from investment property to property, plant and equipment at cost. The total consideration amounted to ₱1.7 billion and gain from the sale amounted to ₱1.7 billion in 2025 (refer to Note 40).

Construction in progress amounting to ₱11.8 billion and ₱15.4 billion as of December 31, 2025 and 2024, respectively, represents the cost of ongoing construction and development of malls and office buildings for lease.

Borrowing costs capitalized amounted to ₱951.0 million and ₱909.0 million in 2025 and 2024, respectively. These amounts were included in the consolidated statements of cash flows under additions to investment properties. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization in 2025 and 2024 were 5.7% and 5.6%, respectively.

Consolidated rent income from investment properties included under 'Real estate and hotels revenue' in the consolidated statements of comprehensive income amounted to ₱22.7 billion, ₱20.7 billion and ₱18.7 billion in 2025, 2024 and 2023, respectively.

Property operations and maintenance costs included under 'Cost of services' arising from investment properties amounted to ₱741.4 million, ₱696.1 million and ₱616.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

There are no investment properties as of December 31, 2025 and 2024 that are pledged as security to liabilities. The Group has no restrictions on the realizability of its investment properties. Except for contracts awarded, there no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The total contractual commitments arising from awarded contracts for the acquisition, development and construction of investment properties amounted to ₱4.3 billion and ₱4.5 billion, as of December 31, 2025 and 2024, respectively.

Depreciation and Amortization

The breakdown of consolidated depreciation and amortization on investment properties follows:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Depreciation and amortization expense included under:			
Cost of services (Note 33)	**₱4,775,236,743**	₱4,597,927,773	₱4,555,332,968
General and administrative expenses (Note 33)	**252,667**	854,300	946,047
Discontinued operations (Note 44)	**–**	–	101,622,230
	₱4,775,489,410	₱4,598,782,073	₱4,657,901,245

16. Property, Plant and Equipment

The composition of and movements in this account follow:

	December 31, 2025							
	Land and Improvements	Buildings and Improvements	Machinery and Equipment	Transportation, Furnishing and Other Equipment	Passenger Aircraft and Other Flight Equipment	Construction In-progress	Equipment In-transit	Total
Cost								
Balance at beginning of year	**₱12,406,333,902**	**₱44,297,128,690**	**₱201,974,062,269**	**₱11,748,637,191**	**₱78,305,547,263**	**₱78,067,834,809**	**₱627,646,160**	**₱427,427,190,284**
Additions	**247,528,058**	**1,442,645,748**	**3,772,922,754**	**1,097,042,961**	**24,599,106,464**	**20,182,633,484**	**47,260,090**	**51,389,139,559**
Additions due to business combination (Note 19)	**–**	**558,640**	**–**	**9,565,799**	**90,456,177**	**–**	**–**	**100,580,616**
Transfers, disposals and other adjustments	**197,433,776**	**7,716,400,880**	**33,705,988,748**	**(79,539,899)**	**(8,541,303,802)**	**(50,977,663,996)**	**(432,049,513)**	**(18,410,733,806)**
Balance at end of year	**12,851,295,736**	**53,456,733,958**	**239,452,973,771**	**12,775,706,052**	**94,453,806,102**	**47,272,804,297**	**242,856,737**	**460,506,176,653**
Accumulated Depreciation and Amortization								
Balance at beginning of year	**2,444,268,065**	**19,037,587,697**	**87,487,238,942**	**9,915,980,158**	**19,933,568,750**	**–**	**–**	**138,818,643,612**
Depreciation and amortization	**116,913,546**	**1,856,000,375**	**8,701,355,283**	**782,769,197**	**5,071,324,377**	**–**	**–**	**16,528,362,778**
Transfers, disposals and other adjustments	**(3,416,710)**	**200,516,705**	**655,280,673**	**25,820,725**	**(1,600,678,171)**	**–**	**–**	**(722,476,778)**
Balance at end of year	**2,557,764,901**	**21,094,104,777**	**96,843,874,898**	**10,724,570,080**	**23,404,214,956**	**–**	**–**	**154,624,529,612**
Allowance for Impairment Losses								
Balance at beginning of year	**26,929,515**	**608,590,540**	**1,584,549,636**	**7,990,254**	**86,746,895**	**–**	**–**	**2,314,806,840**
Provision for impairment losses (Notes 34 and 44)	**130,704,236**	**1,237,241,226**	**98,809,366,673**	**78,058**	**–**	**3,266,719,168**	**–**	**103,444,109,361**
Balance at end of year	**157,633,751**	**1,845,831,766**	**100,393,916,309**	**8,068,312**	**86,746,895**	**3,266,719,168**	**–**	**105,758,916,201**
Net Book Value at End of Year	**₱10,135,897,084**	**₱30,516,797,415**	**₱42,215,182,564**	**₱2,043,067,660**	**₱70,962,844,251**	**₱44,006,085,129**	**₱242,856,737**	**₱200,122,730,840**

	December 31, 2024							
	Land and Improvements	Buildings and Improvements	Machinery and Equipment	Transportation, Furnishing and Other Equipment	Passenger Aircraft and Other Flight Equipment	Construction In-progress	Equipment In-transit	Total
Cost								
Balance at beginning of year	₱12,509,219,845	₱42,980,773,289	₱206,592,969,059	₱12,244,423,896	₱ 75,011,723,209	₱68,823,351,804	₱687,657,811	₱418,850,118,913
Additions	63,593,787	2,273,004,750	5,737,854,009	698,336,072	29,242,542,168	26,526,003,497	346,875,961	64,888,210,244
Additions due to business combination (Note 19)	–	3,373,850	–	21,368,986	783,352,005	–	–	808,094,841
Transfers, disposals and other adjustments	(166,479,730)	(960,023,199)	(10,356,760,799)	(1,215,491,763)	(26,732,070,119)	(17,281,520,492)	(406,887,612)	(57,119,233,714)
Balance at end of year	12,406,333,902	44,297,128,690	201,974,062,269	11,748,637,191	78,305,547,263	78,067,834,809	627,646,160	427,427,190,284
Accumulated Depreciation and Amortization								
Balance at beginning of year	2,448,197,865	18,753,560,318	92,260,694,241	10,569,093,973	23,636,944,449	–	–	147,668,490,846
Depreciation and amortization	217,264,775	1,717,199,668	7,790,565,002	703,079,963	5,399,517,063	–	–	15,827,626,471
Disposals, transfers and other adjustments	(221,194,575)	(1,433,172,289)	(12,564,020,301)	(1,356,193,778)	(9,102,892,762)	–	–	(24,677,473,705)
Balance at end of year	2,444,268,065	19,037,587,697	87,487,238,942	9,915,980,158	19,933,568,750	–	–	138,818,643,612
Allowance for Impairment Losses								
Balance at beginning of year	26,929,515	406,217,695	580,702,461	581,578	86,746,895	–	–	1,101,178,144
Provision for impairment losses (Note 34)	–	46,352,436	843,000,000	7,408,676	–	–	–	896,761,112
Divestment of business	–	156,020,409	160,847,175	–	–	–	–	316,867,584
Balance at end of year	26,929,515	608,590,540	1,584,549,636	7,990,254	86,746,895	–	–	2,314,806,840
Net Book Value at End of Year	₱9,935,136,322	₱24,650,950,453	₱112,902,273,691	₱1,824,666,779	₱58,285,231,618	₱78,067,834,809	₱627,646,160	₱286,293,739,832

Construction in-progress

CAI

Construction in-progress represents the cost of airframe and engine construction in-progress and buildings and improvements and other ground property under construction. Construction in-progress is not depreciated until such time when the relevant assets are completed and available for use. As of December 31, 2025 and 2024, CAI's pre-delivery payments capitalized as construction in-progress amounted to ₱23.1 billion and ₱22.9 billion, respectively. For the years ended December 31, 2025, 2024, and 2023, CAI received pre-delivery payment refunds for delivered aircrafts from Airbus which amounted to ₱10.5 billion, ₱13.1 billion, ₱11.6 billion, respectively.

URC

Construction-in-progress amounting to ₱17.0 billion and ₱18.9 billion as of December 31, 2025 and 2024, respectively, represents costs of ongoing expansion and constructions of plants.

RLC

Construction-in-progress amounting to ₱3.4 billion and ₱5.5 billion as of December 31, 2025 and 2024, respectively, represents new and expansion projects in various cities in Metro Manila and other parts of Visayas and Mindanao regions. These normally take three (3) to five (5) years to construct until completion. The construction in progress items reclassified to their respective asset accounts in 2025 and 2024 amounted to ₱6.4 billion and nil, respectively, for a hotel in Cebu City.

JGSOC

Construction-in-progress amounting to ₱3.5 million and ₱30.5 billion as of December 31, 2025 and 2024, respectively, represents the construction costs of the Naphtha Cracker Plant and Bimodal PE 3. The plant is intended for the production primarily of polymer grade ethylene, polymer grade propylene, partially hydrogenated pyrolysis gasoline and pyrolysis fuel oil.

Capitalized expenses

The Group incurred borrowing costs related to property, plant and equipment under construction amounting to ₱268 million, ₱2.0 billion and ₱2.9 billion for the years ended December 31, 2025, 2024 and 2023, respectively. Expansion-related personnel expenses and inventories used amounted to nil, ₱882 million and ₱688 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Depreciation and Amortization

The breakdown of consolidated depreciation and amortization on property, plant and equipment follows:

	2025	2024	2023
Cost of services (Note 33)	**₱5,928,201,481**	₱6,237,767,222	₱6,064,545,550
Cost of sales (Note 33)	**4,961,399,525**	4,041,539,804	5,334,758,888
General and administrative expenses (Note 33)	**1,132,717,629**	907,789,524	1,028,305,505
Discontinued operations (Note 44)	**4,505,558,939**	4,640,529,921	4,527,531,456
	₱16,527,877,574	₱15,827,626,471	₱16,955,141,399

Impairment Losses

The Group recognized impairment losses on property, plant and equipment amounting to ₱431.0 million, ₱53.8 million, and ₱226.5 million in 2025, 2024, and 2023, respectively. The assets written-down pertain to (a) CAI's aircrafts that are classified as held for sale; (b) URC's property and equipment on non-operational plants; (c) URC's office space leasehold improvements and furniture and fixtures; and (d) URC's discontinued product lines and hog farms.

The Group also recognized impairment losses on property, plant and equipment for discontinued operations amounted to ₱103.0 billion and ₱1.2 billion in 2025 and 2024, respectively (see Note 44).

Property, Plant and Equipment Pledged as Collateral

Passenger aircraft and engines held as securing assets under various loans

CAI entered into various commercial loan facilities to finance the purchase of its aircraft and engines. As of December 31, 2025 and 2024, CAI passenger aircraft held as securing assets under various commercial loans are as follows:

	2025	2024
	Commercial Loans	Commercial Loans
ATR 72-600	**12**	12
Airbus NEO	**17**	14
	29	26

Under the terms of the commercial loan facilities (Note 23), upon the event of default, the outstanding amount of loan (including accrued interest) will be payable by the SPEs. Under the terms of commercial loan facilities from local banks, upon event of default, the outstanding amount of loan will be payable, including interest accrued by CAI. Failure to pay the obligation will allow the respective lenders to foreclose the securing assets.

As of December 31, 2025 and 2024, the carrying amounts of the securing assets (included under the 'Property, plant and equipment' account) amounted to ₱61.5 billion and ₱46.1 billion, respectively.

Sale and SLB Transactions

Sale and leaseback transactions

In 2023, CAI entered into sale and leaseback (SLB) agreements for five (5) aircraft and two (2) engines where its sale portion resulted to a gain of ₱1.1 billion and ₱139.1 million, respectively. In 2024, CAI entered into SLB agreement for ten (10) engines where its sale portion resulted in a gain of ₱2.6 billion. In 2025, CAI entered into SLB agreements for six (6) engines with carrying values amounting to ₱6.3 billion, where its sale portion resulted to a gain of ₱839.2 million (see Note 29).

In December 2024, seven (7) A321CEO aircraft were disposed resulting to the derecognition of its net book value of ₱8.5 billion and related loan. The resulting gain from the transaction amounted to ₱130.3 million (see Note 29). CAI then entered into a new operating lease arrangement with the new owner (see Note 42).

Sale transactions

In 2024, CAI also agreed to sale of one (1) A330 CEO aircraft that resulted into a loss amounting ₱545.5 million (see Note 29). In October and December 2024, two (2) of the ATR 72-500 were sold at ₱478.1 million, resulting in a net loss on disposal of ₱61.6 million.

In 2025, aircrafts classified as assets held for sale pertaining to one (1) ATR 72-500 and three (3) A320CEOs were sold at ₱3.9 billion, resulting in a net gain on disposal of ₱462.0 million.

The Group's proceeds from the sale of property and equipment for the years ended 2025, 2024 and 2023 amounted to ₱7.8 billion, ₱21.7 billion and ₱10.9 billion, respectively.

Gain on Free-of-Charge (FOC) Engines
In 2025, the Group received five (5) FOC engines as support for the mitigation of the ongoing aircraft on ground (AOG) issues. Accordingly, the fair value of the engines, amounting to ₱6.3 billion was recognized in 'Other income' in the 2025 consolidated statement of comprehensive income. The receipt of FOC engines is treated as noncash additions in the 2025 statement of cashflows.

Operating Fleet
As of December 31, 2025 and 2024, the Group's operating fleet follow:

	2025	2024
Leased aircraft: (Note 42)		
Airbus CEO	**22**	25
Airbus NEO	**41**	37
ATR 72-600	**6**	6
Owned aircraft: (Note 23)		
Airbus NEO	**17**	14
Airbus CEO*	**–**	–
ATR 72-600	**12**	12
ATR 72-500**	**–**	2
ATR 42-600	**2**	2
	100	98

**This excludes three (3) A320CEO that are non-operating and classified as Assets Held for Sale as at December 31, 2024.*
***This excludes two (2) ATR 72-500 as at December 31, 2025 and one (1) ATR 72-500 as at December 31, 2024 that are non-operating and classified as Assets Held for Sale.*

As of December 31, 2025 and 2024, total carrying amount of aircrafts classified as Asset Held for Sale amounted to ₱0.4 billion and ₱3.5 billion, respectively.

As of December 31, 2025 and 2024, the gross amount of fully depreciated property and equipment which are still in use by the Group amounted to ₱59.9 billion and ₱50.0 billion, respectively.

17. Advances to Suppliers and Contractors

Total advances to suppliers and contractors shown in the consolidated statements of financial position follow:

	2025	2024
Current portion	**₱11,302,984,337**	₱10,852,659,370
Noncurrent portion	**4,087,380,954**	4,907,803,205
	₱15,390,365,291	₱15,760,462,575

The current portion of advances to suppliers and contractors includes advance payments for the acquisition of raw materials, spare parts, packaging materials, and other supplies. This also includes prepayments related to the construction of residential projects. These advances are classified as current assets as they are expected to be realized, applied against deliveries, or utilized in the normal operating cycle of the Group, generally within twelve months from the reporting date.

Noncurrent advances to suppliers and contractors represent prepayments for the construction of investment properties and property and equipment. These advances are recovered through billings that are expected to occur in future periods.

18. Intangible Assets

The composition and movements in this account follow:

	2025					
	Technology Licenses	**Landing Rights and Others**	**Software Costs**	**Trademarks and Brands**	**Product Formulation**	**Total**
Cost						
Balance at beginning of year	**₱552,331,752**	**₱3,253,104,584**	**₱1,696,076,383**	**₱3,250,567,435**	**₱425,000,000**	**₱9,177,080,154**
Additions	**–**	**–**	**81,617,778**	**615,756**	**–**	**82,233,534**
Translation adjustments	**–**	**167,469,658**	**8,515**	**360,528,904**	**–**	**528,007,077**
Balance at end of year	**552,331,752**	**3,420,574,242**	**1,777,702,676**	**3,611,712,095**	**425,000,000**	**9,787,320,765**
Accumulated Amortization and Impairment Losses						
Balance at beginning of year	**552,331,752**	**–**	**1,138,513,752**	**201,864,928**	**–**	**1,892,710,432**
Amortization	**–**	**–**	**110,491,163**	**200,808**	**–**	**110,691,971**
Reclassification and others	**–**	**–**	**12,313,389**	**19,904**	**–**	**12,333,293**
Balance at end of year	**552,331,752**	**–**	**1,261,318,304**	**202,085,640**	**–**	**2,015,735,696**
Net Book Value at End of Year	**₱–**	**₱3,420,574,242**	**₱516,384,372**	**₱3,409,626,455**	**₱425,000,000**	**₱7,771,585,069**

	2024					
	Technology Licenses	Landing Rights and Others	Software Costs	Trademarks and Brands	Product Formulation	Total
Cost						
Balance at beginning of year	₱552,331,752	₱2,197,613,894	₱1,627,057,684	₱3,046,999,348	₱425,000,000	₱7,849,002,678
Additions	–	–	48,733,142	2,290,636	–	51,023,778
Additions due to business combination (Note 19)	–	984,319,494	–	–	–	984,319,494
Translation adjustments and others	–	71,171,196	20,285,557	201,277,451	–	292,734,204
Balance at end of year	552,331,752	3,253,104,584	1,696,076,383	3,250,567,435	425,000,000	9,177,080,154
Accumulated Amortization and Impairment Losses						
Balance at beginning of year	552,331,752	–	971,864,864	201,775,310	–	1,725,971,926
Amortization	–	–	144,203,195	66,894	–	144,270,089
Reclassification and others	–	–	22,445,693	22,724	–	22,468,417
Balance at end of year	552,331,752	–	1,138,513,752	201,864,928	–	1,892,710,432
Net Book Value at End of Year	₱–	₱3,253,104,584	₱557,562,631	₱3,048,702,507	₱425,000,000	₱7,284,369,722

Technology Licenses

Technology licenses represent the cost of JGSOC's technology and licensing agreements which cover the construction, manufacture, use and sale of PE and PP lines. JGSOC's technology licenses were fully impaired in 2006.

Landing Rights and Others

This include intangible assets which arose from the acquisition of Cebgo, Inc and AirSWIFT. These assets represent CAI's costs to establish brand and market opportunities under the strategic alliance with Cebgo, Inc. and AirSWIFT amounting to ₱1.8 billion, which includes the landing rights recognized amounting to ₱984.3 million as a result of the acquisition of AirSWIFT (See Note 19). Trade secrets amounting to ₱1.6 billion were recognized as a result of acquisition of Munchys' Group in 2021.

Trademarks, Product Formulation, Brands and Customer Relationships

Brands and trademarks were recognized as a result of acquisition of Munchys' Group in 2021. There were also trademarks and product formulation from the acquisition of General Milling Corporation in 2008.

19. **Goodwill**

Movements in the Group's goodwill account follow:

	2025	2024
Cost		
Balance at beginning	**₱21,058,541,694**	₱19,472,337,244
Additions	**512,016,722**	311,965,678
Translation adjustment	**2,281,098,034**	1,274,238,772
Balance at end of year	**23,851,656,450**	21,058,541,694
Accumulated Impairment Losses	**270,931,882**	270,931,882
Net Book Value at End of Year	**₱23,580,724,568**	₱20,787,609,812

The Group's goodwill pertains to: (a) The excess of the acquisition cost over the fair values of the net assets acquired by UABCL in 2000, (b) the acquisition of Cebgo, Inc. (formerly Tiger Airways Philippines), (c) acquisition of Balayan Sugar Mill in 2016, (d) step acquisition of A-Plus, (e) acquisition of Munchy's Group in December 2021; (f) acquisition of AirSWIFT in October 2024; and (g) the conversion of 1Aviation to a subsidiary from associate (See Note 14). Goodwill is not amortized and is non-deductible for tax purposes.

Acquisition of Cebgo
Goodwill arising from the acquisition of Cebgo is attributable to the following:

Achievement of Economies of Scale
CEBGO's overall profitability is expected to improve through cost efficiencies from leveraging on the Parent Company's network of suppliers and other partners.

Defensive Strategy
Acquiring a competitor enables CAI to manage overcapacity in certain geographical areas/markets. CAI also identified intangible assets amounting to ₱852.7 million representing costs to establish brand and market opportunities under the strategic alliance with Tiger Airways Holding Limited.

Goodwill amounting to ₱154.9 million from step acquisition of A-Plus comprises the fair value of expected synergies arising from the acquisition.

AirSWIFT
On October 7, 2024, CAI signed a share purchase agreement (SPA) with ALI Capital Corp. for the acquisition of 100% of AirSWIFT for consideration of ₱1.4 billion, net of post-closing adjustments, comprised of payment ₱120.0 million net payment for equity shares and ₱1.3 billion in net shareholder advances. AirSWIFT, a boutique airline that caters to domestic leisure, operates flights from Manila and Clark to El Nido in northern Palawan, and from El Nido to other major tourist destinations in the country, including Cebu, Boracay, Coron and Bohol. Following the purchase, the CAI Parent Company added El Nido to its routes, widening its network, contributing to growth opportunities, and leveraging its operational expertise to be able to offer more cost-effective options for its growing customer base.

On the same date, AirSWIFT has become a wholly owned subsidiary of CAI.

The fair value of AirSWIFT's identifiable assets and liabilities as at the date of acquisition are shown below. The assets and liabilities recognized in the 2024 consolidated financial statements were based on provisional assessment of fair value while CAI sought an independent valuation of the assets and liabilities of AirSWIFT. In 2025, the appraisal of AirSWIFT's net assets was conducted by a third party to finalize the purchase price allocation of said acquisition. Based on this, the net assets recognized in 2024 approximates its fair value, thus, no adjustment is necessary:

	Fair value at acquisition date
Cash	₱62,098,752
Receivables	43,483,003
Inventories	215,404,362
Other current assets	420,563,468
Property, plant and equipment (Note 16)	808,094,841
ROU assets (Note 42)	1,374,472,418
Intangible assets (Note 18)	984,319,494
Total assets	3,908,436,338
Accounts payable and accrued expenses	2,278,783,452
Deferred tax liabilities	150,408,036
Other noncurrent liabilities	1,671,210,528
Total liabilities	4,100,402,016
Total identifiable net assets (liabilities) at fair value	(191,965,678)
Less: Acquisition cost*	120,000,000
Goodwill from acquisition	₱311,965,678

**Pertains to payment for AirSWIFT's equity shares*

Goodwill comprises the fair value of expected synergies arising from the acquisition. This is presented under 'Goodwill' in the consolidated statements of financial position. None of the goodwill recognized is expected to be deductible for income tax purposes. CAI also identified intangible assets of AirSWIFT amounting to ₱984.3 million, representing cost to establish its brand and market opportunities under the strategic alliance with ALI Capital Corp. This is presented under 'Intangible Assets' in the consolidated statements of financial position (see Note 18).

The impact of the cash outflow for payment of outstanding shares, net of cash acquired from AirSWIFT is included in the statement of cash flows from investing activities:

Cash payment for equity shares	₱120,000,000
Less: cash acquired with the subsidiary	62,098,752
	₱57,901,248

If the acquisition had taken place at the beginning of 2024, revenue contribution for the year ended December 31, 2024 would have been ₱2.5 billion. Moreover, had the transaction taken place at the beginning of 2024, the contribution to the consolidated net income would have amounted to ₱254.9 million.

Since the acquisition was completed on October 7, 2024, the contribution to revenue and net income for the three-month period ended December 31, 2024 amounted to ₱701.6 million and ₱181.6 million from date of acquisition, respectively.

1Aviation

On October 29, 2024, CAI signed a Deed of Assignment of Credit and Subscription (debt-to-equity conversion") with 1Aviation, for the assignment of credit and subscription to 1,130,000 shares, with par value of 100 per share, amounting to ₱113.0 million. On August 15, 2025, the SEC approved the debt-to-equity conversion, increasing CAI's ownership interest in 1Aviation from 40% to 60%. As a result, CAI obtained control over 1Aviation, which is now accounted for as a subsidiary.

The fair value of 1Aviation's identifiable assets and liabilities as at the date of acquisition are shown below. The assets and liabilities recognized in the 2025 consolidated financial statements were based on provisional assessment of fair value while the Group sought an independent valuation of the assets and liabilities of 1Aviation. The valuation had not been completed by the date of the 2025 consolidated financial statements were approved for issue by the BOD.

	Fair value at acquisition date
Cash	₱29,372,293
Receivables	222,132,781
Inventories	28,367,118
Other current assets	215,764,679
Property and equipment (Note 16)	100,580,616
Other noncurrent assets	112,131,958
Total assets	708,349,445
Trade payables	252,608,714
Other current liabilities	736,766,257
Total liabilities	989,374,971
Total identifiable net liabilities at fair value	(281,025,526)
Less: Acquisition cost	
Fair value of previously held interest in 1Aviation	230,401,406
Related party debt converted to equity	113,000,000
Noncontrolling interest	(112,410,210)
Acquisition cost	230,991,196
Goodwill from acquisition	₱512,016,722

Goodwill comprises the fair value of expected synergies arising from the acquisition. This is presented under 'Goodwill' in the consolidated statements of financial position. None of the goodwill recognized is expected to be deductible for income tax purposes.

The cash inflow from cash acquired from 1Aviation, amounting to ₱29.4 million, is included in the statement of cash flows under investing activities.

If the acquisition had taken place at the beginning of 2025, revenue contribution for the year ended December 31, 2025 would have been ₱2.6 billion. Moreover, had the transaction taken place at the beginning of 2025, the contribution to the consolidated net income would have amounted to ₱20.8 million net loss.

Since the step-up acquisition was completed on August 15, 2025, the contribution to revenue and net income for the period ended December 31, 2025 amounted to ₱1.2 billion and ₱95.6 million from date of acquisition, respectively.

Impairment testing of Goodwill

CAI
As of December 31, 2025 and 2024, CAI's management assessed that no impairment loss should be recognized for goodwill and other intangible assets (Note 18) from acquisition of A-Plus, Cebgo and AirSWIFT. For purposes of impairment testing, the Group considered A-Plus, Cebgo, AirSWIFT and 1Aviation as the CGUs.

Key assumptions used in the VIU calculation
As of December 31, 2025 and 2024, the recoverable amount of the CGU has been determined based on a VIU calculation using five-year cash flow projections. Key assumptions in the VIU calculation of the CGU are most sensitive to the following:

- Future revenue, fuel cost, passenger load factor, passenger yield: These assumptions are based on the past performance, market developments and expectations in the industry.
- Discount rates: The discount rate used for the computation of the net present value is the weighted average cost of equity and was determined by reference to comparable entities.

Sensitivity to changes in assumptions
Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of goodwill arising from the acquisition of A-Plus ,CEBGO and AirSWIFT to materially exceed their recoverable amounts.

URC
URC performed its annual impairment test on its goodwill and other intangible assets (Note 18) with indefinite useful lives as of December 31, 2025 and 2024. In 2025 and 2024, the recoverable amounts of goodwill and other intangible assets were determined based on value in use calculations.

Value in use calculations used cash flow projections from financial budgets approved by management covering a five-year period.

Growth rate estimates - growth rates include revenue growth and terminal growth rates that are based on experiences and strategies developed for the various subsidiaries. The prospect for the industry was also considered in estimating the growth rates. Terminal growth rates used in computing the projected future cash flows ranged from 2.00% to 4.11% and 2.00% to 4.62% as of December 31, 2025 and 2024, respectively.

Discount rates - discount rates were estimated based on the industry weighted average cost of capital, which includes the cost of equity and debt after considering the gearing ratio. The discount rates applied to cash flow projections range from 6.90% to 10.60% and 8.40% to 12.43% for the years ended December 31, 2025 and 2024, respectively.

URC management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying values of goodwill and intangible assets arising from URC's acquisitions to materially exceed their recoverable amounts.

20. **Other Noncurrent Assets**

This account consists of:

	2025	2024
Deferred tax assets (Note 38)	**₱10,450,854,669**	₱9,688,037,235
Advances to lot owners - net of current portion	**5,621,118,080**	565,223,047
Security and miscellaneous deposits	**3,065,362,117**	4,484,408,900
Utility deposits	**818,560,347**	806,975,263
Prepaid training costs	**324,304,671**	356,742,938
Biological assets - net of current portion	**188,748,927**	99,478,226
Input VAT	**79,169,035**	342,423,773
Others	**676,153,333**	623,796,139
	₱21,224,271,179	₱16,967,085,521

Advances to Lot Owners
Advances to lot owners consist of advance payments to land owners which will be applied against the acquisition cost of the real properties that will be acquired.

Security Deposits
Security deposits include deposits provided to lessors and maintenance providers for aircraft under operating lease.

Utility Deposits
Utility deposits that are refundable consist primarily of bill and meter deposits.

Prepaid Training Costs
The Group incurs training costs under its cadet pilot program, whereby selected participants undergo flight training with payment of training costs deferred and recoverable over an agreed period upon employment with the Group.

Input VAT
Input tax pertains to VAT from purchases and/or importations of various parts, supplies, equipment, machineries and or capital goods, which will be claimed as credit against output tax liabilities in a manner prescribed by pertinent revenue regulations.

Others
Include refundable deposits and creditable income tax of subsidiaries.

21. Accounts Payable and Accrued Expenses

This account consists of:

	2025	2024
Trade payables	**₱30,300,534,545**	₱36,738,796,698
Accrued expenses	**28,211,166,888**	28,064,727,209
Airport and other related fees payable	**8,103,286,466**	5,987,909,105
Output VAT	**7,302,587,891**	5,075,951,837
Due to related parties (Note 40)	**873,007,027**	583,829,550
Travel fund payable (Note 24)	**706,912,698**	738,460,107
Withholding taxes payable	**542,825,855**	381,893,873
Dividends payable	**65,815,715**	44,668,148
Refunds payable	**4,936,786**	14,414,586
Other payables	**2,718,424,559**	2,805,412,969
	₱78,829,498,430	₱80,436,064,082

Trade Payables

Trade payables are noninterest-bearing and are normally settled on 30- to 60-day terms. Trade payables arise mostly from purchases of inventories, which include raw materials and indirect materials (i.e., packaging materials) and supplies, for use in manufacturing and other operations. Trade payables also include importation charges related to raw materials purchases, as well as occasional acquisitions of production equipment and spare parts. Obligations arising from purchase of inventories necessary for the daily operations and maintenance of aircraft which include aviation fuel, expendables and consumables, equipment and in-flight supplies, and unpaid billings from suppliers and contractors related to construction activities, are also charged to this account.

Accrued Expenses

This account consists of accruals for the following:

	2025	2024
Advertising and promotions	**₱5,802,358,487**	₱7,568,443,188
Landing and take-off, navigational charges, and other aircraft-related expenses	**5,575,604,989**	5,240,239,276
Compensation and benefits	**3,702,888,283**	3,050,883,563
Contracted services	**2,759,379,739**	2,498,079,333
Interests	**2,621,750,650**	1,819,931,133
Utilities	**2,601,631,386**	2,652,306,701
Rental expense	**1,710,808,233**	1,728,335,959
Freight and handling costs	**907,654,323**	884,721,536
Taxes and licenses	**568,757,675**	781,556,042
Sales commission	**568,518,120**	248,896,527
Repairs and maintenance	**260,349,537**	214,778,095
Royalties	**99,851,026**	97,925,884
Insurance	**37,784,097**	115,978,566
Other accrued expenses	**993,830,343**	1,162,651,406
	₱28,211,166,888	₱28,064,727,209

Other accrued expenses include accruals for travel and transportation, communication and other professional and legal fees.

Airport and Other Related Fees Payable
Airport and other related fees payable are amounts payable to the Philippine Tourism Authority, Air Transportation Office, Mactan-Cebu International Airport and Manila International Airport Authority arising from aviation security, terminal fees and travel taxes.

Refunds Payable
Customers are given options for their cancelled flights, which included free rebooking, full cash refund or conversion to a full travel fund. Refunds payable pertain to cash due to be returned to customers.

Other Payables
As of December 31, 2025 and 2024, other payables consist of management bonus and other non-trade payables. Other non-trade payables include liabilities for trucking services, IT-related repairs, payable to employees and advances from stockholders.

22. Other Current Liabilities

This account consists of:

	2025	2024
Unearned transportation revenue	**₱21,576,924,949**	₱18,842,157,257
Contract liabilities (Note 24)	**7,110,292,426**	6,636,132,412
Deposit from lessees (Note 24)	**3,546,675,805**	3,495,750,368
Customer's deposits	**1,460,410,296**	1,663,535,440
Advances from agents and others	**559,393,068**	2,184,507,564
	₱34,253,696,544	₱32,822,083,041

Unearned Transportation Revenue
Passenger ticket and cargo waybill sales are initially recorded under 'Unearned transportation revenue' in the consolidated statements of financial position, until these are recognized under 'Air transportation revenue' in profit or loss in the consolidated statements of comprehensive income, when the transportation service is rendered by the Group (or once tickets are flown).

In 2025, unearned transportation revenue consists of unearned passenger revenue and deferred ancillary revenue amounting to ₱16.6 billion and ₱5.0 billion, respectively. In 2024, unearned transportation revenue consists of unearned passenger revenue and deferred ancillary revenue amounting to ₱15.1 billion and ₱3.7 billion, respectively.

Contract Liabilities
Contract liabilities (including noncurrent portion shown in Note 24) 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 based on percentage of completion. The movement in the contract liability is mainly due to reservation of sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold from increase in percentage of completion. The contract liabilities account includes deposits from real estate buyers that have not met the revenue recognition threshold of 10.0% and these amounted to ₱3.7 billion and ₱3.3 billion as of December 31, 2025 and 2024, respectively.

Deposits from Lessees
Deposits from lessees (including the noncurrent portion shown in Note 24) represent cash received from tenants representing three to six months' rent which shall be refunded to tenants at the end of lease term. These are initially recorded at fair value, which is obtained by discounting its future cash flows using the applicable rates of similar types of instruments.

Customer's Deposits
Customers' deposits represent downpayments for the sale of goods or performance of services which will be applied against accounts receivables upon delivery of goods or rendering of services.

Advances from Agents and Others
Advances from agents and others represent cash bonds required from major sales and ticket offices or agents. This account also includes commitment fees received for the sale and purchase agreement of aircraft.

23. Short-term and Long-term Debts

Short-term Debts
Short-term debts consist of:

	2025	2024
Parent Company:		
Philippine Peso - unsecured with interest rates ranging from 4.50% to 4.75% in 2025 and 5.75% in 2024	**₱18,359,000,000**	₱5,000,000,000
Subsidiaries:		
Foreign currencies - unsecured with interest rates ranging from 1.78% to 5.05% in 2025 and from 2.78% to 8.00% in 2024	**4,181,972,378**	12,243,066,097
Philippine Peso - with interest rates of 4.5% to 5.05% in 2025 and 5.75% to 8.25% in 2024	**20,192,843,933**	48,997,505,136
	₱42,733,816,311	₱66,240,571,233

As of December 31, 2025 and 2024, short-term debt of certain subsidiaries denominated in foreign currency and peso include trust receipts payable amounting to ₱7.2 billion and ₱43.0 billion, respectively. The trust receipts payable amounting to ₱6.4 billion and ₱8.0 billion are secured by the trusteed inventories for the same amount as of December 31, 2025 and 2024, respectively (see Note 12).

In February and March 2024, CAI obtained short term loans from BDO Unibank, Inc. (BDO) and BPI each amounting to US$50.0 million that are due for repayment on February 2025 and September 2025, respectively. The proceeds were used for aircraft and engine acquisitions. Interest on the short-term loan from BDO is based on Secured Overnight Financing Rate (SOFR) plus margin, while the short-term loan from BPI is based on a fixed rate. Together, these peso-denominated short-term loans have interest rates ranging from 5.34% to 5.55%. As of December 31, 2025, the loans have been paid in full.

In 2025, 2024 and 2023, the Group incurred interest expense on short-term debt amounting to ₱3.6 billion, ₱4.1 billion and ₱1.9 billion, respectively (see Note 35). Interest expense on short-term debt incurred by discontinued operations amounted to ₱561.4 million, ₱2.7 billion, and ₱3.3 billion, in 2025, 2024 and 2023, respectively.

Long-term Debts

Long-term debts (net of debt issuance costs) consist of:

	Maturities	Interest Rates	**2025**	2024	Condition
Parent Company:					
Term Loans					
₱4.0 billion term loan	2025	4.00%	**₱–**	₱3,996,723,585	Unsecured
₱5.0 billion term loan	2028	Floating (5.00%)	**4,980,097,182**	4,972,760,289	Unsecured
₱10.0 billion term loan	2028	Floating (5.00%)	**9,957,978,364**	9,943,451,375	Unsecured
₱10.0 billion term loan	2028	Floating (5.00%)	**9,961,598,761**	–	Unsecured
₱16.9 billion term loan	2028	Floating (5.30%)	**16,805,871,290**	–	Unsecured
₱25.0 billion term loan	2028	Floating (5.30%)	**24,897,283,789**	–	Unsecured
₱4.75 billion term loan	2029	Floating (5.84%)	**4,723,718,902**	4,717,286,439	Unsecured
₱7.0 billion term loan	2029	Floating (5.74%)	**6,960,054,583**	6,950,581,001	Unsecured
₱9.1 billion term loan	2029	Floating (5.63%)	**9,044,875,896**	9,032,770,529	Unsecured
₱7.5 billion term loan	2030	Floating (5.00%)	**7,447,489,394**	–	Unsecured
₱9.0 billion term loan	2030	Floating (5.66%)	**8,942,239,110**	–	Unsecured
₱10.8 billion term loan	2030	Floating (5.60%)	**10,696,278,760**	–	Unsecured
			114,417,486,031	39,613,573,218	
Subsidiaries:					
Foreign currencies:					
JGSHPL					
US$600.0 million guaranteed notes	2030	4.13%	**₱34,501,374,996**	₱33,930,393,391	Guaranteed
CAI					
JPY commercial loan	Various dates through 2034	0.42% to 2.00% (JPY TONA)	**25,310,610,988**	16,247,504,940	Secured
USD commercial loan from foreign banks	Various dates through 2036	1.33% to 6.20% (US $ SOFR plus margin)	**19,886,904,585**	20,490,865,747	Secured
SGD commercial loan	Various dates through 2037	7.96% (3M SGD SORA plus margin)	**2,121,514,425**	–	Secured
Convertible bonds payable	2027	4.50%	**14,514,355,308**	14,156,440,222	Unsecured
			96,334,760,302	84,825,204,300	
Philippine Peso:					
RLC					
₱1.4 billion term loan	2025	4.93%	–	1,364,261,036	Unsecured
₱6.0 billion term loan	2025	4.00%	–	5,995,273,933	Unsecured
₱0.4 billion bonds	2025	3.80%	–	426,584,959	Unsecured
₱6.0 billion bonds	2025	5.38%	–	5,982,792,988	Unsecured
₱6.0 billion bonds	2026	6.10%	**5,986,776,930**	5,961,409,954	Unsecured
₱4.5 billion term loan	2027	5.10%	**4,456,885,072**	4,459,249,031	Unsecured
₱9.0 billion bonds	2027	5.94%	**8,959,483,310**	8,936,778,034	Unsecured
₱4.9 billion term loan	2028	Floating (5.30%)	**4,918,793,913**	4,911,726,209	Unsecured
₱9.0 billion bonds	2028	6.17%	**8,940,413,091**	8,919,150,795	Unsecured
₱6.3 billion term loan	2029	Floating (5.81%)	**6,268,032,936**	6,259,293,320	Unsecured
JGSOC					
₱5.0 billion term loan	2025	5.26%	–	5,000,000,000	Unsecured
₱4.0 billion term loan	2025	Floating (6.65%)	–	4,000,000,000	Unsecured
₱4.0 billion term loan	2025	4.72%	–	4,000,000,000	Unsecured
₱10.0 billion term loan	2028	Floating (6.30%)	–	9,946,649,494	Unsecured
₱25.0 billion term loan	2028	Floating (6.30%)	–	24,860,384,694	Unsecured
₱16.9 billion term loan	2029	Floating (6.30%)	–	16,782,595,196	Unsecured
CAI					
Commercial loans	Various dates through 2034	6.26% to 7.96% (PH BVAL)	**4,302,169,759**	6,059,980,751	Secured
			43,832,555,011	123,866,130,394	
			254,584,801,344	248,304,907,912	
Less current portion			**10,500,477,824**	34,640,620,677	
			₱244,084,323,520	₱213,664,287,235	

The foreign exchange rate used to revalue the foreign currency borrowings was ₱58.79 to US$1 and ₱57.85 to US$1 as of December 31, 2025 and 2024, respectively.

Long-term debt to foreign banks is shown net of unamortized debt issuance costs totaling ₱84.8 million and ₱99.8 million as of December 31, 2025 and 2024, respectively. Unamortized debt issuance cost related to peso-denominated long-term debt amounted to ₱772.1 million and ₱516.6 million as of December 31, 2025 and 2024, respectively.

Repayments of the long-term debt (gross of debt issuance costs) follow:

	2025	2024
Due in:		
2026 and 2027	**₱43,089,835,654**	₱44,891,092,211
Thereafter	**212,351,876,407**	204,030,252,330
	₱255,441,712,061	₱248,921,344,541

The details of the Group's long-term debt follow:

Parent Company's Philippine Peso Loans

Parent Company ₱5.0 Billion Term Loan with MBTC due in June 2023
On June 14, 2018, the Parent Company borrowed ₱5.0 billion under Term Loan Facility Agreement with MBTC. Interest for 2023 amounted to ₱123.8 million. The loan obtained bears a market interest rate plus a certain spread, payable quarterly. The loan was fully settled in June 2023.

Parent Company ₱10.0 Billion Term Loan with Banco De Oro (BDO) due in June 2023
On June 8, 2018, the Company borrowed ₱10.0 billion under Term Loan Facility Agreement with BDO. The loan bears a a floating interest rate. The original maturity date of the loan was extended to August 8, 2023. The loan was fully settled in August 2023 and was refinanced with a 5-year term loan with the same bank maturing on August 8, 2028. Interest for 2023 amounted to ₱385 million.

Parent Company ₱5.0 Billion Term Loan with MBTC due in July 2024
On July 13, 2017, the Company borrowed ₱5.0 billion under Term Loan Facility Agreement with MBTC with a fixed rate at 4.93% per annum and shall be payable quarterly in arrears. On January 13, 2022, the rate was amended to 3.5% per annum. The loan was fully settled in July 2024 and was refinanced with a 5-year term loan with the same bank maturing on July 12, 2029. Interest for 2024 and 2023 amounted to ₱88 million and ₱167 million, respectively.

Parent Company ₱7.0 Billion Term Loan with BPI due in August 2024
On August 23, 2019, the Parent Company borrowed ₱7.0 billion under Term Loan Facility Agreement with BPI. The loan obtained bears a market interest rate plus a certain spread, payable quarterly. Interest for 2024, 2023 and 2022 amounted to ₱294 million, ₱419 million and ₱174 million, respectively. The loan was fully settled in August 2024 and was refinanced with a 5-year term loan with the same bank maturing on August 27, 2029. Interest for 2024 and 2023 amounted to ₱294 million and ₱419 million, respectively.

Parent Company ₱4.0 Billion Term Loan with BDO due in June 2025
On June 26, 2020, the Parent Company borrowed ₱4.0 billion under Term Loan Facility Agreement with BDO with a fixed rate at 4.00% per annum and shall be payable quarterly in arrears. Interest for 2025 and 2024 amounted to ₱79 million and ₱161 million, respectively. The loan was fully settled in June 2025.

Parent Company ₱5.0 Billion Term Loan with MBTC due in June 2028
On June 14, 2023, the Parent Company borrowed ₱5.0 billion under Term Loan Facility Agreement with MBTC. The loan bears a market-based interest rate plus a certain spread and is payable quarterly. Interest for 2025 and 2024 amounted to ₱300 million and ₱346 million, respectively.

Parent Company ₱10.0 Billion Term Loan with BDO due in August 2028
On August 8, 2023, the Parent Company borrowed ₱10.0 billion under Term Loan facility. The loan bears a floating interest rate. Interest for 2025 and 2024 amounted to ₱578 million and ₱666 million, respectively. The loan was obtained to refinance the ₱10.0 Billion Term Loan with the same bank due in August 2023.

Parent Company ₱4.75 Billion Term Loan with MBTC due in July 2029
On July 12, 2024, the Parent Company borrowed ₱4.75 billion under Term Loan facility Agreement with MBTC. The loan obtained bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 and 2024 amounted to ₱297 million and ₱142 million, respectively. The loan was obtained to refinance the ₱4.75 Billion Term Loan with the same bank due in July 2024.

Parent Company ₱7.0 Billion Term Loan with BPI due in August 2029
On August 27, 2024, the Parent Company borrowed ₱7.0 billion under Term Loan facility Agreement with BPI. The loan obtained bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 and 2024 amounted to ₱432 million and ₱162 million, respectively. The loan was obtained to refinance the ₱7.0 Billion Term Loan with the same bank due in August 2024.

Parent Company ₱9.1 Billion Term Loan with MBTC due in November 2029
On November 29, 2024, the Parent Company borrowed ₱9.1 billion under Term Loan Facility with MBTC. The loan bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 and 2024 amounted ₱523.9 million and ₱50.8 million, respectively.

Parent Company ₱9.0 Billion Term Loan with BDO due in March 2030
On March 6, 2025, the Parent Company borrowed ₱9.0 billion under Term Loan Facility with BDO. The loan bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 amounted ₱448 million.

Parent Company ₱10.8 Billion Term Loan with MBTC due in June 2030
On June 30, 2025, the Parent Company borrowed ₱10.8 billion under Term Loan Facility with MBTC. The loan bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 amounted to ₱322 million.

Parent Company ₱7.5 Billion Term Loan with BDO due in August 2030
On August 14, 2025, the Parent Company borrowed ₱7.5 billion under Term Loan Facility with BDO. The loan bears a market interest rate plus a certain spread, payable quarterly. Interest for 2025 amounted ₱154 million.

Debtor Substitution Agreement
On May 9, 2025, the Parent Company and JGSOC entered into agreements with BDO and BPI for the assignment of JGSOC's outstanding term loans from such banks to the Parent Company.

Details of loans assumed by the Parent Company as of June 30, 2025:

Type of Loan	Maturities	Amounts (in thousands)
Term Loan – BDO	2028	₱9,951,478
Term Loan – BPI	2028	24,872,324
Term Loan – BPI	2029	16,790,290

The transaction was carried out at book value and did not result in any gain or loss. It was approved by the respective Boards of Directors and complies with the Group's related party transactions policy.

Starting June 30, 2025, the loan payable is recognized in the consolidated financial statements under the Parent Company, with no remaining liability recorded under JGSOC.

Subsidiaries' Foreign Currency Loans

JGSHPL 4.125% Senior Unsecured Notes Due 2030

On July 2020, JGSHPL issued US$600.0 million, 4.125% senior unsecured notes due 2030. The notes are unconditionally and irrevocably guaranteed by the Parent Company.. On various dates from March 1, 2022 to September 30, 2022, JGSHPL redeemed notes with a face value of $7.7 million for a total consideration of $7.5 million. The redemption resulted in a gain on bond reacquisition amounting to ₱10.6 million.

CAI JPY Commercial Loans

The following table summarizes the Japanese commercial loans entered into by CAI in various dates in 2019, 2023 and 2024, to finance the purchase of nine (9) A321NEO and two (2) A320NEO aircraft.

Drawdown Date	Aircraft Type	No. of Units	Security Trustees	Maturity Date
January 2019	A321NEO	1	Sampaguita Leasing Co. Ltd.	January 2029
May 2019	A321NEO	1	Dia Boracay Leasing Co. Ltd.	May 2029
October 2019	A321NEO	1	Cebuano Leasing Co. Ltd.	October 2029
November 2019	A321NEO	1	Tarsier Leasing Co. Ltd.	November 2029
July 2023	A321NEO	1	Nalu Leasing Co., Ltd.	July 2033
September 2023	A321NEO	1	Guimaras Leasing Co., Ltd.	September 2033
November 2023	A321NEO	1	Tubbataha Leasing Co., Ltd.	November 2033
Mach 2024	A321NEO	1	Dia Siargao Co. Ltd.	March 2034
December 2025	A321NEO	1	NBB Visayas Lease Co., Ltd.	December 2035
November 2025	A320NEO	1	NBB Luzon Lease Co., Ltd.	November 2035
December 2025	A320NEO	1	NBB Mindanao Lease Co., Ltd.	December 2035

In July, September, and November 2023, CAI entered into Japanese commercial loans for three (3) Airbus A321NEO aircraft. In March 2024, CAI entered into Japanese commercial loan for 1 Airbus A321NEO aircraft. The loan required quarterly installments with maturity not longer than 10 years at variable interest rate based on Compounded JPY TONA plus loan margin.

In November and December 2025, CAI entered into Japanese commercial loans for two (2) Airbus A320NEO aircraft. The loan requires semi-annual installments with maturity not longer than 10 years at variable interest rate based on Compounded JPY TONA plus loan margin.

In December 2025, CAI entered into a Japanese commercial loan for one (1) Airbus A321NEO aircraft. The loan requires semi-annual installments with maturity not longer than 10 years at variable interest rate based on Compounded JPY TONA plus loan margin.

As of December 31, 2025 and 2024, the total outstanding balance of the Japanese yen commercial loans amounted to ₱25.3 billion (¥67.4 billion) and ₱16.2 billion (¥44.2 billion), respectively. Interest expense amounted to ₱222.0 million, ₱166.6 million and ₱37.8 million in 2025, 2024 and 2023, respectively.

CAI USD Commercial Loans from Foreign Banks
The following table summarizes the US Dollar commercial loans entered into by CAI in various dates in 2019 to 2024, to finance the purchase of six (6) A321NEO aircraft.

Drawdown Date	Aircraft Type	No. of Units	Security Trustees	Maturity Date
December 2019 June 2020	Airbus NEO	2	RAMEN Aircraft Leasing Limited	December 2029 June 2030
September to October 2024	Airbus NEO	3	Jin Shan 38 Ireland Company Limited	September 2036 to October 2036
December 2024	Airbus NEO	1	El Nido Leasing1 Co. LTD and El Nido Leasing2 Co. LTD	September 2036

In September to October 2024, CAI entered into a loan agreement to purchase three (3) Airbus NEO. The loan requires quarterly installments with maturity of 12 years at variable interest rate based on US Dollar Secured Overnight Financing Rate (SOFR) plus loan margin.

In December 2024, CAI entered into a loan agreement to purchase one (1) Airbus NEO. The loan requires quarterly installments with maturity of 10 years at variable interest rate based on US Dollar Secured Overnight Financing Rate (SOFR) plus loan margin.

As of December 31, 2025 and 2024, the total outstanding balance of the US Dollar commercial loans amounted to ₱19.9 billion (US$338.3 million) and ₱20.5 billion (US$354.2 million), respectively. Interest expense amounted to ₱1.1 billion, ₱1.4 billion and ₱1.2 billion in 2025, 2024 and 2023, respectively.

CAI SGD Commercial Loans
The following table summarizes the Singapore Dollar commercial loans entered into by CAI in 2025, to finance the purchase of two (2) PW1133G-JM engines.

Drawdown Date	Engine Type	No. of Units	Security Trustees	Maturity Date
November 2025	Pratt and Whitney PW1133G-JM	2	Ryokan Engine Leasing Limited	November 2037

Key terms of the remaining commercial loan facilities follow:

- Term of twelve (12) years.
- Forty-eight (48) equal consecutive principal repayments made on a quarterly basis.
- Interests on loans are variable rates based on compounded Singapore Overnight Rate Average (SORA) plus loan margin.
- Upon default, the outstanding amount of loan plus accrued interest will be payable, and the lenders will foreclose on secured assets, namely the engine.

In November 2025, CAI entered into a loan agreement to purchase two (2) Pratt and Whitney PW1133G-JM engines. The loan requires quarterly installments with maturity of 12 years at variable interest rate based on compounded Singapore Overnight Rate Average (SORA) plus loan margin.

As of December 31, 2025, the total outstanding balance of the SGD Commercial Loans amounted to ₱2.1 billion (SGD46.3 million). Interest expense amounted to ₱8.1 million in 2025.

CAI USD Convertible Bonds Payable
On May 10, 2021, CAI issued at face value US$250.0 million convertible bonds (CB) to the International Finance Corporation (IFC), IFC Emerging Asia Fund LP and Indigo Philippines LLC (collectively known as "the CB Holders") due on May 10, 2027. The bonds bear an interest rate of

4.5% payable semi-annually in arrears on May 10 and November 10 of each year. Net proceeds from issuance of CB in 2021 amounted to ₱11.8 billion.

The CBs have conversion option features which entitle the CB Holders to convert any or all of the outstanding CBs that they hold for CAI's common shares within the conversion period which shall begin 40 days after the issue date of the CB and shall end 20 business days before the maturity date. The price at which the common shares will be issued upon conversion will initially be at ₱38.00 per share, as translated to U.S. Dollars at the fixed exchange rate of USD$1.00 = ₱48.45 and subject to any adjustments from time to time in accordance with the adjustment provisions included in the terms and conditions of the CBs. None of the CB Holders have exercised their conversion option as of December 31, 2025 and 2024. The CBs also have an optional redemption feature which gives the CB Holders the option to require CAI to redeem the CBs upon the occurrence of any of the early redemption and regulatory events as specified in the terms of the CBs.

The CBs were assessed to be a hybrid instrument containing a host financial liability component and embedded derivative components for the equity conversion and redemption options. The embedded derivatives were separated from the CBs and accounted for as a single compound derivative on the issuance date of the CBs.

In subsequent periods, the host financial liability component of CBs was carried at amortized cost using the EIR method. Interest expense recognized from the CBs, which is included under 'Financing costs and other charges' in the consolidated statements of comprehensive income in 2025, 2024 and 2023 amounted to ₱770.7 million, ₱761.5 million and ₱733.5 million, respectively (See Note 35).

The carrying amount as at December 31, 2025 and 2024 of the financial liability component of the CBs are presented below:

	2025		2024	
	In US Dollar	**In Philippine Peso**	In US Dollar	In Philippine Peso
Beginning balance	**US$244,730,577**	**₱14,156,440,222**	US$242,689,465	₱13,437,715,699
Unrealized foreign exchange loss	**–**	**234,052,315**	–	601,772,732
Bond amortization	**2,154,188**	**123,862,771**	2,041,112	116,951,791
Ending balance	**US$246,884,765**	**₱14,514,355,308**	US$244,730,577	₱14,156,440,222

The fair value and changes in fair value of the derivative liabilities at FVPL is nil for both 2025 and 2024.

The fair value of the convertible bond was determined using the Jarrow-Rudd model.

The inputs used for the calculation of fair value of convertible bonds as of specific valuation date are as follows:

	2025	2024
Stock price	**₱32.00**	₱28.25
Risk free rate	**3.41%**	4.25%
Conversion price	**₱38.00**	₱38.00
Term	**5.9 years**	5.9 years
Volatility	**30.64%**	26.24%

Subsidiaries' Philippine Peso Loans

RLC ₱1.4 Billion Term Loan due in February 2025

On February 23, 2015, RLC issued ₱1.4 billion bonds constituting direct, unconditional, unsubordinated, and unsecured obligation obligations of RLC and shall at all times rank *pari-passu* and without preference among themselves and among any present and future unsubordinated and unsecured obligations of RLC, except for any statutory preference or priority established under Philippine law. The net proceeds of the issue shall be used by RLC to refinance existing debt obligations and to partially fund investment capital expenditures. The loan was fully settled in February 2025.

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on February 23 and August 23 of each year at which the bonds are outstanding. Interest rate is 4.93% per annum.

RLC ₱6.0 Billion Term Loan due June 2025

On June 30, 2020, RLC borrowed ₱6.0 billion under Term Loan Facility Agreements with BDO Unibank, Inc. The loan was released on June 30, 2020 which bears interest rate at 4.75% computed per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed. On November 26, 2021, the interest rate was reduced to a fixed rate of 4.00% per annum for the remaining term of the loan. The loan was fully settled in June 2025.

RLC Five-Year "Series D Bonds" maturing on July 17, 2025

On July 17, 2020, RLC issued its "Series D Bonds" amounting to ₱427 million constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of RLC and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of RLC, other than obligations preferred by law. The net proceeds of the issue shall be used by the RLC to fund general corporate purposes including, but not limited to, working capital. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid semi-annually in arrears on January 17 and July 17 of each year at which the bonds are outstanding.

The Five-year "Series D Bonds" matured and was fully paid on July 17, 2025.

RLC Three-year "Series E Bonds" maturing on August 26, 2025 and Five-Year "Series F Bonds" maturing on August 26, 2027

On August 26, 2022, RLC issued its "Series E Bonds" amounting to ₱6.0 billion and "Series F Bonds" amounting to ₱9.0 billion constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of RLC and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of RLC, other than obligations preferred by law. The net proceeds of the issue shall be used by RLC to: (i) partially fund the capital expenditure budget for project development and land acquisition for calendar years 2022 and 2023 and to partially repay maturing debt obligations; and (ii) for general corporate purposes including, but not limited to, working capital. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid quarterly in arrears on February 26, May 26, August 26 and November 26 of each year at which the bonds are outstanding.

The Three-year "Series E Bonds" matured and was fully paid on August 26, 2025.

RLC Three-year "Series G Bonds" maturing on June 30, 2026 and Five-Year "Series H Bonds" maturing on June 30, 2028
On June 30, 2023, RLC issued its "Series G Bonds" amounting to ₱6.0 billion and "Series H Bonds" amounting to ₱9.0 billion constituting direct, unconditional, unsecured and unsubordinated peso-denominated obligations of RLC and shall at all times rank *pari passu* and ratably without any preference or priority amongst themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of RLC, other than obligations preferred by law. The net proceeds of the issue shall be used by RLC to: (i) to fully repay maturing debt obligations; (ii) to partially fund the capital expenditure budget for project development for calendar years 2023 to 2025; and (iii) for general corporate purposes. The bonds have been rated PRS Aaa by Philippine Rating Services Corporation (PhilRatings).

Interest on the bonds shall be calculated on a 30/360-day count basis and shall be paid quarterly in arrears on March 30, June 30, September 30 and December 30 of each year at which the bonds are outstanding.

RLC ₱4.5 Billion Term Loan due February 2027
On February 10, 2017, RLC borrowed ₱4.5 billion under Term Loan Facility Agreements with Bank of the Philippine Islands. The loan was released on February 10, 2017 amounting to ₱4.5 billion with interest rate at 4.95% per annum and shall be payable quarterly, computed on the basis of a year of 365 calendar days for the actual number of days elapsed. Partial payment for this loan amounting to ₱5 million was made on February 13, 2024 and 2023. On November 11, 2021, the interest rate was reduced to a fixed rate of 4.00% per annum until repricing date. On repricing date or on November 13, 2025, the interest rate will revert to 4.95% per annum until maturity date.

RLC ₱4.9 Billion Term Loan due August 2028
On August 10, 2023, the Group borrowed unsecured ₱4.9 billion under Term Loan Facility Agreements with Bank of the Philippine Islands. Interest on the loan shall be calculated on a 365-day year and based on the actual number of days elapsed, which shall be paid monthly in arrears.

RLC ₱6.3 Billion Term Loan due March 2029
On March 15, 2024 the Group borrowed unsecured ₱6,300 million under Term Loan Facility Agreements with Metropolitan Bank and Trust Company. Interest on the loan shall be calculated on a 365-day year and based on the actual number of days elapsed, which shall be paid quarterly in arrears.

JGSOC Philippine Peso Term Loan
These are clean loans obtained in 2020, 2023 and 2024 to finance the JGSOC's expansion projects and are payable in lump sum after five years. Interest expense for 2025, 2024 and 2023 amounted to ₱1.3 billion, ₱2.6 billion and ₱613 million, respectively. As of December 31, 2025, JGSOC settled certain loan obligations and entered into a debtor substitution agreement with its parent company, JGSHI, for the transfer of its remaining term loans totaling ₱51.9 billion, with maturities in 2028 and 2029.

CAI Philippine Peso Term Loans
In 2020, CAI entered into an unsecured, Philippine peso-denominated loan amounting to ₱4.0 billion with Security Bank Corporation due in 2023. The loan was obtained to support the working capital requirements of CAI. CAI was required to maintain certain financial ratio until termination of loans. In 2022, CAI obtained a waiver from the bank in relation to debt service coverage ratio requirement. The outstanding balance as at December 31, 2022 was reclassified to current in the 2022, and as at December 31, 2023, the loan has been paid in full.

As of December 31, 2025 and 2024, the total outstanding Philippine Peso term loan amounted to nil. Interest expense incurred from this loan amounted to nil in 2025 and 2024, and ₱10.7 million in 2023.

CAI Peso Commercial Loans
The following table summarizes the Philippine peso commercial loans entered into by CAI on various dates in 2016 to 2024, to finance the purchase of ten (10) ATR 72-600 and two (2) Pratt and Whitney engines:

Drawdown Date	Aircraft Type	No. of Units	Maturity Date
October and November 2016 February and March 2017	ATR 72-600	4	October and November 2026 February and March 2027
May, July, October and December 2017	ATR 72-600	4	May, July, October and December 2027
February and May 2018	ATR 72-600	2	February and May 2028
August and September 2024	Engine /Pratt & Whitney PW1100G-JM	2	September 2034

Key terms of the commercial loan facilities follow:

- Term of ten (10) years starting from the delivery dates of each aircraft.
- Twenty-eight (28) to forty (40) equal consecutive principal repayments made on a quarterly basis.
- Interests on loans are variable rates based on Philippines Bloomberg Valuation (PH BVAL).
- Upon default, the outstanding amount of loan plus accrued interest will be payable, and the lenders will foreclose on secured assets, namely the aircraft.

In August and September 2024, CAI entered into Philippine Peso commercial loans for two (2) Pratt & Whitney engines. The loan requires quarterly installments with maturity not longer than ten (10) years at variable interest rate based on PHP BVAL plus loan margin.

As of December 31, 2025 and 2024, the total outstanding Philippine Peso commercial loans amounted to ₱4.3 billion and ₱6.1 billion, respectively. Interest expense incurred from these loans amounted to ₱356.8 million, ₱453.1 million and ₱854.2 million in 2025, 2024 and 2023, respectively.

The commercial loans of CAI are secured by the related aircraft and engines (See Note 16). CAI is required to comply with affirmative and negative covenants until termination of loans. As of December 31, 2025 and 2024, CAI is not in breach of any loan covenants.

In 2025, 2024 and 2023, the Group recognized total interest expense on long-term debt amounted to ₱9.9 billion, ₱5.9 billion and ₱7.3 billion, respectively (see Note 35).

In 2025, 2024 and 2024, the Group recognized amortization of bond issue costs amounting to ₱141 million, ₱58.7 million and ₱75.8 million, respectively (see Note 35).

Debt Covenants
Certain loan agreements contain provisions which, among others, require the maintenance of specified financial ratios at certain levels and impose negative covenants which, among others, prohibit a merger or consolidation with other entities, dissolution, liquidation or winding-up, except with any of its subsidiaries; and prohibit the purchase or redemption of any issued shares or reduction of registered and paid-up capital or distribution of assets resulting in capital base impairment.

For the Parent Company's term loan facilities of ₱50.0 billion due 2028, ₱38.0 billion due 2029, and ₱27.1 billion due 2030, the Group is required to maintain a financial ratio of Group's total borrowings to Group's shareholders' equity not exceeding 2.0:1.0.

For JGSPL's US$600.0 million Senior Unsecured Notes due in 2030, the guarantor shall procure that the ratio of Consolidated Total Borrowings to Consolidated Shareholders' Equity does not at any time exceed 2:1.

For CAI's Philippine commercial loans are secured by the related aircraft and engines. CAI is required to comply with affirmative and negative covenants until termination of loans. As of December 31, 2025 and 2024, CAI is not in breach of any loan covenants.

For RLC's ₱4.5 billion term loan due 2027, ₱4.9 billion term loan due 2028, ₱6.3 billion term loan due 2029, Series F Bonds due 2027, Series G Bonds due 2026 and Series H Bonds due 2028, RLC is required to maintain a debt-to-equity ratio not exceeding 2:1 as referenced from its consolidated financial statement as of December 31, 2025 and 2024. These loans were not guaranteed by the Parent Company. RLC has complied with the debt covenant as of December 31, 2025 and December 31, 2024.

The Group has complied with all of its debt covenants as of December 31, 2025 and 2024.

24. Other Noncurrent Liabilities

This account consists of:

	2025	2024
Deposit from lessees - net of current portion	**₱6,311,040,674**	₱5,821,810,697
HMV	**3,501,258,241**	2,053,233,815
Pension liabilities (Note 37)	**3,089,507,927**	3,371,593,138
ARO	**2,379,969,543**	3,166,158,868
Member redemption liabilities	**1,187,361,677**	948,730,278
Retention payable	**570,677,222**	534,721,740
Advances for marketing and promotional fund	**468,130,865**	507,435,935
Contract liabilities - net of current portion (Note 22)	**461,352,731**	402,008,200
Others	**543,071,117**	412,807,092
	₱18,512,369,997	₱17,218,499,763

Deposits from Lessees

Deposits from lessees (including the current portion shown in Note 22) represent cash received from tenants representing three to six months' rent which shall be refunded to tenants at the end of the lease term. These are initially recorded at fair value, which is obtained by discounting its future cash flows using the applicable rates of similar types of instruments. The accretion expense on these deposits recorded as part of cost of rental services on the discount amounted to ₱174.0 million, ₱160.0 million and ₱90.0 million in 2025, 2024 and 2023, respectively (Note 30).

The unearned rental income (included under 'Deposit from lessees') amounted to ₱1.8 billion and ₱1.5 billion as of December 31, 2025 and 2024, respectively. The rental income on amortization of unearned rental income amounted to ₱197.0 million, ₱194.0 million and ₱109.0 million in 2025, 2024 and 2023, respectively.

HMV

CAI is contractually required under various lease contracts to undertake the maintenance and overhaul of certain leased aircraft throughout the contract period. Major maintenance events are required to be performed on a regular basis based on historical or industry experience and manufacturer's advise. Estimated costs of major maintenance events are accrued and charged to profit or loss over the estimated period between overhauls as the leased aircraft is utilized.

The rollforward analysis of the CAI's HMV follow:

	2025	2024
Balance at beginning of year	**₱2,053,233,815**	₱2,000,998,239
Provision for HMV	**7,767,022,677**	2,380,815,884
Applications and other movements	**(6,318,998,251)**	(2,328,580,308)
Balance at end of year	**₱3,501,258,241**	₱2,053,233,815

In 2025, 2024 and 2023, HMV expenses included as part of repairs and maintenance under 'Cost of sales' amounted to ₱7.8 billion, ₱2.4 billion and ₱0.2 billion, respectively (Note 30).

ARO

CAI is contractually required under various lease contracts to restore certain leased aircraft to its original condition at its own cost or to bear a proportionate cost of restoration at the end of the contract period. These costs are accrued based on estimates made by CAI's engineers, which include estimates of future aircraft utilization and certain redelivery costs at the end of the lease period. (see Note 3).

The rollforward analysis of the Group's ARO follows:

	2025	2024
Balance at beginning of year	**₱3,166,158,868**	₱3,774,523,251
Provision for ARO	**1,282,255,346**	2,815,350,470
Applications and other movements	**(2,068,444,671)**	(3,423,714,853)
Balance at end of year	**₱2,379,969,543**	₱3,166,158,868

In 2025, 2024 and 2023, ARO expenses included as part of repairs and maintenance under 'Cost of sales' amounted to ₱1.3 billion, ₱2.8 billion and ₱1.1 billion, respectively (Note 30).

Member Redemption Liabilities

This account pertains to the outstanding points issued to Go Reward members until redeemed to its Go Rewards partner merchant stores. Go Rewards is the the integrated loyalty program of the Group owned and managed by DAVI.

Retention Payable

Retention payable pertains to payment withheld from contractors which represents as guaranty for any claims for defects in projects requiring rework. These are released after the guarantee period.

These are noninterest-bearing and will be remitted to contractors at the end of the contracted work.

Advances for Marketing and Promotional Fund

Advances for marketing and promotional fund represent advances from tenants for sales promotions and marketing programs. These are tenant's share in the costs of advertising and promotional activities which the Group considers appropriate to promote the business in the mall complex.



Others
Others consist of accrued interest on the equity portion of long-term borrowings payable at maturity.

25. Equity

Details of the Parent Company's authorized capital stock as of December 31, 2025 and 2024 follow:

	Par Value	Shares	Amount
Common shares	₱1.00	12,850,800,000	₱12,850,800,000
Preferred voting shares	0.01	204,000,000,000	2,040,000,000
		216,850,800,000	₱14,890,800,000

The paid-up capital of the Group consists of the following:

	2025	2024
Capital stock:		
Common shares - ₱1 par value	**₱7,520,983,658**	₱7,520,983,658
Preferred voting shares - ₱0.01 par value	**42,000,000**	42,000,000
	7,562,983,658	7,562,983,658
Additional paid-in capital	**45,079,591,783**	45,163,833,993
Total paid-up capital	**₱52,642,575,441**	₱52,726,817,651

Preferred Voting Shares
The preferred voting shares have, among others, the following rights, privileges and preferences:

a. Entitled to vote on all matters involving the affairs of the Parent Company requiring the approval of the stockholders. Each share shall have the same voting rights as a common share.
b. The shares shall be non-redeemable.
c. Entitled to dividends at the rate of 1/100 of common shares, such dividends shall be payable out of the surplus profits of the Parent Company so long as such shares are outstanding.
d. In the event of liquidation, dissolution, receivership or winding up of affairs of the Parent Company, holders shall be entitled to be paid in full at par, or ratably, in so far as the assets of the Parent Company will permit, for each share held before any distribution is made to holders of the common shares.

Record of Registration of Securities with the SEC
Summarized below is the Parent Company's track record of registration of securities under the Securities Regulation Code.

Date of offering	Type of offering	No. of shares offered	Par value	Offer price	Authorized number of shares	Issued and outstanding shares
June 30, 1993	Registration of authorized capital stock	–	₱1.00	₱–	12,850,800,000 common shares and 2,000,000,000 preferred non-voting shares	–
June 30, 1993	Initial public offering (IPO)	1,428,175,000 common shares	1.00	4.40	–	1,428,175,000 common shares
June 30, 1994	Conversion of convertible bonds into common shares	428,175,000 common shares	1.00	13.75	–	3,725,457 common shares
July 3, 1998	Stock rights offering (1:2)	2,060,921,728 common shares	1.00	2.00	–	2,060,921,728 common shares

The table below provides information regarding the number of stockholders of the Parent Company as of December 31, 2025, 2024 and 2023:

	2025	2024	2023
Common shares	**977**	979	986
Preferred voting shares	**1**	1	1

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to these ratios in light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital structure or issue capital securities. The Board reviews on an annual basis the Company's capital and debt structure in line with its strategic goals and risk appetite. No changes have been made in the objective, policies and processes as they have been applied in previous years.

The Group monitors its use of capital structure using a debt-to-capital ratio which is gross debt divided by total capital. The Group includes within gross debt all interest-bearing loans and borrowings and derivative liabilities, while capital represents total equity.

The Group's computation of debt-to-capital ratio follows:

		2025	2024
(a)	Gross debt		
	Short-term debts (Note 23)	**₱42,733,816,311**	₱66,240,571,233
	Current portion of long-term debts (Note 23)	**10,500,477,824**	34,640,620,677
	Long-term debts - net of current portion (Note 23)	**244,084,323,520**	213,664,287,235
		₱297,318,617,655	₱314,545,479,145
(b)	Capital	**₱404,621,720,203**	₱474,134,633,796
(c)	Debt-to-capital ratio (a/b)	**0.73:1**	0.66:1

The Group's policy is to ensure that the debt-to-capital ratio would not exceed the 2.0:1.0 level.

Retained Earnings

As of December 31, 2025 and 2024, the Group has a total retained earnings of ₱187.7 billion and ₱279.3 billion, respectively. Out of this amount, ₱101.2 billion was restricted as of December 31, 2024, while there were no restricted retained earnings as of December 31, 2025. The determination of retained earnings available for dividend declaration is assessed at the Parent Company level.

The details of the Group's restricted retained earnings follow:

Parent Company

As of December 31, 2024, the ₱101.2 billion restricted retained earnings of the Parent Company are earmarked for the following: (a) settlement of a certain subsidiary's loan obligations guaranteed by the Parent Company (Note 23); (b) settlement of Parent Company loan obligations; and (c) general corporate purposes.

On July 30, 2025, the BOD of the Parent Company approved the appropriation of retained earnings of the Corporation amounting to ₱11.0 billion.

On December 10, 2025, the Board of Directors approved the reversal of appropriated retained earnings amounting to ₱112.2 billion. The reversal was approved following the transfer of the subsidiary loan obligations to the Parent Company and the determination by the Board of Directors that the other purposes of the appropriation, including those relating to Parent Company loan obligations and general corporate purposes, no longer required specific earmarking. Accordingly, the reversed amount was reclassified to unappropriated retained earnings. As of December 31, 2025, there were no appropriated retained earnings.

RLC
As the related projects to which the retained earnings were earmarked were completed already, on December 1, 2025, the BOD approved the reversal of the retained earnings it appropriated in 2024 amounting to ₱22.0 billion. The amount was originally earmarked for the continuing capital expenditures of the Group for subdivision land, condominium and residential units for sale, investment properties and property and equipment.

On the same date, the BOD approved the appropriation of ₱45.0 billion out of the unappropriated retained earnings, to support the capital expenditure requirements of the Group for various projects. These projects and acquisitions are expected to be completed on various dates from 2026 to 2029.

As the related projects to which the retained earnings were earmarked were completed already, on December 2, 2024, the BOD approved the reversal of the retained earnings it appropriated in 2023 amounting to ₱22.0 billion. The amount was originally earmarked for the continuing capital expenditures of RLC for subdivision land, condominium and residential units for sale, investment properties and property and equipment.

On the same date, the BOD approved the appropriation of ₱22.0 billion out of the unappropriated retained earnings, to support the capital expenditure requirements of the Group for various projects. These projects and acquisitions are expected to be completed on various dates from 2025 to 2028.

CAI
As of December 31, 2025, 2024 and 2023, CAI has no appropriated retained earnings.

Accumulated equity in net earnings of the subsidiaries and associates
A portion of the Group's retained earnings corresponding to the net earnings of the subsidiaries and accumulated equity in net earnings of the associates and joint ventures amounting to ₱169.0 billion, ₱100.9 billion and ₱92.9billion as of December 31, 2025, 2024 and 2023, respectively, is not available for dividend declaration. The accumulated equity in net earnings becomes available for dividends upon receipt of cash dividends from the investees.

Cash Dividends
Parent Company
Details of the Parent Company's dividend declarations on its common stock follow:

	2025	2024	2023
Date of declaration	**May 14, 2025**	May 8, 2024	May 8, 2023
Dividend per share	**₱0.42**	₱0.42	₱0.40
Total dividends	**₱3.2 billion**	₱3.2 billion	₱3.0 billion
Date of record	**May 30, 2025**	May 23, 2024	May 23, 2023
Date of payment	**June 11, 2025**	June 5, 2024	June 14, 2023

Details of the Parent Company's dividend declarations on its preferred stock follow:

	2025	2024	2023
Date of declaration	**May 14, 2025**	May 8, 2024	May 8, 2023
Dividend per share	**₱0.0042**	₱0.0042	₱0.0040
Total dividends	**₱16.8 million**	₱16.8 million	₱16.0 million
Date of record	**May 30, 2025**	May 23, 2024	May 23, 2023
Date of payment	**June 11, 2025**	June 5, 2024	June 14, 2023

The following tables summarize the dividends declared by significant subsidiaries of the Parent Company:

URC
Details of URC's dividend declarations follow:

	2025	2024	2023
Date of declaration	**March 14 and August 7, 2025**	March 14 and August 2, 2024	March 6, 2023 and August 4, 2023
Dividend per share – regular	**₱2.00 and ₱2.20**	₱1.90	₱1.50 and ₱2.12
Total dividends – regular	**₱9.0 billion**	₱8.2 billion	₱7.9 billion
Date of record	**April 11 and September 5, 2025**	April 12 and August 30, 2024	March 31 and September 1, 2023
Date of payment	**May 9 and October 1, 2025**	May 9 and September 25, 2024	April 28 and September 27,2023

RLC
Details of RLC's dividend declarations follow:

	2025	2024	2023
Date of declaration	**May 5, 2025**	May 3, 2024	April 21, 2023
Dividend per share	**₱0.75**	₱0.65	₱0.52
Total dividends	**₱3.6 billion**	₱3.1 billion	₱2.5 billion
Date of record	**June 5, 2025**	May 31, 2024	May 31, 2023
Date of payment	**June 30, 2025**	June 21, 2024	June 21, 2023

CAI
On August 7, 2025, CAI's BOD approved the declaration of cash dividends on its convertible preferred shares (CEBCP) amounting to ₱9.12 per share, or a total of ₱2,816,988,345, payable on October 1, 2025. These dividends represent four (4) years of cumulative preferred dividends for outstanding CEBCP shares, covering the period from issuance on March 29, 2021. The dividends were sourced from CAI's unrestricted retained earnings as of June 30, 2025. No dividends were declared in 2024 and 2023.

Equity Reserve

URC
- On July 30, 2021, the BOD of URC approved the creation and implementation of a share buyback program involving up to ₱3.0 billion worth of URC's common shares. The BOD of URC approved the extension of the share buyback program for an additional amount of ₱5.0 billion on July 29, 2022. In 2022, URC acquired a total of 22,475,760 common shares for a total consideration of ₱2.6 billion. In 2023, URC acquired a total of 1,084,650 common shares for a total consideration of ₱124.8 million. In 2024, URC acquired a total of 28,226,150 common shares for a total consideration of ₱2.7 billion. In 2025, URC acquired a total of 11,409,730 common shares for a

total consideration of ₱779 million. As a result of various share buy-back transactions during the period, the Parent Company's ownership over URC changed from 56.66% as of December 31, 2024 to 56.97% as of December 31, 2025, with impact on the Group's Equity Reserve amounting to (₱101 million).

- In October 2023, UABCL acquired 2,000,000 common shares of URC Malaysia from a non controlling interest for ₱434.5 thousand. The acquisition of shares represented 4.09% interest in URC Malaysia. The Group charged equity reserve from the acquisition amounting to about ₱8.7 million presented under 'Equity reserve' in the consolidated statements of financial position.

- In June 2025, Shanghai Peggy acquired additional 10% equity interest in Guangzhou Peggy Foods Co., Ltd. for ₱45.1 million (RMB 5,739,280). The acquisition of additional shares resulted to an increase of the equity interest of URC from 90.0% to 100.0%. URC charged equity reserve from the acquisition amounting to about ₱175.7 million presented under 'Equity reserve' in the consolidated statements of financial position.

  The impact on the Group's Equity Reserve related to URC's above transaction amounted to ₱100 million.

RLC

- On March 20, 2023, RLC's BOD approved the further extension of the sharebuyback program by Three Bilion Pesos (₱3,000,000,000) worth of RLC's common shares bringing the total buy-back program to Nine Billion Pesos (₱9,000,000,000). In 2023, RLC acquired a total 214,699,599 common shares for a total consideration of ₱3.2 billion. In 2024, RLC acquired a total 10 769,999 common shares for a total consideration of ₱138.7 million. In 2025, RLC acquired a total of 23,266,200 common shares for a total consideration of ₱301 million. As a result of various share buy-back transactions during the period, the Parent Company's ownership over RLC changed from 65.59% as of December 31, 2024 to 65.91% as of December 31, 2025, with impact on the Group's Equity Reserves amounting to ₱301 million.

- On April 5, 2024, RLC sold a total of 1,725,995,000 RCR shares at a transaction price of ₱4.92 per share. Total proceeds, net of transaction costs, amounted to ₱8.2 billion. As a result of the sale, the equity interest of RLC over RCR changed from 66.14% to 50.05%.

  Further, on July 16, 2024, RLC entered into the third property-for-share swap transaction with RCR through the execution of a Deed of Assignment for the infusion of thirteen (13) commercial assets with a value of ₱33.9 billion, in exchange for 4,987,641,178 primary common shares of RCR. This resulted to increase of RLC's interest in RCR from 50.05% to 65.90%. Lastly, on October 18, 2024, RLC has completed the overnight block placement of its shares in RCR. RLC sold a total of 318,902,800 common shares of RCR at a transaction price of ₱5.86 per share equivalent to ₱1.8 billion, net of transaction costs. As a result of the sale, the equity interest of RLC over RCR changed from 65.90% to 63.87%.

  The impact on the Group's Equity Reserve related to RLC's sale of equity interest in RCR and transfer of assets to RCR during the year amounted to ₱6.5 billion.

- On April 3, 2025, RLC sold a total of 1,043,404,900 RCR shares at a transaction price of ₱5.95 per share. Total proceeds, net of transaction costs, amounted to ₱6.0 billion. As a result of the sale, the equity interest of RLC over RCR changed from 63.87% to 57.23%.

On August 13, 2025, RLC entered into a fourth property-for-share swap transaction with RCR through the execution of a Deed of Assignment for the infusion of nine (9) commercial assets with a total appraised value of ₱30.7 billion in exchange for 3,834,357,500 primary common shares of RCR at a price of ₱8.00 per share. This resulted to an increase of the Parent Company's interest in RCR to 65.62%. As the property-for-share swap involved an entity that is under control, the equity reserve amounted to ₱130 million.

Lastly, on September 22, 2025, the Parent Company completed the overnight block placement of its 1,000,000,000 common shares in RCR at a transaction price of ₱7.75 per share. Total proceeds, net of transaction costs, amounted to ₱7.7 billion. With this placement, RLC's ownership in RCR decreased to 60.51%. The related equity reserve amounted to ₱6.7 million.

The impact on the Group's Equity Reserve related to RLC's sales of equity interest in RCR and transfer of assets to RCR during the year amounted to ₱7.7 billion.

CAI

- On March 3, 2021, CAI announced the start of its stock rights offer (SRO) for sale or subscription of its cumulative, non-voting, non-participating Convertible Preferred Shares (CPS) with a par value of 1.00 per share at an offer price of 38.00 per entitlement right. The SRO was completed and closed on March 9, 2021 with a total of 328,947,368 shares issued. The CPS were successfully listed with PSE last March 29, 2021. For the years ended December 31, 2024 and 2023, 4,572,756 and 4,351,156 CPS have been converted to common shares with 1.00 par value at the conversion price of 38.00 per share, respectively.

  On February 28, 2011, the BOD of CAI approved the creation and implementation of a share buyback program (SBP) up to ₱2.0 billion worth of CAI common stock. The SBP shall commence upon approval and shall end upon utilization of the said amount, or as may be otherwise determined by the BOD. This was resumed in August 2018. As of December 31,2023, CAI had 12,919, 850 shares held in treasury with a cost of ₱950.9 million. On November 13, 2024, the BOD of CAI has approved a new allotment of ₱2.0 billion for an amended SBP. The SBP will apply to both common shares and convertible preferred shares of the Parent Company, with no fixed allocation for each class of shares. In 2024, CAI acquired a total 166,800 common shares for a total consideration of ₱4.8 million. In 2025, CAI acquired a total of 12,013,180 common shares for a total consideration of ₱430 million. As a result of various share buy-back transactions during the period, the Parent Company's ownership over CAI changed from 65.26% as of December 31, 2024 to 65.51% as of December 31, 2025, with impact on the Group's Equity Reserves amounting to (₱127.9 million).



Non-controlling Interests

Below is the rollforward of non-controlling interests:

	2025	2024	2023
Beginning balance	**₱109,693,469,772**	₱109,175,435,324	₱107,432,694,405
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	–	141,272,931	–
Beginning balance, as restated	**109,693,469,772**	109,316,708,255	107,432,694,405
Total comprehensive income:			
Net income attributable to non-controlling interests	**16,504,904,519**	13,826,875,681	14,082,194,137
Other comprehensive income attributable to non-controlling interests:			
Cumulative translation adjustments	**1,502,481,550**	472,221,611	(559,254,011)
Net unrealized gains on financial assets at FVOCI (Note 10)	**18,261,774**	206,379,310	68,281,950
Remeasurements due to defined benefit liability	**206,037,027**	136,865,086	(279,004,302)
Loss on cashflow hedge	**(19,492,971)**	(22,197,993)	(64,081,526)
	18,212,191,899	14,620,143,695	13,248,136,248
Cash dividends paid to non-controlling interests	**(9,231,937,129)**	(7,018,748,584)	(6,748,756,616)
Sale of equity interest and transfer of assets to a subsidiary (by a subsidiary)	**7,006,240,521**	3,170,798,722	–
Increase in subsidiaries' treasury shares	**(1,589,578,480)**	(2,293,414,684)	(4,843,685,471)
Acquisition of non-controlling interest by a subsidiary	**(57,416,439)**	–	9,361,702
Change in non-controlling interest without loss of control	**(12,704,796)**	(39,505,001)	64,498,996
Subsidiary's share-based payments	**(5,386,764)**	(89,397,088)	13,186,060
Derecognition of disposal group held for sale	–	(7,773,660,501)	–
Change in non-controlling interest due to loss of control	–	(206,205,042)	–
Acquisition of new subsidiary by a subsidiary	–	6,750,000	–
	₱124,014,878,584	₱109,693,469,772	₱109,175,435,324

26. Revenue

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenues for the years ended December 31, 2025, 2024 and 2023:

	December 31, 2025			
	Goods and services transferred at a point in time	Services transferred over time	Revenues outside the scope of PFRS 15	Total
Sale of goods and services:				
Foods	**₱168,009,175,443**	**₱–**	**₱–**	**₱168,009,175,443**
Air transportation	**119,927,510,211**	**–**	**–**	**119,927,510,211**
Real estate and hotels	**8,271,079,143**	**5,445,398,781**	**33,227,461,936**	**46,943,939,860**
Equity in net earnings of associates and joint ventures (Note 14)	**–**	**–**	**17,608,156,626**	**17,608,156,626**
Dividend income (Note 28)	**–**	**–**	**3,467,588,770**	**3,467,588,770**
Supplementary businesses	**12,537,323,035**	**–**	**38,394,831**	**12,575,717,866**
	₱308,745,087,832	**₱5,445,398,781**	**₱54,341,602,163**	**₱368,532,088,776**

	December 31, 2024 (As restated – Note 44)			
	Goods and services transferred at a point in time	Services transferred over time	Revenues outside the scope of PFRS 15	Total
Sale of goods and services:				
Foods	₱161,867,243,890	₱–	₱–	₱161,867,243,890
Air transportation	104,908,632,355	–	–	104,908,632,355
Real estate and hotels	8,192,368,571	5,398,720,803	26,487,821,352	40,078,910,726
Equity in net earnings of associates and joint ventures (Note 14)	–	–	16,734,723,955	16,734,723,955
Dividend income (Note 28)	–	–	3,375,657,395	3,375,657,395
Supplementary businesses	10,011,099,673	–	39,959,080	10,051,058,753
	₱284,979,344,489	₱5,398,720,803	₱46,638,161,782	₱337,016,227,074

	December 31, 2023 (As restated - Note 44)			
	Goods and services transferred at a point in time	Services transferred over time	Revenues outside the scope of PFRS 15	Total
Sale of goods and services:				
Foods	₱157,752,179,737	₱–	₱–	₱157,752,179,737
Air transportation	90,602,558,755	–	–	90,602,558,755
Real estate and hotels	6,455,992,220	8,728,656,362	23,849,015,424	39,033,664,006
Equity in net earnings of associates and joint ventures (Note 14)	–	–	14,188,911,859	14,188,911,859
Dividend income (Note 28)	–	–	2,870,379,211	2,870,379,211
Supplementary businesses	7,519,152,094	–	12,580,419	7,531,732,513
	₱262,329,882,806	₱8,728,656,362	₱40,920,886,913	₱311,979,426,081

27. Finance Income

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Interest income from:			
Cash and cash equivalents (Note 7)	**₱1,572,449,966**	₱1,511,016,939	₱1,388,487,777
Financial assets at FVOCI (Note 10)	**295,665,763**	296,870,179	554,328,108
	₱1,868,115,729	₱1,807,887,118	₱1,942,815,885

28. Dividend Income

As a holding company, the Parent Company receives dividends from its strategic investments in companies that are neither consolidated nor equity-accounted in the group accounts. This account includes dividends received from PLDT amounting to ₱2.3 billion, ₱2.3 billion and ₱2.6 billion in 2025, 2024 and 2023, respectively. Total dividends received from BPI amounting to ₱821 million and ₱746 million in 2025 and 2024, respectively. Investments in PLDT and BPI are presented under financial assets at FVOCI.

Total dividend income received by the Group amounted to ₱3.5 billion, ₱3.4 billion and ₱2.9 billion in 2025, 2024 and 2023, respectively.

29. Other Income (Losses)

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Gain on sale and exchange of aircraft and FOC engines (Notes 16 and 42)	**₱7,840,016,053**	₱2,088,489,164	₱1,192,144,596
Gain on remeasurement of existing interest in joint venture (Note 19)	**230,401,406**	–	–
Realized gain (loss) on sale of financial assets at FVOCI (Note 10)	**16,459,700**	2,631,954	(17,039,140)
Gain on a merger (Note 44)	**–**	7,933,063,801	–
Gain on insurance claims	**–**	307,201,845	154,552,574
Gain on sale of investments (Note 14)	**–**	31,712,114	–
Gain on bond reacquisition (Note 23)	**–**	–	16,591,820
Others (Notes 16)	**(307,686,428)**	68,741,277	(94,158,325)
	₱7,779,190,731	₱10,431,840,155	₱1,252,091,525

Gain on Insurance Claims
In 2024 and 2023, RLC recorded ₱170.1 million and ₱136.7 million of gain pertaining to insurance claims for losses related to its damaged investment properties.

In 2024 and 2023, CAI received ₱137.1 million and ₱17.9 million, respectively, pertaining to insurance proceeds claimed for damages sustained by various aircraft from incidents and loss events.

No gains from insurance claims were recognized in 2025.

Gain on Sale of Investments
In 2024, JGDCPL recognized gain on the sale of its shares amounted to ₱31.7 million.

Others
This include gain (loss) on sale of property, plant and equipment and restructuring provisions.

30. Cost of Sales and Services

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Raw materials used	**₱100,334,319,192**	₱ 89,576,284,384	₱ 99,446,546,643
Direct labor	**6,052,820,604**	5,486,625,950	5,101,891,098
Overhead cost	**27,289,598,826**	24,625,965,192	26,766,530,636
Total manufacturing cost	**133,676,738,622**	119,688,875,526	131,314,968,377
Work-in-process	**388,818,220**	(76,070,989)	182,157,561
Cost of goods manufactured	**134,065,556,842**	119,612,804,537	131,497,125,938
Finished goods	**499,302,930**	6,291,076,155	(10,328,433,662)
Cost of manufacturing sales	**134,564,859,772**	125,903,880,692	121,168,692,276
Cost of real estate sales (Note 12)	**5,190,101,322**	3,172,040,645	4,751,380,786
Cost of sales	**139,754,961,094**	129,075,921,337	125,920,073,062
Cost of services	**114,527,659,434**	101,958,672,234	87,872,359,950
Cost of sales and services	**₱254,282,620,528**	₱231,034,593,571	₱213,792,433,012

Overhead cost consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Utilities and fuel	**₱10,370,607,151**	₱9,559,773,180	₱10,464,592,248
Depreciation and amortization (Note 33)	**5,099,060,020**	4,180,709,054	5,501,995,584
Repairs and maintenance	**3,782,799,832**	3,730,908,354	3,998,475,990
Personnel (Note 32)	**3,711,677,108**	3,496,289,718	3,277,467,796
Taxes, licenses and fees	**1,960,361,093**	1,531,909,481	1,479,959,498
Security and other contracted services	**1,132,926,922**	1,029,964,090	1,091,429,596
Rental (Note 42)	**237,565,336**	254,347,804	317,811,163
Others	**994,601,364**	842,063,511	634,798,761
	₱27,289,598,826	₱24,625,965,192	₱26,766,530,636

Cost of services is composed of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Air transportation	**₱96,926,126,194**	₱85,769,744,267	₱73,119,749,601
Real estate services	**12,015,743,985**	11,046,221,199	10,409,203,029
Hotel operations	**5,490,557,804**	5,013,260,387	4,128,367,845
Information technology and services	**95,231,451**	129,446,381	215,039,475
	₱114,527,659,434	₱101,958,672,234	₱87,872,359,950

Further breakdown of the 'Cost of services' account showing the nature of expenses follow:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Fuel and oil	**₱32,702,592,846**	₱32,759,970,533	₱29,736,559,205
Depreciation and amortization (Note 33)	**24,756,914,404**	21,583,837,205	18,384,008,287
Maintenance costs	**19,498,527,705**	14,319,062,819	11,521,934,426
Personnel (Note 32)	**8,410,920,532**	7,671,099,776	6,723,195,454
Ground handling charges	**6,938,464,647**	6,469,182,200	5,277,877,315
Landing and take-off	**6,775,722,441**	4,933,529,364	2,737,308,797
CUSA charges	**5,015,183,322**	4,474,152,491	4,321,191,270
Reservation costs	**2,803,908,254**	2,259,695,941	2,005,775,591
Property operations and maintenance costs	**1,551,219,045**	1,466,908,057	1,287,124,555
Contracted services	**1,186,496,857**	1,071,954,134	917,864,309
Cost of food and beverage - hotel operations	**769,764,128**	750,183,983	635,296,957
Passenger food and supplies	**558,875,936**	550,881,439	508,704,521
Film rentals expense - amusement services	**440,733,774**	457,913,523	340,526,439
Travel and transportation	**407,328,898**	257,162,253	240,287,890
Passenger liability insurance	**357,397,948**	352,602,952	288,152,478
Aircraft insurance	**350,379,094**	349,445,669	278,480,501
Interrupted/delayed trips expense	**331,093,633**	232,736,188	229,974,078
Engine lease charges	**213,796,181**	125,285,881	110,858,914
Pilot and crew meals	**176,376,482**	144,958,816	121,850,129
Aircraft lease charges	**149,728,349**	737,344,848	1,553,017,060
Others	**1,132,234,958**	990,764,162	652,371,774
	₱114,527,659,434	₱101,958,672,234	₱87,872,359,950

Others include management fees, supplies, commissions, IT services, and accretion of security deposits.

31. General and Administrative Expenses

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Outside services	**₱15,111,864,831**	₱13,217,023,036	₱12,910,545,158
Advertising and promotions	**10,318,025,559**	11,085,811,474	9,541,375,075
Personnel (Note 32)	**10,185,819,005**	9,363,786,039	8,597,107,906
Rental (Note 42)	**1,682,603,699**	1,183,288,939	871,252,629
Depreciation and amortization (Note 33)	**1,668,154,599**	1,188,072,321	1,304,749,514
Sales commission	**1,434,167,344**	1,069,321,307	1,288,424,096
Taxes, licenses and fees	**1,424,004,635**	1,328,072,852	1,093,567,538
Travel and transportation	**1,304,545,077**	1,126,762,381	926,414,112
Subscription and membership fees	**1,017,742,918**	832,888,048	538,688,216
Repairs and maintenance	**960,157,124**	1,578,633,431	1,364,134,290
Utilities and supplies	**516,122,890**	672,704,642	619,677,476
Communication	**334,811,041**	340,831,934	276,949,047
Insurance	**304,519,479**	259,837,227	250,281,685
Entertainment, amusement and recreation (Note 38)	**110,447,343**	107,115,317	115,594,872
Royalties	**86,129,221**	96,305,069	89,004,945
Research and development	**71,333,886**	85,765,661	69,622,316
Reservations costs	**47,148,822**	57,914,050	47,837,066
Others	**695,154,829**	677,783,754	673,701,238
	₱47,272,752,303	₱44,271,917,482	₱40,578,927,179

Others
Other expenses include recruitment expenses and donations and contributions.

32. Personnel Expenses

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Salaries and wages	**₱14,840,209,228**	₱13,497,859,019	₱12,566,437,539
Other employee benefits	**6,757,296,377**	6,400,307,574	5,519,153,221
Pension expense (Note 37)	**710,911,040**	633,008,940	512,180,396
	₱22,308,416,645	₱20,531,175,533	₱18,597,771,156

The breakdown of personnel expenses follows:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Cost of sales and services (Note 30)	**₱12,122,597,640**	₱11,167,389,494	₱10,000,663,250
General and administrative expenses (Note 31)	**10,185,819,005**	9,363,786,039	8,597,107,906
	₱22,308,416,645	₱20,531,175,533	₱18,597,771,156

33. Depreciation and Amortization

The breakdown of depreciation and amortization on property, plant and equipment, investment properties, biological assets, intangible assets and ROU assets follows:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Cost of sales and services (Notes 15, 16 and 30)	**₱29,855,974,424**	₱25,764,546,259	₱23,886,003,871
General and administrative expenses (Notes 15, 16, 18, and 31)	**1,668,154,599**	1,188,072,321	1,304,749,514
Discontinued operations (Note 44)	**4,506,044,143**	4,640,529,921	4,886,077,732
	₱36,030,173,166	₱31,593,148,501	₱30,076,831,117

34. Provision for Impairment Losses and Others

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Provision for (reversal of) impairment losses on:			
Property, plant and equipment (Note 16)	**₱430,981,073**	₱53,761,112	₱226,540,141
Receivables (Note 11)	**(3,459,445)**	141,430,404	75,256,048
Inventory obsolescence and market decline (Note 12)	**292,868,205**	129,473,626	8,060
Investments in associates and joint venture (Note 14)	**–**	–	56,074,692
	₱720,389,833	₱324,665,142	₱357,878,941

35. Financing Costs and Other Charges

This account consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Interest expense	**₱18,993,021,193**	₱14,028,730,664	₱11,809,137,384
Bank charges	**206,466,340**	386,621,688	482,581,182
	₱19,199,487,533	₱14,415,352,352	₱12,291,718,566

Sources of financing costs and other charges follow:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Long-term debt (Note 23)	**₱9,892,520,394**	₱5,853,032,409	₱7,302,005,948
Short-term debt (Note 23)	**3,615,416,288**	4,139,599,271	1,922,911,436
Others	**381,094,790**	481,551,122	551,091,875
	13,889,031,472	10,474,182,802	9,776,009,259
Accretion of lease liabilities (Note 42)	**5,169,505,736**	3,882,478,018	2,439,874,830
Amortization of debt issuance costs (Note 23)	**140,950,325**	58,691,532	75,834,477
	₱19,199,487,533	₱14,415,352,352	₱12,291,718,566

Others include bank charges and net interest on pension liabilities of certain subsidiaries.

36. Components of Other Comprehensive Income

Below is the composition of the Group's 'Other comprehensive income':

	2025		
	Parent Company	**Non-controlling Interests**	**Total**
Net gain (loss) on FVOCI investments:			
Net changes in fair value of FVOCI of Parent and its subsidiaries			
Net changes in fair value during the period (Note 10)	**(₱1,359,715,314)**	**₱18,261,775**	**(₱1,341,453,539)**
Reclassification adjustment included in profit or loss arising from disposal of FVOCI (Notes 10 and 29)	**(16,459,700)**	**–**	**(16,459,700)**
	(1,376,175,014)	**18,261,775**	**(1,357,913,239)**
Net changes in fair value of FVOCI of an associate (Note 14)	**23,804,977**	**–**	**23,804,977**
	(1,352,370,037)	**18,261,775**	**(1,334,108,262)**
Net changes in fair value of cash flow hedge (Note 8):			
Net changes in fair value of derivatives taken to OCI	**(34,863,792)**	**(19,492,971)**	**(54,356,763)**
	(1,387,233,829)	**(1,231,196)**	**(1,388,465,025)**
Cumulative translation adjustments	**1,991,010,467**	**1,502,481,549**	**3,493,492,016**
Remeasurements due to defined benefit liability (DBL), net of tax (Note 37)			
Remeasurements of net DBL of Parent and subsidiaries	**264,021,552**	**206,037,027**	**470,058,579**
Share in remeasurements of net DBL of associates (Note 14)	**288,089,853**	**–**	**288,089,853**
	₱1,155,888,043	**₱1,707,287,380**	**₱2,863,175,423**

	2024		
	Parent Company	Non-controlling Interests	Total
Net gain (loss) on FVOCI investments:			
Net changes in fair value of FVOCI of Parent and its subsidiaries			
Net changes in fair value during the period (Note 10)	₱3,674,578,681	₱206,379,310	3,880,957,991
Reclassification adjustment included in profit or loss arising from disposal of FVOCI (Notes 10 and 29)	(2,631,954)	–	(2,631,954)
	3,671,946,727	206,379,310	3,878,326,037
Net changes in fair value of FVOCI of an associate (Note 14)	83,044,243	–	83,044,243
	3,754,990,970	206,379,310	3,961,370,280
Net changes in fair value of cash flow hedge (Note 8):			
Net changes in fair value of derivatives taken to OCI	(42,594,598)	(22,197,993)	(64,792,591)
	3,712,396,372	184,181,317	3,896,577,689
Cumulative translation adjustments	748,060,235	472,221,611	1,220,281,846
Remeasurements due to defined benefit liability (DBL), net of tax (Note 37)			
Remeasurements of net DBL of Parent and subsidiaries	96,438,485	136,865,086	233,303,571
Share in remeasurements of net DBL of associates (Note 14)	(652,739,778)	–	(652,739,778)
	₱3,904,155,314	₱793,268,014	₱4,697,423,328

	2023		
	Parent Company	Non-controlling Interests	Total
Net gain (loss) on FVOCI investments:			
Net changes in fair value of FVOCI of Parent and its subsidiaries			
Net changes in fair value during the period (Note 10)	(₱728,205,060)	₱68,281,950	(₱659,923,110)
Reclassification adjustment included in profit or loss arising from disposal of FVOCI (Notes 10 and 29)	17,039,140	–	17,039,140
	(711,165,920)	68,281,950	(642,883,970)
Net changes in fair value of FVOCI of an associate (Note 14)	38,684,065	–	38,684,065
	(672,481,855)	68,281,950	(604,199,905)
Net changes in fair value of cash flow hedge (Note 8):			
Net changes in fair value of derivatives taken to OCI	(125,039,465)	(64,081,526)	(189,120,991)
	(797,521,320)	4,200,424	(793,320,896)
Cumulative translation adjustments	(578,943,107)	(559,254,011)	(1,138,197,118)
Remeasurements due to defined benefit liability (DBL), net of tax (Note 37)			
Remeasurements of net DBL of Parent and subsidiaries	(347,206,184)	(279,004,302)	(626,210,486)
Share in remeasurements of net DBL of associates (Note 14)	(1,022,155,894)	–	(1,022,155,894)
	(₱2,745,826,505)	(₱834,057,889)	(₱3,579,884,394)

The income tax effects relating to other comprehensive income are as follows:

	2025		
	Before tax	**Tax expense**	**Net of tax**
Net gains on financial assets at FVOCI of Parent Company and its subsidiaries	**(₱1,361,316,146)**	**₱–**	**(₱1,361,316,146)**
Cumulative translation adjustments	**3,493,492,016**	**–**	**3,493,492,016**
Net movement in cash flow hedge	**(72,475,684)**	**18,118,921**	**(54,356,763)**
Remeasurements due to defined benefit liability	**626,744,772**	**(157,560,702)**	**469,184,070**
Remeasurements due to defined benefit liability of associates	**288,964,362**	**–**	**288,964,362**
Net changes in fair value of financial assets at FVOCI of an associate (Note 10)	**27,207,884**	–	**27,207,884**
	₱3,002,617,204	**(₱139,441,781)**	**₱2,863,175,423**

	2024		
	Before tax	Tax expense	Net of tax
Net gains on financial assets at FVOCI of Parent Company and its subsidiaries	₱3,878,326,037	₱–	₱3,878,326,037
Cumulative translation adjustments	1,220,281,846	–	1,220,281,846
Net movement in cash flow hedge	(86,093,120)	21,300,529	(64,792,591)
Remeasurements due to defined benefit liability	311,071,428	(77,767,857)	233,303,571
Remeasurements due to defined benefit liability of associates	(652,739,778)	–	(652,739,778)
Net changes in fair value of financial assets at FVOCI of an associate (Note 10)	83,044,243	–	83,044,243
	₱4,753,890,656	(₱56,467,328)	(₱4,697,423,328)

	2023		
	Before tax	Tax expense	Net of tax
Net gains on financial assets at FVOCI of Parent Company and its subsidiaries	(₱642,883,970)	₱–	(₱642,883,970)
Cumulative translation adjustments	(1,138,197,118)	–	(1,138,197,118)
Net movement in cash flow hedge	(251,037,627)	61,916,636	(189,120,991)
Remeasurements due to defined benefit liability	(834,947,315)	208,736,829	(626,210,486)
Remeasurements due to defined benefit liability of associates	(1,022,155,894)	–	(1,022,155,894)
Net changes in fair value of financial assets at FVOCI of an associate (Note 10)	38,684,065	–	38,684,065
	(₱3,850,537,859)	₱270,653,465	(₱3,579,884,394)

37. Employee Benefits

Pension Plans

The Group has funded, noncontributory, defined benefit pension plans covering substantially all of their regular employees.

The pension funds are being administered and managed through JG Summit Multi-Employer Retirement Plan (the "Plan"), with RBC as Trustee. The plans provide for retirement, separation, disability and death benefits to their members. The Group, however, reserves the right to discontinue, suspend or change the rates and amounts of their contributions at any time on account of business necessity or adverse economic conditions. The retirement plan has an Executive Retirement Committee, that is mandated to approve the plan, trust agreement, investment plan, including any amendments or modifications thereto, and other activities of the Plan. Certain members of the BOD of the Parent Company are represented in the Executive Retirement Committee. RBC manages the plan based on the mandate as defined in the trust agreement. As approved by the SEC, RBC was merged with BPI, with BPI as a surviving entity, effective January 1, 2024. Accordingly, BPI will be the Trustee for the Plan.

The amounts recognized as pension liabilities included under 'Other noncurrent liabilities' in the consolidated statements of financial position follow:

	2025	2024
Present value of defined benefit obligation	**₱6,875,941,028**	₱6,554,682,998
Fair value of plan assets	**3,786,433,101**	3,183,089,860
Pension liabilities (Note 24)	**₱3,089,507,927**	₱3,371,593,138

Changes in net defined benefit liability of funded funds in 2025 and 2024 follows:

	2025		
	Present value of defined benefit obligation	**Fair value of plan assets**	**Net defined benefit liability/(asset)**
Balance at beginning of year	**₱6,554,682,997**	**₱3,183,089,859**	**₱3,371,593,138**
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	**630,299,588**	**–**	**630,299,588**
Past service cost	**16,690,810**	**–**	**16,690,810**
Net interest cost	**389,636,701**	**195,302,185**	**194,334,516**
Subtotal	**1,036,627,099**	**195,302,185**	**841,324,914**
Benefits paid	**(638,036,465)**	**(232,322,702)**	**(405,713,763)**
Acquired through business combination	**106,950,229**		**106,950,229**
Remeasurements in other comprehensive income:			
Return on plan assets	**–**	**442,461,940**	**(442,461,940)**
Actuarial changes arising from experience adjustments	**103,790,686**	**–**	**103,790,686**
Actuarial changes arising from changes in financial assumptions	**(263,751,938)**	**–**	**(263,751,938)**
Actuarial changes arising from changes in financial/demographic assumptions	**(24,321,580)**	**–**	**(24,321,580)**
Subtotal	**(184,282,832)**	**442,461,940**	**(626,744,772)**
Contributions paid	**–**	**197,901,819**	**(197,901,819)**
Balance at end of year	**₱6,875,941,028**	**₱3,786,433,101**	**₱3,089,507,927**

	2024		
	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance at beginning of year	₱6,265,621,839	₱2,816,543,498	₱3,449,078,341
Net benefit cost in consolidated statement of comprehensive income:			
Current service cost	568,107,197	–	568,107,197
Net interest cost	374,697,476	168,536,842	206,160,634
Subtotal	942,804,673	168,536,842	774,267,831
Benefits paid	(388,069,063)	(488,587,142)	100,518,079
Acquired through business combination	30,025,762	1,147,410	28,878,352
Remeasurements in other comprehensive income:			
Return on plan assets	–	215,747,559	(215,747,559)
Actuarial changes arising from experience adjustments	(74,303,035)	–	(74,303,035)
Actuarial changes arising from changes in financial assumptions	(52,940,127)	–	(52,940,127)
Actuarial changes arising from changes in financial/demographic assumptions	31,919,293	–	31,919,293
Subtotal	(95,323,869)	215,747,559	(311,071,428)
Contributions paid	(200,376,344)	469,701,693	(670,078,037)
Balance at end of year	₱6,554,682,998	₱3,183,089,860	₱3,371,593,138

The fair value of plan assets by each class as at the end of the reporting period are as follow:

	2025	2024
ASSETS		
Cash and cash equivalents	**₱274,783,450**	₱308,762,413
UITF investments	**1,925,995,696**	2,002,959,479
Debt instruments	**211,546,017**	841,603,243
Financial assets at FVOCI		1,968,153
Equity investments	**1,654,796,740**	195,486,688
Receivable		1,360,325
Accrued interest receivable	**3,136,627**	2,590,350
Prepayments and other assets	**3,543,825**	9,462,518
Land	**143,201,000**	143,201,000
	4,217,003,355	3,507,394,169
LIABILITIES		
Current liabilities	**430,570,254**	324,304,309
	₱3,786,433,101	₱3,183,089,860

The overall expected rates of return on assets are based on the market expectations prevailing as at the reporting date, applicable to the period over which the obligation is settled.

The average duration of the defined benefit obligation of the Group as of December 31, 2025 and 2024 is 10.44 years and 12.87 years, respectively. The Group expects to contribute ₱620.2 million into the pension fund in 2026.

The assumptions used to determine the pension benefits of the Group follow:

	2025			
	Retirement Age	**Average Remaining Working Life (in years)**	**Salary Rate Increase**	**Discount Rate**
Parent Company	**60.0**	**16.3**	**5.5%**	**6.33%**
URC	**60.0**	**20.4**	**5.1%**	**6.39-6.44%**
RLC	**60.0**	**34**	**5.5%**	**6.23-6.38%**
CAI	**60.0**	**26 to 28**	**5.3%**	**6.27-6.48%**
JGSOC	**60.0**	**27**	**5.0%**	**6.11%**
Unicon	**60.0**	**23.7**	**8.0%**	**6.11%**
APVI	**60.0**	**19**	**5.5%**	**6.30%**
DAVI	**60.0**	**24,4**	**5.5%**	**6.15%**

	2024			
	Retirement Age	Average Remaining Working Life (in years)	Salary Rate Increase	Discount Rate
Parent Company	60.0	20.4	5.5%	6.10%
URC	60.0	8.0 to 9.0	5.7%	6.11 -6.12%
RLC	60.0	34	6.0%	6.10-6.11%
CAI	60.0	26 to 28	5.25%	6.08-6.10%
JGSOC	60.0	27	5.0%	6.11%
Unicon	60.0	23.7	8.00%	6.11%
APVI	60.0	21.0	5.5%	6.10%
DAVI	60.0	25.4	5.5%	6.14%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of December 31, 2025 and 2024, assuming if all other assumptions were held constant:

	2025							
	Parent Company	**URC**	**RLC**	**CAI**	**DAVI**	**JGSOC**	**APVI**	**Unicon**
Discount rates								
+1.00%	**(₱4,124,057)**	**(₱259,987,725)**	**(₱60,321,320)**	**(₱161,662,284)**	**(₱1,143,242)**	**(₱26,590,243)**	**(₱120,271)**	**(₱1,071,630)**
(-1.00%)	**4,650,359**	**299,634,233**	**69,413,752**	**186,132,810**	**1,273,927**	**30,479,385**	**141,645**	**1,243,622**
Future salary increases								
+1.00%	**4,642,469**	**300,514,555**	**69,100,955**	**175,227,479**	**1,269,505**	**30,513,264**	**141,044**	**1,208,158**
(-1.00%)	**(4,192,059)**	**(265,313,340)**	**(62,027,292)**	**(154,332,339)**	**(1,160,337)**	**(27,093,987)**	**(124,910)**	**(1,063,346)**

	2024							
	Parent Company	URC	RLC	CAI	DAVI	JGSOC	APVI	Unicon
Discount rates								
+1.00%	(₱5,151,038.00)	(₱273,895,927)	(₱53,568,566.00)	(₱136,071,271)	(₱248,111)	(₱26,590,243)	(₱134,618)	(₱1,071,630)
(-1.00%)	5,943,191.00	318,258,156	61,820,835.00	156,991,333	281,407	30,479,385	158,899	1,243,622
Future salary increases								
+1.00%	5,917,402.00	316,968,568	61,345,953.00	140,706,037	280,393	30,513,264	160,144	1,208,158
(-1.00%)	(5,224,477.00)	(277,786,702)	(55,255,153.00)	(123,781,480)	(251,766)	(27,093,987)	(138,790)	(1,063,346)

Shown below is the maturity analysis of the undiscounted benefit payments of the Group:

	2025	2024
Less than 1 year	**₱929,789,511**	₱632,721,409
More than 1 years to 5 years	**2,423,791,256**	2,335,173,342
More than 5 years to 10 years	**4,233,421,319**	4,036,133,049
More than 10 years to 15 years	**5,070,153,343**	4,690,999,401
More than 15 years to 20 years	**5,803,697,112**	5,655,254,272
More than 20 years	**13,323,848,224**	13,411,561,440

38. Income Taxes

Provision for income tax consists of:

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Corporate	**₱4,982,454,378**	₱5,156,230,120	₱3,845,389,955
Final	**96,068,472**	101,538,255	545,402,231
Deferred	**(1,055,359,496)**	(850,965,900)	(1,762,305,845)
	₱4,023,163,354	₱4,406,802,475	₱2,628,486,341

The Group recognized benefit (provision) for income tax in 'OCI' for OCI items amounting to (₱138.3 million), (₱56.5 million) and ₱270.7 million in 2025, 2024 and 2023, respectively (see Note 36).

The Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law on March 26, 2021. This aimed to attract more investments and maintain fiscal prudence and stability in the Philippines. Republic Act (RA) 11534 of the CREATE Act introduced reforms to the corporate income tax and incentives systems. It took effect 15 days after its complete publication in the Official Gazette on April 11, 2021.

The following are the key changes to the Philippine tax law pursuant to the CREATE Act which have an impact on the Group:

- Effective July 1, 2020, RCIT rate is reduced from 30.0% to 25.0% for domestic and resident foreign corporations. For domestic corporations with net taxable income not exceeding ₱5.0 million and with total assets not exceeding ₱100.0 million (excluding land on which the business entity's office, plant and equipment are situated) during the taxable year, the RCIT rate is reduced to 20.0%.
- Effective January 1, 2021, income tax rate for nonresident foreign corporation is reduced from 30.0% to 25.0%.
- MCIT rate is reduced from 2% to 1% effective July 1, 2020 to June 30, 2023.
- Imposition of improperly accumulated earnings tax (IAET) is repealed.
- Foreign-sourced dividends received by domestic corporations are exempt from income tax subject to the following conditions:
  - The funds from such dividends actually received or remitted into the Philippines are reinvested in the business operations of the domestic corporation in the Philippines within the next taxable year from the time the foreign-sourced dividends were received;
  - Shall be limited to funding the working capital requirements, capital expenditures, dividend payments, investment in domestic subsidiaries, and infrastructure project; and
  - The domestic corporation holds directly at least 20.0% of the outstanding shares of the foreign corporation and has held the shareholdings for a minimum of 2 years at the time of the dividend distribution.
- Qualified domestic market enterprises shall be entitled to 4 to 7 years ITH to be followed by 5 years enhanced deductions (ED).
- For investments prior to effectivity of CREATE:
  - Registered business enterprises (RBEs) granted only an ITH – can continue with the availment of the ITH for the remaining period of the ITH.
  - RBEs granted an ITH followed 5.0% GIT or are currently enjoying 5.0% GIT – allowed to avail of the 5.0% GIT for 10 years.

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the MCIT rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the CREATE Act. Consequently, the Company recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

Entertainment, Amusement and Recreation (EAR) Expenses

Current tax regulations define expenses to be classified as EAR expenses and set a limit for the amount that is deductible for tax purposes. EAR expenses are limited to 0.5% of net sales for sellers of goods or properties or 1.0% of net revenue for sellers of services. For sellers of both goods or properties and services, an apportionment formula is used in determining the ceiling on such expenses. The Group recognized EAR expenses (included under 'General and administrative expenses' in profit or loss in the consolidated statements of comprehensive income) amounting to ₱110.4 million, ₱107.1 million and ₱115.6 million in 2025, 2024 and 2023, respectively (see Note 31).

Compositions of the Group's net deferred tax assets (included in the 'Other noncurrent assets' in the consolidated statements of financial position) follow (see Note 20):

	2025	2024
Deferred tax assets on:		
Net operating loss carry-over	**₱5,505,629,743**	₱5,341,801,484
Lease liabilities	**3,815,325,488**	3,513,459,224
Asset retirement obligation	**594,992,386**	791,539,717
Unfunded pension liabilities	**447,781,018**	458,130,966
Unrealized forex loss	**506,548,823**	623,326,746
Allowance for impairment losses on receivables and property and equipment	**394,332,028**	287,590,409
Unrealized loss on net derivative liability	**83,589,534**	102,664,179
Accrued expenses	**241,142,011**	334,362,162
Excess MCIT	**453,479,199**	115,460,823
Others	**1,170,633,167**	766,941,334
Total	**13,213,453,397**	12,335,277,044
Deferred tax liabilities on:		
Double depreciation	**(1,690,696,666)**	(1,646,501,664)
ROU assets	**(559,908,068)**	(456,918,201)
Excess of fair value of assets acquired over cost	**(333,734,694)**	(308,714,485)
Unrealized foreign exchange gain-net	**–**	(27,819,499)
Others	**(178,259,300)**	(207,285,960)
	(2,762,598,728)	(2,647,239,809)
Net deferred tax asset	**₱10,450,854,669**	₱9,688,037,235

As of December 31, 2025, deferred tax asset under 'others' include provision for HMV and allowance for inventory write-downs amounting to ₱875.3 million and ₱118.1 million, respectively.As of December 31, 2024, deferred tax asset under 'others' include provision for HMV and allowance for inventory write-downs amounting to ₱513.3 million and ₱120.6 million, respectively.

Compositions of the Group's net deferred tax liabilities reported in the consolidated statements of financial position follow:

	2025	2024
Deferred tax assets on:		
Lease liabilities	**₱1,239,399,454**	₱1,201,534,174
Unfunded pension benefits	**182,023,043**	167,927,195
Accrued interest expense	**71,779,083**	43,439,522
Allowance for impairment losses on receivables and property, plant and equipment	**29,390,939**	35,173,610
MCIT carryforward	**179,988,704**	1,743,858
Others	**411,772,071**	309,620,195
Total	**2,114,353,294**	1,759,438,554
Deferred tax liabilities on:		
Excess of real estate revenue based on POC over real estate revenue based on tax rules	**(2,499,663,656)**	(2,331,509,409)
Unamortized capitalized interest	**(1,359,123,359)**	(1,234,309,091)
Intangibles	**(1,179,316,373)**	(1,052,702,987)
Undistributed income of foreign subsidiaries	**(418,152,314)**	(869,472,418)
ROU asset	**(784,414,611)**	(858,131,923)
Accelerated depreciation	**(458,828,939)**	(277,627,343)
Accrued rent income	**(364,711,553)**	(275,675,440)
Others	**(340,025,665)**	(161,593,522)
Total	**(7,404,236,470)**	(7,061,022,133)
Net deferred tax liability	**(₱5,289,883,176)**	(₱5,301,583,579)

The following are the temporary differences on which the Group did not recognize deferred tax assets:

	2025	2024
NOLCO*	**₱54,128,834,889**	₱79,121,906,785
Allowance for credit and impairment losses	**110,093,978,350**	1,153,427,433
Allowance for inventory write-down	**5,367,183,231**	633,526,268
Net pension liability	**207,200,711**	432,820,732
Excess MCIT over RCIT	**451,800,000**	299,544,826
	₱170,248,997,181	₱81,641,226,044

**Attributable to the Parent Company, CAI, CEBGO, JGSOC and URC*

Details of the Parent Company's NOLCO follow:

Year Incurred	Amount	Applied	Expired/ Utilized	Balance	Expiry Year
2025	₱4,804,093,158	₱–	₱–	₱4,804,093,158	2028
2024	2,263,659,540	–	–	2,263,659,540	2027
2023	2,188,557,444	–	–	2,188,557,444	2026
2022	1,518,351,919	–	(1,518,351,919)	–	2025
2021	1,491,711,527	–	–	1,491,711,527	2026
2020	2,141,883,757	–	(2,141,883,757)	–	2025
	₱14,408,257,345	₱–	(₱3,660,235,676)	₱10,748,021,669	

Furthermore, details of the Parent Company's remaining excess MCIT over RCIT are as follows:

Year Incurred	Amount	Applied	Expired/ Utilized	Balance	Expiry Year
2025	₱53,646,630	₱–	₱–	₱53,646,630	2028
2024	17,607,041	–	–	17,607,041	2027
2023	14,093,638	–	–	14,093,638	2026
2022	8,479,159	–	(8,479,159)	–	2025
	₱93,826,468	₱–	(₱8,479,159)	₱85,347,309	

Under Section 11 of R. A. No. 7151 (CAI's Congressional Franchise) and under Section 15 of R. A. No. 9517 (Cebgo, Inc.'s Congressional Franchise), known as the "ipso facto clause" and the "equality clause", respectively, the CAI and Cebgo, Inc. are allowed to benefit from the tax privileges being enjoyed by competing airlines. CAI's and Cebgo, Inc.'s major competitor, by virtue of PD No. 1590, is enjoying tax exemptions which are likewise being claimed by the CAI and Cebgo, Inc., if applicable, including but not limited to the following:

a) To depreciate its assets to the extent of not more than twice as fast the normal rate of depreciation; and
b) To carry over as a deduction from taxable income any net loss (NOLCO) incurred in any year up to five years following the year of such loss.

For the years ended December 31, 2025 and 2024, below are the details of NOLCO of the Group:

CAI NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2024	₱2,334,060,931	₱–	₱–	₱2,334,060,931	2029
2023	2,933,604,726	–	–	2,933,604,726	2028
2022	5,892,099,712	–	–	5,892,099,712	2027
	₱11,159,765,369	₱–	₱–	₱11,159,765,369	

CEBGO NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2022	₱526,518,435	₱–	₱–	₱526,518,435	2027

APLUS NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2024	₱90,449,741	(₱45,857,353)	₱–	₱44,592,388	2027

AIRSWIFT NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2023	₱70,538,467	₱–	₱–	₱70,538,467	2026
2022	41,896,644	–	(41,896,644)	–	2025
	₱112,435,111	₱–	(₱41,896,644)	₱70,538,467	

1AVIATION NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2022	₱27,180,205	(₱27,180,205)	₱–	₱–	2025

In addition, pursuant to Section 4 (bbbb) of R.A. No. 11494 (Bayanihan to Recover as One Act) and as implemented under Revenue Regulations (RR) No. 25-2020, the NOLCO of a business or enterprise incurred for taxable years 2020 and 2021 can be carried over as deduction from gross income for the next five consecutive taxable years immediately following the year of such loss.

In compliance with the disclosure requirements of RR No. 25-2020, below shows the details of NOLCO of the Group:

CAI NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2021	₱18,403,734,817	₱–	₱–	₱18,403,734,817	2026
2020	21,026,735,635	(7,034,132,881)	(13,992,602,754)	–	2025
	₱39,430,470,452	(₱7,034,132,881)	(₱13,992,602,754)	₱18,403,734,817	

CEBGO NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2021	₱1,348,925,483	(1,116,972,799)	₱–	₱231,952,684	2026
2020	1,111,045,562	(1,111,045,562)	–	–	2025
	₱2,459,971,045	(₱2,228,018,361)	₱–	₱231,952,684	

AIRSWIFT NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2021	₱568,140,233	(₱350,244,417)	₱–	₱217,895,816	2026
2020	622,296,101	(622,296,101)	–	–	2025
	₱1,190,436,334	(₱972,540,518)	₱–	₱217,895,816	

1AVIATION NOLCO

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2021	₱132,216,055	₱–	₱–	₱132,216,055	2026
2020	231,762,775	(29,610,433)	(202,152,342)	–	2025
	₱363,978,830	(₱29,610,433)	(₱202,152,342)	₱132,216,055	

Furthermore, details of remaining excess MCIT are as follows:

CEB MCIT

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2025	₱281,826,014	₱–	₱–	₱281,826,014	2028
2024	75,143,966	–	–	75,143,966	2027
2023	109,779,045	–	–	109,779,045	2026
2022	8,646,570	–	(8,646,570)	–	2025
	₱475,395,595	₱–	(₱8,646,570)	₱466,749,025	

CEBGO MCIT

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2025	₱12,346,205	₱–	₱–	₱12,346,205	2028
2024	20,035,297	–	–	20,035,297	2027
2023	15,327,474	–	–	15,327,474	2026
	₱47,708,976	₱–	₱–	₱47,708,976	

APLUS MCIT

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2025	₱7,133,010	₱–	₱–	₱7,133,010	2028
2024	4,954,087	–	–	4,954,087	2027
	₱12,087,097	₱–	₱–	₱12,087,097	

AIRSWIFT MCIT

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2025	₱16,173,099	₱–	₱–	₱16,173,099	2028
2024	17,726,243	–	–	17,726,243	2027
2023	2,813,805	–	–	2,813,805	2026
2022	2,060,055	–	(2,060,055)	–	2025
	₱38,773,202	₱–	(₱2,060,055)	₱36,713,147	

1AVIATION MCIT

Year Incurred	Amount	Applied	Expired	Balance	Expiry Year
2024	₱5,933,880	₱–	₱–	₱5,933,880	2027
2023	210,437	–	–	210,437	2026
2022	966,434	–	(966,434)	–	2025
	₱7,110,751	₱–	(₱966,434)	₱6,144,317	

CAI has outstanding registrations with the BOI (Board of Investments) as a new operator of air transport on a pioneer and non-pioneer status under the Omnibus Investments Code of 1987 (Executive Order 226). On all existing registrations, CAI can avail of bonus years in certain specified cases but the aggregate ITH availments (basic and bonus years) shall not exceed eight years. As of December 31, 2025 and 2024, CAI has complied with externally imposed capital requirements set by the BOI in order to avail of the ITH incentives for aircraft of registered activity.

Reconciliation between the Group's statutory income tax rate and the effective income tax rate follows:

	2025	2024	2023
Statutory income tax rate	**25.00%**	25.00%	25.00%
Tax effects of:			
Equity in net earnings of affiliates	**(7.85)**	(10.47)	(9.27)
Income subjected to BOI, PEZA and ITH	**(7.13)**	(9.43)	(3.89)
Changes in unrecognized deferred tax assets	**(1.76)**	13.20	1.04
Income exempt from tax	**(1.55)**	(7.10)	(1.92)
Net income before tax of subsidiaries with different tax rates	**(1.15)**	0.83	(1.62)
Non-deductible items	**1.24**	0.30	0.80
Interest income subject to final tax	**(0.46)**	(0.15)	(0.52)
Others	**0.84**	(1.15)	(0.31)
Effective income tax rate	**7.18%**	11.03%	9.31%

Base Erosion and Profit Shifting (BEPS) Pillar Two

The Organisation for Economic Co-operation and Development (OECD) has published the Global Anti-Base Erosion (GloBE) Model Rules ("Pillar Two Rules"), which include a minimum 15% tax rate per jurisdiction on multinational companies with an annual consolidated group revenue of €750 million or more for 2 out of the 4 immediately preceding fiscal years.

Pillar Two tax legislation has been implemented in some of the countries in which subsidiaries of the Group operate which became effective for reporting periods beginning on January 1, 2024. Given this, the Group determined that it is in-scope for Pillar Two and has assessed the applicable Pillar Two tax legislation in all the countries in which subsidiaries of the Group operate to determine whether or not a Pillar Two 'top-up' tax liability needs to be recognised.

The relevant Pillar Two Rules also provide for a transition period in which the in-scope multinational groups may avoid undergoing the complex effective tax rate calculation required by the new piece of legislation. In particular, the Pillar Two tax legislation provides for a transitional Country-by-Country Reporting ("CbCR") safe harbor ("TCSH") that applies for the first three fiscal years beginning 2024 through 2026, extended recently to include 2027, following the entry into force of the relevant regulation.

The TCSH relies on simplified calculations (mainly based on data extracted from the CbCR under BEPS Action 13) and three kinds of alternative tests. Where at least one of the TCSH tests is met for a jurisdiction in which the Group operates, the top-up tax due for such jurisdiction will be deemed to be zero. A test is met for a jurisdiction where:

- Revenue and profit before tax are below, respectively, €10 million and €1 million (the de minimis test);
- The Effective Tax Rate (ETR) equals or exceeds an agreed rate (the ETR test, 15% for FY 2024); or

- The profit before tax does not exceed an amount calculated as a percentage of tangible assets and payroll expense (the routine profits test).

Based on the tests performed, most of the jurisdictions where the Group operates benefit from the TCSH. In 2025, only the jurisdiction of Cayman Islands did not pass any of the TCSH tests. However, the estimated amount of exposure is not material to the Group balances.

For the year ended December 31, 2024, the Group has completed its assessment and concluded that there is no significant exposure to Pillar Two Income Taxes.

Starting 2024, the Group has also applied the amendment to PAS 12 which allows for temporary mandatory relief from accounting for the deferred tax impacts of the top-up tax and allows for recognition of the top-up tax as current tax expense as incurred.

39. Earnings Per Share

Basic EPS is calculated by dividing the net income for the year attributable to equity holders of the Parent Company divided by the weighted average number of common shares outstanding during the year (adjusted for any stock dividends).

The following tables reflect the net income and share data used in the basic/dilutive EPS computations:

EPS attributable to equity holders of the Parent Company

	2025	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Income from continuing operations attributable to equity holders of the Parent Company	**₱35,686,608,348**	₱38,992,246,265	₱32,668,571,548
Less: Dividends on preferred shares (Note 25)	**16,800,000**	16,800,000	16,800,000
Income from continuing operations attributable to holders of common shares of the Parent Company	**35,669,808,348**	38,975,446,265	32,651,771,548
Loss from discontinued operations attributable to equity holders of the Parent Company	**(124,029,934,008)**	(17,666,688,600)	(12,623,769,601)
Income attributable to holders of common shares of the Parent Company	**(₱88,360,125,660)**	₱21,308,757,665	₱20,028,001,947
Weighted average number of common shares	**7,520,983,658**	7,520,983,658	7,520,983,658
Basic/diluted earnings (loss) per share			
Continuing operations	**₱4.74**	₱5.18	₱4.34
Discontinued operations	**(16.49)**	(2.35)	(1.68)
	(₱11.75)	₱2.83	₱2.66

There were no potential dilutive common shares in 2025, 2024 and 2023.

40. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions or if they are subjected to common control or common significant influence. Related parties may be individuals or corporate entities. Transactions between related parties are based on terms similar to those offered to non-related parties and are generally settled in cash. Due from and due to related parties are collectible/payable on demand, except for certain due from related parties amounting to ₱879 million and ₱1.4 billion as of December 31, 2025 and 2024, respectively, which will mature in April 2027. Due from/to related parties are unsecured.

Intercompany transactions with subsidiaries are eliminated in the accompanying consolidated financial statements. In addition to the related party information disclosed elsewhere in the consolidated financial statements, the year-end balances in respect of related parties follow:

2025

			Outstanding Balance			
Related Party	**Category/Transaction**	**Amount/Volume**	**Consolidated Statement of Financial Position**	**Consolidated Statement of Comprehensive Income**	**Terms**	**Conditions**
Subsidiaries:						
Due from related parties	Settlement of advances	**₱1,384,306,968**	**₱1,928,957,231**	**₱**–	On demand; Non-interest bearing	Unsecured; Not impaired
	Receivables	**(256,299,807)**	**441,826,345**	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Notes receivable	**–**	**8,408,841,620**	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Gain on sale of investment property	**1,662,035,365**	**–**	**1,662,035,365**		
	Sale of investment	**1,122,556,290**	**–**	**–**		
	Other income: allocation of IT charges and CCU expenses	**632,269,438**	–	**632,269,438**		
	Rent income	**137,657,346**	–	**137,657,346**		
	Management fees	**–**	–	**–**		
Due to related parties	Availment of advances	**(633,500,304)**	**81,268,574**	–	On demand; Non-interest bearing	Unsecured
Dividends	Dividend receivable	**–**	**1,593,529,595**	–	On demand	Unsecured; Not impaired
	Dividend income	**9,829,230,274**	–	**9,829,230,274**		

(Forward)

2025

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
Associates:						
Due from related parties	Advances (in accordance with joint venture agreement)	**(₱1,515,264,235)**	**₱883,080,364**	**₱–**	Interest-bearing at PDST R2 of applicable interest period	Unsecured; Not impaired
	Advances	**(48,195,738)**	**143,676,874**	–	On demand; Non-interest-bearing	Unsecured; Not impaired
	Loans	–	–	–	2% per annum	Unsecured; Not impaired
	Receivables	–	**1,482,138**	–	Non-interest bearing	Unsecured; Not impaired
	Sublease agreement	**79,531,208**	**75,034,479**	–	Payable monthly	Unsecured; Not impaired
	Dividend income	**7,469,017,147**	–	**7,469,017,147**		
	Other income: allocation of CCU expenses	**8,431,624**	–	**8,431,624**		
	Utilities expense	**3,509,540**	–	**3,509,540**		
	Groundhandling and maintenance services	**(558,166,143)**	–	–	Non-interest bearing	Unsecured; Not impaired
Other Related Parties:						
Due from related parties	Availment of advances	**(279,494,902)**	**481,482,258**	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Rent receivables	**(2,013,421)**	**194,293,426**	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Other income: allocation of IT charges and CCU expenses	**222,183,712**	–	**222,183,712**		
Due to related parties	Settlement of advances	**36,446,141**	**181,608,749**	–	On demand; Non-interest bearing	Unsecured
Director's fees (included under 'Outside Services' account)	Expenses	**9,340,000**	–	**9,340,000**		

2024

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
Subsidiaries:						
Due from related parties	Settlement of advances	(₱185,590,677)	₱544,650,263	₱–	On demand; Non-interest bearing	Unsecured; Not impaired
	Receivables	31,947,903	698,126,152	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Notes receivable	–	8,408,841,620	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Other income: allocation of IT charges and CCU expenses	541,308,973	–	541,308,973		
	Rent income	135,713,518	–	135,713,518		
	Management fees	29,000,000	–	29,000,000		
Due to related parties	Availment of advances	(562,597,369)	714,768,878	–	On demand; Non-interest bearing	Unsecured
	Long-term debt	(2,296,960,236)	–	–	Interest-bearing	Secured
Dividends	Dividend receivable	–	1,593,529,595	–	On demand	Unsecured; Not impaired
	Dividend income	6,788,356,857	–	6,788,356,857		
Associates:						
Due from related parties	Advances (in accordance with joint venture agreement)	225,730,492	2,398,344,599	–	Interest-bearing at PDST R2 of applicable interest period	Unsecured; Not impaired
	Advances	117,225,442	191,872,612	–	On demand; Non-interest-bearing	Unsecured; Not impaired
	Loans	–	101,141,127	–	2% per annum	Unsecured; Not impaired
	Receivables	–	1,482,138	–	Non-interest bearing	Unsecured; Not impaired
	Sublease agreement	(35,268,345)	(4,496,729)	–	Payable monthly	Unsecured; Not impaired
	Dividend income	6,418,749,818	–	6,418,749,818		

(Forward)

2024

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
	Other income: allocation of CCU expenses	₱3,308,708	₱–	₱3,308,708		
	Utilities expense	4,201,137	–	4,201,137		
	Groundhandling and maintenance services	(84,056,465)	558,166,143	–	Non-interest bearing	Unsecured; Not impaired
Other Related Parties:						
Due from related parties	Availment of advances	1,875,781	760,977,160	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Rent receivables	63,570,807	196,306,847	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Other income: allocation of IT charges and CCU expenses	201,553,603	–	201,553,603		
Due to related parties	Settlement of advances	54,944,943	438,666,942	–	On demand; Non-interest bearing	Unsecured
Director's fees (included under 'Outside Services' account)	Expenses	9,340,000	–	9,340,000		

2023

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
Subsidiaries:						
Due from related parties	Settlement of advances	₱308,765,285	₱730,240,940	₱–	On demand; Non-interest bearing	Unsecured; Not impaired
	Receivables	282,554,093	666,178,249	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Notes receivable	–	8,408,841,620	–	On demand; Non-interest bearing	Unsecured; Not impaired
	Other income: allocation of IT charges and CCU expenses	652,938,168	–	652,938,168		
	Rent income	146,520,601	–	146,520,601		
	Management fees	34,000,000	–	34,000,000		
Due to related parties	Availment of advances	284,880,242	1,277,366,247	–	On demand; Non-interest bearing	Unsecured
	Short-term debt	(2,542,775,000)	–	–	Interest-bearing	Unsecured
	Long-term debt	(2,414,707,264)	2,296,960,236	–	Interest-bearing	Secured

(Forward)

2023

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
Cash in bank	Deposits	(₱270,423,969)	₱9,088,756,994	₱–	On demand	Unsecured
Cash equivalents	Money market placements	(5,407,223,593)	7,119,784,608	–	2 to 41 days; Interest bearing with interest rate ranging from 1.50% to 6.0%	Unsecured; Not impaired
Dividends	Dividend receivable	181,000,000	1,593,529,595	–	On demand	Unsecured; Not impaired
	Dividend income	6,415,096,373	–	6,415,096,373		
Associates:						
Due from related parties	Advances (in accordance with joint venture agreement)	(657,590,605)	2,172,614,107	–	Interest-bearing at PDST R2 of applicable interest period	Unsecured; Not impaired
	Advances	46,701,781	74,647,170	–	On demand; Non-interest-bearing	Unsecured; Not impaired
	Loans	10,163,827	101,141,127	–	2% per annum	Unsecured; Not impaired
	Receivables	(3,427,037)	1,482,138	–	Non-interest bearing	Unsecured; Not impaired
	Sublease agreement	(49,800,723)	30,771,616	–	Payable monthly	Unsecured; Not impaired
	Dividend income	5,829,720,434	–	20,262,101		
	Other income: allocation of CCU expenses	2,996,423	–	9,282,311		
	Utilities expense	6,987,956	–	6,253,123		
	Groundhandling and maintenance services	33,058,321	642,222,608	–	Non-interest bearing	Unsecured; Not impaired
Other Related Parties:						
Receivables	Collecion of the balance on the proceeds from sale of investment property	(2,383,354,600)	–	–	Payable in installment	Unsecured; Not impaired
Due from related parties	Availment of advances	94,702,175	759,101,379	–	On demand; Non-interest bearing	Unsecured; Not impaired

(Forward)

2023

Related Party	Category/Transaction	Amount/Volume	Outstanding Balance: Consolidated Statement of Financial Position	Outstanding Balance: Consolidated Statement of Comprehensive Income	Terms	Conditions
	Rent receivables	₱19,235,169	₱132,736,040	₱–	On demand; Non-interest bearing	Unsecured; Not impaired
	Other income: allocation of IT charges and CCU expenses	216,814,395	–	162,573,811		
	Gain on sale of investment property	7,335,000		188,486,462		
Due to related parties	Settlement of advances	(596,852,148)	758,295,148	–	On demand; Non-interest bearing	Unsecured
Director's fees (included under 'Outside Services' account)	Expenses	7,335,000	–	7,335,000		

The Parent Company signed various financial guarantee agreements with third parties for the short-term and long-term loans availed by its subsidiaries as discussed in Note 23 to the consolidated financial statements. No fees are charged for these guarantee agreements. Being the centralized treasury department within the Group, the Parent Company usually receives advances from subsidiaries and in turn, makes advances to other subsidiaries. Total debt of subsidiaries guaranteed by the Parent Company in 2025 and 2024 amounted to ₱34.5 billion and ₱102.3 billion, respectively.

Interest earned by the Parent Company on transactions with related parties amounted to nil in 2025 and 2024. Interest expense incurred amounted to nil in 2025 and 2024. Provision for credit losses on advances to related parties amounted to nil in 2025 and 2024.

Most of the aforementioned intercompany transactions between the Parent Company and its subsidiaries are eliminated in the accompanying consolidated financial statements.

Compensation of key management personnel
There are no agreements between the Group and any of its directors and key officers providing for benefits upon termination of employment, except for such benefits to which they may be entitled under the Group's pension plans.

The compensation of the Group's key management personnel by benefit type follows:

	2025	2024	2022
Short-term employee benefits	**₱1,147,130,410**	₱1,075,610,353	₱1,009,816,830
Post-employment benefits	**355,774,747**	325,216,535	320,578,158
Share-based benefits	**8,828,078**	17,321,121	77,055,710
	₱1,511,733,235	₱1,418,148,009	₱1,407,450,698

Approval requirements and limits on the amount and extent of related party transactions
Material related party transactions (MRPT) refers to any related party transactions, either individually, or in aggregate over a twelve (1)-month with the same related party, amounting to ten percent (10.00%) or higher of the Group's total consolidated assets based on its latest audited financial statements.

All individual MRPTs shall be approved by at least two-thirds (2/3) vote of the BOD, with at least a majority of the Independent Directors voting to approve the MRPT. In case that a majority of the Independent Directors' vote is not secured, the MRPT may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock.

Aggregate RPT transactions within a 12-month period that meets or breaches the materiality threshold shall require the same BOD approval mentioned above.

41. Registration with Government Authorities/Franchise

Certain operations of consolidated subsidiaries are registered with the BOI and PEZA as preferred pioneer and non-pioneer activities, and are granted various authorizations from certain government authorities. As registered enterprises, these consolidated subsidiaries are subject to certain requirements and are entitled to certain tax and non-tax incentives which are considered in the computation of the provision for income tax.

42. **Leases**

The Group's leases mostly pertain to land, office spaces, commercial and residential properties, passenger aircraft, flight, transportation and equipment. Leases of land, office spaces, commercial and residential properties, and transportation equipment generally have terms ranging from 2 to 50 years, while passenger aircraft and other equipment generally have terms between 1.25 and 18 years.

The Group also has certain leases of other flight equipment, furniture and fixtures and machineries with lease terms of 12 months or less, and leases of office spaces considered low-value. The Group applies the recognition exemptions for these type of leases.

ROU Assets

Set out below are the carrying amounts of ROU assets recognized and the movements during the year ended December 31, 2025 and 2024:

	2025			
	Land and Land Improvements	**Buildings and Improvements**	**Passenger Aircraft and Other Flight Equipment**	**Total**
Cost				
Balance at beginning of year	**₱3,028,566,280**	**₱820,770,607**	**₱128,847,952,812**	**₱132,697,289,699**
Additions	**164,118,541**	**1,532,661,873**	**26,038,529,176**	**27,735,309,590**
Retirement and other adjustments	**3,247,104**	**(320,500,439)**	**(2,790,366,754)**	**(3,107,620,089)**
Balance at end of year	**3,195,931,925**	**2,032,932,041**	**152,096,115,234**	**157,324,979,200**
Accumulated Depreciation				
Balance at beginning of year	**648,255,701**	**706,502,479**	**25,264,729,543**	**26,619,487,723**
Depreciation	**94,484,218**	**236,232,550**	**14,190,671,099**	**14,521,387,867**
Retirement and other adjustments	**3,232,972**	**(318,790,284)**	**(2,239,385,474)**	**(2,554,942,786)**
Balance at end of year	**745,972,891**	**623,944,745**	**37,216,015,168**	**38,585,932,804**
Net Book Value at End of Year	**₱2,449,959,034**	**₱1,408,987,296**	**₱114,880,100,066**	**₱118,739,046,396**

	2024				
	Land and Land Improvements	Buildings and Improvements	Passenger Aircraft and Other Flight Equipment	Transportation And Other Equipment	Total
Cost					
Balance at beginning of year	₱2,028,869,626	₱ 823,420,327	₱ 100,663,573,883	₱5,857,066	₱103,521,720,902
Additions	998,768,334	48,927,535	40,247,744,611	–	41,295,440,480
Additions due to business combination	–	–	1,374,472,418	–	1,374,472,418
Retirement and other adjustments	928,320	(51,577,255)	(13,437,838,100)	(5,857,066)	(13,494,344,101)
Balance at end of year	3,028,566,280	820,770,607	128,847,952,812	–	132,697,289,699
Accumulated Depreciation					
Balance at beginning of year	552,984,988	651,701,660	24,562,931,454	1,010,482	25,768,628,584
Depreciation	97,066,339	48,023,643	10,758,544,312	-	10,903,634,294
Retirement and other adjustments	(1,795,626)	6,777,176	(10,056,746,223)	(1,010,482)	(10,052,775,155)
Balance at end of year	648,255,701	706,502,479	25,264,729,543	–	26,619,487,723
Net Book Value at End of Year	₱2,380,310,579	₱114,268,128	₱103,583,223,269	₱–	₱106,077,801,976

Lease Liabilities

The rollforward analysis of the Group's lease liabilities follows:

	2025	2024
As at January 1	**₱117,372,712,943**	₱85,448,578,346
Additions (non-cash financing activity)	**27,735,309,590**	41,295,440,480
Acquired through business combination (Note 19)	**–**	1,642,332,176
Accretion from continuing operations (Note 35)	**5,169,505,736**	3,882,478,018
Payments	**(19,247,317,559)**	(14,955,567,818)
Other adjustments	**(307,660,744)**	59,451,741
As at December 31	**₱130,722,549,966**	₱117,372,712,943

Total lease liabilities shown in the consolidated statements of financial position follow:

	2025	2024
Current portion	**₱15,466,372,284**	₱13,744,429,317
Noncurrent portion	**115,256,177,682**	103,628,283,626
	₱130,722,549,966	₱117,372,712,943

The maturity analysis of lease liabilities are disclosed in Note 4, *Financial Risk Management Objectives and Policies.*

Summarized below are the amounts recognized in the 2025, 2024 and 2023 consolidated statements of comprehensive income in relation to the Group's leases:

Revenue	**2025**	2024 (As restated - Note 44)	2023 (As restated - Note 44)
Sale of goods and services - rental income and sublease income			
Real estate and hotels	**₱22,708,943,205**	₱20,663,638,447	₱18,689,953,342
Foods	**19,348,615**	11,592,271	2,905,749
	22,728,291,820	20,675,230,718	18,692,859,091
Cost of Sales and Services			
Cost of services - depreciation of ROU assets	**43,419,356**	91,779,728	94,376,112
Rent expense - short term leases (Note 30)	**237,565,336**	254,347,804	317,811,163
	280,984,692	346,127,532	412,187,275
General and Administrative Expenses			
Depreciation of ROU assets	**14,477,968,511**	10,811,854,565	7,745,370,359
Rent expense - leases of low-valued assets (Note 31)	**1,682,603,699**	1,183,288,939	871,252,629
	16,160,572,210	11,995,143,504	8,616,622,988
Finance cost and other charges – accretion of lease liabilities (Note 35)	**5,169,505,736**	3,882,478,018	2,439,874,830
	₱1,117,229,182	₱4,451,481,664	₱7,224,173,998

URC

Operating Lease Commitments - Group as a Lessee

The URC Group leases land where certain of its facilities are located. The operating lease agreements are for periods ranging from one to five years from the date of the contracts and are renewable under certain terms and conditions.

Future minimum lease payments under noncancellable operating leases of the URC Group follow:

	2025	2024	2023
Within one year	**₱389,377,742**	₱224,145,951	₱422,884,568
After one year but not more than five years	**1,555,319,483**	576,761,897	637,741,087
Five years or more	**1,910,388,400**	1,385,970,586	1,511,435,564
	₱3,855,085,625	₱2,186,878,434	₱2,572,061,219

Operating Lease Commitments - Group as a Lessor

The URC Group has entered into one-year renewable, noncancellable leases with various related parties covering certain land and buildings where office spaces are located.

Future minimum lease receivables under noncancellable operating leases of the URC Group that are due within one year amounted to ₱56.4 million, ₱53.8 million and ₱50.2 million in 2025, 2024 and 2023, respectively.

RLC

Group as a Lessee

The RLC Group has lease contracts for various parcels of land used in its operations. Leases of land generally have lease terms between 25 and 50 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments.

In October 2018, RLC entered into a lease agreement for the lease of contagious land situated in Malolos, pursuant to Proclamation No. 832 dated July 17, 2014. The project shall involve the lease of the project site and utilization thereof by the Group for a mixed-use development. In November 2024, the RLC gained control over the asset subject of the lease. The lease commenced thereafter and the ₱100 million upfront fee was recognized as part of the ROU asset as of December 31, 2025 and 2024.

The lease period of the project site shall be for 25 years commencing on the 3rd project year counted from the commencement of the Construction Date and terminating on the date 25 years thereafter. The lease shall be automatically renewed for another 25 years upon mutual agreement by the parties. The upfront fee will be applied against the rent due starting on the 1st year of operation of RLC in the said property. The construction of the leased property commenced in November 2024 and the related ROU assets and Lease liabilities were recognized accordingly.

RLC has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the RLC's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised

Future minimum lease payments under noncancellable operating leases of RLC's certain lessee subsidiaries follow:

	2025	2024
Within one year	**₱367,654,392**	₱310,123,603
After one year but not more than five years	**1,850,467,182**	1,554,611,278
Over five years	**6,572,725,812**	6,776,005,992
	₱8,790,847,386	₱8,640,740,873

Operating Lease Commitments - Group as a Lessor
The RLC Group has entered into commercial property leases on its investment property portfolio. These noncancellable leases have remaining lease terms of between one and ten years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. The lease contracts also provide for the percentage rent, which is a certain percentage of actual monthly sales or minimum monthly gross sales, whichever is higher. Total rent income (included under 'Real estate and hotels revenue' in profit or loss in the consolidated statements of comprehensive income) amounted to ₱22.7 billion, ₱20.7 billion and ₱18.7 billion in 2025, 2024 and 2023, respectively. Total percentage rent recognized as income amounted to ₱5.4 billion, ₱4.7 billion and ₱4.4 billion in 2025, 2024 and 2023, respectively.

In 2023, RLC and certain lessee amended an existing lease contract which effectively extended the lease term from 10 years to 45 years. Under the amendatory agreement, RLC received a non-refundable security deposit amounting US$18 million which shall represent the lease fee for the extended period of 25 years after the expiration of the initial lease term of 20 years from 2021 up to 2032. RLC retains all significant risks and rewards of ownership on the building.

Future minimum lease receivables under noncancellable operating leases of the RLC Group follow:

	2025	2024	2023
Within one year	**₱2,906,969,401**	₱4,050,350,739	₱5,530,582,566
After one year but not more than five years	**24,862,206,895**	25,631,141,129	22,536,899,509
Over five years	**2,897,900,921**	2,582,909,018	2,233,090,986
	₱30,667,077,217	₱32,264,400,886	₱30,300,573,061

Finance Lease Commitments - Group as a Lessor
In 2025, RLC has entered into residential property leases on its residential condominium unit's portfolio, where RLC has transferred all the significant risks and rewards of ownership of these properties to the lessee. These leases have lease period of ten (10) years and the lessee is given the right to purchase the property anytime within the lease period provided that the lessee settled any arrears in rental payment, condominium dues and other charges.

As of December 31, 2025, the carrying amount of finance lease receivables is as follows:

Gross investment in finance leases	₱5,569,174,410
Unearned finance income	(1,421,229,015)
Net investment in finance leases	4,147,945,395
Accretion of finance income during the year	3,998,362
Lease payments during the year	(300,539,511)
Net investment in the lease	3,851,404,246
Less: current portion	511,092,637
Net investment in the lease - net of current portion	₱3,340,311,609

For year ended December 31, 2025, RLC recognized revenue from lease-to-own sales and cost of lease-to-own sales amounting to ₱4.1 billion and ₱2.3 billion, respectively. For the year ended December 31, 2025, finance income recognized amounted to ₱4.0 million. Unearned finance income amounted to ₱1.4 billion as of December 31, 2025.

JGSOC

Operating Lease Commitments - Company as a Lessee

In April 2013, JGSOC entered into a lease agreement for shuttle buses that transports its employees from Balagtas to Batangas plant and vice versa which may be renewed annually.

In June 2018, JGSOC entered in a lease contract with a related party for its new Head Office space with a lease term of five years starting in September 2018, with 5.0% annual escalation. JGSOC can renew the lease by submitting a written notice of intent at least nine (9) months before the lease expiration date. The terms and conditions shall be mutually agreed upon by both parties.

Rental expense charged to operations (included under 'Cost of sales and services' and 'General and administrative expenses' in profit or loss in the consolidated statements of comprehensive income) amounted to ₱72.3 million, ₱89.5 million and ₱107.9 million in 2025, 2024 and 2023, respectively.

Future minimum lease payments under the noncancellable lease of JGSOC's office space follow:

	2025	2024
Within one year	**₱28,055,762**	₱38,807,290
After one year but not more than five years	–	29,996,127
	₱28,055,762	₱68,803,417

CAI

CAI entered into operating lease agreements with certain leasing companies, which cover the following aircraft:

Operating Aircraft Lease Commitments - Group as a Lessee

A320CEO aircraft

The following table summarizes the specific lease agreements on CAI's Airbus A320CEO aircraft:

Date of Lease Agreement	**Lessors**	**No. of Units**	**Lease Term**
December 2021	Avolon Leasing Ireland 3 Limited	3	September 2026 - September 2027
May 2023	Banc of America Leasing Ireland Co., Limited	1	May 2026
June 2023	AWAS 3896 Trust	1	June 2026
November 2023	EOS Aviation 9 (Ireland) Limited	2	January - February 2027
November 2023	Bank of Utah	2	July 2028 – October 2028
December 2023	AVAP Aircraft Trading Pte. Ltd.	1	December 2027
December 2023	CALC Jiangqing Limited	1	February 2028
November – December 2025	Wilmington Trust SP Services (Dublin) Limited	4	October 2026, January 2028 – April 2028
		15	

In November 2023, CAI entered into four (4)-year lease agreements with Bank of Utah, not in its individual capacity but solely as owner trustee, for two (2) Airbus A320 delivered in July 2024 and October 2024.

In December 2023, CAI entered into (4)-year lease agreement with CALC Jiangqing Limited, for one (1) Airbus A320 delivered in February 2024.

A320NEO aircraft
The following table summarizes the specific lease agreements on CAI's Airbus A320NEO aircraft:

Date of Lease Agreement	Lessors	No. of Units	Lease Expiry
July 2019	SMBC Aviation Capital LTD	1	July 2029
October 2019	SMBC Aviation Capital LTD	1	October 2029
November 2019	Orix Aviation Systems Limited	2	June – September 2029
January 2020	SMBC Aviation Capital LTD	1	January 2030
November 2021	SMBC Aviation Capital LTD	1	November 2031
April 2022	Jackson Square Aviation Ireland Limited	1	April 2032
July 2022	Sky High 135 Leasing Company Limited	1	July 2032
March 2023	Avolon Leasing Ireland 3 Limited	2	October 2034 – May 2035
April 2023	Jackson Square Aviation Ireland Limited	1	April 2035
June 2023	Miracle Carina Company Limited	1	June 2035
August 2023	AerCap Aviation Leasing Limited	4	August 2033-November 2033
October 2023	Miracle Cassiopeia Company Limited	1	October 2035
November 2023	SMBC Aviation Capital LTD	1	April 2033
April 2024	Sky High 135 Leasing Company Limited	1	April 2036
September 2024	Sky High 101 Leasing Company Limited	1	September 2030
December 2024	Inishcannon Leasing Limited	1	June 2035
August 2025	Orix Aviation Systems Limited	1	December 2032
		22	

In August 2023, CAI entered into a 10-year lease agreement with AerCap Aviation Leasing Limited for four (4) A320NEOs delivered on August 2023, September 2023, April 2024 and June 2024.

In April 2024, CAI entered into a 12-year lease agreement with Sky High 135 Leasing Company Limited for one (1) Airbus A320NEO delivered in April 2024.

In September 2024, CAI entered into a 6-year lease agreement with Sky High 101 Leasing Company Limited for one (1) Airbus A320NEO delivered in September 2024.

In March 2023, CAI entered into a 12-year lease agreement with Avolon Leasing Ireland 3 Ltd. for one (1) Airbus A320NEO. In November 2024, the lease rights were amended and novated to current lessor, Inishcannon Leasing Limited.

A321CEO aircraft
The following table summarizes the specific lease agreements on CAI's Airbus A321CEO aircraft:

Date of Lease Agreement	Lessors	No. of Units	Lease Expiry
December 2024	Jackson Square Aviation Ireland Limited	7	April-December 2030

In December 2024, the agreement with TOADAC was pre-terminated and the Group entered into a new operating lease agreement with Jackson Square Aviation Ireland Limited.

A321NEO aircraft
The following table summarizes the specific lease agreements on CAI's Airbus A321NEO aircraft:

Date of Lease Agreement	Lessors	No. of Units	Lease Expiry
November 2020	Connolly Aviation Capital 5 Limited	1	November 2032
March 2021	JSA Cayman Leasing, Ltd.	1	March 2033
March 2022	Connolly Aviation Capital 6 Limited	1	March 2034
May 2021	SMBC Aviation Capital LTD	1	May 2031
June 2024	Aviation Capital Group LLC	1	June 2036
		5	

In June 2024, CAI entered into a 12-year lease agreement with Aviation Capital Group LLC for one (1) Airbus A321NEO delivered in June 2024.

ATR 72-600 aircraft
The following table summarizes the specific lease agreements on CAI's ATR 72-600 aircraft:

Date of Lease Agreement	Lessors	No. of Units	Lease Expiry
May 2019	AVAP AIRCRAFT TRADING III PTE. Ltd.	1	May 2029
December 2021	MSO 1628 Leasing Designated Activity Co.	1	December 2031
December 2023	NAC 58 Company Limited	1	May 2032
December 2017	NAC Aviation 29 DAC	1	December 2028
June 2018	NAC Aviation 29 DAC	1	June 2029
November 2023	NAC Aviation 48 Limited	1	December 2033
		6	

In December 2023, CAI entered into a 8-year lease agreement with NAC 58 Company Limited for one (1) ATR 72-600 delivered in May 2024.

A330NEO aircraft
The following table summarizes the specific lease agreements on CAI's Airbus A330NEO aircraft:

Date of Lease Agreement	Lessors	No. of Units	Lease Expiry
July 2019	Avolon Leasing Ireland 3 Limited	1	December 2033
November 2019	Avolon Leasing Ireland 3 Limited	1	December 2035
November 2021	SMBC Aviation Capital LTD	1	November 2033
May 2022	Dune Aviation 15 Limited	1	May 2034
April 2023	Aerdragon	1	April 2035
November 2023	SMBC Aviation Capital LTD	1	November 2035
January 2024	GY Aviation Lease 1841 Co., Limited	1	November 2034
April 2024	Avolon Leasing Ireland 3 Limited	1	March 2037
April 2024	Jackson Square Aviation Ireland Limited	1	July 2037
April 2024	Avolon Leasing Ireland 3 Limited	1	December 2037
July 2024	Iniserkin Leasing Limited	1	October 2037
August 2024	Jackson Square Aviation Ireland Limited	1	December 2036
December 2024	SMBC Aviation Capital Limited	1	February 2036
September 2025	ACG Aircraft Leasing Limited	1	July 2036
		14	

In January 2024, the lease rights for one (1) Airbus A330NEO, originally under a 12-year lease agreement with Avolon Leasing Ireland 3 in November 2022, were amended and officially novated to the current lessor, GY Aviation Lease 1841 Co., Limited. The amendment and novation did not result to any change to the lease term.

In April 2024, CAI entered into a 12-year lease agreement with Avolon Leasing Ireland 3 Limited for one (1) Airbus A330NEO delivered in March 2025.

In April 2024, CAI entered into a 12-year lease agreement with Jackson Square Aviation Ireland Limited for one (1) Airbus A330NEO delivered in July 2025.

In April 2024. CAI entered into a 12-year lease agreement with Avolon Leasing Ireland 3 Limited for one (1) Airbus A330NEO delivered in December 2025.

In July 2024, CAI entered into a 12-year lease agreement with Inisherkin Leasing Limited for one (1) Airbus A330NEO delivered in October 2025.

In August 2024, CAI entered into a 12-year lease agreement with Jackson Square Aviation Ireland Limited for one (1) Airbus A330NEO delivered on December 2024.

In December 2024, the lease rights for one (1) Airbus A330NEO delivered in February 2024, originally under a 12-year lease agreement with Avolon Leasing Ireland 3 in November 2019, were amended and officially novated to the current lessor, SMBC Aviation Capital Ltd. The amendment and novation did not result to any change to the lease term.

In September 2025, the lease rights for one (1) Airbus A330NEO delivered in July 2024, originally under a 12-year lease agreement with Avolon Leasing Ireland 3 in November 2019, were amended and officially novated to the current lessor, ACG Aircraft Leasing Limited. The amendment and novation did not result to any change to the lease term.

Engine Lease Commitments

The following table summarizes the specific lease agreements on CAI's engines:

Date of Lease Agreement	Lessors	No. of Units	Lease Term
June 2019	RRPF Engine Leasing Limited	1	March 2026
September 2020 – October 2020	SMBC Aero Engine Lease B.V.	3	August 2025 – December 2028
September 2020	Sunrise Non-US PO 1 Ltd	1	February 2027
December 2021	Sunrise Non-US PO 1 Ltd	1	January 2026
August 2022	RRPF Engine Leasing Limited	1	September 2034
September 2022	SMBC Aero Engine Lease B.V.	4	December 2030 – April 2032
March 2023	RRPF Engine Leasing Limited	1	April 2035
July 2023	RRPF Engine Leasing Limited	1	July 2033
October 2023	NAC Aviation 57 Limited	1	December 2028
May 2024	Total Engine Asset Management PTE. LTD.	4	May – June 2034
July 2024	RRPF Engine Leasing Limited	1	July 2036
September 2024 November 2024	SMBC Aero Engine Lease B.V.	5	November 2034

Date of Lease Agreement	Lessors	No. of Units	Lease Term
November 2024	RRPF Engine Leasing (No. 2) Limited	1	August 2032
December 2024	SMBC Aero Engine Lease B.V.	1	December 2034
March 2025	RRPF Engine Leasing (No. 2) Limited	1	November 2032
April 2025	RRPF Engine Leasing Limited	1	April 2037
June 2025	RRPF Engine Leasing (No. 2) Limited	1	August 2032
September-November 2025	JLPS Ireland Limited	5	September-December 2035
		34	

In May 2024, CAI entered into 10-year operating lease agreements as part of a sale and leaseback transaction with Total Engine Asset Management PTE. LTD. for three (3) PW1133G-JM engines delivered in the same month and one (1) PW1133G-JM delivered on June 2024.

In July 2024, CAI entered into operating lease agreements as part of a sale and leaseback transaction with RRPF Engine Leasing Limited for (1) Trent 7000 engine with a lease term of 12 years.

In September and November 2024, CAI entered into operating lease agreements as part of a sale and leaseback transaction with SMBC Aero Engine Lease B.V. for five (5) PW1133G-JM engines with lease term arrangements of 10 years.

In November 2024, the lease rights for one (1) PW1133G-JM engine, originally under lease greement with RRPF Engine Leasing Limited in August 2022, were amended and officially novated to the current lessor, RRPF Engine Leasing (No. 2) Limited. The amendment and novation did not result to any change to the lease term.

In December 2024, CAI entered into operating lease agreements as part of a sale and leaseback transaction with SMBC Aero Engine Lease B.V. for one (1) PW1133G-JM engine with lease term arrangements of 10 years.

In March 2025, the lease rights for one (1) PW1133G-JM engine, originally under lease agreement with RRPF Engine Leasing Limited in November 2022, were amended and officially novated to the current lessor, RRPF Engine Leasing (No. 2) Limited.

In April 2025, CAI received one (1) Trent 7000 engine from RRPF Engine Leasing Limited as part of a sale and leaseback transaction in May 2019 with a lease term of 12 years.

In June 2025, the lease rights for one (1) PW1133G-JM engine, originally under lease agreement with RRPF Engine Leasing Limited in August 2022, were amended and officially novated to the current lessor, RRPF Engine Leasing (No. 2) Limited.

In September 2025, CAI entered into operating lease agreements as part of a sale and leaseback transaction with JLPS Ireland Limited for three (3) PW1133G-JM engines with lease term arrangements of 10 years.

In November 2025, CAI entered into operating lease agreements as part of a sale and leaseback transaction with JLPS Ireland Limited for two (2) PW1133G-JM engines with lease term arrangements of 10 years.



Lease expenses relating to aircraft and engine leases (included in 'General and Administrative expenses' account in the consolidated statements of comprehensive income) amounted to ₱0.4 billion, ₱0.9 billion and ₱1.7 billion in 2025, 2024, and 2023, respectively.

In 2025, CAI entered into a Termination and Settlement Agreement with SMBC Aero Engine Lease B.V. in respect of leasing of the engine with serial number ESN 697582. The related ROU asset and lease liability were derecognized, resulting to a loss of P2.0 million, which was recognized under 'Other income (expenses)' in the consolidated statement of comprehensive income.

In 2025, CAI terminated its lease with RRPF for a Trent 700 engine following the exit of all A330CEO aircraft from the operating fleet. The related ROU asset and lease liability were derecognized, resulting to a gain of ₱45.3 million, which was recognized under 'Other income (expenses)' in the consolidated statements of comprehensive income.

Future minimum lease payments under the above-indicated operating aircraft leases follow:

	2025		2024		2023	
	US Dollar	**Philippine Peso Equivalent**	US Dollar	Philippine Peso Equivalent	US Dollar	Philippine Peso Equivalent
Within one year	**US$ 338,531,157**	**₱19,902,246,693**	US$315,045,013	₱18,223,778,757	US$258,328,908	₱14,303,671,636
After one year but not more than five years	**1,149,358,413**	**67,570,781,085**	1,094,523,841	63,312,731,601	982,573,506	54,405,095,010
Over five years	**1,037,244,478**	**60,979,602,853**	1,002,165,227	57,970,247,564	753,471,084	41,719,693,917
	US$2,525,134,048	**₱148,452,630,631**	US$2,411,734,081	₱139,506,757,922	US$1,994,373,498	₱110,428,460,563

Operating Non-Aircraft Lease Commitments - Group as a Lessor

CAI has entered into various lease agreements for its hangar, office spaces, ticketing stations and certain equipment. These leases have remaining lease terms ranging from one to ten years. Certain leases include a clause to enable upward revision of the annual rental charge ranging from 5.00% to 10.00%.

Future minimum lease payments under these noncancellable operating leases follow:

	2025	2024	2023
Within one year	**₱614,562,007**	₱517,523,271	₱227,165,672
After one year but not more than five years	**2,390,496,841**	1,971,517,224	1,227,426,336
Over five years	**5,260,824,259**	4,100,537,159	3,840,389,291
	₱8,265,883,107	₱6,589,577,654	₱5,294,981,299

Lease expenses relating to both cancellable and noncancellable non-aircraft leases (allocated under different expense accounts in the consolidated statements of comprehensive income) amounted to ₱1.9 billion, ₱1.3 billion and ₱991 million in 2025, 2024, and 2023, respectively.

43. Other Commitments and Contingent Liabilities

Parent Company

- *JGSPL 4.125% Senior Unsecured Notes Due 2030*
  On June 26, 2020, the BOD of the Parent Company approved to guarantee the obligations of JGSH Philippines, Limited for the issuance of US$ fixed rate notes amounting to US$600.0 million.

  These notes require the Group not to exceed the 2.0:1.0 financial ratio requirement on its consolidated total borrowing to consolidated total equity ratio and not to fall below 0.5:1.0 financial ratio requirement on its consolidated current assets to consolidated current liabilities ratio.

- *Merbau's 11.735 megawatt peak Roof-Mounted Solar Energy Projects*
  On July 9, 2024, the BOD of the Parent Company approved the issuance of a Letter of Guarantee in favor of Merbau Corporation to cover the estimated project cost of its 11.735 megawatt peak Roof-Mounted Solar Energy Project amounting to ₱355.2 million.

CAI

Capital Expenditure Commitments

CAI's capital expenditure commitments relate principally to the acquisition of aircraft fleet, aggregating to ₱448.0 billion and ₱436.5 billion as of December 31, 2025 and 2024, respectively.

	2025	
	US Dollar	**Philippine Peso Equivalent**
Within one year	**US$875,895,123**	**₱51,493,874,264**
After one year but not more than five years	**3,793,028,981**	**222,992,173,816**
More than five years	**2,952,127,438**	**173,555,572,083**
	US$7,621,051,542	**₱448,041,620,163**

	2024	
	US Dollar	Philippine Peso Equivalent
Within one year	US$849,610,022	₱49,145,691,700
After one year but not more than five years	2,947,290,413	170,486,013,958
More than five years	3,749,357,665	216,881,594,136
	US$7,546,258,100	₱436,513,299,794

Aircraft and Spare Engine Purchase Commitments

In August 2011, CAI entered in a commitment with Airbus S.A.S. to purchase firm orders of 32 new Airbus A321NEO aircraft and ten (10) additional option orders. These aircraft are scheduled to be delivered from 2019 to 2026.

On June 28, 2012, CAI entered into an agreement with United Technologies International Corporation Pratt & Whitney Division to purchase new PurePower® PW1100G-JM engines for its 32 firm and ten (10) optional A321NEO aircraft. The agreement also includes an engine maintenance services program for a period of ten (10) years from the date of entry into service of each engine.

On October 31, 2019, CAI placed an order with Airbus S.A.S to purchase 16 Airbus A330 NEO aircraft. Consequently, on November 29, 2019, CAI entered into agreements with Rolls-Royce PLC for the purchase of spare Trent 7000 engines and for the provision of Total Care life services and other services required in connection with the 16 A330NEO aircraft.

On December 18, 2019, CAI placed an additional order with Airbus S.A.S for 15 A320NEO family aircraft which includes up to ten (10) A321XLR.

On September 30, 2024, CAI formally signed its purchase agreement with Airbus S.A.S. for up to 152 A321NEO and A320NEO family aircraft. The agreement includes a firm order for 70 narrowbody aircraft, along with 82 early options and purchase rights. Deliveries are scheduled to commence in 2029 up to mid-2030s, while providing a combination of early slots, purchase rights, conversion and deferral rights. CAI also signed with International Aero Engines (Pratt & Whitney) to power the aircraft with its engines, which includes a comprehensive engine maintenance program.

As of December 31, 2025, CAI is set to take delivery of four (4) A320NEO aircraft, thirteen (13) A321NEO aircraft, two (2) A330NEO aircraft, and seventy (70) A320 Family aircraft until 2033. This excludes any exercise of early options and deferral rights available with the purchase order with Airbus from October 2024. In addition, CAI is set to take delivery of ten (10) PW1133G-JM engines until 2033.

The above-indicated commitments relate to CAI's re-fleeting and expansion programs. These agreements remain in effect as of December 31, 2025.

URC

Milling Contracts

Milling contracts with various planters provide for a 60%-70% share to the planters (including related parties) and 30%-40% share to the Group of sugar and molasses produced from sugar canes milled. The Sugar Industry Development Act of 2015 provides that, to ensure the immediate payment of farmers and secure their income from sugarcane, farmers may enter into any payment method with the sugar mill.

Sugar under Custody but Not Owned

As of December 31, 2025 and 2024, URC has in its custody sugar owned by several quedan holders amounting to ₱2.0 billion (905,328 Lkg) and ₱1.8 billion (714,905 Lkg), respectively. The said volume of sugar is not reflected in the consolidated statements of financial position since this is not owned by URC. URC is accountable to both quedan holders and sugar traders for the value of these trusteed sugar or their sales proceeds.

RLC

Capital Commitments

RLC has contractual commitments and obligations for the construction and development of investment properties and property and equipment items aggregating ₱5.4 billion and ₱5.6 billion as of December 31, 2025 and 2024, respectively. Moreover, RLC has contractual obligations amounting to ₱2.4 billion and ₱1.8 billion as of December 31, 2025 and 2024, respectively, for the completion and delivery of real estate units that have been presold. RLC has no capital commitments related to its investments in associate and joint ventures.

Contingencies

The Group has various contingent liabilities arising in the ordinary conduct of business from legal proceedings which are either pending decision by the courts, under arbitration or being contested, the outcomes of which are not presently determinable. In the opinion of management and its legal counsels, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect on the Group's financial position and results of operations. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets,* is not disclosed on the ground that it can be expected to prejudice the outcome of these lawsuits, claims, arbitration and assessments.



44. Discontinued Operations

JGSOC

In 2025, the BOD approved management's plan to exit the petrochemical business, which included the indefinite shutdown of JGSOC and the pursuit of various options to monetize its assets. JGSOC represents a separate major line of business of the Group, and its operations and cash flows are clearly distinguishable from those of the Group's continuing operations.

As a result, JGSOC was classified as a discontinued operation in 2025. In connection with this decision, the Group wrote down the carrying value of JGSOC's assets to their recoverable amounts, resulting in an impairment loss of ₱114.3 billion, which was recognized under Net income (loss) after tax from discontinued operations in the consolidated statements of income.

URC China Entities

In June 2024, certain China subsidiaries of Universal Robina Corporation (URC) ceased business operations and abandoned their activities. These entities constitute components of the Group whose operations and cash flows are clearly distinguishable from the continuing operations and were accordingly classified as discontinued operations.

An impairment loss on property, plant and equipment of the China entities was recognized in 2024 and presented under Net income (loss) after tax from discontinued operations in the consolidated statements of income.

Presentation of Discontinued Operations

The results of operations of JGSOC and the China entities have been presented separately from those of the continuing operations in the consolidated statements of income for the years ended December 31, 2025, 2024, and 2023, up to the level of net income (loss) after tax from discontinued operations. Accordingly, the comparative consolidated statements of income for 2024 and 2023 have been restated to reflect this presentation.

The assets and liabilities of the discontinued operations remain included in the consolidated statements of financial position as of December 31, 2025, as the related disposal or monetization processes had not been completed as of reporting date.

Result of Operations

The results of operations of JGSOC, as presented below in the consolidated statements of income, are solely attributable to the holders of the Parent Company.

	2025	2024	2023
Sale of goods and services	**₱6,834,068,071**	₱41,625,316,174	₱31,375,216,173
Cost of sales	**13,375,528,791**	50,670,232,299	38,086,342,383
Gross loss	**(6,541,460,720)**	(9,044,916,125)	(6,711,126,210)
General and administrative expenses	**788,368,841**	2,032,606,869	1,499,609,859
Operating loss	**(7,329,829,561)**	(11,077,522,994)	(8,210,736,069)
Provision for impairment losses and others	**(114,300,000,000)**	(843,000,000)	–
Finance cost and other charges	**(1,857,345,697)**	(5,283,827,132)	(3,963,034,719)
Finance income	**19,838,481**	10,551,019	10,828,085
Foreign exchange gains (losses)	**1,523,278**	(1,347,220)	80,450,054
Other expense - net	**(521,771,971)**	(241,738,077)	(386,212,523)
Loss before income tax	**(123,987,585,470)**	(17,436,884,404)	(12,468,705,172)
Provision for income tax	**–**	(20)	565,886,173
Net loss from discontinued operations	**(₱123,987,585,470)**	(₱17,436,884,384)	(₱13,034,591,345)

Below is the breakdown of JGSOC depreciation expenses:

	2025	2024	2023
Cost of sales and services	**₱4,453,285,041**	₱4,466,354,825	₱4,116,844,247
General and administrative expenses	**52,273,898**	155,361,868	179,774,411
	₱4,505,558,939	₱4,621,716,693	₱4,296,618,658

Below is the breakdown of JGSOC personnel expenses:

	2025	2024	2023
Salaries and wages	**₱705,573,377**	₱867,180,722	₱795,993,231
Other employee benefits	**34,612,222**	55,266,884	48,455,414
Pension expense (Note 37)	**49,431,764**	52,415,320	49,431,764
	₱789,617,363	₱974,862,926	₱893,880,409

The related cash flows arising from JGSOC for the years ended December 31, 2025, 2024 and 2023 follow:

	2025	2024	2023
Net cash provided by (used in) operating activities	**₱1,513,058,334**	(₱9,580,984,662)	(₱5,188,916,392)
Net cash used in investing activities	**(77,947,784)**	(2,663,594,617)	(3,609,405,889)
Net cash provided by (used in) financing activities	**(1,708,599,888)**	12,518,562,177	9,058,336,852
Effect of exchange rate changes	**(16,866,961)**	(10,038,207)	(36,624,031)
Cash flows provided by (used in) discontinued operations	**(₱290,356,299)**	₱263,944,691	₱223,390,540

The results of operations of China in the consolidated statements of income are presented below:

	2025	2024	2023
Sale of goods and services	**₱–**	₱227,019,552	₱614,528,835
Cost of sales	**–**	116,446,593	348,693,872
Gross profit	**‣**	110,572,959	265,834,963
Selling and distribution costs	**–**	72,417,519	174,684,757
General and administrative expenses	**54,218,708**	98,229,411	127,534,369
Operating loss	**(54,218,708)**	(60,073,971)	(36,384,163)
Provision for impairment losses and others	**–**	(316,867,584)	–
Finance income	**5,614,328**	11,643,528	18,838,452
Foreign exchange gains	**(657,764)**	3,708,501	2,737,379
Other income (expense) - net	**(25,076,079)**	(42,922,374)	103,257
Income (loss) before income tax	**(74,338,223)**	(404,511,900)	(14,705,075)
Provision for income tax	**–**	1,037,237	3,346,544
Net income (loss) from discontinued operations	**(₱74,338,223)**	(₱405,549,137)	(₱18,051,619)
Loss per share	**(₱0.03)**	(₱0.19)	(₱0.01)

	2025	2024	2023
Attributable to Parent Company	**(₱42,348,538)**	(₱229,804,216)	(₱10,096,341)
Attributable to non-controlling interest	**(31,989,685)**	(175,744,921)	(7,955,278)
	(₱74,338,223)	(₱405,549,137)	(₱18,051,619)

The related cash flows arising from China business activities for the years ended December 31, 2025, 2024 and 2023 follow:

	2025	2024	2023
Net cash used in operating activities	**(₱65,740,423)**	(₱274,690,209)	(₱103,074,447)
Net cash provided by investing activities	**–**	2,729,127	–
Net cash used in financing activities	**(282,185,596)**	–	–
Cash flows used in discontinued operations	**(₱347,926,019)**	(₱271,961,082)	(₱103,074,447)

Merger of RBC with BPI

On September 30, 2022, the BOD of RBC approved the plan of merger of RBC and BPI, with BPI as the surviving entity. The merger is seen as a strategic move that will unlock various synergies across businesses, expand customer bases, and enhance the overall banking experience of the Bank's customers with the combined network.

On January 17, 2023, stockholders representing at least two-thirds of the outstanding shares of BPI approved the merger between BPI and RBC.

On January 26, 2023, the Articles of Merger and the Plan of Merger were executed by BPI and RBC. The Supplement to the Agreement for the Merger of BPI and RBC was likewise executed on the same date by and among BPI, RBC and RBC Shareholders - RRHI and JGSCSC, which states that upon the effectivity of the Merger and receipt of all necessary corporate and regulatory approvals, RBC Shareholders will collectively hold approximately 6.0% of the resulting outstanding capital stock of BPI.

The merger between BPI and RBC underwent several regulatory approvals. On March 9, 2023, the Philippine Competition Commission cleared the merger. Subsequently, on December 15, 2023, the Bangko Sentral ng Pilipinas approved the merger, followed by the Securities and Exchange Commission's approval of the Articles of Merger and the Plan of Merger, along with their supplements, as filed by BPI and RBC.

As a result, the related assets and liabilities of RBC as of December 31, 2023 are presented as Asset Held for Sale and Liabilities Directly Associated with Assets Held for Sale, respectively, in the consolidated statements of financial position while the results of operations are presented as Net Income After Tax from Discontinued Operations in the consolidated statements of comprehensive income.

Management assessed that the carrying amount of Assets Held for Sale is lower than its fair value less costs to sell; thus, the amount recognized as Asset Held for Sale in the statements of financial position is equal to the carrying amounts as of December 31, 2023.

The results of operations of RBC in the consolidated statements of comprehensive income are presented below:

	2023
Revenue	
Sale of services	₱13,121,944,839
Equity in net losses of associates and joint ventures	(234,225,120)
Dividend income	8,916,075
Rental income	13,408,896
	12,910,044,690
Cost of Sales and Services	5,580,108,894
Gross Income	7,329,935,796
Net Operating Expenses	
General and administrative expenses	5,513,352,333
Provision for impairment losses and others	905,720,680
	6,419,073,013
Operating Income	910,862,783
Other Income	
Foreign exchange gains	(247,842,685)
Others	344,403,428
Income Before Income Tax	1,007,423,526
Provision for Income Tax	305,893,385
Net Income from Discontinued Operations	₱701,530,141

	2023
Attributable to Parent Company	₱420,918,085
Attributable to non-controlling interest	280,612,056
	₱701,530,141

Other comprehensive income from discontinued operations consists of the following:

	2023
Net gains on financial assets at FVOCI	₱231,392,054
Remeasurements of the net defined benefit liability	(61,607,560)
Cumulative translation adjustment	(4,658,301)
	₱165,126,193

The related cash flows arising from banking business activities is as follows:

	2023
Net cash used in operating activities	(₱4,083,355,654)
Net cash used in investing activities	(837,173,485)
Net cash provided by financing activities	4,297,573,160
Effect of foreign exchange changes	(4,658,301)
	(₱627,614,280)

On January 1, 2024, the merger of RBC and BPI became effective, with BPI as the surviving entity. A total of 314 million BPI common shares were issued to RBC shareholders as a result of the merger, equivalent to 6.0% ownership in BPI (3.58% ownership by JGSCSC and 2.4% ownership by Robinsons Retail Holdings, Inc). The Group recognized a gain arising from the merger transaction between RBC and BPI, amounting to ₱7.9 billion, which is reported as part of 'Other Operating Income (Losses)' (see Note 29). The gain on merger is the difference between the consideration received which is the fair market value of BPI shares received (Note 10) and the Group's share in RBC net book value transferred at the effectivity date of the merger.



45. Share-based Payments

On March 29, 2021, the BOD of CAI approved its LTIP. The LTIP involves the grant of any one or a combination of Restricted Stock Units and Stock Options to eligible persons.

Restricted Stock Units (RSU)
On November 26, 2021, 4,710,000 RSUs were granted to 82 eligible persons with one (1) to three (3) years vesting period. These vested in three (3) tranches; 20%, 30% and 50% at the end of 2021, 2022 and 2023, respectively except for three (3) grantees that vested in full at the end of 2021. Vesting is conditional on the eligible person's employment and achievement of a minimum individual performance rating of "Meets Expectations". The fair value of each share is ₱48.40 which is the stock price at grant date.

In 2022, six (6) eligible persons were granted RSUs with three (3) years vesting period, commencing 2022. These vested in three (3) tranches: 20%, 30% and 50% at the end of 2022, 2023 and 2024, respectively. The fair value of each share varies considering the grant date ranging from ₱40.00 to ₱45.00.

Additionally, in 2023, 18 eligible persons were granted RSUs with three (3) years vesting period, commencing 2023 until 2026, also in three (3) tranches 20%, 30% and 50%. The fair value of each share varies considering the grant date ranging from ₱32.50 to ₱43.95.

CAI does not pay cash as a form of settlement.

As of December 31, 2025 and 2024, 371,500 and 346,500 RSUs have vested and were subsequently listed with the Philippine Stock Exchange on January 20, 2026 and January 17, 2025, respectively.

Stock Options (SOs)
On November 26, 2021, 5,205,000 stock options were granted to 16 eligible persons with three (3) years vesting period which can be exercised at a strike price of ₱48.575 once vested. These will vest in three (3) tranches; 20%, 30% and 50% at the end of 2021, 2022 and 2023, respectively except for two (2) grantees which will vest in full at the end of 2021. Vesting is conditional on the eligible person's employment and achievement of a minimum individual performance rating of "Meets Expectations" within the vesting period. These options will expire on December 31, 2027. The Group does not pay cash as a form of settlement.

Additionally, in 2023, one (1) additional eligible person was granted SOs with three (3) years vesting period commencing 2023 until 2025 in three (3) trances: 20%, 30% and 50%. Also, three (3) existing eligible persons were granted additional SOs with three (3) years vesting period commencing 2024 until 2026, also in three (3) tranches: 20%, 30% and 50%.

On December 31, 2025 and 2024, 220,000 and 140,000 stock options have vested. No options were exercised, forfeited or expired during both years. Thus, a total of 5,365,000 and 5,145,000 vested stock options remain to be outstanding and exercisable as of December 31, 2025 and 2024, respectively.

The fair value of each option at grant date is ₱21.79 which was determined using the Cox-Ross-Rubinstein Binomial Option Pricing Method. The inputs in the valuation of the stock option are as follows:

Stock price at grant date	₱48.40
Exercise price	₱48.575
Expected volatility	47.24%
Option life	6.10 years
Dividend yield	2.93%
Risk-free interest rate	4.53%

The option life is the period between the November 26, 2021 grant date to December 31, 2027 expiry date. The expected volatility was based on the historical daily stock prices for the past five years. Daily stock price data used did not include non-trading days. Standard deviation was used to measure volatility which is a measure of risk associated with the degree of fluctuations in stock price over a period of time.

46. Supplemental Disclosures to Cash Flow Statements

Changes in liabilities arising from financing activities in 2025 and 2024 follow:

	January 1, 2025	**Cash Flows**	**Foreign Exchange Movement**	**Currency Translation Adjustment**	**Others***	**December 31, 2025**
Short-term debts	**₱66,240,571,233**	**(₱23,693,903,493)**	**(₱63,172,655)**	**₱250,321,226**	**₱–**	**₱42,733,816,311**
Long-term debts	**234,148,467,690**	**4,631,649,025**	**664,699,291**	**570,981,609**	**54,648,421**	**240,070,446,036**
Bonds payable	**14,156,440,222**	**–**	**234,052,316**	**–**	**123,862,770**	**14,514,355,308**
Lease liabilities	**117,372,712,943**	**(19,247,317,559)**	**–**	**(287,529,859)**	**32,884,684,441**	**130,722,549,966**
	₱431,918,192,088	**(₱38,309,572,027)**	**₱835,578,952**	**₱533,772,976**	**₱33,063,195,632**	**₱428,041,167,621**

**Others mainly consist of additional lease liabilities, accretion of interest and amortization of bond issue cost.*

	January 1, 2024	Cash Flows	Foreign Exchange Movement	Currency Translation Adjustment	Others*	December 31, 2024
Short-term debts	₱63,524,865,841	₱2,445,105,447	₱174,061,082	₱96,538,863	₱–	₱66,240,571,233
Long-term debts	224,698,241,645	8,313,363,244	(289,051,907)	1,466,867,376	(40,952,668)	234,148,467,690
Bonds payable	13,437,715,699	–	601,772,733	–	116,951,790	14,156,440,222
Lease liabilities	85,448,578,346	(14,955,567,818)	–	–	46,879,702,415	117,372,712,943
	₱387,109,401,531	(₱4,197,099,127)	486,781,908	₱1,563,406,239	₱46,955,701,537	₱431,918,192,088

**Others mainly consist of additional lease liabilities, accretion of interest and amortization of bond issue cost.*

The Group's noncash activities pertain to the following:

2025

- Additions to ROU Assets amounted to ₱27.7 billion (Note 42).
- Acquisition of property, plant and equipment on account amounted to ₱1.9 billion.
- CTA of long-term debt amounted to ₱571.0 million.
- Reclassification of property, plant and equipment to Assets held for sale amounted to ₱368.4 million (Note 16).
- Other income amounting to ₱6.3 billion pertains to the fair value of the five (5) free-of-charge engines received as compensation and mitigation for the ongoing aircraft-on-ground issue (Note 16).

2024

- Additions to ROU Assets amounted to ₱41.3 billion (Note 42).
- Reclassification of property, plant and equipment to Assets held for sale amounted to ₱2.4 billion (Note 16).

- Acquisition of property, plant and equipment on account amounted to ₱1.8 billion.
- Transfers from advances to lot owners to investment properties amounted to ₱52 million.
- CTA of long-term debt amounted to ₱1.5 billion.

2023
- Additions to ROU Assets amounted to ₱42.0 billion (Note 42).
- Acquisition of property, plant and equipment on account amounted to ₱1.8 billion.
- Reclassification of property, plant and equipment to Intangible Assets amounted to ₱669.8 million.
- Transfers from investment properties to property and equipment amounted to ₱116.5 million.
- Transfers from advances to lot owners to investment properties amounted to ₱570 million.
- CTA of long-term debt amounted to ₱908 million.

In 2025, the Group reclassified for cash flow presentation purposes the proceeds from the block sale of shares in a subsidiary amounting to ₱10.0 billion in the 2024 consolidated statement of cash flows from investing activities to financing activities to conform with the 2025 consolidated statement of cash flows presentation. The reclassification has no impact on (i) the net increase in cash and cash equivalents in the 2024 consolidated statement of cash flow, (ii) consolidated net income and total comprehensive income in 2024, and compliance with any debt covenants in 2024.

47. Events after Reporting Date

Completion of the Overnight Block Placement of RCR Shares
On January 27, 2026, RLC sold a total of 945,946,000 RCR shares at a transaction price of ₱7.40 per share equivalent to ₱7.0 billion (exclusive of taxes and fees). As a result of the sale, the equity interest of RLC in RCR was reduced from 60.51% to 55.67%.

Disposition of Shares of NURC
On March 13, 2026, the BOD of URC approved a strategic transaction involving its investment in NURC, the joint venture between URC and Nissin Foods Asia Co. Ltd. (NFA). Under the approved transaction, URC will sell 21% of its equity interest in NURC to NFA.

Established in 1994, NURC manufactures and sells instant noodles in the Philippines and is a key player in the local market. Prior to the transaction, URC held 51% of NURC and NFA held 49%. Following completion, NFA will hold 70% and become the majority shareholder, while URC will retain 30%.

URC and NFA are refining their partnership to further accelerate NURC's development. In recognition of NFA's global strengths in product innovation and brand building in the noodles category, NFA will assume an enhanced leadership role in these areas. URC will continue as the local operating partner in the Philippines, remaining deeply involved in day to day operations and contributing its market knowledge, strong route to market capabilities, and execution excellence to sustain and enhance NURC's competitive position.

The final consideration price will be determined by December 2026 and will be paid upon satisfaction of the agreed conditions precedent. Consummation of the transaction is subject to securing prior approval from the Philippine Competition Commission and customary closing procedural requirements. Transaction completion is expected on January 7, 2027.

Upon completion of the transaction, URC will lose control over NURC and retain a 30% equity interest. Consistent with PFRS 10, Consolidated Financial Statements, the Group will derecognize the assets, liabilities, and non-controlling interests related to NURC and recognize the retained interest at fair value, with any resulting gain or loss recognized in profit or loss in the period of transaction completion. Thereafter, the retained investment is expected to be accounted for as an associate under the equity method in accordance with PAS 28, Investments in Associates and Joint Ventures. The final financial impact, including the gain or loss on disposal, will be determined upon transaction completion once the final consideration and fair value measurements have been established.

48. **Approval for the Release of the Consolidated Financial Statements**

The accompanying consolidated financial statements of the Group were approved and authorized for issue by the BOD on April 15, 2026.

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
JG Summit Holdings, Inc.
43rd Floor, Robinsons-Equitable Tower
ADB Avenue corner Poveda Road, Pasig City, Metro Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of JG Summit Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, included in this Form 17-A, and have issued our report thereon dated April 15, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole, are prepared in all material respects, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

SYCIP GORRES VELAYO & CO.

Janeth T. Nuñez-Javier
Partner
CPA Certificate No. 111092
Tax Identification No. 900-322-673
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
SEC Partner Accreditation No. 111092-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-069-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765098, January 2, 2026, Makati City

April 15, 2026

A member firm of Ernst & Young Global Limited

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
JG Summit Holdings, Inc.
43rd Floor, Robinsons-Equitable Tower
ADB Avenue corner Poveda Road, Pasig City, Metro Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of JG Summit Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated April 15, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Janeth T. Nuñez-Javier
Partner
CPA Certificate No. 111092
Tax Identification No. 900-322-673
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
SEC Partner Accreditation No. 111092-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-069-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765098, January 2, 2026, Makati City

April 15, 2026

JG SUMMIT HOLDINGS, INC.
SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION (ANNEX 68-D)
AS OF DECEMBER 31, 2025

The table below presents the retained earnings available for dividend declaration as of December 31, 2025:

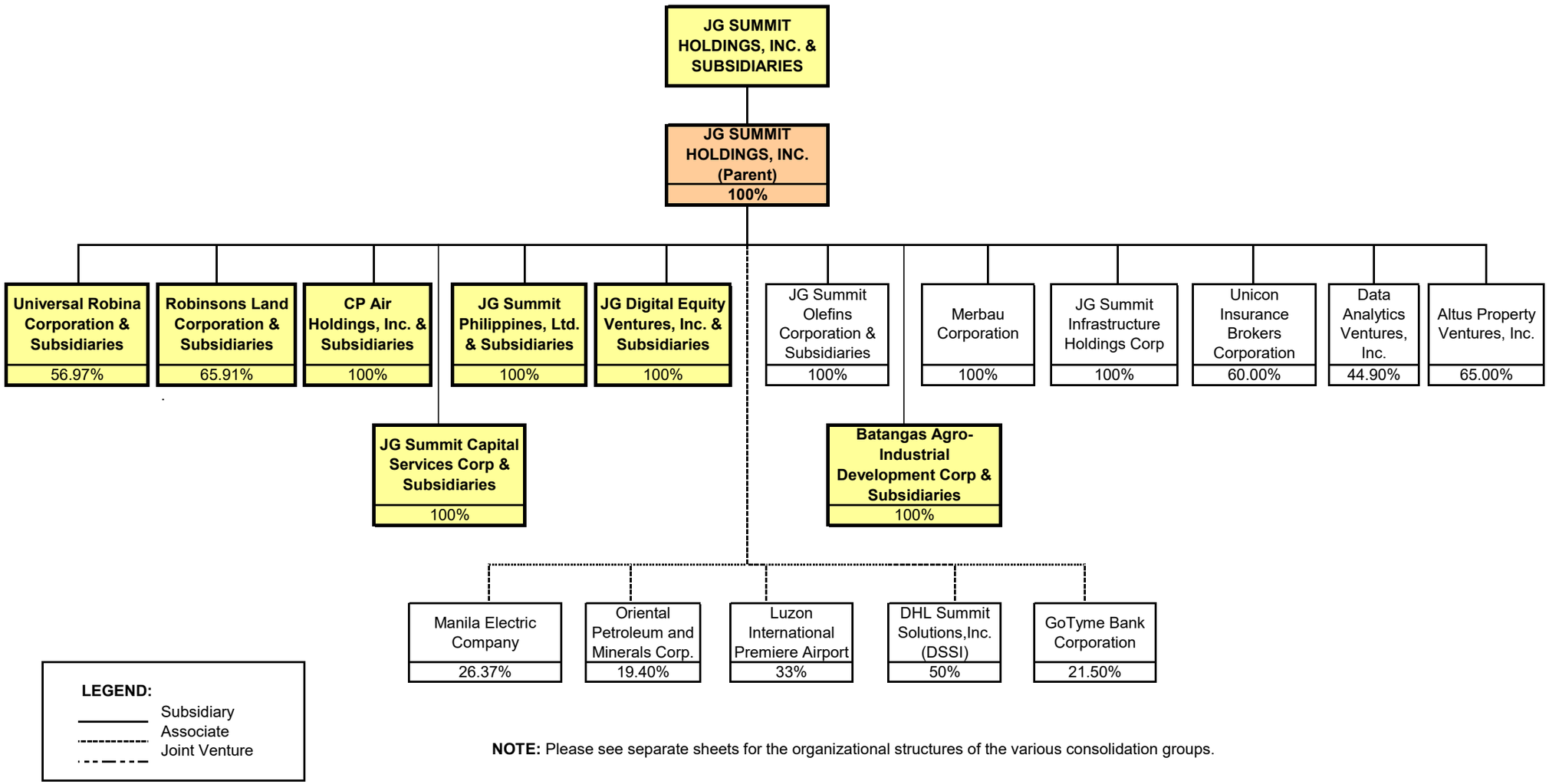
Unappropriated Retained Earnings, beginning of reporting period	₱65,268,026,289
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
Reversal of Retained Earnings Appropriation/s	112,224,000,000
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	(3,175,613,136)
Retained Earnings appropriated during the reporting period	(11,000,000,000)
	(14,175,613,136)
Unappropriated Retained Earnings, as adjusted	163,316,413,153
Add/Less: Net Income for the current year	(154,494,237,229)
Add: Category C.3: Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)	
Fair value adjustment on financial asset at FVTPL	123,101,975
Total Retained Earnings, end of the reporting period available for dividend	₱8,945,277,899

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATOR (ANNEX 68-E)
FOR THE YEARS ENDED DECEMBER 31, 2025, AND 2024

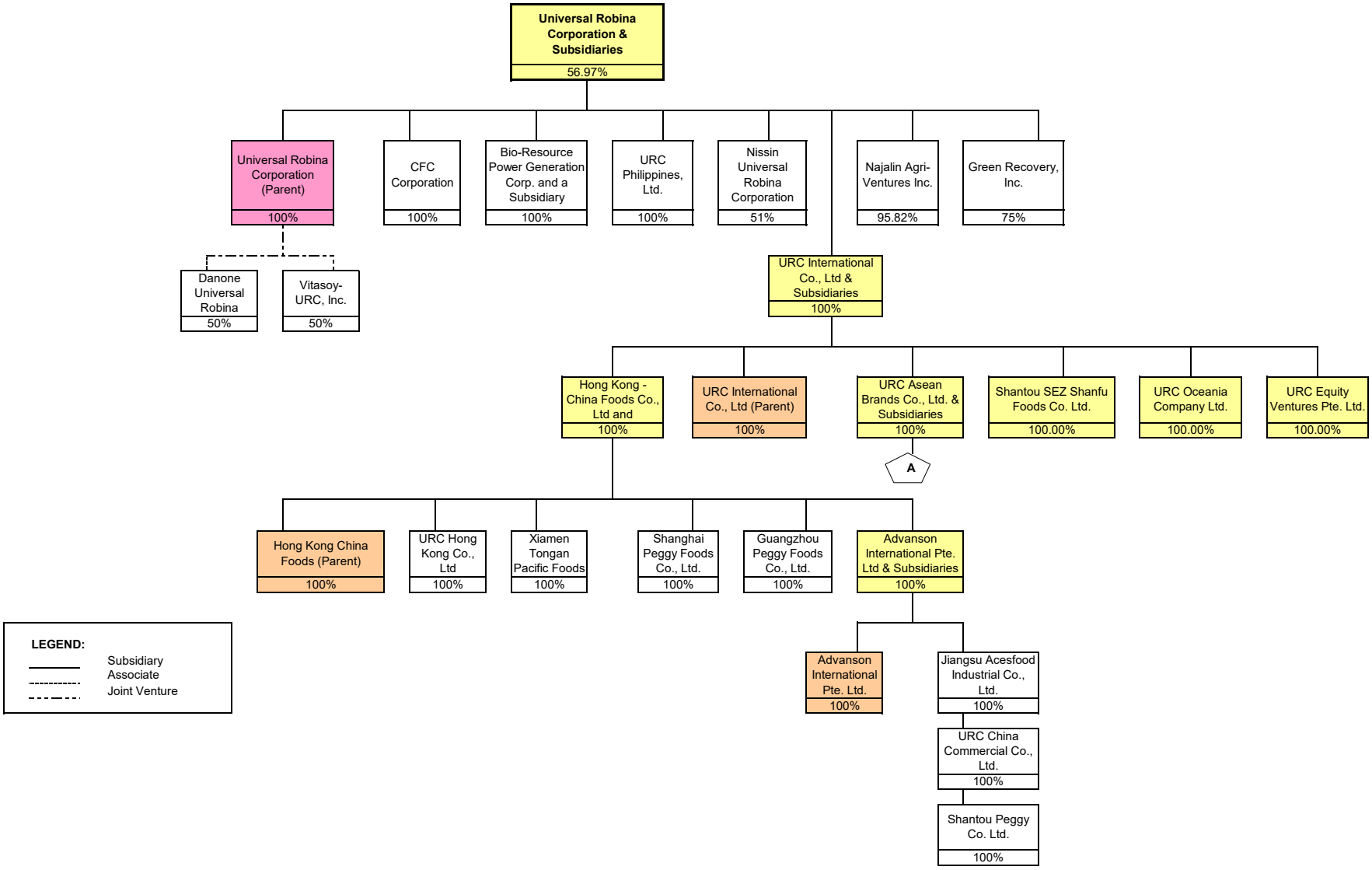
The following are the financial ratios that the Group monitors in measuring and analyzing its financial soundness:

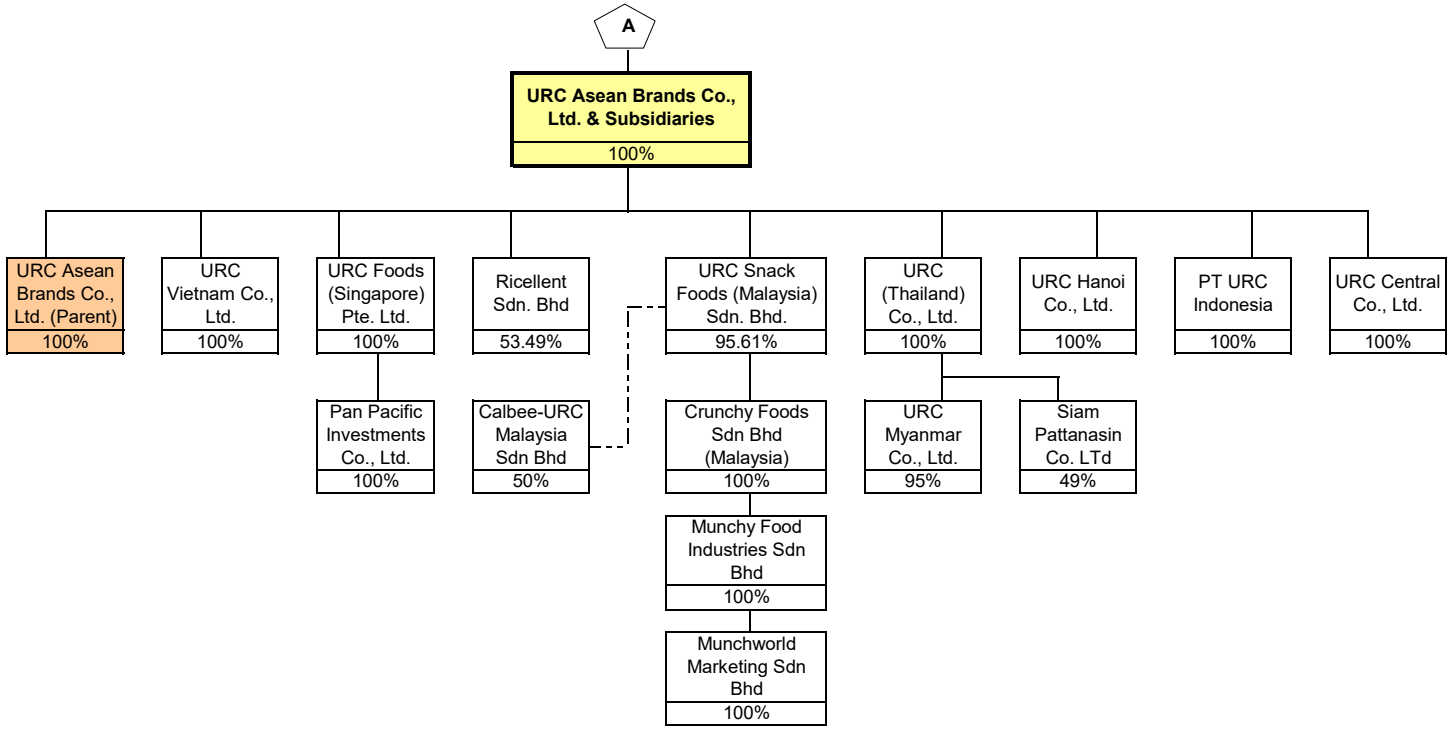
Ratio	Formula *(in millions)*		2025	2024
Current ratio	Total Current Assets	212,009	**1.16**	1.02
	Divide by: Total Current Liabilities	182,185		
	Current ratio	1.16		
Debt-to-equity ratio/ Gearing ratio	Total Debt**	297,319	**0.73**	0.66
	Divide by: Total Equity	404,622		
	Debt-to-equity ratio	0.73		
	***Short-term loans + Long-term loans*			
Asset-to-equity ratio	Total Assets	969,949	**2.40**	2.20
	Divide by: Total Equity	404,622		
	Asset-to-equity ratio	2.40		
Operating income margin	Operating Income	66,977	**0.18**	0.18
	Divide by: Total Revenues	368,532		
	Operating income margin	0.18		
Return on equity	Net income attributable to equity holders of the Parent Company	(88,343)	**(0.27)**	0.06
	Divide by: Average Equity attributable to equity holders of the Parent Company	322,524		
	Return on equity	(0.27)		

MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP



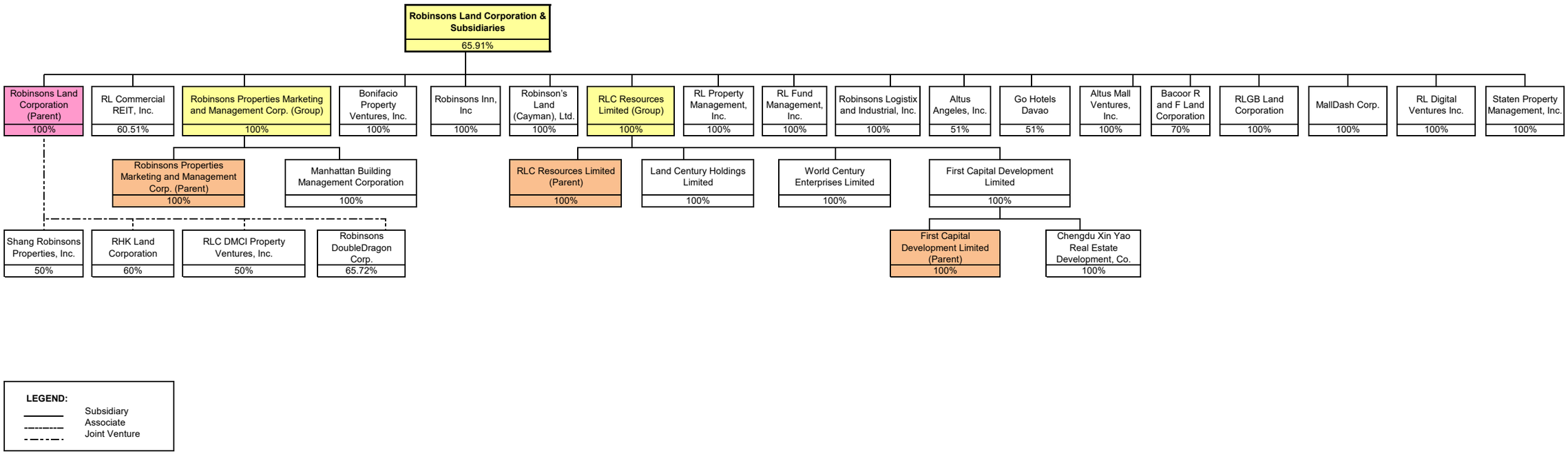
NOTE: Please see separate sheets for the organizational structures of the various consolidation groups.

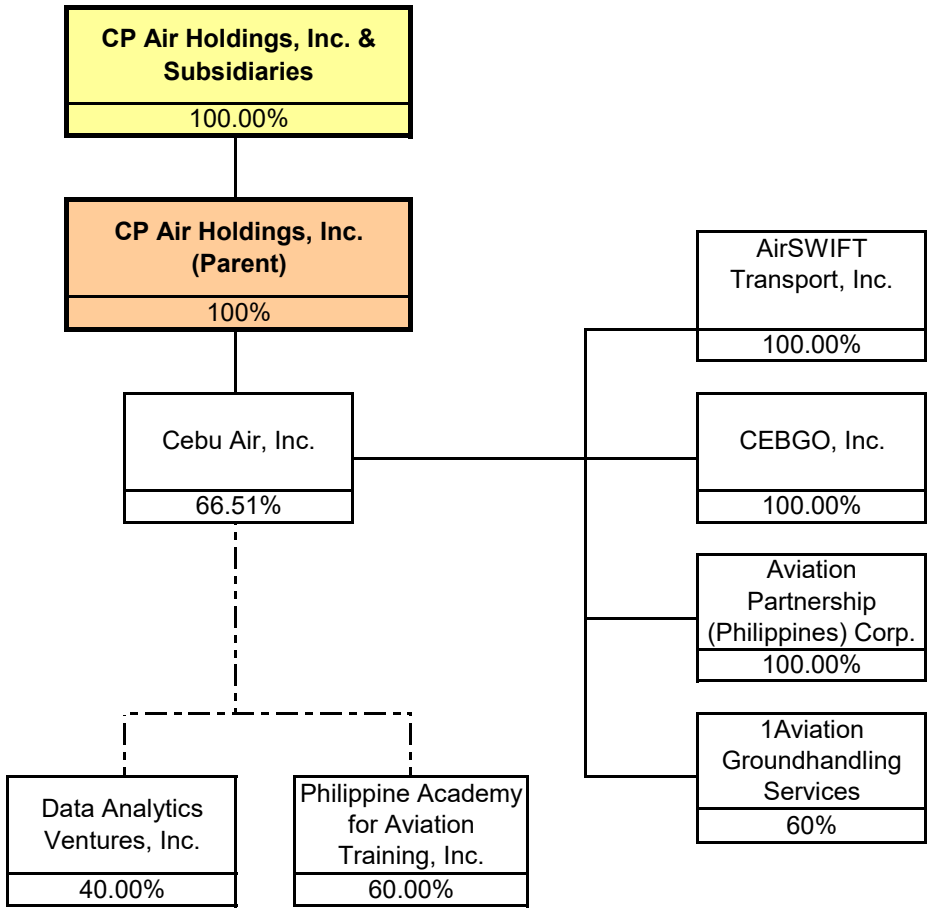

Universal Robina Corporation & Subsidiaries
56.97%
Universal Robina Corporation (Parent)
100%
CFC Corporation
100%
Bio-Resource Power Generation Corp. and a Subsidiary
100%
URC Philippines, Ltd.
100%
Nissin Universal Robina Corporation
51%
Najalin Agri-Ventures Inc.
95.82%
Green Recovery, Inc.
75%
Danone Universal Robina
50%
Vitasoy-URC, Inc.
50%
URC International Co., Ltd & Subsidiaries
100%
Hong Kong - China Foods Co., Ltd and
100%
URC International Co., Ltd (Parent)
100%
URC Asean Brands Co., Ltd. & Subsidiaries
100%
Shantou SEZ Shanfu Foods Co. Ltd.
100.00%
URC Oceania Company Ltd.
100.00%
URC Equity Ventures Pte. Ltd.
100.00%
A
Hong Kong China Foods (Parent)
100%
URC Hong Kong Co., Ltd
100%
Xiamen Tongan Pacific Foods
100%
Shanghai Peggy Foods Co., Ltd.
100%
Guangzhou Peggy Foods Co., Ltd.
100%
Advanson International Pte. Ltd & Subsidiaries
100%
Advanson International Pte. Ltd.
100%
Jiangsu Acesfood Industrial Co., Ltd.
100%
URC China Commercial Co., Ltd.
100%
Shantou Peggy Co. Ltd.
100%
LEGEND:
Subsidiary
Associate
Joint Venture



LEGEND:

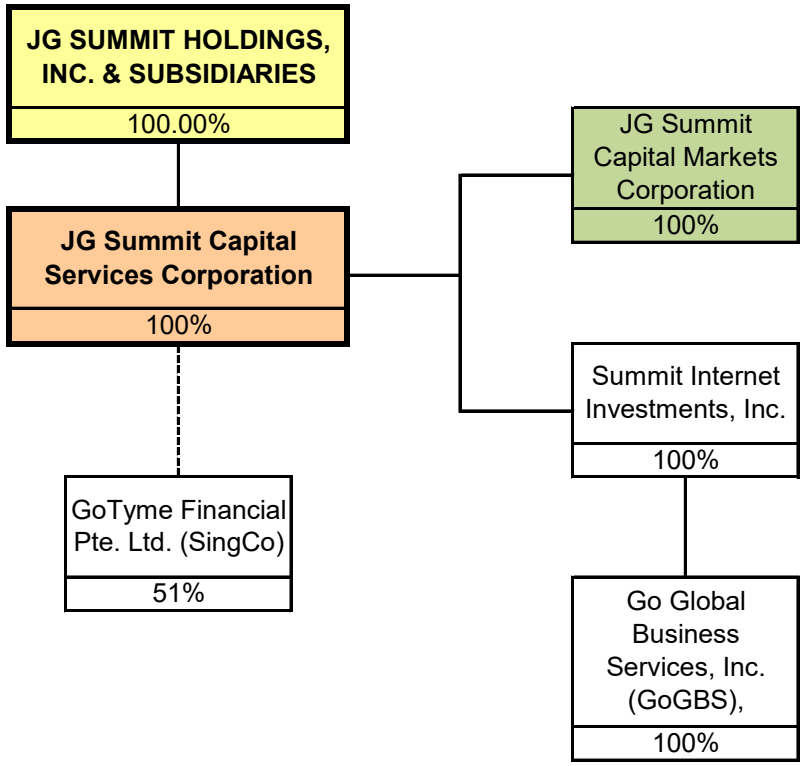
Subsidiary
Associate
Joint Venture


Robinsons Land Corporation & Subsidiaries
65.91%
Robinsons Land Corporation (Parent)
100%
RL Commercial REIT, Inc.
60.51%
Robinsons Properties Marketing and Management Corp. (Group)
100%
Bonifacio Property Ventures, Inc.
100%
Robinsons Inn, Inc
100%
Robinson's Land (Cayman), Ltd.
100%
RLC Resources Limited (Group)
100%
RL Property Management, Inc.
100%
RL Fund Management, Inc.
100%
Robinsons Logistix and Industrial, Inc.
100%
Altus Angeles, Inc.
51%
Go Hotels Davao
51%
Altus Mall Ventures, Inc.
100%
Bacoor R and F Land Corporation
70%
RLGB Land Corporation
100%
MallDash Corp.
100%
RL Digital Ventures Inc.
100%
Staten Property Management, Inc.
100%
Robinsons Properties Marketing and Management Corp. (Parent)
100%
Manhattan Building Management Corporation
100%
RLC Resources Limited (Parent)
100%
Land Century Holdings Limited
100%
World Century Enterprises Limited
100%
First Capital Development Limited
100%
Shang Robinsons Properties, Inc.
50%
RHK Land Corporation
60%
RLC DMCI Property Ventures, Inc.
50%
Robinsons DoubleDragon Corp.
65.72%
First Capital Development Limited (Parent)
100%
Chengdu Xin Yao Real Estate Development, Co.
100%
LEGEND:
Subsidiary
Associate
Joint Venture



LEGEND:

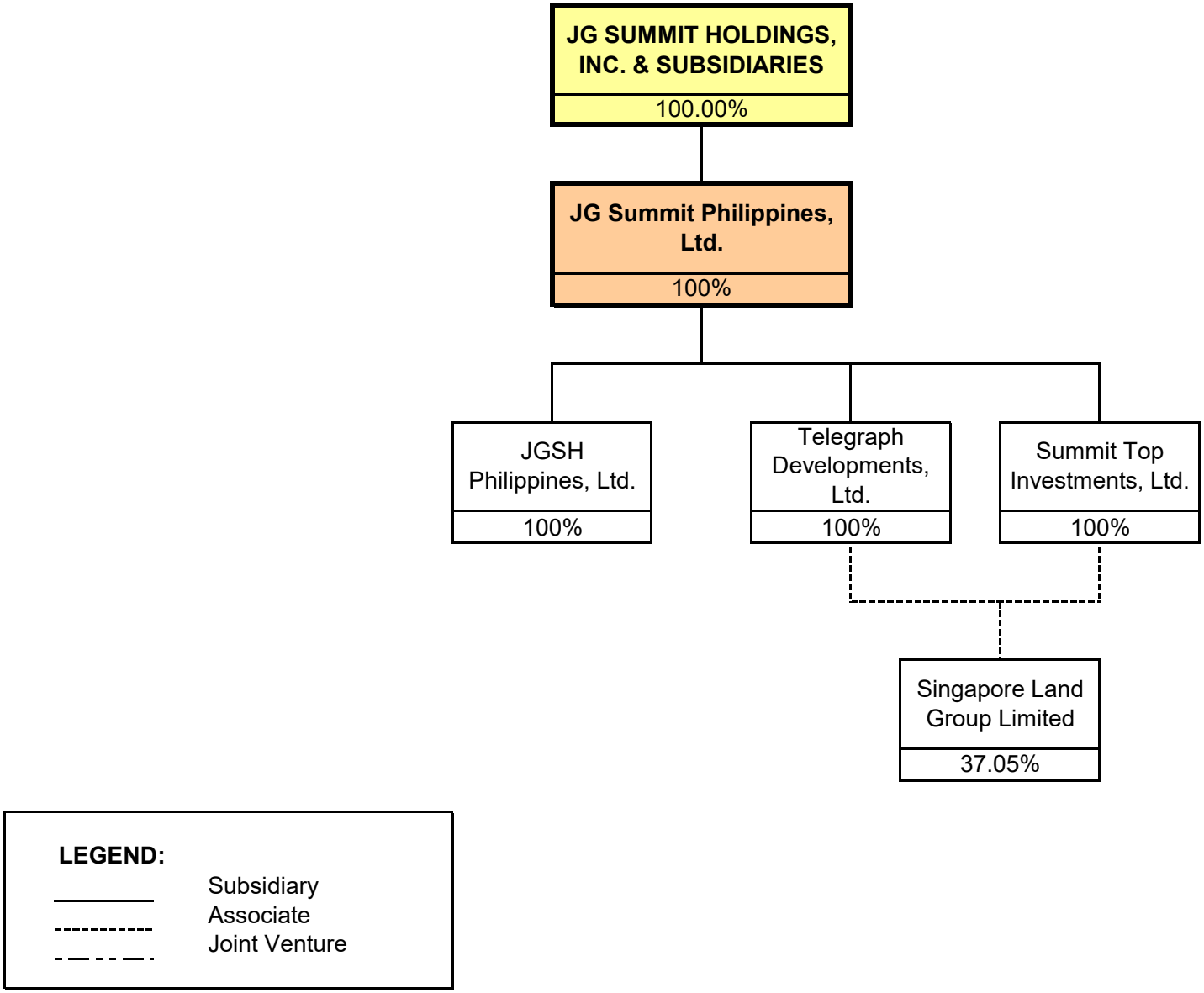
Subsidiary
Associate
Joint Venture

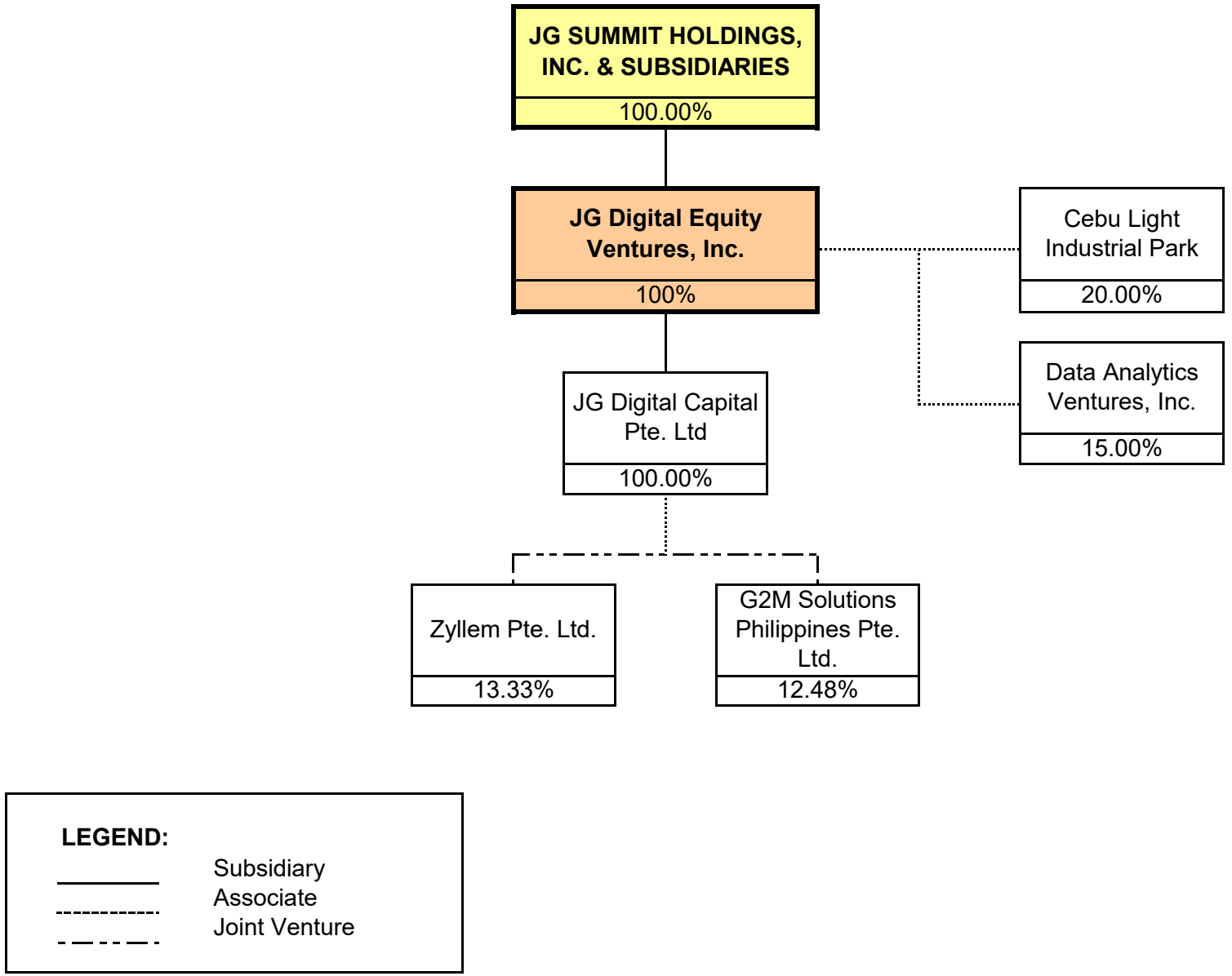


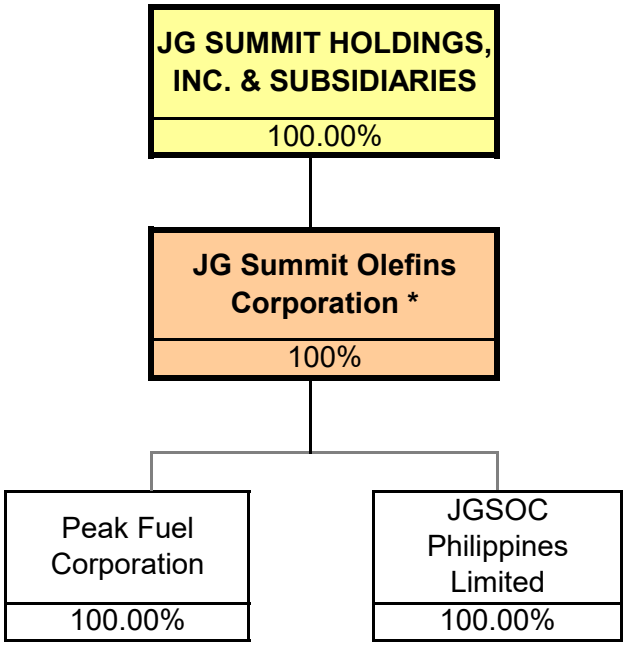
LEGEND:

Subsidiary
Associate
Joint Venture

Inactive company


JG SUMMIT HOLDINGS, INC. & SUBSIDIARIES
100.00%
JG Summit Philippines, Ltd.
100%
JGSH Philippines, Ltd.
100%
Telegraph Developments, Ltd.
100%
Summit Top Investments, Ltd.
100%
Singapore Land Group Limited
37.05%
LEGEND:
Subsidiary
Associate
Joint Venture


JG SUMMIT HOLDINGS, INC. & SUBSIDIARIES
100.00%
JG Digital Equity Ventures, Inc.
100%
Cebu Light Industrial Park
20.00%
Data Analytics Ventures, Inc.
15.00%
JG Digital Capital Pte. Ltd
100.00%
Zyllem Pte. Ltd.
13.33%
G2M Solutions Philippines Pte. Ltd.
12.48%
LEGEND:
Subsidiary
Associate
Joint Venture



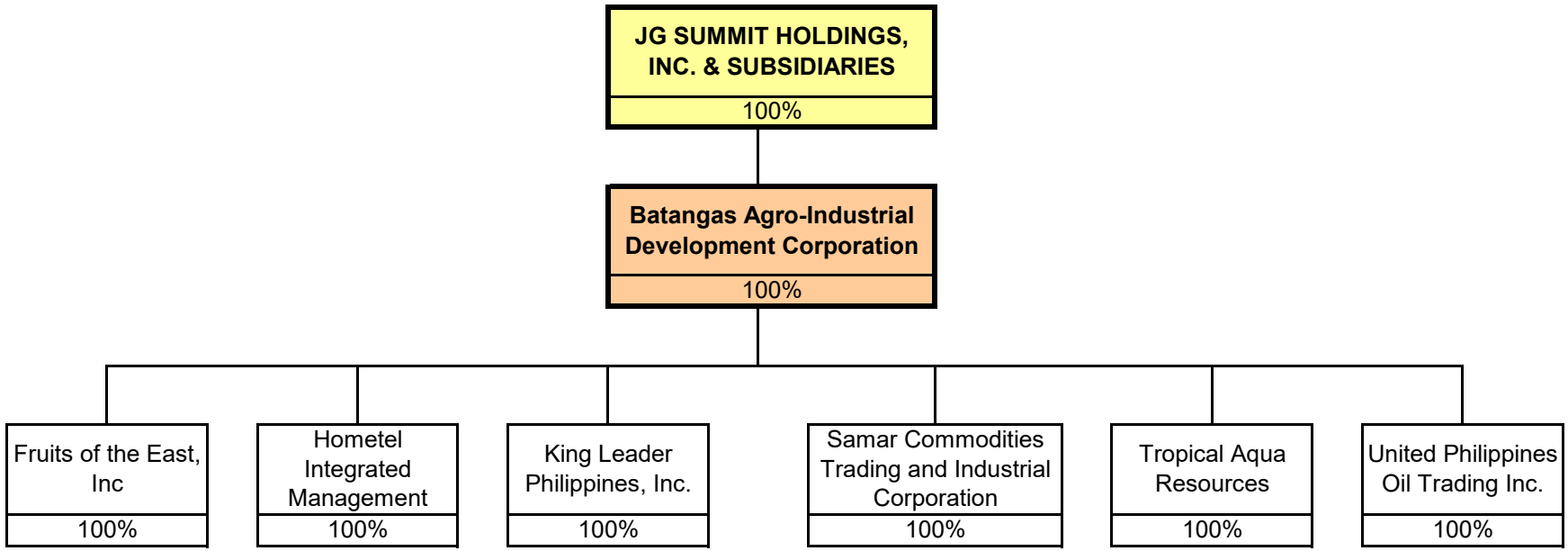
LEGEND:

Subsidiary

Associate

Joint Venture

** As of December 31, 2025, the operations of JGSOC have been classified as discontinued operations in accordance with PFRS 5, while Peak Fuel continues to be presented as part of continuing operations.*



LEGEND:

Subsidiary

Associate

Joint Venture

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES

SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Total Audit Fees	**₱58,377,645**	₱57,212,667
Non-audit service fees:		
Tax Services	**–**	98,508
All other services**	**3,284,200**	5,210,875
	3,284,200	5,309,383
Total Audit and Non-audit Fees	**₱61,661,845**	₱62,522,050

**Fees include other EY affiliates internationally, being the accounting firm engaged by foreign subsidiaries*
***All other services mainly pertain to the professional fees for Low carbon policy risk assessment report in 2025 and due diligence reviews in 2024.*

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE A - FINANCIAL ASSETS
DECEMBER 31, 2025

Name of Issuing Entity and Description of Each Issue	Amount Shown in the Balance Sheet/Notes	Value Based on Market Quotations at Balance Sheet Date	Income Received and Accrued
Financial Assets at Fair Value Through Profit or Loss			
Various Equity Unquoted Securities	₱4,434,843,471	₱4,434,843,471	₱–
Various Equity Quoted Securities	2,879,714,882	2,879,714,882	183,786,827
Investment in Convertible Note	227,087,239	227,087,239	–
	7,541,645,592	7,541,645,592	183,786,827
Financial Assets at Fair Value Through Other Comprehensive Income			
Various / Private Bonds	4,858,982,859	4,858,982,859	276,773,643
Various / Government Bonds	247,313,539	247,313,539	18,892,120
Philippine Long Distance Telephone Corp.	30,671,493,300	30,671,493,300	2,312,533,225
Bank of the Philippine Islands	21,873,189,380	21,873,189,380	821,422,099
Various Equity Quoted Securities	1,621,454,366	1,621,454,366	18,055,874
Various Equity Unquoted Securities	3,423,873,370	3,423,873,370	131,790,746
	62,696,306,814	62,696,306,814	3,579,467,707
	₱70,237,952,406	₱70,237,952,406	₱3,763,254,534

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE B – AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Collections	Write Offs	Balance at End of Period		
					Current	Noncurrent	Total

- NONE TO REPORT -

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE C - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Written-Off / Others	Balance at End of Period		
					Current	Non-current	Total
Batangas Agro-Industrial Development Corporation *(Subsidiary)*	₱290,714,182	₱800,827	₱–	₱–	₱291,515,009	₱–	₱291,515,009
Cebu Air, Inc. *(Subsidiary)*	15,266,983	94,135,064	(83,943,099)	–	25,458,948	–	25,458,948
Data Analytics Ventures, Inc. *(Subsidiary)*	15,709,411	10,108,873	(7,141,646)		18,676,638	–	18,676,638
JG Digital Equity Ventures, Inc. *(Subsidiary)*	147,672,383	94,386,702	(7,000,000)	–	235,059,085	–	235,059,085
JG Summit Olefins Corporation *(Subsidiary)**	125,822,376			(125,822,376)	–	–	–
Unicon Insurance Brokers Corporation *(Subsidiary)*	12,673,391	58,411,135	(59,002,037)	–	12,082,489	–	12,082,489
JG Summit Infrastructure Holdings Corporation *(Subsidiary)*	2,649,190			–	2,649,190	–	2,649,190
Robinsons Land Corporation and Subsidiaries *(Subsidiary)*	173,532,050	164,521,535	(77,579,233)	–	260,474,352	–	260,474,352
Summit Internet Investments, Inc. and Subsidiaries *(Subsidiary)*	42,392,463		(42,392,463)	–	–	–	–
Universal Robina Corporation and Subsidiaries *(Subsidiary)*	–	2,293,173,963	(2,114,288,359)	–	178,885,604	–	178,885,604
Merbau Corporation *(Subsidiary)*	–	22,184			22,184		22,184
	₱826,432,429	₱2,715,560,283	(₱2,391,346,837)	(₱125,822,376)	₱1,024,823,499	₱–	₱1,024,823,499

** In 2025, JG Parent's receivable from JGSOC was converted into 'Investment in subsidiary'.*

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE D - LONG-TERM DEBT
DECEMBER 31, 2025

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under Caption "Current Portion of Long-Term Debt" in Related Balance Sheet	Amount Shown under Caption "Long-Term Debt" in Related Balance Sheet	Remarks
Floating Rate Term Loans Due 2028, 2029 and 2030	₱–	(₱170,631,514)	₱114,588,117,545	
Guaranteed Notes Due 2030	–	–	34,501,374,996	
CAI - Commercial Loans	–	4,745,682,103	46,875,517,654	See
CAI – Convertible Bonds	–	–	14,514,355,308	Notes
RLC - Fixed Rate Retail Bonds Due 2026, 2027, 2028 and 2029	–	5,940,014,768	17,946,658,563	Below
RLC - Fixed Rate Term Loans	–	2,228,719	4,454,656,353	
RLC - Floating Term Loans	–	(16,816,252)	11,203,643,101	
	₱–	₱10,500,477,824	₱244,084,323,520	

NOTES:
1) The terms, interest rate, collaterals and other relevant information are shown in the Notes to Consolidated Financial Statements.
2) The negative amounts represent debt issuance costs to be amortized the following year.

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2025

Name of Related Party	Balance at Beginning of the Period	Balance at End of the Period

- NONE TO REPORT -

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE F - GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2025

Name of issuing entity of securities guaranteed by the Company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which this statement is filed	Nature of guarantee

- NONE TO REPORT -

JG SUMMIT HOLDINGS, INC. AND SUBSIDIARIES
SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by		
				Affiliates	Directors, Officers and Employees	Others
Common Shares at ₱1 par value	12,850,800,000	7,520,983,658	–	284,267,025	1,071,210,053	6,165,506,580
Preferred Voting Shares at ₱0.01 par value	204,000,000,000	42,000,000	–	–	–	42,000,000

JG Summit Holdings, Inc.
2025 Sustainability Report

Outline

Our Company
- About the Company
- Our Sustainability Journey

Our Management Approach to Sustainability and Climate
- Governance
- Risk Management
- Strategy, Metrics & Targets

Our Impact
- Shared Success
- Better Choices
- Employee Growth and Well-being
- Resource Efficiency and Circularity
- Climate Action

Corporate Governance **and** **Enterprise Risk Management**

Annexes

Our Company

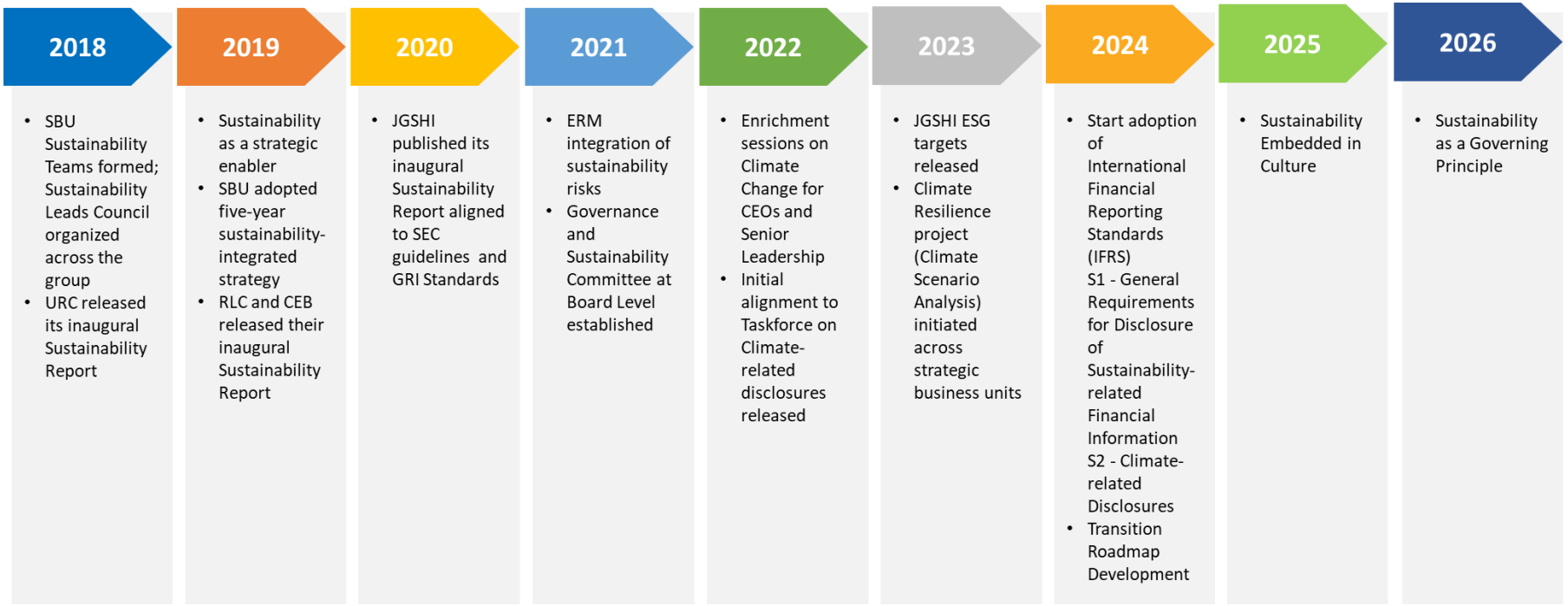
About Our Company and 2025 Sustainability Report

Name of Organization	JG Summit Holdings, Inc. (JGSHI)
Business Model, including Primary Activities, Brands, Products, and Services	JGSHI is a holding company for a group of companies with substantial business interests in food, Agro-industrial and commodities, real estate and hotel, and air transportation. It also has core investments in telecommunications, and power generation and distribution.
Location of Headquarters	Robinsons Equitable Tower
Location of Operations	The parent company and its subsidiaries conduct businesses throughout the Philippines, in and around Metro Manila (where it is based) and in the regions of Luzon, Visayas, and Mindanao. It also has a presence in several regions in the Asia Pacific. Subsidiaries: • **Universal Robina Corporation (URC)** has manufacturing facilities in the Philippines, Myanmar, Thailand, Vietnam, Indonesia, and Malaysia; distribution facilities in Laos and Cambodia; and sales offices in Hong Kong and Singapore. • **Cebu Air, Inc.'s (CEB)** network spans operations in Southeast Asia, North Asia, the Middle East, and Australia. As of December 31, 2025, CEB operates 83 domestic routes and 42 international routes, with overran average of 3,875 scheduled weekly flights. The company operates in several hubs, namely Manila, Cebu, Clark, Davao, and Iloilo. • **Robinsons Land Corporation (RLC)** has properties distributed in 53 cities and 14 municipalities in 31 provinces.

Report Boundary	Unless otherwise specified in specific sections, this report shall cover JG Summit Holdings, Inc. (JGSHI) including its three (3) strategic business units: **Universal Robina Corporation** • Branded Consumer Foods (BCF) Philippines (PH) and International (INTL) • Agro-Industrial and Commodities (AIC) **Cebu Pacific** • Cebu Air, Inc. • Cebgo, Inc. **Robinsons Land Corporation** • Robinsons Malls • Robinsons Offices • Robinsons Hotels and Resorts • Robinsons Residences / Robinsons Homes • Robinsons Industrial and Logistics Facilities • Robinsons Destination Estates • RL Commercial REIT, Inc. (RCR)	
Reporting Period	January 1, 2025 to December 31, 2025	
Highest Ranking Person responsible for this report	David Gulliver G. Go Chief Human Resources Officer	Michael P. Liwanag Chief Strategy Officer

Our Sustainability Journey

Focusing on Sustainability in Culture and Transitioning to a Governing Principle



In 2025, JGSHI continued strengthening its commitment to embedding sustainability across the organization by deepening its integration into culture and everyday operations. Central to this journey is our recognition of the important role employees play in shaping the company's environmental and social actions. By involving our people in defining what sustainability means for the organization, we strengthen a shared culture of responsibility and ensure that our future goals and actions reflect the values and expectations of those who drive our business forward.

JGSHI empowers employees by expanding avenues for participation, initiative, and ownership of sustainability efforts. Leadership reinforces this integration by modeling ethical, inclusive, and future-oriented decision-making and by championing initiatives that make sustainability an essential part of how JGSHI operates as a Group.

As we move forward, JGSHI transitions its approach from a strategic enabler to a governing principle that shapes and informs strategic direction, risk oversight, and capital allocation. As part of the Group's governance foundation, sustainability ensures that environmental and social considerations are consistently embedded into decision-making and long-term planning.

Our Management Approach to Sustainability and Climate

Governance

1. Sustainability as a Governing Principle

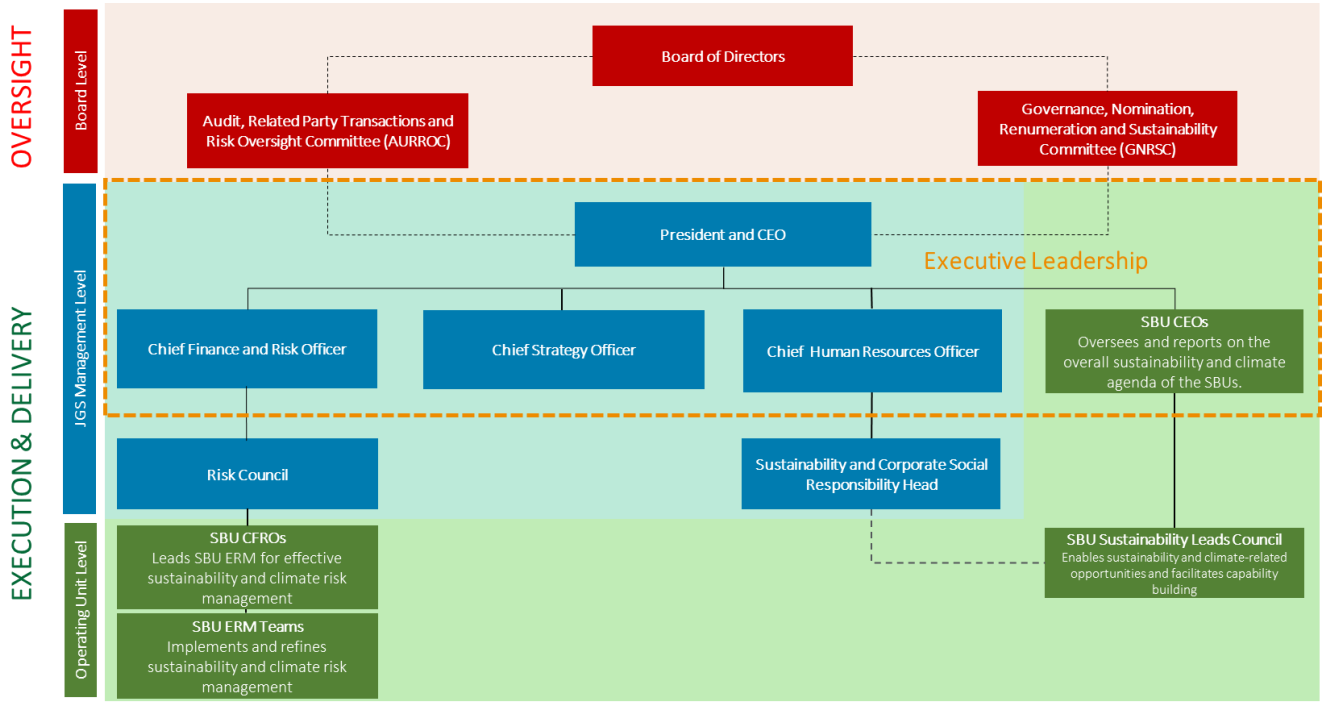
Sustainability as a governance principle is anchored in JGSHI's core value of Stewardship, which emphasizes responsible management of resources and long-term accountability for impacts. Stewardship provides the values and intent, while sustainability provides the governing discipline and system through which these values are operationalized across the Group.

Together, they strengthen oversight, uphold ethical conduct, and reinforce long-term organizational resilience.

Exhibit Box: Stewardship and Sustainability



2. Sustainability Governance



2.1 Board of Directors

The Board provides independent oversight and ensures that sustainability and climate considerations remain aligned with the Group's Objectives, Goals, Strategies, and Measures (OGSM).

2.2 Audit, Related Party Transactions & Risk Oversight Committee (AURROC)

AURROC oversees financial reporting, internal controls, and the Group's Enterprise Risk Management (ERM) framework, ensuring the Board is fully informed of material exposures, including sustainability and climate-related risks.

2.3 Governance, Nomination, Remuneration & Sustainability Committee (GNRSC)

Working alongside AURROC, the GNRSC oversees corporate governance principles and the economic, environmental, social, and governance (EESG) aspects of sustainability. It reviews and recommends approval of the Sustainability and Climate Disclosure Report and evaluates management's performance in leveraging climate opportunities.

2.4 Executive Leadership Council

The Executive Leadership Council, which includes Corporate Center Unit Heads and Strategic Business Unit CEOs, tackles sustainability and climate-related risks and opportunities. Under the leadership of the President and CEO, they formulate and implement strategies to manage these risks and leverage opportunities for the organization.

The President and Chief Executive Officer (CEO) defines the overall strategic direction for the conglomerate, encompassing our approach to sustainability and climate action. The CEO plays a pivotal role in driving initiatives, managing risks, and ensuring transparent reporting on our performance.

The Chief Finance and Risk Officer (CFRO) manages our ERM processes, creating a strong framework for handling sustainability and climate-related risks, along with other key business risks. The CFRO communicates significant risk exposures and mitigation plans to AURROC.

The Chief Human Resources Officer (CHRO) oversees the conglomerate's efforts in sustainability, particularly the CHRO develops climate and sustainability strategies, leads disclosure initiatives, and embeds sustainability in the organization's culture.

The Sustainability Head reports to the CHRO and designs and leads the development of our Climate Resilience and Transition plans, identifying relevant risks and opportunities, and helping SBUs achieve related targets. The Sustainability Head provides strategic direction, build stakeholder relationships, and monitor performance. The Sustainability Head collaborates with the ERM and Corporate Strategy teams to integrate sustainability and climate-related risks and opportunities into the Company's strategy and risk management framework. Additionally, the Sustainability Head engages with relevant internal and external stakeholders to discuss and build support for key sustainability related initiatives and policies.

The Chief Strategy Officer (CSO) ensures that sustainability and climate considerations are integrated into the company's broader business strategy and that ecosystem synergies are maximized. The CSO also participates in investor conferences, roadshows, and other engagement platforms to communicate the company's strategy, goals, and progress directly to investors.

The CHRO and the CSO jointly oversee the development and integration of our sustainability and climate transition plan into our businesses, including setting targets and assessing risks and opportunities.

The Risk Council, composed of Corporate Center Unit (CCU) Heads, plays a crucial role in establishing a sustainability and climate risk register. They initiate enterprise-wide discussions on risks and provide feedback to risk owners. In collaboration with the CFRO, the Risk Council combines expertise and guidance with strategic direction and risk oversight to ensure effective management of both business and sustainability risks.

The Strategic Business Units (SBUs) are essential in implementing the ERM, sustainability and climate resilience strategies. SBU leadership continuously refines risk management strategies to address challenges within their specific business areas.

3. Governance Capability and Continuous Improvement

Directors undergo structured governance and sustainability training, including committee-specific orientation, ESG capability programs, and climate-related sessions—reinforcing JG Summit's governance culture.

For a more detailed discussion on Governance, please click **here.**

Sustainability and Climate Risk Management

JG Summit embeds sustainability and climate risks within its Enterprise Risk Management (ERM) framework. This ensures ESG and climate considerations are treated with the same rigor as operational and financial risks.

The Board, through AURROC, oversees the ERM framework and reviews risk appetite, mitigation plans, and exposure levels. These are published through JG Summit's Annual & Sustainability Report, which is transitioning to full IFRS S1/S2 alignment.

Sustainability and Climate Risk and Opportunity Management Framework	

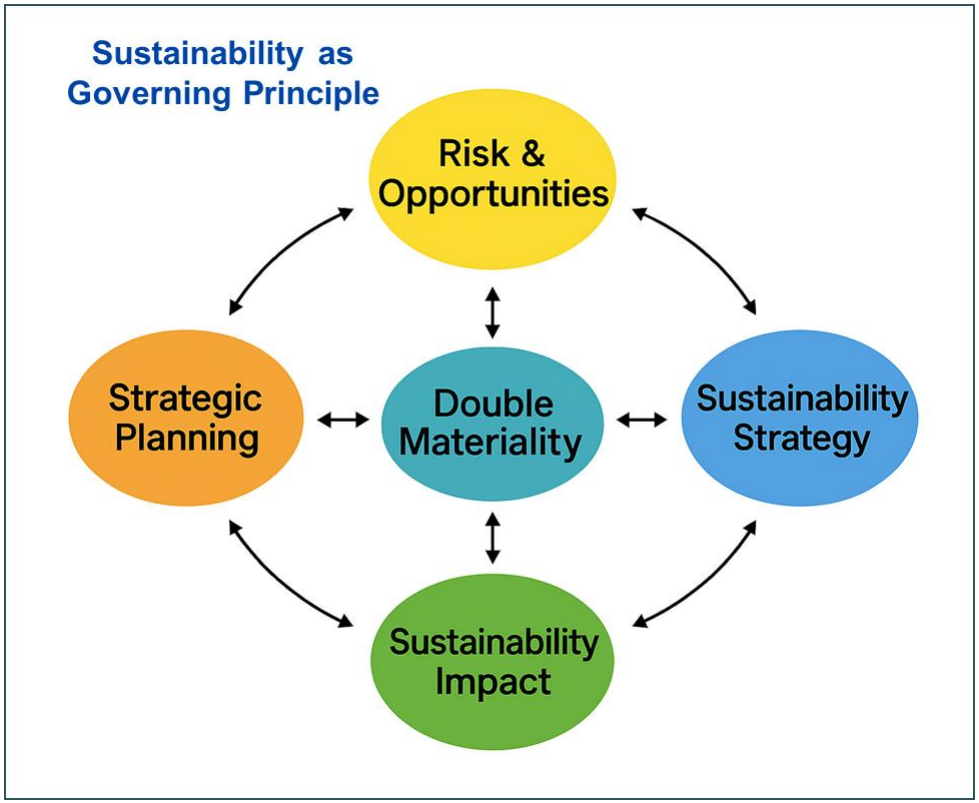
Identification	• **Determine Relevant Sustainability and Climate Risks and Opportunities:** Consider the following references in 'identifying':
	  ○ For Sustainability Risks and Opportunities – reference to Sustainability Accounting Standards Board (SASB) industry-specific disclosure topics and World Business Council for Sustainable Development (WBCSD) system risks
	  ○ For Climate-related Physical Risks and Opportunities – incorporation of Philippine-relevant climate hazards such as typhoons, flooding, extreme heat and sea level rise
	  ○ For Transition-related Risks and Opportunities – reference to emerging trends on transition to low carbon operations.
	  ▪ Global references include but are not limited to:
	  • United Nations Environment Programme Finance Initiative (UNEP FI)
	  • World Bank
	  • International Energy Agency (IEA)
	  • European Commission
	  • Asian Development Bank (ADB)
	  • International Civil Aviation Organization (ICAO)
	  • Principles for Responsible Investment (PRI) - Inevitable Policy Response (IPR)
	  ▪ Local references include but are not limited to:
	  • Local legislation (Executive Orders, Senate and Congress Bills)
	  • Department of Energy (DOE) Philippine Energy Plan (PEP)
	  • Securities and Exchange Commission (SEC)
	  • Bangko Sentral ng Pilipinas (BSP)

Sustainability and Climate Risk and Opportunity Management Framework	
Assessment	• **Qualitative and Quantitative Analysis**: Assess the likelihood and impact of identified Sustainability and climate risks using both qualitative and quantitative methods • **Scenario Analysis**: Use scenario analysis to evaluate the potential impacts of climate-related physical and transition risks and opportunities under various future conditions. • Employ business sense and expert judgement from relevant teams such as but not limited to sustainability, risk, strategy, finance, and operations.
Prioritization	• **Risk Ranking**: Determine which sustainability and climate risks are most material to our organization based on their potential impact on business operations and stakeholder value. Rank the identified risks based on their severity and likelihood, with a focus on their financial impact. • Employ business sense and expert judgement from relevant teams such as but not limited to sustainability, risk, strategy, finance, and operations.
Response and Monitoring	• **Response and Mitigation Strategies**: Develop and implement strategies to mitigate high-priority sustainability and climate risks and maximize relevant opportunities. • **Integration into Business Processes**: Ensure that sustainability and climate risk management feeds into decision-making and core business processes (such as Enterprise Risk Management and Strategic Planning).
Reporting	• External sustainability and climate risk disclosures follow the Group's ERM reporting processes and undergo review by AURROC and GNRSC.

For a more detailed discussion on Enterprise Risk Management, please click **here.**

Strategy, Metrics and Targets

1. *Developing the Sustainability Strategy*



Our Sustainability Strategy is developed through a structured cycle that begins with identifying material risks, opportunities, and impacts across the portfolio. A Double Materiality analysis provides the foundation, ensuring that both financial materiality (risks and opportunities) and impact materiality (effects on stakeholders and the environment) are fully considered. These insights feed into strategic planning and guide the formulation of the Sustainability Strategy. Sustainability, as a governing principle, ensures that this strategy is embedded into decision-making and leads to meaningful, measurable sustainability impacts.

1.1 OGSM as JGSHI's Strategic Planning Backbone

JGSHI follows a disciplined, long-range planning process anchored on the OGSM (Objectives, Goals, Strategies, Measures) framework. This approach creates a clear cascade—from defining the Group's purpose and long-term vision, to setting 5-year financial and non-financial goals, to determining strategic choices and the actions required to achieve them. Guided by a unified direction, SBUs craft and refine their own sector-specific strategies and targets that contribute towards the realization of the conglomerate's overall ambition.

With 2025 serving as a rebasing year, JG Summit refreshed its long-term strategy, charting its path for 2026 up to 2030. As part of this, the Group is also evolving its governance structures to effectively monitor and ensure the delivery of SBU commitments with Value Creation Plans (VCPs) serving as a performance contract between the Parent Company and its major subsidiaries – CEB, URC and RLC. These VCPs complement the OGSM by providing clear prioritization and quantification of 3-5 battlegrounds that would deliver substantial value uplift in the next 5 years. Each battleground is supported by a roadmap of initiatives and metrics to effectively track progress. In line with Sustainability being a governing principle within the OGSM, climate and broader ESG considerations are taken into account in developing, measuring and prioritizing specific initiatives in the VCPs. Lastly, management scorecards and incentives are also being redesigned to ensure these are anchored on metrics and targets documented in the VCPs.

EXHIBIT BOX — How Sustainability Is Integrated Into the OGSM Framework

OGSM Element	Meaning Within JGSHI	How Sustainability Is Integrated
O — Objectives	Enterprise-wide ambitions	Sustainability as a governing principle guiding long-term direction
G — Goals	Clear, measurable outcomes	Group-level climate & ESG targets (2026 onwards)
S — Strategies	Strategic choices & allocation	Includes top sustainability related strategies that generate positive environmental and social outcomes (e.g. transition to low carbon operations)
M — Measures	KPIs & monitoring cadence	Environmental and Social targets and performance data

1.2 Double Materiality as Input to Sustainability Strategy



Insights from double materiality, including financial impact evaluations, stakeholder expectations, and employee perceptions, shape the sustainability strategy by:

- identifying priority sustainability themes;
- guiding resource allocation;
- establishing measurable climate and ESG targets; and
- aligning SBU-specific plans with Group-wide direction.

The enhanced sustainability strategy and consolidated climate and ESG targets will be published in 2026.

1.2.1 Financial Impact

JGSHI assesses sustainability and climate-related risks that may materially impact financial performance through:

- analysis of climate and sustainability risks;
- prioritization based on financial impact and likelihood;
- mapping risks to SASB industry topics across CEB, URC, and RLC;
- climate scenario analysis for transition and physical risks.

1.2.2 Stakeholder Impact

JGSHI also evaluates how sustainability issues affect employees, customers, communities, and regulators. This ensures strategic choices reflect stakeholder expectations and support long-term trust.

Exhibit Box: Employee Insights on Environmental & Social Responsibility

Purpose of the Listening Exercise

JGSHI engaged employees to understand perceptions on environmental and social responsibility and to ensure that their views inform the next cycle of our sustainability strategy. This aligns with IFRS S1's emphasis on stakeholder-informed strategy formation and IFRS S2's requirements for understanding organizational readiness for climate-related objectives.

Key Findings

- Strong recognition of Environmental and Social (E&S) initiatives: Employees consistently perceive JGSHI as environmentally responsible, socially engaged, and positively contributing to communities.
- High values alignment: Most employees report that their personal values align with JGSHI's environmental and social commitments, reinforcing cultural cohesion and stewardship.
- Appetite for deeper involvement: Employees want more opportunities to participate in E&S activities, especially those that use their professional skills.
- Supportive leadership: Leadership is viewed as ethical, inclusive, and providing clear direction—an important factor for embedding sustainability within governance and strategic planning.
- Barriers identified: Competing priorities, limited budgets were highlighted as common challenges to contributing more meaningfully.

How Employees Shape Our Sustainability Approach

Employee insights will inform JGSHI's double materiality assessment and the development of Group-level ESG and climate targets. Findings will be used to:

- Strengthen internal communication and participation platforms
- Shape employee-led and skills-based volunteerism

- Clarify leadership expectations and visibility on ESG priorities
- Address resourcing gaps to enable more meaningful contribution
- Anchor culture programs on shared values and sustainability stewardship

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1.2.3 Scenario-Informed Strategic Choices

Between 2023 and 2024, all Strategic Business Units (SBUs) undertook a coordinated series of Sustainability Risk Assessments, Transition Risk Assessments, and Physical Climate Risk Assessments. These activities were designed to align with IFRS S1 and IFRS S2 expectations by systematically identifying material sustainability- and climate-related risks and opportunities, assessing their potential financial and operational impacts, and evaluating the resilience of SBU strategies under different forward-looking conditions.

Insights from these assessments inform sector-specific strategic responses across the portfolio such as:

Aviation (CEB)

- Fleet modernization
- Sustainable aviation fuel (SAF) pathways
- Operational efficiency programs

Real Estate (RLC)

- Green-certified building developments
- Energy-efficient building systems
- Rooftop solar and renewable integration

Food & Beverage (URC)

- Manufacturing efficiency enhancements
- Circularity and packaging improvements
- Waste reduction and resource stewardship

These strategic actions are reflected in the S — Strategies and M — Measures components of OGSM or the SBU Sustainability Strategy ensuring that sustainability risks and opportunities shape business direction, resource allocation, and performance accountability.

2. Sustainability Strategy, Metrics, and Targets

Pillar & Strategy	Material Topics	Targets
Responsible Portfolio Governance, Risk & Resilience JGSHI embeds material sustainability considerations into portfolio management	• Governance, Board oversight & compliance • Risk management, controls, cybersecurity & data resilience • Climate governance & climate-risk oversight	• 100% SBUs compliant w/ governance templates/ expectations (FY2026) • 100% risk & controls attestation (FY2027) • Satisfactory audit reports and ESG ratings

Planet & Climate Stewardship
We uphold good environmental and climate practices across the portfolio to support responsible operations and long-term resilience.
	• Environmental and climate guardrails
	• Environmental compliance expectations
		• 100% SBUs reporting minimum environmental metrics (FY 2026)
		  ○ Zero major environmental non-compliance incidents (FY2026)
		  ○ Post-consumer plastic recovered/diverted by ≥80% (2030)
		  ○ GHG emissions intensity by sector
		  ○ Water intensity per sector
		• 100% SBU climate-risk assessments & plans (2028)

People & Community Impact JGSHI promotes a high-performance culture and meaningful community impact	• Employee engagement and Safety • Community impact	• Maintain or improve employee engagement score FY2026 • Zero fatalities & Lost Time Incidents (LTIs) • 100% SBUs w/ community focus areas and targets FY2026

Our Impact

We highlight the key initiatives of JGSHI and its subsidiaries that demonstrate how we translate our sustainability commitments into meaningful outcomes. These efforts reflect our collective determination to create long-term value for our stakeholders, protect the environment, and uplift communities. As we continue this journey, we remain focused on realizing impact, strengthening partnerships, and advancing a more sustainable and inclusive future for all.

2025 Sustainability Performance Scorecard

Economic

370,400
MPhp
Economic Value Generated

338,270
MPhp
Economic Value Distributed

Social

22,639
Employee Headcount

1.49:1
Male to Female Ratio

38.08
Average Training Hours per Employee

Environmental

41,685,399
GJ
Energy Consumption

2,667,465
tCO2e
Total GHG Emissions

1,136,400
GJ
Total-Owned Generated Renewables

7.20
tCO2e/MPhp
GHG Intensity

112.54
GJ/MPhp
Energy Intensity

20,088,232
m^3
Water Withdrawal

11,013,035
m^3
Water Discharge

9,075,197
m^3
Water Consumption

Shared Success

Shared Success: Creating Opportunities and Uplifting Communities

Shared Success underscores the Group's belief that business growth is most meaningful when it elevates people and communities. Stories across SBUs highlight how JG Summit creates inclusive opportunities—from Cebu Pacific's education, relief, and OFW support programs, to Robinsons Land's nationwide job fairs, government service access, and community-resilience initiatives, to URC's entrepreneurship and livelihood development programs such as Bida sa Masa.

These initiatives demonstrate how the Group supports socio-economic mobility, strengthens community resilience, and fosters partnerships that enable long-term, positive impact. In every story, the Group's values of stewardship and inclusivity are brought to life through programs that meet real community needs while building trust and shared value.

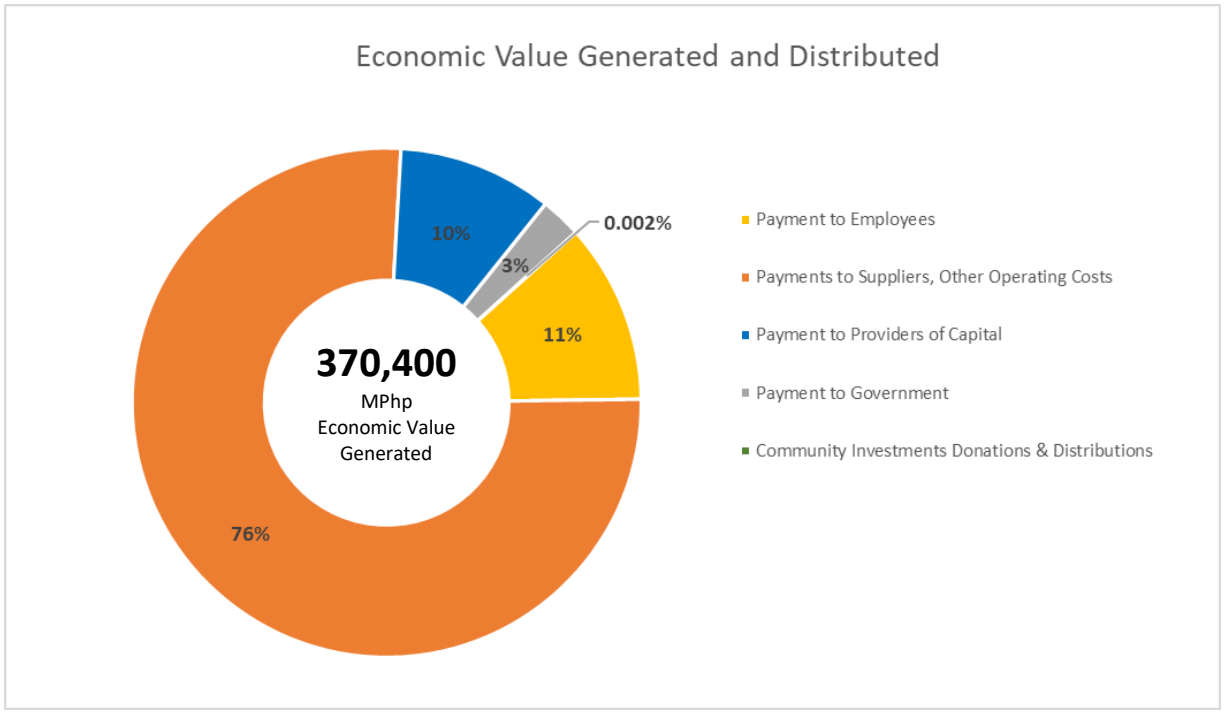


Figure 1. Economic Value Generated and Distributed

JGSHI Pride in Performance (PIP) Awards – Celebrating Collective Achievement and Culture-Building Excellence

The JGSHI Pride in Performance (PIP) Awards stands as a hallmark of shared success across the organization—bringing together employees, teams, and leaders to honor exceptional contributions that uplift not only individual business units but the entire JGSHI community. Held every two years, the program recognizes breakthrough initiatives that demonstrate outstanding teamwork, innovation, service excellence, and values-driven performance. By shining a light on accomplishments that deliver meaningful impact, the PIP Awards strengthens a culture where achievements are celebrated collectively and success is shared widely.

The PIP Awards creates powerful ripple effects across JGSHI. For employees, it is a moment of affirmation—an opportunity to see their hard work acknowledged and their stories elevated to the broader organization. For teams, it reinforces collaboration and unity, showcasing how shared commitment can translate into standout results. And for the organization, it provides a platform to surface best practices, highlight role models, and inspire others to drive positive change in their own spheres. The 14th cycle, which engaged more than 5,600 employees, demonstrated how deeply the program resonates as a unifying cultural experience.

This initiative is also a meaningful expression of inclusivity and organizational unity. With participation spanning different industries, roles, and backgrounds, the PIP Awards ensures that excellence can emerge from any corner of the organization. From frontline teams to corporate project groups, every nomination reflects the belief that impactful work—regardless of function or level—deserves recognition. Through the hybrid ceremony and widely shared success stories, employees across multiple locations can take part, celebrate wins together, and feel connected to a shared purpose.

The PIP Awards will continue evolving to strengthen participation, enhance visibility of winning initiatives, and deepen its role as a catalyst for collaboration and continuous improvement. As a Shared Success initiative, the PIP Awards affirms a powerful message: when employees succeed, JGSHI succeeds—and when their achievements are celebrated together, the entire organization becomes stronger, more inspired, and more connected.

JGSHI SIPAG – Enabling Education, Opportunity, and Inclusive Growth

The JGSHI SIPAG (Scholars and Interns Program at JGSHI) is one of the organization's most meaningful expressions of Shared Success—a commitment to uplift young people by expanding access to education, skills development, and early career opportunities. Inspired by the Filipino value of sipag (diligence), the program supports students and interns who demonstrate potential and perseverance, ensuring that talent and hard work can lead to genuine advancement.

SIPAG generates strong impact by equipping participants with scholarship support, hands-on internships, real project exposure, and professional mentoring. These experiences strengthen participants' confidence, work ethic, and readiness for future employment. For JGSHI, SIPAG helps build a future-ready talent pipeline, enhances employer reputation, and fosters early connections with individuals who may become part of the organization in the long term.

More importantly, SIPAG is a clear example of inclusivity in action. By opening opportunities to students from varied backgrounds and providing equal access to meaningful learning experiences, the program supports social mobility and creates pathways for young people who may otherwise face barriers entering corporate environments. SIPAG brings together interns, mentors, leaders, and business units in a shared effort to nurture the next generation—demonstrating how shared success grows when education and opportunity are made accessible to all.

Looking ahead, JGSHI aims to continue expanding SIPAG and strengthening its developmental components to deepen its impact. Through this program, JGSHI reinforces its belief that when young people are empowered, communities benefit—and the whole organization becomes stronger together.

Cebu Pacific Strengthening Community Resilience

Beyond connectivity, Cebu Pacific advances broader social and environmental resilience through sustained community partnerships. In collaboration with the Tapon Fisherfolks Association and the Ramon Aboitiz Foundation Inc. (RAFI), the airline supported coastal restoration efforts in Brgy. Dumanjug, Cebu, planting 10,000 mangrove seedlings to rehabilitate more than five hectares of degraded shoreline. A similar

initiative with the Samahan ng Mangingisda sa Sulok (SAMLOK) in Sitio Sulok, Batangas expanded these efforts, strengthening ecosystems and helping shield vulnerable coastal areas from erosion and storm surges. Community members also received training on sustainable management, empowering fisherfolk groups to protect their livelihoods while leading long-term conservation work. Through partnerships that restore ecosystems, Cebu Pacific continues to deliver meaningful impact nationwide by supporting local economies, and building environmental resilience for generations to come.

Robinsons Malls Fuels Global Job Opportunities for Filipinos Nationwide

Robinsons Land Corporation (RLC) continues to play a pivotal role in nation-building and economic empowerment by transforming its malls into gateways of opportunity through expansive and sustained nationwide job fair initiatives. In strong collaboration with government partners including the Department of Labor and Employment (DOLE), the Department of Migrant Workers (DMW), Public Employment Service Offices (PESO), Employers' Confederation of the Philippines (ECOP), and the Civil Service Commission (CSC), Robinsons Malls connects thousands of Filipinos to life-changing career opportunities, both locally and abroad.

Among last year's milestones was the first-ever India–Philippines Job Fair, held at Robinsons Metro East in collaboration with the Indian Embassy, the City Government of Pasig, and Indian business councils. The event offered over 2,500 job opportunities and 1,000 free upskilling opportunities.

Robinsons Galleria further advanced international recruitment through two job fairs celebrating Philippines–Austria and Philippines–Czech Republic Friendship Weeks. These events welcomed over 20 foreign employers and recruitment agencies, offering more than 1,800 jobs in healthcare, construction, logistics, food processing, and hospitality. Attendees also benefited from government-led orientation sessions on ethical recruitment, overseas employment realities, and the legal safeguards for migrant workers.

In March, Robinsons Galleria hosted the Philippines–Hungary Friendship Week Job Fair, providing nearly 3,000 overseas jobs across various skilled sectors, including manufacturing, hospitality, and construction.

Locally, Robinsons Malls marked Labor Day and the 127th Philippine Independence Day with high-impact nationwide job fairs. On June 11, in celebration of Independence Day and World Franchise Day, Robinsons Malls partnered with the Philippine Franchise Association (PFA) to promote entrepreneurship as a path to financial freedom. Robinsons Antipolo hosted PFA's first-ever Franchise B2B Seminar followed by a nationwide job fair on June 12, organized by the Lingkod Pinoy Center in partnership with Jobstreet by SEEK, DMW, PFA, and PESO. Held across multiple malls, the event provided thousands of job seekers with access to top employers. Government agencies such as SSS, PAG-IBIG, PhilHealth, TESDA, and OWWA were also present to assist with employment requirements. These job fairs are part of the broader Lingkod Pinoy Center initiative, which brings essential services, livelihood support, and job access closer to Filipinos.

By opening its doors to both local and global recruitment efforts, Robinsons Malls remains a catalyst for inclusive growth, empowering communities and connecting Filipinos to brighter futures. For more information on upcoming job fairs, career opportunities and application guidelines, follow Robinsons Malls' official social media channels.

Robinsons Malls and the Department of Finance Launch First-ever GOCC Caravan to Bring Services Closer to Filipinos

Robinsons Manila, Robinsons Land's flagship lifestyle destination in the country's capital, served as the venue of the Government-Owned or -Controlled Corporations (GOCCs) Caravan, a one-stop shop designed to make the services of government corporations closer and more accessible to Filipinos. This 2-day event was held at the mall’s Midtown Atrium. Ten of the country’s largest GOCCs participated in the event, including the Philippine Health Insurance Corporation (PhilHealth), Social Security System (SSS), Government Service Insurance System (GSIS), Pag-IBIG Fund, Philippine Deposit Insurance Corporation (PDIC), Land Bank of the Philippines (LBP), and Development Bank of the Philippines (DBP). The Caravan was formally opened by Finance Secretary Ralph G. Recto, alongside top executives from the participating agencies.

The GOCC Caravan is a project of the Department of Finance (DOF), in partnership with Robinsons Malls and collaboration with the Bureau of Internal Revenue (BIR) and participating GOCCs. With the theme “Serbisyo sa Bayan, Hatid ng GOCCs, Kaakbay ang DOF,” the Caravan aims to bring frontline government services directly to the people by setting up booths in widely accessible locations such as Robinsons Manila. Throughout the event, participating GOCCs offered a wide range of services from addressing claim inquiries, loan applications, and

membership concerns to offering financial literacy sessions to help ordinary Filipinos gain financial freedom. Business-minded individuals and MSMEs also received loan application support and guidance from the Small Business Corporation (SBC).

Meanwhile, the National Development Company (NDC) and Bases Conversion and Development Authority (BCDA) were also present to promote investments and highlight the country's flagship projects. The DOF CSSIG is tasked with ensuring that GOCCs operate efficiently, remain fiscally sound, and generate consistent value for the Filipino people. As a long-time partner of the government through its Lingkod Pinoy Centers, Robinsons Malls reaffirms its commitment to making government services more accessible, convenient and safe for the Filipinos.

URC Flour's "Bida sa Masa 2025" Supports Aspiring Filipino Bakerpreneurs

URC Flour continues to support local entrepreneurship through "Bida sa Masa 2025: Be the Next Bakerpreneur," a program designed to empower aspiring bakers and help them transform their passion into sustainable livelihood opportunities. The initiative reflects URC Flour's commitment to strengthening the local baking industry while supporting inclusive economic growth within communities.

Bida sa Masa aims to develop the technical and entrepreneurial skills of Filipino bakers. Through the program, participants are given a platform to showcase their creativity, improve their baking capabilities, and learn how to turn their products into viable businesses. By combining baking expertise with entrepreneurial training, the initiative helps participants build the confidence and skills needed to succeed in the food industry.

In 2025, the competition attracted more than 80 professional and home bakers from across the Philippines. Participants went through several stages of evaluation before the top finalists advanced to the championship round. The final competition was held from August 26 to 28, 2025, at the Baker John Academy in Quezon City, where the top six finalists competed for the title of the next Bakerpreneur. The program engages several stakeholders, including local bakers, baking communities, industry experts, and URC Flour representatives. Judges evaluated the finalists based on product quality, creativity, and the potential of their baked products to become successful commercial offerings.

Two bakers were named the grand champions of the 2025 competition. Maelyn Mendoza from Sariaya, Quezon won the Pro Baker category with her Nutritious Focaccia Wellness Bite, while Carol Llabres from Pasig City won the Home Baker category with her Triple Layered Halo-Halo Cake. Each champion received a ₱100,000 prize package, which included ₱70,000 in cash and ₱30,000 worth of baking equipment and URC Flour products to support the development of their baking businesses.

Beyond recognizing talent, the initiative provides meaningful opportunities for participants to build sustainable livelihoods. By supporting aspiring baker-entrepreneurs, the program contributes to local economic activity and encourages the growth of small food businesses within communities.

URC Flour plans to continue expanding the Bida sa Masa program in the coming years to reach more aspiring bakers across the country. Through initiatives like this, URC reinforces its commitment to supporting entrepreneurship, strengthening industry capabilities, and helping communities thrive through sustainable livelihood opportunities.

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,8,9,11)
CEB	**UNICEF Change for Good**	• Collection of spare change from passengers for donation. • For the 9th anniversary, a Youth Career Talk with an airport tour for ALS students to help students gain exposure to aviation careers	• Over PHP 112 million raised since start of program	• Improved health, nutrition, education, and emergency support for children nationwide • Enhanced youth development, career awareness, and strengthened CSR impact.	**SDG 8, 9**
	Fun for Little Juans and Juan Community Program	• Engaged AHA! students at Mind Museum and provided school supplies to public schools through the Gokongwei Brothers Foundation	• Over 100 students engaged in learning, while schools received essential educational resources	• Promoted youth empowerment, inspired love for learning, and strengthened community support for education	**SDG 8, 9**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,8,9,11)
	Community relief initiative for typhoon victims	• Delivered over 5,000 Christmas packs and Waves for Water (W4W) filters to families and LGUs in typhoon-affected areas	• Provided essential food, hygiene, and safe drinking water while supporting community recovery efforts	• Strengthened community resilience, and reinforced CEB's commitment to nationwide CSR and social support	**SDG 8**
	Advancing Aviation Engineering through Industry-Academe Partnerships	• Mentoring students to create practical aviation solutions in partnership with universities	• Started initiative with a five-year partnership with De La Salle University (DLSU) College of Engineering	• Development of future skilled Filipino aviation professionals	**SDG 8, 9, 11**
	Cebu Pacific OFW Balikbayan Program	• Recruitment of Filipino engineers abroad and partnered with Department of Migrant Workers (DMW) and Aboitiz InfraCapital to establish an OFW Processing Center at MCIA Terminal 2	• Hired 11 skilled professionals from 153 applicants and streamlined travel document processing for departing and returning OFWs	• Provided local career opportunities and improving OFW travel	**SDG 8**
	Recognition for Hong Kong OFWs in celebration of CEB's 20-year presence	• Partnered with the Philippine Alliance Filipino community to honor five outstanding OFWs through the "Gawad Parangal Para sa Bagong Bayani" ceremony	• Recognized the contributions of OFWs and highlighted their role in Cebu Pacific's history	• Reinforced support and appreciation for OFWs while connecting Filipinos to opportunities and loved ones	**SDG 8**
RLC	**Robinsons Malls' Lingkod Pinoy Program**	• Nationwide job fairs and international recruitment events with government and industry partners • GOCC Caravan and Lingkod Pinoy Centers delivering financial, employment, and government services	• Thousands of Filipinos connected to local and overseas job opportunities • Expanded access to government services and financial literacy programs • Recognized as CSR Company of the Year – Circle of Excellence Awardee at the 2025 Asia CEO Awards, for impactful community and	• Expanded economic opportunities and improved access to employment and government services	**SDG 8, 10, 11**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,8,9,11)
			social development initiatives (education, MSMEs, disaster response, sustainability, public service).		
URC	**Bida sa Masa: The Next Bakerpreneur 2025**	• URC Flour held a baking competition and training program to support aspiring community bakers	• Winners receive cash, equipment, and product support to start or expand their baking businesses	• Supported entrepreneurship and created livelihood opportunities for local bakers	**SDG 8**
	URC–DHL Logistics Partnership	• Partnered with DHL Supply Chain and DSSI to strengthen warehouse and distribution operations.	• Partnership improved logistics efficiency through integrated systems and large-scale warehousing	• Strengthens URC's supply chain capability and operational efficiency	**SDG 9**
	URC–Ninja Van Distribution Partnership	• Collaborated with Ninja Van to improve product distribution using the Ninja Restock system	• Enabled faster and more efficient deliveries to retail stores	• Improved product availability and distribution efficiency	**SDG 9**

Better Choices

Delivering Safer, Smarter, and More Sustainable Experiences Across Our Businesses

Better Choices showcases how JG Summit's businesses translate sustainability into everyday value by offering safer, healthier, more inclusive, and more sustainable products and services across the Group. Through stories from Cebu Pacific, Robinsons Land, and Universal Robina Corporation, this section highlights how operational excellence and customer-centered innovation improve travel safety and accessibility, elevate community-oriented retail and government service experiences, and expand healthier product offerings for consumers.

Whether through Cebu Pacific's industry-leading safety record and enhanced travel accessibility, Robinsons Land's award-winning malls and inclusive facilities, or URC's growing portfolio of wellness-driven food products, Better Choices reflects the Group's commitment to making responsible and thoughtful options the norm for millions of people we serve.

Cebu Pacific's Safe, Accessible, and Sustainable Air Travel for EveryJuan

Cebu Pacific remains steadfast in its purpose to provide safe, affordable, reliable, and sustainable air transport for every Filipino. In 2025, the airline sustained its industry-leading safety performance, achieving zero passenger fatalities and zero aviation accidents—a testament to the strength of its safety systems and the competence of its flight and ground teams. Continuous risk assessments, enhanced operational procedures, and comprehensive training programs supported this outcome, reinforced by Safety Workshops and Safety Week campaigns that deepen the company's just safety culture. Cebu Pacific likewise advanced its Wildlife Hazard Management Program across six airports, reducing bird strike risks.

Anchored in its "low cost, low fare" model, Cebu Pacific continued to expand safe and accessible travel for Filipinos. The airline served 27.7 million passengers in 2025, strengthened its network with new routes and destinations, and completed the acquisition of AirSWIFT—broadening inter-island links and boosting local economies. Its impact is most evident in destinations like Siargao, where improved connectivity transformed a niche surf spot into a thriving tourism hub. From merely 62,000 visitors in 2012, arrivals have grown to nearly 600,000 today, supported by 63 weekly flights from four hubs—demonstrating how affordable air travel accelerates inclusive growth, job creation, and regional resilience.

Cebu Pacific also plays an essential role in keeping Filipino families connected and supporting overseas workers seeking better opportunities abroad. Through its hallmark low fares, including Piso Sale promotions and flexible optional add-ons, the airline enables passengers to save on travel costs and redirect more of their resources toward family needs. With frequent flight options across 37 domestic and 26 international destinations, Cebu Pacific provides the accessibility and schedule flexibility that allow OFWs and travelers to return home more often and reach workplaces efficiently. The continued expansion of direct routes into key labor markets likewise widens opportunities for Filipinos seeking employment overseas, reinforcing the airline's role as a critical bridge between livelihood and family life.

Cebu Pacific's cargo operations further contributed to national development, transporting 211.8 million kilograms of essential goods, including food, agricultural products, electronics, and pharmaceuticals. At the same time, the airline strengthened the end-to-end customer experience through enhanced touchpoints and digital innovation, driving digital adoption to 84% (online booking) and achieving a Net Promoter Score (NPS) of +35. With a targeted eNPS of +34 to +38, Cebu Pacific continues to invest in people, technology, and service reliability—ensuring that safe, accessible, and sustainable air travel remains within reach for EveryJuan.

Robinsons Land brings home two wins at Retail Asia Awards 2025

Robinsons Land Corporation's (RLC) Robinsons Malls clinched two prestigious awards at the Retail Asia Awards 2025: New Mall of the Year – for Opus, its newest upscale retail destination, and Regional Mall of the Year for Robinsons Antipolo. These accolades highlight RLC's role in redefining the Filipino mall experience through innovation, thoughtful design, and customer-centric spaces.

Launched in July 2024, Opus has quickly emerged as Metro Manila's premier destination for luxury, leisure, and lifestyle. Spanning 148,000 square meters across five levels, it features experiential concepts such as Spatio, a hybrid of retail, wellness, and grooming and Maisonette, a multi-brand boutique with a café. It's also home to cinematic experiences such as the Opus Premier Cinema and the country's first inclusive Family Cinema. International dining icons like St. Ali, Il Lupino Prime, and the much-anticipated Dave & Buster's have chosen Opus for their Philippine debut, solidifying its reputation as a top-tier gastronomic and entertainment hub.

Meanwhile, Robinsons Antipolo earned recognition for seamlessly integrating lifestyle and local culture. With open-air spaces, pet-friendly zones, and a vibrant mix of local and global tenants, the mall has become a true extension of Rizal's dynamic community. More than a mall, it regularly hosts school events, city parades, livelihood fairs, and even weddings, reinforcing its role as a regional social hub. As Rizal grows as a residential and tourism hub, the mall evolves alongside it, supporting connection, celebration, and economic growth.

The Retail Asia Awards, organized by Charlton Media Group, celebrates excellence and innovation in retail across the Asia-Pacific region. This year's recognition highlights Robinsons Land's commitment to reimagining the Filipino mall experience, which is elevated, inclusive, and always community-driven.

Robinsons Galleria Inaugurates NCR's Expanded and Modernized DFA Consular Office

To bring government services closer to Filipinos, Robinson's Land Corporation's (RLC) Robinsons Malls and the Department of Foreign Affairs (DFA), launched the newly expanded and modernized Department of Foreign Affairs (DFA) NCR Central Consular Office on June 10, 2025, at Robinsons Galleria, Quezon City.

Strategically located in one of the metro's most accessible malls, the upgraded consular office offers a significantly larger and more streamlined space, designed to enhance service delivery and accommodate a higher volume of applicants daily. With improved facilities and a more efficient layout, the office now caters to an increased volume of passport and consular service applications, delivering a faster and more comfortable experience for the public.

The opening ceremony was attended by government and private sector leaders, including DFA Office of Consular Affairs (OCA) Assistant Secretary Ma. Antonina M. Mendoza-Oblena, Quezon City 3rd District Representative Franz S. Pumaren, Quezon City Vice Mayor Gian Carlo G. Sotto, DFA Consular Office Coordinating Division (COCD) Acting Director Atty. Manuel C. Ayap, and CO NCR Central Head Maria Luisa L. Remulla.

On its first day of operations, the DFA NCR Central Consular Office successfully processed over 115 passport applications, a clear testament to the demand for accessible government services. This initiative in Quezon City follows the recent successful expansion of the DFA Consular Office in General Santos, inaugurated on May 20, 2025, at Robinsons GenSan. The improved office features larger processing areas and better customer flow, serving 291 clients for passport applications on opening day alone. Both offices are open to the public from Monday to Friday, 10:00 AM to 5:00 PM. With these developments, Robinsons Malls continues to solidify its role as a trusted partner of the government in delivering essential services closer, faster, and better for every Filipino.

Robinsons Iligan Opens Muslim Prayer Room, a First Among the City's Malls

Robinsons Malls inaugurated a new Muslim Prayer Room at Robinsons Iligan, marking the first time a shopping mall in the city has dedicated a sacred space for the Muslim community. The new facility was formally opened to the public on August 15, 2025, underscoring Robinsons Land Corporation's commitment to inclusivity, mutual respect, and community well-being.

Located at the third level of Robinsons Iligan, the prayer room offers a dedicated and accessible space for members of the Muslim faith, welcoming tenant-partner employees and mall customers. The initiative was warmly welcomed by the Muslim community, who expressed deep gratitude for the facility. Following the inauguration, Muslim leaders requested the local government to pass an ordinance requiring major commercial establishments and schools with ample space to provide prayer rooms, citing Robinsons Iligan as a model.

This is the second Muslim prayer room opened by Robinsons Malls, following the first one in Robinsons General Santos, which was inaugurated in 2023.

SBU	Program	Activities	Results and Impact	Outcome	SDG (2,8,12)
CEB	**Providing access to safe transport systems**	• Adhering to rigorous safety standards through IOSA, implementing wildlife hazard assessments, and continuing to invest in training and advanced safety technologies	• Maintained zero aviation accidents and passenger fatalities and conducted six (6) wildlife hazard assessments across airports	• Enhanced passenger confidence through safe, reliable, and sustainable air travel	**SDG 8**
	Route expansion and strengthening of hubs	• Strengthening of MNL, CEB, CRK, DVO and ILO; Launch of New Destinations: CTS, ENI	• Enhanced connectivity to previously (1) unserved destination, reaching a total of 37 and 26 international destinations	• Connecting communities and people	**SDG 8**

SBU	Program	Activities	Results and Impact	Outcome	SDG (2,8,12)
	Fleet expansion	• A total of seven (7) NEO aircraft were delivered, bringing the fleet to 100 aircraft in 2025	• Over 169,000 flights carried more than 26.9 million passengers. A total of 214,952 tonnes of cargo goods were transported	• Enhanced community well-being and economic growth	**SDG 8**
	Customer Council Initiative	• Established a Customer Council to conduct surveys, focus groups, product testing, and monthly discussions on ancillary products, customer service, and digital experience	• Gathered structured customer insights across diverse demographics to inform strategic and product decisions	• Strengthened customer-driven decision-making and enhanced overall travel experience	**SDG 12**
	1Av-Customer Journey Management	• Launched the 1Av-CJMT Support Team in Cebu • Conducted a year-long Critical Station Assessment across domestic stations in partnership with 1Aviation	• Handled 80–100 daily flights with a stronger customer-centric approach, resulting in higher CSAT scores and fewer complaints	• Improved customer experience and operational efficiency	**SDG 12**
	Navitaire New Skies Upgrade (Version 4.7)	• Upgraded the passenger service system, including user acceptance testing, system integration, training, and data migration	• Modernized and stabilized core passenger systems, strengthened online booking and ancillary services, and ensured smoother restoration during IT outages	• Enhanced system reliability, scalability, and support for operational growth	**SDG 8**
	Capability Building and Recognition Elevate Cebu Pacific Service Quality	• Implemented training and recognition initiatives (Compass Day, CEB Way, Behavioral Standards, Public Communications, Leaders as Coaches)	• Participated by 3,088 customer-facing employees	• Enhanced on-ground and inflight service quality through sustained employee development and engagement	**SDG 8**

SBU	Program	Activities	Results and Impact	Outcome	SDG (2,8,12)
	Launch of Novelty Drinks as Part of Buy-On-Board Products	• Introduced three (3) new novelty drinks: Hibiscus Lychee with Mango Popping Boba, Classic Milk Tea with Brown Sugar Jelly, and Iced Black Coffee	• Buy-on-board revenue increased 27% year-on-year	• Enhanced inflight passenger experience and expanded opportunities for Buy-on-Board sales	**SDG 12**
RLC	**Robinsons Malls' Inclusive Spaces & Customer Experience Program**	• Development of innovative mall concepts such as Opus Famlly Cinema and community-integrated malls • Accessible services and inclusive facilities including Government offices and Muslim prayer rooms	• Retail Asia Awards 2025: Opus named New Mall of the Year and Robinsons Antipolo named Regional Mall of the Year • Robinsons Magnolia recognized as a finalist at the Maynilad Oro Inodoro Awards, an annual program honoring the cleanest and most well-maintained public toilets in the Philippines • Expanded access to public services and improved inclusivity through facilities such as Muslim prayer rooms and integrated government service centers	• Improved accessibility, inclusivity, sanitation standards, and customer well-being in mall spaces	**SDG 3, 9, 10, 11**
URC	**Update Wellness Criteria**	• Continues to innovate its product portfolio to offer consumers healthier and more nutritious food choice	• 100% URC products passed 1 WC (Wellness Criteria) • 97% URC products passed 2 WC (Wellness Criteria) • 85% URC products passed 3 WC (Wellness Criteria)	• Continue to innovate its products to provide consumers with better food choices in the health and wellness space • Continue to pursue further product innovations and	**SDG 2**

SBU	Program	Activities	Results and Impact	Outcome	SDG (2,8,12)
				renovations that prioritize wellness criteria	

Employee Growth and Well Being

Building a Future-Ready, Empowered Workforce

The Employee Growth & Well-Being section highlights JG Summit's commitment to nurturing talent, promoting a culture of belonging, and enabling people to thrive. Across the Group, programs like the JGSHI Learning Festival, the JGSHI Olympics, and the CCU Recognition Program strengthen organizational capability, connection, and culture through continuous learning, inclusive engagement, and values-driven recognition. CEB expands career pathways, technical excellence, and diversity and inclusion programs; RLC Hotels builds cross-property learning ecosystems; and URC enhances leadership development, workplace facilities, and employee engagement platforms. Together, these efforts reflect the Group's belief that a skilled, healthy, and motivated workforce is essential to long-term organizational success—ensuring employees are empowered, supported, and future-ready.

JGSHI Learning Festival (JGSLF)

Accelerating Skills, Strengthening Capabilities, and Preparing Employees for the Future

The JGSHI Learning Festival (JGSLF) serves as a cornerstone of the organization's long-term capability-building agenda, providing employees with structured access to emerging knowledge, modern skills, and expert insights needed to thrive in a rapidly evolving business landscape. More than a traditional training program, the GGLF functions as a strategic development platform—curating learning experiences on leadership, digital transformation, customer centricity, sustainability, and innovation to ensure employees stay relevant and future-ready.

Its 2025 hybrid format, which engaged 1,668 participants across JGSHI, expanded learning reach and reinforced the organization's commitment to making growth opportunities available to all employees.

What distinguishes the JGSLF is its role in strengthening organizational capability at scale. By bringing together employees, leaders, and external practitioners in a single learning ecosystem, the festival drives cross-pollination of ideas, promotes strategic thinking, and encourages employees to explore new ways of solving business challenges. The program's design—featuring interactive workshops, gamification elements, and themed learning tracks—intentionally builds curiosity, adaptability, and continuous improvement mindsets. Strong satisfaction scores and growing interest in sessions on sustainability, technology, and innovation demonstrate that employees value development opportunities that elevate both technical and strategic competencies.

Over time, the JGSLF has emerged as an important lever in JGSHI's goal of building a resilient and future-ready workforce. It not only equips employees with the knowledge to meet present demands but also prepares them for shifts in technology, market expectations, and business environments. By positioning learning as a shared responsibility and strategic enabler, the GGLF reinforces JGSHI's belief that long-term organizational success depends on a workforce that is skilled, agile, and continuously evolving.

JGSHI Olympics – Championing Belonging, Connection, and Inclusive Participation

The JGSHI Olympics is one of the organization's most inclusive and unifying programs, bringing together employees from every business unit, level, and background to celebrate teamwork, camaraderie, and shared joy. By offering a wide mix of activities—from traditional sports to digital games and creative performances—the Olympics ensures that every employee can find a meaningful way to participate, regardless of physical ability, interests, or experience. This deliberate inclusivity strengthens employees' sense of belonging and creates shared moments that remind everyone that they are valued members of one JGSHI community.

Beyond its fun and energetic atmosphere, the initiative fosters deep cross-SBU relationships, helping employees connect with colleagues they might otherwise never meet. These interactions break down organizational silos and create trust, which strengthens collaboration back in the workplace. The Olympics also plays a meaningful role in employee well-being by encouraging physical activity, supporting mental

wellness, and providing a positive outlet for self-expression and team pride. High engagement levels and strong satisfaction ratings underscore the program's impact in elevating morale and reinforcing a culture where people feel supported and included.

As the JGSHI Olympics continues to evolve, the focus remains on expanding accessibility, offering more diverse activities, and ensuring that every employee—whether on the court, behind a screen, or cheering from the sidelines—has a space to contribute. In doing so, the initiative embodies Shared Success in its truest form: when everyone has a voice, a role, and a chance to shine, the entire organization moves forward together.

JGSHI's Employee Wellness Program

At the beginning of 2025, JGSHI set out to strengthen its commitment to employee wellbeing by launching a comprehensive Wellness Program that focused on physical, mental, financial, and social health. The program introduced a variety of initiatives, from physical health services like the Annual Physical Exam, Flu Vaccination, Wellness Bazaar, and the twice-yearly Step Challenge, to educational webinars such as *Beyond Resolutions*, *Feast Smarter, Not Harder*, and the Disaster Preparedness Webinar. Mental wellness was supported through sessions on gratitude, growth, and stress management, where employees were also introduced to the Employee Assistance Program. Financial literacy improved through webinars with SAVii and BPI Wealth, while community engagement grew through the Blood Donation Drive with the Philippine Red Cross. The Rebel Fitness App tied the wellness journey together by providing a digital platform for physical, mental, and nutritional support.

These initiatives were executed through a mix of live webinars, onsite health services, digital engagement via Rebel, and interactive wellness events. Employees actively participated in fitness challenges, attended wellness sessions, and accessed tools that helped them build healthier routines.

As a result, employees became more health-conscious, demonstrated stronger engagement in wellbeing activities, and developed greater awareness of mental health and financial stability. The Annual Physical Exam (APE) and vaccination programs improved preventive health practices, while community involvement deepened through blood donation efforts. The company also observed growing participation in digital wellness through the Rebel app.

Looking ahead, JGSHI plans to expand its wellness offerings, increase access to on-site health services, and continue promoting a strong culture of wellbeing across the organization.

JGSHI Corporate Center Unit Recognition Program (Darwinbox Vibe)

The JGSHI Recognition Program (Darwinbox Vibe) is an internal employee recognition and engagement initiative of the Corporate Center Unit (CCU) under the Gokongwei Group. Enabled by the Darwinbox Vibe digital platform, the program promotes a culture of appreciation by making recognition continuous, peer-driven, and visible across the organization. It recognizes everyday contributions as well as outstanding performance, reinforcing behaviors aligned with CCU and Gokongwei Group core values.

The primary objective of the program is to strengthen employee engagement, motivation, and morale while embedding appreciation into daily work practices. This initiative supports the Group's sustainability commitments under the Social pillar, particularly in advancing positive workplace culture, employee well-being, and inclusive people practices. By encouraging peer-to-peer recognition and reinforcing value-based behaviors, the program contributes to long-term human capital development and organizational resilience.

The JGSHI CCU Recognition Program is an ongoing initiative and has been fully implemented across the CCU. Since its rollout, adoption and engagement have steadily increased, demonstrating growing acceptance of digital recognition as a core people practice.

The program delivers significant benefits to both employees and the organization. Employees feel valued and motivated through timely and meaningful recognition, while the organization benefits from higher engagement, improved morale, and stronger collaboration. The integration of GoRewards points as a tangible token of appreciation enhances the program's impact by allowing recipients to redeem rewards across participating Gokongwei Group brands, linking workplace recognition to real-world value.

Key stakeholders include all CCU employees, managers, and peer recognizers, with oversight from Human Resources and culture teams. Recognition champions and active users also play a vital role in amplifying positive behaviors across the organization.

The initiative is executed through the Darwinbox Vibe platform, which serves as a centralized recognition and engagement hub. Employees can send peer-to-peer recognitions, tag core values, and gift GoRewards points. Recognitions appear on a shared social feed where colleagues and leaders can engage through reactions and comments. The program also includes quarterly recognitions for both Top Recognized Employees and Top Recognizers, ensuring balance between performance impact and generosity.

As of the latest reporting period, the program achieved a 75% adoption rate, with 207 employees having sent at least one recognition. Active engagement reached 57%, exceeding the original target, with 117 employees using the platform at least ten times. On average, 253 recognitions were sent per month, reflecting consistent participation and sustained engagement.

Looking ahead, the CCU plans to further enhance the program by increasing adoption, deepening engagement through campaigns and communication, and leveraging recognition insights to inform broader people and culture strategies. Overall, the CCU Recognition Program demonstrates the Group's commitment to cultivating an engaged, appreciative, and values-driven workplace that supports sustainable organizational success.

JGSHI Safety and Preparedness Initiative

To strengthen workplace resilience and safety, JGSHI rolled out its comprehensive Workplace Safety and Preparedness Initiative. The program brought together essential components such as the RET Fire Drill Program, ISO 45001:2018 Training, Basic Life Support (BLS) Training, Occupational Safety and Health (OSH) Council Meetings, the annual OSH Convention, and safety audits for Security and Third-Party Service Providers.

Execution was carried out through structured, hands-on activities. Annual fire drills, conducted with local authorities, allowed employees to practice evacuation routes and proper fire response techniques. ISO 45001 training equipped teams with foundational knowledge in hazard identification and safety compliance. BLS training empowered Emergency Response Team members with CPR skills and emergency simulations, enhancing medical readiness. Regular OSH Council Meetings ensured safety performance was closely monitored, while the OSH Convention fostered awareness and recognized achievements in workplace safety. Third-party safety audits reinforced contractor compliance with organizational standards.

These initiatives resulted in stronger emergency preparedness, more consistent adherence to safety protocols, and improved organizational compliance with occupational safety requirements. BLS-trained responders enhanced the company's capacity to address medical incidents, and proactive risk identification helped prevent potential safety issues.

Looking ahead, JGSHI aims to further strengthen third-party safety oversight and continue its active involvement in industry-wide safety learning activities, ensuring the company remains committed to providing a safe, resilient, and sustainable workplace for all.

Cebu Pacific Empowering EveryJuan Towards Meaningful Careers and Inclusive Workplace

CEB continues to put people at the center of its long-term growth strategy, reinforcing its position as the low-cost carrier of choice by creating meaningful careers and an inclusive workplace. In 2025, the airline welcomed 619 new hires, with 20% of movements driven by internal mobility—demonstrating a strong culture of developing talent from within. The OFW Balikbayan Program also brought seasoned Filipino engineers back home, bolstering specialized technical roles and strengthening the domestic aviation talent pool.

A robust learning and development ecosystem underpins CEB's people strategy. Through CEB U, LinkedIn Learning, the Juan Leader Program, WINGS, and the Cadet Pilot Program, employees accessed 339,823 training hours in 2025. These learning efforts were complemented by 54,527 pilot training hours and 252,988 cabin crew training hours, equipping teams with the competencies to deliver safe, efficient, and customer centric service. Employee engagement is further fostered through the Juan CEB Community (JCC), a network of 15 interest-based groups—from Sky Pickleball to Skybound Crew Dance and the Tennis Club—that strengthens camaraderie and workplace wellbeing.

CEB continues to strengthen its approach to diversity, equity, and inclusion (DEI) through workforce representation, strategic partnerships, and inclusive employee policies. Women represent 54% of the airline's workforce and management, reflecting the company's efforts to support gender representation in aviation. In 2025, Cebu Pacific also partnered with Women in Aviation International – Philippines to promote greater participation of women in aviation-related careers.

The airline also supports opportunities for underrepresented groups. It struck a partnership with The Vanguard Academy to offer internship opportunities for neurodivergent youth, providing exposure to workplace environments and skill development. In addition, CEB's employee benefits extend HMO coverage and travel privileges to same-sex and common-law partners, supporting more inclusive access to employee benefits.

These initiatives were recognized at the 2025 Economic Times Human Capital Awards, where CEB received a Bronze Award in the Diversity & Inclusion category. The airline was the only Southeast Asian carrier recognized in this category that year.

Institutionalizing Cross-Property Learning Through RHR Academy Presents: Flash Talk

As part of Robinsons Hotels and Resorts' commitment to "We nurture our people by investing in their growth and well-being," we strengthened nationwide capability-building through RHR Academy Presents: Flash Talk. The initiative directly supports Strategy 1: attracting and retaining talent by institutionalizing a nationwide learning platform where in-house specialists share practical knowledge across properties through interactive sessions. By scaling shared operational know-how, Flash Talk reinforces consistent standards across hotels and reduces learning gaps created by siloed, site-specific practices.

The program was launched in May 2025 and remains ongoing. It is designed as a virtual, talk show–style learning series featuring internal subject matter experts (technical and functional). Topics covered in CY2025 included Hospitality by Heart, Mindset Matters: Fostering a Culture of Growth Through Learning, and Behind the Lobby: Secrets to Seamless Hotel Operations, among others. Execution focused on three elements: (1) delivering sessions virtually to ensure broad, nationwide reach; (2) scaling participation across properties to enable cross-hotel knowledge-sharing; and (3) driving engagement through interactive chat and open Q&A, including anonymous questions to encourage participation and candid discussion.

In Calendar Year 2025, Flash Talk covered 20 properties nationwide and delivered 9 episodes, averaging 132 attendees per episode. The series generated 1,184 total participant training hours, demonstrating sustained uptake and scale. As an outcome, the initiative reinforced engagement and culture—aligned with 97% Pulse Employee Engagement and 98% Great Place to Work (2025)—while strengthening talent development and retention drivers through structured cross-property learning.

Key stakeholders include RHR leadership, the RHR Academy team, in-house specialists serving as speakers, and property-level employees participating and applying learnings on the ground. Sustainability alignment is anchored on Primary SDG 4 (Quality Education) with Secondary SDG 8 (Decent Work and Economic Growth) through continuous capability-building and employee development. Building on CY2025 results, Flash Talk will continue as an ongoing platform, with a broader pipeline of topics and speakers being developed to deepen employee growth, expand practical skill-building, and sustain well-being outcomes across the portfolio.

Empowering Excellence and Leading with Heart: Robinsons Malls Recognized Among the Philippines' Best Employers — Earning The Top Spot Across Malls Nationwide!

Robinsons Malls has been named one of the Best Employers in the Philippines, earning the top spot across malls nationwide. The recognition, awarded in the Philippines' Best Employers 2025 list by the Philippine Daily Inquirer and Statista, highlights companies that demonstrate exceptional workplace culture, employee satisfaction, and strong commitment to people development.

The nationwide ranking is based on thousands of employee evaluations covering career development, compensation and benefits, work-life balance, and workplace culture. Being ranked #93 out of the 300 Best Employers, and #1 among the malls in the list, this underscores Robinsons Malls' strong reputation as an employer of choice.

Beyond creating vibrant shopping and lifestyle destinations, Robinsons Malls continues to invest in its people — through leadership programs, continuous learning opportunities, and wellness initiatives — fostering an environment where talent thrives and purpose drives performance.

With 56 malls nationwide, Robinsons Malls is not only a leader in retail innovation but also a benchmark for excellence in employee engagement and organizational culture.

URC Recognized for Excellence in Human Resources Across Southeast Asia

Universal Robina Corporation (URC) continues to be recognized for its strong people programs and positive workplace culture. In 2025, the company received several regional awards for excellence in human resources and employer branding across Southeast Asia. These recognitions reflect URC's ongoing efforts to support its employees and build a workplace where people can grow and succeed.

The initiative focuses on strengthening URC's people development and employee engagement programs. Its main objective is to attract, develop, and retain talented employees while creating a supportive and collaborative work environment. This supports URC's broader sustainability commitment to responsible business practices and people development, recognizing that employees play a key role in the company's long-term growth.

URC has been implementing various people-focused programs for several years. These initiatives remain ongoing across the company's operations in the region. They include leadership development programs, training opportunities, campus recruitment, internship programs, and employee engagement activities. These efforts help employees build skills, gain experience, and contribute more effectively to the organization.

Several stakeholders are involved in these initiatives. These include URC employees, company leaders, human resources teams, academic institutions, and external organizations that assess workplace practices and employer reputation. Collaboration among these groups helps strengthen URC's workplace culture and talent development programs.

In 2025, URC received several recognitions for its human resources initiatives. Among these are the HR Asia Best Companies to Work for in Asia award and recognition in the Graduate's Choice of Employer Top 10 in the FMCG category in Malaysia. These awards highlight URC's continued efforts to create a positive workplace and provide opportunities for employee growth.

The recognition also reflects the benefits of URC's people programs. These initiatives support higher employee engagement, stronger leadership capabilities, and improved talent attraction across the company.

Moving forward, URC plans to continue strengthening its people programs. The company will focus on developing leadership capabilities, expanding learning opportunities, and improving the overall employee experience. Through these efforts, URC aims to remain an employer of choice and continue building a workplace where employees can thrive.

Employee Development Programs

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,4,5,8)
CEB	**Cadet Pilot Program**	• Recruitment and training of aspiring pilots through a structured 96-week training initiative	• Successful completion of the program by 20 cadets from batch 1 and employed as first officers in 2025	• Strengthened pilot skills • Enhanced employability	**SDG 4**
	Juan Leader Program	• Three-day leadership development workshop incorporating GG leadership competencies	• 35 trainees enrolled and 2 batches in 2025	• Equips leaders to accelerate growth, navigate change, and deliver impactful results	**SDG 4**
	Workforce Innovation and Navigation for Growth in the Skies (WINGS) Pilot Training Program	• Four learning tracks aligned to role levels with progressive modules designed to enhance communication, empathy, conflict resolution, and psychological safety	• A total of 120 First Officers (Batch 13) has successfully completed the Level 1 - CEB WAY program	• Pilots' interpersonal, leadership, and strategic management skills are developed	**SDG 4**
	LinkedIn Learning	• Provides access to LinkedIn Learning for personal and professional growth	• 5,492 completion rate with 3 hours 55 mins - Average hours per Viewer • Total of 6,800 hours viewed	• Democratized learning that builds a skilled and agile workforce	**SDG 4**
	Comprehensive Wellness Framework	• Expanded health facility offering increased capacity, diverse onsite and digital services, and healthcare	• Total of 14,877 consultations	• Improved health and well-being of employees and dependents	**SDG 3**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,4,5,8)
		access for employees and their dependents	• 1,277 employees availed of onsite lab/procedures in 2025 • HMO utilization was at 74.45 % vs 96% in 2023		
	Juan CEB Community	• Expanded communities with Sky Pickleball, Juan Dance Crew, and Tennis Club • Extended membership to 1Aviation, Aviation Partnership, and AirSWIFT	• 18 CEB communities	• Employees, championing engagement and boosting the sense of community and belongingness	**SDG 3**
	Promoting Gender Diversity in Aviation	• Awareness, mentorship, and leadership development programs • Ensuring equal opportunities in training and promotion. • Roll-out of self-paced access to DEI modules via CEB's Learning • CEB hosted the official launch of the Women in Aviation International – Philippine Chapter (WAI PH) and introduced Girls in Aviation Day	• Reached 93% participation with 97% satisfaction across four modules of DEI modules • Women make up 51% of leadership positions (excluding pilots) and 8% of total pilots.	• Improvement in awareness and knowledge of DEI concepts and encouragement of behavioral changes that support inclusive practices • Increased representation of females in the workforce	**SDG 4, 5, 10**
	Extended benefits for same-sex or common-law partners	• Travel benefit and HMO program	• 306 employees have registered partners for travel benefit, and 1 availing HMO benefit	• Increased inclusivity and equal recognition of same-sex and common-law partners, fostering a more supportive and equitable workplace	**SDG 10**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,4,5,8)
RLC	**RHR Academy Presents: Flash Talk**	• Virtual, talk show–style **l**earning sessions featuring in-house subject experts (technical/functional specialists) • Scaled across properties to enable cross-hotel knowledge sharing • Interactive chat + open Q&A (incl. anonymous questions) to encourage participation	• 20 properties covered nationwide • 9 episodes delivered (launched May 2025) • Avg 132 attendees / episode • 1,184 total participants / training hours	• Reinforced engagement and culture, aligned with 97% Pulse Employee Engagement and 98% Great Place to Work (2025). • Strengthened talent development and retention drivers through cross-property learning and knowledge-sharing.	**SDG 4, 8**
	Robinsons Malls' Inclusive Workplace Program	• Leadership development, employee training, and wellness initiatives promoting inclusive workplace culture • Online Share and Learn Sessions (2 delivered in 2025) and F2F Technical Training Sessions for Chief Engineers and Design & Planning Managers (2 sessions in 2025)	• 300 employees on average nationwide participated in the Online Share and Learn Sessions, strengthening knowledge-sharing and professional development • 60–80 technical leaders trained through F2F sessions to enhance operational expertise and collaboration • Named among the Philippines' Best Employers 2025 by the Philippine Daily Inquirer and Statista, ranking highest among mall operators	• Strengthened employee capability, engagement, and inclusive workplace culture	**SDG 4, 5, 8**
URC	**Leadership Engagement (Town Halls)**	• H1 town hall in cinema-style venue • H2 town hall at the newly renovated Head Office to align on performance and plans	• Improved message clarity, transparency, and alignment with strategic priorities	• Sustained employee engagement and stronger understanding of organizational direction.	**SDG 8**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,4,5,8)
	Workplace Enhancements (Tera & Giga Offices)	• Renovated Tera Office • Opened Giga Office with upgraded collaboration spaces for hybrid work	• Modern, productivity-supportive facilities that encourage collaboration	• Better employee experience	**SDG 8**
	Employee Recognition & Family Engagement	• Service Awards for long-tenured employees • Star City Family Day recognizing and engaging employees' families	• Strengthened employee pride, loyalty, and cross-functional engagement	• Enhanced sense of belonging and sustained engagement with URC values	**SDG 8**
	Talent Acquisition Transformation & Digital Onboarding	• Transitioned TA to GoGBS to standardize workflows and accelerate recruiting • Implemented a digital Onboarding Module	• Stronger recruiter–hiring manager coordination; streamlined submission of pre-boarding requirements	• Improved hiring efficiency and accuracy of pre-boarding requirement submission	**SDG 4, 8**
	Employer Branding & Integrated Communications	• "Grow Beyond UR Job" framework; multi-platform strategy via LinkedIn, Facebook; internal platforms (Outlook, One URC Portal)	• Consistent and coherent employee value proposition across employer branding initiatives	• Reinforced reputation as employer of choice, supported by multiple external recognitions across SEA	**SDG 8**
	Health and Safety Trainings	• First Aid Certification for identified employees conducted by the Philippine Red Cross	• Employees are certified in first aid and capable of providing immediate assistance during medical emergencies in the workplace	• Improved emergency response capability and reduced severity of workplace incidents	**SDG 3**
		• Mandatory 8-hour OSH training through URLearning	• Employees are updated on occupational safety and health policies, procedures, and responsibilities	• Increased awareness and compliance with workplace safety standards	**SDG 3**
		• Health and Safety Webinars (e.g., Earthquake Preparedness, Monkeypox	• Employees are informed of emerging health risks and	• Increased employee awareness and proactive	**SDG 3**

SBU	Program	Activities	Results and Impact	Outcome	SDG (3,4,5,8)
		Awareness) conducted with Global Safety	disaster preparedness measures	health and safety practices	
	Emergency Preparedness & Response	• Fire Drills and Fire Seminar conducted by Bureau of Fire Protection	• Employees practice evacuation procedures and emergency response protocols • Employees gain knowledge on fire prevention, fire hazards, and proper use of fire safety equipment	• Improved readiness and organized response during fire emergencies, and strengthened preparedness and prevention of fire-related incidents	**SDG 3**
		• Earthquake Drills (Duck, Cover, and Hold)	• Employees practice protective actions during earthquakes	• Reduced risk of injuries during seismic events due to increased preparedness	**SDG 3**
	Proactive Workplace Safety and Risk Management	• Workplace Hazard QR Code reporting system	• Employees can easily report hazards, enabling faster identification and correction of unsafe conditions	• Increased employee participation in safety programs and proactive hazard management	**SDG 8**

Resource Efficiency and Circularity

Maximizing Resource Value and Minimizing Waste

The Resource Efficiency & Circularity section showcases how JG Summit embeds responsible consumption and waste reduction into its operations. Robinsons Hotels & Resorts leads with circular provisioning systems like the R Water bottling program, removing hundreds of thousands of single-use plastic bottles and cutting emissions through closed-loop, reusable models. Robinsons Malls scales waste-diversion and recycling systems—earning global recognition for programs that encourage everyday sustainable habits among millions of mall visitors. CEB integrates waste reduction into inflight operations through biodegradable materials, plastic recovery, and food-waste diversion, while also conserving water and improving equipment efficiency. URC advances water stewardship, alternative fuels, solar generation, and packaging circularity through large-scale resource recovery and waste-to-value initiatives. Collectively, these actions demonstrate the Group's commitment to reducing environmental footprint while building operational resilience through circularity.

Robinsons Malls Named Global Recycling Hero for Transforming Everyday Habits into a Greener Future

Robinsons Malls proudly announces its international recognition as one of the 2025 Recycling Heroes Competition winners by the Global Recycling Foundation (GRF), revealed during the observance of Global Recycling Day on March 18, 2025. The esteemed award honors Robinsons Malls' sustainability campaign, "Everyday for a Greener Future," which integrates eco-consciousness into daily life. Through this initiative, Robinsons Malls encourages Filipino consumers to adopt environmentally friendly habits in their everyday routines—from shopping and dining to entertainment—while addressing critical environmental concerns such as waste management, climate action, and community involvement.

The "Everyday for a Greener Future" campaign exemplifies Robinsons Malls' commitment to environmental responsibility through a range of impactful strategies. These include the expansion of mall-wide waste management and recycling systems, collaborations with organizations such as the Department of Environment and Natural Resources (DENR), Department of Sanitation Quezon City (DSQC) BasuHero, PLDT-Smart and various local government units, the installation of Reverse Vending Machines, E-waste bins and chopstick recycling bins, and the organization of recycling markets, educational activities including eco-art workshops, composting demonstrations, and sustainability fairs.

Robinsons Malls is one of 20 winners globally selected by the GRF for demonstrating excellence in sustainability, innovation, and community engagement. The full list of 2025 Recycling Heroes includes: Cartridge Depot (South Africa), Chelmsford College (England), Clean Circle Limited (Cameroon), Ecoact (Tanzania), Erni Suhaina Fadzry of the Indonesian Islamic Propagation Council (Indonesia), Evan J Schwartz of AMCS Group (North Carolina, USA), Going Green Dubai (UAE), GreenLite Solutions (Nigeria), Ittisha Sarah of Northeast Waste Collective and Azure Lotus Foundation (India), Lennart Osthoff of Repartly (Germany), Mercy Amarachukwu Abayomi of Ama Shop It (Nigeria), Mosquito-Shield Potpourri (Uganda), Princes Town West Secondary School (Trinidad and Tobago), Project Kaagaz by Learning Paths School (India), Sabine Janneck of Circle Cook Island, Safisana (Ghana), The Koru Foundation (India), Torre Plastik (Portugal), Toys Up (Netherlands), and Robinsons Malls (Philippines).

R Water: Advancing Circular Guest Water Provisioning Through In-House Bottling

As part of Robinsons Land Corporation's commitment to "optimize our use of natural resources and foster circularity in all our businesses," Robinsons Hotels and Resorts implemented R Water – RHR's In-House Water Bottling Plant, a closed-loop provisioning model that replaces single-use plastic (SUP) bottled water with purified water bottled in reusable glass. The initiative directly advances Strategy 1: improving water stewardship and guest water provisioning through safe, responsible distribution, while also supporting Strategy 2: reducing solid waste at source by eliminating single-use plastics in core guest-facing operations, and Strategy 3: advancing circular practices by shifting from SUP consumption to reusable systems and closed-loop provisioning.

The initiative began with the completion of a centralized in-house bottling facility in August 2024, which remained operational and expanded through Calendar Year 2025. Execution focused on (1) establishing an in-house filtration and bottling system to ensure safe, consistent water quality, and (2) deploying reusable glass bottles for guestrooms and conference & events, removing reliance on externally sourced plastic-bottled water. Rollout required cross-property coordination, supplier partnerships for bottle sourcing and logistics, and staff training aligned with health and safety standards to protect guest experience and operational consistency. In CY2025, the program included participation from The Westin Manila, Summit Hotel Greenhills, and Summit Hotel Magnolia, enabling broader adoption within the portfolio.

The bottling system produces an average of ~470 bottles per day. For CY2025, it diverted over 265,000 SUP bottles from landfill, with projected annual reductions of ~8.1 tons of single-use plastic/landfill waste and an estimated 64% reduction in carbon emissions associated with the transport and disposal of SUP bottles. Beyond waste and emissions benefits, the initiative institutionalizes a cost-efficient, closed-loop provisioning model that maintains guest satisfaction while strengthening resilience against packaging-related supply constraints.

The initiative's sustainability alignment is anchored on Primary SDGs: SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action), with Secondary alignment to SDG 14 (Life Below Water). Building on CY2025 results, additional properties are being studied for scaling moving forward using the same closed-loop water provisioning approach.

Robinsons Malls recognized as a Sustainability Champion by The Manila Times

Robinsons Malls, the Commercial Centers Division of Robinsons Land Corporation (RLC) was honored as one of 15 companies recognized for their outstanding sustainability programs at the inaugural Sustainability Champions 2025 by The Manila Times, the country's oldest newspaper. The awarding ceremony was held on September 23 at Conrad Manila, Pasay City.

Companies were evaluated based on The Manila Times' Four I's of Sustainability namely: Initiative, Impact, Inclusiveness, and Integration, which highlight environmental, social, and governance (ESG) practices, as well as efforts toward a circular economy.

Robinsons Malls was recognized for its wide range of sustainability initiatives, including the adoption of rainwater harvesting technologies, the use of clean and affordable energy through solar panel installations, comprehensive waste management and recycling programs, and facilities such as bike parking and repair stations, along with EV charging stations that promote greener modes of transport. The malls also champion local food producers through initiatives like the Locally Sourced fairs, which support sustainable livelihoods and homegrown businesses.

SBU	Program	Activities	Result and Impact	Outcome	SDG (6,12)
CEB	**In-flight use of biodegradable utensils and cups**	• Use of wooden cutlery to cover flights from MNL (domestic and regional), CEB, CRK and long-haul flights	• Reduction of single-use plastic usage by 15 tonnes in 2025	• Reduction in plastic waste	**SDG 12**
	Onboard plastic bottle collection	• Segregation of onboard plastic bottles in 5J (MNL, CEB and CLK hubs) and CEBGO flights	• 35 tonnes of plastic bottles collected inflight	• Increase awareness of recycling amongst passengers • Improve waste management within CEB operations	**SDG 12**
	Scholars of Sustenance (SOS) Partnership for food waste reduction	• Collection of surplus food from operations for donation	• 4,043 kg of food donated	• Reduce food wastage and support underprivileged communities	**SDG 2, 12**
	Cyclean engine core wash	• Diminishing engine wash time and wastewater collection	• Reduced water consumption by cutting washing time from 16 to 4 hours per A330neo engine	• Reduced water consumption, wastewater collection, and potential financial benefits	**SDG 6, 12**
	Rainwater harvesting system	• Collecting rainwater at the head office and utilizing it for various non-potable purposes	• 21,426 m3 of rainwater collected	• Reduced water reliance from concessionaires and reduced cost	**SDG 6, 12**
RLC	**R Water – In-House Water Bottling Plant**	• Implemented a centralized in-house water filtration & bottling system using reusable glass bottles to replace single-use plastic bottled water in operations. • Deployed the solution across guestrooms and conference & events for participating properties, eliminating the need for external plastic-bottled water suppliers.	• 100% reduction of single-use plastic bottles in guestrooms and conference & events across the 2 properties. • 3 additional property participation post launch (phased adoption) • Over 265,000 Single-Use Plastic (SUP) bottles	• Institutionalized a closed-loop, cost-efficient water provisioning model that reduces waste and carbon while maintaining guest experience	**SDG 12,13,14**

SBU	Program	Activities	Result and Impact	Outcome	SDG (6,12)
		• Enabled rollout via cross-property coordination, supplier partnerships (glass bottles), and staff training aligned with health and safety standards.	diverted from landfill in 2025. • Projected annual reductions: 8.1 tons single-use plastic waste; 8.1 tons landfill waste; 64% reduction in carbon emissions from transport/disposal of SUP bottles.		
	Robinsons Malls Everyday for a Greener Future Program	• Mall-wide recycling systems, reverse vending machines, and environmental education programs • Renewable energy, rainwater harvesting, and sustainable mobility initiatives	• 4373.93 MT of recyclables collected across 53 malls, strengthening circular waste management and community participation • Recognized as Sustainability Champion by The Manila Times and winner of the Global Recycling Hero Award 2025 by the Global Recycling Foundation • Araw-Araw for a Greener Future earned Twin Silver Wins at The Next Awards PH and Asia-Pacific • Eight Robinsons Malls recognized as Bicycle-Friendly Establishments by the 2025 Mobility Awards	• Reduced environmental footprint and increased community participation in sustainability	**SDG 11, 12, 13**

SBU	Program	Activities	Result and Impact	Outcome	SDG (6,12)
			(3 Silver-rated and 5 Bronze-rated malls)		
URC	**Water Reuse Initiatives**	• Use of treated wastewater for spray ponds, wet scrubbers, and cooling towers • Installed rainwater harvesting units across various sites used as alternative source for basic utility cleaning activities	• 576,131 m3 of water reused from wastewater treatment and rainwater harvesting initiatives	• Reduced water withdrawal	**SDG 6, 12**
	Utilization of Alternative Sources	• Biomass and bagasse were utilized as alternative fuel sources in operations, contributing to sustainable energy practices ○ SURE – Bagasse and spent wash ○ AIG - Biogas ○ BCFG – Coffee spent grounds, spent tea leaves, and sludge	• 247,412,232 MJ of energy generated	• Reduced energy reliance on coal, diesel, bunker and LPG	**SDG 12**
	Juan Goal for Plastic	• Plastic collection program with the objective of diverting plastic waste from landfills through	• 12 MT of post-consumer plastic collected	• Plastic waste diverted from landfill	**SDG 12**

Climate Action

Catalyzing a Low-Carbon, Climate-Resilient Future

Climate Action highlights how JG Summit's businesses are reducing emissions, strengthening resilience, and transitioning toward a low-carbon future through decisive, portfolio-wide initiatives. CEB advances fleet modernization, operational fuel efficiency, and ground electrification—achieving reductions in fuel burn and carbon intensity while expanding the use of renewable energy and SAF. RLC accelerates renewable deployment through onsite solar systems and climate-ready developments designed to reduce environmental impact and enhance community resilience. URC scales renewable sourcing, on-site solar generation, and alternative fuels while progressing Scope 3 baselining and decarbonization planning. Together, these efforts illustrate JG Summit's commitment to climate-aligned strategy, operational innovation, and long-term risk management that supports a more resilient future for the Group and the communities it serves.

Cebu Pacific Advances Low-Carbon Growth through Efficiency and Responsible Resource Use

Cebu Pacific continued to strengthen its resource efficiency and decarbonization pathway through disciplined fleet modernization and operational improvements. By end of 2025, 58% of its fleet comprised NEO aircraft, significantly reducing fuel burn and emissions while enhancing operational reliability. These next-generation aircraft deliver 15-20% greater fuel efficiency than previous models. The landmark 2024 agreement with Airbus for up to 152 A321neo and A320neo aircraft, the largest order in Philippine aviation history, further accelerates the company's transition to an all-NEO fleet by 2030.

Alongside fleet modernization, Cebu Pacific continues to optimize fuel performance through operational and digital tools. The airline uses the SkyBreathe® MyFuelCoach application and Fuel Management System, which provide pilots with post-flight analytics and fuel-saving dashboards to support more efficient flight operations. In 2025, compliance with Pilot Discretionary Fuel best practices reached a record 89%, exceeding the 45% target, contributing to 11,051 tonnes of fuel saved and 34,919 tCO_2e in emissions reductions. Flight plan optimization through direct routing also saved 1,126 tonnes of fuel, equivalent to 3,558 tCO_2e avoided.

These investments directly support Cebu Pacific's long-term climate ambition by lowering carbon intensity to 75.7 gCO_2e/RPK in 2025, outperforming its target of less than 78.6 gCO_2e/RPK, and by enabling access to incentives under Asia's first Sustainability Linked Loan for a low-cost carrier.

Cebu Pacific also addresses emissions beyond flight operations, including Scope 2 indirect emissions. To reduce these emissions, Cebu Pacific transitioned key facilities, including the Aplus and Juan buildings, to 100% renewable energy beginning in 2024. In 2025, the Group further advanced its ground electrification efforts by completing the Philippines' first all-electric aircraft turnaround at Mactan-Cebu International Airport (MCIA). The turnaround utilized fully electric ground support equipment (GSE), including baggage tractors, loaders, and pushback vehicles.

Building Better Lives Through Climate-Resilient and Low-Carbon Malls

Robinsons Malls, a key business unit of Robinsons Land Corporation (RLC), launched a series of sustainability initiatives to transform its nationwide portfolio into climate-resilient, low-carbon community hubs aligned with RLC's long-term sustainability commitments. The main objective was to respond to rising climate risks, increasing energy costs, and the growing demand for greener public spaces while operationalizing the company's mission of "Building Better Lives." By integrating renewable energy, ecological resilience, circular-economy practices, and clean mobility, the initiative demonstrates how sustainability can be embedded across the retail value chain—from infrastructure to customer experience.

The program began with early sustainability pilots, including a plastic collection partnership launched in 2023, and has since scaled into a portfolio-wide strategy that remains ongoing through 2025 and beyond. It aligns with RLC's broader ESG priorities, particularly climate action, responsible land use, and stakeholder wellbeing. Key components include installing 37.9 MW of solar energy across 28 malls, planting nearly 10,000 trees with LGU partners using indigenous, climate-hardy species, and expanding EV charging points from 14 to 42 to support accessible, low-carbon mobility.

Stakeholders involved span multiple sectors: Robinsons Malls operations and marketing teams, local government units, sustainability partners, renewable energy providers, EV infrastructure collaborators, tenants, and mall communities. Execution relied on a cross-functional

model that integrated engineering upgrades, community engagement programs, and measurable sustainability metrics. Waste and water management systems were strengthened alongside public-facing initiatives, including recycling drives, environmental education activities, and climate-resilient landscaping.

The outcomes have been both environmental and social. Renewable energy adoption has helped reduce emissions and improve energy resilience across the mall network, while communities benefit from safer, greener environments, improved air quality, and access to sustainable transport options. The initiative also earned external recognition, including the Excellence in Resilience Award at the 2025 QC Green Awards, Sustainability Champion at the inaugural Sustainability Champions 2025 by The Manila Times, and Silver recognition at the Next Awards APAC, validating its measurable impact and innovation.

Looking ahead, Robinsons Malls plans to further expand renewable energy capacity, scale EV charging nationwide, and deepen partnerships with LGUs and sustainability advocates to strengthen climate resilience at the community level. Beyond infrastructure, the initiative continues to evolve as a platform for awareness and behavioral change, encouraging visitors, tenants, and stakeholders to adopt more sustainable lifestyles. Ultimately, this program reflects a shift from isolated green projects to a holistic, future-ready mall ecosystem designed not only for commerce but for long-term environmental stewardship and community wellbeing.

Robinsons Hotel and Resorts Scaling Renewable Power Sourcing Through Zero-CapEx Solar

As part of RHR's Climate Action commitment to enable a low-carbon transition and strengthen climate-related risk management, we implemented a portfolio pilot that directly supports Strategy 1: "We will scale renewable power sourcing in all our businesses." The initiative deploys on-site solar generation through a Zero-CapEx Power Purchase Agreement (PPA) model, accelerating renewable adoption without requiring upfront capital—an approach designed for faster replication across properties.

The program covers three hotel sites under a unified rollout in Calendar Year 2025: Grand Summit General Santos, Go Hotels Plus Naga, and Summit Hotel Naga. Execution focused on two complementary methods: (1) entering into a PPA to procure solar energy, and (2) installing on-site solar panels and solar carports to convert available roof and parking/driveway areas into productive, renewable energy assets. This

configuration allows properties to generate clean electricity within existing operational footprints while supporting business continuity and reducing dependence on grid-supplied power.

Across the three hotels, the initiative installed 378 kWp of renewable capacity. For CY2025, it generated 235,832 kWh of solar energy, offsetting an equivalent amount of grid electricity consumption. As a direct Climate Action outcome, the program delivered 191.03 tCO2e (13%) Scope 2 GHG emissions reduction, demonstrating measurable decarbonization impact at the property level while providing a scalable template for future expansion.

The initiative's sustainability alignment is anchored on Primary SDGs: SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), with Secondary alignment to SDG 9, SDG 11, and SDG 12 through resilient infrastructure, more efficient use of built environments, and responsible energy consumption practices. Building on the 2025 results, additional properties are being studied for scaling moving forward using the same renewable sourcing and on-site generation approach.

Robinsons Malls Honored for Excellence in Disaster Preparedness and Community Resilience at the 2025 QC Green Awards

Robinsons Malls, the Commercial Centers Division of Robinsons Land Corporation (RLC), has been recognized for its exceptional commitment to safety, disaster preparedness, and sustainable operations at the 2025 Quezon City Green Awards. The company received the Excellence in Resilience Award, underscoring its vital role in promoting safe, sustainable, and climate-ready communities.
Held at the Quezon City MICE Center and led by Mayor Joy Belmonte, the annual QC Green Awards celebrates organizations that demonstrate leadership and innovation in environmental stewardship and disaster risk reduction. Robinsons Malls was commended for its proactive emergency preparedness programs, community-focused response protocols, and sustained efforts to protect the well-being of shoppers, tenants, and surrounding communities during times of crisis.

Among its flagship initiatives is Roots & Runoff: Robinsons Galleria's Tree Planting and Flood Resilience Project, a nature-based solution that integrates green infrastructure and native tree planting to manage stormwater, reduce urban heat, and enhance flood resilience in Metro Manila.

“We are deeply honored to receive the Excellence in Resilience Award, which affirms our commitment to providing not only safe and enjoyable spaces for our customers but also resilient and responsive communities,” said Joel S. Lumanlan, Vice President for Operations and Marketing at Robinsons Malls. “Our mission goes beyond business continuity; it is about being a steadfast partner to the communities we serve, especially in times of need. We are proud to work alongside the Quezon City government in advancing a safer and more sustainable city.”

This recognition adds to Robinsons Malls’ growing roster of sustainability achievements. In previous years, Robinsons Novaliches received the Excellence in Climate Action Award for its Recycling Market initiative, while Robinsons Magnolia was honored for its green residual waste management program and sustainable shopping center design—highlighting Robinsons Land Corporation’s long-standing commitment to climate action, responsible development, and environmental stewardship across its nationwide portfolio.

Through Robinsons Malls, RLC continues to strengthen its emergency preparedness measures and community-building programs in alignment with local and national resilience goals, fostering safe, sustainable, and disaster-ready communities that stand as pillars of strength and stability throughout the country.

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
CEB	**Fleet Modernization to NEO**	• Use of NEO aircraft	• 58 NEO out of 100 total fleet	• Estimated reduction of GHG emissions: 251,543 tCO2e	**SDG 9, 13**
	Implementation of fuel-saving initiatives and utilization of SAF for aircraft deliveries	• Implementation of fuel-saving best practices and direct routes to reduce flight distances.	• The adoption of fuel efficiency best practices resulted in 11,051 tonnes of jet fuel savings, while direct routing contributed a further 1,126 tonnes in savings	• Reduction of GHG emissions (Scope 1): o Fuel efficiency best practices – 34,921 tCO2e o Direct routing – 3,558 tCO2e	**SDG 13**

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
		• All Airbus aircraft deliveries from Hamburg, Toulouse and Tianjin are blended with 5% SAF	• Total of 24,156 liters of SAF consumption in 2025	• Reduction in jet fuel consumption	
	Resource Efficiency and decarbonization program beyond flight operations	• Electrification of Ground Support Equipment • Transition to renewable energy by shifting two (2) key facilities (Aplus and AirJuan) to renewable power sources	• An additional 27 electric baggage tractors were deployed in 2025, bringing the total fleet to 40 electric units • Renewable energy consumption of 2,983,297 kWh	• Potential annual reduction of GHG emissions (Scope 1) from e-baggage tractors: 946 tCO2e • Reduction in GHG emissions (Scope 2): 2,069 tCO2e	**SDG 7, 9 13**
	Nature-based Solutions	• Mangrove planting project for coastal resilience in collaboration with RAFI and SMBC	• A total of 13,000 trees planted since 2023	• A total of 2 communities has been supported since 2023	**SDG 13**
	Sustainable Financing	• Sustainability Linked-Loan (SLL)	• Additional SLL Financing for two (2) PW GTF Engine	• Contribution to GHG emissions reduction and financial incentives	**SDG 9**
	Climate Scenario Analysis	• Conducted a Climate Scenario Analysis in 2023	• 41 airports assessed for climate exposure	• Strengthened climate risk identification and long-term resilience planning across operations	**SDG 13**
RLC	**Solar Project in Hotels**	• 0 CapEx – Power Purchase Agreement (PPA)	• 3 hotels with PPA for solar energy • 3 hotels with onsite solar panels and carports	• 191.03 (13%) tCO2E Scope 2 GHG emissions Reduction	**SDG 7, 9, 11, 12, 13**

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
		• Installation of onsite solar panels and solar carports in 3 sites: ○ Grand Summit General Santos ○ Go Hotels Plus Naga Summit Hotel Naga	• 378 kWp renewable capacity installed across 3 hotels 235,832 of solar energy generated, offsetting an equivalent amount of grid electricity		
	Climate-Resilient Malls Program	• Expansion of renewable energy through rooftop solar installations and clean energy infrastructure across Robinsons Malls • Climate resilience initiatives including tree planting, disaster preparedness programs, and EV charging infrastructure to support sustainable mobility	• Renewable energy scaled to 28 solar-powered malls with 37.9 MW installed capacity, including 6.5 MW from newly energized rooftop solar facilities, equivalent to 156,623.13 MT of CO_2 emissions avoided or 2,589,713 trees planted • EV charging points expanded from 14 to 42 nationwide, supporting low-carbon mobility • Recognized with the DOE Energy Efficiency Awards for Robinsons Cybergate Cebu for excellence in energy management • Recognized for resilience and sustainability initiatives through the Excellence in Disaster Preparedness and Community Resilience	• Strengthened climate resilience, reduced carbon emissions, and supported sustainable transport across mall communities	**SDG 7, 11, 13**

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
			Award at the 2025 QC Green Awards and the LLDA Bantayog ng Lawa Award for Robinsons Galleria		
URC	**GHG Scope 3 Baselining**	• Partnered with third-party service provider to establish the baseline for our GHG Scope 3 emissions.	• 6 Categories are included in the Baseline Accounting, namely; 1) Category 1: Purchased Goods & Services; 2) Category 3: Fuel and energy-related activities; 3) Category 5: Waste generated in operations; 4) Category 6: Business travel; 5) Category 7: Employee Commuting; and 6) Category 12: End of life treatment of sold products • This will improve the company's compliance performance as to GHG Scope 3 Accounting and will serve as a critical reference point that will influence and guide the company's	• 50% Completion of baseline accounting of the applicable Scope 3 categories.	**SDG 13, 14**

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
			existing and future decarbonization initiatives		
	Green Power Purchasing	• Entered into an agreement with third-party renewable energy supplier, so that plant/sites will consume green power instead of those coming from the national grid	• 17 plants/sites are currently buying and consuming green electricity • Lesser cost per kilowatt hour consumption • Contributed to the reduction of GHG Emission under Scope 2	• Improved the company's decarbonization initiatives • Total Purchased RE consumed for 2025 is at 186,471,197 kWh, and which accounts for 24.46% of URC's total electricity consumption (inclusive of international sites)	**SDG 7, 12, 13, 17**
	On-Site Renewable Energy Generation	• Implemented on-site renewable energy generation by installing rooftop solar photovoltaic (PV) systems across several applicable sites (Philippines and International) as a decarbonization initiative, reducing reliance on grid electricity and lowering Scope 2 emissions • Implementation of a ground-mounted solar photovoltaic (PV) system at La Carlota Distillery	• 19 sites are installed with rooftop solar PV • La Carlota Distillery is the only site yet with ground-mounted solar farm • Clean energy results to reduction of GHG Scope 2 emission, thereby improving the company's decarbonization initiatives • Reduced company's reliance on national grid for electricity	• 26,859, 012 kWh is the total solar energy consumed by PH and Int'l sites • 1,196,630 kWh solar harvested from the ground-mounted PV is used by La Carlota Distillery Plant, with zero emission factor • On-site RE generation accounts for 3.49% of URC's total electricity consumption	**SDG 7, 12, 13, 17**
	Project BOPIES (Boiler Optimization: Improvement of Efficiency and Standardization	• Optimized boiler performance via preventive maintenance and audits • Standardized operating procedures through targeted capability-building	• 56% among the identified plants have improved fuel usage per kilogram product • Diesel usage efficiency improvement	• High-efficiency and cost-effective operations	**SDG 7, 9, 12, 13**

SBU	Program	Activities	Result and Impact	Outcome	SDG (7, 9, 12, 13)
	of Processes)	• Ensure top-tier performance with trained and certified boiler operators	• Coal usage efficiency improvement		
	Project JAGUAR (Journey in Achieving Sustainability Goals through Utilities and Assets Renewal)	• Review assets in terms of reliability and resource efficiency. Define a master plan for utility system setups • Serve as a reference for new plants and installations • Plan and manage the renewal of utility assets and equipment, including compressors and chillers.	• 95% of the identified plants have achieved high efficiency of their chillers and compressors • Contributed to company savings • Avoided fugitive emissions brough by equipment leakage	• Energy and Equipment efficiency	**SDG 7, 9, 12, 13**

Governance

Setting the tone from the top through oversight of our Board of Directors

I. Governance Statement, Strategies and Objectives

JG Summit Holdings, Inc. ("JGSHI" or the "Company") upholds its commitment to do business in accordance with its long-held values of exercising the highest ethical standards and always acting in good faith and in the best interest of all stakeholders. These values, which extend to corporate governance, have been the foundation of the Company in advocating and promoting the principles of integrity, fairness, transparency, and accountability.

JGSHI is compliant with the Code of Corporate Governance for Publicly-Listed Companies ("CG Code"). It continuously strives to strengthen its governance practices within the framework of evolving laws and regulations of the Securities and Exchange Commission ("SEC") and the Philippine Stock Exchange ("PSE") on the recommended corporate governance principles and industry best practices. Consequently, there is a regular review of JGSHI's company policies, such as its Revised Corporate Governance Manual ("RCGM"), Code of Business Conduct and Ethics, and Anti-Bribery and Anti-Corruption Policy, which all of its operating companies and employees are expected to follow.

In addition, it adopts the **"OGSM" (Objectives, Goals, Strategies, and Measures)** framework as its long-term strategic planning model. It begins with a clear **purpose**, an inspiring articulation of the Company's reason for being and the role it plays in the lives of its stakeholders; the **vision** for the next three (3) to five (5) years; the **financial and non-financial goals,** the strategic choices **on where to compete,** and the **strategies to be employed to win.** The Board of Directors (the "Board") also regularly reviews and monitors the execution of the OGSM through discussions of JGSHI's Chief Executive Officer ("CEO") Scorecard, the Gokongwei Group's (the "Group") quarterly financial performance, and updates on its How-to-Win strategies. Ultimately, in its pursuit to heighten observance of good corporate governance in light of emerging trends, JGSHI remains steadfast in fulfilling its purpose - offering better choices to its customers and creating shared success with all its stakeholders.

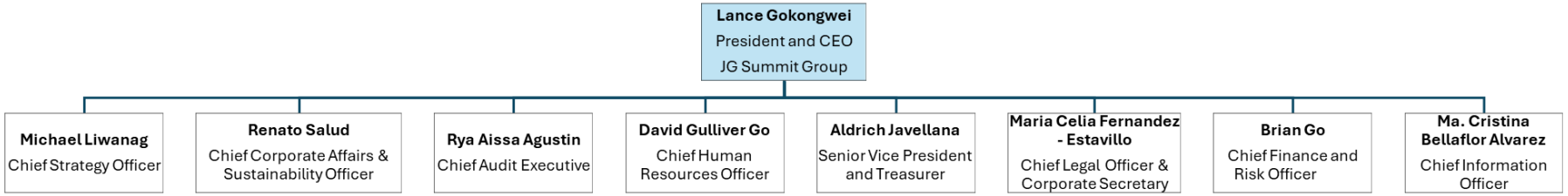
In 2025, JGSHI refreshed its OGSM, which includes reviewing the Company's long-term strategy and setting its ambition for the next five (5) years, allowing the business to better position itself for continued success. To effectively monitor and ensure the delivery of commitments made by its Strategic Business Units ("SBUs") in their OGSMs, the Company has begun instituting Value Creation Plans ("VCPs") across the Group. The VCP of each SBU would identify key battlegrounds for the business to focus on in the coming years, with metrics that allow the parent to closely track progress against the SBUs' targets on a regular basis.

II. The Company

A. Organizational Structure

JGSHI is currently one of the largest and most diversified Filipino conglomerates engaged primarily in businesses that serve a growing middle class with rising disposable incomes in the **Philippines and Southeast Asia**. JGSHI's place in Philippine business has for its cornerstone a portfolio of market leaders, management team, and a vision of leading the country to global competitiveness and making life better for every Filipino. The Group Corporate Structure is reported in the **JGS Annual Report SEC Form (17A) December 2025, Part I, Item 1 (B).**

B. Management Leadership Chart



See **JGS Annual Report SEC Form (17A) December 2025, Part III, Item 9 (1) Directors *(for Mr. Lance Gokongwei as Executive Director)*, (2) Executive Officers** for the full write-up on the above-mentioned officers. For the role of key officers, please refer to the **"Governance Framework"** section of this Report.

C. Ownership Structure

1. Top Shareholdings (shareholders holding >5%)

The persons who beneficially owns in excess of 5% of the Company's common stocks as of December 31, 2025 are specified and reported in the **JGS Annual Report SEC Form (17A) December 2025, Part III, Item 11 (2)**.

2. Management Beneficial Ownership

The detailed table of Security Ownership of Management over any shares of the Company as of 31 December 2025 is reported in the **JGS Annual Report SEC Form (17A) December 2025, Part III, Item 11 (2)**.

3. Trading of Securities

The Directors and Officers of the Company are required to report any changes in ownership of Company shares to the Office of the Corporate Secretary within three (3) business days from said occurrence under the Company's **Insider Trading Policy**. The Office of the Corporate Secretary shall file the required disclosure to comply with reporting requirements of the PSE and the SEC within the prescribed period. Below is the table of shareholdings of the Directors and Officers in 2024 and 2025.

	Shareholdings as of December 31, 2024				*Shareholdings as of December 31, 2025*			
	Direct ***	**Indirect *****	**Total Direct and Indirect Shares**	**% to Total Outstanding**	**Direct *****	**Indirect *****	**Total Direct and Indirect Shares**	**% to Total Outstanding**
Directors:								
James L. Go	156,288,580	0	156,288,580	2.08	156,288,580	0	156,288,580	2.08
Lance Y. Gokongwei	324,180,555	246,781,724	570,962,279	7.59	324,180,555	246,781,724	570,962,279	7.59
Patrick Henry C. Go	98,175	34,989	133,164	0	98,175	34,989	133,164	0
Robina Y. Gokongwei-Pe	190,435,617	29,157	190,464,774	2.53	190,435,617	29,157	190,464,774	2.53
Johnson Robert G. Go, Jr.	1	43,833	43,834	0	1	43,833	43,834	0
Artemio V. Panganiban	10	0	10	0	10	0	10	0
Renato T. De Guzman*	22,838	0	22,838	0	22,838	0	22,838	0
Antonio L. Go	1	0	1	0	1	0	1	0
Bernadine T. Siy	1	0	1	0	1	0	1	0
Antonio Jose U. Periquet, Jr.*	1,000	0	1,000	0	1,000	0	1,000	0
TOTAL	***671,026,778***	***246,889,703***	***917,916,481***	***12.20***	***671,026,778***	***246,889,703***	***917,916,481***	***12.20***
Officers:								
Lisa Y. Gokongwei-Cheng**	146,018,275	0	146,018,275	1.94	-	-	-	-
Michael P. Liwanag	0	105,000	105,000	0	0	105,000	105,000	0
Maria Celia H. Fernandez-Estavillo	0	5,250	5,250	0	0	5,250	5,250	0
David Gulliver G. Go	0	43,832	43,832	0	0	43,832	43,832	0
Brian M. Go	0	2,237,577	2,237,577	0.03	0	2,237,577	2,237,577	0.03
TOTAL	***146,018,275***	***2,391,659***	***148,409,934***	***1.97***	***0***	***2,391,659***	***2,391,659***	***0.03***

Notes:

*Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman as director effective May 15, 2025.

**Ma. Cristina Bellaflor P. Alvarez replaced Ms. Lisa Y. Gokongwei-Cheng as Chief Digital Officer effective May 15, 2025.

*** Table has been adjusted to comply with PSE (January 2025 Consolidated Listing and Disclosure Rules) requiring disclosure of direct and indirect ownership of directors and principal officers.

The other Executive Officers of the Company have no beneficial ownership over any shares of the Company as of December 31, 2025, namely:

1. **Renato T. Salud** – Chief Corporate Affairs and Sustainability Officer
2. **Aldrich T. Javellana** – Senior Vice President and Treasurer
3. **Michele F. Abellanosa** – Vice President, Corporate Controllership
4. **Rya Aissa S. Agustin** – Chief Audit Executive
5. **Laurinda R. Rogero** – Chief Compliance Officer
6. **Ma. Cristina Bellaflor P. Alvarez** – Chief Information Officer and Chief Digital Officer
7. **Bach Johann M. Sebastian** – Senior Advisor
8. **Alan D. Surposa** – Senior Advisor
9. **Maria Gay D. Advincula** – Data Protection Officer
10. **Andre Ria B. Buzeta-Acero** – Assistant Corporate Secretary

The shareholdings as of December 31, 2024 and 2025 indicated above may be viewed at the JGSHI website through this link: **Public Ownership Report.**

4. Rights of Shareholders

The Company is committed to ensure fair and equitable treatment of all shareholders, whether controlling or minority, local or foreign. It upholds and respects the rights of all shareholders as provided under the Revised Corporation Code and other laws and as stated in its RCGM and the Company's website. These rights relate to the following: (1) participate and vote on all matters that require their consent or approval in general shareholder meetings, including election and removal of Board members; (2) inspect corporate books and records; (3) obtain relevant and material information on the corporation on a timely and regular basis; (4) receive dividends; (5) request appraisal; (6) access secure methods of ownership registration; (7) convey or transfer shares; (8) nominate directors in accordance with the by-laws and notice of the Annual Stockholders' Meeting ("ASM") procedures; and (9) submit proposals on items for inclusion in the agenda in accordance with relevant laws, regulations and internal policy.

a. The ASM

JGSHI conducts its Annual and Special Stockholders' meetings with transparency and fairness and encourages active shareholders participation. Under its By-Laws, shareholders – including minority shareholders - may nominate candidates to the board or request for the calling of a general or special meeting by minority stockholders in accordance with relevant laws, regulations, the By-laws and the

procedures outlined in the notice of the ASM.

The ASM was held on May 15, 2025. The initial **Notice of the Annual Stockholders' Meeting** ("Notice") was filed on March 12, 2025 or at least twenty-eight (28) days before the ASM, in compliance with the CG Code, the By-Laws and the RCGM. The **Definitive Information Statement**, which contains the Notice, was filed with the SEC and PSE on April 21, 2025. In addition, the Notice was published in English and disseminated to shareholders and other stakeholders via the Manila Standard and Business World for two (2) consecutive days in both online and print. It enumerated and explained the agenda items requiring stockholders' approval with one agenda item per topic and contained the following: i.) a rationale and explanation for each agenda item; ii.) the profiles of directors (with age, academic qualification, date of first appointment, experience, and directorships in other listed companies); iii.) the reappointment of SyCip Gorres Velayo & Co. ("SGV & Co.") as the external auditor; iv.) the readily available proxy documents; v.) the ratifying acts of the Board, such as the compensation or remuneration of executive directors and key officers; vi.) the voting procedure (by proxy, live voting or *in absentia*); vii.) the information regarding the appointment of an independent party to validate the votes; and viii.) the class of shares allowed to vote, among others.

The ASM was conducted both by face-to-face and by remote communication and was attended by all the members of the Board and by shareholders owning or representing a majority of the outstanding capital stock. The shareholders individually elected each director through ballot and were allowed to cast their votes by proxy, live (through real-time electronic voting), or *in absentia* on each agenda item presented to them for approval, with the number of votes approving each agenda item indicated in their respective sections in the Minutes of the ASM. Shareholders who could not attend were apprised ahead of time of their right to appoint a proxy, subject to the requirements of law, rules and regulations, and the By-Laws. Stockholders who wished to participate via remote communication were requested to notify the Company by email of their intention to vote *in absentia*. The Company employed a third-party provider, P&A Grant Thornton, to conduct validation procedures.

The shareholders were also given the opportunity to send in their questions, express opinions, and make suggestions on various issues related to the Company by electronic mail. The Company received questions and provided responses indicated in the section on "**Consideration of Other Matters**" of the Minutes.

As shown in the Minutes of the ASM, the ASM was attended by the Chairman of the Board, all Board Committees, the President and CEO, the Investor Relations Officer, the External Auditor, and other officers of JGSHI.

The Minutes of the ASM was uploaded within 24 hours or the next day in the Company website: **ASM Minutes**.

b. Dividends

The Company's policy is to deliver a steady flow of dividends to its shareholders. In the past five (5) years, JGSHI has successfully paid out

at least Thirty Centavos (Php0.30) per share annually despite the significant adverse impact of the pandemic on the Company's operations and profitability. The Company shall declare cash dividends annually. The dividend rate, however, shall be reviewed every year by the Board, taking into account the absence of circumstances which may restrict the payment of such dividends and considering applicable laws and regulations, the Company's results of operations, the medium and long-term growth and investment strategies, the cash flow requirements, and other relevant factors.

In its regular meeting on May 14, 2025, the Board approved the declaration of a regular cash dividend in the amount of Forty-Two Centavos (Php0.42) per common share from JGSHI's unrestricted retained earnings as of December 31, 2024, to all stockholders of record as of May 30, 2025. This was paid on June 11, 2025. See: **Dividend Disclosure Report**

c. Investor Relations

In furtherance of the shareholders' rights, an Investor Relations Officer ("IRO") under the Corporate Strategy Office was appointed so that the shareholders can engage with the Company beyond general meetings and all material information relating to it can be communicated to them. Shareholders and other stakeholders may visit the Company website **Investor Relations** and **Contact Us** tabs or contact the Company's IRO below**:**

Carlos R. Yu, Jr.
Director, Corporate Strategy and Investor Relations
Phone**:** +632 8633-7631 loc. 396
Email: IR@jgsummit.com.ph
40F Robinsons Equitable Tower, Ortigas Center, Pasig 1605

D. Duties to Stakeholders

The Company recognizes and values the interdependence between business and society. It promotes a mutually beneficial relationship that encourages the Company's sustainable growth while contributing to the advancement of the society where it operates. The Company employs value chain processes that consider Economic, Environmental, Social, and Governance issues and concerns.

1. Customers' Welfare

The Company adopts customer relations policies and procedures of its Strategic Business Units to protect the customer's welfare. This includes providing and making available the customer relations contact information, who is empowered to address and attend to customer

questions and concerns.

2. Supplier/Contractor Selection

The Company follows the Supplier Accreditation Policy to ensure that the Company's suppliers and contractors are qualified to meet their commitments. Besides the accreditation process, suppliers and contractors also undergo orientation on Company policies and ethical practices. See: **Supplier Accreditation Policy**

3. Employees

The Board oversees the policies and programs that encourage employees to take an active role in helping the Company achieve its goals and maintain strong governance practices. These include initiatives on **Health, Safety, and Welfare; Training and Development; and Rewards, Compensation, and Benefits**, which support an engaged and productive workforce aligned with the Company's long-term direction. The Company continues to comply fully with the requirements of the **Department of Labor and Employment (DOLE)**. It also maintains updated **Security and Safety Manuals** to ensure that all employees across our workplaces remain safe, healthy, and well-protected.

In **2025**, the Company continued to strengthen employee participation through clear and consistent practices supporting health, safety, well-being, learning, and long-term rewards. These efforts highlight the Company's commitment to building a safe, supportive, and high-performing workforce that contributes to long-term success.

Health, Safety, and Welfare Policies and Practices

In 2025, the Company continued to strengthen its **Occupational Safety and Health (OSH)** programs to ensure a safe, healthy, and supportive workplace. Preventive health care remained a priority through the continued rollout of the **Annual Physical Examination**, **free first-session mental health consultations**, and access to the **Rebel wellness app**. To promote healthier daily routines, the Company also upgraded workplace facilities and created wellness-focused spaces. Activities such as the **biannual Step Challenge** and **monthly well-being webinars** encouraged employees to stay active and practice healthy habits.

The Company renewed its partnership with the **Philippine Red Cross** to conduct an on-site **blood donation drive**, supporting employee involvement in community health initiatives. These efforts demonstrate the Company's commitment to providing a safe, healthy, and enabling work environment where employees can perform at their best.

Employee Training and Development

The Company advanced its leadership and capability-building efforts through targeted development programs that support both current and emerging leaders. The Corporate Human Resources Group delivered Leaders' Conferences that strengthened the leadership capabilities of key functional heads across the organization, including those in the CHRO, CRO, and CFR/O roles, among others. The **Executive Development Program (EDP)** continued to build leadership depth through its Navigate, Orchestrate, and Win tracks. Selected leaders also participated in programs at **IMD**, further improving their strategic thinking and decision-making skills. In addition, Corporate Center units provided functional training programs that enhanced technical proficiency and supported everyday operational excellence. Adoption of **Individual Development Plans (IDPs)** reached **82%** in the Corporate Center, surpassing the **75% target** and demonstrating strong employee engagement in personal and professional growth. Together, these initiatives strengthened a future-ready leadership pipeline and ensured ongoing alignment with the Company's long-term strategic priorities.

Rewards and Compensation Policy Aligned with Long-Term Performance

The Company affirms that strong governance is essential to long-term success. In 2025, the Company continued to strengthen its rewards framework to ensure that employee performance is aligned with long-term goals and the overall success of the Company.

- **Performance-Based Compensation**

The Company's rewards programs prioritize performance. Through the **Long-Term Cash Bonus**, employees are rewarded based on sustained results and progress toward key business goals. This helps attract, retain, and motivate high-performing talent while ensuring everyone is accountable for long-term growth.

- **Balanced Scorecard Approach**

The Company uses a balanced set of measures—not just financial results—to evaluate performance. These include customer satisfaction, innovation, employee development, social responsibility, and environmental efforts. This ensures that employees contribute to the Company's goals in a well-rounded and sustainable way.

- **Performance Assessment and Goal Setting**

Performance management focuses on achieving the Company's committed objectives. Employees are supported through **development plans**, **regular feedback**, and **learning programs** to help them perform their roles effectively. Career discussions and the year-end performance review help employees understand their achievements, areas for improvement, and long-term goals.

- **Transparent Communication**

The Company continues to communicate clearly about performance expectations, evaluation standards, and how rewards are given. Regular communication helps employees understand how their work contributes to the Company's long-term success and strengthens trust and accountability across the organization.

4. Creditors

The Company honors its contracted obligations and ensures the protection of creditors' rights. The policy is posted on its website and may be viewed at: **Protection of Creditors' Rights Policy**.

5. Communities

The Company conducts various projects for its communities discussed in "**Shared Success**" of this **Annual/Sustainability Report**.

E. Corporate Governance Policies

The Company's RCGM and Corporate Governance policies cited therein are posted on its website under the Governance section at **CG Manual and Policies.**

1. RCGM

The Company's RCGM institutionalizes the principles of good corporate governance throughout the organization. It lays the foundation to the Company's compliance system and identifies the roles and responsibilities of the Board and Management, as well as the rights of all shareholders, including minority shareholders, and the protection of their interests. Likewise, it requires adoption of and/or discloses the Company policies such as (1) **Anti-Bribery and Anti-Corruption**; (2) **Board Diversity**; (3) **Board Nomination and Election**; (4) **Conflict of Interest**; (5) **Dividend Policy**; (6) **Material Related Party Transactions**; (7) **Stakeholders Health, Safety, and Welfare**; (8) **Whistleblowing**; and (9) **Succession Planning and Remuneration**, among others.

The RCGM, company policies, **Board** and **Committee Charters**, and the Corporate Governance organizational structure are regularly reviewed to ensure compliance with regulatory issuances and to keep pace with the constant development of corporate governance best practices. Continuous improvement and monitoring of governance and management policies have been undertaken to ensure that the Company observes good governance. The Company also consistently strives to raise its financial reporting standards by adopting and

implementing the prescribed Philippine and International Financial Reporting Standards.

2. Code of Business Conduct and Ethics ("Code")

The fundamental principle of this Code is the expectation that all JGSHI directors, officers, employees, subsidiaries, and affiliates conduct their dealings in the best interest of the Company and in accordance with the highest legal and ethical standards, with a firm stance against corrupt practices. Thus, everyone must observe the Company's core values, acceptable norms, and the policies indicated in the Code in all of our business activities and future endeavors.

F. Compliance Reports

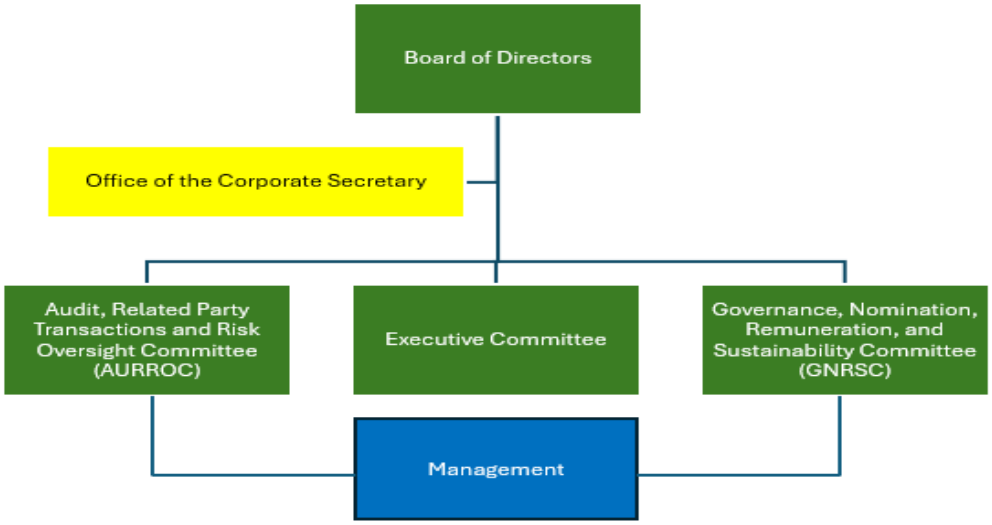
1. Integrated Annual Corporate Governance Report ("I-ACGR")

In compliance with SEC Memorandum Circular No. 15 series of 2017 for all publicly listed companies to disclose the Company's compliance or noncompliance with the recommendations provided under the CG Code, the Company submitted the 2024 I-ACGR to the SEC and PSE on May 29, 2025. This can be accessed in the Governance section of its website under **Compliance Reports - IACGR**.

2. Compliance Manual

The Company has a compliance program or manual, approved on March 29, 2023, which outlines adherence to applicable laws, regulations, and internal policies. It is subject to regular review to ensure its continued relevance and effectiveness. The manual has the following contents: i.) Compliance System; ii.) Compliance Structure; iii.) Compliance Program; iv.) Compliance Review; and v.) Compliance Training and Awareness initiatives.

III. Governance Framework



The governance framework of JGSHI is fundamental to ensuring that it operates in alignment with its core values of Entrepreneurial Mindset, Stewardship, and Integrity. At the heart of this structure is the **Board**, which plays a critical role in providing strategic direction and overseeing the governance of the Company, including its overall strategy, Enterprise Risk Management ("ERM") effectiveness, sustainability initiatives, climate-related risks and opportunities.

To support the Board in effectively fulfilling its roles and responsibilities, several **Board Committees** have been established, including: i) the ***Audit, Related Party Transactions, and Risk Oversight Committee ("AURROC")***, ii) the ***Executive Committee ("ExCom")***, and iii) the ***Governance, Nomination, Remuneration, and Sustainability Committee ("GNRSC")***. Further details regarding the AURROC and GNRSC are provided in the "**Board Committees"** section of this Sustainability Report.

The Board and its Committees are supported by the **Office of the Corporate Secretary**, which plays a key role in facilitating communication between the Board, Board Committees, Management, and shareholders.

Moreover, the Board and its Committees work closely with **Management** to ensure that the Company achieves its objectives and strategic goals. The roles of the key officers of Management outlined in the **"Management Leadership Chart"** section of this Report, are discussed below:

The **President and CEO** oversee the operations of the Company and manages human and financial resources in accordance with the strategic plan. He also provides leadership for Management in determining, developing, and implementing business strategies, plans and budgets to the extent approved by the Board. He provides the Board with a balanced and understandable account of the Company's performance, financial condition, results of operations and prospects, on a regular basis. He defines the overall strategic direction for the conglomerate, encompassing its approach to sustainability and climate action. The President and CEO plays a pivotal role in driving initiatives, managing risks, and ensuring transparent reporting on performance.

The **Corporate Secretary** assists the Board and the Board Committees in the conduct of their meetings, including preparation of the annual schedule of Board and Committee meetings and the annual Board calendar. She also assists the Chair and its Committees in setting agendas for the meetings, attends Corporate Governance trainings, safekeeps and preserves the integrity of the minutes of the meeting of the Board and its Committees, as well as other official records of the Company. The Corporate Secretary is a lawyer by profession, and possesses all the qualifications and none of the disqualifications to hold the position.

The **Chief Finance and Risk Officer ("CFRO")** leads the financial reporting, controllership and corporate forecasting functions guiding the Company to make sound business and financial decisions. He ensures a sound ERM framework is in place to effectively identify, monitor, assess, and manage key business risks, including sustainability and climate-related risks. He communicates significant risk exposures, control issues, and risk mitigation strategies to the AURROC. Under the risk and controls function, the CFRO is the steward of risk management, specifically those that have financial impact and affect company value.

The **Chief Legal Officer ("CLO")** offers expert and strategic legal advice to senior management, overseeing all legal and regulatory matters within the company. She plays a pivotal role in safeguarding the company's legal interests, particularly in areas such as labor law, mergers and acquisitions, litigation and other commercial and corporate matters. Additionally, she ensures the organization operates in compliance with all relevant laws and regulations. The CLO also manages legal and regulatory risks and leads the in-house legal team.

The **Chief Audit Executive ("CAE")** oversees the implementation of the Internal Audit Charter and the annual risk-based Internal Audit Plan and submits these to Senior Management and the AURROC for review and approval. The CAE ensures effective coordination with other internal and external assurance providers and communicates any significant resource limitations that may affect audit plan delivery. The CAE is responsible for ensuring that internal audit activities adhere to Company policies, applicable internal auditing standards, and leading practices. The CAE provides independent and objective assessments to the AURROC, Management, and external stakeholders on the

adequacy and effectiveness of the Company's governance, risk management, and internal control processes.

The **Chief Human Resources Officer ("CHRO")** oversees the conglomerate's efforts in sustainability, particularly the CHRO develops climate and sustainability strategies, leads disclosure initiatives, and embeds sustainability in the organization's culture.

The **Sustainability Head** reports to the CHRO and designs and leads the development of our Climate Resilience and Transition plans, identifying relevant risks and opportunities, and helping SBUs achieve related targets. The Sustainability Head provides strategic direction, build stakeholder relationships, and monitor performance. The Sustainability Head collaborates with the ERM and Corporate Strategy teams to integrate sustainability and climate-related risks and opportunities into the Company's strategy and risk management framework. Additionally, the Sustainability Head engages with relevant internal and external stakeholders to discuss and build support for key sustainability related initiatives and policies.

The **Chief Strategy Officer ("CSO")** is in charge of assisting the Board and the CEO in overseeing the long-term OGSM of the Company and executing the same to ensure an effective management performance that is attuned to the Company's business environment, and culture. He ensures that sustainability and climate considerations are integrated into the company's broader business strategy and that ecosystem synergies are maximized. The CSO also participates in investor conferences, roadshows, and other engagement platforms to communicate the company's strategy, goals, and progress directly to investors.

The **Investor Relations Officer** is tasked to effectively manage the two-way communication between the capital markets and the JGSHI leadership team to drive shareholder value maximization.

The **Chief Compliance Officer ("CCO")** monitors, reviews, evaluates, and ensures compliance by the Company, its directors, officers, and employees with the provisions and requirements of the relevant laws, rules and regulations. She also attends Corporate Governance trainings, ensures the integrity and accuracy of all documentary submissions to the regulators, identifies possible areas of compliance issues, and works towards their resolution. She assists the Board and the GNRSC in the performance of their governance functions, including their duties to oversee the formulation or review and implementation of the Corporate Governance framework and policies of the Company.

IV. The Board of Directors

A. Responsibilities of the Board

The Board is primarily responsible for the governance of the Company. A competent and working Board heads JGSHI to ensure the

Company's unremitting success and sustain its competitiveness and profitability in a manner consistent with its OGSM and the long-term best interests of shareholders and other stakeholders. They exercise care, exceptional skill, and sound judgment, as well as observe good faith and loyalty in the conduct and management of the Company's businesses and affairs. This ensures that all the Company's actions are within the scope of power and authority prescribed in the **Articles of Incorporation, By-Laws**, and existing laws, rules, and regulations. Accordingly, the Board performs its duties and responsibilities conscientiously and with honesty and integrity, in accordance with and as disclosed in the Company's RCGM, **Board** and **Committee Charters**, and policies.

1. Roles and Functions

a. The Chairman

The Board is headed by a competent and qualified Chairman, who presides at all meetings of the Board and shareholders. He also assists in ensuring compliance with and implementing corporate governance policies and practices. He ensures that the agenda focuses on strategic matters and guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions.

The detailed duties and responsibilities of the Chairman can be referenced in the **RCGM**.

In JGSHI, the position of the Chairman of the Board is separate from the President and CEO to further strengthen the Board's independence. This is to ensure a clear distinction between the Chairman's responsibility to manage the Board that exercises corporate powers and conducts business and the CEO's responsibility to manage the executives that implement the policies in the conduct of the business in accordance with the Company's By-Laws and RCGM. The Chairman of the Board is Mr. James L. Go, while the President and CEO is Mr. Lance Y. Gokongwei.

b. Independent Directors ("IDs")

The Board has Independent Directors, who occupy four (4) out of the nine (9) Board seats or more than one-third (1/3) of the members of the Board, and who possess all the necessary qualifications and none of the disqualifications to hold the position. They are independent of management and the controlling Shareholders and are free from any business or other relationship that could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as Directors.

c. Lead Independent Director

The Company's RCGM provides that the Board may consider designating a Lead Independent Director among the Independent Directors

if the Chairman of the Board is not an Independent Director and if one person holds the position of the Chairman of the Board and CEO. His role is to lead the independent directors and guide the Board in cases where matters of conflict of interest may arise.

On May 14, 2025, the Board re-appointed ID Antonio L. Go as the Lead ID to perform the following functions: i.) to serve as an intermediary between the Chairman and the other directors when necessary; ii.) to convene and chair meetings of the Non-Executive Directors ("NEDs"); and iii.) to contribute to the performance evaluation of the Chairman, as required.

B. Composition and Qualification

1. Incumbent Board (2025 Individual Profiles)

The Directors' biographical details are set out in the **JGS Annual Report SEC Form (17A) December 2025, Part III Control and Compensation Information, Item 9, Directors** or Leadership page of the Annual/Sustainability Report.

Chairman: **James L. Go** (NED and Non-ID)

Lead Independent Director: **Antonio L. Go** (NED and ID)

Members:

1. **Lance Y. Gokongwei** (President and CEO)
2. **Robina Gokongwei-Pe** (NED and Non-ID)
3. **Patrick Henry C. Go** (Executive and Non-ID)
4. **Johnson Robert G. Go, Jr.** (NED and Non-ID)
5. **Artemio V. Panganiban** (NED and ID)
6. **Bernadine T. Siy** (NED and ID)
7. **Antonio Jose U. Periquet, Jr.** (NED and ID)

2. Board Diversity

The Company recognizes the benefits of having a diverse Board and its value in maintaining sound corporate governance while achieving strategic objectives and sustainable growth. Board diversity shall be considered from varied aspects when structuring the Board's composition including but not limited to gender, age, culture and educational background, geographical location, professional experience, skills, knowledge, and length of service of directors, among others. Likewise, in the implementation of its **Board Diversity Policy**, JGSHI does not discriminate by reason of ethnicity, nationality, political, or religious backgrounds of its directors, officers, and employees. Specifically for the Board, when searching for candidates for director, the Company uses professional search firms or other external

sources as a policy. Thus, the incumbent Board is diverse in terms of expertise, gender, professional experience, and academic backgrounds.

In line with the RCGM, Board Diversity Policy, and Nomination and Election Policy framework, GNRSC, reviewed the structure, size, and composition of the Board. In accordance with its objective of having at least four (4) Non-Executive ID, including one (1) female, with diverse backgrounds beneficial to the Company's business that possesses all necessary qualifications, Ms. Bernadine T. Siy, was elected to the Board, during the ASM on May 15, 2025. Currently, there are two (2) female directors in the Board: one (1) Non-Executive ID and one (1) Non-Executive Non-ID.

3. Nomination and Election

The Company's directors are elected at the ASM to serve until the next annual meeting and until their respective successors are elected and qualified. In 2025, the Board's composition, with all members meeting the necessary qualifications and none of the disqualifications, is as follows: three (3) NEDs, four (4) IDs, and two (2) Executive Directors, including the President and CEO. Currently, the Company has two (2) female Directors—one (1) NED, Ms. Robina Gokongwei-Pe, and one (1) ID, Ms. Bernadine T. Siy.

4. Board Competencies (Matrix)

Each Director provides a unique business perspective, experience, and skill set that are all valuable to the Company.

	JLG	LYG	PCG	RGP	JRGG	ALG	AVP	BTS	AUP
EXPERTISE									
Governance						✓	✓	✓	✓
Sustainability			✓			✓	✓	✓	✓
Audit	✓			✓		✓	✓	✓	✓
Risk	✓	✓		✓		✓	✓	✓	✓
Business Management			✓	✓		✓		✓	✓
Legal							✓		
Economics							✓	✓	✓
Finance		✓	✓	✓	✓	✓	✓	✓	✓
Academe	✓	✓	✓	✓	✓		✓	✓	✓
Technology	✓					✓			✓

	JLG	LYG	PCG	RGP	JRGG	ALG	AVP	BTS	AUP
INDUSTRY									
Oil	✓	✓							
Retail	✓	✓					✓	✓	✓
Transportation	✓	✓					✓	✓	
Food and Beverage	✓	✓	✓	✓	✓			✓	✓
Property	✓	✓	✓	✓	✓	✓	✓	✓	✓
Telecommunications	✓					✓	✓	✓	✓
Power	✓		✓				✓		✓
Petrochemical		✓	✓						
Healthcare						✓	✓		
Media							✓		✓
AGE & GENDER									
Age	86	59	55	64	60	85	89	66	64
Gender	M	M	M	F	M	M	M	F	M

*Data on age is from the **JGS Annual Report SEC Form (17A) December 2025, Part III, Item 9 (1) Directors.**

C. Board and Board Committee Meetings

1. General Requirements: Quorum, Notification, Frequency

The Board diligently makes informed and prudent decisions, consistently acting in the best interest of the Company and its shareholders. The Company requires a meeting quorum of 2/3 for Board decisions, except for the election of officers, which requires a vote of majority of all members of the Board. In accordance with the Company's By-Laws, board meetings are scheduled in the last quarter of the preceding year, with regular sessions held and special meetings convened when required by business exigencies. The Board receives meeting notices and agenda, and other relevant meeting materials at least five (5) business days prior to each meeting, to allow for review before said meetings. As seen in the **Certificate of Attendance of Meetings** uploaded in the website, all incumbent Directors have complete

attendance for 2025.

In 2025, the Board met fifteen (15) times and there was a quorum (2/3 of the number of directors) in all meetings. There was a total of nine (9) Board Committee meetings in 2025: five (5) AURROC Meetings, and four (4) GNRSC meetings, which included updates on Governance and Sustainability. All the members of the Board were likewise present in the ASM.

On August 7, 2025, under the chairmanship of Mr. Go as the Lead Independent Director, the NEDs and IDs met without executives present. Likewise, on November 6, 2025, they had a meeting with the External Auditor, CAE, CFRO, and CCO. On the same date, the IDs, who are members of AURROC, had a meeting with the External Auditor without anyone from management present.

2. Attendance in Board Meetings and ASM

Board	Name	Date of Election	ASM	Board Meetings	NEDs and IDs' Meetings
Chairman	James L. Go	May 15, 2025	1/1	15/15	N/A
Member	Lance Y. Gokongwei	May 15, 2025	1/1	15/15	N/A
Member	Patrick Henry C. Go	May 15, 2025	1/1	15/15	N/A
Member	Johnson Robert G. Go, Jr.	May 15, 2025	1/1	15/15	N/A
Member	Robina Gokongwei Pe	May 15, 2025	1/1	15/15	N/A
Independent	Renato T. De Guzman*	May 15, 2025	1/1	6/7	3/3
Independent (Lead)	Antonio L. Go	May 15, 2025	1/1	15/15	3/3
Independent	Artemio V. Panganiban	May 15, 2025	1/1	15/15	3/3
Independent	Bernadine T. Siy	May 15, 2025	1/1	15/15	3/3
Independent	Antonio Jose U. Periquet, Jr.	May 15, 2025		7/7	

10 - Special meetings; 4 – regular meetings; 1- Organizational meeting
*Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman

3. Attendance in Board Committee Meetings

AURROC Meetings

Board	Name	Date of Election	No. of Meetings Attended
Chairman	Antonio L. Go	May 15, 2025	5/5
Member	Renato T. De Guzman *	June 3, 2024	2/3
Member	Artemio V. Panganiban	May 15, 2025	5/5
Member	Bernadine T. Siy	May 15, 2025	5/5
Member	Antonio Jose U. Periquet, Jr.	May 15, 2025	2/2
Advisory Member	James L. Go	May 15, 2025	5/5

GNRSC Meetings

Board	Name	Date of Election	No. of Meetings Attended
Chairperson	Bernadine T. Siy	May 15, 2025	2/2
Member	Renato T. De Guzman*	June 3, 2024	2/2
Member	Antonio L. Go	May 15, 2025	4/4
Member	Artemio V. Panganiban	May 15, 2025	4/4
Member	Antonio Jose U. Periquet, Jr.*	May 15, 2025	2/2

*Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman

D. Board Committees

For a better and more focused attention on the affairs of the Company and to aid in the optimal performance of its roles and responsibilities, the Board approved the delegation of particular matters to two (2) Board Committees, namely: i.) AURROC; and ii.) GNRSC.

1. AURROC

a. Roles and Functions

As provided in the Company's RCGM and the **AURROC Charter**, the role of the AURROC is to oversee the Company's financial reporting, internal control system, internal and external audit processes, and monitor compliance with applicable laws and regulations and internal policies for efficiency and effectiveness of business operations, and proper safeguarding and use of the Company's resources and assets; to ensure that the group-wide policy and system governing Material Related Party Transactions ("MRPTs"), particularly those that breach the materiality threshold is in place and effectively working including review and approval thereof to guarantee that transactions are transparent, conducted fairly and at arm's length; and to oversee the establishment of ERM framework that will effectively identify, monitor, assess, manage, and report key business risks including Information Technology (*i.e.,* disruption, cybersecurity, and disaster recovery) as well as provide oversight over its risk management policies and procedures. In addition to these, under the RCGM and the AURROC Charter, the AURROC has the primary responsibility to appoint and remove the external auditor as well as the head of internal audit.

i. Audit and Accountability

1. Internal Audit

The Board ensures that its shareholders receive a balanced and comprehensible quarterly assessment of the Company's performance, position, and prospects. Interim and other reports that could adversely affect its businesses, including its submissions and disclosures to the SEC and PSE, are also made available on the company website.

The Board also appointed, Rya Aissa S. Agustin, as the CAE upon the recommendation of the AURROC to perform the Internal Audit function, pursuant to the RCGM.

The Internal Audit Group ("IAG") is committed to its purpose and mission of serving as a trusted advisor to the Board and Management. It strives to deliver independent, objective, and high-quality assurance and advisory services through agile audit methodologies and modern audit technologies. The IAG is likewise committed to conforming with the Global Internal Audit Standards and maintaining processes that support the ongoing enhancement of quality, independence, and professionalism.

Further, the IAG operates under an Internal Audit Charter that is periodically reviewed and approved by the AURROC. It applies a risk-based and data-driven audit approach, strengthened by dynamic risk assessments to identify new and emerging risks. The IAG leverages technology-enabled audit techniques, data analytics, and automated testing to enhance coverage, insight, and audit efficiency.

Moreover, the IAG provides independent assurance, consulting, and investigative services over governance, risk management, internal controls, and compliance with applicable laws and regulations. Its audit coverage includes key areas such as Cybersecurity and IT governance, data protection, digital transformation initiatives, artificial intelligence ("AI")-related risks, and Environmental, Social, and Governance ("ESG")-related processes and controls.

To promote synergy and scale across the conglomerate, the IAG collaborates closely with the internal audit teams of various business units through benchmarking, best practice sharing, and the use of common GRC tools.

The IAG continues to invest in training, certifications, and professional development to ensure its auditors remain globally competitive and responsive to the organization's evolving needs and risk landscape.

2. External Audit

Under the RCGM and the **AURROC Charter**, the AURROC is mandated to safeguard the integrity and independence of both the Internal and External Auditors. It exercises oversight by reviewing and monitoring their independence and objectivity, and adherence with applicable laws and regulations. The AURROC also conducts an annual assessment of the External Auditor's effectiveness. In line with good governance practices, the External Auditor must be rotated or replaced every five (5) years, or earlier as necessary. In the event of the removal or change of the External Auditor, the AURROC is responsible for providing justification for such action and ensuring the appropriate disclosure thereof.

The Board, after consultations with the AURROC, recommends to the Shareholders a competent External Auditor duly accredited by the SEC (under Group A category) who shall undertake an independent audit of the Corporation. SGV & Co., the External Auditor appointed, has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions, adequate quality control procedures, and agrees to be subjected to the SEC Oversight Assurance Review ("SOAR") Inspection Program conducted by the SEC's Office of the General Accountant ("OGA").

The AURROC evaluates and approves all non-audit services conducted by the External Auditor. Below is a table of all audit and non-audit related fees in 2025:

Name of Auditor	Audit and Non-Audit-Related Fees	Yr. 2025
SGV & Co.	Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	Php 5,830,000.00

	All Other Fees	Php	121,300.00
	Total	**Php**	**5,951,300.00**

No other service was provided by external auditors to the Company for the calendar year 2025.

ii. Related Party Transactions

The Company conducts all MRPTs on an arm's length basis, on fair and reasonable terms and conditions no less favorable than any such terms available to unrelated third parties under the same or similar circumstances. The **MRPT Policy** ensures that accountability of the Board and Management for MRPTs are in place. Aside from disclosure of conflict of interest, directors and officers with material interests in any transaction and an actual or potential conflict with the Company abstain from participating in the deliberation of the same.

iii. Enterprise Risk Management

JG Summit recognizes that robust risk management is instrumental to building resilience and ensure sustainable growth in an increasingly complex and volatile business environment. Following the principles of the COSO ERM framework, we promote integrated risk governance to foster a strong risk-aware culture and adopt a proactive, forward-looking approach to risk management. We have also integrated sustainability and climate-related risks and opportunities into the Company's ERM framework, aligning our risk strategies with long-term ESG considerations to ensure a holistic approach in addressing key business risks.

In 2025, JG Summit convened its annual risk conference, bringing together risk heads and functional leaders from across the Group to tackle pressing and emerging risks. In the same forum, the participants deepened their understanding of risk leadership in building a resilient organization with insights shared by Mr. Anton Periquet, JG Summit and URC Independent Director, and Ms. Rizalina Mantaring, URC Independent Director and Head of Board Risk Oversight Committee. Market trends and evolving policies on climate transition were also presented to enable risk leader assess how these developments affect our various industries.



Independent Directors, Ms. Rizalina Mantaring and Mr. Anton Periquet, share insights on risk leadership, reform, and organizational resilience during the Group's Annual Risk Conference



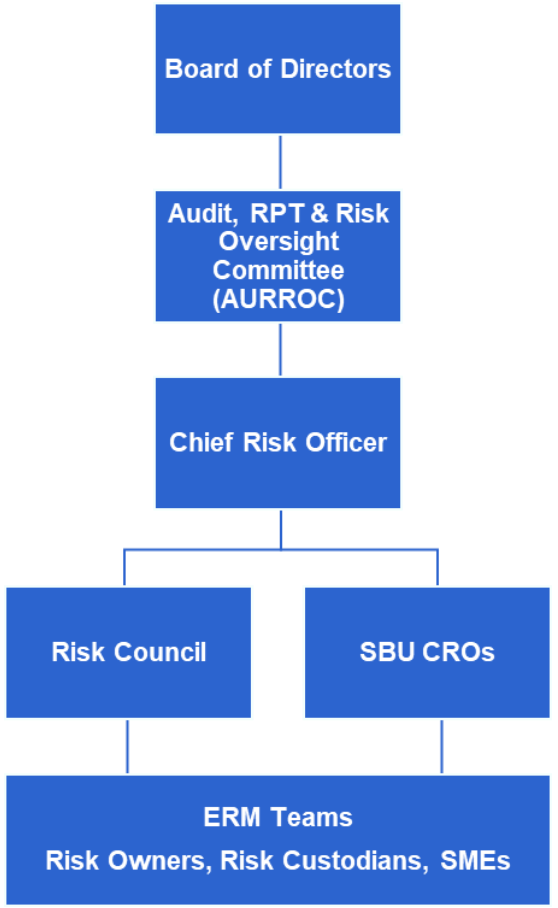
Risk Leaders participate in a megatrends workshop to evaluate emerging risks and drive future-ready strategies.

RISK GOVERNANCE

Effective risk governance is fundamental to the Company's ERM framework, ensuring a structured approach to identifying and managing key business risks. The governance structure provides clear lines of responsibility and accountability, guiding the Board and Management in overseeing risk exposures at both the business unit and enterprise levels. This includes the governance of sustainability-related and

climate-related risks, reinforcing the Company's commitment to integrating these important risks into its overall risk management approach.

- The Board of Directors (BOD) provides oversight to JGSHI's risk management practices and sets guidelines in managing critical risks.
- The Audit, RPT and Risk Oversight Committee (AURROC) supports the BOD by monitoring the implementation of and assessing the effectiveness of the ERM framework.
- The Chief Executive Officer (CEO) holds ultimate accountability for the overall risk management approach of the company, ensuring that risk considerations are embedded in strategic decision-making and operations.
- The Chief Risk Officer (CRO) leads the development and implementation of the ERM framework and processes and is responsible for reporting risk exposures and mitigation efforts to Senior Management and AURROC.
- The Risk Council, composed of JGSHI functional heads, supports the CRO in identifying and addressing significant risk exposures and in overseeing the Company's risk management strategies. Additionally, SBU CROs participate in Risk Council meetings to provide insights into the key risks affecting their respective business units, and support efforts to achieve a well-aligned and cohesive risk management approach across the Group.
- Risk Owners are accountable for the identification and management of risks in their assigned areas of responsibility, and communicating risk status and progress to the relevant stakeholders
- Risk Custodians support the Risk Owners in the monitoring, analysis and reporting of risk status, trends, and progress of mitigation initiatives.
- The ERM Team supports the CRO in the development, continuous improvement and effective implementation of the ERM framework and methodologies across the organization.



- The Internal Control Team ensures that robust control mechanisms are in place to mitigate risks effectively, conducts periodic evaluations on the adequacy and effectiveness of controls and communicates significant control weaknesses or breaches to Management and AURROC.
- The Internal Audit Team provides independent assurance to Management and AURROC on the adequacy and effectiveness of the Company's risk management and internal control processes.

RISK MANAGEMENT PROCESS

At the parent level, the Company provides guidance on the ERM framework to promote alignment in the risk management approach across the Group. It also fosters group-wide sharing of best practices and ERM learning initiatives. Each SBU establishes its own risk governance structure and processes to address the unique risks of its operations, according to its business environment, risk profile and strategic and operational goals.



Risk Identification, Assessment, and Prioritization

Risks are identified using different tools such as risk factor analysis, megatrends analysis, and systems dynamics analysis. Identified risks are categorized and their potential impact is evaluated based on the risk assessment scale we developed for various impact areas. Likewise, we set the likelihood parameters to define the probability of occurrence of the risks. Each operating company develops its own risk assessment scale according to their context and risk appetite.

Highly-rated risks are subjected to further evaluation for prioritization, considering the organization's overall risk profile, level of vulnerability, and contribution to amplifying certain risks. Furthermore, we also consider the urgency of the risks which is a factor of velocity or how quickly we will feel the impact of the risks when they materialize, and mitigation timeframe or the length of time needed to manage these risks.

Risk Response, Monitoring, and Reporting

For each priority risk, we develop appropriate risk responses that align with the Company's risk appetite and overall risk management strategy. At the enterprise level, we implement responses for risks that are common across the Group, fostering a cohesive and integrated approach to risk management.

Risk Owners are tasked to continually monitor and evaluate the effectiveness of the risk responses. Material residual risks are regularly assessed to improve risk responses and identify recovery measures. Given the dynamic nature of

RISK CATEGORY	DESCRIPTION
STRATEGIC	Concerns events that could affect the outcome of strategic decisions, such as mergers and acquisitions, key investments, resource allocations, and new business ventures
REPUTATIONAL	Refers to anything that could impact the Company's brand value, public perception and stakeholder relationships
GOVERNANCE	Risks related to implementation of and adherence to policies and procedures and ethical practices within the organization
EMERGING	Refers to new or developing risks that the Company has little to no experience in
CLIMATE	Potential physical risks that may arise from climatic events or business risks arising from regulatory efforts or changing stakeholder expectations associated with the shift towards a carbon-neutral economy
OPERATIONAL	Relates to factors that could potentially disrupt routine business activities or impair property, infrastructure, and security
IT and DIGITALIZATION	Risk of business disruption caused by hardware or software failure, cyberattacks, unauthorized access to company information, and the like, or lost opportunities associated with lack of innovation or investments in technology
PEOPLE	Refers to factors and events that could compromise the wellbeing, productivity, and performance of our employees
FINANCIAL	Refers to matters that could affect the financial position or performance of the Company such as credit, liquidity and foreign currency risks
LEGAL and COMPLIANCE	Includes risks related to compliance to rules and regulations, adaption to changing political landscapes and new government pronouncements, as well as exposures that could arise from contractual obligations, anti-competition and monopolization concerns, and legal disputes against the Company

risks, the entire risk management is an iterative process at the functional units of our operating companies and at the Group level. The risk management framework is presented to the AURROC for review on a regular basis, and the key risks are being updated and reported annually.

Building on our overarching ERM framework, the following outlines the risk management process adopted and applied to sustainability and climate-related matters.

Sustainability and Climate Risk and Opportunity Management Framework	
Identification	• **Determine Relevant Sustainability and Climate Risks and Opportunities:** Consider the following references in 'identifying': o For Sustainability Risks and Opportunities – reference to Sustainability Accounting Standards Board (SASB) industry-specific disclosure topics and World Business Council for Sustainable Development (WBCSD) system risks o For Climate-related Physical Risks and Opportunities – incorporation of Philippine-relevant climate hazards such as typhoons, flooding, extreme heat and sea level rise o For Transition-related Risks and Opportunities – reference to emerging trends on transition to low carbon operations. ▪ Global references include but are not limited to: • United Nations Environment Programme Finance Initiative (UNEP FI) • World Bank • International Energy Agency (IEA) • European Commission • Asian Development Bank (ADB) • International Civil Aviation Organization (ICAO) • Principles for Responsible Investment (PRI) - Inevitable Policy Response (IPR) ▪ Local references include but are not limited to: • Local legislation (Executive Orders, Senate and Congress Bills) • Department of Energy (DOE) Philippine Energy Plan (PEP) • Securities and Exchange Commission (SEC) • Bangko Sentral ng Pilipinas (BSP)
Assessment	• **Qualitative and Quantitative Analysis**: Assess the likelihood and impact of identified Sustainability and climate risks using both qualitative and quantitative methods • **Scenario Analysis**: Use scenario analysis to evaluate the potential impacts of climate-related physical and transition risks and opportunities under various future conditions. • Employ business sense and expert judgement from relevant teams such as but not limited to sustainability, risk, strategy, finance, and operations.

Prioritization	• **Risk Ranking**: Determine which sustainability and climate risks are most material to our organization based on their potential impact on business operations and stakeholder value. Rank the identified risks based on their severity and likelihood, with a focus on their financial impact. • Employ business sense and expert judgement from relevant teams such as but not limited to sustainability, risk, strategy, finance, and operations.
Response and Monitoring	• **Response and Mitigation Strategies**: Develop and implement strategies to mitigate high-priority sustainability and climate risks and maximize relevant opportunities. • **Integration into Business Processes**: Ensure that sustainability and climate risk management feeds into decision-making and core business processes (such as Enterprise Risk Management and Strategic Planning).
Reporting	• External sustainability and climate risk disclosures follow the Group's ERM reporting processes and undergo review by AURROC and GNRSC.

RISK APPETITE

JG Summit's risk appetite framework articulates the level and types of risk the Group is willing to accept in pursuit of its strategic objectives. In defining risk appetite statements across major risk categories, we are guided by the following core principles:

- On capital and financial management: long-term shareholder value creation and financial resilience
- On strategy and portfolio management: disciplined approach to business decisions and consistency with strategic priorities
- On people, leadership and culture: ethical leadership and long-term organizational stability
- On digital transformation: robust cybersecurity, regulatory compliance, and effective internal controls
- On reputation and stakeholder management: ethical business conduct, social responsibility and upholding stakeholder trust

These principles guide us as we pursue prudent risk-taking in areas that support growth and innovation, while maintaining a conservative stance in areas that could materially impair financial stability, compliance, or corporate reputation.

TOP RISKS

At least once a year, members of the Risk Council convene to deliberate on developments in JG Summit's business environment, emerging risks, and shifts in the overall risk profile. This structured dialogue enables a forward-looking assessment of material exposures, and ensures calibration of risk ratings relative to our risk appetite. The outcome of this process forms the basis of JG Summit's top risks for the year.

RISK	CATEGORY	2025	2024	Movement
Cybersecurity	*IT and Digitalization*	1	1	—
Interest rate /Forex risk	*Financial*	2	3	▲ *1*
Material cost and availability	*Operational*	3	8	▲ *5*
Product safety and quality	*Operational*	4	7	▲ *3*
New business risk	*Strategic*	5	-	New
Funding / Liquidity risk	*Financial*	6	-	New
Business continuity risk	*Operational*	7	-	New
IT vendor / third-party risk	*IT and Digitalization*	8	-	New
Geopolitical tensions	*Emerging*	9	10	▲ *1*
Regulatory changes	*Legal and Compliance*	10	4	▼ *6*

Despite continued strengthening of our risk mitigation and control environment, Cybersecurity remains the most critical and dynamic risk, amplified by the Group's accelerating digitalization and expanding exposure to sophisticated and rapidly advancing threats. Interest rate and foreign exchange risk also remains prominent amid growing market uncertainty. We also consider Material Cost and Availability to one of the most impactful risks to the Group as a consequence of increasing volatility in global trade and geopolitical tensions that intensified cost pressure and input constraints.

1 Cybersecurity

Loss of confidentiality, integrity, or availability of information, data, or information systems resulting from a cyber attack or data breach

Implications

Loss of credibility and erosion of brand value
Loss of critical information
Operational disruptions
Sanctions and fines

Risk Drivers

Increasing cyber threats in frequency and sophistication
Vulnerabilities of vendors and third-party service providers
Lack of employee awareness and human error
Inadequate incident response plans

Mitigation

Robust vulnerability management, assessment and testing
Enhanced identity and access management
Use of data encryption solutions
Regular back-up of critical data and disaster recovery testing
Due diligence on outsourced partners
Regular information security compliance audits
Continuous monitoring and threat scanning
Employee awareness programs

2 Interest Rate / Forex risk	Volatility in the group's financial performance due to unpredictability of interest rates and/or forex rates

Implications	Mitigation
Forex losses on foreign-denominated debts and transactions	Borrowing in local currency to avoid forex risk on debt
Increased debt service cost	Investments in less risky fixed-income instruments
Reduced margins on imported raw materials	Preparation of sensitivity analysis and regular reporting of exposure and potential impact to bottom line
Risk Drivers	
Central bank monetary policy changes	Constant monitoring of macro factor movements
Excessive debt burden and unfavorable mix of interest rate structures and maturities	Regular monitoring of investment portfolio and communication with Investment Committee
Forex fluctuation, depreciation of local currency	
Market volatility due to geopolitical events	

3 Material Cost and Availability	Volatility in material costs and disruptions in the availability of critical inputs adversely affecting operational efficiency, project delivery, profitability, and business continuity

Implications	Mitigation
Operational disruptions and reduced efficiency	Supplier diversification and expansion of supplier network
Higher working capital requirement and margin crunch	Supplier performance management and contract life cycle management
Project delays and inability to meet customer demands	Material price hedging and forward contracting
Exposure to quality risks and reputational risks	Production/construction efficiency improvement
Risk Drivers	Use of alternative energy source and energy-efficient design to counter high energy costs
Geopolitical tensions, natural disasters, or transportation issues affecting global commodity prices and supply	
Inflationary pressures, currency fluctuations	
Long lead times for specialized materials	
Dependence on single source or geographically concentrated suppliers	

RISK CATEGORIES

Beyond the top risks, we recognize the broader risk landscape that could affect different aspects of our business. The following outlines our approach to managing risks under each risk category.

STRATEGIC RISK

Our strategic risk cover areas of capital allocation, business performance and competition. This relates to how our long-term portfolio investment decisions may yield lower-than-expected returns. Additionally, unfavorable industry trends, market volatilities, and geopolitical uncertainties can affect enterprise value and market capitalization. These factors may also create an unfavorable perception of our value creation efforts and limit our growth prospects.

To manage these risks, we conduct in-depth sector analysis aligned with customer trends, integrate risk management into our strategic planning process, regularly review capital allocation decisions, and assess their impact on our risk-return profile. We also ensure that we effectively communicate our business performance and sustainability initiatives to key stakeholders.

REPUTATIONAL RISK

Our reputational risk pertains to how public sentiment and third-party ratings and views affect our corporate image and brands. Misinformation about JG Summit and its subsidiaries, as well as, unfavorable public opinion could impact the Company's social license to operate. Furthermore, unresolved customer complaints—especially when amplified through digital platforms—can shape wider customer perceptions of our product and service quality. Issues related to product safety, customer privacy, and advertising, if left unaddressed, may lead to declining customer satisfaction, sales, and market share.

We actively monitor mainstream and social media, track our market positioning, and manage external reputation risks. We follow established protocols for obtaining a social license to operate, recognizing that strong public and community engagement is essential to our long-term success. Failing to properly address stakeholder concerns could lead to opposition that negatively affects our operations.

GOVERNANCE RISK

Our governance risk relates to compliance with company policies, ethical business practices, and adequate top management oversight. Unintended or intentional breaches of policies and ethical standards may lead to operational inefficiencies, significant financial losses, and loss of stakeholder trust, or reputational damage. Weak governance structures could also compromise our ability to equitably distribute economic value to the right stakeholders.

To mitigate these risks, we continuously strengthen our internal processes and controls through capability-building initiatives, self-assessment tools, and effective risk management methodologies. We reinforce good corporate governance by conducting regular training on the Code of Business Conduct and Ethics, and fostering a culture of transparency and accountability across all levels of the organization. Additionally, we have strict anti-bribery and anti-corruption policies in place that prohibit corrupt practices, and a whistleblowing mechanism that allows stakeholders to report any suspected corruption or ethical misconduct.

EMERGING RISK

We recognize that geopolitical tensions continue to present significant and evolving risks that may materially affect our business environment and strategic outlook. Heightened global uncertainty, including, instability in the Middle East, the ongoing Russia-Ukraine conflict, persistent US-China trade frictions, and territorial disputes in the West Philippine Sea, has contributed to volatility in energy markets, supply chains, foreign exchange rates, and investor sentiment.

These dynamics may lead to disruptions in trade flows, rising fuel and commodity prices, regulatory shifts, and constraints in the movement of goods and capital, potentially affecting operational stability, cost structures, and growth prospects across the Group's portfolio. Given the interconnected nature of global markets, localized conflicts may have broader second-order impacts on financing conditions, inflation, and cross-border transactions.

To manage these exposures, we actively monitor geopolitical developments and incorporate structured geopolitical risk assessments into strategic planning, capital allocation decisions, and market evaluations. We also strengthen business continuity and supply chain resilience measures at the SBU level, ensuring scenario planning, contingency protocols, and proactive risk mitigation strategies are in place to enhance the Group's preparedness amid an increasingly uncertain global landscape.

CLIMATE RISK

JG Summit recognizes the significance of climate-related risks. A company's inability to mitigate or address the impact of extreme weather events could result in damage to facilities, obsolescence or loss of assets, disruptions in its supply chain and operations, as well as, endanger people and the ecosystem. Enhancing infrastructure resilience against extreme weather events and adapting to changing conditions could require significant financial and capital investments. Regulatory changes related to climate change, such as carbon pricing, emissions caps, and extended producer responsibility, may also affect the company's operations and financial results due to escalating compliance costs.

To address these risks, we have encouraged the SBUs to conduct vulnerability assessments of critical facilities and implement risk management measures across operations and supply chains. Furthermore, we enabled the SBUs to assess and prioritize climate related regulatory and market risks, and conduct scenario analyses to anticipate potential impacts. We are monitoring evolving carbon policies and

sustainability regulations to ensure that the Group will be prepared to navigate compliance challenges while exploring opportunities for efficiencies and savings.

For a more comprehensive discussion of our approach to managing climate risks, please refer to pages 11 and 12 of our 2025 Sustainability Report (link).

OPERATIONAL RISK

Material cost and availability presents significant operational, financial and strategic implications, as fluctuating commodity prices, rising input costs, and material shortages can significantly impact production efficiency, profitability, and overall business continuity. Supply chain disruptions, whether driven by geopolitical factors, economic conditions, or logistical constraints, may further amplify these risks by limiting access to critical raw materials. To address these potential vulnerabilities, we diversify our sourcing strategies and maintain strong supplier accreditation processes to ensure a stable and sustainable supply of quality inputs.

Product and service quality remain equally critical to operational integrity. Any lapse may result in customer dissatisfaction, regulatory sanctions, reputational damage, and financial loss. Operational reliability and efficiency are closely linked, as equipment failures, system disruptions, or process inefficiencies can compromise product integrity and service delivery. To mitigate these risks, we enforce stringent quality controls, adhere to safety regulations, and invest in preventive maintenance and continuous process improvements to enhance operational resilience.

Business continuity risk is also a key focus area, particularly in light of increasing operational interdependencies and exposure to external disruptions. Natural hazards, infrastructure constraints, and other unforeseen events may affect physical assets, personnel, and service delivery. We regularly assess site and operational vulnerabilities, maintain and test business continuity and disaster recovery plans, and ensure appropriate insurance coverage to mitigate potential financial impacts and support timely recovery from disruptions.

Beyond immediate operational considerations, we also recognize the long-term implications of resource consumption and environmental impact. In addition to reducing greenhouse gas emissions, we are taking steps to address potential material scarcity by reducing reliance on nonrenewable resources and adopting sustainable sourcing practices. We actively manage risks related to air emissions, pollutants, and solid waste through improved combustion efficiency, the use of lower-emission fuels, structured waste management programs, recycling initiatives, and product design enhancements aimed at minimizing waste. Regular monitoring and maintenance further help prevent leakages and mitigate potential impacts on human health, the environment, and surrounding communities.

IT AND DIGITALIZATION RISK

Cybersecurity risk remains the most relevant IT and digitalization risk for the Group. The consequences related to this risk include loss of information, disruptions in business operations, increased cost of added security or disaster recovery, and potential loss of credibility and damage to brand and company image. This risk could also lead to significant regulatory violations. Data breaches could compromise the Company's sensitive or confidential information and even jeopardize individuals' privacy and protection, in case of personal data leaks. We are actively mitigating this risk as we continue to strengthen our security posture with pragmatic and holistic solutions to proactively identify, protect, detect, respond and recover, as well as improve our system and data access controls. Critical data is regularly backed up, and its integrity is verified through periodic disaster recovery testing to ensure recoverability in the event of a cyber incident or system disruption. Actual cybersecurity incidents and their impact are investigated, resolved and reported to the business unit management and Data Privacy Officer, in case of data security breaches.

In addition to cybersecurity, JG Summit faces risks arising from its increasing reliance on third-party providers of IT products and services. Dependencies on external vendors for critical systems, cloud infrastructure, and specialized digital solutions expose the Group to potential service disruptions, data security incidents, compliance gaps, and operational delays originating outside our direct control. Broader digital ecosystem partnerships may further expand our exposure through interconnected platforms and shared data environments. To manage these risks, we implement structured vendor due diligence, contractual safeguards, performance monitoring, and cybersecurity assessments to strengthen oversight and resilience across our extended technology landscape.

The accelerated adoption of artificial intelligence also introduces governance and security risks. Uncoordinated or undocumented use of AI solutions may expose the Group to data privacy breaches, intellectual property risks, regulatory non-compliance, and inconsistent application of ethical standards. In response, we established an AI and Data Governance Council to provide structured oversight, and is formalizing data and AI policies to guide responsible use. We are strengthening governance over AI tools through centralized standards, inventory management, and security validation processes to promote safe reapplication, transparency, and alignment with enterprise risk management principles.

PEOPLE RISK

On people risk, talent development and retention remain to be crucial in the face of intense competition for key talents, especially for those within the information technology and digital space. High attrition could result in business disruptions, compromised service quality and increased cost of talent acquisition and training. We continually upgrade our talent acquisition strategies, conduct wages and benefits benchmarking, and employ data insights and advanced analytics in developing HR programs for employees' professional growth and development to address these risks.

The Company values a diverse workforce, recognizing that different perspectives drive innovation and enhance our ability to serve a broad range of stakeholders. A culture of inclusivity strengthens our talent pipeline, and helps unlock opportunities in untapped markets. We also foster a safe and open environment for employees to communicate their concerns with management. Maintaining constructive labor relations is essential in reaching mutually beneficial agreements, minimizing the risk of disputes that could escalate into unrest and operational disruptions.

We continue to highlight the importance of health and safety, not just in the workplace but everywhere else. We strive to ensure that employees are healthy and safe because we understand the consequences to life and property if this is not addressed properly. Noncompliance with health and safety standards and regulations could also cost the Company penalties from regulators, suspension of operations, attrition, and damage to reputation.

FINANCIAL RISK

Our key financial risks are primarily related to changes in market variables and liquidity. In recent years, we have experienced fluctuations in interest rates, commodity prices and foreign exchange rates which significantly impacted our Group's financials. This includes margin compression due to higher input costs, higher cost of debt, and lower returns from financial investments.

We maintain a well-diversified mix of foreign-denominated financial assets and local currency borrowings, utilizing risk-appropriate instruments to hedge against foreign exchange volatility. Furthermore, we conduct rigorous periodic cash requirement analysis to optimize our debt portfolio and proactively manage financial obligations. Additionally, we continue to strengthen our onshore and offshore banking relationships to enhance our financial flexibility, allowing us to effectively manage liquidity needs.

LEGAL AND COMPLIANCE RISK

Regulatory changes pose a significant risk to the Company as failure to comply with evolving laws and industry standards could expose the Company to legal penalties, fines, and reputational damage. Non-compliance with regulations, including those related to tax laws, product safety, environmental protection, data privacy, and corporate governance, may lead to financial liabilities, operational disruptions, and erosion of stakeholder trust.

Considering that the Group operates in various industries across different jurisdictions, it is critical to establish strong controls that minimize non-compliance risks and ensure adherence to varied regulatory requirements. To mitigate these risks, we closely monitor legislative developments, including key policies related to transition to low carbon operations and climate resilience. We are also committed to strict adherence to data privacy laws, recognizing the potential legal and reputational consequences of non-compliance. To ensure compliance,

we conduct extensive employee training on data protection, regularly review contracts and policies, and assess corporate activities for regulatory alignment.

Our in-house legal experts work proactively with business units to assess regulatory impacts, implement necessary legal safeguards, and ensure adherence to compliance requirements. When needed, we engage third-party consultants to strengthen our legal position and provide specialized expertise. Additionally, we actively engage with regulators, industry bodies, and other stakeholders to stay ahead of regulatory developments and advocate for fair and balanced policies.

iv. Internal Controls

To further advocate the Company's commitment to the pursuit of good governance and achieving compliance with applicable laws and Company policies and procedures, the Company ensures to strengthen the Enterprise Governance, Risk Management and Compliance ("GRC") Culture and maintains a strong system of internal controls focused on accountability and oversight of operations. With the leadership of the Company's CFRO, internal control is embedded in the company's operations and each Business Unit ("BU") and CCU. To accomplish the established goals and objectives, the BUs and CCUs implement robust and efficient process controls to ensure: i.) compliance with policies, procedures, laws, and regulations; ii.) economic and efficient use of resources; iii.) check and balance and proper segregation of duties; iv.) identification and remediation control weaknesses; v.) reliability and integrity of information; and vi). proper safeguarding of company resources and protection of company assets through early detection and prevention of fraud.

The annual **Statement of Internal Controls and Compliance System Attestation ("SICCSA") for 2025**, is signed by the CAE, CFRO, and President and CEO. It attests that the Company's internal controls, risk management and compliance system, and governance practices are adequate, and was reported in AURROC and to the Board. This is in accordance with the Board's function to annually review the internal control system and risk management framework of the Company. The 2025 SICCSA cited in the SEC 17-A (Annual Report) and the **Internal Audit Charter** are both available in the **"Internal Controls"** portion of the "**Shareholders**" tab of the "**Corporate Governance**" page of the Company website.

b. Composition

The Board Committee Chairman and Members, who are all IDs, and have finance, accounting and/or business administration background, are as follows:

AURROC
Chairman – Antonio L. Go (ID) Members: Bernadine T. Siy (ID) Renato T. De Guzman (ID)* Artemio V. Panganiban (ID) Antonio Jose U. Periquet, Jr. (ID) * Advisory Member: James L. Go (NED)

*Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman effective May 15, 2025.

2. GNRSC

a. Roles and Functions

As provided in the Company's RCGM and the **GNRSC Charter**, the role of the GNRSC is to oversee the development and implementation of Corporate Governance principles and policies and perform oversight functions on the Economic, Environment, Social, and Governance aspects of Sustainability, and recommend a formal framework on the nomination, and evaluation of the performance of the Directors and Senior Management to ensure that this framework is consistent with the Company's culture, strategies and the business environment. This includes the following functions: oversight of the implementation of a Corporate Governance framework and periodic review of the same to ensure that it remains relevant to the Company; monitor compliance with the Code of Business Conduct and Ethics and accompanying Corporate Governance policies; oversee Board evaluation and continuing education/training; implement remuneration matters for corporate and individual performance; define and approve the nomination, election, and succession planning for the Board and key officers; and provide guidance and oversee policy-making on the Company's sustainability strategies, programs, initiatives and reports. The GNRSC also evaluates management's effectiveness in maximizing climate-related risks and opportunities into JGSHI's strategy planning.

i. Governance Programs

Compliance Monitoring and Implementation

Business Conduct and Anti-corruption Programs and Procedures

The ethical and behavioral standards expected of directors, officers and employees are set out and embodied in the Company's Code of Business Conduct and Ethics, Anti-Corruption Programs, Company Policies, and Offenses Subject to Disciplinary Action ("OSDA"), among others. The same are disseminated to all directors and employees across the Company through trainings and advisories to embed them in the Company culture. On October 1, 2025, JGSHI launched its annual online refresher course of the Code of Business Conduct and Ethics and completed 100% training compliance for both its directors and employees by the end of 2025. Likewise, new employees undergo an orientation program on the Company's policies and procedures (*e.g.,* Business Conduct and Ethics) embedded in its *Darwinbox* System.

The anti-corruption programs and procedures of the Company cover the following: i.) Conflict of Interest, ii.) Conduct of Business and Fair Dealings, iii.) Receipt of Gifts from Third Parties, iv.) Compliance with Laws and Regulations, v.) Confidential Information, vi.) Use of Company Funds, Assets and Information, vii.) Disciplinary Action, viii.) Whistleblowing, and ix.) Resolution of Conflicts.

JGSHI participates in organizations engaged in programs in the field of corporate governance, compliance, and business ethics, which enables the Company to have access to materials, discussions, and trainings related to corporate governance, as well as interact with other governance and ethics professionals around the world. JGSHI representatives are members of the Good Governance Advocates and Practitioners of the Philippines ("GGAPP"), Institute of Corporate Directors ("ICD"), and the International Bar Association ("IBA"), and attend their trainings.

Risk assessments are conducted on various aspects of the business, such as strategic, governance, operational, legal, and compliance. This process encompasses assessing the risk of corruption and bribery within the organization and external parties.

Conflict of Interest Disclosures

Directors and employees of the Conglomerate are required to comply annually with the Self-Disclosure Activity on Conflict of Interest and Declaration of Gifts Received pursuant to the CG Code, and as embodied in the Company's Code of Business Conduct and Ethics and Conflict of Interest Policy.

In this relation, on January 28, 2025, the Company launched the Annual Self-Disclosure of Conflict of Interest and Declaration of Gifts Received, covering calendar year 2024 until the date of disclosure. All directors and employees of JGSHI submitted their respective self-disclosure forms. For the third consecutive year, the Company achieved a 100% compliance rate for the online self-disclosure of conflict of interest, reflecting the organization's strong commitment to ethical standards and transparency. Out of 284 employees covered, there were forty-five (45) disclosed a conflict of interest for 2025. After evaluating the disclosures - including direct clarifications with relevant employees, where necessary - the respective immediate supervisors and the Integrity and Ethics Council ("IECON") reviewed and approved all disclosures. These disclosures were reported to the GNRSC and Board for approval.

In addition, the foregoing program also reminded participants to update their disclosures should any circumstances reported in the form subsequently change.

Whistleblowing

Integrity and Ethics Council

The Company has established a robust whistleblowing framework that allows employees and other stakeholders to freely communicate, without fear of any form of retaliation, concerns about any aspect of business operations (*e.g.*, violations of Company policies, its Code of Business Conduct and Ethics, criminal or unlawful acts or omissions, instances when an act or omission endangers the health and safety of employees) and any other complaints including unethical practices or behavior, misconduct, malpractice, irregularities or risks against the Company. All information received in connection with the reports is treated with strict confidentiality and is not disclosed to any person without the prior consent of the IECON. Both internal and external reporters have the option to use either email, *iSpeak*, or send mail through the postal services and have direct access to JGSHI's designated Lead ID through its IECON, a unit created to handle whistleblowing concerns and tasked with reporting all whistleblowing incidents directly to the Lead ID.

Any employee, business partner, and other stakeholders may discuss or disclose in writing any concern or potential violation of the Code of Business Conduct and Ethics with the IECON. Reports can be done through email using the following contact details:

Email: iecon@jgsummit.com.ph

Mailing Address: IECON JG Summit Holdings, Inc., 40/F Robinsons Equitable Tower ADB Avenue corner Poveda St., Ortigas Center, Pasig City Metro Manila, Philippines

Online Platform: *i-Speak*, is an online whistleblowing portal available for access/by the public in the Company's website through this link: **i-Speak**

The above-mentioned whistleblowing portals are likewise on the **Contact Us** page of the Company website.

In 2025, three (3) whistleblowing cases were received through the *iSpeak* channel directly intended for JGSHI, while twelve (12) cases were submitted via email. The reports deemed valid were forwarded to the appropriate SBUs, and feedback on the actions taken were monitored and reported to the GNRSC and the Board.

a. iSpeak

On June 4, September 30, and November 6, 2025, pursuant to the Company's Code of Business Conduct and Ethics and Conflict of Interest Policy, the Company released email communications encouraging employees to report whistleblowing concerns via *iSpeak*. In 2025, the IECON Secretariat received a total of twenty-two (22) whistleblowing reports via the *iSpeak* portal. Of these, thirteen (13) reports were deemed valid for IECON's purposes, though all submissions were endorsed to the relevant SBUs for appropriate action. Out of the 13 valid reports, one (1) pertained to the Company, while the remaining twelve (12) were endorsed to the concerned SBUs for further handling.

b. Email

The IECON Secretariat received a total of one hundred seventy-four (174) reports via the iecon@jgsummit.com.ph email address in 2025. Out of the 174 emailed reports, eight (8) reports were customer-related, eight (8) were employment-related, and one hundred fifty-eight (158) were other emails pertaining to request for information, sponsorships or solicitations, supplier submissions and offers, proposals, marketing, accreditation, job and mentoring applications and event invitations, among others. Of these emails, two (2) pertaining to the Company were reported to IECON for handling.

ii. Nomination

Pursuant to the **Board Election and Nomination Policy**, the GNRSC pre-screens and shortlists all candidates nominated to become members of the Board, and considers engaging external sources, such as professional search firms, director databases and/or other reputable external sources to further enhance the search for and widen the base of potential nominees in accordance with the list of qualifications and disqualifications as defined in the Company's RCGM.

iii. Remuneration

Through the GNRSC, the Company ensures that the remunerations of directors, officers, and employees are sufficient and competitive with other similar industries through market salary surveys to attract qualified and competent employees and retain them. Formal procedures for the development and implementation of succession planning and remuneration for directors and officers are in place through the **Succession and Remuneration Policy.**

The GNRSC recommends the remuneration for both Executive and NEDs, subject to approval by the Board. The fixed remuneration for NEDs (including IDs) is based on the time, commitment, and responsibilities associated with the role. The remuneration for Executive Directors may include a fixed monthly salary, as approved by the Board in line with their appointment, along with variable pay tied to the Company's and individual performance.

The GNRSC likewise defines the performance criteria and measurable standards, including climate and sustainability, which will determine the basis for the variable pay. Additionally, the Committee may consider aligning the remuneration of Key Executives and the Board with the long-term interests of the Company and its shareholders.

On the other hand, the compensation structure for Key Management Personnel and Senior Management Team members may consist of both a fixed salary and performance-based variable compensation. This framework will be designed to help the Company attract and retain top talent, ensuring effective management with a long-term strategic focus.

a. Board

Director	Retainer Fee	Per Diem		Total
		Board Meetings	Committee	
1. James L. Go	600,000.00	240,000.00	120,000.00	960,000.00
2. Lance Y. Gokongwei	600,000.00	240,000.00	-	840,000.00
3. Patrick Henry C. Go	600,000.00	240,000.00	-	840,000.00
4. Robina Gokongwei Pe	600,000.00	240,000.00	-	840,000.00
5. Johnson Robert G. Go, Jr.	600,000.00	240,000.00	-	840,000.00
6. Renato T. De Guzman (ID)*		70,000.00	140,000.00	210,000.00
7. Antonio L. Go (ID)	800,000.00	320,000.00	340,000.00	1,460,000.00
8. Artemio V. Panganiban (ID)	700,000.00	280,000.00	315,000.00	1,295,000.00
9. Bernadine T. Siy (ID)	700,000.00	280,000.00	335,000.00	1,315,000.00
10. Antonio Jose U. Periquet, Jr. (ID)*	700,000.00	140,000.00	140,000.00	980,000.00
TOTAL	5,900,000.00	2,290,000.00	1,390,000.00	9,580,000.00

** Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman effective May 15, 2025.*

b. Executive Compensation

The aggregate compensation given to officers and directors of the Company for the year 2025 is reported in the **JGS Annual Report SEC Form (17A) December 2025, Part III, Item 10.**

iv. Sustainability

Sustainability as a Governing Principle

Sustainability as a governing principle is anchored in JGSHI's core value of Stewardship, which emphasizes responsible management of resources and long-term accountability for impacts. Stewardship provides the values and intent, while sustainability provides the governing discipline and system through which these values are operationalized across the Group.

Together, they strengthen oversight, uphold ethical conduct, and reinforce long-term organizational resilience.

Please see discussion on Sustainability in the Report.

b. Composition

The Board Committee Chairman and Members, who are all Independent Directors, and have finance, accounting and/or business administration background, are as follows:

GNRSC
Chairperson – Bernadine T. Siy (ID) Members: Renato T. De Guzman (ID)* Antonio L. Go (ID) Artemio V. Panganiban (ID) Antonio Jose U. Periquet, Jr. (ID)*

*Mr. Antonio Jose U. Periquet, Jr. replaced Mr. Renato T. De Guzman effective May 15, 2025.

E. Board Trainings

Board Training and Orientation

The Company ensures that directors can perform their functions effectively in this rapidly changing environment to cope with heightened regulatory policies, foreign and local demands, and the growing complexity of the business.

Orientation programs are conducted for first-time directors to ensure that new members are appropriately apprised of their duties and responsibilities. This includes an overview of the Company's operations, Corporate Governance framework, and other relevant topics essential to the performance of their functions. On June 17, 2025, newly elected Independent Director Mr. Antonio Jose U. Periquet, Jr., received an orientation training session regarding the Company, its Corporate Governance structure and policies.

As part of its commitment to continuous professional education, JGSHI annually organizes in-house corporate governance trainings for its directors and key officers to ensure they remain informed about industry developments, business trends, and best practices, as provided in the RCGM. In this relation, an in-house SEC-accredited Corporate Governance session entitled *"Corporate Governance in the Age of AI: Navigating Opportunities and Risks for a Future-Ready Gokongwei Group"* was held on September 18, 2025 with the following topics and speakers:

Topic	**Speaker**
First Session: AI Opportunity	Mohan Jayaraman Partner *Bain & Company, Singapore*
Second Session: Art of Reinvention with Agentic AI and Impact on Shared Corporate Services	Krithiga Thakkar Managing Director *Accenture*
Third Session: Secure AI Adoption and Governance	David Rajoo ASEAN Senior Solutions Engineer *Microsoft Security*

This Corporate Governance training session was rebroadcasted on November 18, 2025, for directors and key officers who were unable to attend the September 18, 2025 training.

Additionally, another Corporate Governance training session entitled "The Philippines in the World Today" was held in hybrid format on September 26, 2025, from 2:45pm to 3:45pm, at the 42F Board Room, Robinsons Equitable Tower, Pasig City, and via MS Teams. The session was conducted by Dean Antonio La Viña for the benefit of the Executive Leadership Council, comprised of directors and officers of JGSHI.

F. Board Performance Assessment

Board Assessment

An annual self-assessment to evaluate performance is conducted by the Board as a whole, the Board Committees, the individual directors, and the Company's key officers. This exercise helps them to review their performance, understand their roles and responsibilities, and lead effectively. It also assesses a director's attendance at board and board committee meetings and participation in boardroom discussions.

The Board Committees' self-assessment questionnaires contain the following criteria based on leading practices and principles on good governance: ***A. for the Board***: i.) Board Composition, ii.) Board Efficiency and Performance, and iii.) Board Meetings and Participation; ***B. for the Board Committees***: i.) Board Committee Performance, and ii.) Board Committee Structure; and ***C. for individual directors***: i.) Independence, ii.) Participation, iii.) Expertise, iv.) Character, v.) Fiduciary Duty, and iv.) Innovation. On the other hand, the ***Chairman's*** and the ***President and CEO's*** self-assessment questionnaires contain the following criteria: i.) Leadership, ii.) Integrity, iii.) Diligence, iv.) Corporate Governance, v.) Entrepreneurial Mindset, and vi.) Stewardship. Lastly, the ***key officers***, namely the Corporate Secretary, the CCO, the CFRO, and the CAE were rated based on their key functions.

The annual self-assessment is also supported by an external facilitator every three (3) years and allows for a feedback mechanism for stockholders pursuant to the recommendation in the CG Code. In 2022, JGSHI engaged GGAPP as its independent Third-Party Board Performance Evaluator. In 2023 and 2024, JGSHI customized the **GGAPP Form** to conduct its **Board Self-Assessment**, the results of which were reported to the GNRSC and the Board. On February 18, 2025, or three (3) years since the last third-party board assessment, the Company once again engaged GGAPP as its external facilitator. The results were also reported to the GNRSC and to the Board on August 7 and August 11, 2025, respectively.

Annex A. Economic, Environment, Social and Governance (EESG) Performance Indices

Economic Performance

Direct Economic Value Generated and Distributed (in Million Php)

Disclosure	2023		2024		2025	
	(per 17A)	*(including RBank)*	*(per 17A)*	*(including URC China)*	*(per 17A)*	*(including URC China & JGSOC)*
Direct economic value generated (revenue)	345,919	358,865	380,460	380,699	370,400	377,260
Direct economic value distributed	324,319	336,200	363,161	363,449	338,270	354,346
Payment to employees (Employee wages and benefits)	32,671	35,051	34,237	34,295	38,735	39,688
Payments to suppliers, other operating costs	259,035	267,219	290,814	291,043	257,453	270,261
Payment to Providers of Capital	24,590	24,590	29,507	29,507	33,287	35,137
Payment to Government	8,015	9,331	8,584	8,585	8,787	9,252
Community Investments Donations & Distributions	8	8	19	19	8	8
Direct Economic Value Retained	21,600	22,665	17,299	17,250	32,130	22,914

Note:

1. The amounts reflected herein are taken from the Company's audited financial statements for the year. Certain items in direct economic value distributed such as dividends given to stockholders are sourced from the previous year's economic value generated based on the SEC guidelines and found in the Company's balance sheet accounts. All other items are taken from the Company's financial statement. Hence, economic value distributed can be greater than economic value generated.
2. Philippine Financial Reporting Standards (PFRS) 5, Noncurrent Assets Held for Sale and Discontinued Operations, requires income and expenses from disposal groups to be presented separately from continuing operations, down to the level of profit after taxes. In June 2024, several China entities ceased operations and abandoned their business activities. In December 2025, JGSOC qualifies as a discontinued operation under PFRS 5 as it constitutes a separate major line of business that has ceased operations and is subject to a management-approved plan to dispose of or otherwise exit the business. The shutdown of operations, transfer of debt to the Parent, workforce reduction, and recognition of significant impairment losses collectively demonstrate management's commitment to the plan. The resulting profit or loss (after taxes) is reported separately in the consolidated statements of income. Accordingly, the consolidated statements of income for the years ended December 31, 2025 is presented as 'Net Income or Loss After Tax from Discontinued Operations'.
3. For purposes of the sustainability report, references should be made to the total JG consolidated balances including JGSOC and China Operations.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Unit	2023	2024	2025
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers[1]	%	55 (URC) 11 (JGSOC) 62 (CEB)	65 (URC) 10 (JGSOC) 52 (CEB)	50 (URC)[2] 52 (CEB)[3]

Environmental Performance

Energy consumption within the organization

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries[4]
Total Energy Consumption	**GJ**	**37,089,446**	**36,198,552**	**40,723,962**	**41,894,553**	**41,685,399**	CEB, RLC, URC, JGSHI-CCU
Total Renewable Energy Consumption	**GJ**	**2,276,972**	**2,132,992**	**2,017,897**	**1,811,495**	**1,940,194**	
Renewable Energy Generated (Solar and Biomass)[5]	GJ	1,253,714	1,255,541	1,055,991	907, 198	1,136,400	RLC, URC
Renewable Energy from the Grid[6]	GJ	1,022,036	877,451	961,906	904,298	803,794	CEB, RLC, URC
Total Non-renewable Energy Consumption[7]	**GJ**	**34,821,474**	**34,065,560**	**38,706,065**	**40,083,057**	**39,745,205**	

[1] JGSHI is still in the process of consolidating this data from all subsidiaries
[2] URC data covers BCF-PH and BCF-INT which composed of direct materials (raw material and packaging material) only
[3] CEB defines local suppliers as those based in the Philippines who transact using Philippine currency
[4] Data covers information of total URC (BCF-PH, Flour, SURE, AIG, head offices, and external distribution centers in the Philippines, BCF-INT excl. China)
[5] Data includes on-site generation of solar power, biomass and biogas utilization
[6] Purchased electricity from renewable sources through Retail Electricity Contracts
[7] Includes fossil fuel used from operations and company-owned vehicles

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries[4]
Gasoline	GJ	37,960	36,736	25,839	24,710	19,673	CEB, RLC, URC, JGSHI-CCU
LPG	GJ	668,311	682,213	883,365	797,512	878,715	RLC, URC
Diesel	GJ	632,908	641,849	782,947	791,869	745,951	CEB, RLC, URC, JGSHI-CCU
Bunker	GJ	3,260,924		3,164,014		180,001	URC
Coal	GJ	2,876,271		2,633,400		2,570,236	
CNG	GJ	356,211		395,842		348,329	
LNG	GJ	161,009		150,118		150,324	
Jet fuel	GJ	23,670,702		26,846,018	29,033,272	32,221,694	CEB
Grid Electricity	GJ	3,148,178	2,379,646	3,824,522	3,092,320	2,360,282	CEB, RLC, URC, JGSHI-CCU
Energy Intensity[8]	GJ/MPhp	103.36	100.87	107.04	110.12	112.54	

Note: CEB's sustainable aviation fuel (SAF) was previously reported under this disclosure, but is now excluded as it is used for aircraft delivery flights and is considered outside CEB's operational control.

* Restatements from CEB, RLC, and URC data in 2023 and 2024 are due to alignments to global standards.

Reduction of energy consumption

Disclosure	Percentage change vs. 2024
Energy reduction (Gasoline)	↓20.4%
Energy reduction (LPG)	*No reduction* (↑ 10%)
Energy reduction (Diesel)	↓5.8%
Energy reduction (Bunker)	↓94.3%
Energy reduction (Coal)	↓2.4%
Energy reduction (CNG)	↓12.0%
Energy reduction (LNG)	*No reduction* (↑ 0.14%)
Energy reduction (Jet fuel)	*No reduction* (↑ 11%)
Energy reduction (Non-renewable Grid Electricity)	↓14.9%

[8] JGSHI's 2024 and 2025 energy intensity data includes RCR's data.

GHG Emissions

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries[9]
Total GHG Emissions	**tCO2e**	**2,028,257**	**2,621,321**	**3,774,618**	**3,975,902**	**2,667,465**	
Gross Direct (Scope 1) GHG Emissions	tCO2e	1,602,983	1,697,854	1,742,175	1,841,969	1,774,725	
Gross Energy Indirect (Scope 2) GHG Emissions	tCO2e	314,283[10]	366,073	368,077[11]	389,726	321,506	
Gross Energy Indirect (Scope 2) GHG Emissions (Location-Based)	tCO2e	-	-	-	-	311,275	CEB, RLC, URC, JGSHI-CCU
Gross Energy Indirect (Scope 2) GHG Emissions (Market-Based)[12]	tCO2e	-	-	-	-	10,230	
Gross Other Indirect (Scope 3) GHG Emissions	tCO2e	110,991	575,394	1,664,366	1,744,207	571,234	CEB, RLC
GHG emissions intensity	tCO2e/MPhp	5.65	7.30	9.92	10.45	7.20	CEB, RLC, URC, JGSHI-CCU
ODS	tonnes	24.39		0.51		0.50	RLC[13]

* Restatements from CEB, RLC, and URC data in 2023 and 2024 are due to alignments to global standards.

[9] URC's GHG emissions cover information of total URC (BCF-PH, Flour, SURE, AIG, Packaging, head offices, and external distribution centers in the Philippines, BCF-INT excl. China). This includes fugitive emissions. Fugitive emissions include emissions from refrigerants consumed by the plants which include R134a, R141B, R22, R32, R404, R407, R410, R427A, R507A. Calculations only include Kyoto-protocol products. R22 will be phased out consistent with the phase-out schedule set by DENR Administrative Order (DAO) 2013-25. Emissions from biomass are considered biogenic emissions and should be tracked separately as per the GHG Protocol and are thus, not included in the overall GHG emissions inventory.

[10] Scope 2 emissions represent the total of both location-based and market-based emissions.

[11] Scope 2 emissions represent the total of both location-based and market-based emissions.

[12] Scope 2 emissions from renewable energy sourced from the grid were calculated using the market-based approach, applying emission factors provided by Retail Electricity Suppliers.

[13] RLC refers to ODS produced from generator sets.

Air pollutants

Disclosure	Unit	2023	2024	2025	2025 Boundaries[14]
Nitrogen Oxides (NO_x)	tonnes	2,019.41	2,037.09	2,880.04	CEB, URC
Sulfur Oxides (SO_x)	tonnes	272.98	282.65	1,151.94	
Persistent organic pollutants (POP)	tonnes	-	-	-	No available data
Volatile organic pollutants (VOC)	tonnes	-	3.38	13.08	
Hazardous Air Pollutants (HAP)	tonnes	-	-	-	
Particulate Matter (PM)	tonnes	158.63	180.46	537.64	URC

Note: All stationary, mobile, and vehicular equipment of JGSHI subsidiaries undergo mandatory emission testing as required by DENR and Land Transportation Office (LTO).

Water consumption within the organization

Total Water Withdrawal from all areas by source

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries
Total Water Withdrawal	cum	**26,688,045**	**24,678,713**	**24,720,675**	**22,467,729**	**20,088,232**	CEB, RLC, URC, JGSHI-CCU
Third-Party Water	cum	9,018,208	7,562,512	9,622,273	8,041,253	7,879,002	
Ground Water	cum	10,630,096	10,076,460	9,578,879	8,899,589	8,778,011	RLC, URC
Surface Water	cum	5,426,496		3,337,008	3,344,372	3,431,219	CEB, URC
Sea Water	cum	1,613,245		2,182,515			No available data
Water discharge	cum	9,144,241	11,238,559	9,408,530	11,589,976	11,013,035	CEB, RLC, URC
Water consumption	cum	17,543,804	13,440,154	15,312,144	10,877,753	9,075,197	CEB, RLC, URC, JGSHI-CCU
Water Intensity	cum/MPhp	74.37	68.77	64.98	59.05	54.23	

[14] URC data covers information from air pollution sources equipment (APSE) such as boilers, generator sets, ovens, and chimneys with air emission test results conducted by a DENR Accredited Laboratory (PH operations).

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries
Water recycled and reused[15]	cum	1,205,102	1,198,644	1,030,707	1,034,497	806,602	CEB, RLC, URC
% of wastewater recycled	%	13.21	10.67	10.96	8.93	7.32	

Note: Water consumption = Total water withdrawal – Water discharge

* Restatements from CEB and RLC data in 2023 and 2024 are due to alignments to global standards.

Materials used by weight or volume

Material used by the organization

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries
Renewable Materials	tonnes	6,834,127		5,589,427		8,149,848	URC[16]
Non-renewable Materials	tonnes	730,444	732,327	805,662	794,401	71,120	RLC[17], URC
Percentage of recycled input materials used to manufacture the organization's primary products and services	%	0.58		0.61		0.56	URC[18]

* Restatements from RLC data in 2023 and 2024 are due to alignments to global standards.

[15] Water recycled and re-used is the volume of water from wastewater and rainwater recovery.

[16] URC's renewable material pertains to raw materials of agricultural origin and cartons for packaging.

[17] RLC data only includes materials used for repairs and renovation of existing properties, not materials used for the construction of new buildings.

[18] Percentage of recycled input materials is computed as the amount of re-grind PET used as feedstock divided by the total input for packaging materials. Scope includes URC BCFG-PH.

Waste Generation

Solid Waste and Hazardous Waste

Disclosure	Unit	2023	2023 (Restatement)*	2024	2024 (Restatement)*	2025	2025 Boundaries
Total solid waste generated	**tonnes**	**2,495,571**	**2,492,723**	**1,768,388**	**1,849,160**	**2,981,660**	CEB, RLC, URC
Reusable	tonnes	2,950	4,940	2,641	3,007	1,670	RLC, URC
Recyclable	tonnes	627,757	626,623	369,884	445,797	776,872	CEB, RLC, URC
Composted/Bio	tonnes	5,170	3,804	5,663	9,152	19,617	
Residual	tonnes	45,748	43,411	41,307	42,312	57,626	
Renewables	tonnes	1,813,946		1,348,892		2,125,025	CEB, URC[19]
Incinerated	tonnes	-		-	-	11	URC
Used as alternative fuel	tonnes	-		-	-	839	CEB[20]
Solid Waste Intensity	tonnes/MPhp	6.95		4.65	4.86	8.05	CEB, RLC, URC
Total weight of hazardous waste generated	tonnes	1,797	1,683	1,990	1,989	1,883	
Total weight of hazardous waste transported	tonnes	1,468	1,430	1,690	1,587	844	

Note: Discrepancy from hazardous waste generated and transported are stored in the DENR -prescribed Hazwaste onsite storage waiting for schedule of transport and treatment. All remaining hazardous waste from 2024 was already transported in Q1 2025 to DENR-accredited treatment facilities.

* Restatements from RLC data in 2023 and 2024 are due to alignments to global standards.

[19] Renewable are waste materials used as alternative fuel to generate the company's own energy (e.g.: Coffee Spent Grounds used as alternative fuel to boiler to produce steam for the production)

[20] Used as alternative fuel by CEB's third-party hauler.

Non-compliance with Environmental Laws and Regulations

Disclosure	Unit	2025	Boundaries
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	Php	No material monetary fines or penalties	URC[21]
		0	CEB, RLC, JGSHI-CCU
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	#	1	URC
		0	CEB, RLC, JGSHI-CCU
No. of cases resolved through dispute resolution mechanism	#	No material cases resolved through dispute resolution mechanism	URC
		0	CEB, RLC, JGSHI-CCU

Social

Employee Data

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Total Employees	#	24,298	23,653	22,639	CEB, RLC, URC, JGSHI-CCU
Male	#	14,227	14,227	13,534	
Female	#	10,071	9,426	9,105	
Attrition Rate	%	3.27	1.55	0.93	
Ratio of lowest paid employee against minimum wage[22]	Ratio	1:1	1:1	1:1	

Note: Attrition rate is calculated using SEC formula: Attrition rate = (No. of new hires – No. of turnover)/ (Average of total no. of employees of previous and current year)

[21] Neither URC nor its subsidiaries was penalized for material monetary fines or penalties for 2025 that had, or would have, a material adverse effect on the Company's financial position.

[22] The ratio is based on the comparison between the wage of the lowest paid employee (base fare) and the minimum wage on the specific region. JGSHI is compliant with the minimum wage requirement

Employees by Age Group

Disclosure	Unit	2023	2024	2025	2025 Boundaries
26 years old and below	#	4,462	5,614	3,746	CEB, RLC, URC, JGSHI-CCU
27-41 years old	#	13,598	12,716	12,477	
42-56 years old	#	5,584	4,923	5,757	
57 years old and up	#	654	400	659	

Employees by Contract Type

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Regular	#	21,248	20,748	20,488	CEB, RLC, URC, JGSHI-CCU
Consultant, FTE and Project Based	#	1,188	981	830	
Probationary	#	1,862	1,924	1,321	

Employees by Length of Tenure

Disclosure	Unit	2023	2024	2025	2025 Boundaries
< 1 years	#	4,275	3,477	2,694	CEB, RLC, URC, JGSHI-CCU
1-3 years	#	5,519	7,311	7,818	
3-5 years	#	2,793	2,186	1,614	
5-7 years	#	2,720	1,948	2,078	
7+ years	#	8,991	8,731	8,435	

Employees by Rank

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Executives	#	**439**[23]	**264**[24]	**55**	CEB, RLC, URC, JGSHI-CCU
Male	#	248	156	36	
Female	#	191	108	19	
Senior Management	#			**224**	
Male	#			118	
Female	#			106	
Rank & File	#	**12,750**	**13,050**	**14,055**	
Male	#	-	322	8,516	
Female	#	-	205	5,539	
Supervisor	#	**3,352**	**3,117**	**2,034**	
Male	#	-	109	1,121	
Female	#	-	61	913	
Manager	#	**3,969**	**3,420**	**3,029**	
Male	#	-	152	1,970	
Female	#	-	127	1,059	
Seasonal	#	**378**	**368**	**0**	
Male	#	-	-	-	
Female	#	-	-	-	
Professional/Technical	#	**3,410**	**3,434**	**3,242**	
Male	#	-	279	1,773	
Female	#	-	195	1,469	

[23] Data includes employees within Executive and Senior Management categories.

[24] Data includes employees within Executive and Senior Management categories.

Employees by Place of Origin

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Local		**18,875**	**9,631**	**17,230**	CEB, RLC, URC, JGSHI-CCU
National Capital Region	#	5,346	3,840	5,004	
Luzon (outside NCR)	#	3,585	3,806	7,591	
Visayas	#	1,561	1,485	3,650	
Mindanao	#	582	500	985	
International		**5,423**	**70**	**5,409**	
Africa	#	0	0	0	
America	#	2	1	1	
Asia	#	5,416	65	5,406	
Australia	#	0	0	1	
Europe	#	5	4	1	

New Hires for Permanent Employees

Disclosure	Unit	2023	2024	2025	2025 Boundaries
New Employee Hires	#	4,602	3,735	2,951	CEB, RLC, URC, JGSHI-CCU
Male	#	2,035	2,046	1,637	
Female	#	2,567	1,689	1,314	

New Hires by Age Group

Disclosure	Unit	2023	2024	2025	2025 Boundaries
26 years old and below	#	2,003	2,057	1,333	CEB, RLC, URC, JGSHI-CCU
27-41 years old	#	2,139	1,384	1,316	
42-56 years old	#	395	248	243	
57 years old and up	#	65	46	59	

New Hires by Contract Type

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Permanent or indefinite	#	4,042	3,461	2,731	CEB, RLC, URC, JGSHI-CCU
Temporary or fixed term	#	560	274	220	

New Hires by Rank

Disclosure	Unit	2025	2025 Boundaries
Executives	#	5	CEB, RLC, JGSHI-CCU
Male	#	3	RLC, JGSHI-CCU
Female	#	1	
Senior Management	#	10	CEB, URC, JGSHI-CCU
Male	#	6	URC, JGSHI-CCU
Female	#	1	
Manager	#	322	CEB, RLC, URC, JGSHI-CCU
Male	#	100	RLC, URC, JGSHI-CCU
Female	#	103	
Supervisor	#	229	CEB, RLC, URC, JGSHI-CCU
Male	#	127	RLC, URC, JGSHI-CCU
Female	#	80	
Rank-and-file	#	1,931	CEB, RLC, URC, JGSHI-CCU
Male	#	897	RLC, URC, JGSHI-CCU
Female	#	560	
Seasonal	#	2	RLC
Male	#	0	
Female	#	2	
Professional/Technical	#	452	RLC, URC, JGSHI-CCU
Male	#	238	
Female	#	214	

New Hires by Place of Origin

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Local	#	4,026	2,185	2,472	CEB, RLC, URC, JGSHI-CCU
National Capital Region	#	2,345	741	651	
Luzon (outside NCR)	#	986	864	1,089	
Visayas	#	533	451	544	
Mindanao	#	162	129	188	
International	#	660	6	479	
Africa	#	0	0	0	
America	#	2	0	0	
Asia	#	651	6	479	
Australia	#	3	0	0	
Europe	#	4	0	0	

Turnover for Permanent Employees

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Employee Turnover	#	3,826	3,364	2,736	CEB, RLC, URC, JGSHI-CCU
Male	#	1,689	1,618	1,574	
Female	#	1,500	1,272	1,162	

Employee Turnover by Age Group

Disclosure	Unit	2023	2024	2025	2025 Boundaries
26 years old and below	#	846	866	638	CEB, RLC, URC, JGSHI-CCU
27-41 years old	#	1,920	1,599	1,574	
42-56 years old	#	327	348	364	
57 years old and up	#	96	77	160	

Employee Turnover by Rank

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Executives	#	41[25]	22[26]	15	CEB, RLC, URC, JGSHI-CCU
Male				4	RLC, JGSHI-CCU
Female				0	
Senior Management				8	CEB, JGSHI-CCU
Male				2	JGSHI-CCU
Female				2	
Manager	#	1,009[27]	783	297	CEB, RLC, URC, JGSHI-CCU
Male				58	RLC, JGSHI-CCU
Female				62	
Supervisor				148	CEB, RLC, JGSHI-CCU
Male				78	RLC, JGSHI-CCU
Female				63	
Rank-and-file permanent	#	1,497	1,434	1,599	CEB, RLC, URC, JGSHI-CCU
Male				167	RLC, JGSHI-CCU
Female				212	
Professional/Technical	#	642	640	669	CEB, RLC, URC, JGSHI-CCU
Male				74	RLC, JGSHI-CCU
Female				89	

Employee Turnover by Type

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Voluntary	#	2,887	2,543	2,328	CEB, RLC, URC, JGSHI-CCU
Involuntary	#	939	821	408	

[25] Data includes employees within executive and senior management categories.

[26] Data includes employees within executive and senior management categories.

[27] Data includes employees within manager and supervisor categories.

Diversity and Equal Opportunity

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Percent of male workers in the workforce	%	59	60	60	URC, RLC, CEB, JGSHI-CCU
Percent of female workers in the workforce	%	41	40	40	
Number of employees from indigenous communities and/or vulnerable sector[28]	#	0	0	20	CEB

Employee Benefits

JGS and its subsidiaries provide all mandatory benefits to 100% of its regular employees. Listed below are these mandatory requirements as well as some additional benefits that JGSHI and its subsidiaries offer its employees:

List of Benefits[29]	Y/N	% of male employees who availed for the year	% of female employees who availed for the year	Boundaries
SSS 1. Salary Loan 2. Parental Benefit 3. Sickness Benefit	Y	 13.66% 0% 1.76%	 12.95% 29.88% 1.67%	CEB, RLC, URC, JGSHI-CCU
PhilHealth	Y	0.69%	1.45%	
Pag-ibig Salary loan	Y	8.26%	6.11%	
Parental leaves	Y	26.51%	1.05%	
Vacation leaves	Y	71.45%	76.72%	
Sick leaves	Y	70.56%	76.71%	
Emergency leaves	Y	34.14%	39.10%	
Medical benefits (aside from PhilHealth): HMO	Y	100% covered	100% covered	

[28] Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

[29] Benefits not mandated by the government are specifically allocated by the business units based on what is most suitable to their industry and their employees' needs. While JGSHI ensures that 100% of eligible employees are given government-mandated and company benefits.

List of Benefits[29]	Y/N	% of male employees who availed for the year	% of female employees who availed for the year	Boundaries
Housing assistance (aside from Pag-ibig)	Y	0.37%	0.26%	
Retirement fund (aside from SSS)	Y	0.21%	0.25%	
Further education support	Y	6.29%	3.15%	
Company stock options	Y	0%	0%	
Telecommuting	Y	6.63%	13.21%	
Flexible-working Hours	Y	7.00%	14.62%	
Solo Parent Leave	Y	0.04%	0.60%	
Emergency Loan	Y	21.46%	10.69%	
Others: 1. Rice Subsidy 2. Medicine Allowance 3. Uniform Allowance 4. Christmas GCs 5. HMO for Dependent 6. Other Employee Perks and Partnerships	Y	100%	100%	This covers JGSHI CCU employees only. Benefits not mandated by the government are specifically allocated by the business units based on what is most suitable to their industry and their employees' needs. While JGSHI ensures that 100% of eligible employees are given government-mandated and company benefits.

Employee Training and Development

Training hours provided to employees

Disclosure	Unit	2023	2024	2024 (Restatement)*	2025	2025 Boundaries
Total training hours provided to employees	hours	476,652	566,887	917,211	862,098	CEB, RLC, URC, JGSHI-CCU
Male	hours	80,649	204,265	329,086	444,013	
Female	hours	38,296	362,622	588,125	418,087	

Disclosure	Unit	2023	2024	2024 (Restatement)*	2025	2025 Boundaries
Average training hours per employee	hours/employee	21.34	23.97	38.78	38.08	
Male	hours/employee	18.10	14.36	23.13	32.81	
Female	hours/employee	8.14	38.47	62.39	45.92	

*Restatement in 2024 training data is due to CEB's expanded scope to include training for pilots and cabin crew.

Training hours provided by Rank

Disclosure	Unit	2025	2025 Boundaries
Executives/ Senior Management	hours	1,096	CEB, RLC, JGSHI-CCU
Supervisor	hours	4,652	
Manager	hours	9,894	
Rank-and-File	hours	29,212	
Professional/Technical	hours	325,745	

Labor Management Relations

Disclosure	Unit	2023	2024	2025	2025 Boundaries
Percentage of employees covered with Collective Bargaining Agreements	%	20.15	19.87	10.04	CEB, URC
Number of consultations conducted with employees concerning employee-related policies	#	5	204	265	CEB, RLC

Labor Laws and Human Rights

Disclosure	Unit	2023	2024	2025
Number of legal actions or employee grievances involving forced or child labor	#	0	0	0

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	The Company adopts and complies with the rules and regulations issued by the Department of Labor and Employment. Moreover, the Company ensures that engaged Service Providers comply with the same.
Child labor	Y	The Company adopts and complies with the rules and regulations issued by the Department of Labor and Employment. Moreover, the Company ensures that engaged Service Providers comply with the same.
Human Rights	Y	▪ Policy on Sexual Harassment ▪ Policy on Health, Safety and Welfare (Protection of Company Employees, Creditors and other Stakeholders' Rights) ▪ Corporate Environment, Health and Safety Policy ▪ Drug-Free Workplace Policy ▪ Workplace Policy on Prevention Control of HIV and AIDS, Hepatitis B and Tuberculosis ▪ Special Benefits for Women/Magna Carta for Women ▪ Leave Benefits Policy (includes Expanded Maternity Leave, Solo Parent Leave, Vacation Leave, Sick Leave, Service Incentive Leave, Nuptial Leave, Emergency Leave, Bereavement Leave) ▪ Whistleblowing Policy ▪ Data Privacy Policy ▪ Flexible Work Arrangement Policy ▪ Work-From-Home Program ▪ Mental Health and Wellness Policy ▪ Retirement and Separation Benefits Policy ▪ Hazard Pay Policy ▪ Covid Protect Vaccination Policy ▪ Information Security and Management Services Policies ▪ Modern Slavery Statement and Recruitment Policy ▪ Solo-Parent Leave Policy

Occupational Health and Safety

Disclosure	Unit	2023	2024	2025
Safe Man-Hours	hours	108,227,226	119,280,615	121,857,611
Number of safety drills conducted	#	446	385	427
Number of work-related injuries	#	149	295	251
Number of work-related fatalities	#	4	1	1
Number of work-related ill-health	#	3	0	20
Number of Lost Time Incidents (LTI)	#	49	69	54
Number of Days lost due to LTI	#	191	8,781	6,340
Number of First Aid Incidents	#	74	139	130
Number of Medical Treatment Incidents	#	27	87	87
All Injury Frequency Rate (AIFR)	rate	0.32	4.82	0.44

Governance

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Unit	Value	Boundaries
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	%	100	This total accounts for employees in JGSHI to whom the Code of Business Conduct have been communicated to
Percentage of business partners to whom the organization's anticorruption policies and procedures have been communicated to	%	100	This total accounts for suppliers in JGSHI to whom the Code of Business Conduct, the Code of Discipline, and related Offenses Subject to Disciplinary Actions (OSDA) have been communicated to during their onboarding and orientation processes only. Primarily, such offenses are covered by the Dos and Don'ts in transacting and doing business with the business.

Disclosure	Unit	Value	Boundaries
Percentage of directors and management that have received anti-corruption training	%	100	On October 1, 2025, JGSHI launched its annual online refresher course on the Code of Business Conduct and Ethics, which includes the Anti-Bribery and Anti-Corruption Policy, for all employees, directors, and management.
Percentage of employees that have received anti-corruption training	%	100	This 100% compliance rate reflects the completion by all JGSHI employees of the 2025 Business Conduct and Ethics E-Learning Refresher Course, which includes the Anti-Bribery and Anti-Corruption Policy.

Incidents of Corruption

Disclosure	Unit	Quantity	2025 Boundaries
Number of incidents in which directors were removed or disciplined for corruption	#	0	CEB, RLC, URC, JGSHI-CCU
Number of incidents in which employees were dismissed or disciplined for corruption	#	0	
Number of incidents when contracts with business partners were terminated due to incidents of corruption	#	0	

Customer Management

Customer Satisfaction

Disclosure	Unit	Score	Did a third party conduct the customer satisfaction study (Y/N)?	2025 Boundaries
Customer satisfaction	#	+35	Y	CEB
		48%	Y	RLC[30]
		7	Y	URC[31]

Health and Safety

Disclosure	Unit	Quantity	2025 Boundaries
No. of substantiated complaints on product or service health and safety*	#	95	CEB
		2,038	RLC
		0	URC[32]
No. of complaints addressed	#	95	CEB
		1,983	RLC
		0	URC

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

[30] RLC now measuring NPS (Net Promoter Score) which is correlated to the CSAT Score

[31] URC defines its customers as the trade (key accounts & distributors)

[32] URC information includes data from BCF-PH only

Marketing and labelling

Disclosure	Unit	Quantity	2025 Boundaries
No. of substantiated complaints on marketing and labelling*	#	22	CEB
	#	0	URC[33]
No. of complaints addressed	#	22	CEB
	#	0	URC

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

Customer privacy

Disclosure	Unit	Quantity	2025 Boundaries[34]
No. of substantiated complaints on customer privacy*	#	0	CEB, RLC
No. of complaints addressed	#	0	
No. of customers, users and account holders whose information is used for secondary purposes	#	0	

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

[33] URC data is from BCF-PH only

[34] URC's customers are defined as key accounts and exclusive distributors. URC will ensure that the account management process handles account/customer information with strict confidentiality. Therefore, this area is not applicable.

Data Security

Disclosure	Unit	Quantity	2025 Boundaries
No. of data breaches, including leaks, thefts and losses of data	#	0	CEB, RLC, URC, JGSHI-CCU

JGSHI continues to strengthen its cybersecurity capabilities and preventive controls to safeguard confidential company data and support the Group's long-term sustainability. The Company has established and implemented Group-wide Data Privacy and Information Security (InfoSec) policies, providing a consistent governance framework across the conglomerate.

In support of this, JGSHI has institutionalized an Information Security Management System (ISMS), embedding information security into the Group's enterprise risk management framework. This ensures the protection of information assets, strengthens stakeholder trust, and supports compliance with applicable laws and regulations—while reinforcing the Company's commitment to operational resilience and responsible digital stewardship.

The ISMS consists of the following:

1. **Core Information Security Policies** drive the primary objectives of the ISMS: establish, maintain, and improve information security

    1.1. **Information Security Policy** aims to establish, maintain, and continuously improve the ISMS to protect information assets, maintaining competitive advantage and increasing stakeholders' confidence.

    1.2. **Information Asset Management Policy** aims to define and classify information assets in both physical and electronic formats and provide guidance on how to appropriately handle information assets according to classification.

    1.3. **Information Security Incident Management Policy** aims to mandate a structured approach in managing incidents that compromise corporate information and personal data of the business units' customers.

    1.4. **Compliance Policy aims to ensure that Business Units comply** with applicable legal, regulatory requirements and contractual obligations, when conducting business activities.

2. **Organizational Policies** aim to establish Information Security organization, roles and responsibilities as well as accountability of those who have access to corporate information

2.1. **Information Security Internal Organization Policy** aims to establish the appropriate internal organization that ensure security of information assets

2.2. **Human Resource Security Policy** aims to protect the company's business interests by ensuring that employees and contractors understand and fulfill their roles and responsibilities to preserve information security before, during, and after employment

2.3. **Supplier Relations Policy** aims to mandate controls that protect information assets exposed to suppliers and preserve the integrity of supplier selection activities

3. **Access and Use Policies** enforce controls for access and authorization, as well as acceptable use of information assets

3.1. **Access Control Policy** aims to Implement adequate measures to regulate access to different information assets and facilities, ensuring that facilities and equipment are only accessed by authorized personnel

3.2. **Acceptable Use of Assets Policy** aims to ensure that employees understand how corporate assets should and should not be used, ensuring that the BU gets the most value out of its corporate assets and networks to avoid unintended security breaches.

3.3. **Physical and Environmental Security Policy** aims to protect corporate assets and information by mandating controls that prevent unauthorized physical access to company premises, as well as equipment that support business operations

3.4. **Mobile Device and Teleworking Policy** aims to establish rules for the use, management and security of all mobile devices that process company information and establish rules for conducting official business outside the work premises

4. **Operational Security Policies** refer to the implementation of technical controls to maintain the target level of security

4.1. Cryptographic Controls Policy aims to apply cryptographic controls (i.e. encryption) on confidential electronic information (e.g. files, databases), to add another layer of protection and prevent unauthorized use or disclosure.

4.2. Operations Security Policy aims to apply appropriate controls to ensure that day to day operations are carried out in a controlled and a secure manner.

4.3. Communications Security Policy aims to implement measures that will protect information as it moves both within the corporate network and outward.

4.4. Data Security Policy aims to implement measures to protect corporate information from possible loss and leakage, avoiding breaches to legal, statutory or contractual obligations.

4.5. Secure Development Policy aims to protect corporate information and minimize breaches by ensuring that information security is taken into consideration when developing or acquiring systems and services.

Regular and ad hoc exercises ensure the relevant teams practice cyber incident response and breach management procedures.

A 24/7 Security Operations Center was established in January 2020 to continuously monitor JGSHI' information assets and help protect the enterprise security baseline.
Corporate IT Audit conducts year-on-year assessments on JGSHI Information Security Office's programs and activities ensuring alignment to corporate policies, statutory and regulatory requirements and enterprise risk management

Biodiversity

Habitats Protected or Restored

	Habitats Protected	Area	Description
CEB	Brgy. Tapon, Dumanjug, Cebu	Five (5) Hectares	CEB has partnered with the Ramon Aboitiz Foundation Inc. One to Tree program (RAFI OTT) to support the conservation and restoration of mangroves in Cebu. CEB and RAFI are jointly enhancing a mangrove plantation in Barangay Tapon, Dumanjug, Cebu. The 10,000 mangrove seedlings were planted across an estimated five (5) hectares of mangrove area. A people's organization, the Tapon Fisherfolks Association were engaged for seedling production, site preparation, actual planting, maintenance, and monitoring for eight (8) quarters. Survival rate as of 2024 is at least 90%. In 2025, the 10,000 trees planted in 2023 were turned over to the local community.
	MOU with DENR BMB for Wildlife Conservation	NA	The Philippines has more than 1,000 flora and fauna listed as threatened species. It will take collective action from various stakeholders including the government, local and international non-governmental organizations, and local communities to provide innovative solutions and efforts to continue to protect and conserve wildlife for sustainability and for resilient biodiversity. In response to the call to action of the Department of Environment and Natural Resources (DENR) Biodiversity Management Bureau (BMB) for Wildlife Conservation, Cebu Pacific signed a Memorandum of Agreement to transport threatened wild fauna back to their natural habitat to ensure their survival. The MOA took effect on August 2022 and will be valid until August 2025

	Habitats Protected	Area	Description
	Philippine Eagle Center	NA	The Philippine Eagle is a highly endangered species, with only less than 400 pairs remaining in the wild. CEB supported the Philippine Eagle Center in Davao City from 2015-2023. For almost a decade, CEB has been committed in its support for 'Mindanao', providing essential resources such as food, shelter maintenance, keeper care, and veterinary services for the facility's captive-bred eagle.
URC	2025 National Arbor Day URC-Wide Tree Planting Activity	6,476 seedlings	From June 25–28, 2025, URC organized the 2025 National Arbor Day URC-Wide Tree Planting Activity, mobilizing employees and partners across 12 nationwide planting sites. The activity brought together 365 URC employee volunteers, 216 external volunteers, and 17 partner organizations, demonstrating strong collaboration among employees, communities, government partners, and environmental groups. The initiative covered a total of 17.7 hectares of land, contributing to forest restoration and biodiversity protection through the planting of native and endemic tree species. Through these collective efforts, URC continues to support national reforestation initiatives and strengthen partnerships with stakeholders in promoting long-term environmental sustainability and climate action.

Operational Sites affecting Biodiversity Protected Areas

	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	**Protected Areas affected by Operations**	**International Union for Conservation of Nature (IUCN) Red List Species in protected areas affected by Operation**	**IUCN Red List Category**
URC	CMC Davao Flour Mill located in Km 10 Sasa, Buhangin District, Davao City, Davao del Sur is situated on the gulf's west coast. Davao City is among the four provinces that surrounds Davao Gulf which is listed by DENR-Biodiversity Management Bureau as Key Biodiversity Area	Davao gulf situated in the southeastern part of Mindanao is one of the priority conservation areas of the Sulu-Sulawesi Marine Ecoregion. It is a breeding and nursery ground for small and large species, with frequent sightings of whale sharks, dugongs and leatherback turtles, among the list of species cited in the Convention on the International Trade of Endangered Species (Source: WWF)	The company has no operations affecting the habitats of species listed in IUCN17 Red list species and national conservation list species.	n/a

Supplier Accreditation

Execution of this policy is on a per SBU basis. JGSHI Corporate Procurement's role is to consolidate the output from SBUs into a central supplier database and to provide the framework for policy development.

JG SUMMIT HOLDINGS, INC.	**POLICY**		
Group	GOKONGWEI GROUP	Document No. JG CMS Bulletin 2025-01	Page Page 1 of 6
Company	ALL	Reference Policy No: Bulletin Nos: 2004-16 Revised Supplier Accreditation CORP-5001 Edition 2 - Revised Supplier Accreditation Policy 2022-02 CCU Supplier Accreditation Implementing Guidelines	Revision No. 3
Chapter	PROCUREMENT	Document Date: 14 January 2025	
Section	SUPPLIER MANAGEMENT	Effectivity (Approval Date): 20 January 2025	
Policy	**AMENDMENT TO SUPPLIER ACCREDITATION POLICY**	Approved by: (Original Signed) **JGSHI President and CEO**	

POLICY STATEMENT	The Gokongwei Group (referred to as the "Company", in this policy) is committed to conducting business with the highest ethical and legal standards. In line with this commitment, the Company strives to build strong, sustainable relationships with suppliers (alternately referred to as "vendors", in this policy) who meet the highest standards of quality, integrity, and compliance, ensuring alignment with the Company's core values. The Company believes that shared values and maintaining professional relationships with suppliers results in quality products and services, contributing to mutual success.
OBJECTIVES	This policy aims to: 1. Provide the implementing guidelines for the accreditation of suppliers across the Company; 2. Establish the roles of the appointed members of the Strategic Business Unit/Corporate Center Unit (SBU/CCU) Supplier Accreditation Team (SAT); 3. Ensure compliance to the policy that the Company shall purchase only from duly accredited suppliers; and 4. Ensure that all local and foreign suppliers adhere to the supplier accreditation process by submitting the required documentation.
SCOPE	This policy outlines the procedures to be followed by the Company's authorized employees or group engaged in procurement and accreditation transactions. However, this policy does not apply to the following categories as they are handled separately and excluded from the responsibilities of the SBU/CCU Procurement: • Internal Suppliers (e. g. Employees); and • Government Agencies and similar Institutions.

JG SUMMIT HOLDINGS, INC.	**POLICY**		
Group	GOKONGWEI GROUP	Document No. JG CMS Bulletin 2025-01	Page Page 2 of 6
Company	ALL	Reference Policy No: Bulletin Nos: 2004-16 Revised Supplier Accreditation CORP-5001 Edition 2 - Revised Supplier Accreditation Policy 2022-02 CCU Supplier Accreditation Implementing Guidelines	Revision No. 3
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Policy	**AMENDMENT TO SUPPLIER ACCREDITATION POLICY**	Approved by: (Original Signed) **JGSHI President and CEO**	

GENERAL POLICY **Application and Mandatory Requirements**	1. The SBU/CCU shall establish their respective SAT, with at least three (3) members representing various identified functional groups appointed by their respective Company President and CEO, capable of assessing the supplier's overall competencies. 2. The local and foreign suppliers applying for accreditation shall comply with the company's mandatory documentary requirements. 3. The required documents for foreign vendors, as indicated in the Supplier Accreditation Application Form (SAAF), may be reduced if the minimum requirements are already met. The Procurement must ensure that these documents are either notarized, or accompanied by an Apostille, whichever is applicable, issued by the respective government of the foreign supplier.
Review and Assessment	4. Upon submission, the Procurement team shall conduct a preliminary assessment of the application and verify the completeness of the mandatory requirements. Applications with incomplete documentation will not be processed until all required information has been submitted. 5. If, upon evaluation, any discrepancies or issues arise that require justification or submission of additional documents (e.g. bid tabulation, certificate of distributorship), the SBU/CCU SAT shall notify the supplier through Procurement to submit the necessary documents. Otherwise, the application shall be put on-hold until the discrepancies are resolved and the required information is provided. 6. Rating and assessment of supplier's capability shall be documented using the Suppliers Accreditation Rating Sheet (SARS), and shall be approved by the Functional Head of the endorsing group and the SBU/CCU SAT. 7. Procurement shall provide an Endorsement Letter as attachment to the supplier accreditation application, for suppliers with below 75% rating. The Endorsement Letter shall be signed/approved by the following:

	7.1. Non-IT Suppliers - Functional Head of the endorsing group; and 7.2. IT Suppliers - Functional Head of the endorsing group and the Company's Chief Digital Officer (CDO) / Chief Information Officer (CIO) or its equivalent position. 8. SBU/CCU SAT may seek assistance of a Subject Matter Experts (e. g. IT, Technology, Engineering Team), who shall provide technical advice and assistance in assessing the supplier. 9. The SBU/CCU SAT shall grant Regular, Conditional or One-Time Accreditation to the applicant supplier after careful deliberation. 10. SBU/CCU SAT may customize their accreditation rating system either by type of business organization such as Corporation, Cooperative, and Sole Proprietorship or size of business transaction. 11. Suppliers with a Regular Accreditation Status from other SBUs shall qualify to engage and provide the requirement of other SBU/CCU, unless otherwise restricted or subject to additional requirements imposed by the other SBU/CCU SAT. The information of these suppliers, including its approved category/ies, shall be recorded in the Supplier Masterlist, which is shared with the procurement teams of the Company. Only the approved category/ies for each supplier shall be utilized for procurement purposes within the Company.
Accreditation Exemption	12. A list of categories of goods and services that are exempt from undergoing supplier accreditation process shall be maintained by the SBU/CCU SAT. 13. These categories are typically considered low risk or minimal risk to the Company. The exemption from supplier accreditation for these categories is intended to streamline the procurement process, reducing administrative burdens while ensuring that compliance and supplier performance are monitored closely when necessary.

	14. SBU/CCU SAT shall review the exempted categories list on a regular basis, at least annually, or more frequently, if necessary, to ensure it remains aligned with evolving procurement needs, and supplier performance standards. 15. Any changes to the list of exempted categories, including the addition, removal, or modification of items, shall be subject to review and approval by the SBU/CCU SAT.
Vendor Code Creation	16. The SBU/CCU Procurement shall be responsible for endorsing the accredited suppliers for Vendor Code creation to the following: 16.1. To Aspen Business Solutions Inc. – Central Data Management (ABSI-CDM) - for suppliers in JGSHI, JGSOC, JG DEV, JG Capital Services, RLC, UNICON, URC and ABSI; 16.2. To designated/appointed SBU Functional Unit exercising similar mandate as mentioned above-for suppliers of all other SBUs/BUs not mentioned in 16.1
Re-Accreditation	17. The following shall be required to submit updated documentary requirements and shall undergo a re-accreditation process: 17.1. Regular Suppliers 17.1.1. Application for inclusion of additional category/ies; 17.1.2. Update of supplier's name due to Change of Name or Entity; and 17.2. One-time or Conditional Suppliers 17.2.1. Application to grant regular accreditation or extension of accreditation.
Periodic Review	18. Procurement shall conduct a formal review of accredited suppliers as deemed necessary and its guidelines shall be established on a separate policy.
Investigation, Penalties and Reinstatement	19. The SBU shall be responsible for conducting investigation with the assistance of the JGSHI Corporate Procurement regarding the disposition of endorsed cases that warrants suspension or debarment of a particular supplier. This Joint Investigation Team shall coordinate with other SBU/CCU SATs to inquire on the matters related to

	supplier performance and other relevant evidence to support judicious disposition of inquiry. 20. Depending on the nature of offense and accompanying circumstances, JGSHI Corporate Procurement shall impose disciplinary actions to the supplier; either put on hold for future requirements (suspension) or to be banned permanently (debarment). 21. The JGSHI Corporate Procurement shall release an incident memo containing the background and the investigation results. 22. The JGSHI Corporate Procurement shall keep a repository of all suspended/debarred Suppliers. 23. The decision of the Joint Investigation Team shall be final and immediately executory. It shall apply across all SBUs within the Company. 24. The JGSHI Corporate Procurement shall endorse the suspended/debarred suppliers for blocking in the system, to the following: 24.1. To Aspen Business Solutions Inc. – Central Data Management (ABSI-CDM) - for suppliers in JGSHI, JGSOC, JG DEV, JG Capital Services, RLC, UNICON, URC and ABSI ; 24.2. To designated/appointed SBU Functional Unit exercising similar mandate as mentioned above-for suppliers of all other SBUs/BUs not mentioned in 2.1. 25. Suppliers may request reinstatement, through SBU/CCU SAT, if they have already satisfactorily resolved the cause of their suspension or debarment. The SBU/CCU SAT shall then inform JGSHI Corporate Procurement of the reinstatement.
Transitory Provision	26. All active local and foreign suppliers who have been long-time partners of the Company, prior to the approval of this policy, will be automatically granted

	accreditation status, provided they have no record of poor performance with any SBUs and no pending criminal cases in Philippine courts.
Repealing Clause	27. Effective immediately upon the adoption of this policy, all prior policies, practices, and procedures that are in conflict with the provisions of this policy are hereby repealed and shall be considered null and void.
Effectivity	28. This Policy shall serve as the reference and guide for all SBUs. It will take effect for each SBU once the new Implementing Guidelines or a Memorandum adopting this policy "as is" is approved by their respective Presidents and CEOs. 29. All SBUs are encouraged to adopt these guidelines and make any necessary adjustments to ensure compliance and alignment with this Policy.

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2025 Stakeholder Engagement Results

Effective stakeholder engagement enables JG Summit to identify issues and concerns that may influence its long-term performance and resilience. By proactively consulting and collaborating with stakeholders, the company gains insights into their expectations, priorities, and emerging risks, allowing it to respond effectively and responsibly.

Incorporating stakeholder feedback into decision-making strengthens partnerships, addresses shared challenges, and drives positive, lasting impact. This engagement supports continuous improvement, aligns business strategies with societal expectations, and reinforces JG Summit's commitment to responsible and sustainable practices.

Stakeholders	Material Concerns	Modes of Engagement	Response
Investors and shareholders	• Financial growth and profitability • Ethical standards for governance and business conduct • Commitment and targets related to social and environmental responsibility especially on Climate Change • Resilience and strategy against key business and sustainability risks	• Result briefings through Quarterly and Annual Reports • Annual stockholder meetings • Disclosures to the Philippine Stock Exchange and other pertinent agencies • Meetings with investors • Oversight of the Board through its Governance, Nomination, Remuneration and Sustainability Committee (GNRSC) • Correspondence with ESG rating agencies (e.g., CDP, MSCI)	• Continuous development of business strategy to improve financial and operational performance • Compliance with laws and regulations • Adherence to good governance principles • Incorporation of sustainability to business strategy • Enhanced sustainability disclosure to include strategy to reach targets along with milestones • Communication of received feedback to top management through Executive Leadership Council (ELC) meetings to further incorporate sustainability into business strategy • Enhanced ERM policies, system and procedures

Stakeholders	Material Concerns	Modes of Engagement	Response
Employees	• Competitive compensation and benefits • Frequent career conversations between employees and their managers • Exposure to career advancement opportunities • Positive work culture driven by purpose, values and community	• Town hall meetings • Open dialogues • Pulse Employee Engagement Survey	• Continuous benchmarking and regular review of total rewards to ensure competitive salaries, benefits, incentives, and employee growth initiatives, including formal and e-training programs • Active talent management through strong HR–leadership partnership, covering performance management, career development discussions, and structured promotion and compensation processes • Structured employee engagement and purpose-driven initiatives, including town halls and other communication platforms, to foster a positive work culture, strengthen group identity, and build community • Adherence to good labor practices and workplace standards to promote fair, safe, and responsible employment conditions.
Suppliers and service providers	• Lasting business commitments • Complying to sustainable policies of JGSHI • Timely payment	• Vendor audits • Open line communication	• Execution of purchasing ethics, strategic purchasing, and supplier relationship management • Strict implementation of Supplier Accreditation Policy • Practice of due diligence in processing liabilities

Stakeholders	Material Concerns	Modes of Engagement	Response
Regulators and government bodies	• Legal compliance with laws and regulations • Comments and improvements on legislative proposals • Partnership in social and environmental responsibility • Feedback and suggestions on existing policies, laws and regulations affecting our other stakeholders • Engagement with LGUs and creation of database of their leaders	• Annual and Sustainability Reports • Statement of compliance • Licenses to operate • Position Papers • Corporate social responsibility programs • Association and/or community engagement with discussion regarding policies, laws and regulations affecting the association members and/or communities • Establishment with LGU leaders, to be led by Sustainability team as it is the same team handling Community Relations for the Gokongwei Group	• Compliance with laws and regulations • Submission of official position papers on legislative proposals • Implementation of initiatives to support government programs (e.g., Lingkod Pinoy Centers and tree planting) • Drafting and submission of feedback and suggestions for and on behalf of the Association and/or community • Introduction of the team to the leaders, especially if newly elected
Communities	• Community engagement and development • Responsible environmental management	• Corporate social responsibility programs • Environmental compliance programs	• Continuous development and design of projects and programs that respond to community needs • Compliance with environmental standards
Customers of SBUs	• Product quality • Health and safety • Marketing and labelling • Data Privacy	• Open communication channels • Customer Satisfaction Survey	• Quality assurance for products and services of each SBU • Implementation of environmental, safety, and quality standards and assurance systems • Proper marketing and labelling for product content, usage and service inclusions • Enhanced JGSHI-wide information security system to prevent any data leak and security breach

Annex B. Philippine SEC Sustainability Reporting for Publicly Listed Companies Content Index

DISCLOSURE	SECTION	PAGE NUMBER
Contextual Information	Our Company	3-4
ECONOMICS		
Economic Performance	Our Impact – Sustainability Performance Scorecard, Shared Success, EESG Performance Indices – Economic Performance	19, 20-28, 108
Procurement Practices	Duties to Stakeholders, Risk Categories – Operational Risk, EESG Performance Indices – Procurement Practices, EESG Performance Indices – Supplier Accreditation, EESG Performance Indices – 2025 Stakeholder Engagement Results	71, 96, 109, 136-141, 143
Anti-Corruption	Corporate Governance Policies, Governance Programs, Top Risk – Governance Risk, EESG Performance Indices – Governance	73, 100-101, 94-95, 126-127
ENVIRONMENT		
Resource Management		
Energy Consumption within the Organization	Sustainability Performance Scorecard, Our Impact – Climate Action, EESG Performance Indices – Environmental Performance	19, 55-64, 109-111
Water Consumption within the Organization	Sustainability Performance Scorecard, Our Impact – Resource Efficiency and Circularity, EESG Performance Indices – Environmental Performance	19, 49-54, 112-113
Materials used by the Organization	Risk Categories – Operational Risk, Our Impact – Resource Efficiency and Circularity, EESG Performance Indices – Environmental Performance	96, 49-54, 113
Ecosystems and Biodiversity	Our Impact – Shared Success, Our Impact – Resource Efficiency and Circularity, Risk Categories – Climate Risk, EESG Performance Indices – Biodiversity	22-23, 49-54, 95-96, 133-135
Environmental Impact Management		
Air Emissions	Sustainability Performance Scorecard, Our Impact – Climate Action, Risk Categories – Climate Risk, Risk	19, 55-64, 95, 96, 111

DISCLOSURE	SECTION	PAGE NUMBER
	Categories – Operational Risk, EESG Performance Indices – Environmental Performance	
Air Pollutants	Risk Categories – Operational Risk, EESG Performance Indices – Environmental Performance	96, 112
Solid and Hazardous Wastes	Our Impact – Resource Efficiency and Circularity, EESG Performance Indices – Environmental Performance	49-54, 114
Effluents	Sustainability Performance Scorecard, Our Impact – Resource Efficiency and Circularity, EESG Performance Indices – Environmental Performance	19, 49-54, 112-113
Environmental Compliance	Our Impact – Resource Efficiency and Circularity, 2025 Stakeholder Engagement Results	49-54, 144
Non-compliance with environmental laws and regulation	Risk Categories – Legal and Compliance Risk, EESG Performance Indices – Environmental Performance	98-99, 115
SOCIAL		
Employee Management	Our Impact – Employee Growth and Well-being, Duties to Stakeholders, Risk Categories – People Risk, EESG Performance Indices – Social, 2025 Stakeholder Engagement Results	35-48, 71, 97-98, 115-126, 143
Employee Data	EESG Performance Indices – Social	115-122
Employee Benefits	EESG Performance Indices – Social	122-123
Employee Training and Development	Duties to Stakeholders, EESG Performance Indices – Social	72, 123-124
Labor Management Relations	EESG Performance Indices – Social	124
Diversity and Equal Opportunity	EESG Performance Indices – Social	122
Workplace Conditions, Labor Standards, and Human Rights		
Occupational Health and Safety	Our Impact – Employee Growth and Well-being, Duties to Stakeholders, EESG Performance Indices – Social	35-48, 71, 126
Labor Laws and Human Rights	EESG Performance Indices – Social	124-125
Supply Chain Management	Our Impact – Shared Success, Duties to Stakeholders, Risk Categories – Emerging Risk, Risk Categories – Climate Risk, Risk Categories – Operational Risk, EESG	28, 71, 95-96, 136-141, 143

DISCLOSURE	SECTION	PAGE NUMBER
	Performance Indices – Supplier Accreditation, 2025 Stakeholder Engagement Results	
Relationship with Community	Our Impact – Shared Success, 2025 Stakeholder Engagement Results	20-28, 144
Significant impacts on local communities	Our Impact – Shared Success	20-28
Customer Management	Our Impact – Better Choices, Duties to Stakeholders, Risk Categories – Reputational Risk, Risk Categories – Operational Risk, EESG Performance Indices – Governance, 2025 Stakeholder Engagement Results	28-35, 70, 94, 96, 128-132, 144
Customer Satisfaction	Our Impact – Better Choices, Duties to Stakeholders, Risk Categories – Reputational Risk, EESG Performance Indices – Governance, 2025 Stakeholder Engagement Results	28-35, 70, 94, 128, 144
Customer Health and Safety	Our Impact – Better Choices, Duties to Stakeholders, Risk Categories – Reputational Risk, EESG Performance Indices – Governance, 2025 Stakeholder Engagement Results	28-35, 70, 94, 128, 144
Marketing and Labelling	Risk Categories – Reputational Risk, EESG Performance Indices – Governance, 2024 Stakeholder Engagement Results	94, 129, 144
Customer Privacy	Risk Categories – Reputational Risk, EESG Performance Indices – Governance, 2025 Stakeholder Engagement Results	94, 129, 144
Data Security	Risk Categories – IT and Digitalization Risk, EESG Performance Indices – Governance	97, 130-132
UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS		
Product or Service Contribution to UN SDGs	Our Impact – Shared Success, Better Choices, Employee Growth and Well-being, Resource Efficiency and Circularity, Climate Action	19-64

Annex C. ISSB Climate Disclosure Index (IFRS - S1 and S2)

Pillar	Climate Disclosure	Section	Page Number
Governance	a. Board's oversight of sustainability and climate-related risks and opportunities	Our Management Approach – Governance	8
	b. Management's role in assessing and managing sustainability and climate-related risks and opportunities	Our Management Approach – Governance	9-10
Risk Management	a. Processes and related policies the entity uses to identify, assess, prioritize, and monitor sustainability and climate-related risks	Our Management Approach – Sustainability and Climate Risk Management	11-12
	b. Processes used to identify, assess, prioritize, and monitor sustainability and climate-related opportunities	Our Management Approach – Sustainability and Climate Risk Management	11-12
	c. Processes for identifying, assessing, and managing sustainability and climate-related risks that are integrated into the organization's overall risk management.	Our Management Approach – Sustainability and Climate Risk Management	11-12
Strategy	a. Sustainability and climate-related risks and opportunities the organization has identified	Our Management Approach – Strategy, Metrics and Targets, 2025 Stakeholder Engagement Results	13-18, 142-144
	b. Impact of sustainability and climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Our Management Approach – Strategy, Metrics and Targets, 2025 Stakeholder Engagement Results	13-18, 142-144
	c. Resilience of the organization's strategy, taking into consideration different sustainability and climate-related scenarios	Our Management Approach – Strategy, Metrics and Targets, 2025 Stakeholder Engagement Results	13-18, 142-144, Our approach and strategy in climate resilience
Metrics and targets	a. Metrics used by the organization to assess sustainability and climate-related risks and opportunities in line with its strategy and risk management process.	Our Management Approach – Strategy, Metrics and Targets	18
	b. Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions, and the related risks.	EESG Performance Indices – Environmental Performance	111
	c. Targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our Management Approach – Strategy, Metrics and Targets	18

Annex D. GRI Content Index

Statement of use	JG Summit Holdings, Inc. has reported the information cited in this GRI content index for the period January 1 to December 31, 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	Page number or direct answer
,	2-1 Organizational details	3-4
	2-2 Entities included in the organization's sustainability reporting	3-4
	2-3 Reporting period, frequency and contact point	4
	2-4 Restatements of information	109-114
	2-5 External assurance	This report is not externally assured.
	2-7 Employees	115-122
	2-9 Governance structure and composition	66, 77-79
	2-10 Nomination and selection of the highest governance body	103
	2-11 Chair of the highest governance body	8-10, 78
	2-12 Role of the highest governance body in overseeing the management of impacts	8-10, 78
	2-13 Delegation of responsibility for managing impacts	8-10
	2-14 Role of the highest governance body in sustainability reporting	8-10
	2-15 Conflicts of interest	101-102
	2-16 Communication of critical concerns	101-102
	2-17 Collective knowledge of the highest governance body	105-106
	2-18 Evaluation of the performance of the highest governance body	80-81, 107
	2-19 Remuneration policies	103-104
	2-20 Process to determine remuneration	103-104
	2-21 Annual total compensation ratio	104

GRI STANDARD	DISCLOSURE	Page number or direct answer
	2-22 Statement on sustainable development strategy	19-64
	2-23 Policy commitments	73, 125, 130-132, 136-141
	2-24 Embedding policy commitments	73, 125, 130-132, 136-141
	2-25 Processes to remediate negative impacts	101-103
	2-26 Mechanisms for seeking advice and raising concerns	101-103
	2-27 Compliance with laws and regulations	115, 130-132, 142-144
	2-28 Membership associations	JGSHI is a member of Makati Business Club (MBC), which is a private, non-profit business association in the Philippines. Established in 1981, MBC represents the interests of the country's largest and most prominent businesses, including major corporations and conglomerates. It serves as a forum for discussion on economic, political, and social issues affecting the business environment in the Philippines. MBC engages in policy advocacy, publishes research and reports, and facilitates dialogues between the private sector and government. The organization aims to promote good governance, transparency, and sustainable economic development in the country. It is also involved in various initiatives that support business growth, social responsibility, and national competitiveness. JGSHI is also a member of the Philippine Alliance for Recycling and Materials Sustainability (PARMS), which is a non-profit, multi-stakeholder coalition that promotes recycling and materials sustainability in the Philippines. Established in 2014, PARMS brings together

GRI STANDARD	DISCLOSURE	Page number or direct answer
		various sectors, including businesses, government agencies, non-governmental organizations (NGOs), academic institutions, and communities, to collaborate on solutions for waste management and environmental sustainability. The alliance aims to address the country's growing waste problem through initiatives such as developing sustainable packaging solutions, promoting recycling practices, and advocating for policies that support a circular economy. PARMS focuses on educating the public, raising awareness about the importance of responsible waste management, and supporting innovations in recycling and sustainable materials use. PARMS is known for its commitment to working towards zero waste and a more sustainable future by fostering partnerships among its members and stakeholders, which include some of the largest companies and organizations in the Philippines.
	2-29 Approach to stakeholder engagement	142-144
	2-30 Collective bargaining agreements	124
GRI 3: Material Topics 2021	3-1 Process to determine material topics	13-17
	3-2 List of material topics	18
	3-3 Management of material topics	13-17
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	20, 108
	201-2 Financial implications and other risks and opportunities due to climate change	11-12, 95
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	115

GRI STANDARD	DISCLOSURE	Page number or direct answer
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	109
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	100-101, 94-95
	205-2 Communication and training about anti-corruption policies and procedures	105-106, 126-127
	205-3 Confirmed incidents of corruption and actions taken	127
GRI 301: Materials 2016	301-1 Materials used by weight or volume	113
	301-2 Recycled input materials used	113
GRI 302: Energy 2016	302-1 Energy consumption within the organization	109-110
	302-3 Energy intensity	110
	302-4 Reduction of energy consumption	55-64, 110
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	112-113
	303-2 Management of water discharge-related impacts	49-54, 112-113
	303-3 Water withdrawal	112
	303-4 Water discharge	112
	303-5 Water consumption	112
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	111
	305-2 Energy indirect (Scope 2) GHG emissions	111
	305-3 Other indirect (Scope 3) GHG emissions	111
	305-4 GHG emissions intensity	111
	305-5 Reduction of GHG emissions	55-64, 111
	305-6 Emissions of ozone-depleting substances (ODS)	111
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	112
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	49-54
	306-2 Management of significant waste-related impacts	49-54
	306-3 Waste generated	114
	306-4 Waste diverted from disposal	114
	306-5 Waste directed to disposal	114

GRI STANDARD	DISCLOSURE	Page number or direct answer
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	118-121
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	122-123
	401-3 Parental leave	122
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	35-48, 126
	403-2 Hazard identification, risk assessment, and incident investigation	86-99
	403-3 Occupational health services	71
	403-5 Worker training on occupational health and safety	39-40, 47-48
	403-6 Promotion of worker health	36-37, 71, 97-98, 125
	403-9 Work-related injuries	126
	403-10 Work-related ill health	126
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	123-124
	404-2 Programs for upgrading employee skills and transition assistance programs	71-72
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	79-80, 122
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	124
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	125
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	125
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	20-28, 133-135
	413-2 Operations with significant actual and potential negative impacts on local communities	20-28, 133-135

GRI STANDARD	DISCLOSURE	Page number or direct answer
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	128, **URC Food Safety and Quality Management Commitment** URC is committed to maintaining the highest standards of Quality and Food Safety across all aspects of its operations. This commitment is aligned with current global standards and reinforced through internal policies and procedures, ensuring that products consistently meet the expectations of consumers and stakeholders. To strengthen this commitment, URC continues to enhance its initiatives, including the implementation of the One GMP (Good Manufacturing Practices) Requirements and the URC Operational Requirements (URCORe) Integrated Quality and Food Safety Standards. URCORe provides a comprehensive framework for establishing robust management systems that support business continuity through clear standards governance, structured documentation, and a centralized platform for accessing operational requirements across all URC sites. The Global Quality and Food Safety Team continues to advance systems and processes to further strengthen quality and food safety performance through the following initiatives:

GRI STANDARD	DISCLOSURE	Page number or direct answer
		1. **Risk-Based Internal Audit Programs**: The company designed and implemented a robust internal audit programs focused not only on manufacturing facilities but also on material suppliers. Programs like One GMP Audit, Supplier FSQMS Audit and Management System Preparatory Audits are aimed at ensuring compliance with established standards while driving continuous improvement across the company's operations. By identifying potential risks and areas for enhancement, URC can proactively address issues before they impact its processes. 2. **Training and Development Initiatives**: URC developed comprehensive training programs tailored to elevate the skills of its plant internal auditors across different quality and food safety systems. These programs empower plant auditors to effectively detect systemic issues and enhance the overall effectiveness of management systems. By investing in its team's capabilities, URC ensures a more resilient and responsive quality assurance process. *Source: URC SEC 17A Form Dec 31 2025*

GRI STANDARD	DISCLOSURE	Page number or direct answer

		Passenger safety remains the priority of Cebu Pacific. It continues to implement strict safety measures designed to reassure travelers and protect the public from unnecessary dangers. **Wildlife Management** Wildlife management is crucial for Cebu Pacific because wildlife strikes (especially bird strikes) pose serious safety risks to aircraft during any phase of flight. These strikes can damage engines and critical aircraft structures, endanger passengers and crew, and in rare cases lead to accidents. Effective wildlife management around airports also reduces flight delays, cancellations, and costly repairs, helping airlines maintain operational reliability. Additionally, it supports regulatory compliance and lowers insurance and maintenance costs, while helping protect surrounding biodiversity from harm. Bird strike risks at Cebu Pacific are under the jurisdiction of its Wildlife Hazard Management Program (WHMP). This program ensures that Cebu Pacific has a comprehensive bird strike incident mitigation strategy across all its hubs,

GRI STANDARD	DISCLOSURE	Page number or direct answer
		and closely works with airport and aviation personnel to reduce bird strike risks. Cebu Pacific values the safety of its passengers, and plans to explore and test new technological advancements to enhance the WHMP in high-risks stations. In doing so and by ensuring that partnerships with airport authorities, staff, and LGUs are sustained, Cebu Pacific continues to uphold its commitment to safer skies for everyone. **Customer Journey Management** In addition to the WHMP that mitigates the risk of bird strikes, Cebu Pacific implements other initiatives that protect passengers and maintain public confidence in air travel. Across its areas of operation, Cebu Pacific designates trained first aid responders and safety officers within its offices to provide immediate assistance to employees. For 62 passengers, cabin crew are responsible for delivering first aid and immediate attention as needed during flights. Cebu Pacific also continuously strengthens its crisis and disruption management through the Customer Journey Management Team (CJMT), established in 2023 to ensure passengers'

GRI STANDARD	DISCLOSURE	Page number or direct answer
		welfare and safety during operational disruptions. The CJMT addresses issues such as delayed updates, weak coordination, outdated communications, multiple AOGs, extended turnaround times, and customer dissatisfaction at different touchpoints. It implements proactive measures including real-time internal updates, timely passenger announcements, recovery actions (rebooking, food, accommodations), and efficient complaint handling, ensuring safe and smooth passenger movement across check-in counters, boarding gates, and service areas. By shifting the organization's focus from purely operational metrics to prioritizing customer safety and satisfaction, the CJMT has driven tangible results, including a 100% increase in customer net promoter score (NPS), from +14 to +28, even with a growing passenger base. The team has enhanced operational resilience by improving response times and on-ground coordination, reducing the need for crisis activations during disruptions such as typhoons. Looking ahead, the CJMT continues to identify inefficiencies, trial new tools, and gather passenger feedback, reinforcing Cebu Pacific's commitment to safe, efficient, and customer-focused disruption management.

GRI STANDARD	DISCLOSURE	Page number or direct answer
		Source: PSE Disclosure Form 17-1 - Annual Report (as of 31 December 2025) 28 March 2026, pp. 393-394 --- From the design and construction of properties to their operation, RLC takes measures to reduce health and safety risks to both employees and customers. Structural threats are minimized by meeting the highest building standards, and risks of slippage and fall are regularly assessed and audited. *Source: RLC_SEC 17-A_December 31 2025, p. 144*
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	129, URC adheres closely to the Philippine Food Safety Act (Republic Act or R.A. 10611) which protects consumer health and safety. Regulatory compliance encompasses product registration, sale, inspection, labeling, and marketing. URC ensures full compliance with regulatory labeling and product information requirements, implementing the necessary analysis for nutritional facts and claims.

GRI STANDARD	DISCLOSURE	Page number or direct answer
		  *Source: URC SEC 17A Form Dec 31 2025* --- In 2025, Cebu Pacific rapidly grew its brand valuation. According to Brand Finance's Philippines 2025 brand rankings, Cebu Pacific was highlighted as one of the top performing Philippine brands, particularly noted as the fastest-growing brand in the country.

GRI STANDARD	DISCLOSURE	Page number or direct answer
		Taking advantage of growing passenger numbers and revenues in 2025, Cebu Pacific cemented its rising relevance within key markets. Brand Finance awarded Cebu Pacific an AAA brand rating, one of the highest possible designations, paired with a BSI score of 86.1 out of 100—signaling robust consumer perception and competitive strength in the airline sector. 2025 was a milestone year for Cebu Pacific's brand valuation. It showcased significant growth, strong equity, and regional recognition while continuing its strategy as a leading LCC in Southeast Asia. • 2025 Valuation: The brand value rose to USD 386 million, making it the fastest-growing Filipino brand of the year. It ranked 23rd in the "Philippines 50" list for overall brand value. • 2024 Valuation: While the exact 2024 standalone figure is often cited through the 86% growth rate observed in 2025, the implied valuation for 2024 was approximately USD US 208 million. • 2023 Valuation: Cebu Pacific debuted on Brand Finance's most valuable Filipino brands list with a valuation of USD194 million, ranking 20th in the country at that time.

GRI STANDARD	DISCLOSURE	Page number or direct answer
		Cebu Pacific continues to adhere to the ASC and DTI regulations in the Philippines, ensuring it uses responsible advertising, follows rules that protect consumers, and promotes ethical marketing practices. *Source: PSE Disclosure Form 17-1 - Annual Report (as of 31 December 2025) 28 March 2026, pp. 394-395*
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	129

Annex E. About the Report

Reporting Scope and Boundary

This Sustainability Report presents the material financial and non-financial sustainability information of JG Summit Holdings, Inc. for the period January 1 to December 31, 2025. It covers the Group's Economic, Environmental, Social, and Governance (EESG) performance and includes consolidated disclosures, where applicable and available, from its three strategic business units: Universal Robina Corporation, Cebu Air, Inc., and Robinsons Land Corporation.

Environmental and Social disclosures are limited to these three strategic business units and reflect the applicable reporting boundary in accordance with Securities and Exchange Commission (SEC) guidelines.

Reporting Standards and Frameworks

This report has been prepared in accordance with:

- Global Reporting Initiative (GRI) Standards
- SEC Sustainability Reporting Guidelines for Publicly Listed Companies (December 2025)
- IFRS Sustainability Disclosure Standards, including IFRS S1 (General Requirements for Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures)

The Group began aligning its climate disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) in 2022 and subsequently transitioned to IFRS S1 and S2 beginning 2023. The Company's sustainability priorities are also aligned with the United Nations Sustainable Development Goals (UN SDGs).

Governance, Review, and Approval

This report was reviewed by Executive Management, endorsed by the Board-level Sustainability Committee, and approved by the Board of Directors. A Corporate Secretary's Certification, confirming Board approval, is provided below.

JG SUMMIT
HOLDINGS, INC.

43rd FLOOR ROBINSONS EQUITABLE TOWER ADB AVE. COR. POVEDA RD. ORTIGAS CENTER, PASIG CITY
TEL. NO.: 633-7631 to 40, 240-8801 FAX NO.: 633-9207, 240-9106

CERTIFICATION

I, **MARIA CELIA H. FERNANDEZ-ESTAVILLO**, of legal age, Filipino, with office address at the 40th Floor, Robinsons Equitable Tower, ADB Avenue corner Poveda St., Ortigas Center, Pasig City, having been duly sworn in accordance with law, hereby certify that:

1. I am the incumbent and duly appointed Corporate Secretary of **JG SUMMIT HOLDINGS, INC.** (the "Corporation") with office address at the 43rd Floor, Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City, Metro Manila.

2. On March 24, 2026, at the Meeting of the Board of Directors of the Corporation, at which meeting a quorum was present, the Board approved the 2025 Sustainability Report presented and endorsed for approval by the Corporation's Governance, Nomination, Remuneration, and Sustainability Committee.

MARIA CELIA H. FERNANDEZ-ESTAVILLO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this April 10, 2026 at Pasig City, Philippines, affiant exhibiting to me her SSS ID with No. 33-1625577-9.

Doc No. 272;
Page No. 56;
Book No. IV;
Series of 2026.

PHOEBE ANN S. BAYONA * NOTARY PUBLIC * ROLL NO. 62586 * PASIG AND PATEROS, PHILIPPINES

ATTY. PHOEBE ANN S. BAYONA
Notary Public for Pasig and Pateros
Notarial Commission No. 63; Until December 31, 2026
40th Floor Robinsons Equitable Tower, ADB Ave.
cor. Poveda Road, Ortigas Center, Pasig City, 1605
Roll of Attorneys No. 62586
MCLE Compliance No. VIII-0015553; Valid until 14-Apr-2028
IBP O.R. No. 535562 / 19-Dec-2025 (for 2026)
PTR No. MKT10769301 / 07-Jan-2026 / Makati City

Forward-Looking Statements

This report contains forward-looking statements based on current expectations, plans, and projections. These statements are subject to risks and uncertainties that may cause actual results to differ materially. Forward-looking statements are made as of the date of publication, and the Company undertakes no obligation to update them.