

COVER SHEET

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SEC Registration Number

G R E E N E R G Y H O L D I N G S
 I N C O R P O R A T E D A N D
 S U B S I D I A R I E S

(Company's Full Name)

5 T H F L O O R P R I N C E B U I L D I N G
 1 1 7 R A D A 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

(Business Address: No. Street City/Town/Province)

JOSEPH JOEL R. CASTILLO
 (Contact Person)

(02) 8817-5116
 (Company Telephone Number)

1 2 3 1
 Month Day
 (Fiscal Year)

17-Q
 (Form Type)

0 6 1 5
 Month Day
 (Annual Meeting)

 (Secondary License Type, if applicable)

M S R D

Dept. Requiring this Doc.

Amended Articles Number/Section

996
 Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

 To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks = Please use BLACK ink for scanning purposes

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 : **31 March 2026**
2. SEC Identification Number : **AS092-000589**
3. BIR Tax Identification Number : **001-817-292**
4. Exact name of Registrant as specified in its charter : **Greenergy Holdings Incorporated**
5. Province, country or other jurisdiction on incorporation or organization : **Philippines**
6. Industrial Classification Code : **(SEC Use Only)**
7. Address of Principal Office : **54 National Road, Dampol II-A Pulilan, Bulacan**
8. Issuer's telephone No. including area code : **(02) 8817-5116**
9. Former name of the Company : **Not applicable**

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 Stock Outstanding and Amount of Debt Outstanding ¹
Common	4,150,778,574
Preferred	1,000,000,000
Amount of Debt Outstanding:	P423,847,139

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

Yes [] No []

The Issuer has 2,600,778,571 shares listed in 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 17.1 thereunder or Section 11 of the Revised Securities Act (RSA) and RSA Rule 11(a)-1 thereunder and Sections 26 and 41 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 report).

Yes [] No []

b. Has been subject to such filing requirement for the past 90 days.

Yes [] No []

¹ As of March 31, 2026

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The unaudited interim condensed consolidated financial statements of Greenergy Holdings Incorporated and Subsidiaries (the "Group") as of and for the period ended March 31, 2026 (with comparative figures as of December 31, 2025 and for the period ended March 31, 2025) are filed as part of this SEC Form 17-Q as Annex "A".

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the attached unaudited interim condensed consolidated financial statements of the Group as of and for the period ended March 31, 2026.

A. 2026 FIRST QUARTER VS. 2025 FIRST QUARTER

FINANCIAL CONDITION

Asset

The Group ended the first quarter of 2026 with consolidated total assets of ₱2.49 billion which is higher than the reported ₱2.43 billion as of December 31, 2025. The increase is the net effect of the following:

- Cash decreased by ₱1.90 million mainly due to the administrative expenses during the quarter.
- Due from related parties decreased by ₱3.89 million due to collections from stockholders.
- Financial assets at fair value through other comprehensive income has a net decrease by ₱2.02 million during the 1st quarter.
- Investment in Financial Assets at FVTPL increased by ₱20.53 million due to the new investments by WGVI.
- Property and equipment and right-of-use asset, decreased by ₱3.41 million on March 31, 2026, mainly due to depreciation expense.

Liability

Trade liabilities decreased by ₱10.10 million due to the payment of lease of office space by Greenergy Holdings Incorporated and Winsun Green Ventures, Inc. ("WGVI") and settlement of accrued expenses.

Equity

Retained earnings and non-controlling interest increased by ₱17.24 million due to the net income during the first quarter of this year.

Consolidated Cash Flows

Net cash generated in operating activities for the first quarter of 2026 amounted to ₱15.21 due to the recognized net income of the group.

Net cash used in investing activity amounted to ₱16.61 million which was used to finance the additional investment in FA at FVTPL.

RESULTS OF OPERATIONS

Revenue recorded for the first three (3) months of 2026 is ₱1.16 million, which is principally from agri-tourism and solar activities.

Other income recognized from investment in FA at FVTPL of WGVI during the quarter amounted to ₱26,168,608.

Expenses such as contractual services, utilities, repairs and maintenance, materials and supplies, transportation, legal and professional and taxes and licenses as well as depreciation amounted to ₱8.34 million during the 1st quarter of 2026.

As a result of the above, the Group had a consolidated operating income of ₱17.24 million for the period ended March 31, 2026.

The Group shall focus its resources to expand its investments in renewable energy and "green" and sustainable community development projects. In this regard, the Group is actively looking at business opportunities in these industries. With the deployment of resources in these industries, the management of the Group assessed that the going concern assumption remains to be appropriate as the Group continues to generate sufficient cash flows to sustain operations and complete its current and future plans.

B. 2025 FIRST QUARTER VS. 2024 FIRST QUARTER

FINANCIAL CONDITION

Asset

The Group ended the first quarter of 2025 with consolidated total assets of ₱1.96 billion which is lower than the reported ₱1.98 billion as of December 31, 2024. The decrease is the net effect of the following:

- Cash decreased by ₱64.44 million mainly due to additional investments in joint venture amounted to ₱60.37 administrative expenses during the quarter.
- Due from related parties decreased by ₱5.29 million due to collections from stockholders.
- Financial assets at fair value through other comprehensive income has a net decrease by ₱3.03 million during the 1st quarter.
- Investment in joint venture increased by ₱60.37 million due to the new contracts entered into by WGVI.
- Property and equipment and right-of-use asset, decreased by ₱2.60 million on March 31, 2025, mainly due to depreciation expense.

Liability

Lease liability decreased by ₱.42 million due to the payment of lease of office space by Greenergy Holdings Incorporated and WGVI.

Equity

Retained earnings and non-controlling interest decreased by ₱7.90 million due to the net loss during the first quarter of this year.

Consolidated Cash Flows

Net cash used in operating activities for the first quarter of 2025 amounted to ₱8.81 which is higher than the ₱1.4 million cash generated for the same period in 2024. The increase is mainly

due to the additional surety bonds during the quarter.

Net cash used by investing activities amounted to ₱55.02 million mainly due to the additional investments in joint ventures during the quarter amounting to ₱60.37.

RESULTS OF OPERATIONS

Revenue recorded for the first three (3) months of 2025 is ₱1.77 million, which is principally from agri-tourism and solar activities.

Expenses such as contractual services, utilities, repairs and maintenance, materials and supplies, transportation, legal and professional and taxes and licenses as well as depreciation amounted to ₱12.59 million during the 1st quarter of 2025.

As a result of the above, the Group had a consolidated operating loss of ₱10.81 million for the period ended March 31, 2025.

The Group shall focus its resources to expand its investments in renewable energy and “green” and sustainable community development projects. In this regard, the Group is actively looking at business opportunities in these industries. With the deployment of resources in these industries, the management of the Group assessed that the going concern assumption remains to be appropriate as the Group continues to generate sufficient cash flows to sustain operations and complete its current and future plans.

PART II -- OTHER INFORMATION

The issuer may, at its option, report under this item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.


There is no other information for this interim period not previously reported in a report on SEC Form 17-C.

SIGNATURES

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.

Issuer **GREENERGY HOLDINGS INCORPORATED**

Signature and Title


EDGARDO G. LACSON
Chairman

Date

15 May 2026

Signature and Title


DANIEL C. SUBIDO
President and Chief Executive Officer

Date

15 May 2026

Signature and Title


FERDINAND T. DIAZ
Treasurer

Date

15 May 2026

GREENERGY HOLDINGS INCORPORATED AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
AS OF MARCH 31, 2026 AND DECEMBER 31, 2025

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS		
Current Assets		
Cash (Note 4)	₱241,023,089	₱242,921,826
Trade and other receivables - net (Note 5)	259,794,956	258,863,982
Due from related parties - net (Note 20)	592,575,158	596,474,875
Inventories	2,089,238	2,089,238
Other current assets - net	1,375,055	1,334,651
Total Current Assets	1,096,857,496	1,101,684,572
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (FVOCI) (Note 7)	107,211,993	109,234,861
Financial asset at FVTPL (Note 10)	832,062,437	811,536,326
Property and equipment - net (Note 8)	116,979,715	124,691,322
Intangible assets	2,551,709	2,551,709
Investment properties - net (Note 9)	7,057,560	7,057,560
Biological assets	3,996,000	3,996,000
Deferred tax asset	1,311,586	1,311,586
Other noncurrent assets (Note 6)	81,543,328	81,543,328
Total Noncurrent Assets	1,152,714,328	1,141,922,692
TOTAL ASSETS	₱2,249,571,824	₱2,243,607,264
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 11)	₱14,100,633	₱24,083,445
Due to related parties (Note 20)	305,014,482	305,014,482
Lease liability, current portion (Note 12)	1,595,758	2,093,729
Dividends payable	109,234,861	109,234,861
Income tax payable	5,125,650	5,115,725
Total Current Liabilities	435,071,384	445,542,242
Noncurrent Liabilities		
Lease liability, net of current portion (Note 12)	5,567,397	5,557,579
Deferred tax liability	3,327,331	2,120,741
Total Noncurrent Liabilities	8,894,728	7,678,320
Total Liabilities	443,966,112	453,220,562
Equity		
Capital stock (Note 13)		
Common shares	2,910,778,574	2,910,778,574
Preferred shares	100,000,000	100,000,000
Additional paid-in capital (Note 13)	396,663,410	396,663,410
Revaluation surplus	1,825,580	1,825,580
Cumulative fair value loss on financial assets at FVOCI (Note 7)	(3,181,955,964)	(3,179,933,096)
Retained earnings	1,518,350,252	1,499,473,696
Foreign currency translation reserve	57,552	57,552
	1,745,719,404	1,728,865,716
Non-controlling interests (Note 18)	59,886,308	61,520,986
Total Equity	1,805,605,712	1,790,386,702
TOTAL LIABILITIES AND EQUITY	₱2,249,571,824	₱2,243,607,264

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

GREENERGY HOLDINGS INCORPORATED AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(With Comparative Figures for The Three Months Ended March 31, 2025)

	THREE MONTHS ENDED MARCH 31	
	2026	2025
REVENUE (Note 14)	₱1,166,157	₱1,773,098
COST OF SALES (Note 15)	1,658,856	1,076,360
GROSS PROFIT (LOSS)	(492,699)	696,738
GENERAL AND ADMINISTRATIVE EXPENSE (Note 16)	8,342,913	11,365,829
LOSS BEFORE INCOME TAX	(8,835,612)	(10,669,091)
FINANCE COST	100,834	144,936
OTHER INCOME (CHARGES)		
Interest income	26,180,750	54,508
INCOME (LOSS) BEFORE INCOME TAX	17,244,304	(10,759,519)
PROVISION FOR INCOME TAX	2,428	—
NET INCOME (LOSS)	17,241,876	(10,759,519)
OTHER COMPREHENSIVE LOSS	(2,022,868)	(3,034,302)
TOTAL COMPREHENSIVE INCOME (LOSS)	₱15,219,008	(₱13,793,821)
NET LOSS ATTRIBUTABLE TO:		
Equity holders of the Group	18,876,555	(7,902,677)
Non-controlling interest	(1,634,678)	(2,856,842)
	₱17,241,877	(₱10,759,519)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO		
Equity holders of the Group	16,853,687	(10,936,979)
Non-controlling interest	(1,634,678)	(2,856,842)
	₱15,219,009	(₱13,793,821)
INCOME (LOSS) PER SHARE	₱0.01	(₱0.00)

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

GREENERGY HOLDINGS INCORPORATED AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(With Comparative Figures for The Three Months Ended March 31, 2025)

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)	December 31, 2025 (Audited)
CAPITAL STOCK			
<i>Common Shares</i>			
Authorized - 4.9 billion shares Par value - P1 per share			
Balance at beginning and end of period	4,150,778,574	4,150,778,574	4,150,778,574
<i>Subscriptions receivable</i>			
Balance at beginning of period	(1,240,000,000)	(1,472,500,000)	(1,472,500,000)
Additions during the period	—	—	232,500,000
Balance at the end of period	(1,240,000,000)	(1,472,500,000)	(1,240,000,000)
Common stock net of subscription receivable	2,910,778,574	2,678,278,574	2,910,778,574
<i>Preferred - P0.10 par value per share</i>	100,000,000	100,000,000	100,000,000
	3,010,778,574	2,778,278,574	3,010,778,574
ADDITIONAL PAID IN CAPITAL			
Balance at beginning and end of period	396,663,410	396,663,410	396,663,410
REVALUATION SURPLUS			
Balance at beginning and end of period	1,825,580	1,825,580	1,825,580
CUMULATIVE FAIR VALUE LOSS ON FINANCIAL ASSET AT FVOCI			
Balance at beginning of period	(3,179,933,096)	(3,137,452,873)	(3,188,024,567)
Unrealized gain (loss) during the period	(2,022,868)	(3,034,302)	8,091,471
Balance at the end of period	(3,181,955,964)	(3,140,487,175)	(3,179,933,096)
RETAINED EARNINGS			
Balance at beginning of period	1,499,473,696	1,498,593,796	1,498,593,796
Net gain (loss) during the period	18,876,555	(7,902,677)	8,971,470
Remeasurement gain on property dividends	—	—	(8,091,370)
Balance at the end of period	1,518,350,251	1,490,691,119	1,499,473,896
FOREIGN CURRENCY TRANSLATION RESERVE			
Balance at beginning and end of period	57,552	57,552	57,552
NON-CONTROLLING INTERESTS			
Balance at beginning of period	61,520,986	66,635,408	66,635,408
Net loss during the period	(1,634,678)	(2,856,842)	(5,114,422)
Balance at the end of period	59,886,308	63,778,566	61,520,986
	₱1,805,605,711	₱1,590,807,626	₱1,790,386,902

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

GREENERGY HOLDINGS INCORPORATED AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
(With Comparative Figures for The Three Months Ended March 31, 2025)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	₱17,244,305	(₱10,759,519)
Adjustments for:		
Depreciation and amortization	3,412,498	3,114,971
Interest in lease liabilities	100,834	144,936
Interest income	(12,142)	(54,508)
Operating income (loss) before working capital changes	20,745,495	(7,554,120)
Increase in:		
Trade and other receivables	(930,975)	(579,349)
Other current assets	(51,400)	(214,553)
Other noncurrent assets	–	(409,920)
Decrease in trade and other payables	(4,559,559)	(53,630)
Cash used in operations	15,203,561	(8,811,572)
Interest received	9,925	54,508
Net cash generated from (used in) operating activities	15,213,486	(8,757,064)
CASH FLOWS FROM INVESTING ACTIVITIES		
Collections from related parties	3,899,717	5,290,174
Finance income received	12,142	
Investments in financial asset at FVTPL	(20,526,111)	(60,370,323)
Net cash used in investing activities	(16,614,252)	(55,080,149)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of:		
Principal portion of lease liabilities	(397,137)	(333,429)
Interest in lease liabilities	(100,834)	(144,936)
Net cash used in financing activities	(497,971)	(478,365)
NET DECREASE IN CASH	(1,898,737)	(64,315,578)
CASH AT BEGINNING OF YEAR	242,921,826	504,676,610
CASH AT END OF YEAR	₱241,023,089	₱440,361,032

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

GREENERGY HOLDINGS INCORPORATED AND SUBSIDIARIES
NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

1. Corporate Information

Greenenergy Holdings Incorporated (“GHI” or the Group) was registered and incorporated with the Philippine Securities and Exchange Commission (“SEC”) on January 29, 1992 as MUSX Corporation to primarily engage in the manufacture and sale of semiconductor products. In 2011, the SEC approved the amendment of its Articles of Incorporation to change the registered name to Greenenergy Holdings Incorporated. The Group’s shares are publicly listed in the Philippine Stock Exchange (“PSE”).

The Group’s primary purpose is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge or otherwise dispose of real or personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidence of indebtedness, marketable securities, deposit substitutes in any valid currency, and other securities or obligations of any corporation or corporations, association or associations, domestic or foreign, for whatever lawful purpose or purposes the same may have been organized and to pay therefore in money or by exchanging therefore stocks, bonds, or other evidence of indebtedness or securities of this or any other corporation, stocks, bonds, debentures, contracts, or obligations, to receive, collect, and dispose of the interest, dividends, proceeds and income arising from such property, and to possess and exercise in respect therefore all voting powers of any stock so owned, provided that the corporation shall not engage as stock brokers or dealers in securities.

The Group and its subsidiaries (collectively referred to as the “Group”) are involved in diversified industries such as renewable energy and waste recycling projects, food and agriculture information technology, fintech, biotech, green infrastructure, and transient oriented property development. The group plans to invest in green and sustainable projects and aims to become a carbon neutral company by the year 2030 under vision #GREEN2030.

The Group’s registered address and principal place of business is at 54 National Road, Dampol II-A, Pulilan Bulacan.

The unaudited interim condensed consolidated financial statements include the accounts of the Group and the following subsidiaries:

Investee	Country of Incorporation	Principal Activity	Principal place of Business	Functional currency	Ownership	
					2026	2025
Winsun Green Ventures, Inc. (WGV)	Philippines	Renewable energy system	Pulilan, Bulacan	Philippine Peso (PHP)	100%	100%
Agrinurture Development Holdings, Inc.	Philippines	Investment holding	Makati City	Philippine Peso (PHP)	100%	100%
Sunchamp Real Estate Development Corp. (SREDC)	Philippines	Real estate and agriculture	Makati City	Philippine Peso (PHP)	62.39%	62.39%
Lite Speed Technologies, Inc. (LSTI)	Philippines	Information technology	Makati City	Philippine Peso (PHP)	51%	51%
Total Waste Management Recovery System, Inc. (TWMRSI)	Philippines	Waste management facility	Pulilan, Bulacan	Philippine Peso (PHP)	51%	51%
Yakuru Group Pty. Limited	Australia	Professional, Scientific and technical services	New South Wales, Australia	Australian Dollar (AUD)	51%	51%
Ocean Biochemistry Technology Research, Inc. (OBTRI)	Philippines	Trading of goods and commodities	Pulilan, Bulacan	Philippine Peso (PHP)	60%	60%

Going Concern

The Group's unaudited interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to continue towards increasing revenues and improving operations despite significant losses incurred over the years. The Group shall continue to expand its core business and increase coverage in various investments in diversified industries such as, but not limited to, renewable energy, real estate, agriculture, waste management facility, information technology and trading.

In view thereof, the Group has started an active campaign to gain new clients as well as to revive previous relationships through marketing and selling activities in the Philippines and overseas since 2019. The Group plans to invest in green and sustainable projects and aims to become a carbon neutral company by the year 2030 under vision #GREEN2030. As a result, the Group has the following business activities:

- A. On March 1, 2021, the Group, ABS-CBN Corporation ("ABS-CBN") and iBayadOnline Ventures, Inc. ("iBayad") executed a legally binding Term Sheet for the acquisition by the Group of fifty-one million (51,000,000) fully paid common shares of U-Pay Digital Technologies, Inc. ("U-Pay") from ABS-CBN which would result in the Group owning fifty-one percent (51%) of the outstanding capital stock of U-Pay (the "Transaction"). The Group shall pay the total amount of Fifty-Four Million Pesos (₱54,000,000) as consideration for the Transaction.

Under the Term Sheet, iBayad shall provide expertise in financial technology, programs and software applications it has developed and will develop for U-Pay, including the service and maintenance thereof.

On July 30, 2021, the BOD authorized the Group to enter into a Share Purchase Agreement with ABS-CBN for: (i) the investment of the Group in U-Pay through acquisition from ABS-CBN of 51,000,000 shares of stocks of U-pay (the "Subject Shares") with a par value of P1.00 per share, at a price of its total par value of ₱51,000,000.00 (the "the Purchase Price"), which would result in the Group owning 51% of the outstanding capital stock of U-Pay; and (ii) payment of additional consideration of P3,000,000 for disbursement of fees and charges due on U-Pay's governmental permits and licenses, reimbursement for the pre-operating expenses advanced by ABS-CBN to U-Pay and assignment to U-Pay of ABS-CBN's rights and interests to the marks and all other intellectual property rights created and developed by ABS-CBN.

Also, the Group was authorized to enter into a Shareholder's Agreement with the existing shareholder of U-Pay, iBayad, which will govern the relationship between the said corporation and the Group as shareholder of U-Pay.

On the same day, the Share Purchase Agreement was executed between the Group and ABS-CBN. The closing date of the Transaction shall be subject to the completion of certain conditions precedent to closing, including the issuance by the Bangko Sentral ng Pilipinas ("BSP") of a letter of no objection ("LONO") to the acquisition of the Subject Shares by the Group, which shall not be later than 30 September 2021.

On September 30, 2021, the parties agreed to the extension of the closing date provided in the Share Purchase Agreement to November 15, 2021. Subsequently, on November 15, 2021, the Group and ABS-CBN agreed to further extend the closing date to December 15, 2021, in view of the pendency of the issuance by the BSP of the LONO in relation to the Transaction, which is one of the conditions precedents to the closing date.

Considering that the parties have yet to receive the LONO from the BSP, the parties have mutually agreed to further extend the closing date of the Transaction to June 30, 2022.

- B. On July 23, 2021, the Group executed a Memorandum of Agreement ("MOA") with Dito Telecommunity Corporation ("DITO") whereby the Group shall render commission-based lead generation services to DITO to lead the public to DITO-related programs and services through offline or online/digital means using its own system or the system of any of its third-party affiliates. This collaboration between the Group and DITO will pave the way for the conversion of the Group's existing clients, partners, and affiliates to become DITO mobile subscribers, and will expand the Group's vision to build a digital ecosystem for the agricultural sector under vision #GREEN2030.
- C. On February 23, 2021, the Group executed a Subscription Agreement with Ocean Biochemistry Technology Research, Inc. ("OBTRI") wherein the Group subscribed to 37,500 primary common shares of OBTRI from the unissued portion of the latter's outstanding capital stock with a subscription price per share of P100 or an aggregate subscription price of P3,750,000 ("Subscription Price"). The Group has paid 25% of the Subscription Price upon execution of the Subscription Agreement while the balance shall be paid upon call by the Board of Directors of OBTRI. Upon issuance of the shares, the Group shall hold 60% of the total issued and outstanding shares of OBTRI.

OBTRI is a domestic corporation engaged in the business of manufacturing and trading. Upon compliance with the relevant regulatory requirements, it intends to engage in manufacturing and trading of pharmaceutical, nutraceutical and alternative medicine and will secure a registration with the Food and Drug Administration. It is 51% owned by M2000 Imex Company, Inc., a wholly owned subsidiary of AgriNurture, Inc., prior to the Group's subscription.

- D. On September 9, 2020, the Board of Directors approved the incorporation of Yakuru Group Pty. Limited (YGPL) under the laws of Australia, wherein the Group shall hold 51% equity interest. The subscription price of AUS\$51.00, paid in full, is based on the par value of the shares. This will expand the investment portfolio of the Group to include biotechnology. YGPL is a proprietary company limited by shares. YGPL shall venture into biotechnology with primary focus on development and marketing of medicinal hemp globally.

With the above investments, Management of the Group assessed that the going concern assumption remains to be appropriate as the Group continues to generate sufficient cash flows to sustain operations and complete its current and future plans.

2. Basis of Preparation, Statement of Compliance, Summary of Changes in Accounting Policies and Disclosures

Basis of Preparation

The unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis except for financial assets at fair value through other comprehensive income (FVOCI) which is measured at fair value. The Group presents all items of income and expenses in a single statement of comprehensive income. These unaudited interim condensed consolidated financial statements and notes are presented in Philippine Pesos, which is the Group's functional and presentation currency under the Philippine Financial Reporting Standards (PFRS). All values are rounded to the nearest peso, unless otherwise indicated.

Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group have been prepared in compliance with PFRS. PFRS includes the statements named PFRS, Philippine Accounting Standards (PAS) and Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial Reporting Standards Council (FRSC) and adopted by SEC.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new accounting pronouncements starting January 1, 2026. Adoption of these pronouncements did not have any significant impact on the Group's financial position or performance unless otherwise indicated.

- PFRS 9 and PFRS 7

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*.
- PFRS 18, *Presentation and Disclosure in Financial Statements*.
- PFRS 19, *Subsidiaries without Public Accountability: Disclosure*.

Deferred effectivity

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

Current versus Noncurrent Classification

The Group presents assets and liabilities in the statement of financial condition based on current/noncurrent classification.

An asset is classified as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

The Group classifies all other assets as noncurrent.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy.

Day 1 Difference

Where the transaction price in a non-active market is different from the fair value of other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable market, the Group recognizes the difference between the transaction price and fair value (a Day 1 difference) in the statements of comprehensive income unless it qualifies for recognition as some other type of asset or liability. In cases where an unobservable data is used, the difference between the transaction price and model value is only recognized in the statements of comprehensive income (loss) when the inputs become observable or when the instrument is derecognized. For each transaction, the Group determines the appropriate method of recognizing the “Day 1” difference amount.

Financial Assets and Liabilities

Date of recognition

The Group recognizes a financial asset or liability in the statements of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way to purchase or sale of financial assets, recognition and derecognition, as applicable, is done using the settlement date accounting.

Initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL, if any, are expensed in profit or loss.

Determination of fair value

Fair value is determined by preference to the transaction price or other market prices. If such market prices are not reliably determinable, the fair value is determined by using appropriate valuation techniques. Valuation techniques include a net present value model where the fair value of the consideration is estimated as the sum of all future cash payments or receipts, discounted using the prevailing market rates of interest for a similar instrument with similar maturities. Other valuation techniques include comparing to similar instruments for which market observable prices exist; recent arm’s length market transaction; option pricing model and other relevant valuation models.

Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value [either through other comprehensive income (OCI) or through profit or loss], and
- Those to be measured at amortized cost.

Financial assets at FVOCI

Financial assets at FVOCI comprise:

- Equity instruments
Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to be recognized in this category. These are strategic investments, and the Group considers this classification to be more relevant. Gains and losses on these financial assets are never recycled to profit or loss.

Dividends are recognized as other income in the statements of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group classifies its investment in shares of stocks as financial asset at FVOCI as at March 31, 2026 and December 31, 2025.

- Debt instruments
Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statements of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group has no debt instruments at FVOCI as at March 31, 2026 and December 31, 2025.

Financial assets at FVPL

The Group classifies the following financial assets at FVPL:

- debt investments that do not qualify for measurement at either amortized cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognize fair value gains and losses through OCI.

Financial assets at FVPL are carried in the statements of financial position at fair value with net changes in fair value recognized in the statements of comprehensive income. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognized as other income in the statements of profit or loss when the right of payment has been established.

Financial assets at amortized cost

The amortized cost of a financial asset is the present value of future cash receipts discounted at the effective interest rate. The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flow; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This classification includes the Group's cash and cash equivalent, nontrade receivables and due from related parties as at March 31, 2026 and December 31, 2025.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Subsequent measurement of financial assets

- Debt instruments
 - There are three measurement categories into which the Group classifies its debt instruments:
 - Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising from derecognition is recognized directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses, if any, are presented as separate line items in the statements of profit or loss. Short-term receivables with no stated interest rate are measured at their invoice amounts or expected amounts of settlement without discounting, when the effect of not discounting is immaterial.
 - FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains or losses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains or losses and impairment expenses are presented as separate line items in the statements of profit or loss.
 - FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains and losses in the period in which it arises.

- Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Impairment of financial assets

The Group recognizes an expected credit loss (ECL) for all debt instruments not held at FVPL. ECLs are based in the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flow will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In measuring ECL, the Group must reflect:

- An unbiased evaluation of a range of possible outcomes and their probabilities of occurrence;
- Discounting for the time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group may apply the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the trade receivable and contract assets, if any. It also allows the Group to use a simplified "provision matrix" for calculating expected losses. The provision matrix is based on the Group's historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Forward-looking information are considered as economic inputs, such as gross domestic product (GDP) or gross national income (GNI), exchange rate, interest rate, inflation rate and other economic indicators.

For cash in banks and cash equivalent, nontrade receivables and due from related parties, the Group applies the general approach in calculating ECLs. The Group recognizes a loss allowance based on either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on its cash in banks, nontrade receivables and due from related parties since initial recognition.

For trade receivables, if any, the Group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

Classification and subsequent measurement of financial liabilities

The Group classifies its financial liabilities in the following categories:

- **Financial Liabilities at FVPL**
Financial liabilities are classified in this category if these result from trading activities or derivatives transactions that are not accounted for as accounting hedges, or the Group elects to designate financial liability under this category. Financial liabilities at FVPL are measured at fair value and net gains and losses, including interest expense, are recognized in profit or loss.

As at March 31, 2026 and December 31, 2025, the Group has no financial liabilities at FVPL.

- **Financial liabilities at amortized cost**
This category pertains to financial liabilities that are not held for trading or not designated as at FVPL upon inception of the liability. These include liabilities arising from operations (e.g. payables excluding statutory regulated payables) or borrowing (e.g. long-term debt). The financial liabilities are initially recorded at fair value less directly attributable transaction costs.

After initial recognition, other financial liabilities are subsequently measured at amortized cost using effective interest method. These include liabilities arising from operations and borrowings. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gains and losses on derecognition are also recognized in profit or loss.

As at March 31, 2026 and December 31, 2025, this category includes the Group's trade and other payables and due to related parties.

Short-term payables with no stated interest rate are measured at their invoice amounts or expected amounts of settlement without discounting, when the effect of not discounting is immaterial.

The classification depends on the purpose for which the financial liabilities are acquired and whether they are quoted in an active market. Management determines the classification at initial recognition and, where allowed and appropriate, reevaluates this classification at every reporting date.

Derecognition of Financial Instruments

Financial assets

A financial asset is derecognized when (1) the rights to receive cash flows from the financial instruments expire, (2) the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement, or (3) the Group has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows of an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of an asset nor transferred control of the assets, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On disposal of debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss. On disposal of equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

Financial liabilities

Financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where the existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Classification of Financial Instrument between Debt and Equity

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest relating to a financial instrument or a component that is a financial liability is reported as expenses.

A financial instrument is classified as debt if it provides for a contractual obligation to: (a) deliver cash or another financial asset to another entity; or (b) exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or (c) satisfy the obligation other than by exchange of a fixed amount of cash or other financial asset for a fixed number of own equity shares.

If the Group does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligation, the obligation meets the definition of a financial liability.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Group's consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the Group's consolidated statements of financial position.

Cash

Cash pertains to cash on hand and in banks which are stated at face value. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of acquisition and that are subject to an insignificant risk of change in value. These are initially recognized at face value and are subsequently measured at amortized cost (undiscounted amount to be received less any impairment).

Advances for Waste Recycling Project

Advances for waste recycling projects are initially recorded at cost and subsequently stated at cost less any impairment in value. The advances are mainly for the acquisition of steel structures, machinery and equipment to be used for the construction of waste recycling

facilities. The facilities will be transferred to property and equipment and shall be subject to depreciation and impairment upon their completion and put into operation.

Advances to Officers and Employees

Advances represent amount advanced to officers and employees for business expenses subject for liquidation on which future economic benefits are expected to flow to the Group within the normal operating cycle or within 12 months from the end of financial reporting period. These are initially recorded at actual cash advanced to officers and employees and are subsequently applied against actual purchases of related assets, costs or expenses incurred.

Other Current Assets

This account comprises the following:

- Prepayments are costs and expenses which are paid in advance of actually incurring them and regularly recurring in the normal course of the business. Prepaid expenses are initially recorded at actual amount paid for expenses and are amortized as the benefits of the payments are received by the Group and are charged to expense in the applicable period of expiration.
- Input value added tax (VAT) represents VAT imposed on the Group by its suppliers for the acquisition of goods and services as required by the Philippine taxation laws and regulations. Input VAT is presented as a current asset and will be used to offset against the Group's current output VAT liabilities, if any. Input VAT is initially recognized at cost (actual amount paid for) and subsequently stated at its net recoverable amount (unutilized amount of input VAT less impairment). Input VAT that is considered not recoverable permanently is derecognized and written off to expense.

Deposits for Land Acquisition

Deposit for land acquisition mainly represents usufruct rights over a property. This is initially recorded at the cash amount deposited and subsequently stated at cost, less impairment losses, if any.

Investment in Associate

Investment in associate (Investee Company) is accounted for under the equity method of accounting. An associate is an entity in which the Group holds 20% or more ownership or, has the ability to significantly influence the Investee Company's operating activities. An investment is accounted for using the equity method from the day it becomes an associate.

On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the Investee Company's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and not amortized. Any excess of the investor's share of the net fair value of the Investee Company's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is included as income in the determination of the share in the earnings of the Investee Company.

Under the equity method, the investments in the Investee Company are carried in the consolidated statements of financial position at cost plus post-acquisition changes in the

The Group's share in the net assets of the Investee Company, less any impairment in values. The consolidated statements of comprehensive income (loss) reflect the share of the results of the operations of the Investee Company. The Group's share of post-acquisition movements in the Investee Company's equity reserves is recognized directly in equity. Equity in net losses of an associate is recognized only up to the extent of acquisition costs. Equity in net income of an associate is not available for dividends declaration until actually received.

Profits and losses resulting from transactions between the Group and the Investee Company are eliminated to the extent of interest in the Investee Company and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction in the carrying value of the investment.

The Group shall discontinue the use of the equity method from the date when it ceases to have significant influence over an associate and shall account for the retained investment in accordance with PFRS 9 from that date, provided the associate does not become a subsidiary or a joint venture as defined in PAS 31. On the loss of significant influence, the Group shall measure at fair value any investment the investor retains in the former associate.

The Group shall recognize in profit or loss any difference between:

- a. The fair value of any retained investment and any proceeds from disposing of the part interest in the associate; and
- b. The carrying amount of the investment at the date when significant influence is lost.

When an investment ceases to be an associate and is accounted for in accordance with PFRS 9, the fair value of the investment at the date when it ceases to be an associate shall be recognized as its fair value on initial recognition as a financial asset in accordance with PFRS 9.

If the Group loses significant influence over an associate, the associate shall account for all amounts recognized in other comprehensive income in relation to that associate on the same basis as would be required if the associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by an associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over the associate.

If a Group's ownership interest in an associate is reduced, the investor shall reclassify to profit or loss only a proportionate amount of the gain or loss previously recognized in other comprehensive income.

The reporting dates of the associate and the Group are identical, and the associate's accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

Biological Assets and Agricultural Produce

Biological assets or agricultural produce are recognized only when the Group controls the assets as a result of past events, it is probable that future economic benefits associated with the assets will flow to the Group and the fair value or cost of the assets can be measured reliably.

The Group measures its biological assets at cost on initial recognition and at fair value less estimated costs to sell at the end of each reporting date. The Group uses the income approach, particularly the present value method, in computing for the fair value of the biological assets. This approach reflects the expectations about the cash flows from the biological assets from reporting period date to harvest period. The fair value measurement is categorized at level 2, which uses inputs that are not based on observable market data. The cash inflow would typically be the present value of the forecasted gross revenue from sales of harvested biological assets, which is a function of the price, expected production and the applicable discount rate given the nature of the biological assets. The forecast gross revenue will be reduced by the forecasted costs, which will be the incremental cost to sell and spoilage costs. The excess of the forecasted gross revenue over the forecasted costs will be the fair value of the biological assets. Cost to sell are the incremental costs directly attributable to the disposal of the

agricultural produce, excluding finance costs and income taxes. Subsequent gains or losses arising from changes in fair value less cost to sell of the assets, resulting from fluctuations in population, growth, price and other factors, are credited or charged to profit or loss for the period. Costs incurred in maintaining or enhancing the biological assets are recognized as expenses when incurred.

Gains or losses arising from the changes in fair value less estimated point-of-sale costs of a biological asset are included in the Group's statements of comprehensive income (loss) for the period in which they arise.

Investment Properties

Investment property pertains to properties held for capital appreciation. These are initially recorded at cost, including transaction cost. The carrying amount includes the cost of replacing part of an existing property at the time the costs are incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of investment property.

Subsequent to initial recognition, investment property is carried at cost less any impairment in value.

Investment property is derecognized when disposed of or when investment property is permanently withdrawn from use and there is no future economic benefit expected to arise from the continued use of the properties. Any gain or loss on the retirement or disposal of said properties are recognized in the statements of profit or loss in the year of retirement or disposal.

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by: (a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property; (b) commencement of development with a view to sale, for a transfer from investment property to inventories; (c) end of owner occupation, for a transfer from owner-occupied property to investment property; or, (d) commencement of an operating lease to another party, for a transfer from inventories to investment property. Transfers to or from investment properties are measured at the carrying value of the assets transferred.

Interest in Joint Arrangements

A Joint arrangement is a contractual arrangement whereby the Group and other parties have agreed sharing of control of an arrangement, which exist only when decisions about relevant activities require the unanimous consent of the parties sharing. The sharing of control is also known as joint control. A joint arrangement can either be a joint venture or a joint operation.

Joint Venture

A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net asset of the arrangement. The Group reports its interest in a joint venture using equity method, except when the investment is classified as held for sale, in which case it is accounted for in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operation*.

Property and Equipment

Property and equipment are initially recorded at cost. Subsequent to initial recognition, these are stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost less any impairment in value.

The initial cost of property and equipment comprises its purchase price or construction cost and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance including the cost of day-to-day servicing of an

item of property and equipment, are normally charged to operations in the period in which the costs are incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

It is the Group's policy to classify right-of-use assets as part of property and equipment. Prior to that date, all of the Group's leases are accounted for as operating leases in accordance with PAS 17, hence, not recorded in the statement of financial position. The Branch recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of ROU assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized ROU assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. ROU assets are subject to impairment.

Depreciation is computed on the straight-line method over the following estimated useful lives of the assets as follows:

	<u>Years</u>
Land improvements	15
Building and improvements	10
Transportation equipment and machineries	5
Furniture, fixtures and office equipment	5
Bearer assets	5
Leasehold improvements and Right-of-use assets	10 or lease term, whichever is shorter

The estimated recoverable reserves, useful lives and depreciation and amortization methods are reviewed periodically to ensure the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Group's consolidated statements of comprehensive income (loss) in the year the asset is derecognized. Transfers to or from property and equipment are measured at carrying value of the assets transferred.

Fully depreciated assets that are still being used in the operations continue to be carried in the accounts.

Impairment of Nonfinancial Assets

An assessment is made at each financial reporting period to determine whether there is any indication of impairment of nonfinancial assets. Where an indicator of impairment exists, the Group makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's

fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Estimating the value in use amount requires management to make an estimate of the expected future cash flow and to choose a suitable discount rate in order to calculate the present value of those cash flows. A previously recognized impairment loss is reversed by credit to current operations to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any accumulated depreciation and amortization) had no impairment loss been recognized for the asset in prior years.

Related Party Transactions and Relationships

Related party transactions are transfers of resources, services or obligations between the Group and its related parties, regardless whether a price is charged. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Group; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual; and (d) other related parties such as directors, officers and stockholders.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Refundable Deposits

Refundable deposit refers to the security deposit received from a lessee for the lease of the Group's property. This is classified as financial liability measured at amortized cost. In case the future cash flows for purposes of computing amortization cannot be readily determined and reasonably measured, deposits are carried at cost less any impairment in value.

Equity

- Capital stock is determined using the nominal value of shares that have been issued.
- Additional paid-in capital includes any premiums received on the initial issuance of capital stocks. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits.
- Subscriptions receivable pertains to the uncollected portion of subscribed and paid or issued.
- Cumulative fair value gain (loss) on fair market value of financial assets at FVOCI are recognized immediately in other comprehensive income in equity in the period in which they arise and cannot be reclassified to profit or loss in subsequent periods.
- Retained earnings (deficit) include all current and prior period results of operations as disclosed in the Group's consolidated statements of comprehensive income (loss).

Basic Earnings (Loss) per share (EPS)

EPS is determined by dividing net income (loss) by the weighted average number of common shares outstanding during the year, with retroactive adjustments for any stock dividends declared.

Revenue Recognition

The Group recognizes revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group applies the following five steps:

1. Identify the contract(s) with a customer;
2. Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that are distinct;
3. Determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. If the consideration promised in a contract includes a variable amount, an entity must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer;
4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract;
5. Recognize revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer). For a performance obligation to be satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognized as the performance obligation is satisfied.

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Group and the revenue, related costs incurred or to be incurred/cost to complete the transactions can be reliably measured. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as a principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is measured at the fair value of the consideration received or receivable taking into account any trade discounts, prompt settlement of discounts and volume rebates allowed by the Group, if any. Revenue excludes any value added tax.

The following specific revenue recognition criteria must also be met before revenue is recognized:

- Agri-tourism revenue is recognized when the related service is rendered.
- Sale of fruits and vegetables in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of trade discounts, if any.
- Rental income is recognized on a straight-line basis over the term of the lease.
- Gain on sale of assets is recognized when the sale transactions occur.
- Interest income, which is presented net of final taxes paid or withheld, is recognized as the interest accrues, taking into account the effective yield on the asset. Interest income from bank deposits is recognized on a time proportion basis on the principal outstanding and at the rate applicable.
- Realized gains and losses are recognized when the sale transaction occurs.

- Other income is recognized when earned or realized.

Cost and Expense Recognition

Expenses are recognized in the Group's consolidated statements of comprehensive income (loss) when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

Employee Benefits

- **Short-term benefits**
Short-term employee benefits are recognized as expense in the period when the economic benefits are given. Unpaid benefits at the end of the financial reporting period are recognized as accrued expenses while benefits paid in advance are recognized as prepayment to the extent that it will lead to a reduction in future payments. Short-term benefits given by the Group to its employees include salaries and wages, SSS, PHIC and HDMF contributions, short-term compensated absences, bonuses and non-monetary benefits.
- **Retirement Benefits**
The Group does not have a formal retirement benefit plan. However, the Group will provide retirement benefits in compliance with Republic Act (RA) 7641. No actuarial computations were obtained during the year as the amount of provisions for retirement benefits will not materially affect the fair presentation of the financial statements considering that there were no qualified employees as of reporting date.

Foreign Currency Transactions and Translations

The Group's unaudited interim condensed consolidated financial statements are presented in Philippine Pesos, which is the Group's functional and presentation currency. Items included in the Group's unaudited interim condensed consolidated financial statements are measured using the functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated at the functional currency rate of exchange as at the financial reporting date.

Gains or losses arising from these transactions and translations are recognized in the Group's consolidated statements of comprehensive income (loss). Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Income Taxes

Income taxes represent the sum of the tax currently due and deferred tax.

Current tax

The tax currently due is based on taxable income for the year. Taxable income differs from income as reported in the Group's consolidated statements of comprehensive income (loss) because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted at the end of each financial reporting period.

Deferred tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of each financial reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and carryforward benefits of minimum corporate income tax (MCIT). Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets and liabilities are measured using the tax rate that is expected to apply to the period when the asset is realized, or the liability is settled. The carrying amount of deferred tax assets is reviewed at the end of each financial reporting period and reduced to the extent that it is not probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. Income tax relating to items recognized directly in equity is recognized in equity and not in the Group's consolidated statements of comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

Leases

The Group assesses whether the contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group assesses whether, throughout the period of use, it has the right to obtain substantially all the economic benefits from the use of the identified asset and the right to direct the use of the asset. If the Group has the right to control the use of an identified asset only for a portion of the term of the contract, the contract contains a lease for that portion of the term.

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and ROU assets representing the right to use the underlying assets.

- **Lease Liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Branch and payments of penalties for terminating a lease, if the lease term reflects the Branch exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the IBR at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- **Short-term Leases**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Group as a lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the lease asset and recognized on a straight-line basis over the term of the lease.

Leases which do not transfer from the Group substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating leases is recognized as income on a monthly basis as this accrue in accordance with the substance of the contractual agreement. Contingent rents are recognized as revenue in the period in which they are earned.

Segment Reporting

For management purposes, the Group is organized into operating segments according to the nature of the sales and the services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on business segments is presented in the unaudited interim condensed consolidated financial statements (see Note 21).

Provisions

Provisions are recognized only when the following conditions are met: a) there exists a present obligation (legal or constructive) as a result of past event; b) it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and c) a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each end of the financial reporting period and adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are not recognized in the unaudited interim condensed consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the unaudited interim condensed consolidated financial statements but disclosed when an inflow of economic benefit is probable.

Events after the End of Financial Reporting Period

Post-year-end events that provide additional information about the Group's position at the end of the financial reporting period, if any, are reflected in the unaudited interim condensed consolidated financial statements. However, post-year-end events that are not adjusting events are disclosed in the notes to the unaudited interim condensed consolidated financial statements when material.

3. Significant Accounting Judgment, Estimates, and Assumptions

The preparation of the Group's unaudited interim condensed consolidated financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the unaudited interim condensed consolidated financial statements and accompanying notes. The judgments, estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at date of the unaudited interim condensed consolidated financial statements. Actual results could differ from such estimates, and such estimates will be adjusted accordingly.

The following is a summary of these significant estimates and judgments and the related impact and associated risks on the unaudited interim condensed consolidated financial statements.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the unaudited interim condensed consolidated financial statements:

Determination of Control

The Group determines control when it is exposed, or has rights, to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the equity. The Group regularly reassesses whether its control over an investee in facts and circumstances indicate that there are changes to one (1) or more of the three (3) elements of control as discussed in Note 2. The Group determined that it exercises control on all of its subsidiaries as it has all the elements of control listed above.

The Group assessed that it has control over its subsidiaries since it has the power over the latter, exposure of rights to variable return from its involvement and ability to use its power to affect the component returns.

Functional Currency

PAS 21 requires Management to use its judgment to determine the Group's functional currency such that it most faithfully represents the economic effects of the underlying transactions, events and conditions that are relevant to the Group. In making this judgment, the Group considers the following:

- i. the currency that mainly influences sales prices for financial instruments and services (this will often be the currency in which sales prices for its financial instruments and services are denominated and settled);
- ii. the currency in which funds from financing activities are generated; and
- iii. the currency in which receipts from operating activities are usually retained.

Functional currency is the currency of the primary economic environment in which the Group operates. The Group has determined that its functional currency is the Philippine Peso. The Group's functional currency is evidenced by its costs of labor, and other costs of providing services and majority of its remittance transactions are settled in Philippine Peso.

The Group determined its functional currency to be Philippine peso being the currency of the primary economic environment in which the Group operates. It is the currency that mainly influences the sale of real properties, services, and investments and the costs of providing the services and of the sold investments.

Classification of Financial Instruments and Measurement Criteria

The Group classifies financial assets at initial recognition depends on the financial assets contractual cash flows characteristics of the Group's business model for managing them. The Group determines the classification at initial recognition and reevaluates this designation at every reporting date.

Management assessed that the contractual terms of its financial assets are solely payments of principal and interest and consistent with the basic lending arrangement. As of March 31, 2026 and December 31, 2025, the aggregate carrying amount of the Group's financial assets measured at amortized cost amounted to ₱1,050,893,157 and ₱1,061,573,507, respectively.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Estimation of Allowance for Expected Credit Losses of Financial Assets

The Group applies general approach for determining the expected credit losses of cash in banks, trade and other receivables (except advances to officers and employees) and due from related parties. A credit loss is the difference between the cash flows that are expected to be received, discounted at the original effective interest rate and contractual cash flows in accordance with the contract. The loss allowance for financial assets is based on the assumptions about risk of default and expected loss rates. In addition, management's assessment of the credit risk on the financial assets as at the reporting date is high.

Accordingly, the Group recognized allowance for expected credit losses of due from related parties amounting to ₱83,526,369 in 2026 and 2025. Provision for expected credit losses of nontrade receivables amounting to ₱328,845 were recognized in 2026 and 2025.

The Group's allowance for expected credit losses on financial assets amounted to ₱83,855,214 as at March 31, 2026 and December 31, 2025.

As of March 31, 2026 and December 31, 2025, the carrying values of the Group's financial assets carried at amortized cost amounted to ₱1,050,893,157 and ₱1,061,573,507, respectively.

Estimation of Impairment of Nonfinancial Assets

The Group reviews its nonfinancial assets included in advances to officers and employees, other current assets, deposits for land acquisition, advances for waste recovery project, property and equipment, intangible assets, investment properties and advances to project for impairment of value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, plans in the real estate projects, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends. As described in the accounting policy, the Group estimates the recoverable amount as the higher of the net selling price and value in use. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that may affect its nonfinancial assets included in advances to officers and employees, other current assets, deposits for land acquisition, advances for waste recovery project, property and equipment, intangible assets, investment properties and advances to project.

The Group's allowance for impairment loss for non-financial assets is as follows:

	2026	2025
Advances for recovery project	P235,008,036	P235,008,036
Input VAT	10,885,164	9,527,536
Total	P245,893,200	P244,535,572

No provision for impairment is recognized for input VAT in 2026 and 2025.

In 2026 and 2025, Management assessed that no indicators of impairment had existed on advances to officers and employees, other current assets (except input VAT), deposits for land acquisition, property and equipment, intangible assets, investment properties and advances to project.

As of March 31, 2026 and December 31, 2025, the aggregate carrying amounts of advances to officers and employees, other current assets, deposits for land acquisition, advances for waste recovery project, property and equipment, intangible assets and investment properties amounted to ₱206,398,927 and ₱206,398,927.

Fair Value of Biological Assets

The Group has adopted the fair value approach in determining the carrying value of its biological assets. The Group determines its fair value based on recent prices of similar assets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices. The amounts and timing of recorded changes in fair value for any period would differ if the Group made different judgments and estimates or utilized different basis for determining fair value.

The fair value of biological assets was derived using the market approach as of March 31, 2026 and December 31, 2025, the fair value of biological assets amounted ₱3,996,000.

Fair Value of Property and Equipment

The valuation has been carried out using the Market Data Approach. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the market. Listings and offerings may also be considered.

As of March 31, 2026 and December 31, 2025, the carrying amounts of property and equipment at revalued amount is ₱3,135,761.

Estimation of Impairment of Goodwill

The Group reviews the carrying value of goodwill for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired. Assessments require the use of estimates and assumptions such as market evaluation and trends, discount rates, future capital requirements and operating performance. If the recoverable amount of the unit exceeds the carrying amount of the goodwill, the goodwill shall be regarded as not impaired.

No provision for impairment of goodwill was recognized in 2026 and 2025.

Non-recognition of Deferred Tax Asset

The Group reviews the carrying amounts at each reporting date and reduces deferred tax assets 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 prior to its expiration.

Management believes that the Group will not generate taxable profit to allow its deferred tax asset to be utilized prior to its expiration. As of March 31, 2026 and December 31, 2025, the Group's unrecognized deferred tax asset amounted to ₱35,620,744.

Contingencies

The Group is currently involved in various legal proceedings. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense of these matters and is based upon an analysis of potential results. The Group currently does not believe that these proceedings will have a material effect on the Group's unaudited interim condensed consolidated financial statements.

Estimation of Retirement Liability

Management has reviewed its obligation for retirement benefit cost in view of the requirements under Republic Act (RA 7641). Management has assessed that current employees have not meet the minimum requirements under RA 7641 to be eligible for retirement benefits. Accordingly, no provision for retirement benefit cost is recognized in the unaudited interim condensed consolidated financial statements as at March 31, 2026 and December 31, 2025. Management, however, will continue to have a yearly assessment of its obligations, if any, to pay retirement benefit costs.

4. Cash

	2026	2025
Cash on hand and in banks	₱241,023,089	₱242,921,826

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

Interest income earned from cash in banks amounted to ₱6,475,604 and ₱243,679 in 2026 and 2025, respectively.

5. Trade and other receivables - net

	2026	2025
Trade receivables	₱6,484,498	₱5,553,523
Nontrade receivables	251,589,688	251,589,688
Rent receivable	2,049,614	2,049,614
	260,123,800	259,192,825
Less allowance for ECL	(328,845)	(328,845)
	₱259,794,955	₱258,863,980

Trade receivables are non-interest bearing and are usually settled within 90 days, which consists of individually significant accounts that management believes to be collectible.

Nontrade receivables include an unsecured, noninterest-bearing receivable from ThomasLloyd Cleantech Infrastructure Fund GMHB (TLCIF) amounting to ₱250,142,630, which was subsequently assigned by TLCIF to Zongshan Fucang Trade Co. Ltd. (ZFTC) on December 29, 2014, subject to the consent of the Group. Nontrade receivable also include rent receivable and erroneously paid tax under refund.

The Group agreed to the assignment of receivables to ZFTC under the following terms and conditions:

- ZFTCL shall pay the nontrade receivables on or before December 31, 2016 in cash and non-cash assets acceptable to the Group; and
- If the nontrade receivables will be paid with non-cash assets, the appraised value thereof shall be determined by an independent appraiser mutually acceptable to ZFTC and the Group.

As at March 31, 2026, the nontrade receivables from ZFTC are not yet settled. In 2019, the Group and ZFTC agreed to convert these receivables into an investment with a particular interest. As at report date, conversion is still in process.

Advances to officers and employees are unsecured and noninterest-bearing advances made for various business-related expenses which are subject to liquidation on demand.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Accordingly, the Group believes that there is no further credit provision required in excess of the allowance for expected credit losses.

All receivables are unsecured and non-interest bearing.

6. Deposit for Land Acquisition

On January 18, 2013, the Group, through SREDC, entered into an agreement (the "Agreement") with Mr. Laureano R. Gregorio Jr. ("Mr. Gregorio"), a third party, for the transfer of all the rights, titles and interest over a 150-hectare land in Rosario, Batangas, which is currently the site of the Park. The initial total consideration was ₱400.0 million to be settled based on the deliverables of Mr. Gregorio. The consideration shall be adjusted depending on the fair market value of the Park as may be determined by a mutually acceptable appraisal company.

A partial payment consisting of ₱6.0 million paid on January 28, 2013 and ₱5.0 million on July 2, 2014, recognized as deposit for land acquisition, was made. Pending the delivery of the documents and titles evidencing the real and enforceable rights over the Park which shall be delivered within two (2) years from the date of agreement, SREDC was granted usufructuary rights over the property. The parties may, however, agree to extend the period as the circumstances may warrant.

The fair value of the Park as at February 8, 2013 is ₱446.1 million which is based on the appraised value made by an independent appraiser as stated in its appraisal report dated February 20, 2013. On March 19, 2013, SREDC and Mr. Gregorio agreed to change the total consideration from its initial consideration of ₱400.0 million to ₱446.1 million based on the appraised value.

The details of the appraised value are as follows:

Land (150 hectares at 1.8 million per hectare or 180 per sq.m.)	₱270,000,000
Buildings	75,823,000
Other land improvements	100,250,000
	<u>₱446,073,000</u>

On February 16, 2013, the Board of SREDC approved the proposed budget for the development of the Park, which included the construction and operation of at most sixty (60) greenhouses for high value crops and a twenty (20) - hectare asparagus farm. In connection with this, the BOD approved to advance ₱200.0 million to one of SREDC's stockholders to be adjusted as may be deemed appropriate.

The advances made by SREDC to its stockholder totaling ₱446.1 million in 2014 were made subject to liquidation for the following purposes

- To cover the post-dated checks issued by the stockholder as payment to Mr. Gregorio for the Park pursuant to the Agreement.
- To pay for the improvements that will be acquired and introduced on the Park.
- To pay for the day-to-day operations of the Park.

On December 10, 2014, the Agreement between Mr. Gregorio and the SREDC was extended for another three years or until January 17, 2018. No liquidation was made until January 17, 2018. To allow Mr. Gregorio more time to meet the conditions of the Agreement, on January 5, 2018, the Agreement was extended for another five years from January 17, 2018 or until January 16, 2023.

Moreover, the parties agreed to defer the encashment of the post-dated checks issued as payment for the Park since the payments are dependent on the fulfillment of the conditions of contract. In 2015, the stockholder paid for the improvements made in the Park, including the construction of thirty (30) greenhouses with an estimated cost of ₱10.5 million.

In 2019, several lands amounting to ₱63.4 million were acquired through liquidation of the advances made to stockholder for the following:

In the last quarter 2017, SREDC started its operation which offers agri-tourism and lifestyle center activities. The Group recognized revenue amounting to ₱0.3 million in 2020 and ₱0.5 million in 2019 which includes income from field trips and other recreational events, room services and other sale of agricultural products.

On February 22, 2019, the Group was authorized to enter in a joint venture agreement with a third party and the landowners he represents, for the acquisition of land and/or real estate development, including but not limited to a transport hub. Accordingly, the Group made a deposit amounting to ₱4.6 million in 2018. In September 2019, the Group made an additional investment amounting to ₱4.0 million.

As at March 31, 2026 and December 31, 2025, carrying amount of deposit for land acquisition amounted to ₱19.6 million.

7. Financial asset at FVOCI

	2026	2025
Balance at beginning of the year	₱109,234,861	₱101,143,390
Fair value loss during the year	(2,022,868)	8,091,471
Balance at end of period	₱107,211,993	₱109,234,861

Financial assets at FVOCI pertain to investment in shares of stocks of AgriNurture, Inc. (ANI), a former associate.

9. Investment Properties

As at March 31, 2026 and December 31, 2025, the account consists of the following

Property	Location	Area	Cost
Land	Batangas	35,084 sq. m	₱3,157,560
Land	Laguna	335 sq. m	2,400,000
Land	Olongapo	467 sq. m	1,500,000
			₱7,057,560

The land located in Rosario, Batangas, and in Cabuyao Laguna and Olongapo City were acquired in 2013 and 2008, respectively. These properties with total land area of 35,886 square meters are intended to be held for capital appreciation. The estimated fair value as at December 31, 2018 amounted to ₱6.32 million using the Market Data Approach based on available market information. This approach was used for the land as it is commonly used in the property market since inputs and data for this approach are available.

Fair value of the property was not determined as at March 31, 2026. However, the management believes that there were no conditions present in 2026 and 2025 that would significantly reduce the recoverable values of investment property from its net carrying value and that fair value of the investment approximates its carrying value.

The Group's management had reviewed the carrying values of the investment properties for any impairment as of March 31, 2026 and December 31, 2025. There is no allowance for impairment in both years.

There are no contractual commitments to purchase or construct investment property. There is also no investment property that are pledged as securities as of March 31, 2026 and December 31, 2025. Furthermore, there is no property whose title is restricted from use as of the Group as of March 31, 2026 and December 31, 2025.

10. Financial Asset at FVTPL

The Group's financial asset at FVTPL primarily relate to project participation arrangements, whereby the Group provides funding or advances and is entitled to variable returns based on the performance of underlying projects or transactions. These arrangements do not confer, joint control, or significant influence over the investee.

Movement in financial assets at FVTPL are as follows:

	2026	2025
Balance at beginning of the year	₱811,536,326	₱285,689,705
Additions	20,526,111	525,846,621
Balance at end of period	₱832,062,437	₱811,536,326

11. Trade and Other Payables

	2026	2025
Trade payables	₱969,451	₱969,451
Refundable deposits	270,000	270,000
Government payables	3,570,990	4,639,589
Accrued expense	6,755,194	13,759,325
Advances from officers and employees	46,561	46,561
Others	4,398,523	4,398,520
	₱16,010,719	₱24,083,445

Trade payables are unsecured and noninterest bearing which arise from purchases of materials, supplies and services in the ordinary course of business that are settled within 90 days.

Accrued expenses include accruals of professional fees, taxes and penalties.

Government payables are dues and remittances which represent contributions of employees that will be remitted to various government agencies. It also includes taxes withheld from salaries of employees and income payment to suppliers, which will be remitted in the subsequent month.

Advances from officers and employees are noninterest bearing which arise from rendering of services to the Group are payable on demand.

Other payables include unpaid farm expenses.

12. Lease Liability

The Group, as lessee, entered into a leasing arrangement with J Poe Realty, Inc. The weighted average incremental borrowing rate applied to lease liability recognized under PFRS 16 was 5.51%.

Security deposit amounted to ₱1,091,748 and ₱1,091,748 as of March 31, 2026 and December 31, 2025, respectively.

As of March 31, 2026 and December 31, 2025, right-of-use asset related to the lease liability have carrying amounts of ₱6,156,842 and ₱6,669,912, respectively.

	2026	
	Minimum Lease Payments	Present Value of Minimum Lease Payments
Not later than one year	₱2,321,536	₱2,321,536
Later than one year but not later than five years	5,273,873	4,841,619
More than 5 years	-	-
	7,595,409	7,163,155
Discount	(432,254)	-
Present value of minimum lease payments	7,163,155	7,163,155
Lease liability, current	(1,595,758)	(1,595,758)
Lease liability, net of current	5,567,397	5,567,397

	Minimum Lease Payments	Present Value of Minimum Lease Payments
Not later than one year	₱2,454,121	₱2,062,257
Later than one year but not later than five years	5,737,045	5,589,050
More than 5 years	–	–
	8,191,166	7,651,307
Discount	(539,859)	–
Present value of minimum lease payments	7,651,307	7,651,307
Lease liability, current	(2,093,729)	(2,093,729)
Lease liability, net of current	₱5,557,578	₱5,557,578
	2026	2025
Balance, January 1	₱7,651,307	₱9,496,765
Finance cost	100,834	482,453
Finance cost paid	(100,834)	(482,453)
Payment	(416,006)	(1,845,458)
Balance at end of period	₱7,235,301	₱7,651,307

In 2026 and 2025, the Group is in compliance with the terms and conditions of the lease.

13. Equity

Capital Stock

Based on the Amended Articles of Incorporation dated September 11, 2014, the Group's preferred shares have, among others, the following features: (a) voting, (b) right to receive dividends at the rate as may deemed by the BOD under the prevailing market conditions, and (c) in liquidation, dissolution, and winding up of the Group, whether voluntary or otherwise, the right to be paid in full or ratably insofar as the assets of the Group will permit, the par value or face value of each preferred shares as the BOD may determine, upon issue, plus unpaid and accrued dividends up to the current dividend period, before any assets of the Group shall be paid or distributed to the holders of common shares.

The stockholders of the Group shall have no pre-emptive rights to subscribe to or purchase any or all, issue or dispose of shares of any class of the Group.

On September 17, 2021, the SEC approved the increase in authorized capital stock of the Group from ₱2,000,000,000.00, divided into: (i) 1,900,000,000 common shares with a par value of ₱1.00 per share; and (ii) 1,000,000,000 preferred shares with a par value of ₱0.10 per share to ₱5,000,000,000.00, divided into: (i) 4,900,000,000 common shares with a par value of ₱1.00 per share; and (ii) 1,000,000,000 preferred shares with a par value of ₱0.10 per share.

The Group's authorized number of shares with a par value of ₱0.10 on preferred and ₱1.00 on common is shown below:

	Common	Preferred
Authorized capital share	4,900,000,000	1,000,000,000

The movement in the Group's subscribed and paid-up capital is shown below:

	2026	2025
Balance at beginning of period	₱2,910,778,574	₱2,678,278,574
Collection of subscription receivable	–	232,500,000
Balance at end of period	₱2,910,778,574	₱2,910,778,574

Dividends Declared

In the meeting of the Board of Director (“the Board”) of the Group held on January 12, 2023, the Board approved the declaration of property dividends consisting of the Group’s stockholders of record as of June 30, 2023. The Property dividend shall be paid at a ratio of 0.056178622 share of ANI for every one (1) share of the Group. The ratio for property dividends, which 202,286,779 common shares, y the total number of outstanding shares common and preferred shares of the Group of 3,600,778,574. In case a stockholder is entitled to a fractional share, the Group shall pay such fraction in cash based on the payment or settlement date.

However, due to the decrease in fair market value of the financial assets, the property dividends distributable was reduced to ₱101,143,390 and ₱101,143,390 as of March 31, 2026 and December 31, 2025, respectively.

	<u>2026</u>	<u>2025</u>
Balance, January 1	₱101,143,390	₱101,143,390
Remeasurement gain on property dividends		8,091,471
Balance at end of period	₱101,143,390	₱109,234,861

Dividends payable shall be distributed once the declaration is approved by the SEC.

14. Revenue

	<u>3 Months ended March 31</u>	
	<u>2026</u>	<u>2025</u>
Sale of fruits and vegetables	₱235,182	₱1,773,098
Solar power	930,975	–
	₱1,166,157	₱1,773,098

The table shows the analysis of sales of the Group by major sources for the years ended March 31, 2026 and 2025.

The performance obligation to provide tourism services is satisfied at upon rendering of service and delivery of the goods. There are no outstanding contract balances from the Group’s sales. The Group has no liability related to these services.

15. Cost of Sales

	3 Months ended March 31	
	2026	2025
Farm supplies	₱1,361,329	₱778,833
Depreciation	297,527	297,527
Meals	—	—
	₱1,658,856	₱1,076,360

16. General and Administrative Expenses

	3 Months ended March 31	
	2026	2025
Depreciation	₱2,817,444	₱2,817,444
Transportation and travel	2,540,411	189,920
Salaries and wages	1,302,776	3,527,849
Directors' fee	400,000	—
Listing and stock transfer fee	310,000	280,000
Taxes and licenses	307,076	277,315
Utilities	277,871	1,007,609
Legal and professional	44,286	1,119,000
Representation	25,000	315,795
Rental expense	18,000	18,000
Securities expense	—	1,184,700
Material and supplies	—	140,605
Repairs and maintenance	—	118,672
Fuel and oil	—	95,828
Office supplies	—	31,883
Miscellaneous	300,050	241,209
	₱8,342,914	₱11,365,829

17. Basic Earnings (Loss) per Share

The following table presents the information necessary to compute the basic earnings (loss) per share attributable to equity holders of the Group.

The Group has no diluted loss per share for the period ended March 31, 2026 and 2025.

	2026	2025
Net income (loss) attributable to the entity	₱17,241,877	(₱7,902,677)
Weighted average number of common shares	2,910,778,574	2,607,270,253
Basic earning (loss) per share	₱0.01	(₱0.0)

18. Non-Controlling Interest

Noncontrolling interests represent the equity in subsidiaries not attributable directly or indirectly to the Group. The details of the account are as follows:

	Balance at beginning of period	Net loss	Balance at end of period
SREDC	₱176,700,968	(₱1,634,678)	₱175,066,290
LSTI	(148,173)	-	(148,173)
TWMRSI	(115,632,178)	-	(115,632,178)
YGPL	74,749	-	74,749
OBTRI	525,620	-	525,620
	₱61,520,986	(₱1,634,678)	₱59,886,308

19. Related Party Transactions

The Group entered into transactions with related parties. Details of these transactions follow:

- (a). The Group availed and extended unsecured noninterest-bearing cash advances from and to its related parties with no definite repayment dates for working capital requirements.
- (b). The Group extended noninterest-bearing and unsecured cash advances to one of its stockholders for the acquisition and development of a park amounting to ₱446.1 million in 2014.

(c). As at March 31, 2026 and December 31, 2025 details and outstanding balances of due to and from related parties are as follows:

	2026	2025
Receivable		
Stockholders	₱594,754,183	₱598,653,900
Affiliates	81,264,169	81,264,169
	676,018,352	679,918,069
Allowance for ECL	(83,443,194)	(83,443,194)
	592,575,158	596,474,875
Payables		
Parent	34,533,781	34,533,781
Stockholders	78,050,057	78,050,057
Affiliates	192,430,643	192,430,643
	₱305,014,481	₱305,014,481

- (d). On July 2, 2014, the Group executed a subscription agreement with Earthright Holdings, Inc. (EHI). Subject to the application to and approval of SEC of the increase in its authorized capital stock (the "Increase"), EHI subscribed to ₱250,000,000 worth of common shares at ₱1.00 per share and ₱37,500,000 worth of preferred shares at ₱0.01 per share of which ₱177,000,000 shall be paid in cash upon execution of the subscription agreement with the balance due upon approval by the SEC of the increase. On May 22, 2019, the Group and EHI executed an Amended Subscription Agreement amending the Subscription Agreement dated July 2, 2014 to increase the subscription of EHI from ₱250,000,000 worth of common shares to ₱750,000,000 worth of common shares. The amended number of subscribed common shares represent 25% of the required subscription out of the proposed increase. On 17 September 2021, the SEC approved the Increase. Consequently, the amended number of subscribed common shares was converted to equity.
- (e). On July 7, 2023, the Group received a copy of the Deed of Assignment of Subscription Rights dated July 7, 2023 between EHI and MIS Maritime Corporation ("MIS"), wherein EHI assigned to MIS all its rights, title and interest in and to its 750,000,000 then partially-paid common shares with a par value of One Peso (₱1.00) per common share, for a consideration of ₱187,500,000.00. MIS assumed full payment and paid to the Group of the remaining unpaid subscription of EHI in the amount of ₱562,500,000.00. As at 30 September 2023, the shares are already registered under the name of MIS.

(f). The summary of the Group's related party transactions is as follows:

Nontrade transactions	Year	Amount/ Volume	Amounts owed by related parties	Amounts owed to related parties	Terms	Conditions
Stockholders	2026	₱3,899,717	₱594,754,183	₱78,050,057	On demand non- interest bearing	Unsecured
	2025	₱13,926,514	₱598,653,900	₱78,050,057		
Affiliates	2026	–	81,264,169	192,430,643	On demand non- interest bearing	Unsecured
	2025	–	81,264,169	192,430,643		
Parent	2026	–	–	34,553,781	On demand non- interest bearing	Unsecured
	2025	–	–	34,553,781		
Allowance for ECL	2026	–	(83,443,194)	–	On demand non- interest bearing	Unsecured
	2025	–	(83,443,194)	–		
Total	2026	₱–	₱592,575,158	₱305,034,481		
	2025	₱–	₱596,474,875	₱305,034,481		

Key Management Compensation

Compensation of key management personnel of the Group for the period ended March 31, 2026 and December 31, 2025:

	2026	2025
Salaries and wages	₱240,000	₱960,000
13 th month pay and other benefits	–	85,000
	₱240,000	₱1,045,000

20. Financial Risk Management Objectives and Policies and Capital Management

The Group is exposed to a variety of financial risks, which have resulted from its investing and financing activities. The Group's principal financial instruments comprise of cash in banks, nontrade receivables, financial assets at FVOCI, trade and other payables, and due to and from related parties. The main purpose of investing these financial instruments (assets) is to maximize interest yield and for capital appreciation. The Group's policies and guidelines cover credit risk, liquidity risk, interest rate risk, equity price risk and foreign currency risk. The objective of financial risk management is to contain, where appropriate, exposures to these financial risks to limit any negative impact on the Group's results and financial position. The Group actively measures, monitors and manages its financial risk exposures by various functions pursuant to the segregation of duties principles.

- **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, resulting in financial loss to the Group. The Group is exposed to credit risk primarily from cash in banks, nontrade receivables, due from related parties and financial asset at FVOCI.

With respect to credit risk arising from the Group's financial assets, the Group's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Credit risk exposure

The table below shows the gross maximum exposure to credit risk of the Group as at March 31, 2026 and December 31, 2025, without considering the effects of credit risk mitigation techniques.

	2026	2025
Cash in bank	₱241,023,089	₱242,921,826
Trade receivables	8,534,112	7,603,138
Nontrade receivables	251,589,688	251,589,688
Due from related parties	676,018,352	676,018,352
	₱1,177,165,241	₱1,178,133,004

Credit quality per class of financial asset

Below is the credit quality per class of financial assets as at March 31, 2026 and December 31, 2025.

2026	Neither Past Due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Cash in banks	₱241,023,089	₱-	₱-	₱-	₱241,023,089
Trade receivables	-	8,534,112	-	-	8,534,112
Nontrade receivables	-	-	251,260,843	328,845	251,589,688
Due from related parties	-	592,575,158	-	83,443,194	676,018,352
Total	₱241,023,089	₱601,109,270	₱251,260,843	₱83,772,039	₱1,177,165,241

2025	Neither Past Due nor Impaired		Past Due but not Impaired	Impaired	Total
	High Grade	Standard Grade			
Cash in banks	₱242,921,826	₱-	₱-	₱-	₱242,921,826
Trade receivables	-	7,603,138	-	-	7,603,138
Nontrade receivables	-	-	251,260,843	328,845	251,589,688
Due from related parties	-	592,575,158	-	83,443,194	676,018,352
Total	₱242,921,826	₱600,178,296	₱251,589,668	₱83,772,039	₱1,178,133,004

The credit quality of cash and financial assets at FVOCI quoted securities are based on the nature and performance of the counterparty. High grade cash in banks are placed, invested, or deposited in local banks belonging to the top 10 banks in the Philippines in terms of resources and profitability. Investment in shares of stocks under high grade classification are assigned to financial assets invested in a well-established and financially sound company.

High grade receivables are those with no default in payment. Standard grade pertains receivables are active accounts with propensity of deteriorating to mid-range age buckets. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Risk concentrations of the maximum exposure to credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration indicates the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. Such credit risk concentrations, if not properly managed, may cause significant losses that could threaten the Group's financial strength and undermine public confidence. The Group is not exposed to a large concentration of credit risks.

Impairment assessment

The Group applies a general approach for determining the ECLs of cash in banks, nontrade receivables and due from related parties. A credit loss is the difference between the cashflows that are expected to be received discounted at the original effective interest rate and contractual cash flows in accordance with the contract. The loss allowance for financial assets is based on the assumptions about the risk of default and expected loss rates. The management has assessed that due from related parties amounting to ₱83.6 million in 2020 are uncollectible.

• Liquidity Risk

The Group seeks to manage its liquidity profile to be able to finance its capital expenditure and cover its operating costs. The Group's objective is to maintain a balance between continuity of funding and flexibility through valuation of projected and actual cash flow information. Additional short-term funding is obtained from related party advances.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flow of financial liabilities on the earliest date on which the Group can be required to pay.

2026	On Demand	Within One (1) Year	One (1) - Five (5) Years	Total
<i>Financial liabilities</i>				
Trade and other payables	₱-	₱5,637,971	₱-	₱5,637,971
Due to related parties	305,014,482	-	-	305,014,482
Lease liability	-	1,595,758	5,567,397	7,163,155
Total	₱304,076,091	₱7,623,915	₱7,646,261	₱317,815,608
<i>Financial assets</i>				
Cash in banks	₱241,023,089	₱-	₱-	₱241,023,089
Trade and other receivables	-	253,846,825	-	253,846,825
Due from related parties - net	592,575,158	-	-	592,575,158
Total	₱833,598,247	₱253,846,825	₱1,091,748	₱1,087,445,072

2025	On Demand	Within One (1) Year	One (1) - Five (5) Years	Total
<i>Financial liabilities</i>				
Trade and other payables	₱-	₱5,684,531	₱-	₱5,684,531
Due to related parties	305,014,481	-	-	305,014,481
Lease liability	-	2,093,729	5,557,579	7,651,308
Total	₱304,076,091	₱5,684,531	₱5,557,579	₱318,350,320
<i>Financial assets</i>				
Cash in banks	₱242,921,826	₱-	₱-	₱242,921,826
Trade and other receivables	251,589,688	7,603,138	-	259,192,826
Due from related parties - net	596,474,875	-	-	596,474,875
Total	₱1,090,986,389	₱7,603,138	₱-	₱1,098,589,527

• Equity Price Risk

The Group's exposure to equity securities price risk pertains to its equity instrument financial asset at FVOCI. Equity securities price risk arises from the changes in the levels of equity indices and the value of stocks traded in the stock market.

- Foreign Currency Risk

Currency risk arises when transactions are denominated in foreign currency. The Group is not exposed to significant foreign currency risk given that the Group's foreign currency denominated financial assets which pertain to cash in banks are not significant in amount.

Capital Management

The primary objective of the Group's capital management is to ensure its ability to continue as a going concern and maintain healthy ratios in order to support its business and maximize shareholders' value.

The Group considers the following accounts as its capital:

	2026	2025
Common shares	₱2,910,778,574	₱2,910,778,574
Preferred shares	100,000,000	100,000,000
Additional paid-in capital	396,663,410	396,663,410
Retained earnings	1,518,350,252	1,499,473,696
Cumulative fair value change on FA at FVOCI	(3,181,955,964)	(3,179,933,096)
	₱1,743,836,272	₱1,726,982,584

The Group manages capital on the basis of the debt-to-equity ratio which is calculated as total debt divided by total equity.

The debt-to-equity ratios as at March 31, 2026 and December 31, 2025 follow:

	2026	2025
Total debt	₱443,966,112	₱453,220,562
Total equity	1,805,605,715	1,790,386,702
	25%	25%

21. Segment Reporting

Business Segments

For management purposes, the Group is 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 industry segments where the Group operate are as follows:

- The holding segment is engaged in investment holding;
- The renewal energy segment is engaged in the business and/or operation of renewable energy system and/or harnessing renewable energy resources;
- The waste management segment is engaged in the business of building, operating and managing waste recovery facilities;
- The real estate segment is engaged in the business of real estate development and improvement for agri-tourism; and
- The information technology segment is engaged in the business of software and other communication technology solutions and value-added services arising from or connected to telecommunications.
- The professional, scientific and technical services segment is engaged in biotechnology with primary focus on development and marketing of medicinal hemp global.

Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, property and equipment and investment properties. Segment liabilities include all operating liabilities and consist principally of trade and other payables and loans payable.

Segment Transactions

Segment income, expenses and performance include income and expenses from operations. Intercompany transactions are eliminated in consolidation.

2026	Holding	WGVI	SCREDC	Total
Sale of fruits and vegetables	₪-	₪-	₪235,182	₪235,182
Solar power	-	930,975	-	930,975
Investment income	-	26,168,608	-	26,168,608
Finance income	10,599	1,543	-	12,142
Total	 ₪10,599	 ₪27,101,126	 ₪235,182	 ₪27,346,907