



SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.: PW00000834

Company Name: ROXAS AND COMPANY, INC.

Industry Classification: D15790

Company Type: Stock Corporation

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SEC Registration Number

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Company Name

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

Principal Office (No./Street/Barangay/City/Town) Province

7 t h F l o o r , C a c h o - G o n z a l e s B u i l d i n
g , 1 0 1 A g u i r r e S t r e e t , L e g a s p i V i
l l a g e , M a k a t i C i t y

Form Type

SEC Form 17-Q

Department requiring the report

C R M D

Secondary License Type, If Applicable

Not Applicable

COMPANY INFORMATION

Company's Email Address

www.roxascompany.com.ph

Company's Telephone Number/s

(02) 8810-8901

Mobile Number

-

No. of Stockholders

3,272

Annual Meeting
Month/Day

Last Wednesday of May

Fiscal Year
Month/Day

December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Atty. Melchor J. Manalo

Email Address

melchor.manalo@roxascompany.com.ph

Telephone Number/s

(632) 8751-9537

Mobile Number

-

Contact Person's Address

7th Floor, Cacho-Gonzales Building, 101 Aguirre Street, Legaspi Village, Makati City

Note: 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.

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

1. For the quarterly period ended: **30 June 2025**.
2. SEC Identification Number: **PW- 00000834**.
3. BIR Tax Identification No. : **000-269-435-000**.
4. Exact name of issuer as specified in its charter: **ROXAS AND COMPANY, INC.**
5. **Philippines**
Province, Country or other jurisdiction of
Incorporation or Organization
6. (SEC Use Only)
Industry Classification Code
7. **7th Floor Cacho-Gonzales Building, 101 Aguirre Street
Legaspi Village, Makati City 1229**
Address of Principal Office
8. **(632) 8810-89-01 to 06**
Registrant's telephone number, including area code
9. Former name, former address and former fiscal year, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Stock Outstanding and Amount of Debt Outstanding
Authorized Capital Stock	
Common	₱3,375,000,000
Preferred	1,000,000,000
No. of shares subscribed & outstanding:	
Issued	2,911,885,870
Common	2,804,968,419
Preferred	-
Amount of loans outstanding as of 30 June 2025	₱2,835,984,767

Of the 2,911,885,870 outstanding common shares, 106,917,452 Common shares was exempt securities under Section 10.1 of the SRC (refer to Note 18 of the Unaudited Interim Consolidated Financial Statements, page 20).

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

Yes [] No []

2,911,885,870 common shares are listed with the Philippine Stock Exchange (PSE).

12. Check whether the issuer:

(a) Has filed all reports required to be filed by Section 17 of the Securities Regulation Code (SRC) and Rule 17 (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 []

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Please see Annex “A”.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Please see Annex “B”.

PART II – OTHER INFORMATION

1. New Projects or Investments in Another Project, Line of Business or Corporation
None for the period.

2. Composition of the Board of Directors:

PEDRO O. ROXAS	-	Chairman
EDGAR P. ARCOS	-	President & CEO
FRANCISCO JOSE R. ELIZALDE	-	Director
SANTIAGO R. ELIZALDE	-	Director
AURELIO R. MONTINOLA III	-	Director
CORAZON S. DE LA PAZ-BERNARDO	-	Independent Director
TOMASA H. LIPANA	-	Independent Director ¹

3. Performance of the Corporation or result or progress of operations:
Required information is contained in Annexes “A” and “B”.

4. Suspension of operations:
None for the period.

5. Declaration of dividends:
None for the period.

6. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements:
None for the period.

7. Financing through loans:

¹Appointed as an Independent Director of the Company on May 16, 2025.

Outstanding short-term and long-term loans amounting to Pnil and P2,836 million, respectively, were used for the working capital requirements and real estate, hotel, and coconut projects of the Group.

8. Offering of rights, granting of Stock Options and corresponding plans therefore:
None for the period.
9. Acquisition of other capital assets or patents, formula or real estates:
None for the period.
10. Any other information, event or happening that may affect the market price of the Company's shares:
None for the period.
11. Transferring of assets, except in the normal course of business:
None for the period.

SIGNATURE

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

ROXAS AND COMPANY, INC.
Issuer

By:


Atty. Melchor J. Manalo
Assistant Corporate Secretary

Date: 13 August 2025



Roxas & Company, Inc.

ANNEX “A”

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**2nd Quarter Ended June 30, 2025
and 2024**

**ROXAS AND COMPANY, INC.
AND SUBSIDIARIES**

**Unaudited Interim Condensed
Consolidated Financial Statements
As of and for the six months ended
June 30, 2025 and 2024**

ROXAS AND COMPANY, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION***Amounts in Thousands*


	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash (Note 5)	₱2,220,115	₱25,194
Trade and other receivables (Notes 6 and 19)	835,805	223,932
Contract assets - current portion (Note 20)	60,132	39,240
Real estate for sale and development (Note 7)	378,153	377,959
Inventories (Note 8)	91,916	39,740
Other current assets (Note 9)	866,076	135,043
Total Current Assets	4,452,197	841,108
Noncurrent Assets		
Contract assets - net of current portion (Note 20)	20,712	11,716
Investments in associates (Note 10)	150,372	150,372
Property and equipment (Note 11):		
At cost model	1,662,648	1,697,211
At revaluation model	1,073,640	1,073,640
Right-of-use assets (Note 12)	-	239
Investment properties (Note 13)	22,010,226	31,589,451
Deferred income tax assets - net (Note 24)	6,964	6,964
Other noncurrent assets (Note 9)	4,486,581	256,463
Total Noncurrent Assets	29,411,143	34,786,056
TOTAL ASSETS	₱33,863,340	₱35,627,164
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 16 and 19)	₱1,012,802	₱1,181,972
Short-term borrowings (Note 14)	-	25,000
Current portion of long-term borrowings (Note 15)	848,657	1,669,881
Contract liabilities (Note 20)	103,087	86,351
Lease liability (Note 12)	-	310
Total Current Liabilities	1,964,546	2,963,514
Noncurrent Liabilities		
Long-term borrowings - net of current portion (Note 15)	1,987,328	2,203,275
Deferred income tax liabilities - net (Note 24)	5,468,513	5,468,513
Retirement liability (Note 17)	71,119	66,383
Total Noncurrent Liabilities	7,526,960	7,738,171
Total Liabilities	9,491,506	10,701,685

(Forward)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity attributable to the Equity Holders of the Parent		
Company (Note 18)		
Capital stock	₱2,911,886	₱2,911,886
Additional paid-in capital	1,405,059	1,405,186
Other equity reserves	847,187	847,187
Retained earnings	19,340,873	19,866,511
Treasury stock	(198,985)	(199,647)
	24,306,020	24,831,123
Non-controlling Interests (Note 4)	65,814	94,356
Total Equity	24,371,834	24,925,479
TOTAL LIABILITIES AND EQUITY	₱33,863,340	₱35,627,164

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

Certified true and correct:


 ROSSWELL C. DELOS REYES
 Treasurer-
 Group CFO/Risk Officer

ROXAS AND COMPANY, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF INCOME***Amounts in Thousands, except Basic/Diluted Earnings (Loss) per Share Data***FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**


	Three Months (Apr-June)		Six Months (Jan-June)	
	2025 (Unaudited)	2024 Re-presented (Unaudited)	2025 (Unaudited)	2024 Re-presented (Unaudited)
REVENUES (Note 20)				
Hotel	₱118,960	₱123,720	₱238,767	₱255,411
Sale of goods	138,912	4,742	210,472	4,758
Real estate	19,744	3,155	23,855	15,769
	277,616	131,616	473,094	275,939
COST OF SALES AND SERVICES				
Cost of hotel sales and services (Note 21)	(71,777)	(64,006)	(135,417)	(142,113)
Cost of goods sold (Note 21)	(166,824)	(3,569)	(265,498)	(3,569)
Cost of real estate sales (Note 7)	(12,326)	(885)	(13,631)	(8,525)
	(250,927)	(68,460)	(414,546)	(154,207)
GROSS INCOME	26,689	63,157	58,547	121,732
OPERATING EXPENSES (Note 21)	(403,207)	(140,132)	(481,089)	(221,616)
OTHER INCOME (CHARGES) - Net				
Interest expense (Notes 14 and 15)	(72,264)	(80,746)	(148,474)	(158,778)
Interest income (Notes 5 and 6)	21,508	2,438	22,587	4,097
Others - net (Note 23)	1,176	(213,921)	1,253	(213,535)
	(49,580)	(292,229)	(124,635)	(368,216)
LOSS BEFORE INCOME TAX	(426,098)	(369,204)	(547,177)	(468,100)
INCOME TAX EXPENSE (Note 24)				
Current	1,497	1,395	7,004	2,404
Deferred	-	-	-	-
	1,497	1,395	7,004	2,404
NET LOSS	(₱427,595)	(₱370,600)	(₱554,180)	(₱470,504)

ROXAS AND COMPANY, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF INCOME***Amounts in Thousands, except Basic/Diluted Earnings (Loss) per Share Data***FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**

	Three Months		Six Months	
	(Apr-Jun)		(Jan-Jun)	
	2025	2024	2025	2024
	(Unaudited)	Re-presented (Unaudited)	(Unaudited)	Re-presented (Unaudited)
Net Loss attributable to:				
Equity holders of the Parent Company	(₱412,421)	(₱255,750)	(₱525,638)	(₱344,737)
Non-controlling interests	(15,175)	(114,850)	(28,542)	(125,767)
	(₱427,595)	(₱370,600)	(₱554,180)	(₱470,504)

BASIC/DILUTED LOSS PER SHARE**ATTRIBUTABLE TO THE****EQUITY HOLDERS OF THE****PARENT COMPANY (Note 25)****(₱0.19)****(₱0.13)****(₱0.19)****(₱0.13)***See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.*

Certified true and correct:


ROSSWELL C. DE LOS REYES
VP/Treasurer-
Group CFO/Risk Officer

ROXAS AND COMPANY, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME

Amounts in Thousands, except Basic/Diluted Earnings (Loss) per Share Data
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

	Three Months		Six Months	
	2025 (Unaudited)	2024 Re-presented (Unaudited)	2025 (Unaudited)	2024 Re-presented (Unaudited)
NET LOSS	(₱427,595)	(₱370,600)	(₱554,180)	(₱470,504)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE LOSS	(₱427,595)	(₱370,600)	(₱554,180)	(₱470,504)
Total Comprehensive Loss attributable to:				
Equity holders of the Parent Company	(₱412,421)	(₱255,750)	(₱525,638)	(₱344,737)
Non-controlling interests	(15,175)	(114,850)	(28,542)	(125,767)
	(₱427,595)	(₱370,600)	(₱554,180)	(₱470,504)

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

Certified true and correct:

ROSSWELL C. DELOS REYES
 VP/Treasurer-
 Group CFO/Risk Officer

ROXAS AND COMPANY, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
Amounts in Thousands
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

	2025 (Unaudited)	2024 (Unaudited)
CAPITAL STOCK (Note 18)	₱2,911,886	₱2,911,886
ADDITIONAL PAID-IN CAPITAL (Note 18)	1,405,059	1,346,034
TREASURY STOCK (Note 18)	(198,985)	(186,750)
OTHER EQUITY RESERVES (Note 18)	847,187	795,311
RETAINED EARNINGS (Note 18)		
Unappropriated		
Balance at beginning of period	19,866,511	5,555,533
Net loss	(525,638)	(344,737)
Balance at end of period	19,340,873	5,210,796
Appropriated		
Balance at beginning of period	-	-
Adjustment (reversal) for treasury stock	-	-
Balance at end of period	-	-
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	24,306,020	10,077,277
NON-CONTROLLING INTERESTS		
Balance at beginning of period	94,356	113,256
Net loss	(28,542)	(125,767)
Balance at end of period	65,814	(12,512)
	₱24,371,834	₱10,064,765

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

Certified true and correct:



ROSSWELL C. DELOS REYES
 VP-Treasurer-
 Group CFO/Risk Officer

ROXAS AND COMPANY, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

	2025 (Unaudited)	2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(₱547,177)	(₱468,100)
Adjustments for:		
Interest expense (Notes 14 and 15)	148,474	158,788
Interest income (Notes 5 and 6)	(22,587)	(4,097)
Impairment of property, plant and equipment	–	214,336
Depreciation and amortization (Notes 11, 12 and 21)	38,094	38,816
Increase in retirement liability	(2,007)	–
Operating losses before working capital changes	(385,203)	(60,257)
Decrease (increase) in:		
Trade and other receivables	(611,873)	34,043
Inventories	(52,176)	2,139
Contract assets	(31,885)	18,437
Real estate for sale and development	(194)	(9,492)
Other current assets	(539,491)	26,226
Other noncurrent assets	8,030	(69,954)
Increase in:		
Trade and other payables	362,644	(52,446)
Contract liabilities	16,736	–
Net cash generated used in operations	(1,233,412)	(111,623)
Interest received	22,587	4,097
Income taxes paid including creditable withholding taxes	(22,421)	(2,404)
Net cash used in operating activities	(1,233,246)	(109,930)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	(3,705)	(8,386)
Partial receipt of just compensation	4,870,000	–
Net cash from (used in) investing activities	4,866,295	(8,386)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of long-term borrowings (Note 15)	10,000	440,000
Proceeds from the issuance of treasury shares (Note 18)	–	602,337
Payment of long-term borrowings (Note 15)	(1,048,240)	(603,043)
Payment of short-term borrowings	(25,000)	–
Payment of interest (Note 15)	(374,888)	(269,890)
Net cash from (used in) financing activities	(1,438,128)	169,404
NET INCREASE IN CASH FOR THE PERIOD	2,194,921	51,088
CASH AT BEGINNING OF THE PERIOD	25,194	75,645
CASH AT END OF THE PERIOD	₱2,220,115	₱126,733

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

Certified true and correct:


ROSSWELL C. DELOS REYES
 VP-Treasurer-
 Group CFO/Risk Officer

ROXAS AND COMPANY, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, Except When Otherwise Indicated)

1. Corporate Information and Status of Operations

Corporate Information

Roxas and Company, Inc. (the Parent Company or RCI), formerly CADP Group Corporation (CADPGC), was organized in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on October 7, 1918.

On November 29, 1948, the shares of stock of the Parent Company were listed in the Philippine Stock Exchange (PSE) with a stock symbol RCI.

RCI is the holding company for a group of companies with interests in (i) the real estate, hotels and resorts development and management business thru its wholly-owned subsidiary, Roxaco Land Corporation (RLC), (ii) sugar milling and ethanol manufacturing businesses of Roxas Holdings, Inc (RHI), (iii) coconut processing and exports thru its subsidiary, Roxas Sigma Agriventures, Inc. (RSAI) and (iv) renewable energy development. RCI is owned by various individual shareholders and domestic corporations, namely: SPCI Holdings, Inc. and Pesan Holdings, Inc., among others. As at both June 30, 2025 and 2024, RCI has 3,272 and 3,279 shareholders, respectively.

The principal and registered office of RCI is located at 7th Floor, Cacho-Gonzales Building, 101 Aguirre Street, Legaspi Village, Makati City.

Status of Operations and Management Plans

Consolidated revenues reached ₱473 million, up 71% from ₱276 million last year, driven by RSAI's continued operations under a new local coconut supply agreement and robust Coconut Water Concentrate (CWC) exports. Coconut product sales rose to ₱210 million, with ₱103 million coming from the newly launched Pasteurized Chilled Coconut Cream, now representing nearly half of manufacturing revenues and underscoring the scale potential of our product diversification strategy.

Hotel services generated ₱239 million, down 7% from the prior year, reflecting timing shifts in corporate bookings and reduced room inventory due to ongoing maintenance. Real estate sales improved to ₱24 million, up 51% from ₱16 million, following the launch of Anya Phase 3.

Positive developments on the land properties covered by Comprehensive Agrarian Reform Program (CARP)

On January 11, 2024, RCI received from the Department of Agrarian Reform (DAR) the Consolidated Order dated December 29, 2023, which resolves the long-outstanding legal cases and claims over RCI's land properties (see Note 13). The said Consolidated Order became final and executory on January 27, 2024, which provided for a 50-50 sharing of the covered land properties totaling to 2,644.46 hectares between RCI and the Agrarian Reform Beneficiaries (ARBs), net of the 297.0 hectares which were already resolved in favor of RCI with finality. As such, RCI retained the 1,322.23 hectares, while the other half to be distributed to the ARBs. The Consolidated Order also directed the relevant government agencies to earmark and appropriate the payment of just compensation to RCI for the land properties that it will give up to the ARBs (see Note 13).

In November 2024, RCI filed its Petition for Mandamus or Petition for Determination of Just Compensation before the Department of Agrarian Reform Adjudication Board (DARAB). In the said

Petition, RCI prayed that DAR should be directed to pay the company with just compensation to be fixed by DARAB.

On March 25, 2025, DARAB rendered its Decision fixing the just compensation for the expropriated RCI property and to be distributed to the ARBs. The said Decision became final and executory by operation of law on April 11, 2025.

On April 11, 2025, the Decision rendered by the DARAB on March 25, 2025 fixing the just compensation to be received by the Company in the total amount of Php9,591,209,432.98, inclusive of interests, involving its 1,307 hectares property became final and executory by operation of law. Consequently, on April 25, 2025, the DARAB issued an Entry of Judgment of even date certifying that the administrative proceeding for the determination of just compensation is hereby deemed closed and terminated.

Thereafter, on April 28, 2025, the DARAB issued a Writ of Execution commanding the Sheriff to enforce the Decision by serving and presenting the same to the Land Bank of the Philippines.

As of May 16, 2025, total proceeds of ₱9.6 billion comprise ₱4.9 billion cash and ₱4.7 billion Agrarian Reform Bonds issued by the Land Bank of the Philippines (LBP) as consideration for investment properties distributed to Agrarian Reform Beneficiaries (ARBs). Issued April 25, 2025, the bonds are repayable in 10 equal annual installments through 2035 with semi-annual interest based on prevailing 91-day Treasury Bill rates, net of withholding tax.

With the development, management is optimistic that the Group can now monetize its ownership rights and maximize the overall real estate value of its strategic landholdings in Nasugbu, Batangas, by creating a master plan. This allows the Group access to fresh financing, opens new development plans for internal projects as well as support the existing business units, and diversify the long-term revenue streams of the Group.

A comprehensive Master Plan is in progress for the three haciendas, integrating Highest and Best Use findings with RCI's strategic priorities to guide long-term decision-making and investment.

Plans to improve the operations of the business units

The Group is developing a phased Master Plan program for its three haciendas as it commences land recovery and development in the Nasugbu estate. The short-term program seeks to secure leases and selected sales options, identify joint venture partners, and catch up on community programs.

Anya Resorts Tagaytay (ART) narrowed its revenue decline from 16% in Q1 2025 to 10% in Q2 2025, driven by increased social events and stronger room revenue. The boutique hotel remains focused on accelerating room sales, enhancing food and beverage services, and improving brand visibility and guest engagement to complement a positive outlook for meeting full-year revenue targets.

Roxas Sigma Agriventures Inc. (RSAI) secured a Supply Agreement with a major local partner effective January 2025, with a renewal option. This partnership stabilizes base volume amid volatile input costs and tighter nut supply. Sales and Marketing secured additional purchase orders for aseptic cream through Q4, locking in production volumes for the remainder of the year. Coconut water concentrate exports continue at a steady pace and are being sold at record-high prices. The heightened activity was achieved after completing asset repairs and maintenance to ensure operational integrity, safety, and compliance.

Roxaco Land's Realty business commenced land development of Anya Phase 3 in June, following groundbreaking. Four spa villas have been sold to date, with 13 units remaining. The Montana Project joint venture with Figtree remains on track for completion in 2025, while the Crematorium and Columbarium projects are scheduled for completion by September 16 and October 10, respectively. Sales of Anya Phase 3 and Montana are expected to continue through mid-2026, while sales for the Crematorium and Columbarium will continue for the next 10 years.

Roxaco Asia Hospitality Corporation (RAHC) recorded ₱102 million in revenue as of June 2025. The budget hotel will complete room repairs, maintenance, and linen replacement while collaborating with Robinsons Hotels and Resorts (RHR) to boost brand visibility and increase direct traffic to its booking platforms.

Anya Hotel Group (AHG) signed a full management contract with Skyrise Hotel in Dipolog, starting with a nine-month consultancy followed by pre-opening and a five-year management term. In addition, AHG was awarded the spa operations of Manila Polo Club through Niyama Wellness, scheduled to launch in Q3 2025. AHG is targeting two more property onboarding within the year, supported by the AHG-GCI joint venture, which is in progress to grow its portfolio in the second half of 2025.

Plans to Improve the Liquidity Position

The Group is revisiting its strategic plan to fine-tune programs amidst deleveraging, asset disposals, and cash flow optimization following the receipt of just compensation. Portions of the retained Roxas Estate will be activated for near-term revenue generation while considering long-term investment offers from local and overseas partners. This includes launching joint ventures and master planning to maximize asset value and accelerate growth.

2. Basis of Preparation and Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for land properties under property and equipment and investment properties that are stated at fair value and assets held for sale that are stated at lower of cost and fair value less cost to sell. The unaudited interim consolidated financial statements are presented in Philippine Peso, which is the functional and presentation currency of the Group. All amounts are rounded to the nearest thousands, unless otherwise indicated.

The unaudited interim consolidated financial statements of the Group have been prepared in compliance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim consolidated financial statements, which have been prepared by the Group to be filed with the SEC for its quarterly reporting to comply with the amended Securities Regulation Code Rule 68, do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended December 31, 2024.

3. Summary of Changes in Material Accounting Policy Information

Changes in Material Accounting Policy Information

The material accounting policy information adopted are consistent with those of the previous financial periods. The adoption of the following new and revised Philippine Financial Reporting Standards (PFRS) Accounting Standards did not have any material effect on the unaudited interim condensed consolidated financial statements of the Group, unless otherwise indicated. Additional

disclosures have been included in the notes to unaudited interim consolidated financial statements, as applicable.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates, Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
 - Amendments to PFRS 1, *First-time Adoption of International Financial Reporting Standards, 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 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Investments in Associates and Joint Ventures, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

4. Basis of Consolidation

The unaudited interim consolidated financial statements of the Group include the financial statements of the Parent Company and following subsidiaries (all incorporated and domiciled in the Philippines) as at June 30, 2025 and December 31, 2024:

	Percentage of Ownership	Noncontrolling Interests	Description of Business
RLC*	100.00	–	Real estate
Roxaco-Asia Hospitality Corporation (RAHC)**	51.00	49.00	Hotel and leisure
SAMG Memorial Management & Services Inc. (SMMSI)	100.00	–	Funeral and related services
Roxas Green Energy Corporation (RGEC)	100.00	–	Generation and distribution of energy
Roxas Sigma Agriventures, Inc. (RSAI)***	94.98	5.02	Coconut processing
United Ventures Corporation (UVC)****	100.00	–	Warehouse leasing

* On April 16, 2018, its BOD and stockholders authorized the Company to merge with Anya Hotels and Resorts Corporation (AHRC), with RLC as the surviving entity. On December 6, 2018, the Philippines SEC approved the merger of RLC and AHRC.

On July 23, 2018, the Company's BOD and stockholders authorized RLC to merge with Anya Hospitality Corporation (AHC), with RLC as the surviving entity. On February 18, 2019, the Philippine SEC approved the merger of AHC into RLC with RLC being the surviving corporation.

** On May 21, 2018, its BOD approved to change its corporate name from Roxaco-Vanguard Hotels Corporation (RVHC) to Roxaco-Asia Hospitality Corporation (RAHC) and amended the Articles of Incorporation. The Philippine SEC approved the amendment on October 19, 2018.

***In September 2021, RSAI amended its Articles of Incorporation increasing its authorized capital stock by ₱600 million.

**** The application for dissolution is still pending with the SEC and BIR as at June 30, 2025.

5. Cash

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cash on hand	₱2,813	₱1,578
Cash in banks	2,217,302	23,616
	₱2,220,115	₱25,194

Cash in banks earn interest at the respective bank deposit rates.

Total interest income earned from cash in banks amounted to ₱20.6 million and ₱0.01 million for the six months ended June 30, 2025 and 2024, respectively. The increase in cash in bank balance pertains to the receipt of just compensation in May 2025.

6. Trade and Other Receivables

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade	₱70,473	₱70,032
Due from:		
Related parties (Note 19)	248,246	104,034
Employees	5,960	6,606
Contractors and suppliers	31,569	31,702
Receivables from Land Bank of the Philippines (LBP)	487,136	–
Others	12,628	30,271
	856,012	242,645
Allowance for impairment losses	(20,207)	(18,713)
	₱835,805	₱223,932

Trade receivables represent the following:

- a. Customers' accounts arising from the sale of real estate properties amounting to ₱27.5 million and ₱18.2 million as of both June 30, 2025, and December 31, 2024, respectively.
- b. Outstanding individual, corporate, and travel agency accounts earned from the hotel operation amounting to ₱29.5 million and ₱31.6 million as of June 30, 2025, and December 31, 2024, respectively, which generally have a 30-day term.

Total interest income on trade and other receivables amounted to ₱2.0 million and ₱3 million for the six months ended June 30, 2025 and 2024 respectively.

Due from employees pertains to the salary, housing, and educational loans that are collected from the employees through salary deduction, and advances for business purposes subject to liquidation.

Receivables from Land Bank of the Philippines (LBP) amounting to ₱469.1 million represent 10% of the ₱4.69 billion Agrarian Reform Bonds issued by LBP as consideration for investment properties distributed to Agrarian Reform Beneficiaries (ARBs). Principal repayments commence April 2026 and continue annually until 2035. Of the total, ₱18 million remains withheld by LBP pending submission of Real Property Tax Clearances.

Other receivables, which are normally settled within one year, pertain to nontrade receivables.

7. Real Estate for Sale and Development

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Real estate properties for sale	₱235,235	₱243,755
Raw land and land improvements for development	142,918	134,204
	₱378,153	₱377,959

Cost of real estate sales amounted to ₱13.6 million and ₱8.5 million for the six months ended June 30, 2025, and 2024, respectively.

Certain real estate properties for sale and development owned by RLC amounting to ₱306.8 million with an appraised value of ₱1,286.7 million (see Note 15) as at both June 30, 2025, and December 31, 2024, were used as collateral for the loans availed by the Parent Company and RLC.

8. Inventories

Inventories account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
At cost:		
Finished goods	₱63,816	₱15,013
Packaging materials and supplies	28,100	24,727
	₱91,916	₱39,740

The cost of inventories with nil net realizable value consists of packaging materials and supplies amounting to ₱28.1 million and ₱24.7 million as of June 30, 2025 and December 31, 2024, respectively.

Cost of inventories charged to cost of goods sold amounted to ₱155.2 million for the six months ended June 30, 2025 and ₱3.6 million in 2024 (Note 21).

Due to ramp-up of local with the third party partner, the Group produced higher CWC inventories and are scheduled for delivery in July 2025.

Rollforward of provision for inventory write-down as of June 30, 2025, and December 31, 2024 are as follows:

	2025 (Unaudited)	2024 (Audited)
Beginning balance	₱3,563	₱10,316
Additions (Note 21)	18,312	3,245
Write-off against allowance	–	(9,998)
	₱21,875	₱3,563

9. Other Current and Noncurrent Assets

Other current assets account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Creditable withholding taxes	₱79,876	₱62,341
Input VAT - current portion	34,210	27,659
Prepaid interest	26,749	–
Prepaid expenses and others	720,209	39,972
Others	5,032	5,071
	₱866,076	₱135,043

Current input VAT mainly arises from the construction of real estate for sale, the construction of the hotel and plant buildings, and purchases of goods and services for operations. Deferred input VAT pertains to input VAT on outstanding payable on purchase of services.

Prepaid expenses include rent, insurance, broker's fees, and allocated fees for land recovery and tax obligations.

Others consist of advance payments for outside services and other expenses which are normally utilized within one year.

Other noncurrent assets account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Input VAT - noncurrent portion	₱183,790	₱173,235
Creditable withholding taxes	68,292	70,410
Deferred input VAT - noncurrent portion	6,023	6,023
Franchise fee	2,897	3,332
Investment in bonds - LBP	4,222,088	–
Utility deposits	3,491	3,463
	₱4,486,581	₱256,463

Deferred input VAT includes unamortized input VAT from purchases or importation of capital goods, which are depreciable assets for income tax purposes, whose aggregate acquisition in a calendar month exceeds ₱1.0 million and input VAT on the unpaid purchase of services.

Franchise fee pertains to RAHC's franchise fee to a third-party hotel chain company for the non-exclusive, non-assignable right to use the proprietary marks and system in connection with the establishment and operation of GoHotels. The agreement is for 10 years beginning the opening day of the hotels. Amortization expenses amounted to ₱0.4 million for both the six months ended June 30, 2025, and 2024, respectively.

Investment in Bonds represents the non-current portion of Agrarian Reform Bonds issued by the Land Bank of the Philippines (LBP) as consideration for investment properties distributed to Agrarian Reform Beneficiaries (ARBs). The debt security is payable in 10 equal annual installments through 2035, with interest accruing semi-annually at rates based on the 91-day Treasury Bill auctions immediately preceding the end of February, May, August, and November, net of withholding tax.

10. Investments in Associates

Movements in investment in associates follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Associates		
Acquisition cost:		
Balance at beginning of period	₱2,167,054	₱2,167,054
Accumulated equity in net earnings (loss):		
Balance at beginning of period	(1,892,979)	(1,892,530)
Equity in net loss	–	(449)
Balance at end of period	(1,892,979)	(1,892,979)
Unrealized loss on transfer of land -		
Balance at beginning and end of period	(59,030)	(₱59,030)
Other comprehensive income:		
Balance at beginning of period	567,545	567,545
Share in appraisal increase in land, net of tax	–	–
Share in remeasurement loss on retirement liability, net of tax	–	–
Balance at end of period	567,545	567,545
	782,590	782,590
Allowance for impairment loss	(632,218)	(632,218)
	₱150,372	₱150,372

The accumulated equity in net loss of associates amounting to ₱1,892.5 million as at June 30, 2025 and December 31, 2024 is not available for dividend distribution to shareholders unless received as cash dividends from the associates.

In 2023, RHI continued to report a net loss of ₱2.7 billion, from a net loss of ₱799.3 million in 2022. The Group recognized its share in net loss of RHI in 2023 to the extent of the remaining carrying value of the investment, resulting to a nil carrying value of the investment in RHI as of December 31, 2024. The unrecognized share in net loss of RHI amounted to ₱283.20 million and ₱247.8 million as of June 30, 2025 and December 31, 2024, respectively. No further losses will be recognized in the Group's 23.05% shareholding.

In May 2023, the BOD of RHI approved the sale of its bioethanol plant after its operation has been put on hold. In February 2024, following the indefinite shutdown of its sugar refinery processing plant, the BOD likewise approved the permanent closure of RHI's refinery business effective February 28, 2024, because its sugar refining business is already extremely difficult to maintain, and it is no longer viable. RHI is currently coordinating the divestment of certain assets, including idle assets, principally to pay its obligations.

11. Property and Equipment

Details and movements of the property and equipment carried at cost follows:

June 30, 2025 (Unaudited)							
	Land Improvement	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction in Progress	Total
Cost							
Balance at beginning of year	₱49,850	₱1,985,495	₱730,483	₱25,242	₱177,639	₱-	₱2,968,709
Additions	-	1,645	133	-	1,926	-	3,705
Disposals / adjustments	-	-	-	-	(450)	-	(450)
Balance at end of year	49,850	1,987,140	730,616	25,242	179,115	-	2,971,963
Accumulated Depreciation and Amortization							
Balance at beginning of year	23,332	331,284	211,573	19,873	150,685	-	736,747
Depreciation and amortization	1,985	21,414	8,273	1,097	5,086	-	37,855
Reclassification and others	-	-	-	-	(38)	-	(39)
Balance at end of year	25,317	352,698	219,846	20,970	155,733	-	774,564
Accumulated Impairment Loss							
Balance at beginning and end of year	-	173,701	361,050	-	-	-	534,751
Net Book Value	₱24,533	₱1,460,741	₱149,720	₱4,272	₱23,382	₱-	₱1,662,648
June 30, 2024 (Unaudited)							
	Land Improvement	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction in Progress	Total
Cost							
Balance at beginning of year	₱49,824	₱1,694,256	₱710,837	₱22,653	₱165,305	₱16,746	₱2,659,620
Additions	-	118	267	-	3,326	-	3,711
Disposals / adjustments	26	(6,201)	15,382	(8)	7,071	(16,746)	(475)
Balance at end of year	49,850	1,688,172	726,486	22,646	175,702	-	2,662,856
Accumulated Depreciation and Amortization							
Balance at beginning of year	19,362	279,048	193,381	20,853	138,935	-	651,578
Depreciation and amortization	1,985	22,610	8,503	593	5,126	-	38,816
Reclassification and others	-	(2,486)	(136)	(392)	946	-	(2,068)
Balance at end of year	21,347	299,171	201,748	21,053	145,007	-	688,326
Accumulated Impairment Loss							
Balance at beginning of year	-	173,701	361,050	-	-	-	534,751
Impairment loss	-	214,336	-	-	-	-	214,336
Balance at end of year	-	388,037	361,050	-	-	-	749,087
Net Book Value	₱28,503	₱1,000,964	₱163,688	₱1,593	₱30,696	₱-	₱1,225,444
December 31, 2024							
	Land Improvement	Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction in Progress	Total
Cost							
Balance at beginning of year	₱49,824	₱1,694,256	₱710,837	₱22,653	₱165,305	₱16,746	₱2,659,620
Additions	-	7,254	772	4,182	4,582	-	16,790
Disposals / adjustments	26	(2,386)	15,382	(1,593)	7,209	(16,746)	1,892
Reclassification and others (Note 25)	-	286,371	3,492	-	543	-	290,406
Balance at end of year	49,850	1,985,495	730,483	25,242	177,639	-	2,968,709
Accumulated Depreciation and Amortization							
Balance at beginning of year	19,362	279,048	193,381	20,852	138,935	-	651,578
Depreciation and amortization	3,970	50,197	18,664	1,134	11,073	-	85,038
Reclassification and others	-	2,039	(472)	(2,113)	677	-	131
Balance at end of year	23,332	331,284	211,573	19,873	150,685	-	736,747
Accumulated Impairment Loss							
Balance at beginning and end of year	-	173,701	361,050	-	-	-	534,751
Net Book Value	₱26,518	₱1,480,510	₱157,860	₱5,369	₱26,954	₱-	₱1,697,211

Certain assets were mortgaged and used as collateral, totaling ₱2,760.5 million as of both June 30, 2025 and December 31, 2024, to secure the loan obligations of RSAI and RAHC with the local banks (see Note 15).

12. Right-of-use Assets and Lease Liabilities

The Group as a lessee

The Group has lease contracts for sales office, herb garden and hotel suites used in its operations. Leases of sales office generally have lease terms between 1 and 3 years, while herb garden and hotel suites generally have lease terms of 5 and 25 years, respectively. 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, which are further discussed below.

The Group also has certain leases of office space for hospitality group with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The rollforward analysis of this right-of-use assets account follows:

	June 30, 2025			Total
	Hotel Suites	Sales Office	Herb Garden	
Cost				
At December 31, 2024	P161,454	P337	P385	P162,176
At June 30, 2024	161,454	337	385	162,176
Accumulated Depreciation and Amortization				
At December 31, 2024	161,216	337	385	161,937
Amortization expense	239	–	–	239
At June 30, 2024	161,454	337	385	162,176
Net Book Values at December 31, 2024	P239	P–	P–	P239
Net Book Values at June 30, 2025	P–	P–	P–	P–

The rollforward analysis of lease liabilities follows:

	2025	2024
Balance at beginning of period	P310	P1,583
Interest expense	–	74
Payments	(310)	(1,347)
Balance at end of period	P–	P310

The following are the amounts recognized in the consolidated statement of income:

	2025	2024
Depreciation expense of right-of-use assets included in property and equipment and investment properties	P239	P239
Interest expense on lease liabilities	–	27
Yield guarantee (inclusive in cost of services)	11,358	6,421
	P11,597	P6,687

The breakdown of lease liabilities as at June 30, 2025, and December 31, 2024 follows:

	2025	2024
Lease liabilities	P–	P310
Less: noncurrent portion of lease liabilities	–	–
<u>Current portion of lease liabilities</u>	<u>P–</u>	<u>P310</u>

The Group 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 Group's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

13. Investment Properties

The Parent Company

This account consists of land properties of the Parent Company located in Nasugbu, Batangas, which are held either to earn rentals and/or for capital appreciation.

The Parent Company's investment properties include the land properties that are subjected to the CARP. As of June 30, 2025 and December 31, 2024, these parcels of land have a carrying value of P21,289.3 million and P30,868.5 million, representing 97% and 98% of the total investment properties, respectively.

On January 11, 2024, RCI received a copy of the Consolidated Order dated December 29, 2023 that was issued by the DAR. The Consolidated Order is directing, among others, the consolidation of the total aggregate area of 2,941.46 hectares covering the three (3) haciendas into one (1) Title in the name of the Republic of the Philippines; and to segregate the consolidated Title into two (2) equal shares after deduction of some portions already resolved with finality rendered in favor of RCI, reflecting a 50-50 sharing or segregation in accordance with the survey plan, thus: (a) 297.0 hectares already resolved in favor of RCI with finality; (b) 1,322.23 hectares to be retained by RCI; and (c) 1,322.23 hectares to be distributed to the ARBs.

The same Consolidated Order directed the relevant government agencies to earmark and appropriate the payment of just compensation for RCI for those expropriated/awarded half portion of its landholdings (1,322.23 hectares) as may be judicially or administratively determined.

Under Section 7 of R.A. 9700, which amended R.A. 6657 in relation to DAR Administrative Order No. 7, Series of 2011, the just compensation is determined by following the 90% comparable sales (equivalent to 70% of the zonal value) and 10% market value based on the land properties actual classification at the time of taking as reflected from the related tax declaration.

While the said Consolidated Order became final and executory on January 27, 2024, management determined that the Group still has the rights over the land properties under CARP and for distribution to ARBs because there is no decision yet as to the final amount of just compensation as of December 31, 2024.

In November 2024, RCI filed its Petition for Mandamus / Petition for Determination of Just Compensation before the Department of Agrarian Reform Adjudication Board (DARAB). In the said Petition, RCI prayed that DAR should be directed to pay the company with just compensation to be fixed by DARAB.

On March 25, 2025, DARAB rendered its Decision fixing the just compensation for the expropriated RCI property and to be distributed to the ARBs. The said Decision became final and executory by operation of law on April 11, 2025.

Consequently, on April 25, 2025, the DARAB issued an Entry of Judgment of even date certifying that the administrative proceeding for the determination of just compensation is hereby deemed closed and terminated.

Thereafter, on April 28, 2025, the DARAB issued a Writ of Execution commanding the Sheriff to enforce the Decision by serving and presenting the same to the Land Bank of the Philippines.

On May 16, 2025, the Company received in full the ₱9,591 million just compensation in cash and in bonds.

The balance of investment properties was ₱22,010 million and ₱31,589 million as of June 30, 2025, and December 31, 2024, respectively.

14. Short-term Borrowings

The Group has a secured short-term loan from a local bank for the working capital requirements amounting to ₱100.0 million. This loan bears an annual interest of 9.0% and is payable within 30 to 180 days. In December 2024, the Group restructured the loan and reclassified the balance to long-term borrowings (see Note 15).

The loan is secured by a parcel of land with an appraised value of ₱52.8 million.

In November 2024, the Group availed an unsecured short-term loan from ELRO Commercial and Industrial Corporation for the additional working capital requirements amounting to ₱25.0 million (see Note 19). The short-term loan has an interest rate of 8.00% and the principal is payable on May 13, 2025. The said loan was fully paid as of June 30, 2025.

15. Long-term Borrowings

Long-term borrowings consist of loans from:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Bank of the Philippine Islands (BPI)	₱46,879	₱713,202
Robinsons Bank Corporation (RBC)	700,381	778,201
Landbank (LBP)	630,131	677,000
Amalgamated Investment Bancorporation (AIB)	693,524	697,662
Security Bank Corporation (SBC)	406,154	440,000
China Bank Corporation (CBC)	165,816	179,082
Asia United Bank (AUB)	182,500	182,500
Development Bank of the Philippines (DBP)	–	121,333
BDO Unibank, Inc.	–	64,000
Others	10,599	20,176
	2,835,984	3,873,156
Current portion	(848,657)	(1,669,881)
Noncurrent portion	₱1,987,328	₱2,203,275

BPI

In September 2016, RAHC converted its short-term loan facility from BPI amounting to ₱628.0 million to a 7-year term loan for the construction of Go Hotel North EDSA and Cubao. The principal of the loan is payable quarterly after 2-year grace period and has a variable interest rate for the first two years and fixed interest rate for the succeeding years. In December 2021, BPI and RAHC signed an amendment to terms and condition of the loan agreement for the ₱610.0 million loan balance in December 2021. The agreement amended the quarterly amortization of principal to bullet payment at the maturity of the loan. Interest payment was likewise amended from quarterly to semi-annually.

In May 2017, RAHC converted another short-term loan facility from BPI amounting to ₱460.0 million into a 7-year term loan facility for the development of GoHotel Timog. The principal of the loan is payable quarterly after a two-year grace period and has a variable interest rate for the first two years and a fixed interest rate for the succeeding years.

In September 2016, RLC obtained a 7-year term loan from BPI, with RCI as the co-mortgagor, amounting to ₱500.0 million. The principal of the loan is payable quarterly after a 2-year grace period and has a variable interest rate subject to quarterly repricing. The loan is secured by the real estate properties for sale and development of RLC and certain properties of the Parent Company. In February 2021, RLC paid ₱255.6 million from sale of properties. In 2022, the principal payment of the loan amounting to ₱329.2 million, inclusive of unpaid interest, was changed from quarterly payment to bullet payment at maturity in July 2023. The loan was fully paid as of December 31, 2022.

In 2020, RLC converted its short-term loan amounting to ₱228.0 million to medium-term loan. The principal payment of the loan will be due at maturity in August 2023. Interest increased from 6.25% to 7.5% and is payable semi-annually. In June 2024, RLC made a partial payment of P120.2 million.

In February 2025, the outstanding balance of the loan amounted to ₱105.4 million was fully paid.

In September 2020, the Parent Company converted its short-term loan facility from BPI amounting to ₱474.5 million into a 3-year medium-term loan. The principal is due on maturity in the year 2023 and has a variable interest rate. The loan is secured by (via Cross Collateral Agreement) real estate mortgages and a pledge over RHI shares of stock owned by the Parent Company and any additional collateral as may be agreed upon. On June 28, 2024, the Parent Company paid in full through a refinancing arrangement with SBC amounting to ₱440 million.

As of June 30, 2025, the total principal payment of ₱638.7 million was made. The outstanding balance of the loan amounted to ₱47.3 million as of June 30, 2025 and ₱607.8 million as of December 31, 2024.

RBC

As of June 30, 2025, quarterly principal payments commenced on March 29, with a total payment of ₱77.8 million made. The outstanding balances were P=700.4 million as of June 30, 2025, and ₱778.2 million as of December 31, 2024.

In November 2022, RAHC restructured the Term Loan 1 and 2 with balances of ₱450.0 million and ₱288.8 million, respectively, into a new Term Loan 3, for a total amount of ₱778.2 million including capitalized interest of ₱39.4 million. The restructured loan has tenor of 81 months, maturing on September 30, 2029. The principal payment and interest are payable quarterly with two year grace period on principal payment starting in March 29, 2025. The interest rate is at the prevailing market rate and subject to annual repricing.

RAHC originally availed the term loans amounting to ₱330.0 million (Term Loan 1) and ₱450.0 million (Term Loan 2) in September 2017 and September 2019 to finance the construction of Go Hotel Airport and Go Hotel Ermita, respectively, and for working capital purposes. The principal of the loans has

an interest rate of 3.75% for the 1st two years and an indicative interest rate of 6% for the succeeding years until maturity. The loans were first restructured in June 2020 whereby RBC granted RAHC an additional grace period and the total amount of the deferred loan amortization during the grace period will be due via bullet payment at maturity. Interest rates were revised to the prevailing lending rate.

LBP

In February 5, 2025, an advance payment of ₱100.0 million was made, which was allocated to interest and principal. And, the remaining prepaid interest of ₱26.7 million was recorded under other current assets. The outstanding principal is ₱630 million as of June 30, 2025, compared to ₱677 million as of December 31, 2024.

In November 2022, RSAI restructured the term loan with LBP by converting the original loan to a 7-year term loan. The restructured loan amounted to ₱683.0 million, inclusive of the ₱60.8 million capitalized interest and other charges. The principal of the loan is payable semi-annually and has an 8% interest rate subject to quarterly repricing. The loan is secured by RSAI's coconut processing plant.

The term loan, prior to restructuring, was payable quarterly for seven years with 2-year grace period until 2024.

AIB

In November 2023, AIB agreed to restructure the loan amount of ₱687.3 million arising from the original loan agreement to a 7-year term loan (Tranche 1) and the unpaid dividends from preferred shares of ₱12.4 million to a 3-year term loan (Tranche 2). The loans shall bear an interest rate of 6-month BVAL + 325 basis points; provided, the interest shall be subject to floor rate of 8% per annum. The restructured amount of ₱687.3 million was comprised of the following: (a) ₱370.0 million principal balance of the original loan; (b) ₱72.1 million unpaid interest; (c) ₱200.0 million that was used to redeem the remaining 200.0 million shares issued to AIB (see Note 19); and (d) ₱45.2 million cumulative dividends. The total outstanding balance of the loan amounted to ₱693.5 million and ₱697.7 million as of June 30, 2025 and December 31, 2024, respectively.

Prior to the above restructuring, in March 2021, RCI restructured the subscription and short-term loan with AIB under the Restructuring and Financing Agreement. The restructuring provided RCI to secure a loan from AIB in the total amount of ₱370.0 million, with a bullet payment at the end of five years, and the proceeds of which were used by RCI to redeem the 300 million preferred shares and fully pay the ₱70.0 million short-term loans. The restructured loan bears an interest rate equivalent to the (a) higher of 7% per annum or (b) one-year Base Rate plus 2.5% spread to be determined annually.

SBC

On June 28, 2024, the Parent Company obtained a 7-year, ₱440 million term loan maturing on June 27, 2031, with a 9.561% interest rate, to refinance its BPI debt obligation. The quarterly principal payment will commence on June 26, 2026.

The Parent Company paid ₱8.3 million debt transaction cost as a result of the loan availment under SBC facility in June 2024. Amortization of debt transaction costs included under interest expense amounted to ₱0.5 million as of March 2025 and ₱0.8 million in 2024 (nil in 2023 and 2022).

On June 26, 2025, an initial principal payment was made amounting to ₱33.8 million as agreed with the bank. The outstanding balance of the loan amounted to ₱406 million as of June 30, 2025 and ₱440 million as of December 31, 2024.

CBC

In November 2022, RLC restructured the medium-term loan with CBC. The restructured loan has a term of 9 years, payable after two and a half years grace period, and bears a fixed interest of 7% commencing February 2023 and subject to yearly repricing. The outstanding balance of the loan amounted to ₱165.8 million as of June 30, 2025.

The loan, prior to restructuring, has a term of 5 years from September 2019 with one and half years' grace period and is payable quarterly until 2024.

AUB

In September 2023, RLC restructured the loan with AUB with principal amount of ₱182.5 million to a 5-year term. The principal of the loan is payable quarterly after two years grace period and has a fixed interest rate of 7% to be paid monthly starting September 2023. The first principal payment is due in November 30, 2025.

The loan, prior to restructuring, has a 3-year term maturing in July 2023 and has an interest rate of 7%.

BDO

On June 30, 2025, the loan of ₱64 million was fully settled, initiating the release of all associated collateral.

On August 27, 2024, the Parent Company restructured its remaining loan with BDO amounting to ₱64.0 million to a 5-year term loan including two years grace period and a fixed interest rate of 7.25%. The first semi-annual amortization is due on February 27, 2027.

The loan with an original amount of ₱80.0 million, prior to restructuring, has a term of three years maturing in May 2024 and has an interest rate of 5.5%.

DBP

In December 2024, DBP approved the restructuring of RSAI's short-term loan amounting to ₱100.0 million to a 7-year term loan, inclusive of two years grace period. The principal is payable in 20 equal quarterly installments of ₱5.0 million starting on February 15, 2026. Further, the unpaid interest from the original loan amounting to ₱32.0 million will be payable over three years in 12 equal quarterly payments of ₱2.7 million starting February 15, 2024. The total restructured loan amounting to ₱132.0 million has an initial fixed interest rate of 9% per annum until November 2026, which is payable quarterly and subject thereafter to annual repricing based on the approved rate of the bank.

The loan is secured by a parcel of land in Tagaytay City with a cost of ₱52.8 million. The Group offered to replace the existing collateral with the parcel of land in Nasugbu, Batangas with an appraised value of ₱250.6 million as of December 31, 2024. The request for the replacement of existing collateral was denied, but it was accepted as additional collateral.

As of June 3, 2025, the total outstanding principal balance of ₱121.3 million was fully settled, and the corresponding collateral was subsequently released. The Transfer Certificates of Title (TCTs) for the two pieces of collateral—a parcel of land in Tagaytay City and another in Nasugbu, Batangas—were released and received by the Company on June 20, 2025.

Collateral

Details of collateral as of June 30, 2025 and December 31, 2024 are as follows:

	2025	2024
Investment properties of RCI and RSAI*	₱730,826	₱1,068,256
Real estate properties for sale and development of RLC (Note 8)*	1,203,406	1,286,687
Hotel assets of RAHC and RLC	2,372,967	2,372,967
Coconut manufacturing plant in 2024, including land	294,807	294,807
Shares of stock of RHI (329.6 million shares as at 2024 and 2023)*	–	–
RCI treasury shares (90.0 million shares as at 2024 and 120.0 million shares in 2023)	153,000	153,000
Property of RCI	92,700	92,700
	₱4,847,707	₱5,268,417

**Recovered DBP collateral with the release of Anya Phase 3 and the 10.8-hectare Banilad TCTs following full loan settlement on June 20, 2025.

**As discussed in Note 11, the carrying value of RHI in 2023 has been reduced to nil due to recognition of the Group additional share in RHI's total comprehensive loss.

Interest Expense

Total interest expense recognized from short-term and long-term loans amounted to ₱148.5 million and ₱158.8 million for the six months ended June 30, 2025 and 2024, respectively.

Maturities

The maturities of the long-term borrowings are as follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Less than one year	₱848,526	₱1,669,881
Between one and two years	889,699	468,657
Between two and five years	1,064,843	1,412,661
Over five years	32,917	321,957
	₱2,835,985	₱3,873,156

Change in Liabilities Arising from Financing Activities

	Short-term borrowings (Note 14)		Long-term borrowings	
	2025	2024	2025	2024
Balance at the beginning of the period	₱25,000	₱100,000	₱3,873,156	₱3,555,184
Availments	–	25,000	10,000	440,000
Debt issuance cost	–	–	1,069	(8,300)
Acquisition of transportation equipment with mortgage	–	–	–	5,364
Payments and reclassification from short-term to long-term	(25,000)	–	(1,048,240)	(622,335)
Interest incurred on borrowings	–	–	–	(1,138)
Effect of loan restructuring	–	(100,000)	–	132,000
Reclassification of loan related to asset held for sale	–	–	–	372,381

Balance at the end of the year	₱–	₱25,000	₱2,835,985	₱3,873,156
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16. Trade and Other Payables

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade	₱238,127	₱245,784
Accrued expenses	268,391	193,234
Accrued interest	11,302	212,268
Due to related parties (Note 19)	68,518	230,264
Statutory payables	218,155	196,395
Retention payable	42,790	43,185
Payroll and other employee benefits	5,410	6,072
Dividends (Note 18)	1,202	1,202
Payables to contractors	18,183	12,887
Others	140,724	40,681
	₱1,012,802	₱1,181,972

17. Retirement Benefits

Retirement Benefits

The amounts recognized as retirement benefits in the consolidated statements of income are as follows:

	2025 (six months)	2024 (six months)
Net interest cost	₱–	₱–
Current service cost	4,736	1,124
	₱4,736	₱1,124

The cumulative remeasurement gain on retirement liability (shown as part of other equity reserve) recognized as other comprehensive income amounted to ₱3.3 million (net of tax) as of June 30, 2025 and December 31, 2024.

Retirement Liability

Retirement liability recognized in the consolidated statements of financial position follows:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Present value of obligation	₱74,986	₱70,250
Fair value of plan assets	(3,867)	(3,867)
Retirement liability	₱71,119	₱66,383

Movements in the defined benefit obligation follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period	₱70,250	₱65,559
Interest cost	–	4,044
Current service cost	4,736	8,400
Benefits paid directly paid by the Company	–	(7,368)
Actuarial loss (gain) on DBO due to:		
Experience adjustments	–	1,099
Changes in financial assumptions	–	(1,484)
Balance at end of period	₱74,986	₱70,250

Movements in the fair value of plan assets for the six months ended June 30, 2025 and year ended December 31, 2024 follow:

	2025	2024
Balance at beginning of the year	₱3,867	₱3,714
Interest income	–	229
Return on plan assets, excluding amounts included in interest income	–	(76)
Balance at end of the year	₱3,867	₱3,867

Plan assets of the Group as at June 30, 2025, and December 31, 2024 consist of:

Cash in banks and cash equivalents	27%
Government securities and other assets	73%
	100%

The Group does not expect to contribute to the respective plans in 2025.

The latest available actuarial valuation of the plan for the Group is as of December 31, 2024.

The principal actuarial assumptions used in determining retirement benefits and gratuities cost as at beginning of each period follows:

	June 30, 2025	December 31, 2024
Discount rate	6.20%	6.20%
Future salary increases	3.00% to 4.00%	3.00% to 4.00%

The sensitivity analysis based on reasonably possible changes of the assumptions as at both June 30, 2025 and December 31, 2024 are as follows:

Discount Rate	+100 bps	(₱3,882)
	-100 bps	4,508
Salary Rate	+100 bps	4,586
	-100 bps	(1,438)

Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the retirement liability at the end of each reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant

assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The corresponding change in the retirement liability was expressed as a percentage change from the base retirement liability. There were no changes from the previous period in the methods and assumptions used in preparing the sensitivity analyses.

The Group does not currently employ any asset-liability matching.

The maturity analysis of the undiscounted payments as of both June 30, 2025, and December 31, 2024 are as follows:

One year and less	₱37,645
More than one year to five years	19,045
More than five years to 10 years	26,779
More than 10 years to 15 years	291,165

Weighted average duration of the defined benefit liability is 14.1 years as of June 30, 2025 and December 31, 2024.

18. Equity

a. Capital Stock

	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Number of Shares	Amount	Number of Shares	Amount
“Class A” common stock - ₱1 par value				
Authorized	3,375,000,000	₱3,375,000	3,375,000,000	₱3,375,000
Issued -				
Balance at beginning and end of period	2,911,885,870	2,911,886	2,911,885,870	2,911,886
Treasury stock:				
Balance at beginning of period	(107,142,410)	(199,647)	(626,894,874)	(1,065,721)
Acquisition	-	-	(14,004,000)	(41,312)
Issuances	224,958	662	533,756,464	907,386
Balance at end of period	(106,917,452)	(198,985)	(107,142,410)	(199,647)
Issued and outstanding	2,804,968,418	₱2,712,901	2,804,743,460	₱2,712,239
Preferred stock - ₱1 par value				
Authorized, 1,000,000,000				
Issued and outstanding	-	₱-	-	₱-

Issued and outstanding common shares are held by 3,272 and 3,274 equity holders as of June 30, 2025 and December 31, 2024, respectively.

Treasury stock

In January 2024, the Board approved the sale of 6,939,000 total treasury shares with a total value of ₱33.4 million to pay the advances to the shareholders.

On April 15, 2024, the Parent Company, pursuant to its Board Resolution issued on September 24, 2014, authorized the sale of its 250,000,000 treasury stock at ₱2.00 per share. On May 3, 2024, the actual sale transaction of the said treasury stock was completed.

On the same day, the Parent Company paid certain advances from shareholders by issuing 49,482,697 treasury stock valued at ₱2.00 per share.

The Parent Company issued total treasury stock of 533,756,464 in 2024, 46,425,837 in 2023, and 16,510,657 in 2022 based on the average price per share of ₱1.51, ₱0.48 and ₱0.58, respectively. The aggregate issue price from the transaction amounted to ₱805.5 million in 2024, ₱23.1 million in 2023 and ₱9.6 million in 2022. Of the aggregate issue price of ₱805.5 million in 2024, ₱672.0 million was settled by cash and ₱133.5 million was settled by certain cash advances from shareholders.

The Group recognized the excess of cost of treasury stock over issue price amounting to ₱101.9 million in 2024, ₱55.9 million in 2023 and ₱18.5 million in 2022 as a reduction to additional paid-in capital. In 2024, the additional paid-in capital was further reduced by ₱7.6 million for the transaction costs incurred on the issuance of treasury stock.

On February 13, 2025, the Parent Company issued 223,958 treasury shares at ₱2.40 per share, totaling ₱0.54 million. This resulted to a ₱0.12 million decrease in additional paid-in capital, with transaction costs of ₱0.00 million.

On September 5, 2024, the Parent Company repurchased 14,004,000 issued shares from LDA Capital Limited (LDA Capital) for ₱41.3 million or at ₱2.95 per share. The buyback is a return of the guaranteed shares at the end of the 3-year agreement between the Parent Company and LDA Capital. The acquisition of these treasury stocks was applied against the Parent Company's receivables from LDA Capital.

On May 8, 2025, the Parent Company issued 1,000 treasury shares at ₱2.71 per share.

The Group sold and paid shareholders' advances using treasury stock as part of its fundraising initiatives for working capital needs, project expansion, loan repayments, and other commitments.

Preferred stock

On November 13, 2018, the Parent Company issued 500.0 million preferred shares (500,000,000 preferred shares offered at par value of 1 per share) with a fixed dividend rate of 8.5%, with a corresponding reduction to additional paid-in capital stock pertaining to transaction costs of ₱5.0 million. The preferred shares are cumulative, non-participating, non-voting, and redeemable at the option of the Parent Company, as determined by the BOD.

The BOD, in its Special Meeting held on 12 March 2021, resolved to redeem 300 million redeemable preferred shares, which are not listed with the PSE, issued to Amalgamated Investment Bancorporation pursuant to the Re-structuring and Financing Agreement entered into between the parties. The Board further resolved to redeem the said preferred shares at a redemption price of ₱1.00 per share.

The BOD, in its Special Meeting held on August 23, 2023, resolved to redeem the remaining 200 million preferred shares issued to AIB at ₱1.00 per share. The redemption price to be paid by RCI was included in the restructured loan with AIB totaling to ₱687.3 million plus the ₱12.4 million unpaid accrued dividends for the preferred shares.

b. Track Record of Registration

Date	Number of Shares Licensed	Issue/Offer Price
October 7, 1918	15,000	₱100.00
February 15, 1963	2,500,000	10.00
March 31, 1969	3,000,000	10.00
January 13, 1977	5,000,000	10.00
May 21, 1990	12,500,000	10.00*
December 3, 1996	200,000,000	1.00
October 26, 1999	400,000,000	1.00
April 2, 2002	2,000,000,000	1.00
February 7, 2005	1,962,500,000	1.00
June 23, 2009	3,375,000,000	1.00

* Par value was subsequently reduced to ₱1.00

c. Other equity reserves

Details of other equity reserves follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Share in Other Comprehensive Income of Associates		
Share in Revaluation Increment on Land of an Associate		
Balance at beginning and end of period	₱588,002	₱588,002
Cumulative Share in Changes in Fair Value of AFS Financial Assets of an Associate		
Balance at beginning and end of period	5,129	5,129
Revaluation Increment on Land of a Subsidiary		
Balance at beginning of period	227,151	175,506
Share in appraisal increase, net of tax	–	51,645
Balance at end of period	227,151	227,151
Cumulative Remeasurement Gain on Retirement Liability		
Balance at beginning and end of period	52,260	52,260
Cumulative Share in Remeasurement Loss on Retirement Liability of Associates		
Balance at beginning of period	(25,355)	(25,586)
Share in remeasurement loss, net of tax	–	231
Balance at end of period	(25,355)	(25,355)
	₱847,187	₱847,187

d. Retained Earnings

Details of retained earnings follow:

Retained earnings that are not available for dividend declaration are as follows:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Restricted for treasury stock	₱198,985	₱199,647
Gain on change in fair value of investment properties, net of debit balance of Other Equity Reserves closed to retained earnings	296,967	296,967
Fair value gains on investment properties included in the retained earnings	27,343,874	27,343,874
Deferred income tax assets	17,249	17,249
	₱27,857,075	₱27,857,737

e. Share Prices

The principal market for the Parent Company's share of stock is the PSE. The high and low trading prices of the Parent Company's share for each quarter within the last six periods are as follows:

Quarter	High	Low	
January 2025 through June 2025			
First	₱2.62	₱2.46	
Second	3.18	3.25	3.01
January through December 2024			2.84
First	₱1.85	₱1.71	
Second	3.25	2.84	
Third	3.28	3.03	
Fourth	3.42	3.29	
January through December 2023			
First	₱0.50	₱0.48	
Second	0.47	0.46	
Third	0.47	0.45	
Fourth	0.51	0.49	

19. Related Party Transactions and Balances

The transactions and related balances of the Group with other related parties are as follows:

Related Party	Nature of Transaction	Period	Transactions during the Period*	Trade and Other Receivables (see Note 6)	Amount Due to Related Parties (see Note 15)
Associates					
FDC	Non-interest bearing advances	June 30, 2025	(₱56,100)	₱15,290	₱13,211
		December 31, 2024	(₱56,100)	₱15,290	₱13,211
RADC	Noninterest-bearing advances	June 30, 2025	-	-	11,461
		December 31, 2024	-	-	11,461
Joint Ventures					
VJPI	Noninterest-bearing advances	June 30, 2025	-	116	218
		December 31, 2024	-	116	218

(Forward)

Related Party	Nature of Transaction	Period	Transactions during the Period*	Trade and Other Receivables (see Note 6)	Amount Due to Related Parties (see Note 15)
Marilo Realty Development Corporation	Noninterest-bearing advances	June 30, 2025	₱9,138	₱1,236	₱361
		December 31, 2024	₱9,138	₱1,236	₱288
LPC	Defrayment of cost and expenses for restructuring	June 30, 2025	–	193	23,994
		December 31, 2024	–	193	23,994
Entities under common control	Interest-bearing advances	June 30, 2025	16,555	231,411	19,273
		December 31, 2024	16,555	87,199	181,092
		June 30, 2025		₱248,246	₱68,518
		December 31, 2024		₱104,034	₱230,264

*Amounts represent transactions for the six months ended June 30, 2025 and year ended December 31, 2023.

- a. In the normal course of business, the Parent Company extends/avails of advances to/from its related parties under common control, with definite repayment terms. The advances to and from related parties are interest-bearing.
- b. In 2004, RLC and LPC by way of a Deed of Assignment of Rights, assigned to Punta Fuego Holdings Corporation (PFHC) the rights and privileges to their 105 and 245 club shares in CPFH, respectively. In consideration of the assignment of rights and privileges, PFHC pays RLC and LPC an amount equivalent to 85% of the net income earned from the club shares to be remitted on or before May 5 of each year beginning 2005. The respective shares of RLC and LPC were computed in proportion to the number of club shares they have each assigned. In 2005, PFHC and FDC merged with FDC, as the surviving entity. As a result, FDC assumed the said liability of PFHC to RLC.

Outstanding balances at year end are unsecured and settlement normally occurs in cash, unless otherwise indicated above. No guarantees have been provided or received for these balances. Advances to and from related parties are noninterest-bearing and have no fixed repayment terms unless otherwise indicated above. Impairment review is undertaken each reporting date. As at June 30, 2025 and December 31, 2024, allowance for impairment loss amounting to ₱3.1 million pertains to due from LPC.

- c. Compensation of key management personnel is as follows:

	June 30, 2025 (six months, Unaudited)	June 30,, 2024 (six months, Unaudited)
Salaries and short-term benefits	₱33,824	₱27,005
Retirement benefits	4,248	2,371
	₱38,072	₱29,377

Directors' Remuneration

The Parent Company settled the director's remuneration through cash and issuance of treasury shares for the regular board meetings held as follows:

Date of Meeting	No. of shares	Market Value per Share	Share-Based	Cash Compensation	Total Compensation
May 02, 2022	336,538	0.52	175,000	175,000	350,000
August 11, 2022	307,018	0.57	175,000	175,000	350,000
November 10, 2022	380,435	0.46	175,000	175,000	350,000
April 21, 2023	318,421	0.48	175,000	175,000	350,000
May 16, 2023	271,053	0.48	150,000	150,000	300,000
August 11, 2023	284,210	0.48	150,000	150,000	300,000
November 10, 2023	271,053	0.48	150,000	150,000	300,000
April 12, 2024	63,021	2.40	175,000	175,000	300,000
May 13, 2024	53,645	2.40	150,000	150,000	300,000
August 13, 2024	44,271	2.40	125,000	125,000	250,000
November 11, 2024	63,021	2.40	175,000	175,000	350,000
April 14, 2025				175,000	175,000
May 16, 2025				125,000	125,000

20. Revenue from Contracts with Customers
a. Disaggregated revenue information

The disaggregation of the Group's revenue from contracts with customers is presented in the interim consolidated statements of income and disclosed in the operating segment information (see Note 29). This presentation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Except for the revenues earned for the sale of real estate, all revenues were earned at a point in time.

b. Contract balances

The Company's contract balances as at June 30, 2025, and December 31, 2024 are as follows:

	June 30, 2025	December 31, 2024
Contract asset	₱80,844	₱50,956
Contract liabilities	103,087	86,351

Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

Cash received from the sale of real estate properties that does not meet the revenue recognition criteria are recognized in "Customers' deposits" account which is presented as part of "Contract liabilities and customer's deposits" account in the consolidated statements of financial position.

Breakdown as to current and noncurrent portions of the amount recorded under “Contract assets” account follows:

	2025	2024
Contract assets - current	₱60,132	₱39,240
Contract assets - noncurrent	20,712	11,716
	₱80,844	₱50,956

Contract liabilities

- a. Deferred income amounting to ₱95.6 million and ₱34.8 million in 2025 and 2024, respectively, pertains to collections from buyers exceeding the recognized sale of real estate based on percentage-of-completion.
- b. Customers’ deposits amounting to ₱7.6 million and ₱49.8 million as of June 30, 2025, and December 31, 2024, respectively, represent non-interest-bearing cash received from the sale of real estate properties, which did not meet the revenue recognition criteria as set out in Note 4. Deposits from the sale of real estate properties will be applied against the receivable from the customers upon recognition of revenue.
- c. Guests’ deposits pertain to the advance payments of guests for room reservations in the hotels and advance consultancy fees amounting to ₱30.1 million and ₱24.4 million as at period ended June 30, 2025 and year ended December 31, 2024, respectively.

21. Cost and Expenses

Cost of hotel sales and services consist of:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Salaries, wages and other employee benefits	₱27,393	28,721
Outside services	24,742	17,846
Food and beverage cost	17,799	18,998
Communication, light and water	16,966	23,226
Depreciation and amortization	14,266	8,305
Yield guarantee (Note 12)	11,358	11,045
Supplies	2,308	18,557
Travel and transportation	304	237
Repairs and maintenance	27	2,519
Others	20,253	12,659
	₱135,417	₱142,113

Other costs of hotel sales and services are expensed as incurred which are incurred for the generation of revenue from ancillary services like laundry.

Cost of goods sold consist of:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Materials used and changes in inventory	₱155,220	₱3,569
Direct labor	25,374	–
Provision for inventory write -down	18,312	–
Indirect labor	14,155	–
Factory supplies	13,445	–
Depreciation (see Note 11)	11,819	–
Communication, light and water	10,509	–
Packaging materials	6,027	–
Repairs and maintenance	6,014	–
Taxes and licenses	3,801	–
Rent expense	54	–
Others	768	–
	₱265,498	₱3,569

Started in October 2023, RSAI has fewer production hence all fixed expenses amounting to ₱25.7 million are recognized as part of operating expenses except for the direct materials used for the short runs until the first six months of 2024, all expenses during that period were charged to operating expenses.

In January 2025, RSAI commenced its initial six-month Supply and Manufacturing agreement with a third party to produce a new product.

Operating expenses consist of:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
General and administrative expenses	₱456,421	₱206,220
Selling expenses	24,669	15,396
	₱481,089	₱221,616

General and administrative expenses consist of:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Outside services	₱320,943	₱10,074
Salaries, wages and other employee benefits (Notes 17 and 22)	68,214	84,494
Taxes and licenses	19,760	28,906
Depreciation and amortization (Note 11)	12,287	30,946
Communication, light and water	11,989	6,447
Representation and entertainment	4,289	3,030
Travel and transportation	2,858	2,852
Repairs and maintenance	2,369	4,248

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
<i>(Forward)</i>		
Materials and consumables	1,764	5,380
Rent	1,507	1,484
Insurance	654	581
Others	9,787	27,779
	₱456,421	₱206,220

Outside services include contingent legal fees and other allocated fees for land recovery program.

Others include professional fees, training and development, other miscellaneous charges, and reclassification of various costs of goods sold due to limited operations of RSAI.

Selling Expenses

This account mainly pertains to marketing, commission on real estate sales and advertising and promotion expenses.

22. Personnel Costs

The components of employee benefits presented under “General and administrative expenses” account (see Note 21) in the consolidated statements of income are as follows:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Salaries and other benefits	₱63,875	₱60,928
Retirement benefits (Note 17)	4,339	1,124
	₱68,214	₱62,052

23. Others - Net

Other income consists of:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Income from penalties for late payment	₱535	₱628
Rent income	200	120
Other coconut sales	173	101
Provision for Impairment Loss - PPE	—	(214,336)
Others	345	(48)
	₱1,253	(₱213,535)

Others include other hotel charges such as shuttle services, laundry services, early and late checkout fees, realty fees, forfeited reservation deposits, wake room, and realized foreign exchange gain (loss).

24. Income Taxes

- a. Provision for (benefit from) income taxes comprise the following:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Current	₱7,004	₱2,404
Deferred	–	–
	₱7,004	₱2,404

- b. The components of the recognized deferred tax assets and liabilities represent the tax effects of the following temporary differences:

	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Net Deferred Income Tax Assets	Net Deferred Income Tax Liabilities	Net Deferred Income Tax Assets	Net Deferred Income Tax Liabilities
Deferred tax assets on:				
Customers' deposit	₱–	₱–	₱–	₱–
Retirement liability	12,148	–	12,148	–
Deferred income	–	–	–	–
Excess MCIT over RCIT	–	–	–	–
Allowance for impairment losses of receivables	4,148	–	4,148	–
Lease liabilities	78	–	78	–
Various accruals	875	–	875	–
	17,249	–	17,249	–
Deferred tax liabilities on:				
Taxable temporary difference arising from use of installment method of revenue recognition for tax reporting	–	–	–	–
Revaluation increment on land	(2,549)	(189,178)	(2,549)	(189,178)
Investment properties	–	(5,279,335)	–	(5,279,335)
Right-of-use assets	(78)	–	(78)	–
Actuarial gain	(7,396)	–	(7,396)	–
Prepaid commission	(262)	–	(262)	–
	(10,285)	(5,468,513)	(10,285)	(5,468,513)
Net deferred tax assets (liabilities)	₱6,964	(₱5,468,513)	₱6,964	(₱5,468,513)

25. Earnings (Loss) Per Share

Basic/diluted earnings (loss) per share are computed as follows:

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Net loss attributable to the equity holders of the Parent Company:	(₱525,638)	(₱344,737)
Weighted average number of shares issued and outstanding:		
Issued and outstanding ordinary shares	2,804,940,048	2,802,032,693

	June 30, 2025 (Six months, Unaudited)	June 30, 2024 (Six months, Unaudited)
Basic/diluted loss per share:	(₱0.19)	(₱0.13)

There are no potential dilutive common shares as at June 30, 2025 and 2024.

26. Contingencies and Commitments

Yield Guarantee to Real Estate Buyers

During the year ended March 31, 2014, RLC entered into a yield guarantee agreement with buyers of Anya Resort Suites. The said buyers will be entitled to a yield guaranteed along with the usage allowance for the first five years inclusive of fixtures, furniture and equipment and VAT.

After the expiration of the said 5-year period, the unit owners will enjoy a variable yield based on the proportionate room revenues. The variable yield will continue until after the expiration of the agreement with the unit owners.

Unused Credit Lines

The Group has unused lines of credit with a local bank amounting to ₱60.0 million as of June 30, 2025 and December 31, 2024 (see Notes 14 and 15).

27. Financial Instruments

Risk Management, Objectives and Policies

The principal financial instruments comprise of cash in banks, receivables and payables, which arise directly from its operations, investment in bonds and short and long-term borrowings. The Group has other financial instruments such as restricted cash and dividends payable.

The main risks arising from the financial instruments are liquidity risk, interest rate risk and credit risk. Risk management is carried out by senior management under the guidance and direction of the BOD of the Parent Company.

Liquidity risk

Liquidity risk arises from the possibility that the Group may encounter difficulties in raising funds to meet maturing obligations.

The Group's objective is to maintain sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the business, the Group aims to maintain flexibility in funding by keeping track of daily cash flows and maintaining committed credit lines available. In addition, the Group, renegotiates the terms of its existing loan agreements with bank creditors and lenders as the need arises (see Notes 14 and 15).

Credit risk

Credit risk is the risk that the Group will incur financial loss through default by counterparties in performing their obligations.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different geographic areas. It has policies in place to ensure that sales of goods are made to customers with an appropriate credit history. There is no concentration of credit risk with respect to receivables relating to real estate sales.

Credit risks for contract receivables is mitigated as the Group has the right to cancel the sales contract without risk for any court action and can take possession of the subject property in case of refusal by the buyer to pay on time the contracts receivables due. This risk is further mitigated because of the corresponding title to the party sold under this arrangement is transferred to the buyers only upon full payment of the contract price.

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions.

Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a qualitative risk rating. Risk ratings are subject to regular revision. The credit quality review process allows the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Collaterals and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

Credit quality per class of financial assets

The credit quality of receivables is managed by the Group through its Marketing Department.

High grade accounts are those receivables from counterparties with whom collections are made without much collection effort. Standard grade accounts consist of receivables from its distributors with good financial condition and with relatively low defaults. Substandard grade accounts on the other hand, are receivables from other counterparties with history of defaulted payments.

Impairment assessment

The main consideration for impairment assessment includes whether there are known difficulties in the cash flow of the counterparties. The Group assesses impairment in two ways: individually and collectively.

First, the Group determines allowance for each significant receivable on an individual basis. Among the items that the Group considers in assessing impairment is the inability to collect from the counterparty based on the contractual terms of the receivables. Receivables included in the specific assessment are the accounts that have been endorsed to the legal department, non-moving accounts receivable and other accounts of defaulted counterparties.

For collective assessment, allowances are assessed for receivables that are not individually significant and for individually significant receivables where there is no objective evidence of individual impairment. Impairment losses are estimated by taking into consideration the age of the receivables, past collection experience and other factors that may affect their collectability.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows on a financial instrument will fluctuate because of changes in market interest rates.

The Group has interest-bearing loans which bear floating interest rate and expose the Group to interest rate risk.

The quantitative disclosures on risks associated with the Group's financial instruments and the related risk management processes and procedures are disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2024.

Capital Management

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

The dividend declaration is dependent on availability of retained earnings and operating requirements. The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies, or processes for the six months ended June 30, 2025 and 2024.

Management considers the total consolidated equity reflected in the consolidated statements of financial position as its capital. The Group monitors its use of capital using leverage ratios, specifically, debt-to-equity ratio.

The Group is required to maintain a maximum debt-to-equity ratio of 3:1. The Group has the following debt-to-equity ratio:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Total liabilities	₱9,491,506	₱10,701,685
Total equity	24,371,834	24,925,479
Total liabilities and equity	₱34,001,342	₱35,627,164
Debt-to-equity ratio	0.39:1.0	0.43:1.0

28. Fair Value Measurement

The Group has assets and liabilities that are measured at fair value on a recurring and non-recurring basis in the consolidated statements of financial position after initial recognition. Recurring fair value measurements are those that another PFRS Accounting Standards requires or permits to be recognized in the consolidated statements of financial position at the end of each reporting period. These include AFS financial assets. Non-recurring fair value measurements are those that another PFRS Accounting Standards requires or permits to be recognized in the consolidated statements of financial position in particular circumstance. These include investment properties and land under property and equipment at revalued amount.

The Group's management determines the policies and procedures for both recurring and non-recurring fair value measurement.

External valuers are involved for valuation of significant assets which are investment properties and land under property and equipment. Involvement of external valuers is decided upon annually by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussion with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents with relevant external sources to determine whether the change is reasonable.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash in banks and short-term placements, receivables, short-term borrowings, current portion of long-term borrowings, accounts payable and accrued expenses, dividends payable and due to related parties

The carrying amounts of these instruments approximate their fair values due to their short-term maturities.

Investment in bonds and long-term borrowings

Fair values of long-term borrowings as at June 30, 2025 and December 31, 2024, were determined based on Level 2 in which the inputs are based on the discounted interest rate of the prevailing comparable instrument in the market.

The Group has no financial instruments carried at fair value in the consolidated financial statements as at June 30, 2025 and December 31, 2024.

Investment properties

The valuation technique used for the investment properties and land under property and equipment is Sales Comparison Approach which is a process to value based on sales of similar or substitute properties and related market data and establishes a value estimated by processes involving comparison.

There are no transfers to Level 1 and Level 2 fair value measurement.

29. Segment Reporting

The Group's identified operating segments, which are consistent with the segments reported to the BOD, are as follows:

- a. Real Estate
RLC is the real estate arm of the Group. RLC acquires, develops, improves, subdivides, leases and sells agricultural, industrial, commercial, residential and other real properties. The Group, through RLC, has subsidiaries namely SMMSI and RAHC.
- b. Hotel
RAHC, a subsidiary of RLC, owns and operates four GoHotels in Metro Manila. Anya Resort Tagaytay, a business segment of RLC, operates the Anya Hotel and Resort in Tagaytay City.
- c. Anya Hospitality Group, a business segment of RLC, provides hotel management services to RAHC 4 GoHotels, Anya Resort Tagaytay, and other hotel properties in Batangas.
- d. Manufacturing
RSAI, a subsidiary of the Parent Company based in Tupi, South Cotabato, operates a plant primarily to process coconut based products for export.
- e. Others
Other segments of the Group include the Parent Company, which owns various tracts of lands in Nasugbu, Batangas and RGEC, an entity established primarily for renewable energy.

The Group has one geographical segment with all assets located in the Philippines. The Group operates and derives all revenues from domestic operations. Thus, geographical business information is not required.

The Parent Company's BOD regularly reviews the operating results of the business units to make decisions on resource allocation and to assess performance. Segment revenue and expenses are

measured in accordance with PFRS. The presentation and classification of segment revenues and expenses are consistent with the consolidated statements of income.

Financing costs (including interest expense) and income taxes are managed on a per company basis and are not allocated to operating segments. Further, the measurement of the segments is the same as those described in the summary of significant accounting and financial reporting policies.

a. Segment revenue and expenses

The Group's main revenue stream comes from real estate sales, hotel revenues and export of coconut based products. The real estate and hotel operations segment's customers are mainly direct. Further, there were no revenue transactions with a single customer that accounts for 10.0% or more of total revenues.

b. Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, real estate for sale and development, inventories, prepaid expenses and property, plant and equipment, net of related accumulated depreciation. Segment liabilities include all operating liabilities and consist principally of trade payables, accruals and customers' deposits, and bank loans. Segments assets and liabilities do not include deferred income taxes.

c. Inter-segment transfers

Segment revenue, expenses and results include transfers between business segments. Such transfers are accounted for at competitive market prices charged to unrelated customers or by suppliers for similar goods or services.

The following tables present information about the Group's operating segments:

	June 30, 2025 (Unaudited)					
	Real estate	Hotel	Manufacturing	Others	Eliminations/ Adjustments	Consolidated Balance
External customers	24,422	238,200	210,472	-	-	473,094
Intersegment revenue	-	1,948	-	22,141	(24,088)	0
Revenues from contracts with customers	24,422	240,147	210,472	22,141	(24,088)	473,094
Income (Loss) before income tax from cc	(41,129)	(41,938)	(140,433)	(323,676)	-	(547,177)
Provision for income tax	(216)	(2,672)	-	(4,116)	-	(7,004)
Segment income (loss) from continuing o	(41,345)	(44,610)	(140,433)	(327,792)	-	(554,180)
Segment assets	1,987,163	2,287,422	791,108	32,774,017	(3,976,370)	33,863,340
Segment liabilities	1,441,002	2,617,296	1,711,816	7,116,199	(3,394,808)	9,491,506
Other Information:						
Equity in net loss in associates	₱0	₱0	₱0	₱449	₱0	₱0
Interest expense	₱23,247	₱52,575	₱54,532	₱62,014	₱43,894	₱148,474

	June 30, 2024 (Unaudited)					
	Real estate	Hotel	Manufacturing	Others	Eliminations/ Adjustments	Consolidated Balance
External customers	15,769	255,412	4,758	-	-	275,939
Intersegment revenue	-	11,615	-	28,563	(40,179)	-
Revenues from contracts with customers	15,769	267,027	4,758	28,563	(40,179)	275,939
Income (Loss) before income tax from conti	(44,006)	(236,521)	(102,387)	(85,185)	-	(468,100)
Provision for income tax	(97)	(2,299)	-	(8)	-	(2,404)
Segment income (loss) from continuing op	(44,103)	(238,820)	(102,387)	(85,194)	-	(470,504)
Segment assets	1,158,389	2,483,411	687,631	13,049,331	(2,082,960)	15,295,802
Segment liabilities	463,481	2,567,216	1,377,391	1,890,026	(1,067,077)	5,231,037
Other Information:						
Equity in net loss in associates	₱0	₱0	₱0	₱0	₱0	₱0
Interest expense	₱23,739	₱51,313	₱37,690	₱57,483	₱11,447	₱158,778

31. Event After Reporting Period

On July 15, 2025, a total of ₱747 million for RAHC's BPI and RBC loans was successfully settled.

32. The Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income, or Cash Flows that are Unusual Because of their Nature, Size or Incidence

Other than those disclosed in the notes to the unaudited interim consolidated financial statements, there are no assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidents.

33. The Nature and Amount of Changes in Estimates of Amounts Reported in Prior Interim Period of the Current Year or Changes in Estimates of Amounts Reported in Prior Years, if those Changes Have a Material Effect in the Current Interim Period

There are no significant changes in estimates reported in prior interim periods of the current year or changes in estimates reported in prior years, which are considered to have material effect on the unaudited interim consolidated financial statements.



ANNEX “B”

MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATIONS

**2nd Quarter Ended June 30, 2025
and 2024**

MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATIONS

INTERIM RESULTS (UNAUDITED) – 2nd Quarter ending June 30, 2025

Results of Operation

Consolidated revenues reached ₱473 million, up 71% from ₱276 million last year, driven by RSAI's continued operations under a new local coconut supply agreement and robust CWC exports. Coconut product sales rose to ₱210 million, with ₱103 million coming from the newly launched Pasteurized Chilled Coconut Cream, now representing nearly half of manufacturing revenues and underscoring the scale potential of our product diversification strategy.

Hotel services generated ₱239 million, down 7% from the prior year, reflecting timing shifts in corporate bookings and reduced room inventory due to ongoing maintenance. Real estate sales improved to ₱23 million, up 51% from ₱16 million, following the launch of Anya Phase 3.

Gross income for the period stood at ₱59 million, down 52% from ₱122 million last year, primarily driven by a 214% surge in nut prices versus the prior year's average of ₱7.77/kg. This margin pressure was partially offset by an 18% reduction in operating expenses, reflecting ongoing cost management efforts.

No equity net loss was recognized from the Group's 23.05% stake in Roxas Holdings Inc. (RHI), consistent with the same period last year. As of December 31, 2024, the carrying value of this investment remained at nil.

Interest expense declined to ₱148 million, a 6% reduction year-on-year, driven by a ₱1.048 billion principal repayment to date.

The consolidated net loss for the six-month period ended June 30, 2025, increased to ₱554 million, mainly due to the accrual of legal fees related to the receipt of just compensation. No impairment loss on property, plant, and equipment was recorded this year.

Financial Position

As of June 30, 2025, consolidated total assets stood at ₱33.9 billion, slightly lower than ₱35.6 billion as of December 31, 2024. The decrease was primarily due to the write-off of investment property following the receipt of just compensation.

Trade and other receivables increased to ₱836 million from ₱224 million. It includes the ₱469.1 million, representing 10% of the ₱4,691.2 million unquoted debt securities issued by LBP due on April 25, 2026. Also, it includes the amount withheld by LBP until the submission of Real Property Tax Clearances, amounting to ₱18 million. The Group's current ratio strengthened to 2.27:1 from 0.28:1, signaling a much stronger liquidity position.

Total liabilities decreased by 11% to ₱9.5 billion from ₱10.7 billion, driven by substantial principal and interest payments made to date as part of the Group's deleveraging efforts. Correspondingly, the debt-to-equity ratio improved to 0.39:1 from 0.43:1, remaining well below the 0.75:1 covenant limit set by lenders.

Total equity stood at ₱24.37 billion, a slight decline of 2.2% from ₱24.93 billion at year-end, mainly due to the net loss recognized for the quarter. Book value per share remained stable at ₱8.69.

On March 25, 2025, DARAB rendered its Decision fixing the just compensation for the expropriated RCI property and to be distributed to the ARBs. The said Decision became final and executory by operation of law on April 11, 2025.

Thereafter, on April 28, 2025, the DARAB issued a Writ of Execution commanding the Sheriff to enforce the Decision by serving and presenting the same to the Land Bank of the Philippines.

As of May 16, 2025, total proceeds of ₱9.6 billion comprise ₱4.9 billion cash and ₱4.7 billion Agrarian Reform Bonds issued by the Land Bank of the Philippines (LBP) as consideration for investment properties distributed to Agrarian Reform Beneficiaries (ARBs). Issued April 25, 2025, the bonds are repayable in 10 equal annual installments through 2035 with semi-annual interest based on prevailing 91-day Treasury Bill rates, net of withholding tax.

Other than the matters discussed above, there are no:

- Significant elements of income or loss that arose from continuing operations; and
- Seasonal aspects that had a material effect on the financial condition or results of operations.

Top Five Performance Indicators

The Group's financial performance is determined to a large extent by the following key results:

1. *Gross profit.* This is recognized in full when the collection of the total contract price reached 10% on real estate sales. At this stage, it is reasonably assured that the risks and benefits over the developed assets have been transferred to the lot buyer. In manufacturing and hotel industry, this is the margin on the revenue net of cost of sales.
2. *Export sales.* Export sales represent revenues from products sold by the coconut processing business.
3. *Hotel occupancy and average daily room rate (ADR).* The number represents the average rental income per paid occupied room in a given time period. ADR along with the property's occupancy are the foundations for the property's financial performance.
4. *Earnings before interest, taxes and depreciation (EBITDA)* - This is the measure of cash income from operations.
5. *Return on Equity* - denotes the capability of the Group to generate returns for the shareholders.

The table below presents the top five performance indicators of the Group:

Performance Indicator	For the Period Ended		
	June 30, 2025 (six Months)	December 31, 2024 (One Year)	December 31, 2023 (One Year)
Gross profit	₱58.5 million	₱108.9 million	₱154.9 million
Export sale of coconut products	₱63.0 million	₱19.5 million	₱84.6 million
Hotel occupancy and average daily room rate			
- <i>Anya Hotel</i>	55% / ₱3,614	48% / ₱3,132	61% / ₱3,427
- <i>Go Hotels</i>	53% / ₱1,250	56% / ₱1,288	50% / ₱1,394
EBITDA	(₱360.6) million	₱19,937.5 million	₱1,661.3 million
Return on equity	(2.27%)	57.20%	13.49%

Key Variable and Other Qualitative and Quantitative Factors

- The Group is not aware of any known trends, events or uncertainties that will result in or that are reasonably likely to result in any material cash flow or liquidity problem.
- The Group is not aware of any events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.
- 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.
- The Group is not aware of any known trend, events or uncertainties that will have material impact on sales.
- Other than matters previously discussed, the Group is not aware of causes for any material changes from period to period in the financial statements.

Plan to Improve the Operations of the Business Units

The Group is developing a phased Master Plan program for its three haciendas as it commences land recovery and development in the Nasugbu estate. The short-term program seeks to secure leases and selected sales options, identify joint venture partners, and catch up on community programs.

Anya Resorts Tagaytay (ART) narrowed its revenue decline from 16% in Q1 to 10% in Q2, driven by increased social events and stronger room revenue. The boutique hotel remains focused on accelerating room sales, enhancing food and beverage services, and improving brand visibility and guest engagement to complement a positive outlook for meeting full-year revenue targets.

Roxas Sigma Agriventures Inc. (RSAI) secured a Supply Agreement with a major local partner effective January 2025, with a renewal option. This partnership stabilizes base volume amid volatile input costs and tighter nut supply. Sales and Marketing secured additional purchase orders for aseptic cream through Q4, locking in production volumes for the remainder of the year. Coconut water concentrate exports continue at a steady pace and are being sold at record-high prices. The heightened activity was achieved after completing asset repairs and maintenance to ensure operational integrity, safety, and compliance.

Roxaco Land's Realty business commenced land development of Anya Phase 3 in June, following groundbreaking. Four spa villas have been sold to date, with 13 units remaining. The Montana Project joint venture with Figtree remains on track for completion in 2025, while the Crematorium and Columbarium projects are scheduled for completion by September 16 and October 10, respectively. Sales of Anya Phase 3 and Montana are expected to continue through mid-2026, while sales for the Crematorium and Columbarium will continue for the next 10 years.

Roxaco Asia Hospitality Corporation (RAHC) recorded ₱102 million in revenue or a 24% shortfall against budget as of June 30. The budget hotel will complete room repairs, maintenance, and linen replacement while collaborating with Robinsons Hotels and Resorts (RHR) to boost brand visibility and increase direct traffic to its booking platforms.

Anya Hotel Group (AHG) signed a full management contract with Skyrise Hotel in Dipolog, starting with a nine-month consultancy followed by pre-opening and a five-year management term. In addition, AHG was awarded the spa operations of Manila Polo Club through Niyama Wellness, scheduled to launch in Q3 2025. AHG is targeting two more property onboarding within the year, supported by the AHG-GCI joint venture, which is in progress to grow its portfolio in the second half of 2025.

Plans to Improve the Liquidity Position

The Group is revisiting its strategic plan to fine-tune programs amidst deleveraging, asset disposals, and cash flow optimization following the receipt of just compensation. Portions of the retained Roxas Estate will be activated for near-term revenue generation while considering long-term investment offers from local and overseas partners. This includes launching joint ventures and master planning to maximize asset value and accelerate growth.

ROXAS AND COMPANY, INC. AND SUBSIDIARIES
FINANCIAL SOUNDNESS INDICATORS

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>December 31, 2024</u>
1. LIQUIDITY RATIO			
Current Ratio	2.27 : 1.00	0.74 : 1	0.28 : 1
2. SOLVENCY RATIO			
Debt to Equity ratio	0.39 : 1.00	0.52 : 1	0.43 : 1
3. Asset to Equity Ratio	1.39	1.52	1.43
4. PROFITABILITY RATIOS			
Return on Assets	(1.64%)	(3.08%)	40.02%
Return on Equity	(2.27%)	(4.67%)	57.20%
Book Value per share	8.69	3.59	8.89

ROXAS AND COMPANY, INC. AND SUBSIDIARIES

Consolidated Aging of Receivables

as of June 30, 2025

in '000

	Total	Not yet due	Current	Past due			Over 90 days
				30 days	60 days	90 days	
Total trade receivables	70,473	-	6,827	16,795	331	7,300	39,220
Allowance for impairment losses	(2,441)	-	-	-	-	-	(2,441)
Trade receivables	68,032	-	6,827	16,795	331	7,300	36,779

	Total	Not yet due	Current	Past due			Over 90 days
				30 days	60 days	90 days	
Non-Trade receivables							
Related parties	248,246	-	248,246	-	-	-	-
Contractors and suppliers	31,569	-	19,870	4,534	348	1,612	5,206
Employees	5,960	-	1,475	147	-	29	4,309
Receivables from Land Bank	487,136	-	487,136	-	-	-	-
Others	12,400	-	9,554	70	-	-	2,777
Total non-trade	785,312	-	766,281	4,750	348	1,641	12,291
Allowance for impairment losses	(17,539)	-	-	-	-	-	(17,539)
Non-Trade receivables	767,773	-	766,281	4,750	348	1,641	(5,248)

Summary

Trade	70,473	-	6,827	16,795	331	7,300	39,220
Non-Trade	785,312	-	766,281	4,750	348	1,641	12,291
Total trade and other receivables	855,785	-	773,108	21,546	679	8,941	51,512
Allowance for impairment losses	(19,980)	-	-	-	-	-	(19,980)
Trade and other receivables	835,805	-	773,108	21,546	679	8,941	31,532