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
   Jun 30, 2026
2. SEC Identification Number
   AS094-006430
3. BIR Tax Identification No.
   003-942-108
4. Exact name of issuer as specified in its charter
   EMPIRE EAST LAND HOLDINGS, INC.
5. Province, country or other jurisdiction of incorporation or organization
   Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)

7. Address of principal office
   2F The Paddington Place 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City
   Postal Code
   1552
8. Issuer's telephone number, including area code
   (632) 88678351/85544800
9. Former name or former address, and former fiscal year, if changed since last report
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	14,676,199,167

11. Are any or all of registrant's securities listed on a Stock Exchange?
    ☑ Yes ☐ No
    If yes, state the name of such stock exchange and the classes of securities listed therein:
    The shares of common stock of the Company are listed on the Philippine Stock Exchange.
12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☑ Yes ☐ No

(b) has been subject to such filing requirements for the past ninety (90) days

☑ Yes ☐ No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Empire East Land Holdings, Inc.

ELI

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Jun 30, 2026
Currency (indicate units, if applicable)	Php (In Thousands)

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2026	Dec 31, 2025
Current Assets	43,874,365	42,459,697
Total Assets	50,616,958	49,929,661
Current Liabilities	15,843,924	15,387,414
Total Liabilities	18,262,765	17,896,210
Retained Earnings/(Deficit)	10,723,666	10,381,674
Stockholders' Equity	32,354,193	32,033,451
Stockholders' Equity - Parent	29,587,507	29,263,323
Book Value per Share	2.02	1.99

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	570,351	1,035,550	2,067,176	2,362,447
Gross Expense	476,871	903,240	1,647,410	1,991,865
Non-Operating Income	86,745	217,533	190,451	436,643
Non-Operating Expense	75,611	125,116	153,557	239,862
Income/(Loss) Before Tax	104,614	224,727	456,660	567,363
Income Tax Expense	26,984	55,790	118,111	144,216
Net Income/(Loss) After Tax	77,630	168,937	338,549	423,147
Net Income Attributable to Parent Equity Holder	79,433	170,688	341,991	426,648
Earnings/(Loss) Per Share (Basic)	-	-	0.02	0.02
Earnings/(Loss) Per Share (Diluted)	-	-	0.02	0.02

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.04	0.04
Earnings/(Loss) Per Share (Diluted)	0.04	0.04

Other Relevant Information
None

Filed on behalf by:

Name	Krizelle Marie Poblacion
Designation	Legal Counsel

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 2026**

2. Commission Identification Number: **AS094-006430**

3. BIR Tax Identification No. **003-942-108**

4. **EMPIRE EAST LAND HOLDINGS, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
   Industry Classification Code

7. **2F The Paddington Place, 632 Shaw Boulevard**
   Barangay Highway Hills 1552 Mandaluyong City
   Metro Manila, Philippines
   Address of issuer's principal office

8. **(632) 88678351/85544800**
   Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Class	Number of Shares of Common Stock Outstanding
Common	**14,676,199,167**

10. Are any or all of the securities listed on a Stock Exchange?

    Yes [X] No [ ]

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    The shares of common stock of the Company are listed on the Philippine Stock Exchange.

11. Indicate by check mark whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports).

    Yes [X] No [ ]

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

Yes [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The Interim Financial Statements are attached as Exhibits 1 to 6 hereof and incorporated herein by reference:

Exhibit 1 – Interim Consolidated Statements of Financial Position as of June 30, 2026 and December 31, 2025
Exhibit 2 – Interim Consolidated Statements of Comprehensive Income as of June 30, 2026 and June 30, 2025
Exhibit 3 – Interim Consolidated Statements of Changes in Equity as of June 30, 2026 and June 30, 2025
Exhibit 4 – Interim Consolidated Statements of Cash Flows as of June 30, 2026 and June 30, 2025
Exhibit 5 - Notes to Interim Consolidated Financial Statements
Exhibit 6 - Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 2. Aging of Accounts Receivable as of June 30, 2026

Please refer to Exhibit 7 hereof.

Item 3. Schedule of Financial Soundness Indicators

Please refer to Exhibit 8 hereof.

PART II – OTHER INFORMATION

The Company is not in possession of information which has not been previously reported in a report on SEC Form 17-C and with respect to which a report on SEC Form 17-C is required to be filed.

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 thereunto duly authorized.

EMPIRE EAST LAND HOLDINGS, INC.
Issuer

By:



LINO P. VICTORIOSO, JR.
Chief Financial Officer
and Duly Authorized Officer
August 13, 2026

EXHIBIT 1

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2026 AND DECEMBER 31, 2025
(Amounts in thousand Philippine Pesos)

	June 30, 2026 ***(Unaudited)***	December 31, 2025 *(Audited)*
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	**P 1,918,943**	P 2,282,600
Trade and other receivables - net	**9,735,330**	9,643,608
Contract assets	**2,820,118**	1,936,197
Advances to related parties	**6,001,488**	5,856,816
Real estate inventories	**21,883,452**	21,397,205
Prepayments and other current assets	**1,515,034**	1,343,271
Total Current Assets	**43,874,365**	42,459,697
NON-CURRENT ASSETS		
Trade and other receivables - net	**3,829,526**	4,417,535
Contract assets	**430,479**	535,063
Financial asset at fair value through other comprehensive income (FVOCI)	**900,800**	922,194
Advances to landowners and joint ventures	**258,053**	258,051
Investment in an associate	**281,604**	281,162
Property and equipment - net	**201,282**	204,230
Intangible assets - net	**18,732**	21,838
Investment property - net	**545,051**	552,825
Other non-current assets	**277,066**	277,066
Total Non-current Assets	**6,742,593**	7,469,964
TOTAL ASSETS	**P 50,616,958**	P 49,929,661

	June 30, 2026 *(Unaudited)*	December 31, 2025 *(Audited)*
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Interest-bearing loans and borrowings	**P 200,000**	P 200,000
Trade and other payables	**2,458,924**	2,348,399
Customers' deposits	**4,568,998**	4,605,930
Advances from related parties	**6,570,734**	6,421,831
Contract liabilities	**167,266**	164,617
Other current liabilities	**1,878,002**	1,646,637
Total Current Liabilities	**15,843,924**	15,387,414
NON-CURRENT LIABILITIES		
Interest-bearing loans and borrowings	**150,000**	250,000
Contract liabilities	**6,058**	35,218
Retirement benefit obligation	**230,003**	233,179
Deferred tax liabilities - net	**2,032,780**	1,990,399
Total Non-current Liabilities	**2,418,841**	2,508,796
Total Liabilities	**18,262,765**	17,896,210
EQUITY		
Equity attributable to the Parent Company's shareholders	**29,587,507**	29,263,323
Non-controlling interest	**2,766,686**	2,770,128
Total Equity	**32,354,193**	32,033,451
TOTAL LIABILITIES AND EQUITY	**P 50,616,958**	P 49,929,661

EXHIBIT 2

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in thousand Philippine Pesos, except earnings per share)
(Unaudited)

	April to June 2026	Jan to June 2026	April to June 2025	Jan to June 2025
REVENUES				
Real estate sales	**P 218,456**	**P 1,423,829**	P 861,856	P 2,067,044
Finance income	**86,456**	**190,009**	216,876	435,771
Equity share in net earnings of an associate	**289**	**442**	657	872
Commissions and other income	**351,895**	**643,347**	173,694	295,403
	657,096	**2,257,627**	1,253,083	2,799,090
COST AND EXPENSES				
Cost of real estate sales	**56,379**	**713,094**	547,613	1,230,407
Finance costs	**75,611**	**153,557**	125,116	239,862
Operating expenses	**420,492**	**934,316**	355,627	761,458
Income taxes	**26,984**	**118,111**	55,790	144,216
	579,466	**1,919,078**	1,084,146	2,375,943
NET PROFIT	**77,630**	**338,549**	168,937	423,147
OTHER COMPREHENSIVE INCOME (LOSSES)				
Fair value gains (losses) on financial asset at FVOCI	**(110,348)**	**(21,394)**	331,044	2,252
Remeasurements on retirement benefit obligation	**3,587**	**3,587**	-	-
TOTAL COMPREHENSIVE INCOME	**P (29,131)**	**P 320,742**	P 499,981	P 425,399
Net profit (loss) attributable to:				
Parent company's shareholders	**P 79,433**	**P 341,991**	P 170,688	P 426,648
Non-controlling interest	**(1,803)**	**(3,442)**	(1,751)	(3,501)
	P 77,630	**P 338,549**	P 168,937	P 423,147
Total comprehensive income (loss) attributable to:				
Parent company's shareholders	**P (27,328)**	**P 324,184**	P 501,732	P 428,900
Non-controlling interest	**(1,803)**	**(3,442)**	(1,751)	(3,501)
	P (29,131)	**P 320,742**	P 499,981	P 425,399
Earnings Per Share - Basic and Diluted		**P 0.023**		P 0.029

EXHIBIT 3

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in thousand Philippine Pesos)
(Unaudited)

	June 30, 2026		June 30, 2025	
CAPITAL STOCK	**P**	**14,803,455**	P	14,803,455
ADDITIONAL PAID-IN CAPITAL		**4,307,888**		4,307,888
TREASURY SHARES		**(102,107)**		(102,107)
REVALUATION RESERVES				
Balance at beginning of period	**164,530**		259,449	
Fair value gains (losses) on financial assets at FVOCI	**(21,394)**		2,252	
Remeasurements on retirement benefit obligation	**3,587**		-	
Balance at end of period		**146,723**		261,701
OTHER RESERVES		**(292,118)**		(292,118)
RETAINED EARNINGS		**10,723,666**		10,004,520
NON-CONTROLLING INTEREST		**2,766,686**		2,773,931
TOTAL EQUITY	**P**	**32,354,193**	P	31,757,270

EXHIBIT 4

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in thousand Philippine Pesos)
(Unaudited)

	June 30, 2026	June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	**P 456,660**	P 567,363
Adjustments for:		
Depreciation and amortization	**23,290**	19,836
Finance costs	**153,557**	239,862
Finance income	**(190,009)**	(435,771)
Equity share in net earnings of an associate	**(442)**	(872)
Operating income before working capital changes	**443,056**	390,418
Net changes in operating assets and liabilities		
Increase in current and non-current assets	**(900,249)**	(566,287)
Increase in current and non-current liabilities	**281,279**	138,513
Cash used in operations	**(175,914)**	(37,356)
Interest received	**19,581**	18,753
Cash paid for income taxes	**(76,314)**	(24,000)
Net Cash Used In Operating Activities	**(232,647)**	(42,603)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**(22,093)**	15,267
CASH FLOWS USED IN FINANCING ACTIVITIES	**(108,917)**	(127,253)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(363,657)**	(154,589)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**2,282,600**	2,863,879
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**P 1,918,943**	P 2,709,290

EXHIBIT 5

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Empire East Land Holdings, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on July 15, 1994, primarily to engage in the business of real estate development, mass community housing, townhouses and row houses development. The Company is presently engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. The Company also leases out commercial and industrial properties.

The shares of common stock of the Company are listed at the Philippine Stock Exchange (PSE).

1.1 Composition of the Group

As of June 30, 2026, the Company holds ownership interests in the following entities:

Subsidiaries/ Associates	Explanatory Notes	Percentage of Ownership
Subsidiaries:		
Eastwood Property Holdings, Inc. (EPHI)	(a)	100%
Valle Verde Properties, Inc. (VVPI)	(b)	100%
Sherman Oak Holdings, Inc. (SOHI)	(b)	100%
Empire East Communities, Inc. (EECI)	(c)	100%
20th Century Nylon Shirt Co., Inc. (20th Century)	(d)	100%
Laguna BelAir Science School, Inc. (LBASSI)	(e)	72.50%
Sonoma Premier Land, Inc. (SPLI)	(b)	60%
Pacific Coast Megacity, Inc. (PCMI)	(f)	40%
Associate –		
Gilmore Property Marketing Associate, Inc. (GPMAI)	(b)	47.37%

Explanatory Notes:

(a) Subsidiary incorporated to market real estate properties of the Group and other related parties.
(b) Subsidiaries/associate incorporated in prior years but have not yet started commercial operations as of June 30, 2026.
(c) Subsidiary incorporated in 2008 but ceased its operations as a marketing arm of real estate properties in 2014.
(d) Subsidiary acquired in 2015 which is yet to resume its operations, which is primarily to manufacture, distribute, and buy and sell wearing apparel and its accessories such as zipper, buttons, etc.
(e) Subsidiary primarily engaged in operating a school for primary and secondary education. In 2022, the subsidiary ceased its operations.
(f) Subsidiary of the Company starting 2018 when the Company obtained de facto control over the entity and was accounted for under the pooling-of-interest method

The registered office address, which is also the principal place of the Company and its subsidiaries and associates, except for EPHI, LBASSI, and PCMI, is located at 2nd Floor, The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City. Below is the summary of the registered office address of the other subsidiaries, which is also the principal place of business.

(a) EPHI – #188 EC Information Center, E. Rodriguez Jr. Ave., Eastwood CyberPark City, Bagumbayan, Quezon City
(b) LBASSI – Laguna Bel-Air Subdivision, Brgy. Don Jose, Sta. Rosa, Laguna
(c) PCMI – 7th Floor, 1880 Building Eastwood City Cyberpark, 188 E. Rodriguez Jr. Ave. Bagumbayan, Quezon City

In prior years, the Company increased its ownership interest in VVPI and LBASSI, resulting in 100.00% and 72.50% ownership interest, respectively, over the respective subsidiaries. This resulted in the recognition of goodwill which amounted to P78.3 million. In 2023, the Group has recognized an impairment loss on goodwill related to LBASSI amounting to P77.3 million. The remaining goodwill which arose from the acquisition of VVPI amounted to P1.0 million as of both June 30, 2026 and December 31, 2025, is shown as part of Intangible Assets – net account in the consolidated statements of financial position.

Megaworld Corporation (Megaworld or Parent Company) is the parent company of Empire East Land Holdings, Inc. and subsidiaries (the Group). Megaworld is presently engaged in property-related activities, such as, project design, construction and property management. Megaworld is 54.20% owned by Alliance Global Group, Inc. (AGI), the Company's Ultimate Parent Company. AGI is a holding company with diversified investments in food and beverage, real estate, tourism-entertainment and gaming and quick service restaurant businesses. The shares of common stock of both Megaworld and AGI are also listed at the PSE.

Megaworld's registered office address is located on 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City. AGI's registered office is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriquez Jr. Avenue, Bagumbayan, Quezon City. These entities' registered office addresses are also their respective principal places of business.

2. BASIS OF PREPARATION OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements of the Group for the six months ended June 30, 2026 and 2025 have been prepared in accordance with Philippine Accounting Standard (PAS) 34: Interim Financial Reporting. These do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group as at and for the year ended December 31, 2025. The interim consolidated financial statements have been prepared using the measurement bases specified by the Philippine Financial Reporting Standards (PFRS).

The preparation of interim consolidated financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

These interim consolidated financial statements are presented in Philippine pesos, the functional and presentation currency of the Group, and all values represent absolute amounts except when otherwise indicated.

Items included in the interim consolidated financial statements of the Group are measured using the Group's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's interim consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect amounts reported in the interim consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately vary from these estimates.

3.1 Critical Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the judgments mentioned below and in the succeeding pages, apart from those involving estimation, which has the most significant effect on the amounts recognized in the interim consolidated financial statements:

(a) Determination of Lease Term of Contracts with Renewal and Termination Option

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated and the renewal of the contract is not subject to mutual agreement of both parties.

The renewal and termination option for the lease of office space was not included as part of the lease term due to the provisions in its contract that require mutual agreement of both parties on the terms and agreements of the renewal and termination of the lease contract.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(b) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms).

Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer.

In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's down payment in relation to the total contract price.

Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(c) Evaluation of Timing of Satisfaction of Performance Obligations

(i) Real Estate Sales

The Group exercises significant judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the factors enumerated below.

- any asset created or enhanced as the Group performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Group's enforceable right for payment for performance completed to date.

The Group determines that its performance obligation for pre-completed real estate inventories is satisfied over time, while its performance obligation for completed real estate inventories is satisfied at a point in time, since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Furthermore, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

(ii) Marketing, Management Fees and Commission

The Group determines that its revenue from marketing, management fees and commission shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the customers. The Group applies the practical expedient to recognize revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the entity's performance completed to date i.e., generally when the customer has acknowledged the Group's right to invoice.

(d) Determination of the Existence of the Significant Financing Component in the Contract

The Group enters into real estate sales contracts offering various payment schemes to its customers. The timing of transaction price collection can significantly differ from the timing of the Group's fulfillment of its performance obligations. The Group exercises judgement in determining whether the contract terms provide a significant financing benefit to either the Group or its customers. This assessment is conducted at the inception of the contract, considering the contractual payment terms and the projected completion timeline of the related real estate development.

(e) Estimation of Collection Threshold for Revenue Recognition

The Group uses judgment in evaluating the probability of collection of contract price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers in establishing a percentage of collection threshold over which the Group determines that collection of total contract price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(f) Determination of ECL on Trade and Other Receivables, Contract Assets and Advances to Related Parties

The Group uses a provision matrix to calculate expected credit losses (ECL) for Trade Receivables, Contract Assets and other receivables. The provision rates are based on days past due for groups of various customer segments that have similar loss patterns (i.e., projects and customer type).

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions).

With respect to Advances to Related Parties and other related party receivables, the Group uses the liquidity approach as the receivables are collectible on demand.

Details about the ECL on the Group's Trade and Other Receivables, Contract Assets and Advances to Related Parties are disclosed in Notes 9.2.

(g) Distinction Among Investment Property and Owner-managed Properties

The Group determines whether a property qualifies as Investment Property or Property and Equipment. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the production or supply process while land held for future development are properties intended solely for future development and sale.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for administrative purposes. If these portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as Investment Property. The Group considers each property separately in making its judgment.

Based on management's assessment, properties held for lease and for capital appreciation qualifies as Investment Property.

(h) Distinction Between Real Estate Inventories and Investment Property

Inventories comprise properties that are held for sale in the ordinary course of business. Meanwhile, investment properties comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Group considers management's use over these assets in making its judgment.

(i) Distinction Between Operating and Finance Leases

The Group has entered into various lease agreements as either a lessor or lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

Based on management's assessment, all of the Group's lease agreements are classified as operating leases.

Distinction between operating and finance leases is applicable only to lease agreements as a lessor. All leases entered into as a lessee, except for those qualified under the optional exemptions as provided by the standard, are required to be recognized on-balance sheet.

(j) Consolidation of Entities in which the Group Holds 50% or Less

Management considers that the Group has de facto control over PCMI even though it holds less than 50% of the ordinary shares and voting rights in that subsidiary. The Group considers its ability to exercise control over these entities through voting rights held by its subsidiaries or through interlocking directors.

(k) Recognition of Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the interim consolidated financial statements. Similarly, possible inflows of economic benefits to the Group that does not yet meet the recognition criteria of an asset are considered contingent assets; hence, are not recognized in the interim consolidated financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

Judgement is exercised by management to distinguish between provisions and contingencies.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Revenue Recognition for Performance Obligation Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Group measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligations. Specifically, the Group estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and applies changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(b) Determination of Appropriate Discount Rate in Measuring Significant Financing Component

In the sale of real estate properties, the transaction price is recognized at the present value of the installment payments discounted to the date the entity expects to satisfy its performance obligation.

When adjusting the consideration for significant financing component, an entity shall use the discount rate that would be reflected in a separate financing transaction at contract inception. Management considers the discount rate which would reflect the credit characteristics of the party receiving financing in the contract as well as any collateral or security provided by the customer or entity.

Specifically, for contracts classified as 'seller financing,' the Group bases its lending rate on the rate extended to buyers who utilize its in-house financing. This lending rate is adjusted to reflect the specific circumstances of each financing transaction. For contracts classified as 'buyer financing,' the Group estimates the discount rate using a borrowing rate that would be consistent with a separate financing transaction where the Group is considered the borrower.

(c) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of counterparties defaulting and the resulting losses).

(d) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the times the estimates are made. The future realization of the carrying amounts of these assets is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation uncertainty and may cause significant adjustments to the Group's inventories within the next reporting period.

Considering the Group's pricing policy, the net realizable value of the Real Estate Inventories is higher than their related carrying values as of the end of the reporting periods.

(e) Estimation of Useful Lives of Property and Equipment, Intangible Assets, and Investment Properties

The Group estimates the useful lives of Property and Equipment, Intangible Assets, and Investment Properties based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Based on management's assessment as at June 30, 2026 and December 31, 2025, there is no change in estimated useful lives of Property and Equipment, Intangible Assets and Investment Properties during those periods. Actual results, however, may vary due to changes in estimates brought about by changes in the factors mentioned above.

(f) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the balance of deferred tax assets recognized as at June 30, 2026 and December 31, 2025 will be utilized in the succeeding years.

(g) Impairment of Goodwill and Other Non-financial Assets

Goodwill is reviewed annually for impairment while other non-financial assets are tested whenever certain impairment indicators become present. In assessing impairment, the management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

On March 17, 2021, the Group submitted a letter to the Department of Education Sta. Rosa City Division Office regarding the cessation of the operations of LBASSI taking effect after school year 2021-2022. On October 20, 2022, LBASSI filed for the certificate of clearance with the BIR Revenue District Office No. 057, Biñan, West Laguna.

In 2023, LBASSI retracted its filed application for the certificate of clearance with BIR. LBASSI will remain as a non-operating entity until such time that it ventures again into business.

Based on management's assessment, impairment loss amounting to Php 77.3 million on goodwill has been recognized since the recoverable amount of the cash generating units is less than their carrying amount in 2023.

No impairment losses were recognized on Advances to Landowners and Joint Ventures, Investment in an Associate, Property and Equipment, Intangible Assets, Investment Properties, and other non-financial assets as at June 30, 2026 and December 31, 2025.

(h) Valuation of Post-employment Defined Benefit

The determination of the Group's obligation and cost of post-employment benefit is dependent on the selection of certain assumptions used by an actuary in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the Retirement Benefit Obligation in the next reporting period.

(i) Determination of Fair Value of Investment Properties

Investment properties are measured using the cost model. The Group determines the fair values of building and building improvements using either the discounted cash flows valuation technique (income approach) or market-based valuation technique (market approach). The Group uses assumptions that are mainly based on market conditions existing at the end of each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

For land, the Company determines the fair value using market-based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

A significant change in these elements may affect prices and the value of the assets.

4. SEGMENT INFORMATION

4.1 Business Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group is engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. It classifies and monitors its projects into high-rise and horizontal. High-rise projects refer to condominiums and other medium scale properties while the horizontal projects refer to house and lot packages, and subdivision lots. Both are intended for middle income market.

The measurement policies the Group uses for segment reporting under PFRS 8, Operating Segments, are the same as those used in its consolidated financial statements, except that post-employment benefit expense is not included in arriving at the operating profit of the operating segments.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

4.2 Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally operating Receivables, Contract Assets and Real Estate Inventories. Excluded from segment assets are Cash and Cash Equivalents, Advances to Related Parties, Prepayments, Advances to Landowners and Joint Ventures, Investments in an Associate, Property and Equipment, Intangible Assets, Investment Properties and other assets which are considered corporate assets and are not allocated to any segment's assets.

Segment liabilities include all operating liabilities incurred by management in each particular segment and consist principally of Contract Liabilities and Customers' Deposits. Excluded from segment liabilities are Interest-bearing Loans and Borrowings, Trade and Other Payables, Advances from Related Parties, Deferred Tax Liabilities and Retirement Benefit Obligation as the Group's management determined that these accounts are not directly related to the Group's segment.

4.3 Intersegment Transactions

There are no intersegment transactions. In case of inter-segment sales and transfers, the Group generally accounts for them as if the sales or transfers were made to third parties at current market prices. Intersegment sales and transfers, if any, are eliminated in the preparation of the interim consolidated financial statements.

4.4 Analysis of Segment Information

The tables presented below present the revenue and profit information for the six months ended June 30, 2026 and 2025, and certain asset and liability information regarding segments as at June 30, 2026 and December 31, 2025.

	High Rise Projects		Horizontal Projects		Total	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
REVENUES						
Real estate sales	**P 1,384,157,955**	P 2,038,143,650	**P 39,671,237**	P 28,900,273	**P 1,423,829,192**	P 2,067,043,923
Finance income	**57,026,012**	169,715,006	**702,134**	715,601	**57,728,146**	170,430,607
Rental income	**7,387,366**	6,635,338	**-**	-	**7,387,366**	6,635,338
Commission and other income	**529,815,909**	183,623,110	**12,560,904**	6,918,259	**542,376,813**	190,541,369
Total Revenues	**1,978,387,242**	2,398,117,104	**52,934,275**	36,534,133	**2,031,321,517**	2,434,651,237
COSTS AND OPERATING EXPENSES						
Cost of real estate sales	**694,516,867**	1,218,823,501	**18,577,402**	11,583,542	**713,094,269**	1,230,407,043
Operating expenses	**548,876,854**	418,100,634	**19,547,126**	10,979,259	**568,423,980**	429,079,893
	1,243,393,721	1,636,924,135	**38,124,528**	22,562,801	**1,281,518,249**	1,659,486,936
SEGMENT OPERATING PROFIT	**P 734,993,521**	P 761,192,969	**P 14,809,747**	P 13,971,332	**P 749,803,268**	P 775,164,301

	High Rise Projects		Horizontal Projects		Total	
	June 30, 2026	December 31, 2025	**June 30, 2026**	December 31, 2025	**June 30, 2026**	December 31,2025
SEGMENT ASSETS AND LIABILITIES						
Segment assets	**26,975,823,899**	26,503,316,795	**6,545,188,059**	6,594,977,070	**33,521,011,958**	33,098,293,865
Segment liabilities	**4,673,354,082**	4,675,451,346	**361,876,199**	365,201,361	**5,035,230,281**	5,040,652,707

4.5 Reconciliations

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its interim consolidated financial statements.

		June 30 2026		June 30, 2025
Revenues				
Total segment revenues	**P**	**2,031,321,517**	P	2,434,651,237
Other unallocated revenues		**226,305,189**		364,438,566
Revenues as reported in the interim consolidated statements of comprehensive income	**P**	**2,257,626,706**	P	2,799,089,803
Profit or loss				
Segment operating profit	**P**	**749,803,268**	P	775,164,301
Other unallocated income		**226,305,189**		364,438,566
Other unallocated expenses		**(637,560,135)**		(716,456,438)
Net profit as reported in the interim consolidated statements of comprehensive income	**P**	**338,548,322**	P	423,146,429

		June 30, 2026		December 31, 2025
Assets				
Segment Assets	**P**	**33,521,011,958**	P	33,098,293,865
Unallocated Assets		**17,095,945,585**		16,831,367,566
Total assets as reported in the interim consolidated statements of financial position	**P**	**50,616,957,543**	P	49,929,661,431
Liabilities				
Segment Liabilities	**P**	**5,035,230,281**	P	5,040,652,707
Unallocated Liabilities		**13,227,534,988**		12,855,557,569
Total liabilities as reported in the interim consolidated statements of financial position	**P**	**18,262,765,269**	P	17,896,210,276

5. EQUITY

5.1 Capital Stock

Capital stock as of June 30, 2026 and December 31, 2025 consists of:

	No. of Shares		Amount
Common shares – P1 par value			
Authorized	31,495,200,000	P	31,495,200,000
Issued	14,803,455,238	P	14,803,455,238
Treasury shares – at cost	(127,256,071)		(102,106,658)
Total outstanding	14,676,199,167		14,701,348,580
Preferred shares – P1 par value			
Authorized	2,000,000,000	P	2,000,000,000

Megaworld has 81.73% ownership interest in the Group as of June 30, 2026 and December 31, 2025.

The Series B preferred shares are nonredeemable, convertible into common shares and are nonvoting. The shares have zero coupon rates and shall not be entitled to dividends. The Series B preferred shares shall be convertible to common shares any time after the end of the 18 months from the implementation date, May 29, 1998, as defined in the subscription agreements. There are no subscribed and issued preferred shares as of June 30, 2026 and December 31, 2025.

On April 24, 1996, the SEC approved the listing of the Group's shares totaling 425,000,000. The shares were issued at an offer price of Php 12.90 per share.

5.2 Additional Paid-in Capital

The additional paid-in capital (APIC) pertains to the excess of the total proceeds received from the Group's shareholders over the total par value of the common shares. There were no movements in the Group's APIC accounts for the end of the reporting periods.

5.3 Treasury Stock

On March 23, 2006, the Company's BOD authorized the buy-back of up to Php 1.0 billion worth of Group's shares of common stock within a 24-month period under certain terms and conditions as the Group's senior management may deem beneficial to the Group and its stockholders.

As of June 30, 2026, and December 31, 2025, the Group's treasury shares amounted to Php 102.1 million, representing the cost of 127,256,071 shares reacquired by the Company.

5.4 Revaluation Reserves

Revaluation reserves of the Group are composed of re-measurements on its retirement benefit obligation and fair value movements of the Group's financial assets at FVOCI.

5.5 Other Reserves

Other reserves of the Group pertain to the difference between the fair value of consideration paid and the relevant share in the carrying value of the net assets of PCMI as a result of obtaining de facto control over PCMI in 2018 and any subsequent change in ownership interest in the subsidiary.

5.6 Retained Earnings

Retained earnings are restricted in the amount of Php 102.1 million representing the cost of 127,256,071 shares held in treasury as of the end of the reporting periods.

6. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to Parent Company's shareholders divided by the weighted average number of shares in issue during the period.

Basic and diluted earnings per share amounts were computed as follows:

	June 30, 2026		June 30, 2025	
Net profit attributable to Parent Company's shareholders	**P**	**341,991,100**	P	426,647,730
Number of issued and outstanding common shares		**14,676,199,167**		14,676,199,167
Basic and diluted earnings per share	**P**	**0.023**	P	0.029

Diluted earnings per share equal the basic earnings per share since the Group does not have dilutive shares as of June 30, 2026 and 2025.

7. COMMITMENTS AND CONTINGENCIES

There are commitments, guarantees, and contingent liabilities that arise in the normal course of operations of the Group, which are not reflected in the accompanying unaudited interim consolidated financial statements. The management of the Group is of the opinion that losses, if any, from these items will not have any material effect on its interim consolidated financial statements, taken as a whole.

In addition, there are no material off-balance sheet transactions, arrangements, obligations and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

8. SEASONAL FLUCTUATIONS

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

9. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from its operating, investing, and financing activities. Risk management is carried out by a central treasury department under policies approved by the BOD, and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The financial risks to which the Group is exposed to are described below and in the succeeding pages.

9.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, and interest rate risk which results from both its operating, investing and financing activities.

(a) Foreign Currency Risk

There is no significant exposure to foreign currency risks since most of the Group's transactions are denominated in Philippine peso, which is its functional currency. The Group's financial asset denominated in foreign currency only pertains to Cash and Cash Equivalents. However, the amount is insignificant to the financial statements as of June 30, 2026 and December 31, 2025. The Group has no financial liabilities denominated in foreign currency.

(b) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually obtained and negotiated at fixed rates. However, as of June 30, 2026 and December 31, 2025, the Group has an outstanding long-term loan with a variable interest rate.

As of June 30, 2026 and December 31, 2025, the Group is only exposed to changes in market interest through its Cash and Cash Equivalents and long-term borrowings, which are deemed by management to be not significant.

All other financial assets and liabilities have either short-term maturities, noninterest-bearing or are subject to fixed rates (e.g. related party advances).

(c) Other Price Risk

The Group's market price risk arises from its investments carried at fair value (classified as financial assets at FVOCI). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

For equity securities listed in the Philippines, the observed volatility rates of the fair values of the Group's investment held at fair value is determined based on the average market volatility in quoted prices, using standard deviation, estimated at 99% level of confidence. An average volatility of 6.0% and 8.14% has been observed during the period ending June 30, 2026 and December 31, 2025, respectively. The impact on the Group's interim consolidated other comprehensive income and interim consolidated equity would have increased or decreased by Php 54.0 million and Php 56.3 million as at June 30, 2026 and December 31, 2025, respectively.

The investments in quoted equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

The Group is not subject to commodity price risk.

9.2 Credit Risk

The maximum credit risk exposure of the Group is the carrying amount of the financial assets and contract assets as shown on the face of the interim consolidated statements of financial position (or in the detailed analysis provided in the notes to the interim consolidated financial statements), as summarized below and in the succeeding page.

	June 30, 2026	December 31, 2025
Cash and cash equivalents	**P 1,918,943,253**	P 2,282,600,494
Trade and other receivables – net (excluding advances to suppliers and contractors, and advances to condominium associations)	**10,223,300,946**	11,127,408,265
Contract assets	**3,250,596,385**	2,471,259,774
Advances to related parties	**6,001,488,421**	5,856,815,689
	P 21,394,329,005	P 21,738,084,222

None of the Group's financial assets are secured by collateral or other credit enhancements, except for Cash and Cash Equivalents, and Trade Receivables, as described below and in the succeeding page.

(a) Cash and Cash Equivalents

The credit risk for Cash and Cash Equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the Cash and Cash Equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of Php 1.0 million for every depositor per banking institution.

(b) Trade and Other Receivables and Contract Assets

Trade and other receivables (excluding Advances to suppliers and contractors and advances to condominium associations) and contract assets are subject to credit risk exposure. The Group, however, does not identify specific concentrations of credit risk with regard to Trade Receivables and Contract Assets, as the amounts recognized resemble a large number of receivables from various customers. The Group also retains the titles to the property until such time that the trade receivables are fully collected. Repossessed properties are offered for sale to other customers.

Credit risk of receivables from sale of real estate properties is managed primarily through credit reviews and analyses of receivables on a regular basis. The Group undertakes credit review procedures for all installment payment terms. Customer payments are facilitated through the use of post-dated checks. Exposure to doubtful accounts is not substantial as title to real estate properties are not transferred to the buyers until full payment of the amortization has been made and the requirement for remedial procedures is negligible considering the Group's buyers' profile.

The Group has used the simplified approach in measuring ECL and has calculated ECL based on lifetime ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rate is based on days past due of all customers as they have similar loss patterns. The credit enhancements such as advance payment and value of the real estate for sale are considered in the calculation of impairment as recoveries.

The Group considers trade receivables in default when contractual payments are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. Furthermore, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking in to account any credit enhancements held by the Group.

The management determined that there is no required ECL to be recognized since the real estate sold is collateralized to the related receivable arising from sale. Therefore, expected loss given default is nil as the recoverable amount from subsequent resale of the real estate is sufficient.

Other components of receivables such as rental receivables and others are also evaluated by the Group for impairment and assessed that no ECL should be provided. A significant portion of the Group's rental receivables are from Megaworld, wherein the impairment of receivables is assessed using the latter's ability to pay. The remaining rental receivables are secured to the extent of advance rental and rental deposit received from the lessees, which are on average equivalent to six months.

Some of the unimpaired trade receivables and other receivables, which are mostly related to real estate sales, are past due as at the end of the reporting period. The trade receivables that are past due but not impaired are as follows:

	June 30, 2026	December 31, 2025
Not more than three months	**P 412,032,486**	P 407,112,189
More than three months but not more than six months	**146,542,441**	522,837,348
More than six months but not more than one year	**204,475,108**	751,324,807
More than one year	**253,887,738**	290,480,861
	P 1,016,937,773	P 1,971,755,205

(c) Advances to Related Parties and Rent Receivable and Management Fee Receivable from Related Parties

ECL for Advances to Related Parties, including rent and management fee receivables, are measured and recognized using the liquidity approach. Management determines possible impairment based on the related parties' ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the advances to other related parties with financial difficulty since Megaworld, whose credit risk for liquid funds is considered negligible, have committed to financially support these related parties as part of AGI and its long-term corporate strategy. As of June 30, 2026 and December 31, 2025, the aggregate impairment allowance on balances from Megaworld and other related parties is identified to be not material.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates are of good credit quality, including those that are past due.

9.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for 6-month and one-year periods are identified monthly.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in time deposits. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at June 30, 2026 and December 31, 2025, the Group's financial liabilities have contractual maturities which are presented below.

	Within 12 months		After 12 months	
June 30, 2026				
Interest-bearing loans and borrowings	**P**	**216,152,850**	**P**	**153,461,325**
Trade and other payables		**2,297,371,777**		**-**
Advances from related parties		**6,570,733,559**		**-**
Other current liabilities		**1,866,597,544**		**-**
	P	**10,950,855,730**	**P**	**153,461,325**
December 31, 2025				
Interest-bearing loans and borrowings	P	227,112,500	P	263,556,250
Trade and other payables		2,223,165,768		-
Advances from related parties		6,575,514,789		-
Other current liabilities		1,634,875,885		-
	P	10,660,668,942	P	263,556,250

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of each reporting period.

10. FAIR VALUE MEASUREMENT AND DISCLOSURES

10.1 Fair Value Hierarchy

In accordance with PFRS 13*, Fair Value Measurement,* the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy is shown below and in the succeeding page.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

10.2 Financial Instruments Measured at Fair Value

As of June 30, 2026 and December 31, 2025, only the equity securities classified as financial assets at FVOCI in the interim consolidated statements of financial position is classified as Level 1. These securities were valued based on their market prices quoted in the PSE at the end of each reporting period. There were no other financial assets measured at fair value on these dates. Furthermore, the Group has no financial liabilities measured at fair value as of June 30, 2026 and December 31, 2025. There were no transfers between Levels 1 and 2 in both years.

10.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

Management considers that due to the short duration of these financial assets (except long-term receivables) and financial liabilities (except long-term interest-bearing loans) measured at amortized cost, their carrying amounts as of June 30, 2026 and December 31, 2025 approximate their fair value. Except for Cash and Cash Equivalents which are classified under Level 1, all other financial instruments are classified under Level 3 wherein inputs are not based on observable data.

The fair values of the financial assets and financial liabilities included in Level 3 which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking in to account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

10.4 Fair Value Measurement of Non-Financial Assets

The fair value of the Group's investment properties earning rental income was determined through discounted cash flows valuation technique done by a professionally qualified independent appraiser for one of the properties, and by management for the rest of the other investment properties. The Group uses assumptions that are mainly based on market conditions existing at each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are based on current market rentals for similar properties in the same location and condition.

11. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital components for cost of capital purposes include loans and borrowings, preferred stock, common equity and retained earnings. The Group may issue new shares and may prepay some of its interest-bearing loans. Furthermore, it intends to allocate its earnings and available cash in the acquisition and development of new/existing properties to ensure continuous business activities.

The Group monitors its capital gearing by measuring the ratio of interest-bearing loans and borrowings to total capital. The Group has complied with its covenant obligations, including maintaining the required debt-to-equity ratio as of June 30, 2026 and December 31, 2025.

EXHIBIT 6

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the six-month period ending June 30, 2026, the following are the top key performance indicators of the Group:

1) **Real Estate Sales**

The Group's marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila.

2) **Prudent Cash Management**

The Group continued to implement cost-saving measures and negotiate for longer payment terms with both existing and new suppliers. Strict monitoring of cash outflows is also being continually observed, and any excess cash from operations is being placed in short-term investments.

3) **Ability to Repay Loan Obligations**

The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) **Continuous Customer Collections**

The Group continues to innovate and implement collection efficiency initiatives, some of which are the various online payment platforms that enable clients to continually make payments with ease. The Group is also in partnership with a wide network of banks to provide clients with more convenient payment options.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of June 30, 2026 versus June 30, 2025

During the six-month period, the consolidated net profit amounted to Php 338.55 million, 20.0% lower than the previous year's net profit of Php 423.15 million. Consolidated revenues, composed of real estate sales, finance income, commissions, and other income, decreased by 19.3% from Php 2.80 billion in 2025 to Php 2.26 billion in 2026.

Real Estate Sales

The Group reported Real Estate Sales of Php 1.42 billion and Php Php 2.07 billion for the six months ended June 30, 2026 and 2025, respectively. The sales were derived from various projects, including The Paddington Place, Mango Tree Residences, Covent Garden, Pioneer Woodlands, The Cambridge Village, The Sonoma, California Garden Square, The Rochester Garden, San Francisco Gardens, and Greenhills Garden Square.

The Cost of Real Estate Sales amounted to Php 713.09 million in 2026 and Php 1.23 billion in 2025, or 50.1% and 59.5% of Real Estate Sales for the six months ended June 30, 2026 and 2025, respectively. The change was primarily due to the different composition of products sold during each period.

Gross Profit was Php 710.73 million in 2026 and Php 836.64 million in 2025, or 49.9% and 40.5% of Real Estate Sales, for the six months ended June 30, 2026 and 2025, respectively. The gross profit margin varies depending on the product mix and the competitiveness of pricing.

Other Revenues

The Finance Income amounted to Php 190.01 million and Php 435.77 million for the six months ended 30 June 2026 and 2025, respectively, and was derived mostly from the significant financing component of buyers' contracts, in-house financing, short-term placements and various advances to related parties, which account for 8.4% and 15.6% of total revenues for 2026 and 2025, respectively.

Additional sources of revenue were commissions from a subsidiary, rentals of investment properties, and those obtained from other sources. Commission and other income totaling Php 643.35 million in 2026 and Php 295.40 million in 2025, representing 28.5% and 10.6% of total revenues for 2026 and 2025, respectively.

Operating Expenses

Operating Expenses posted an increase from Php 761.46 million in 2025 to Php 934.32 million in 2026. Finance Cost posted a decrease from Php 239.86 million in 2025 to Php 153.56 million in 2026.

FINANCIAL CONDITION

Review of June 30, 2026 versus December 31, 2025

Total Assets of the Group as of June 30, 2026 and December 31, 2025 amounted to Php 50.62 billion and Php 49.93 billion, respectively. Cash and Cash Equivalents decreased from Php 2.28 billion to Php 1.92 billion as of December 31, 2025 and June 30, 2026, respectively.

The Group remains liquid with Total Current Assets of Php 43.87 billion in 2026 and Php 42.46 billion in 2025, which accounted for 86.7% and 85.0% of the Total Assets as of June 30, 2026 and December 31, 2025, respectively. While Total Current Liabilities amounted to Php 15.84 billion and Php 15.39 billion as of June 30, 2026 and December 31, 2025, respectively.

Total Equity increased from Php 32.03 billion as of December 31, 2025 to Php 32.35 billion as of June 30, 2026 which is a combined effect of the revaluation of equity investments, remeasurement of retirement benefit obligation and the net profit for the period.

Consistently, the Group still sources its major working capital requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for the construction and development of projects, loan repayments, settlement of various payables, and other operating expenses.

Material Changes as of June 30, 2026 Interim Consolidated Financial Statements

Statements of Financial Position
(Increase or decrease of 5% or more versus December 31, 2025)

- 15.9% decrease in Cash and Cash Equivalents
  Mainly due to full blast construction activities in various projects

- 31.5% increase in Contract Assets
  Due to the progress in construction activities and new sales recognized from uncompleted projects

- 12.8% increase in Prepayment and Other Current Assets
  Significantly due to the processed transfer title related taxes and construction-related Input Vat

- 14.2% decrease in Intangible Assets
  Pertains to the amortization for the period

- 13.3% decrease in Contract Liability
  Mainly due to the progress in construction of ongoing projects net of collections from customers

- 22.2% decrease in Interest-bearing Loans and Borrowings
  Pertains to repayment of loan

- 14.1% increase in Other Current Liabilities
  Mainly due to the portion of contractors' and suppliers' billings retained by the company to ensure compliance with their contract agreements as well as the provision for refund liability recognized during the period as required under R.A. 6552

- 10.8% decrease in Revaluation Reserve
  Primary due to the decrease in the fair market value of the financial asset at FVOCI

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus 30 June 2025)

- 31.1% decrease in Real estate sales
  Due to the backout sales previously recognized in the prior reporting periods

- 56.4% decrease in Finance Income
  Mainly due to the lower interest rate on the outstanding promissory notes

- 49.3% decrease in Equity Share in Net Earnings of an Associate
  Mainly due to the drop in the reported net income of an associate for the period

- 117.8% increase in Commissions and other Income
  Due to the increase in revenues from other related sources

- 42.0% decrease in Cost of real estate sales
  Due to the decline in the recognized Real estate sales

- 36.0% decrease in Finance Costs
  Mainly due to the lower interest rate on the outstanding advances to related parties and significant financing component on buyers' contracts

- 22.7% increase in Operating Expenses
  Mainly due to the increase in selling, administrative and other corporate expenses

The Company earmarks P25.0 billion for capital expenditures over the next 5 years and is expected to be funded by collections, borrowings, and other sources.

Fluctuations in the foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and no foreign-denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events or uncertainties known to the management that would have a material impact on reported financial information or the normal operations of the Group.

The nature of all revenues and expenses disclosed in the unaudited interim statements of comprehensive income are business-related transactions that arose from the Group's continuing operations.

There are no material off-statements of financial condition transactions, arrangements, obligations (including contingent obligations), or other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

There are no events that will trigger a direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

The Group is aggressively marketing its products, especially the new projects. It continuously offers competitive prices, more lenient payment schemes under in-house financing, and strong tie-ups with reputable banks for the financing requirements of its buyers.

EXHIBIT 7

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
ACCOUNTS RECEIVABLE AGING
June 30, 2026
(Amounts in thousand Philippine Pesos)

1) Aging of Accounts Receivable

Type of Receivables	Total	Current / Not Yet Due	1-3 Months	4-6 Months	7 Months - 1 Year	Above 1 Year	Past due accounts & Items in Litigation
a) Trade Receivables	**8,572,301**	**7,555,364**	**412,032**	**146,542**	**204,475**	**253,888**	**-**
b) Other Receivables	**4,992,555**	**4,992,555**	**-**	**-**	**-**	**-**	**-**
Net Receivables	**13,564,856**						

2) Accounts Receivable Description

Type of Receivables	Nature/Description	Collection Period
a) Trade Receivables	Sale of residential units/lots	maximum of 10 years
b) Other Receivables	Advances to contractors/suppliers	1 to 2 years

3) Normal Operating Cycle: 3 to 15 years

EXHIBIT 8

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS AT JUNE 30, 2026 AND DECEMBER 31, 2025

	June 30, 2026	December 31, 2025
Current ratio	2.77	2.76
Quick ratio	0.91	0.90
Debt-to-equity ratio	0.56	0.56
Interest-bearing debt to total capitalization ratio	0.01	0.02
Asset-to-equity ratio	1.56	1.56
		June 30, 2025
Interest rate coverage ratio	397%	337%
Net profit margin	15.00%	15.12%
Return on assets	0.67%	0.84%
Return on equity/investment	1.05%	1.33%
Return on equity/investment of owners	1.16%	1.47%

LIQUIDITY RATIOS measure the business' ability to pay short-term debt.
Current ratio - computed as current assets divided by current liabilities
Quick ratio - computed as cash, marketable securities, accounts receivable divided by current liabilitites

SOLVENCY RATIOS measure the business' ability to pay all debts, particularly long-term-debt.
Debt-to-equity ratio-computed as total liabilities divided by total equity.
Interest-bearing debt to total capitalization ratio-computed as interest-bearing debt divided by interest-bearing debt + shareholder's equity attributable to controlling interest.

ASSET-TO-EQUITY RATIOS measure financial leverage and long-term solvency.
It shows how much of the assets are owned by the company. It is computed as total assets divided by total equity.

INTEREST RATE COVERAGE RATIOS measure the business' ability to meet its interest payments.
It is computed as earnings before income tax and interest expense ("EBIT") divided by interest.

PROFITABILITY RATIOS
Net profit margin - computed as net profit divided by total revenues
Return on assets - net profit divided by average total assets
Return on investment - net profit divided by total shareholders' equity
Return on investment of equity owners - net profit attributable to owners of the parent divided by equity attributable to owners of the parent company