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S.E.C. Registration Number

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(Company's Full Name)

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

MELISSA ESTER E. CHAVEZ-DEE

Contact Person

(02) 8655-1111

Company Telephone Number

1	2	-	3	1
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Month Day
Fiscal Year

1	7	-	Q	
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FORM TYPE

0	6	3	0
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Month Day
Annual Meeting

11/11/2019

Secondary License Type, if Applicable

S	E	C
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Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

LCU

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Document I.D.

Cashier

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Remarks = pls. Use black ink for scanning purposes

MEGAWIDE CONSTRUCTION CORPORATION
Company's Full Name

**20 N. Domingo Street,
Barangay Valencia
Quezon City**
Company's Address

655-1111
Telephone Number

December 31
Fiscal Year Ending
(Month & Day)

SEC FORM 17-Q
Form Type

March 31, 2026
Period Ended Date

—

(Secondary License Type and File Number)

cc: Philippine Stock Exchange

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 **March 31, 2026**
2. SEC Identification Number **CS200411461**
3. BIR Tax Identification No. **232-715-069-000**
4. Exact Name of Issuer as Specified in its Charter **Megawide Construction Corporation**
5. Province, Country or other Jurisdiction of Incorporation or Organization **Philippines**
6. Industry Classification Code (SEC use only)
7. Address of Principal Office **No. 20 N. Domingo Street, Barangay Valencia, Quezon City**
Postal Code **1112**
8. Issuer's Telephone Number, including Area Code **(02) 655-1111**
9. Former Name, Former Address and Fiscal Year, if Changed since Last Report **Not Applicable**
10. Securities registered pursuant to Section 8 and 12 of the SRC, or Section 4 and 8 of the RSA:

Title of Each Class	Number of Shares Issued and Outstanding	Amount of Debt Outstanding (Php)
MWIDE (Common)	2,399,426,127	0
MWP3 (Preferred)	55,000,000	0
MWP5 (Preferred)	15,000,000	0
MWP6A (Preferred)	17,791,740	0
MWP6B (Preferred)	11,913,600	0
MWP6C (Preferred)	23,033,680	0
MWP7A (Preferred)	11,624,670	0
MWP7B (Preferred)	18,375,330	0

11. Are any or all these securities listed on a stock exchange?

Yes [☒]

No [☐]

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

The Philippine Stock Exchange, Inc.

- Common Shares (MWIDE)
- Preferred Shares - Preferred Shares (MWP5, MWP6A, MWP6B, MWP7C, MWP7A, and MWP7B)

12. Check whether the issuer:

has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder of Section 11 of the RSA and RSA Rule 11(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports):

Yes ☒ No ☐

has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The interim Consolidated Financial Statements of Megawide Construction Corporation (Megawide or the Group) as of March 31, 2026 with comparative figures as of December 31, 2025 and March 31, 2025, Cash Flows and Schedule of Aging Accounts Receivable is incorporated by reference as Exhibit 1.

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

For the three months ended March 31, 2026, the Group delivered solid financial performance, with consolidated revenues rising by Php605.2 million, or 14%, to Php4.81 billion compared to the same period last year. The increase was primarily driven by higher contributions from real estate operations, supported by sustained construction activity during the period.

Net income grew by Php55.3 million, or 26%, to Php265 million, reflecting improved cost management and enhanced operational efficiencies to deliver stronger margins.

The Group continues to operate in a growth and investment phase, characterized by increased project execution, expansion of its real estate portfolio, and active management of its capital structure.

Below is a more detailed discussion of the Group's operating and financial performance as well as its financial position.

A. RESULTS OF OPERATIONS

Review of results for the three months ended March 31, 2026 as compared with the results for the three months ended March 31, 2025.

Revenues at Php4.81 billion, higher by Php605 million or 14%

The increase in consolidated revenues was primarily driven by strong growth in real estate operations, complemented by steady performance in construction and stable contributions from landport operations.

Construction operations remained the largest contributor at Php3.84 billion, increasing by 5%, supported by continued execution of ongoing projects. Additionally, real estate operations recorded significant growth to Php831 million, up 110%, driven by project milestones and increased revenue recognition. Lastly, landport operations generated Php138 million, broadly stable versus prior year, reflecting steady recurring operations.

Overall, the revenue growth reflects increased project activity and portfolio expansion, with the real estate segment providing a higher contribution during the period. However, revenues remain partially influenced by project timing and recognition cycles, particularly for construction and real estate operations.

Direct Costs at Php3.63 billion, higher by Php351 million or 11%

The increase in consolidated direct costs was primarily driven by higher real estate cost of sales, in line with the increase in real estate revenues, while construction and landport costs remained relatively stable.

Construction costs remained relatively steady, demonstrating effective cost control and stable prices of material inputs during ongoing project execution. Meanwhile, the increase in cost from real estate operations is aligned with the revenue growth exhibited during the period.

Gross Profit at Php1.17 billion, higher by Php254 million or 28%

The slower increase in direct costs than revenues resulted in an improved gross margin for the period at Php1.17 billion, a 28% increase from the same period last year. This highlights a stable operating environment and a more diversified, higher-value revenue mix, led by increased contributions from real estate operations.

Other Operating Expenses at Php445 million, higher by Php101 million or 29%

The increase in Other Operating Expenses is due to higher administrative costs and project-related expenditures associated with the expansion of real estate and construction activities during the period.

Finance Costs at Php596 million, slightly higher

Finance Costs is relatively steady compared to same period as last year, with a minimal increase of Php5.4 million or 1% from the same period as last year. This modest increase in Finance Costs reflects the Group's ongoing deleveraging efforts, which have helped mitigate the impact of borrowings despite continued funding requirements.

Finance Income down to Php3 million

The decline in Finance Income during the period, compared to the same period last year, was primarily attributable to the settlement of interest-bearing advances to related parties in the latter part of 2025.

Others – Net resulted to an income of Php238 million

Others – Net recorded an income during the period, which are attributable to ancillary services and common area charges offered at PITX and Carbon Market, income from scrap sales, and gain on disposals of property, plant and equipment.

Tax Expense increased by Php35 million

The increase in tax expense is attributable to higher taxable income during the period, consistent with the growth in pre-tax earnings.

Consolidated Net Income amounted to Php265 million

The consolidated net income amounted to Php265 million, a 26% improvement from the same period as last year. This improved performance was driven by the strong growth in real estate operations, supported by stable contribution from construction and terminal operations,

B. FINANCIAL CONDITION

Review of financial conditions as of March 31, 2026 as compared with financial conditions as of December 31, 2025.

ASSETS

Current Assets increased by 2% or by Php265 million

The following discussion provides a detailed analysis of the increase in current assets:

Cash and Cash Equivalents at Php7.75 billion, decreased by 31%

The decrease in cash and cash equivalents was mainly due to the repayment of short-term borrowings in line with the continued deleveraging efforts, funding requirements for ongoing construction and real estate projects, and other working capital requirements.

Trade and Other Receivables at Php18.78 billion, decreased by 3%

The relatively stable balance reflects consistent billing levels across ongoing projects and sustained collection efficiency during the period. The modest decline is attributable to collections made on existing receivables, broadly offsetting new billings, indicating effective working capital management and steady operating activity.

Construction Materials at Php1.16 billion, decreased by 13%

The decrease in inventory levels mainly due to the utilization of materials in ongoing projects, consistent with project execution requirements. This remains consistent with the Group's business strategy to maintain buffer levels of inventory at site.

Real Estate Inventories at Php6.61 billion, higher by 32%

The increase in real estate inventories was attributable to continued development and capitalization of costs related to real estate projects, reflecting steady progress in the Group's existing portfolio.

Contract Assets at Php6.31 billion, higher by 53%

The increase in contract assets is attributed to timing difference on actual billing for portion of work-in-progress completed during the period, which can be billed and evaluated by the client upon completion of the said scope or activity.

Other Current Assets at Php12.04 billion, higher by 6%

The increase in other current assets was mainly due to higher advances made to suppliers and subcontractors in order lock in prices for major construction materials and scope of works. There is also an increase in prepayments related to project requirements.

Non-current Assets at Php20.92 billion, lower by 2%

The following discussion provides a detailed analysis of the decrease in non-current assets:

Property, Plant and Equipment at Php6.31 billion, higher by 5%

The increase in property, plant and equipment was mainly due to acquisition of precast equipment to expand capacity of Precast and Construction Solutions units, as well as various construction equipment to support the requirements of ongoing projects.

Investment Properties at Php4.61 billion, lower by 13%

The decrease in investment properties is mainly attributed to the reclassification of properties of MDRI to real estate inventory following the start of construction activities.

Investments in Associates at Php5.03 billion, decreased by 1%

Movement in investments in associates was minimal, indicating stable performance of equity-accounted investments in CREC, CMCI, and EDC. CREC remains to account for the majority of the Group's investment in associates, while the contributions from EDC and CMCI are relatively minimal.

Deferred Tax Assets at Php777 million, decreased by 5%

The decrease in deferred tax assets was mainly due to the utilization of deferred tax benefits during the period.

Goodwill and Other Non-Current Assets

Goodwill and other non-current assets remained substantially unchanged, indicating no significant acquisitions or impairment recognized during the period.

LIABILITIES AND EQUITY

Current Liabilities at Php27.23 billion, lower by Php3.47 billion

The following discussion provides a detailed analysis of the increase in current liabilities:

Interest-Bearing Loans and Borrowings at Php15.25 billion, decreased by Php5.86 billion or 28%

The decrease was due to repayment of short-term loans and lease liabilities, reflecting the Group's continued deleveraging strategy.

Trade and Other Payables at Php8.47 billion, higher by 58%

The increase was primarily driven by higher reservation deposits from the real estate segment, reflecting increased pre-selling activity, as well as growth in trade and retention payables due to intensified construction project activity and procurement. The movement is consistent with the Group's continued expansion in both its real estate and construction operations during the period. While partly attributable to the normal timing of payments, the increase also reflects higher operating volumes and ongoing project execution.

Contract Liabilities - current at Php3.10 billion, decrease by 20%

The increase in Contract Liabilities was driven by the increase in collections of billings for ongoing projects and advances from clients.

Other Current Liabilities at Php413 million, higher by 10%

The increase of Php38 million was mainly due to higher advance rentals and security deposits from lessees of PITX. In addition, there were minimal increases in accruals and statutory liabilities across select business units.

Non-current Liabilities at Php19.29 billion, higher by Php743 million

The following discussion provides a detailed analysis of the increase in non-current liabilities:

Non-current Loans and Borrowings at Php17.69 billion, higher by 7%

The increase was primarily driven by additional long-term loan availments of PH1 and C2W to support their respective operational requirements and financing of construction activities.

Non-current Contract Liabilities at Php1.16 billion, lower by 24%

The decrease is mainly related to reclassification to current portion of customer advances upon recoupment based on construction schedule.

Other non-current liabilities slightly increased by Php5 million

The increase is attributed to the advance payments and deposits from lessees of PITX which are long-term in nature based on the terms of the lease agreements.

Equity attributable to Parent at Php19.02 billion, higher by Php51 million

The increase was due to the reissuance of treasury shares in connection with the Parent Company's employee stock ownership plan and increase in retained earnings reflecting the operating results for the period.

C. MATERIAL EVENTS AND UNCERTAINTIES

There are no other material changes in Megawide's financial position by five percent (5%) or more and condition that will warrant a more detailed discussion. Further, there are no material events and uncertainties known to management that would impact or change reported financial information and condition of Megawide.

Megawide does not anticipate having any cash flow or liquidity problems. It is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of Megawide with unconsolidated entities or other persons created during the reporting period.

Megawide has a capital commitment to utilize the proceeds from the issuance of its preferred shares amounting to P1,694 million for various PPP projects. Other than that, there are no material commitments for capital expenditures, events or uncertainties that have had or that are reasonably expected to have a material impact on the continuing operations of Megawide.

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

There are no explanatory comments on the seasonality of interim operations. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements of the interim period.

There are no material amounts affecting assets, liabilities, equity, net income or cash flows that are unusual in nature. Neither are there changes in estimates of amounts reported in prior interim period of the current financial year.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following table sets forth information from Megawide's statements of cash flows for the period indicated:

(Amounts in P Millions)	For the three months ended March 31	
	2026 UNAUDITED	2025 UNAUDITED
Cash Flow		
Net cash from (used in) operating activities	P106	(P681)
Net cash from (used in) investing activities	P(536)	(P303)
Net cash from (used in) financing activities	(P2,983)	(P528)

Indebtedness

As of March 31, 2026, Megawide has not been in default in paying interests and principal amortizations.

Megawide is not aware of any events that will trigger direct or contingent financial obligations that are material to it, including any default or acceleration of an obligation.

E. RISK MANAGEMENT OBJECTIVES AND POLICIES

Megawide is exposed to a variety of financial risks in relation to its financial instruments. Its risk management is coordinated with the Board of Directors, and focuses on actively securing Megawide's short-to-medium term cash flows by minimizing the exposure to financial markets.

Megawide does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which it is exposed to are market risk, credit risk and liquidity risk. The detailed discussion of the impact of these risks are discussed in the quarterly financial statements, Exhibit 1.

F. KEY PERFORMANCE INDICATORS

Megawide's top KPIs are as follows:

Amounts in Php Billion, except Ratios and Earnings per Share	March 31, 2026	March 31, 2025
Current Ratio ¹	1.93	1.68
Net Debt to Equity Ratio ²	0.93	1.82
Book Value Per Share ³	4.70	3.33
Earnings / (loss) per Share ⁴	0.02	0.05
Gross Profit Margin ⁵	0.24	0.22

The KPIs were chosen to provide management with a measure of Megawide's sustainability on financial strength (Current Ratio), and profitability (Earnings per Share, Return on Assets, Return on Equity, Gross Profit Margin).

PART II—OTHER INFORMATION

There are no any information not previously reported in a report on SEC Form 17-C.

¹ *Current Assets/Current Liabilities*

² *Interest bearing loans and borrowings less cash and cash equivalents and financial assets valued through profit or loss/Stockholder's Equity*

³ *Total Equity/Issued and Outstanding Shares*

⁴ *Net Profit/Issued and Outstanding Shares*

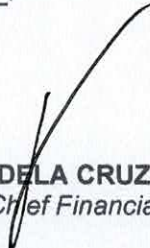
⁵ *Gross Profit / Revenue*

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereto duly authorized, in **CITY OF SAN JUAN** on **MAY 20 2026**.

By:

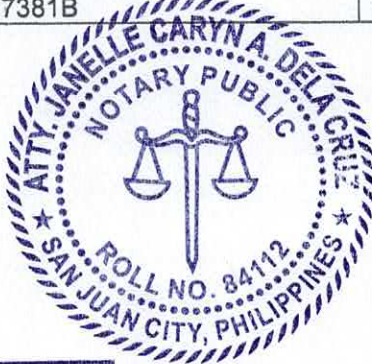

EDGAR B. SAAVEDRA
Chairman and Chief Executive Officer

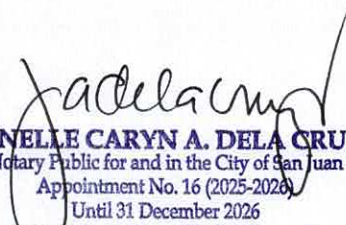

JEZ G. DELA CRUZ
Group Chief Financial Officer

SUBSCRIBED AND SWORN TO before me in **CITY OF SAN JUAN** on **MAY 20 2026**, affiants exhibiting to me their respective valid IDs, as follows:

Name	Competent Evidence of Identity	Date Issued/Date of Expiration	Place Issued
Edgar B. Saavedra	Philippine Passport No. P6875140B	Expiring on: May 26, 2031	DFA Manila
Jez G. Dela Cruz	Philippine Passport No. P8477381B	Expiring on: December 15, 2031	DFA Manila

Doc. No. 2
Page No. 2
Book No. II
Series of 2026.




JANELLE CARYN A. DELA CRUZ
Notary Public for and in the City of San Juan
Appointment No. 16 (2025-2026)
Until 31 December 2026

11th floor, Santolan Town Plaza, 276 Col. Bonny Serrano Ave.,
Barangay Little Baguio, San Juan City
Roll of Attorneys No. 84112
PTR No. 1896346 / 01.09.26 / City of San Juan
IBP No. 569876 / 12.22.25 / Rizal RSM Chapter
MCLE Compliance No. VIII-0031500 (Until 14 April 2028)

DOCUMENTARY STAMP TAX PAID

Serial No.: 05658425 Date: MAY 20 2026

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Megawide Construction Corporation and its Subsidiaries** (the Group) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, as of March 31, 2026 and December 31, 2025 and for the three months ended March 31, 2026, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Isla Lipana & Co., the independent auditors appointed by the stockholders, has audited the financial statements of the Group for the year ended December 31, 2025, in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit. The financial statements as of and for the period ended March 31, 2026, 2025 and 2024 were not audited as allowed under the applicable rules of the Securities and Exchange Commission and the Philippine Stock Exchange.


EDGAR B. SAAVEDRA
Chairman of the Board of Directors
Chief Executive Officer, and President
195-661-064-000
JEZ G. DELA CRUZ
Group Chief Financial Officer
215-462-291-000

SUBSCRIBED AND SWORN TO before me this MAY 20 2026 at
CITY OF SAN JUAN affiants exhibiting to me their valid Tax Identification Numbers
stated above.

Signed this MAY 20 2026
th day of 2026.

Doc. No. 4 ;
Page No. 2 ;
Book No. 1 ;
Series of 2026.



Janelle Caryn A. Dela Cruz
JANELLE CARYN A. DELA CRUZ
Notary Public for and in the City of San Juan
Appointment No. 16 (2025-2026)
Until 31 December 2026

11th floor, Santolan Town Plaza, 276 Col. Bonny Serrano Ave.,
Barangay Little Baguio, San Juan City
Roll of Attorneys No. 84112
PTR No. 1896346 / 01.09.26 / City of San Juan
IBP No. 569876 / 12.22.25 / Rizal RSM Chapter
MCLE Compliance No. VIII-0031500 (Until 14 April 2028)

MAY 20 2026

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2026
(With Comparative Figures as of December 31, 2025)
(Amounts in Philippine Pesos)

	<u>Notes</u>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents	4	P 7,747,854,909	P 11,164,720,984
Trade and other receivables - net	5	18,781,634,038	19,341,150,075
Construction materials	6	1,155,878,535	1,329,762,327
Real estate inventories	6	6,609,546,016	5,023,877,369
Contract assets - net	7	6,306,266,419	4,116,887,056
Other current assets	9	<u>12,042,105,234</u>	<u>11,402,062,625</u>
Total Current Assets		<u>52,643,285,151</u>	<u>52,378,460,436</u>
NON-CURRENT ASSETS			
Investments in associates - net	8	5,030,024,000	5,059,031,030
Property, plant and equipment - net	10	6,306,970,140	5,995,717,815
Investment properties - net	11	4,614,615,592	5,296,323,646
Goodwill	12	3,797,069,546	3,797,069,546
Deferred tax assets - net		776,620,921	820,737,844
Other non-current assets	9	<u>399,564,461</u>	<u>399,000,312</u>
Total Non-current Assets		<u>20,924,864,660</u>	<u>21,367,880,193</u>
TOTAL ASSETS		<u>P 73,568,149,811</u>	<u>P 73,746,340,629</u>

			March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
	Notes			
<u>LIABILITIES AND EQUITY</u>				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15	P	15,247,970,365	P 21,103,232,516
Trade and other payables	14		8,471,554,454	5,355,063,109
Contract liabilities	16		3,099,542,704	3,869,983,288
Other current liabilities	17		412,798,316	374,563,514
Total Current Liabilities			27,231,865,839	30,702,842,427
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15		17,688,477,813	16,589,969,628
Contract liabilities	16		1,155,729,032	1,516,668,954
Retirement benefit obligation			330,268,683	330,268,683
Other non-current liabilities	17		117,264,939	112,246,628
Total Non-current Liabilities			19,291,740,467	18,549,153,893
Total Liabilities			46,523,606,306	49,251,996,320
EQUITY				
Equity attributable to shareholders of the Parent Company:				
Capital stock	20.1		2,634,541,157	2,634,541,157
Additional paid-in capital	20.2		26,566,611,836	26,571,122,766
Deposit on future stock subscription	20.3		90,233,592	90,233,592
Treasury shares	20.4	(	16,958,385,806)	(16,978,291,576)
Revaluation reserves - net			154,890,177	159,554,373
Retained earnings			6,532,783,117	6,492,546,001
Total equity attributable to shareholders of the Parent Company			19,020,674,073	18,969,706,313
Non-controlling interests	20.5		8,023,869,432	5,524,637,996
Total Equity	20		27,044,543,505	24,494,344,309
TOTAL LIABILITIES AND EQUITY		P	73,568,149,811	P 73,746,340,629

See Selected Notes to Interim Condensed Consolidated Financial Statements.

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026, 2025 AND 2024
(UNAUDITED)
(Amounts in Philippine Pesos)

	Notes	March 31, 2026	March 31, 2025	March 31, 2024
REVENUES	18			
Construction operations	18.1	P 3,836,889,493	P 3,668,158,443	P 4,948,228,039
Landport operations	18.2	137,857,790	136,205,514	107,185,122
Real estate operations	18.3	831,331,021	396,503,623	146,885,959
		<u>4,806,078,304</u>	<u>4,200,867,580</u>	<u>5,202,299,120</u>
DIRECT COSTS	19			
Construction operations	19.1	2,975,357,773	2,982,594,006	4,103,896,515
Landport operations	19.2	74,529,730	70,993,439	79,710,497
Real estate operations	19.3	581,652,710	226,685,634	79,587,578
		<u>3,631,540,213</u>	<u>3,280,273,079</u>	<u>4,263,194,590</u>
GROSS PROFIT		<u>1,174,538,091</u>	<u>920,594,501</u>	<u>939,104,530</u>
OTHER INCOME AND EXPENSES				
Finance costs	(	596,118,962)	(590,644,739)	(564,956,958)
Other operating expenses	(	444,837,348)	(343,789,073)	(383,087,683)
Finance income		2,913,065	170,935,738	194,181,411
Others - net		238,226,840	127,577,329	96,518,504
	(	<u>799,816,405)</u>	(<u>635,920,745)</u>	(<u>657,344,726)</u>
PROFIT BEFORE TAX		<u>374,721,686</u>	<u>284,673,756</u>	<u>281,759,804</u>
TAX EXPENSE	(	<u>110,137,308)</u>	(75,453,584)	(98,339,564)
NET PROFIT (LOSS)	P	<u>264,584,378</u>	<u>P 209,220,172</u>	<u>P 183,420,240</u>
Net Profit (Loss) Attributable To:				
Shareholders of the Parent Company		265,352,942	213,996,964	188,375,613
Non-controlling interests	(	<u>768,564)</u>	(<u>4,776,792)</u>	(<u>4,955,373)</u>
	P	<u>264,584,378</u>	<u>P 209,220,172</u>	<u>P 183,420,240</u>
Earnings (loss) per Share	24	<u>0.02</u>	<u>0.05</u>	<u>0.04</u>

See Selected Notes to Interim Condensed Consolidated Financial Statements.

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026, 2025 AND 2024
(UNAUDITED)
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>March 31, 2026</u>	<u>March 31, 2025</u>	<u>March 31, 2024</u>
NET PROFIT (LOSS)		P 264,584,378	P 209,220,172	P 183,420,240
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will be reclassified subsequently profit or loss				
Foreign currency translation adjustment	(	4,664,196)	4,619,880	(53,277)
Tax income		-	-	-
		<u>(4,664,196)</u>	<u>4,619,880</u>	<u>(53,277)</u>
Other Comprehensive Income (Loss) – net of tax	(	<u>4,664,196)</u>	<u>4,619,880</u>	<u>(53,277)</u>
TOTAL COMPREHENSIVE INCOME (LOSS)		P 259,920,182	P 213,840,052	P 183,366,963
Total Comprehensive Income (Loss) Attributable To:				
Shareholders of the Parent Company:		260,688,746	218,616,844	188,322,336
Non-controlling interests:	(	<u>768,564)</u>	<u>(4,776,792)</u>	<u>(4,955,373)</u>
		<u>P 259,920,182</u>	<u>P 213,840,052</u>	<u>P 183,366,963</u>
Earnings per Share				
Basic and Diluted	27	<u>P 0.02</u>	<u>P 0.05</u>	<u>P 0.04</u>

See Selected Notes to Interim Condensed Consolidated Financial Statements.

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2026, 2025, AND 2024
(UNAUDITED)
(Amounts in Philippine Pesos)

	Attributable to Shareholders of the Parent Company (See Note 19)								Non-controlling Interests (See Note 19)	Total
	Common Stock (Note 19)	Preferred Stock (Note 19)	Additional Paid-in Capital	Deposit on future stock subscription	Treasury Shares	Revaluation Reserves	Retained Earnings	Total		
Balance at January 1, 2026	P 2,399,426,127	P 235,115,030	P 26,571,122,766	P 90,233,592	(P 16,978,291,576)	P 159,554,373	P 6,492,546,001	P 18,969,706,313	P 5,524,637,996	P 24,494,344,309
Declaration of cash dividends	-	-	-	-	-	-	(220,451,630)	(220,451,630)	-	(220,451,630)
Effect of vesting of employee share ownership plan	-	-	(4,510,929)	-	19,905,770	-	-	15,394,841	-	15,394,841
Increase in non-controlling interest	-	-	-	-	-	-	-	-	2,500,000,000	2,500,000,000
Total comprehensive income (loss) for the period	-	-	-	-	-	(4,664,196)	260,688,746	256,024,550	(768,564)	255,255,986
Balance at March 31, 2026	<u>P 2,399,426,127</u>	<u>P 235,115,030</u>	<u>P 26,566,611,837</u>	<u>P 90,233,592</u>	<u>(P 16,958,385,806)</u>	<u>P 154,890,177</u>	<u>P 6,532,783,117</u>	<u>P 19,020,674,073</u>	<u>P 8,023,869,432</u>	<u>P 27,044,543,505</u>
Balance at January 1, 2025	P 2,399,426,127	P 149,876,010	P 18,460,789,667	P 90,233,592	(P 11,237,703,576)	P 139,520,464	P 6,460,568,054	P 16,462,710,338	P 529,230,503	P 16,991,940,841
Effect of derecognition of joint operations	-	-	-	-	-	-	(127,005,765)	(127,005,765)	-	(127,005,765)
Declaration of cash dividends	-	-	-	-	-	-	(107,661,703)	(107,661,703)	-	(107,661,703)
Total comprehensive income (loss) for the period	-	-	-	-	-	4,619,880	213,996,964	218,616,844	(4,776,792)	213,840,052
Balance at March 31, 2025	<u>P 2,399,426,127</u>	<u>P 149,876,010</u>	<u>P 18,460,789,667</u>	<u>P 90,233,592</u>	<u>(P 11,237,703,576)</u>	<u>P 144,140,344</u>	<u>P 6,439,897,550</u>	<u>P 16,446,659,714</u>	<u>P 524,453,711</u>	<u>P 16,971,113,425</u>
Balance at January 1, 2024	P 2,399,426,127	P 145,876,010	P 18,460,789,667	P -	(P 11,237,703,576)	P 175,787,119	P 6,471,907,771	P 16,416,083,118	P 516,690,629	P 16,932,773,747
Declaration of cash dividends	-	-	-	-	-	-	(107,661,703)	(107,661,703)	-	(107,661,703)
Total comprehensive income (loss) for the period	-	-	-	-	-	(53,277)	188,375,613	188,322,336	(4,955,373)	183,366,963
Balance at March 31, 2024	<u>P 2,399,426,127</u>	<u>P 145,876,010</u>	<u>P 18,460,789,667</u>	<u>-</u>	<u>(P 11,237,703,576)</u>	<u>P 175,733,842</u>	<u>P 6,552,621,681</u>	<u>P 16,496,743,751</u>	<u>P 511,735,256</u>	<u>P 17,008,479,007</u>

See Selected Notes to Interim Condensed Consolidated Financial Statements.

MEGAWIDE CONSTRUCTION CORPORATION AND SUBSIDIARIES
(A Subsidiary of Citicore Holdings Investment, Inc.)
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2026, 2025, AND 2024
(UNAUDITED)
(Amounts in Philippine Pesos)

	Notes	2026	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	P	374,721,686	P 284,673,756	P 281,759,804
Adjustments for:				
Finance costs		596,118,962	590,644,739	564,956,958
Depreciation and amortization	9.5, 10, 11	252,421,304	240,344,952	413,974,136
Finance income	21	(56,821,945)	(170,935,738)	(194,181,411)
Share-based compensation expense		15,394,840	-	-
Gain on disposals of property, plant and equipment	10	(1,147,849)	(2,203,043)	(6,467,488)
Equity in net losses on associates and joint ventures	8.1, 23	(26,545,667)	9,258,713	880,101
Operating profit before working capital changes		1,154,141,331	951,783,379	1,060,922,100
Increase in trade and other receivables		561,306,579	(384,305,581)	(1,123,255,502)
Decrease (increase) in construction materials		173,883,792	49,000,630	312,405,912
Increase in real estate inventories		(943,377,552)	(106,612,761)	(144,729,592)
Increase in contract assets		(2,189,379,363)	(580,164,506)	(183,955,835)
Decrease (increase) in other current assets		(715,404,419)	(388,773,307)	(648,780,593)
Decrease in other non-current assets		-	-	24,043,732
Increase (decrease) in contract liabilities		(1,131,732,677)	(454,677,268)	(393,437,638)
Increase (decrease) in trade and other payables		3,123,709,939	377,796,540	393,035,362
Decrease in other liabilities		43,253,113	(145,252,522)	39,676,267
Cash generated from (used in) operations		76,400,743	(681,205,396)	(664,075,787)
Interest received		29,867,505	31,191,829	32,001,882
Net Cash From (Used in) Operating Activities		106,268,248	(650,013,567)	(632,073,905)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property, plant and equipment, and computer software license	9.5, 10	(620,493,477)	(167,181,903)	(227,539,926)
Acquisitions of investment properties	11	-	(2,253,044)	(16,269,747)
Investment in an associate	8.1	55,552,697	-	-
Proceeds from sale of property, plant and equipment	10	96,833,540	8,647,280	38,387,963
Financing granted to related parties		(92,598,585)	(172,983,643)	(3,804,495)
Financing collected from related parties		25,163,898	-	5,074,466
Net Cash From (Used in) Investing Activities		(535,541,927)	(333,771,310)	(204,151,739)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from loans and borrowings	28	5,690,238,091	5,964,297,644	7,590,795,774
Repayment of loans and borrowings	28	(10,446,992,057)	(5,766,315,295)	(5,782,921,097)
Interest paid		(591,102,596)	(618,577,260)	(562,461,251)
Dividends paid	20.2	(135,071,638)	(107,661,703)	(78,020,953)
Proceeds from non-controlling interests		2,500,000,000	-	-
Net Cash From (Used in) Financing Activities		(2,982,928,200)	(528,256,614)	(1,167,392,473)
Effect of Changes in Foreign Exchange Rate on Cash and Cash Equivalents				
		(4,664,196)	7,745,862	3,060,602
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(3,416,866,075)	(1,504,295,629)	334,227,431
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		11,164,720,984	5,780,839,900	4,878,885,375
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	4	P 7,747,854,909	P 4,276,544,271	P 5,213,112,806

See Selected Notes to Interim Condensed Consolidated Financial Statements.

Megawide Construction Corporation and Subsidiaries

(A Subsidiary of Citicore Holdings Investment, Inc.)

Selected Notes to the Condensed Interim Consolidated Financial Statements

As at and for the three months ended March 31, 2026

(With comparative figures as at December 31, 2025 and for the three months ended March 31, 2025)

(All amounts are in Philippine Peso unless otherwise stated)

1 General information

1.1 Incorporation and operations

Megawide Construction Corporation (Megawide or the Parent Company) was incorporated in the Philippines on July 28, 2004 and is engaged in the general construction business, including constructing, enlarging, repairing, or engaging in any work upon buildings, houses and condominium, roads, plants, bridges, piers, waterworks, railroads and other structures. It performs other allied construction business like the construction and sale of precast items, concrete production, and purchase sale and/or lease of formworks system and construction equipment.

On January 28, 2011, the Philippine Stock Exchange (PSE) and the Securities Exchange Commission (SEC) approved the Parent Company's application for the listing of its common stock. The approval covered the initial public offering (IPO) of 292.0 million unissued common shares of the Parent Company at P7.84 offer price per share and the listing of those shares in PSE's main board on February 18, 2012. On December 3, 2014, the Parent Company made a primary offer of 40.0 million preferred shares at an offer price of P100.0 per share. These preferred shares are also listed in the PSE (Note 20.1). Moreover, the Parent Company also made follow-on offerings in 2020, 2021, 2024, and 2025 (Note 20.1).

The Parent Company remains a subsidiary of Citicore Holdings Investment, Inc. (Citicore) which owns and controls 35.41% of the issued and outstanding capital stock of the Parent Company as of March 31, 2026 and December 31, 2025. Citicore still directs the overall business operations of the Parent Company through its Chief Executive Officer and President, who is also the President of Citicore. Moreover, Citicore also appoints majority of the board members and remains as the single largest stockholder controlling the Board of Directors (BOD).

Citicore is a company incorporated in the Philippines and is engaged in the business of a holding company through buying and holding shares of other companies. The registered address of the Parent Company, which is also its principal place of business, is at 20 N. Domingo Street, Brgy. Valencia, Quezon City.

1.2 Subsidiaries, associates and joint arrangements

The Parent Company holds ownership interest in the following subsidiaries, associates and joint arrangements (together with the Parent Company, collectively hereinafter referred to as the Group):

Subsidiaries/Associates/Joint Operations/Joint Ventures	Notes	Level	Immediate Parent	2026	2025
Subsidiaries:					
PH1 World Developers, Inc. (PH1)	a	Direct	Megawide	100%	100%
PH1 World Landscapes Inc. (PH1-WL)	a	Indirect	PH1	100%	100%
Famtech Properties, Inc. (Famtech)	a	Indirect	PH1	82%	82%
PH1Vel Properties, Inc. (PH1-VEL)	a	Indirect	PH1	100%	100%
Megawide Land, Inc. (MLI)	b	Direct	Megawide	100%	100%
Megawide Cold Logistics, Inc. (MCLI)		Indirect	MLI	60%	60%
Megawide Construction (BVI) Corporation (MCBVI)	c	Direct	Megawide	100%	100%
Megawide Construction DMCC (DMCC)	c	Indirect	MCBVI	100%	100%
Megawide Infrastructure DMCC (MW Infrastructure)	c	Indirect	MCBVI	100%	100%
MWM Terminals, Inc. (MWM TI)	d	Indirect	Megawide	100%	100%
Megawide Terminals, Inc. (MTI)	e	Direct	Megawide	100%	100%
Megawide International Limited (MIL)	f	Direct	Megawide	100%	100%
Megawide Construction (Singapore) Pte. Ltd. (MC-SG)	f	Indirect	MIL	100%	100%
Cebu2World Development, Inc. (CDI)	g	Direct	Megawide	100%	100%
Wide-Horizons, Inc. (WHI)	h	Direct	Megawide	100%	100%
Tiger Legend Holdings Limited (TLH)	i	Direct	Megawide	100%	100%
Megawide OneMobility Corporation (MOMC)	j	Direct	Megawide	80%	80%
Tunnel Prefab Corporation (TPC)	k	Direct	Megawide	90%	90%
Megawide GMR Construction Joint Venture, Inc. (MGCJV I)	l	Direct	Megawide	100%	100%
Megawide Dreamrise Residences, Inc. (MDRI)	m	Direct	Megawide	95%	95%
Accounted for as Asset Acquisition -					
Altria East Land, Inc. (Altria)	n	Direct	Megawide	100%	100%
Associates:					
Citicore Megawide Consortium, Inc. (CMCI)	o	N/A	N/A	10%	10%
Evolution Data Centres Philippines, Inc. (EDC)	p	N/A	N/A	49%	49%
Citicore Renewable Energy Corporation (CREC)	q	N/A	N/A	10%	10%
Joint Operations:					
Megawide GISPL Construction Joint Venture (MGCJV)	r	N/A	N/A	50%	50%
HDEC- Megawide-Dongah JV (HMDJV)	s	N/A	N/A	35%	35%
Tokyu-Tobishima-Megawide Joint Venture (TTM-JV)	t	N/A	N/A	30%	30%
Joint Ventures:					
Cavite Rapid Transport Inc. (CRTI)	u	Indirect	MOMC	40%	40%

(a) PH1

On July 12, 2023, the Parent Company and Citicore executed a Share Purchase Agreement (SPA) for the Parent Company to acquire 100% of the outstanding capital stock of PH1 from Citicore. The fulfillment of the conditions precedent under the SPA such as the transfer of 579,457,844 common shares from Citicore to the Parent Company, and the payment by the Parent Company to Citicore for the purchase price of P5,200.0 million were fulfilled on July 27, 2023 that resulted in the closing of the transaction.

PH1 was registered with the SEC on February 6, 2009 primarily to engage in the business of buying, selling, leasing, developing and managing real estate properties. The registered office address of PH1, is located at 20 N. Domingo St., Brgy. Valencia, Quezon City.

PH1 has a wholly owned subsidiary, PH1-WL. PH1-WL, which was registered on September 16, 2022, is engaged in real estate business. Its registered office is located at 20 N. Domingo St., Brgy. Valencia, Quezon City.

PH1 initially held a 49% ownership in Famtech, with the remaining 51% held by Property Company of Friends, Inc. (PCFI). In 2025, PCFI donated a portion of its shares in Famtech to PH1, including Preferred "A" shares, resulting in an increase in PH1's ownership interest and a corresponding reduction in PCFI's interest. The transaction also involved adjustments to common and preferred shares, as well as related paid-up capital. As a result of the transaction, PH1's ownership interest in Famtech increased to 82.41%. Famtech is incorporated in the Philippines and is engaged in real estate development. Its registered office is located at 5th Floor Pro-Friends Center, 55 Tinio Street, Brgy. Additional Hills, Mandaluyong City.

PH1 has a wholly owned subsidiary, PH1-VEL. PH1-VEL, which was registered on March 1, 2024, is engaged in real estate development business. Its registered office is located at 20 N. Domingo St., Brgy. Valencia, Quezon City. As of March 31, 2026, PH1-VEL has not yet started operations.

(b) MLI

MLI was incorporated in 2016 primarily to engage in real estate and related business. MLI's registered address, which is also its principal place of business, is located at 20 N. Domingo Street Brgy. Valencia, Quezon City. MLI has not commenced its operations as at March 31, 2026.

MLI has a 60% ownership interest in MCLI, a company incorporated in the Philippines and was established to engage in cold and dry storage business. The registered office address of MCLI, which is also its principal place of business, is located at No. 20 N. Domingo Street, Brgy. Valencia, Quezon City.

The entity did not engage in any commercial activities during the period ended March 31, 2026. Consequently, there were no revenue-generating operations or transactions recorded for this period.

(c) MCBVI

On June 20, 2017, the Parent Company acquired 100% ownership interest in MCBVI, an entity incorporated in the territory of British Virgin Islands to primarily engage in buying and holding shares of other companies. MCBVI's registered address, which is also its principal place of business, is Marcy Building, 2nd floor, Purcell Estate, Road Town Tortola, British Virgin Islands. In 2018, MCBVI commenced business operations.

MCBVI has wholly owned subsidiaries, DMCC and MW Infrastructure. DMCC, which was registered on December 10, 2017, is involved in infrastructure works. Its registered office is located at Unit 4401-05, Mazaya Business Avenue BB2, Jumeriah Lake Towers, Dubai UAE. MW Infrastructure was registered on September 30, 2020 as a turnkey project contracting and project development consultant. Its registered office is located at Unit 4501-009 Mazaya Business Avenue BB2 Plot No JLTE-PH2-BB2 Jumeirah Lake Towers, Dubai, UAE. DMCC and MW Infrastructure have not commenced operations as at March 31, 2026.

(d) MWMTI

MWMTI, whose registered office is at No. 1 Kennedy Road, Barangay Tambo, Parañaque City, is a joint venture arrangement formed on February 10, 2015 by the Parent Company and MTI, both exercising joint control to direct the relevant activities of MWMTI. The joint venture undertakes the development and implementation of the Parañaque Integrated Terminal Exchange (PITX) Project granted by the Philippine Government to MWMTI under a Build-Operate-Transfer Agreement (BOT Agreement) through the DOTr. In November 2018, MWMTI commenced commercial operations.

MWMTI is effectively owned by the Company and MTI at 51% and 49%, respectively. However, the Company and MTI are exercising joint control over MWMTI. In 2018, the Company and MTI infused additional P542.5 million and P526.6 million, respectively, that is intended to be converted into capital stock. The same has been converted to capital stock in 2020 upon approval from SEC of the increase in authorized capital stock which was filed in 2019. The Company and MTI retained joint control over MWMTI after the stock issuance.

In 2022, the Company infused cash amounting to P350.0 million to MWMTI that is intended to be converted to capital stock relative to MWMTI's planned increase in capital stock.

(f) MTI

On August 9, 2018, the Parent Company acquired 344.5 million shares or 100% ownership interest in MTI from existing shareholders of MTI for P344.1 million. MTI owns 49% interest over MWMTI.

MTI is an entity incorporated and registered on November 11, 2011 to establish, own, manage, administer, operate, maintain, and carry the business of providing property management services, either directly or through third parties, but not limited to the services of rent collection, tenant and lease management, marketing and advertising, repair and maintenance, liaison and other similar services. MTI's registered address and principal place of business is at 20 N. Domingo Street Brgy. Valencia, Quezon City.

(g) MIL

MIL, whose registered office is at Marcy Building, 2nd Floor, Purcell Estate, P.O. Box 2416, Road Town Tortola, British Virgin Islands, was incorporated on July 26, 2019. MIL has a 100% owned subsidiary, MC-SG, which was registered on March 1, 2019 as a general building engineering design and consultancy services. Its registered office is located at 8 Cross Street #24-03/04 Manulife Tower Singapore. MIL and MC-SG has not commenced operations as of March 31, 2026.

(h) CDI

CDI, whose registered office is at 3/F Unit 2, Carbon Market, Quezon Blvd, Ermita, Cebu City, was incorporated on November 3, 2020 to deal, engage, or otherwise acquire an interest in land or real estate business, without engaging in real estate investment trust. The Parent Company owns 100% interest over CDI. In 2025, the Parent Company infused cash amounting to P310.2 million to CDI, which was recognized as part of investment in CDI.

(i) WHI

WHI, whose registered office is at 20 N. Domingo St., Brgy. Valencia, Quezon City., was incorporated on November 16, 2020 to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange or otherwise dispose of real and personal property of every kind and description. As of March 31, 2026, WHI has not yet started commercial operations.

(j) TLH

Tiger Legends was incorporated on October 16, 2020 to primarily engage in buying and holding shares of other companies. Tiger Legend's registered address is located at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, British Virgin Islands. TLH has not commenced operations as of March 31, 2026.

(k) MOMC

MOMC, whose registered address is at 20 N. Domingo Street, Barangay Valencia, Quezon City, was incorporated in the Philippines and registered with SEC on March 11, 2015 to engage in buying and holding shares of other companies, either by subscribing to unissued shares of capital stock in public or private offering or by purchasing the shares of other stockholders by way of assignment in private sale. In 2022, the Parent Company subscribed to primary shares of MOMC equivalent to 80% ownership interest for a total consideration of P2.4 million.

As at March 31, 2026, MOMC has a 50% ownership interest in Cavite Rapid Transport Inc. (CRTI), a joint venture with Donington, Inc. formed to develop, construct, and operate a bus rapid transit (BRT) and point-to-point (P2P) transport system in Cavite.

(l) TPC

In 2022, the Parent Company acquired 90% ownership interest in TPC. TPC, whose registered office is at No. 4 Velasquez Street, Sitio Bangiad, Barangay San Juan, 1920, Taytay, Rizal, was incorporated on August 31, 2022 to engage in the business of producing, manufacturing, fabricating, construction, procuring, furnishing, purchasing and/or selling precast concrete materials, items, and systems, formworks materials and systems, construction equipment, and other construction and building supplies for tunnels, highways, horizontal and vertical developments, infrastructure works, and any other construction projects.

(m) Altria

On December 26, 2012, pursuant to a memorandum of agreement dated December 17, 2012, the Parent Company acquired 100% ownership interest in Altria. Altria is a company incorporated in the Philippines and holds an investment property in the form of land. The registered office of Altria, which is also its principal place of business, is located at Coastal Road Bangiad, San Juan, Taytay, 1920 Rizal. As of March 31, 2026, Altria has not started operations and its assets mainly pertain to the land where the Parent Company's precast and batching facilities are constructed.

The Parent Company's acquisition of Altria is accounted for as an asset acquisition since it does not constitute an acquisition of business.

(n) CMCI

CMCI was incorporated in the Philippines on October 15, 2012 and is primarily engaged in general construction business. CMCI's registered address, which is also its principal place of business, is located at 20 N. Domingo St., Brgy. Valencia, Quezon City.

The Group's investment in CMCI is accounted for as investments in associate despite the percentage of the Parent Company's ownership interest over these entities.

As of March 31, 2026, the Parent Company owns 10% interest in CMCI.

(p) EDC

EDC, whose registered office is at Unit 53J, Shang Salcedo Place, H.V. dela Costa corner Tordesillas Sts., Salcedo Village, Makati, was incorporated on December 9, 2021 to perform and provide computer programming and consultancy services and engage in the creation and development of technological services.

In 2023, the Parent Company subscribed to 616,910 new shares or equivalent to 49% ownership interest in EDC for a total subscription price of P61.7 million. The rights and powers of the Parent Company over the management and control of EDC are exercised through a seat in the BOD of EDC. Taking this into consideration, the Parent Company concluded that it has significant influence over the investee; accordingly, the investment is accounted for as an investment in an associate. As at March 31, 2026, EDC has not commenced commercial operations.

(q) MGCJV

MGCJV is an unincorporated joint venture formed in 2014 by the Parent Company and GMR Infrastructure (Singapore) PTE Limited - Philippines Branch (GISPL) each owning 50% interest and exercising joint control. MGCJV was established to provide construction of works for the renovation and expansion of the MCIA Project and other airport related construction projects of the Group. MGCJV began to operate in 2015.

(r) MGCJVI

MGCJVI is an incorporated joint arrangement formed in January 2018 by the Parent Company, which holds a 50% ownership interest, GISPL with a 45% interest, and GMR Holdings Overseas (Singapore) Pte. Ltd. (GHOSPL) holding the remaining 5%. The Parent Company and GISPL jointly exercised control over MGCJVI. MGCJVI was established to engage in general construction activities, including the construction, improvement, and repair works for the Clark International Airport Project, and commenced operations in 2018.

On January 9, 2025, the Parent Company executed a share purchase agreement to acquire the outstanding capital stock of MGCJVI from GHOSPL and GISPL. Following the transaction, the Parent Company obtained full ownership of MGCJVI, enabling it to leverage its engineering and construction expertise while strengthening its balance sheet.

(s) HMDJV

HMDJV is an unincorporated joint venture formed on October 27, 2020, by the Parent Company owning 35% and Hyundai Engineering & Construction Co., Ltd. and Dong-ah Geological Engineering Company Ltd. Owning 57.5%, and 7.5% interest, respectively, and exercising joint control. HMDJV was established to provide construction works for the civil structures, viaducts, bridges, and stations of Malolos-Clark Railway Project. HMDJV began to operate in 2021.

(t) TTM-JV

TTM-JV is an unincorporated joint venture formed on May 31, 2022, by the Parent Company owning 30% and Tokyu Construction Co., Ltd. and Tobishima Corporation owning 40%, and 30% interest, respectively, and exercising joint control over the assets and liabilities of the arrangement. TTM-JV was established to provide construction works of the two underground stations (Ortigas North and Ortigas South) and tunnels of Metro Manila Subway Project. TTM-JV began to operate in 2023.

(u) MDRI

MDRI is a corporation duly organized and existing under the laws of the Philippines. MDRI was incorporated on November 19, 2025 and is primarily engaged in real estate activities, including the development of socialized housing projects. As at March 31, 2026, the Parent Company owns 95.24% of the MDRI's subscribed capital, while 4.76% consists of the preferred shares held by the Home Development Mutual Fund (Pag-IBIG). MDRI's registered office address and principal place of business is at No. 20 N. Domingo St. Barangay Valencia, Quezon City.

(v) CREC

On October 17, 2025, the Parent Company obtained 1,103,095,410 common shares of CREC representing approximately 9.88% ownership of its outstanding common stock, through a block sale transaction with Citicore Power Inc. (CPI). This transaction forms part of the settlement of advances with CPI and Citicore.

The valuation used and price at which the transaction was executed was the 30-day volume-weighted average price (VWAP) of CREC shares as of September 30, 2025, consistent with PSE guidelines for block trades.

Management has assessed that the Parent Company has significant influence over CREC, taking into account its ability to participate in financial and operating policy decisions, including representation and involvement in strategic and operational matters within the Citicore group. Accordingly, the investment is accounted for as an investment in an associate and measured using the equity method.

(w) CRTI

The Parent Company, through MOMC, has a 40% ownership interest in CRTI, a joint venture established for a P2P and BRT project in Cavite. As at March 31, 2026, CRTI is still on its pre-operating stage and has not started commercial operations.

1.3 Approval of the condensed interim consolidated financial statements

The condensed interim consolidated financial statements of the Group as of and for the three months ended March 31, 2026 (including the comparative consolidated financial statements as at December 31, 2025 and condensed interim consolidated financial statements for the three months ended March 31, 2025 and 2024) were authorized for issue by the Parent Company's BOD on May 19, 2026.

2 Segment reporting

The Group's operating businesses are recognized and managed separately according to the nature of services provided with a segment representing a strategic business unit. The Group's business segments follow:

2.1 Business segments

- (a) *Construction operations* - principally refers to general construction business, including constructing and sale of precast items and concrete production and rental of construction equipment.
- (b) *Landport operations* - principally relates to the development and implementation of the PITX Project.
- (c) *Real estate operations* - mainly pertains to the development and sale of residential condominium units.

Other operations of the Group comprise the operations and financial control groups. These segments are also the basis of the Group in reporting to its executive committee for its strategic decision-making activities. Transactions between segments are conducted at estimated market rates on an arm's length basis.

Segment revenues and expenses that are directly attributable to business segment and the relevant portions of the Group's revenues and expenses that can be allocated to that business segment are accordingly reflected as revenues and expenses of that business segment.

2.2 Segment assets and liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash, receivables, inventories and property, plant and equipment, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, wages, taxes currently payable and accrued liabilities. Segment assets and liabilities do not include deferred taxes.

2.3 Analysis of segment information

Presented below are the relevant operating segment information about the results of operations and financial position of the Group's business segments for the three months ended March 31, 2026 and 2025 and financial position as of March 31, 2026 and December 31, 2025 (amounts in thousands).

	Construction		Real Estate		Landport		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Results of operations								
Sales to external customers	3,836,890	3,668,158	831,331	396,504	137,858	136,206	4,806,079	4,200,868
Intersegment sales	1,020,064	472,638	-	-	-	-	1,020,064	472,638
Segment revenues	4,856,954	4,140,796	831,331	396,504	137,858	136,206	5,826,143	4,673,506
Cost and other operating expenses:								
Cost excluding depreciation and amortization	3,812,772	3,160,797	581,653	226,686	37,302	35,523	4,431,727	3,423,006
Depreciation and amortization	128,075	188,606	4,892	10,212	38,966	36,901	171,933	235,719
Interest income	(54,998)	(202,635)	(1,503)	(45)	(18)	(623)	(56,519)	(203,303)
Interest expense	443,363	497,242	152,914	35,381	52,780	57,313	649,057	589,936
Equity share in profit or loss and joint ventures	(26,546)	9,259	-	-	-	-	(26,546)	9,259
Other expense (income)	(35,112)	(99,104)	(35,681)	519	(21,450)	(21,587)	(92,243)	(120,172)
Tax expense (income)	100,447	77,884	-	-	(1,201)	(1,889)	99,246	75,995
Other expenses	187,124	123,520	114,781	110,951	42,189	44,342	344,094	278,813
	4,555,125	3,755,569	817,055	383,704	148,568	149,980	5,520,748	4,289,253
Segment net profit (loss)	301,829	385,227	14,276	12,800	(10,710)	(13,774)	305,395	384,253
Consolidated statements of financial position								
Total segment assets	63,916,017	62,612,081	13,494,708	9,806,402	5,039,265	5,200,633	82,449,990	77,619,116
Total segment liabilities	43,735,652	42,528,405	10,516,193	6,851,439	3,590,419	3,740,859	57,842,180	53,120,703
Capital expenditures	277,911	764,712	20,102	200	-	6,537	298,012	718,047
Investment in associates and joint ventures accounted for by the equity method	5,030,024	5,059,031	-	-	-	-	5,030,024	256,096

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its condensed interim consolidated financial statements for the three months ended March 31, 2026 and 2025 (amounts in thousands).

	2026	2025
Revenues		
Segment revenues	4,806,079	4,673,506
Intersegment sales	(1,020,064)	(472,638)
Revenues as reported in the consolidated statements of income	5,826,143	4,200,868
Profit or loss		
Segment net profit	305,395	384,253
Other unallocated (charges) income - net	(40,811)	(175,033)
Net profit as reported in the consolidated statements of income	264,584	209,220
	2026	2025
Assets		
Total segment assets	82,449,990	77,619,116
Elimination of intercompany accounts	(27,151,879)	(18,656,655)
Other unallocated assets	18,270,039	14,783,880
Total assets as reported in the consolidated statements of financial position	73,568,150	73,746,341
Liabilities		
Total segment liabilities	57,842,180	53,120,703
Elimination of intercompany accounts	(16,540,759)	(8,872,820)
Other unallocated liabilities	5,222,186	5,004,113
Total liabilities as reported in the consolidated statements of financial position	46,523,606	49,251,996

2.4 Other segment information

The Group has not identified any segment based on geographical location since the Group's operation is concentrated in one country of location.

3 Additional notes in compliance with Philippines Accounting Standard (PAS) 34

1. The Group is dependent on the ability of real estate developers to market, sell and dispose of condominium units to potential customers. The Group is gradually diversifying into the affordable and socialized housing segments and infrastructure projects pushed by the Government to capitalize on demand.
2. The Group has various agreements for the period ended March 31, 2026, primarily construction agreements with its related parties.

3. Related party transactions include advances to (from) related parties which are made to finance working capital requirements including cash advances granted and obtained, revenue from services, interest receivable, rent and advances to employees (Note 21).
4. Refer to Note 18 for the disaggregation of the Group's revenue from contracts with customers recognized for the periods ended March 31, 2026 and 2025.
5. The Group's equity transactions for the period ended March 31, 2026 includes cash dividend declaration amounting to P220.45 million (Note 20).
6. There were no items not in the ordinary course of business for the period ended March 31, 2026 that affected assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.
7. There were no other off-balance sheet arrangements or obligations for the period ended March 31, 2026 that were likely to have a current or future effect on the financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.
8. Aside from interest earnings from the Group's cash deposits, short term placements and interest from related parties, there are no significant elements of income or loss for the period ended March 31, 2026 that did not arise from the Company's operations.
9. Any material changes from period to period in any line items of the Group's condensed interim consolidated financial statements that have not been explained were the results of normal fluctuations in operations.

4 Cash and cash equivalents

Cash and cash equivalents as at the reporting periods consist of:

	March 31, 2026	December 31, 2025
Cash on hand	87,619,987	6,679,722
Cash in banks	6,888,052,661	11,142,682,205
Cash equivalents	772,182,262	15,359,057
	7,747,854,909	11,164,720,984

Cash in banks generally earn interest based on daily bank deposit rates.

Cash equivalents consist of investments in short-term placements, which have an average maturity of 30 to 90 days and earn annual average effective interest of 5% to 6% on March 31, 2026 and December 31, 2025.

Accrued interest receivable from these financial assets amounted to P3.1 million as at March 31, 2026 (2025 – P3.3 million) and is presented as part of accrued interest receivable under Trade and other receivables account in the condensed interim consolidated financial position (Note 5).

5 Trade and other receivables, net

Trade and other receivables as at the reporting periods consist of:

	Notes	March 31, 2026	December 31, 2025
Contract receivables			
Third parties		1,314,915,961	9,246,449,623
Related parties	21.1	7,647,535,826	1,225,971,270
		8,962,451,787	10,472,420,893
Retention receivables			
Third parties		912,313,521	3,780,882,263
Related parties	21.1	4,179,800,811	955,620,985
		5,092,114,332	4,736,503,248
Real estate sales receivables		301,740,361	158,766,487
Advances to:			
Related parties	21.4	570,471,608	570,471,608
Employees	21.3	146,053,754	149,906,912
		716,525,362	720,378,520
Rental receivables:			
Lease receivable - per contract		720,985,425	639,612,919
Lease receivable - effect of straight-line method		27,937,959	29,255,446
		748,923,384	668,868,365
Accrued interest receivables	4, 21.4	1,297,171,483	1,288,246,964
Other receivables	21.2, 21.5	1,899,027,030	1,532,285,300
		19,017,953,739	19,577,469,777
Allowance for impairment		(236,319,702)	(236,319,702)
		18,781,634,038	19,341,150,075

Retention receivables pertain to progress billings which are withheld by the project owners equivalent to 5.0% or 10.0% as provided in the respective construction contract of each project. These will only be collected after a certain period of time upon acceptance by project owners of the certificate of completion.

Real estate sales pertain to the balance of uncollected portion of the contract price of completed units sold that are subject for collection from customers through their respective bank financing, which is normally completed within one to two months.

Rental receivables include those unpaid rentals from third party tenants of the Group, and the related rent receivables arising from the difference between the cash basis rent income and the straight-line rent income of all lease contracts with fixed payments as of the end of the reporting period.

Trade and other receivables except certain advances to related parties do not bear any interest.

All receivables, except advances to employees which are subject to liquidation, are subject to credit risk exposure. The Group's trade and other receivables have been reviewed for impairment using the provision matrix as determined by the management.

The total allowance for impairment for contract receivables provided by the Group amounted to P236.0 million as at March 31, 2026 and December 31, 2025.

A reconciliation of the allowance for impairment are as follows:

	March 31, 2026	December 31, 2025
Balance at beginning of the period	271,899,526	271,899,526
Additional ECL for the period	-	-
Write off	(35,579,824)	(35,579,824)
Balance at end of period	236,319,702	236,319,702

In 2025 and 2024, the Parent Company wrote off contract receivables which were previously provided with allowance for impairment since the management assessed that there is no reasonable expectation of recovery for these receivables.

6 Inventories

6.1 Real estate inventories

As at the reporting periods, real estate inventories consist of the following:

	March 31, 2026	December 31, 2025
Land and land development	1,510,997,070	2,553,254,201
Construction costs	5,098,548,946	2,470,623,168
	6,609,546,016	5,023,877,369

Construction costs include actual costs of construction and related engineering, architectural and other consultancy fees. All costs incurred relating to the Group's development and construction of its residential condominium projects are recorded under real estate inventories account. The cost of a unit sold under development is charged to cost of sales in the same manner as revenue is recognized. There were no liens and encumbrances attached to these inventories.

There were no inventory write-downs recognized in relation to real estate inventories.

6.2 Construction materials

As at the reporting periods, construction materials were stated at cost which is lower than net realizable value. This account consists of the following:

	March 31, 2026	December 31, 2025
Materials issued to project sites	493,428,123	566,822,523
Consumables and spare parts	282,330,648	324,325,596
Mechanical electrical plumbing and fireproof materials	12,000,875	13,785,932
Hardware	20,186,487	23,189,103
Rebars	9,040,002	10,384,647
Precast	286,069,552	328,620,639
Others	52,822,849	62,633,887
	1,155,878,536	1,329,762,327

Materials issued to project sites pertain to various construction materials delivered to project warehouses and are yet to be installed or used by its subcontractors. The Parent Company recognizes revenue from these construction project contracts over time during the course of the construction.

Others pertain to construction materials which include collapsible container office, sand, cement, painting materials, nails and adhesive items. No liens and encumbrances are attached to these inventories.

7 Contract assets

The breakdown of contract assets as at the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Construction contracts	3,940,255,655	3,407,560,129
Real estate operations	3,453,426,067	1,796,742,229
	7,393,681,721	5,204,302,358
Allowance for impairment	(1,087,415,302)	(1,087,415,302)
	6,306,266,419	4,116,887,056

The significant changes in the contract assets balances during the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Balance at beginning of period	5,204,302,358	4,473,203,513
Increase as a result of changes in measurement of progress	3,986,121,593	3,601,015,067
Decrease as a result of reversal to trade receivables	(1,796,742,230)	(2,869,916,222)
	7,393,681,721	5,204,302,358
Allowance for impairment	(1,087,415,302)	(1,087,415,302)
Balance at end of period	6,306,266,419	4,116,887,056

As at March 31, 2026 and December 31, 2025, the allowance for impairment on contract assets amounted to P1,087.4 million. The Group did not recognize any additional allowance during the year.

The Group recognizes contract assets, due to timing difference of billings and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period. Changes in the contract assets are recognized by the Group when a right to receive payment is already established.

The total impairment loss on contract assets is presented as part of Impairment losses on receivables and contract assets under Other Income and Expenses section in the consolidated statement of income.

8 Investments in associates and joint venture and acquisition of assets

The Group's associates and joint venture are not listed in the local stock exchange; hence, the fair value of the shares cannot be determined reliably. However, management believes that the carrying amounts of the investments are fully recoverable based on either the prospect of the business or the recoverable amount from the net assets of these associates and joint ventures.

8.1 Investment in associates

The components of the carrying values of this account as at the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Acquisition cost:		
CMCI	200,000,000	200,000,000
EDC	118,636,000	116,676,000
CREC	4,729,742,188	4,729,742,188
Equity share in net (losses) profit:	5,048,378,188	5,046,418,188
Balance at beginning of period	(44,899,852)	(44,899,852)
Equity in net loss for the period	26,545,667	8,795,057
Balance at end of period	(18,354,185)	(36,104,795)
	5,030,024,000	5,010,313,393

During 2025, CREC recognized other comprehensive income arising from remeasurement of retirement benefit obligations. The other associates did not have other comprehensive income or loss during the reporting periods.

(a) CMCI

The Parent Company, together with Citicore, formed CMCI as a consortium for the construction of classrooms in Regions 3 and 4 under the build-lease-transfer Public Private Partnership (PPP) agreement with the Philippine Department of Education (DepEd) ownership interest.

As at March 31, 2026 and December 31, 2025, the Parent Company owns 10% interest in CMCI.

(b) EDC

In 2023, the Parent Company subscribed to 616,910 new shares or equivalent to 49% ownership interest in EDC for a total subscription price of P61.7 million. The rights and powers of the Parent Company over the management and control of EDC are exercised through a seat in the BOD of EDC. Taking this into consideration, the Parent Company concluded that it has significant influence over the investee; accordingly, the investment is accounted for as an investment in an associate.

In 2025, the Parent Company made an additional investment in EDC amounting to P5.9 million, intended to support the working capital and funding requirements of ongoing projects.

(c) CREC

On October 17, 2025, the Parent Company acquired 1,103,095,410 CREC shares via block sale from CPI part of the settlement of advances with CPI and Citicore. The transaction was priced at the 30-day VWAP as of September 30, 2025, in line with PSE guidelines. Management assessed that the Parent Company has significant influence over CREC, and accordingly classified the investment as an associate, accounted for using the equity method.

In 2025, CREC recognized other comprehensive income arising from remeasurement of retirement benefit obligations.

As at March 31, 2026 and December 31, 2025, the Parent Company did not receive any dividends from its associates.

8.2 Interest in joint ventures

This account includes the carrying values of the following components as at March 31, 2026:

Acquisition costs:		
CRTI		49,050,000
Equity share in net losses:		
Balance at beginning of year		(332,363)
Equity in net loss for the year	21.3	-
		(332,363)
Balance at year end		48,717,637

8.3 Interest in joint operations

As discussed in Note 1.2(q), 1.2(s), and 1.2(t), MGCJV is engaged in the construction works for the renovation and expansion of the MCIA Project in Cebu. HMDJV undertakes the construction works of the Malolos-Clark Railway, while TTM-JV is responsible for the construction works of the two underground stations (Ortigas North and Ortigas South) and related tunnels for the Metro Manila Subway Project. The Parent Company's interests in MGCJV, HMDJV and TTM-JV are accounted for as joint arrangement - joint operation, as such, the Parent Company accounts for its interest in the relevant assets, liabilities, revenues, and expenses of MGCJV, HMDJV and TTM-JV.

As at March 31, 2026 and December 31, 2025, the relevant financial information of the Group's interest in MGCJV, HMDJV and TTM-JV which are included in the appropriate accounts in the Group's consolidated statements of financial position and consolidated statements of total comprehensive income are presented below.

	March 31, 2026	December 31, 2025
Assets		
Cash and cash equivalents	1,465,347,600	1,551,558,574
Trade and other receivables	3,325,350,351	2,860,274,048
Other current assets	381,663,419	267,519,751
Property, plant, and equipment - net	80,944,212	54,864,535
	5,253,305,582	4,734,216,908
Liabilities		
Trade and other payables	2,448,517,628	3,355,541,394
Due to related parties	55,122,893	-
Other liabilities	405,977,458	135,167,850
	2,909,617,979	3,490,709,244
	March 31, 2026	March 31, 2025
Revenues and expenses		
Contract revenues	678,643,209	559,077,400
Contract costs	(393,987,403)	(401,933,052)
Finance income	(19,084,455)	16,096,595
	265,571,351	173,240,943

9 Other assets

Other assets as at the reporting periods consist of:

	Notes	March 31, 2026	December 31, 2025
Current			
Advances to contractors and suppliers	9.1	8,179,310,107	7,995,906,682
Prepaid taxes	9.4	1,507,017,433	1,430,079,783
Input VAT	9.2	1,049,369,056	920,365,591
Deferred input VAT	9.2	284,402,872	333,816,167
Deferred fulfilment costs - net	9.6	353,862,480	353,862,480
Refundable security and bond deposits		323,464,537	187,589,495
Prepaid insurance		78,537,474	103,054,464
Deferred commission		95,184,851	16,088,012
Prepaid subscription		37,644,015	2,297,267
Prepaid debt issuance cost		16,088,012	16,088,012
Prepaid rent		20,656,044	10,905,603
Miscellaneous		96,568,353	33,727,739
		12,042,105,234	11,402,062,625
Non-current			
Deposits for condominium units	9.3	290,185,982	290,185,138
Refundable security deposits		62,499,277	61,691,327
Computer software license - net	9.5	25,944,666	26,190,157
Prepaid debt issuance cost		17,390,064	17,389,218
Financial assets at fair value through other comprehensive income		3,544,472	3,544,472
		399,564,461	399,000,312
		12,441,669,695	11,801,062,937

9.1 Advances to contractors and suppliers

Advances to contractors and suppliers pertain to down payments made by the Group based on a certain percentage of the contract price. The initial payment will eventually be recouped or deducted from the amount payable of the Group either in a pro-rated basis or in full once billed by the contractors and supplier. These advances are classified as current since it would be applied as payments for subcontractors. This also includes materials and supplies provided by the Group to subcontractors which will be deducted to the progress billings of the subcontractors upon installation. The risk of loss on these materials and supplies is borne by the subcontractors.

Impairment of advances to contractors and suppliers was assessed through determining the financial position of the contractors and suppliers on their capacity to comply according to their performance obligation. The Group deemed the advances to be recouped by qualifying contractors and suppliers through their work progress as well as using outstanding liability of the Group to the contractors and suppliers as leverage. As at March 31, 2026 and December 31, 2025, there were no impairment losses on advances recognized.

9.2 Input VAT

Input VAT under other current assets pertains to the payment of VAT on purchases of services and goods that is recoverable within 12 months. Deferred input VAT pertains to the unamortized input VAT on purchases of capital goods exceeding P1.0 million and input VAT on unreleased retention payable.

Input VAT arising from the purchase of capital goods exceeding P1.0 million starting January 1, 2022 are not amortized. The related input VAT on purchase of capital goods exceeding P1.0 million shall be allowed as credit against output tax outright pursuant to Republic Act (R.A.) No. 10963, known as the Tax Reform for Acceleration and Inclusion (TRAIN) Law.

9.3 Deposits for condominium units

Deposits for condominium units represent initial downpayments made for the purchase of condominium units. These will be reclassified to investment property upon execution of contract to sell and deed of sale. As at March 31, 2026 and December 31, 2025, there are no contracts to sell executed for these properties yet.

9.4 Prepaid taxes

Prepaid taxes pertain to the excess of quarterly income tax payments over the current tax due during the year and creditable withholding taxes.

9.5 Computer software license

The details of this account as at the reporting periods are presented below.

	March 31, 2026	December 31, 2025
Cost	220,911,071	217,250,815
Accumulated amortization	(194,966,404)	(191,060,658)
	25,944,667	26,190,157

A reconciliation of the carrying amounts of computer software license at the beginning and end of the reporting periods is shown below.

	March 31, 2026	December 31, 2025
Balance at beginning of period	26,190,157	23,304,426
Additions	20,344,153	27,804,584
Amortization expense for the period	(20,589,644)	(24,918,853)
Balance at end of period	25,944,666	26,190,157

9.6 Deferred fulfilment costs

Deferred fulfilment costs pertain to costs that are directly related to a specific construction contract, generate or enhance resources that will be used to fulfill a performance obligation of the Group in the future, and are recoverable under the contract. Such costs include, but are not limited to, mobilization costs of equipment and labor, engineering and design costs, insurance and depreciation of equipment related to a specific contract.

The movements of deferred fulfilment costs as at the reporting periods are shown below:

	March 31, 2026	December 31, 2025
Balance at beginning of period	682,467,685	635,310,171
Additions	-	90,318,882
Write off	-	(43,161,368)
	682,467,685	682,467,685
Allowance for impairment	(328,605,205)	(328,605,205)
Balance at end of period	353,862,480	353,862,480

The Group did not recognize amortization of deferred fulfillment costs during the reporting periods due to the absence of identified progress and percentage of completion associated with these projects. Instead, an additional impairment loss has been recognized for confirmed projects that will no longer proceed amounting to nil and P43.2 million in 2025, respectively which is presented as part of impairment losses under income and expenses of the statement of total comprehensive income (Note 21).

10 Property, plant and equipment

The gross carrying amounts and accumulated depreciation at the beginning and end of March 31, 2026 and December 31, 2025 are shown below.

	Land	Building	Precast factory	Office furniture, fixture and equipment	Transportation equipment	Precast and construction equipment	Construction in progress	Right of use assets	Total
March 31, 2026									
Cost	1,656,923,060	731,225,233	1,035,230,467	1,372,183,582	1,250,044,570	7,247,661,743	2,002,524,294	1,072,587,038	16,368,379,987
Accumulated depreciation	-	(292,764,473)	(634,185,406)	(1,181,883,243)	(1,041,252,001)	(6,349,580,963)	-	(561,743,760)	(10,061,409,847)
Net carrying amount	1,656,923,060	438,460,760	401,045,061	190,300,339	208,792,569	898,080,780	2,002,524,294	510,843,278	6,306,970,140
December 31, 2025									
Cost	1,650,029,981	724,458,492	1,035,230,467	1,489,310,516	1,211,782,492	7,990,527,211	1,776,591,133	1,012,929,074	16,890,859,366
Accumulated depreciation	-	(289,612,302)	(627,804,763)	(1,282,066,649)	(1,035,026,698)	(7,109,804,267)	-	(550,826,872)	(10,895,141,551)
Net carrying amount	1,650,029,981	434,846,190	407,425,704	207,243,867	176,755,794	880,722,944	1,776,591,133	462,102,202	5,995,717,815

A reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of March 31, 2026 and December 31, 2025 are shown below.

	Land	Building	Precast factory	Office furniture, fixture and equipment	Transportation equipment	Precast and construction equipment	Construction in progress	Right of use assets	Total
Balance at January 1, 2026, net of accumulated depreciation	1,650,029,981	434,846,190	407,425,704	207,243,867	176,755,794	880,722,944	1,776,591,133	462,102,202	5,995,717,815
Additions	6,893,079	6,766,740	-	22,264,214	53,089,774	169,947,778	225,320,917	59,657,964	543,940,467
Disposals	-	-	-	(26,632,816)	(2,097,492)	(66,955,384)	-	-	(95,685,691)
Reclassification	-	-	-	-	-	-	-	-	-
Depreciation charges for the year	-	(3,152,171)	(6,380,643)	(12,574,864)	(18,955,507)	(85,634,559)	-	(10,916,888)	(137,614,632)
Balance at March 31, 2026, net of accumulated depreciation	1,656,923,060	438,460,760	401,045,061	190,300,339	208,792,569	898,080,780	2,002,524,294	510,843,278	6,306,970,140
Balance at January 1, 2025, net of accumulated depreciation	1,495,920,145	252,996,061	425,774,421	214,248,606	155,708,037	1,172,533,954	1,585,307,071	596,477,278	5,898,965,573
Additions	154,109,836	206,080,188	-	75,366,847	77,182,217	147,092,619	381,411,878	30,871,827	1,072,115,412
Disposals	-	-	-	(2,074,888)	(472,872)	(27,591,260)	-	-	(30,139,020)
Pre-termination	-	-	-	-	-	-	-	(60,653,371)	(60,653,371)
Reclassification	-	-	-	224,701	22,936,476	21,804,522	-	(44,740,998)	224,701
Transfers	-	-	-	-	-	-	(190,127,816)	-	(190,127,816)
Remeasurement	-	-	-	25,019,451	-	-	-	-	25,019,451
Depreciation charges for the year	-	(24,230,059)	(18,348,717)	(105,540,850)	(78,598,064)	(433,116,891)	-	(59,852,534)	(719,687,115)
Balance at December 31, 2025, net of accumulated depreciation	1,650,029,981	434,846,190	407,425,704	207,243,867	176,755,794	880,722,944	1,776,591,133	462,102,202	5,995,717,815

For the periods ended March 31, 2026 and December 31, 2025, the Group sold certain property, plant and equipment for P96.8 million and P38.5 million, respectively. As a result, the Group recognized gains amounting to P1.1 million and P8.3 million for the periods ended March 31, 2026 and December 31, 2025, respectively, and are presented as part of Others - net under Income and Expenses section in the condensed interim consolidated statements of income.

Construction in progress pertains to accumulated costs incurred in constructing a new precast warehouse, workers' barracks and logistics department facility located in Taytay, Rizal and redevelopment of carbon market in Cebu City. The Group capitalized borrowing costs amounting to P108.1 million in 2025.

In 2025, certain right-of-use assets were reclassified to property, plant, and equipment upon the Parent Company's acquisition of the underlying physical assets at lease maturity. In addition, the Group derecognized right-of-use assets amounting P60.7 million in 2025, respectively, due to pre-termination of lease agreements.

Effective January 1, 2025, the Parent Company reassessed the depreciation method applied to certain property, plant and equipment located in the Taytay Precast Facility to ensure that depreciation expense more faithfully reflects the pattern in which the future economic benefits of these assets are expected to be consumed. These assets were previously depreciated using the straight-line method; however, based on management's assessment of their operational use, the Parent Company determined that the units-of-production method, based on estimated production capacity, more appropriately reflects the pattern of consumption of economic benefits. Accordingly, the depreciation method for these assets was changed to the units-of-production method. This change is accounted for as a change in accounting estimate and has been applied prospectively.

The change in depreciation method resulted in a decrease of P69.9 million in depreciation expense recognized during 2025. In accordance with PAS 8, this change is treated as a change in accounting estimate and has been applied prospectively. Management expects that depreciation expense in future periods will continue to vary depending on the level of production or utilization of the affected assets. Based on management's assessment, the estimation of the future effect of the change of depreciation method is impracticable hence, the amount is not disclosed.

In 2025, the Group transferred completed construction in progress amounting to P190.1 million to investment property following the commencement of its use for rental purposes.

11 Investment properties

As of March 31, 2026, and December 31, 2025, the investment properties are composed of land, commercial area and construction in progress totaling P4,614.6 million and P5,296.3 million, respectively.

Investment properties account includes parcels of land that are not used by the Group for administrative and supply of goods or services of the business and only held for capital appreciation. This includes an industrial lot acquired by MWM Terminals, Inc. from one of its tenants through dacion en pago, with a valuation of P106.1 million. Based on management's assessment, the carrying amounts of these assets are fully recoverable, hence, no impairment loss is required in both years.

There are no restrictions on the realizability of investment property or the remittance of income and proceeds of disposal. No contractual obligations to purchase, construct, or develop investment property, or for repairs and maintenance or enhancements has been agreed with.

As of March 31, 2026 and December 31, 2025, the investment properties has a fair value amounting to P5,901.1 million which was recognized under the Level 3 fair value hierarchy.

12 Goodwill

On July 12, 2023, the Parent Company executed a Share Purchase Agreement to acquire 100% of the outstanding capital stock of PH1 from Citicore for a total cash consideration of P5,200.0 million. As a result of the acquisition, the Parent Company obtained controlling interest over PH1, which was accounted for under the acquisition method. The business combination is expected to integrate the innovative approaches of the Parent Company and PH1 in terms of construction and engineering to the residential projects of PH1 with respect to sustainability and technological advancement in living and community spaces.

At the date of acquisition, PH1 owns 100% and 49% of the outstanding capital stock of PH1-WL and Famtech, respectively. As a result of the acquisition of PH1, the Group obtained indirect ownership and control over PH1-WL and Famtech [Note 1.2(a)]. There were no contingent considerations arrangements and indemnification assets recognized by the Parent Company related to the business combination. Presented below is the breakdown of the acquisition-date fair value of the assets and liabilities, including the cost of investment.

Assets	
Cash	158,812,124
Contract and other receivables	1,058,277,667
Real estate inventories	3,280,736,757
Property and equipment	33,002,846
Right-of-use assets	9,312,106
Other assets	233,084,701
	4,773,226,201
Liabilities	
Trade and other payables	1,688,417,798
Interest-bearing loans and borrowings	508,475,383
Reservation deposits	322,954,005
Contract liabilities	76,644,783
Lease liabilities	8,412,681
Deferred tax liabilities	107,696,473
Other liabilities	129,219,090
	2,841,820,213
Fair value of net assets	1,931,405,988
Cash consideration	5,200,000,000
Non-controlling interest	528,475,534
	5,728,475,534
Goodwill	3,797,069,546

Based on the management's assessment, the gross contractual amounts of receivable approximate the fair values as of the acquisition date. The best estimate of the contractual cash flows not expected to be collected at acquisition date is also deemed immaterial.

There were no significant acquisition-related costs incurred from this transaction.

The goodwill recognized from the foregoing acquisition reflects the opportunity to strengthen the Group's position in the real estate market, the synergies and economies of scale expected from combining the operations of the Group as a contractor and real estate developer. This also reflects the opportunity to accelerate the Group's growth momentum associated with property development in the long term.

The Group performed impairment testing of goodwill by using value-in-use in determining the recoverable amount. The value-in-use of the cash generating unit was determined using cash flow projections for 12 years, which reflects the timing of the development and completion of the residential projects including the collection period. The management applied a discount rate of 7.22% and growth rate of nil which are the key assumptions used in determining the value-in-use of the cash-generating unit (CGU).

The calculations of value-in-use of the CGUs are most sensitive to the following assumptions:

- a. Revenue growth rates - The revenue growth rates used in the cash flow projections are based on historical performance and management's expectations of market developments. The growth rates do not exceed the long-term average growth rate for the industry. Management reviews whether the revenue growth rate qualifies as a key assumption due to its significant impact on the recoverable amount.
- b. Discount rates - Discount rates were derived from the Group's weighted average cost of capital and reflect both current market assessments of the time value of money and management's estimate of risks within the CGUs. In determining appropriate discount rates, regard has been given to various market information, including, but not limited to, ten-year government bond yield, bank lending rates and market risk premium and country risk premium.

The recoverable amount of the cash-generating unit was determined to be higher than its carrying amount. Management believes that any reasonably possible change of +/-1% in the discount rate and +/-1% in the growth rate would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount; hence, management assessed that there is no impairment loss required to be recognized on goodwill as at March 31, 2026 and December 31, 2025.

13 Leases

The Group has leases for certain construction equipment and transportation equipment. Lease asset land, on the other hand, pertains to the share of the Parent Company's joint venture (HMDJV). With the exception of short-term leases and leases of low-value underlying assets, each right-of-use asset and lease liability from leases are reflected on the consolidated statements of financial position as part of property, plant and equipment and interest-bearing loans and borrowings, respectively. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over warehouses and offices, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must ensure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

13.1 Right-of-use assets

The carrying amounts of the Group's right-of-use assets presented as part of Property, Plant and Equipment account as at March 31, 2026 and December 31, 2025, and the movements during the periods are shown below.

	Land	Precast and construction equipment	Transportation equipment	Total
Balance at January 1, 2026	-	340,930,594	121,171,608	462,102,202
Additions	59,657,964	-	-	59,657,964
Amortization	(4,971,497)	(530,098)	(5,415,293)	(10,916,888)
Balance at March 31, 2026	54,686,467	340,400,496	115,756,315	510,843,278
Balance at January 1, 2025	17,707,097	351,510,644	227,259,537	596,477,278
Additions	-	-	30,871,827	30,871,827
Pre-termination	-	-	(60,653,371)	(60,653,371)
Remeasurement	-	-	(44,740,998)	(44,740,998)
Amortization	(17,707,097)	(10,580,050)	(31,565,387)	(59,852,534)
Balance at December 31, 2025	-	340,930,594	121,171,608	462,102,202

In 2025, the Group reclassified certain right-of-use assets to property, plant and equipment upon the maturity of the underlying lease arrangements and the exercise of purchase options. The reclassification was made at

carrying amount, with no impact on profit or loss, and the assets are subsequently accounted for in accordance with the Group's policy on property, plant and equipment. In addition, the Group derecognized a right-of-use asset related to its office lease following the early termination of the lease agreement, resulting in the derecognition of the corresponding right-of-use asset and lease liability, with any resulting gain or loss recognized in profit or loss.

13.2 Lease liabilities

Lease liabilities are presented in the condensed interim consolidated statements of financial position as part of Interest-bearing Loans and Borrowings (Note 15) as at the reporting period as follows:

	March 31, 2026	December 31, 2025
Current	79,337,983	27,519,017
Non-current	44,043,732	46,733,531
	123,381,715	74,252,548

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the Group's business strategy and the economic benefits of exercising the option exceeds the expected overall cost.

As at March 31, 2026 and December 31, 2025, the Group has not committed to any leases which had not commenced.

13.3 Lease payments not recognized as liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

The expenses pertaining to short-term leases and low-value assets amounted to P23.5 million for the period ended March 31 2026 (2025 – P78.0 million) is presented as part of Other Operating Expenses in the condensed interim consolidated statements of income.

13.4 Additional profit or loss and cash flow information

The total cash outflow in respect of leases accounted as finance lease amounted to P49.3 million in March 31, 2026 (December 31, 2025 – P108.1 million) and is presented as part of Repayment of Loans and Borrowings in the condensed interim consolidated statements of cash flows. Interest expense in relation to lease liabilities amounted to P1.8 million in March 31, 2026 (March 31, 2025 – P1.9 million) and is presented as part of Finance costs under Income and Expenses section in the condensed interim consolidated statements of income.

The lease liabilities are secured by the related underlying assets. The maturity analysis of lease liabilities as at the reporting periods are as follows:

	Note	March 31, 2026	December 31, 2025
Within one year		49,778,461	31,646,870
One to two years		61,291,976	33,112,650
Two to three years		11,245,958	18,723,934
Three to four years		983,236	1,704,508
Four to five years		82,084	202,468
	13.2	123,381,715	85,390,430

14 Trade and other payables

Trade and other payables as at the reporting periods consist of:

	Notes	March 31, 2026	December 31, 2025
Trade payables		3,681,766,975	1,805,933,708
Retention payable		2,783,556,623	2,580,240,607
Reservation deposits		1,533,832,821	353,293,070
Interest payable	15.4	111,953,509	186,216,601
Accrued expenses		103,776,881	146,583,159
Due to related parties	21.4	64,665,999	87,963,920
Security deposits	17	31,830,833	26,302,899
Others		160,170,813	168,529,145
		8,471,554,454	5,355,063,109

Retention payable pertains to amounts withheld from payments made to subcontractors to ensure compliance and completion of contracted projects ranging from 5% to 10% of every billing made by the contractor. Upon completion of the subcontracted projects, the amounts are paid to the subcontractors.

Reservation deposits pertain to the payments received from the buyers of condominium units which have not yet reached the collection threshold for revenue recognition.

Accrued expenses include mainly unpaid utilities.

Others include accrued salaries and other non-trade payables.

15 Interest-bearing loans and borrowings

The details of short-term and long-term interest-bearing loans and borrowings are as follows:

	Notes	March 31, 2026	December 31, 2025
Current			
Bank loans	15.2	13,348,632,382	17,655,713,499
Notes payable		1,820,000,000	1,820,000,000
Bonds payable		-	1,600,000,000
Lease liabilities	13.2	79,337,983	27,519,017
		15,247,970,365	21,103,232,516
Non-current			
Bonds payable	15.3	7,399,506,161	7,356,954,637
Bank loans		4,387,294,000	8,186,281,460
Notes payables	15.1	5,857,633,921	1,000,000,000
Lease liabilities	13.2	44,043,732	46,733,531
		17,688,477,813	16,589,969,628
		32,936,448,178	37,693,202,144

15.1 Notes payable

(a) 2016 various notes facility

In 2016, the Parent Company entered into various notes facility arrangement with a local bank to refinance the corporate note issued in 2011 and to finance its capital expenditure and general corporate requirements.

The notes constitute direct, unconditional, unsubordinated, general and unsecured obligation ranking at least pari passu with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Parent Company.

The notes are issued with the following details:

Date issued	Principal	Term in years	Interest rate
September 16, 2016	650,000,000	10	5.50%
December 5, 2016	350,000,000	10	6.37%
December 16, 2016	1,000,000,000	10	6.37%
	2,000,000,000		

These 10-year corporate notes bear an interest rate based on the closing per annum rates of a ten (10)-year PDST-R2 rate on the PDS Group website plus a certain spread.

On August 10, 2017, the Parent Company sent a letter to the bank requesting the waiver of one of the loan negative covenants that prohibits the stockholdings of Citicore in the Parent Company to fall below 51% or enter into profit sharing, partnership or joint venture whereby its profits are shared with any other person that may have a material adverse effect (Note 1.1). In September 2017, the request was granted by the bank.

As at March 31, 2026 and December 31, 2025, the carrying amount of this corporate note is P1,820.0 million and P1,840.0 million, respectively.

As of March 31, 2026 and December 31, 2025, the Parent Company has complied with all the debt covenants set forth in the notes facility agreement.

(b) 2020 various notes facility

On February 19, 2020, the Parent Company signed a P5,000.0 million corporate note facility, the proceeds of which will be used by the Parent Company to (a) retire maturing debt obligations, (b) to fund growth projects, and (c) for general corporate purposes.

The notes constitute direct, unconditional, unsubordinated, general and unsecured obligation ranking at least pari passu with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Parent Company.

The notes will be issued in five tranches as follows:

	Principal
Tranche A	3,600,000,000
Tranche B	350,000,000
Tranche C	350,000,000
Tranche D	350,000,000
Tranche E	350,000,000
	5,000,000,000

These 4.5-year corporate notes bear a fixed interest rate based on the closing per annum rates of a 4.5-year PHP BVAL reference rate on the PDS Group website plus a certain spread, subject to a floor rate of 5%.

The Parent Company is in compliance with all the covenants required to be observed under the facility agreement as at March 31, 2026 and December 31, 2025.

(c) Third unsecured note

On December 17, 2025, the Parent Company entered into a term loan agreement with a local bank for an aggregate principal amount of up to P1,000.0 million, the proceeds of which were drawn and will be used to partially finance the Parent Company's general capital expenditure requirements.

The loan constitutes a direct, unconditional, unsubordinated and unsecured obligation of the Parent Company and ranks at least pari passu with all other present and future unsecured obligations of the Parent Company.

The 3-year corporate notes bear an interest rate based on the closing per annum rates of a 3-year PHP BVAL reference rate on the PDS Group website plus a certain spread, subject to a floor rate of 6%.

As at March 31, 2026, the outstanding balance of the loan amounted to P1,000.0 million. The Parent Company is compliant with the required ratios as of March 31, 2026 and December 31, 2025.

(d) Enrolled corporate note

On January 23, 2026, the Company issued peso-denominated fixed-rate corporate notes in the principal amount of P1,100.0 million.

The notes carry a fixed interest rate of 7.0% per annum and have a tenor of three (3) years, maturing on January 23, 2029. The notes have been enrolled with the PDEX and are exempt from registration with the Securities and Exchange Commission. The proceeds were used to partially refinance the Company's Series A fixed-rate bonds that matured on February 17, 2026 and for general corporate purposes.

The notes constitute direct, unconditional, unsubordinated, and unsecured obligations of the Company, ranking at least pari passu with all other present and future unsecured obligations of the Company.

As of March 31, 2026, the outstanding balance of this note amounted to P1,100.0 million. The Parent Company is compliant with the required ratios as of March 31, 2026.

15.2 Bank loans

(a) OLSA for PITX project

In 2015, MWMTI entered into an Omnibus Loan and Security Agreement (OLSA) with a local universal bank for a loan facility amounting to P3,300.0 million to finance the construction of the ITS Project. In 2019, MWMTI requested the lender to increase the loan by P600.0 million making the total principal loan to P3,900.0 million. In 2017, MWMTI made its first drawdown amounting to P825.0 million while the remaining loan facility was fully drawn in 2019 in tranches amounting to P3,075.0 million. The loan principal shall be amortized quarterly over 15 years and the first principal repayment is due on January 16, 2021. The interest-bearing loan is secured by the Joint Venturers and bears annual interest rates ranging from 7.0% to 7.1% in 2025.

MWMTI is compliant with all affirmative and negative covenants indicated in the OLSA as at March 31, 2026 and December 31, 2025.

The current portion of the bank loans of MWMTI as at March 31, 2026 amounted to P177.8 million (December 31, 2025 - P251.6 million), while the non-current portion as at March 31, 2026 amounted to P2,925.0 million (December 31, 2025 – P2,914.6 million).

(b) OLSA - May 10, 2023

On May 10, 2023, CDI entered into an OLSA with a local universal bank for a loan facility to finance the development, design, construction and completion of the ongoing projects. Loan availments are for a term of 12 years each and bear fixed interest rates ranging from 8.21% to 9.35% per annum. As at March 31, 2026, CDI has drawn a total of P1,462.3 million (December 31, 2025 – P1,402.3 million) under this facility.

The interest-bearing loans shall be amortized quarterly and the first and final principal repayments are due on February 28, 2027 and February 29, 2036, respectively. CDI is compliant with all affirmative and negative covenants indicated in the OLSA as at March 31, 2026 and December 31, 2025.

(c) Other bank loans

As a result of the acquisition of PH1, the Group recognized bank loans amounting to P508.5 million in 2023 (Note 12). Subsequent to the acquisition, the PH1 obtained additional bank loans amounting to P1,033.8 million in 2024. As at March 31, 2026, PH1 has drawn a total of P3,757.6 million (December 31, 2025 – P3,869.4 million) under this facility.

As of March 31, 2026, the Group obtained various bank loans with total outstanding balance of P13,348 million (December 31, 2025 - P17,655 million), representing unsecured short-term loans from other local banks. The loans bear weighted average annual interest rates of 6.81% in 2025.

15.3 Bonds payable

On August 17, 2022, the Parent Company listed fixed-rate bonds in the total amount of P4,000.0 million, inclusive of the P1,000.0 million oversubscription option, with the Philippine Dealing & Exchange Corp. The Fixed-Rate Bonds consists of Series A (P1.6 billion maturing in three years and six months from issue date at rate of 6.9506%) and Series B (P2.4 billion maturing in five years from issue date a rate of 7.9663%).

The net proceeds of the fixed-rate bonds shall be used by the Parent Company primarily to refinance its short-term debts, fund its capital expenditures and other general corporate requirements.

On February 17, 2026, the Company's Series A fixed-rate bonds with a face amount of P1.6 billion matured and were fully extinguished. The settlement was funded through the proceeds of the enrolled unsecured corporate notes issued in January 2026 amounting to P1.1 billion and the Company's internal cash resources of P0.4 billion [Note 15.1(d)].

Bond issue cost capitalized as part of this bonds amounted to P64.6 million. As at March 31, 2026, amortization amounted to P3.1 million (December 31, 2025 - P12.1 million) while its net carrying value amounted to P16.2 million (December 31, 2025 - 19.3 million).

On July 11, 2024, the Parent Company listed fixed-rate bonds in the total amount of P5,000.0 million, inclusive of the P1,000.0 million oversubscription option, with the Philippine Dealing & Exchange Corp. The Fixed-Rate Bonds consists of Series C (P3.1 billion maturing in three years from issue date at rate of 7.6348%) and Series D (P1.1 billion maturing in five years from issue date at a rate of 8.0580%) and Series E (P0.8 billion maturing in seven years from issue date at a rate of 8.4758%).

The net proceeds of the fixed-rate bonds shall be used by the Parent Company primarily to refinance its short-term debts, fund its capital expenditures and other general corporate requirements.

Bond issue cost capitalized as part of this bonds amounted to P37.1 million. As at March 31, 2026, amortization amounted to P2.3 million (December 31, 2025 – P9.1 million) while its net carrying value amounted to P22.3 million (December 31, 2025 – P24.6 million).

As at March 31, 2026 and December 31, 2025, the Parent Company is in compliance with the covenants.

15.4 Finance costs, events of default and covenant compliance

Total interest on interest-bearing loans and borrowings amounted to P596.1 million in 2026 (2025 – P590.6 million; 2024 – P564.9 million) and is presented as Interest expense from bank loans, notes payable and bonds payable (Note 22.1). Total unpaid interest as at March 31, 2026 amounting to P111.9 million (2025 – P186.2 million) is presented as interest payable under Trade and Other Payables account in the consolidated statements of financial position (Note 14).

The Group is in compliance with all covenants required to be observed under the loan facility agreements.

16 Contract liabilities

Contract liabilities represent excess of collections from the buyers over the related revenue recognized using the percentage of completion (POC). The breakdown of contract liabilities as at the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Construction contracts	5,098,548,946	5,201,329,533
Real estate sales	212,011,683	185,322,709
	6,609,546,016	5,386,652,242

These are presented and classified in the consolidated statements of financial position as at the reporting periods as follows:

	March 31, 2026	December 31, 2025
Current	3,099,542,704	3,869,983,288
Non-current	1,155,729,032	1,516,668,954
	4,255,271,736	5,386,652,242

The significant changes in the contract liabilities balances during the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Balance at beginning of period	5,386,652,242	5,412,157,382
Increase due to billings excluding amount recognized as revenue during the period	642,385,269	721,509,484
Revenue recognized that was included in contract liability at the beginning of the period	(1,773,765,775)	(753,086,409)
Effect of financing component	-	6,071,785
Balance at end of period	4,255,271,736	5,386,652,242

17 Other liabilities

The details of this account as at the reporting periods are as follows:

	March 31, 2026	December 31, 2025
Current:		
Deferred output VAT	115,064,700	122,873,992
Deferred revenue	128,159,693	111,281,449
Vat Payable	64,801,354	44,277,084
Withholding taxes	53,460,539	53,685,953
Government liabilities	32,657,495	26,354,811
Others	18,654,534	16,090,225
	412,798,316	374,563,514
Non-current:		
Security deposits	48,734,636	46,464,657
Unearned rent income	68,530,304	65,781,971
	117,264,939	112,246,628
	530,063,255	486,810,142

Deferred revenue represents advance payments from customers and concessionaires that are subject to refund or future billing applications within 12 months from the end of the reporting period.

The Group also received security deposits upon full operations of MWMTI's PITX. These deposits on lease agreements will be refunded at the end of the lease terms, which ranges from one to six years.

Unearned rent income pertains to the difference between the fair value and principal amount of security deposits received at the inception of the lease with concessionaires, which are amortized over the corresponding lease term.

18 Revenues

The Group determines that the categories used in the investor presentations and financial reports used by the Group's management can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15 (except for rentals accounted for under PFRS 16 and disclosed herein as additional information), which is to disaggregate revenue from contracts with customers and other counterparties into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

A summary of additional disaggregation from the segment revenues are as follows:

	Note	Point in time	Over time	Short-term	Long-term	Total
Three-month period ended March 31, 2026						
Construction operations:	18.1					
Contract revenues		-	3,453,468,806	-	3,453,468,806	3,453,468,806
Sale of ready-mix concrete		-	103,307,033	103,307,033	-	103,307,033
Sale of precast		-	215,990,778	215,990,778	-	215,990,778
Equipment rental		-	64,122,875	64,122,875	-	64,122,875
		-	3,836,889,492	383,420,686	3,453,468,806	3,836,889,492
Landport operations:						
Rental revenue - per contract	18.2	-	139,175,277	139,175,277	-	139,175,277
Rental revenue - effect of straight-line method		-	(1,317,487)	(1,317,487)	-	(1,317,487)
		-	572,300,039	572,300,039	-	572,300,039
Real Estate operations						
Real estate revenue	18.3	-	831,331,021	-	831,331,021	831,331,021
		-	4,806,078,303	521,278,476	4,284,799,827	4,806,078,303
Three-month period ended March 31, 2025						
Construction operations:	18.1					
Contract revenues		-	3,212,429,790	-	3,212,429,790	3,212,429,790
Sale of ready-mix concrete		-	203,911,661	203,911,661	-	203,911,661
Sale of precast		-	175,941,363	175,941,363	-	175,941,363
Equipment rental		-	75,875,629	75,875,629	-	75,875,629
		-	3,668,158,443	455,728,653	3,212,429,790	3,668,158,443
Landport operations:						
Rental revenue - per contract	18.2	-	150,618,621	150,618,621	-	150,618,621
Rental revenue - effect of straight-line method		-	(14,413,107)	(14,413,107)	-	(14,413,107)
Revenue from grantor payments		-	-	-	-	-
		-	136,205,514	136,205,514	-	136,205,514
Real Estate operations						
Real estate revenue	18.3	-	396,503,624	-	396,503,624	396,503,624
		-	4,200,867,580	591,934,166	3,608,933,414	4,200,867,580

Revenue from landport operations arising from the lease of its office and commercial spaces is recognized on the straight-line basis over the lease term based on the provision of the covering lease contracts, including any minimum rent-free period therein, plus additional rent-free period as mutually agreed by the contracting parties. This is recognized in accordance with PFRS 16.

Revenue from real estate sales from pre-completed real estate properties is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development.

Revenue from real estate sales on completed real estate properties is recognized at a point in time when the control over the real estate property is transferred to the buyer.

18.1 Construction operations revenues

The details of this account for the three months ended March 31 are composed of the revenues from:

	2026	2025
Contracts in progress	3,797,290,179	3,642,868,433
Completed contracts	39,599,314	25,290,010
	3,836,889,493	3,668,158,443

18.2 Landport operations revenue

The PITX Project undertaken by the Group with the DOTr gives the Group the control over the landport area and the right to collect concessionaire revenue. As disclosed in Note 7, contract assets include unbilled receivables which pertain to the cost of the landport area which is to be recovered through the Grantor

payments.

The construction of the PITX Project was completed in 2019 and the Group has no unsatisfied performance obligations as at March 31, 2026 and December 31, 2025.

The details of landport operations revenue for the three-month period ended March 31 are composed of the revenues from:

	2026	2025
Rental revenue - per contract	139,175,277	150,618,621
Rental revenue - effect of straight-line method	(1,317,487)	(14,413,107)
Revenue from grantor payments	-	-
	137,857,790	136,205,514

18.3 Real estate operations revenues

Real estate operations revenues comprise of residential condominium units sold as at March 31, 2026 amounted to P831.3 million (March 31, 2025 – P396.5 million).

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts as at March 31, 2026 is P8,090.5 million. As at March 31, 2026, the Group expects to recognize revenue from unsatisfied contracts as follows:

Within one year	2,299,829,043
More than one year to three years	5,790,719,857
	8,090,548,899

19 Direct costs

19.1 Cost of construction operations

The following is the breakdown of this account for the three months ended March 31:

	2026	2025
Outside services	1,061,206,854	1,220,571,696
Materials	1,179,329,151	1,010,395,507
Salaries and employee benefits	451,333,653	436,698,530
Depreciation	126,724,631	181,912,602
Project overhead	156,763,484	133,015,671
	2,975,357,773	2,982,594,006

Project overhead includes insurance, repairs and maintenance, gas and oil, travel and transportation, professional fees, utilities, municipal permits, taxes, security services, office supplies and various rental expenses of staging areas.

19.2 Cost of landport operations

The following is the breakdown of cost of landport operations for the three months ended March 31:

	2026	2025
Depreciation and amortization	37,227,396	35,470,014
Terminal costs	23,367,613	22,279,319
Cost of leasing activity	13,934,722	13,244,106
	74,529,730	70,993,439

19.3 Cost of real estate operations

Cost of real estate operations include allocated land and development costs aggregating to P581.7 million for the period ended March 31, 2026 (March 31, 2025 – P226.7 million).

20 Equity

20.1 Share capital

Share capital consists of:

	Shares		Amount	
	2026	2025	2026	2025
Common shares - P1 par value				
Authorized	4,930,000,000	4,930,000,000	4,930,000,000	4,930,000,000
Subscribed and paid in:	2,399,426,127	2,399,426,127		
Less: Treasury shares				
Balance at beginning of year	386,016,410	386,016,410	4,615,690,576	4,615,690,576
Less: Share based issuance	(1,621,620)	-	19,905,770	-
Balance at end of period	384,394,420	386,016,410	4,595,784,806	4,615,690,576
Issued and outstanding	2,015,031,337	2,013,409,717	2,399,426,127	2,399,426,127
Preferred shares - P1 par value				
Authorized				
Balance at beginning of year	290,000,000	250,000,000	290,000,000	250,000,000
Increase during the year		40,000,000		40,000,000
Balance at end of period	290,000,000	290,000,000	290,000,000	290,000,000
Subscribed and paid in:				
Balance at beginning of year:				
Series 1	40,000,000	40,000,000	40,000,000	40,000,000
Series 2A	26,220,130	26,220,130	26,220,130	26,220,130
Series 2B	17,405,880	17,405,880	17,405,880	17,405,880
Series 3	55,000,000	45,000,000	55,000,000	55,000,000
Series 4	40,000,000	40,000,000	40,000,000	40,000,000
Series 5	15,000,000	15,000,000	15,000,000	15,000,000
Series 6A	17,791,740		17,791,740	
Series 6B	11,913,600		11,913,600	
Series 6C	23,033,680		23,033,680	
Series 7	30,000,000		30,000,000	
Issuance during the year:				
Series 3	-	10,000,000	-	10,000,000
Series 6A	-	17,791,740	-	17,791,740
Series 6B	-	11,913,600	-	11,913,600
Series 6C	-	23,033,680	-	23,033,680
Series 7	-	30,000,000	-	30,000,000
	276,365,030	276,365,030	276,365,030	276,365,030
Less: Subscription receivable:				
Balance at beginning of year	41,250,000	33,750,000	41,250,000	21,750,000
Subscription - Series 3	-	7,500,000	-	12,000,000
Balance at end of year	41,250,000	41,250,000	41,250,000	33,750,000
Balance at end of period	235,115,030	149,876,010	235,115,030	149,876,010
Less: Treasury shares:				
Balance at beginning of year	123,626,010	66,220,130	12,362,601,000	6,622,013,000
Redemption - Series 2A	-			
Redemption - Series 2B	-	17,405,880	-	1,740,588,000
Redemption - Series 4	-	40,000,000	-	4,000,000,000
Balance at end of period	123,626,010	123,626,010	12,362,601,000	12,362,601,000
Issued and outstanding	111,489,020	111,489,020		

On September 22, 2014, the SEC approved the Parent Company's amendment of articles of incorporation, which includes: (i) the Parent Company's power to extend corporate guarantees to its subsidiaries and affiliates; and, (ii) the increase in its authorized capital stock of P5,000.0 million divided into 4,930.0 million common shares and 70.0 million cumulative, non-voting, non-participating, non-convertible to common shares and redeemable, at the option of the Parent Company, perpetual preferred shares Both common and preferred shares have a par value of P1.00 per share.

On August 16, 2017, Megacore Holdings, Inc. (Megacore) acquired 313,786,575 shares representing 14.7% ownership over the Parent Company from Citicore. This resulted in a decrease in Citicore's ownership from 66.7% to 51.0%.

On December 20, 2017, the state-owned Social Security System acquired a total of 110,532,500 shares or equivalent to 5.2% interest of the Parent Company through purchase of 3.45% stake held by Megacore and the remaining interest from the public.

On December 22, 2017, Megacore further acquired additional shares from Citicore which resulted in an increase in Megacore's equity interest to the Parent Company equivalent to 28.9% or 617,709,197 as of December 31, 2017.

On September 22, 2020, the SEC has approved the increase of the authorized capital stock of the Parent Company increasing the total authorized capital stock of the Parent Company to P5,054,000,000, divided into the following classes:

- a. 4,930,000,000 voting common shares with the P1 par value; and
- b. 124,000,000 cumulative, non-voting, non-participating, non-convertible, perpetual preferred shares with the P1 par value

The Preferred Shares shall be issued in series, sub-series or in tranches as the BOD may determine, and authority is hereby expressly granted to the BOD, to establish and designate the series, sub-series or tranches of the Preferred Shares, fix the issue price and the number of shares in each sub-series or tranche, establish the specific terms and conditions of each sub-series or tranche and determine the manner by which the Preferred Shares will be subscribed and paid for, such as but not limited to, a private placement transaction or public offering.

Preferred shares of stock shall be cumulative, non-voting, non-participating, non-convertible, perpetual; Provided, that no share will be issued below par value. The preferred shares shall have the following features, rights and privileges:

- a. The issue value of shares shall be determined by the BOD at the time of the issuance of the shares;
- b. The BOD shall declare a dividend rate equivalent to the 7-year benchmark rate or any other rate determined by the BOD as of issue date, payable on a date to be set by the BOD in accordance with Philippine laws, rules and regulations;
- c. Preferred shares shall be non-convertible into common shares;
- d. Preference over holders of common stock in the distribution of the corporate assets in the event of dissolution and liquidation of the corporation and in the payment of the dividend at the rate specified at the time of issuance;
- e. Preferred shares shall be cumulative;
- f. Preferred shares shall be non-participating in any other or further dividends beyond that specifically payable on the shares;
- g. Holders of preferred shares shall have no pre-emptive rights to any issue of shares, common or preferred; and,
- h. The preferred shares may be redeemed by the corporation at the sole option of the BOD at the price to be determined by the BOD.

On September 30, 2020, the Parent Company entered into a Subscription Agreement with Citicore whereby Citicore subscribed to 13,500,000 preferred shares of the Parent Company at P1.00 each and paid 25% of such subscription in cash amounting to P3.4 million.

On November 5, 2020, the SEC has approved the Parent Company's offer and sale of Series 2 preferred shares which are to be issued in two subseries: Series 2A and Series 2B preferred shares, at a subscription price of P100.00. As of December 31, 2020, preferred shares of 26,220,130 and 17,405,880 for Series 2A and 2B, respectively, were subscribed and listed in the PSE. As a result, the Parent Company recognized additional paid-in capital amounting to P4,281.4 million, arising from the excess of subscription price over par value of the issuance of Series 2A and 2B preferred shares. The Parent Company also recognized issuance-related costs amounting to P37.1 million which was charged against the additional paid in capital recorded

from the issuance of Series 2A and 2B preferred shares.

On February 26, 2021, the Parent Company's BOD approved the resolution increasing the Parent Company's authorized capital stock on preferred shares by 26.0 million shares, to a total of 150.0 million cumulative, non-voting, non-participating, non-convertible, perpetual preferred shares at a par value of P1.00 per share, increasing the Parent Company's total authorized capital stock to P5,080.0 million. At the same date, the BOD approved the offer and sale of up to 40.0 million preferred shares from the unissued authorized capital stock of the Parent Company and the issuance of 6.5 million shares to Citicore. On September 9, 2021, the SEC has approved the increase in capital stock of preferred shares.

On July 23, 2021, the Parent Company filed with the SEC a registration statement and preliminary prospectus relating to its offer and sale of up to 40.0 million Series 4 preferred shares with a par value of P1.00 per share, composed of a base offer of 30.0 million shares and an oversubscription option of up to 10.0 million shares, at an offer price of P100.00 per share. On September 30, 2021, the SEC has approved the Parent Company's offer and sale of Series 4 preferred shares. As a result, the Parent Company recognized additional paid-in capital amounting to P3,930.1 million, arising from the excess of subscription price over par value related to the issuance of Series 4 preferred shares. Transaction costs from the issuance amounting to P29.9 million was charged against the additional paid in capital relating to this issuance. The proceeds from such issuance were used for the redemption of the outstanding Series 1 preferred shares as discussed in the succeeding paragraphs.

On September 10, 2021, Citicore subscribed to additional 6.5 million preferred shares at a price of P1.00 per share and paid P1.6 million in cash representing the 25% of such subscription. As of December 31, 2021, Citicore has subscribed to a total of 20.0 million preferred shares at a par value of P1.00 per share, and has paid 25% of such subscription.

On October 19, 2021, the BOD approved the redemption of the Parent Company's Series 1 Preferred Shares on December 3, 2021, at a redemption price of P100.00 per share, increasing the treasury shares by P4,000.0 million. The cost of the redemption was considered temporarily as part of treasury shares until such time that the SEC approves the decrease in authorized capital stock of the Parent Company to reflect such redemption wherein the redemption price will be charged against the paid-up capital arising from the original issuance. The details of the redemption are as follows:

Ex-date	November 4, 2021
Record date	November 9, 2021
Redemption date	December 3, 2021

On November 4, 2022 and December 20, 2022, the Parent Company's BOD and stockholders, respectively, has approved the following increase in its authorized capital stock:

	Common shares		Preferred shares	
	Number of shares	Amount	Number of shares	Amount
From -				
Authorized - P1 par value	4,930,000,000	4,930,000,000	150,000,000	150,000,000
To -				
Authorized - P1 par value	4,930,000,000	4,930,000,000	186,000,000	186,000,000

Common shares - Voting

Preferred shares - Cumulative, non-voting, non-participating, non-convertible, perpetual

On December 23, 2022, the Parent Company received deposits from Citicore amounting to P2.3 million equivalent to 25% of the subscription price of 9.0 million shares of stock of the Parent Company at par value of P1.00 per share. The deposit is presented as Deposits on Future Stock Subscription under Equity section in the 2022 consolidated statement of financial position.

On January 6, 2023, the Company filed with the SEC a Registration Statement and Preliminary Prospectus relating to its offer and sale of 15.0 million cumulative, non-voting, non-participating, non-convertible, redeemable (non-reissuable) perpetual preferred shares with a par value of P1.0 per share (the Offer Shares).

The Offer Shares is for a total of 15.0 million Series 5 Preferred Shares, which shall be issued at a subscription price of P100.0 per share.

On February 15, 2023, the Parent Company's application for the increase in authorized capital stock was approved by the SEC. In 2023, the deposits on future stock subscription were converted to preferred shares (Series 3).

On October 25, 2024, the Board of Directors approved the increase of the Parent Company's authorized capital stock of preferred shares by 64 million shares, to a total 250 million cumulative, non-voting, non-participating, non-convertible, perpetual preferred shares; thereby increasing the Parent Company's total authorized capital stock to P5,180 million, and amending Article Seventh of its Articles of Incorporation while the authorized capital stock of preferred shares increased to 250 million shares.

On December 27, 2024, the SEC issued the certificate of approval of the increase of capital stock and certificate of filing of amended articles of incorporation, both of which were received by the Parent Company on January 7, 2025. Following the approval by the SEC of the increase of capital stock, Citicore, the ultimate parent of the Parent Company, formally subscribed to at 25% of the increase in the Parent Company's authorized capital stock, equivalent to P16 million, through the execution of a subscription agreement dated January 7, 2025. Payment of 25% of such subscription, amounting to P4 million, was received by the Parent Company on December 12, 2024.

On April 14, 2025, the Group listed a total of P5,300 million Series 6 preferred shares in the PSE, comprising a base offer of 30 million shares, plus an oversubscription option for another 30 million, at P100 per share. The proceeds were utilized for the redemption of the outstanding Series 4 perpetual preferred shares, partial financing for projects in the pipeline and general corporate purposes. This resulted in additional preferred capital stock of P52.74 million and additional paid in capital of P5.17 billion.

On November 14, 2025, the Group listed up to P3,000 million Series 7 Preferred Shares in the PSE. The net proceeds will be utilized primarily for the redemption of the outstanding Series 2B Perpetual Preferred Shares, partial financing for projects in the pipeline, and general corporate purposes.

On January 2026, the Parent Company issued 1,621,620 common shares from its Treasury Shares as part of its share-based payment arrangements (Note 20.5).

As at March 31, 2026 and December 31, 2025, the Parent Company has 34 and 33 holders of its common equity securities owning at least one board lot of 100 shares listed in the PSE, respectively, and its share price closed at P2.79 per share at March 31, 2026 (December 31, 2025 - P2.99 per share). The Parent Company has 2,015.0 million and 2,013.4 million common shares traded in the PSE as of March 31, 2026 and December 31, 2025, respectively.

As at March 31, 2026, and December 31, 2025, the Parent Company has the following preferred shares traded in the PSE:

	2026		2025	
	No of shares	Closing price	No of shares	Closing price
Series 2B*	-	-	-	-
Series 4**	-	-	-	-
Series 5	15,000,000	102.0	15,000,000	103.0
Series 6A	17,791,740	102.4	17,791,740	98.5
Series 6B	11,913,600	101.0	11,913,600	102.8
Series 6C	23,033,680	103.0	23,033,680	103.8
Series 7A	11,624,670	100.0	11,624,670	100.4
Series 7B	18,375,330	101.0	18,375,330	102.0

* On November 27, 2025, 17,405,880 Preferred shares Series 2B were fully reacquired using the proceeds from the issuance of Preferred Shares Series 6. The shares were redeemed at a redemption price of P100 per share.

***On April 29, 2025, 40,000,000 Preferred Shares Series 4 were fully reacquired using the proceeds from the proceeds from the issuance of Preferred Shares Series 7. Last closing price amounting to P100 for the series redeemed is as at April 7, 2025.*

20.2 Dividends

20.2.1 Preferred shares dividends

Dividend Declaration	Quarterly dividend rate	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Total
2026						
Preferred shares:						
Series 5	1.97605	29,640,750	-	-	-	29,640,750
Series 6A	1.907075	33,930,183	-	-	-	33,930,183
Series 6B	1.99015	23,709,851	-	-	-	23,709,851
Series 6C	2.074825	47,790,854	-	-	-	47,790,854
Series 7A	1.828275	21,253,093	-	-	-	21,253,093
Series 7B	1.925175	35,375,726	-	-	-	35,375,726
		191,700,457	-	-	-	191,700,457
2025						
Preferred shares:						
Series 2B	1.4375	25,020,953	25,020,953	25,020,953	25,020,953	100,083,812
Series 4	1.325	53,000,000	53,000,000	-	-	106,000,000
Series 5	1.97605	29,640,750	29,640,750	29,640,750	29,640,750	118,563,000
Series 6A	1.907075	-	33,930,183	33,930,183	33,930,183	101,790,549
Series 6B	1.99015	-	23,709,851	23,709,851	23,709,851	71,129,553
Series 6C	2.074825	-	47,790,854	47,790,854	47,790,854	143,372,562
		107,661,703	213,092,591	160,092,591	160,092,591	640,939,476

(a) Series 2B Preferred Shares

The series of record dates and payments are as follows:

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2025				
Series 2B Preferred Shares:				
Approval dates	January 22, 2025	April 22, 2025	July 22, 2025	October 23, 2025
Record dates	February 11, 2025	May 13, 2025	August 8, 2025	November 12, 2025
Payment dates	February 27, 2025	May 27, 2025	August 27, 2025	November 27, 2025

(b) Series 4 Preferred Shares

The series of record dates and payments are as follows:

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
2025				
Series 4 Preferred Shares:				
Approval dates	January 3, 2025	March 24, 2025	-	-
Record dates	January 22, 2025	April 10, 2025	-	-
Payment dates	January 30, 2025	April 29, 2025	-	-

(c) Series 5 Preferred Shares

The series of record dates and payments are as follows:

	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter
2026				
Series 5 Preferred shares:				
Approval dates	March 12, 2026	-	-	-
Record dates	March 30, 2026	-	-	-
Payment dates	April 17, 2026	-	-	-
2025				
Series 5 Preferred shares:				
Approval dates	March 12, 2025	June 13, 2025	September 15, 2025	December 9, 2025

Record dates	April 2, 2025	July 2, 2025	October 2, 2025	January 2, 2026
Payment dates	April 21, 2025	July 17, 2025	October 17, 2025	January 19, 2026

(d) Series 6 Preferred Shares

The series of record dates and payments are as follows:

	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter
2026				
Series 6A Preferred shares:				
Approval dates	March 9, 2026	-	-	-
Record dates	March 25, 2026	-	-	-
Payment dates	April 14, 2026	-	-	-
Series 6B Preferred shares:		-	-	-
Approval dates	March 9, 2026	-	-	-
Record dates	March 25, 2026	-	-	-
Payment dates	April 14, 2026	-	-	-
Series 6C Preferred shares:		-	-	-
Approval dates	March 9, 2026	-	-	-
Record dates	March 25, 2026	-	-	-
Payment dates	April 14, 2026	-	-	-
Series 6A Preferred shares:				
Approval dates	-	June 10, 2025	September 11, 2025	December 3, 2025
Record dates	-	June 27, 2025	September 29, 2025	December 23, 2025
Payment dates	-	July 17, 2025	October 14, 2025	January 14, 2026
Series 6B Preferred shares:				
Approval dates	-	June 10, 2025	September 11, 2025	December 3, 2025
Record dates	-	June 27, 2025	September 29, 2025	December 23, 2025
Payment dates	-	July 17, 2025	October 14, 2025	January 14, 2026
Series 6C Preferred shares:				
Approval dates	-	June 10, 2025	September 11, 2025	December 3, 2025
Record dates	-	June 27, 2025	September 29, 2025	December 23, 2025
Payment dates	-	July 17, 2025	October 14, 2025	January 14, 2026

(e) Series 7 Preferred Shares

The series of record dates and payments are as follows:

	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter
2026				
Series 7A Preferred shares:				
Approval dates	January 19, 2026	-	-	-
Record dates	February 2, 2026	-	-	-
Payment dates	February 19, 2026	-	-	-
Series 7B Preferred shares:				
Approval dates	January 19, 2026	-	-	-
Record dates	February 2, 2026	-	-	-
Payment dates	February 19, 2026	-	-	-

The Group's retained earnings are restricted up to the extent of the cost of its treasury shares, except those treasury shares acquired in the redemption of redeemable preferred shares amounting to P10,622.0 million and P6,622.0 million as at March 31, 2026 and December 31, 2024, respectively.

Under Section 4(1) of the SEC's 1982 Rules Governing Redeemable and Treasury Shares, the amount of unrestricted retained earnings equivalent to the cost of the treasury shares being held, other than those acquired in accordance with the exceptions provided in Section 3(1) of these rules, shall be restricted from

being declared and issued as dividends. Section 3(1) provides that redeemed redeemable shares, although part of treasury shares, is not subtracted from the unrestricted retained earnings to determine the Retained Earnings Available for Dividend Declaration provided that the corporation must still have sufficient assets to cover debts and liabilities inclusive of capital stock, after redemption of the redeemable preferred shares.

20.3 Deposit on future stock subscription

As at March 31, 2026 and December 31, 2025, has P90 million outstanding deposits which are presented already as deposit for future stock subscription under equity in the statement of financial position. As at December 31, 2023 this was presented as a liability under the Due to Related Party account. The SEC approved PH1's increase in authorized capital from 620,000,000 shares to 2,600,000,000 shares last March 2025 and expected to be converted into capital stock in the latter part of 2026.

20.4 Treasury shares

On July 20, 2016, the Parent Company's BOD approved the buy-back of 410.8 million common shares held by Sybase Equity Investment Corporation at a price equal to the seven-trading day volume weighted average price ending on July 28, 2016 or equivalent to P10.03 per share. Total purchase price of the treasury shares including incidental cost of the buy-back amounted to P4,138.8 million.

On October 20, 2016, the Parent Company's BOD approved the sale of its 150.0 million treasury shares at P14.90 per share. Net proceeds of the sale of treasury share amounted to P2,181.7 million, net of incidental cost of the transaction. The outstanding balance of the treasury shares after the sale is 260.8 million treasury shares at cost of P2,627.7 million.

On October 1, 2018, the Parent company's BOD approved a share buyback program worth up to P2.0 billion over a period of two years. Total cost to acquire treasury shares in 2020 and 2019 amounted to P703.1 million and P457.8 million, respectively, which is equivalent to 50.2 million and 26.1 million shares, respectively.

On March 3, 2020, the Parent Company's BOD approved an additional P3.0 billion to its share buyback program, making it a total of P5.0 billion and removal of the period within which to execute the program, making it open-ended. Total cost of acquired treasury shares in 2020 amounted to P703.1 million, which is equivalent to 50.2 million shares. There are no buyback transactions in 2022 and 2021.

On October 19, 2021, the Parent Company's BOD approved the redemption of its Series 1 Preferred Shares on December 3, 2021, at a redemption price of P100.00 per share, increasing the treasury shares by P4,000 million.

On April 26, 2023, the Parent Company's BOD approved the redemption of its Series 2A Preferred Shares, on May 29, 2023, at a redemption price of P100.00 per share, increasing the treasury shares by P2,622.0 million.

On March 24, 2025, the Parent Company's BOD approved the redemption of its Series 4 Preferred Shares, on April 29 2025, at a redemption price of P100.00 per share increasing the treasury shares by P4,000.0 million.

On October 23, 2025 the Company's BOD approved the redemption of its Series 2B Preferred Shares with stock symbol MWP2B, on November 27, 2025 at a redemption price of P100.0 per share, increasing the treasury shares by P1,741.0 million.

During the period ended March 31, 2026, the Parent Company utilized 1,621,620 treasury shares under its Employee Stock Ownership Plan (ESOP) for qualified employees.

20.5 Share-based payment arrangements

On September 13, 2023, the Board of Directors of the Parent Company approved the adoption of an Employee Stock Ownership Plan (ESOP) covering qualified employees of the Group. The ESOP is a performance-based incentive program intended to motivate key talents, encourage long-term commitment, and align employee interests with those of shareholders.

The ESOP is available to employees who have rendered at least one year of service with the Group. Under the plan, up to 10,000,000 common shares of the Parent Company may be awarded to eligible employees.

On May 23, 2024, the Board of Directors approved that the shares to be issued under the ESOP shall be sourced from the Parent Company's treasury shares.

Shares granted under the ESOP vest over a three-year period as follows:

Vesting period	Percentage
Year 1	50%
Year 2	25%
Year 3	25%

The grant price of the shares is determined at a 10% discount to the 30-day volume weighted average price (VWAP) of the Parent Company's common shares at the issuance date. Voting rights, dividend rights, and transfer rights vest only upon issuance of the shares to the employees.

The ESOP is accounted for as an equity-settled share-based payment transaction in accordance with PFRS 2: Share-based Payments.

The movements in ESOP shares as at the reporting periods are as follows:

Number of shares	Weighted average grant price	Number of shares
Available under ESOP		10,000,000
Granted during the period		-
Vested during the period	2.26	1,621,620
Outstanding at end of period		8,378,380

Share-based compensation expense recognized in profit or loss amounted to P15.4 million for the three-month period ended March 31, 2026, presented as part of Salaries and Employee benefits under consolidated statements of total comprehensive income, with a corresponding increase recognized in the Share-based payment reserve under the equity portion of the consolidated statements of financial position.

20.6 Non-controlling interest

Non-controlling interests pertain to the equity ownership of minority stockholders in MCLI, MOMC, TPC, Famtech, and MDRI. The Group determined that only the minority interest in MDRI is considered as a material non-controlling interest as at March 31, 2026. Non-controlling interests are measured as the proportionate share of the subsidiaries' net assets.

On December 16, 2025, the Parent Company, through MDRI, entered into an Investment and Partnership Agreement with the Pag-IBIG for the implementation of housing projects under the government's 4PH Program.

Pag-IBIG will subscribe to 100,000,000 perpetual preferred shares of MDRI at P100.00 per share, for an aggregate amount of P10,000 million, payable in three tranches. Upon full subscription, Pag-IBIG's interest in MDRI will be approximately 4.76%, presented as non-controlling interest in the consolidated financial statements.

As at March 31, 2026, the non-controlling interests is amounting to P8,023.9 million (December 31, 2025 - P5,524.6 million) as presented in the consolidated statements of financial position. Net loss attributable to non-controlling interest amounted to P0.8 million in 2026, which pertains to the share of the minority holders of MOMC and TPC.

There were no dividends declared to non-controlling interests in 2025 and 2024.

20.7 Others

On February 14, 2018, the PIC issued PIC Q&A 2018-12: *PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*, which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of the PIC Q&A until December 31, 2023. The PIC Q&A provisions covered by the SEC deferral that the Group availed pertain to 'Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)' with allowed deferral period until December 31, 2023.

Effective January 1, 2024, the Group elected to apply such amendments by recognizing the cumulative effect as an adjustment to the retained earnings as at January 1, 2024, which is the date of initial application. The Group elected to apply such amendments retrospectively only to contracts that are not completed contracts at the date of the initial application. The adjustment on the 2024 beginning balance of equity affecting Retained earnings is a decrease of P44.06 million.

21 Related party transactions

The Group's related parties include its ultimate parent company and other shareholders, subsidiaries, associates, joint ventures, parties related to the Parent Company by common ownership and key management personnel.

Based on the requirement of SEC Memorandum Circular 2019-10, Rules of Material Related Party Transactions of Publicly listed Companies, transactions amounting to 10% or more of the total consolidated assets based on its latest consolidated financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at least two-thirds vote of the Parent Company's BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock.

For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Group's consolidated total assets based on the latest consolidated financial statements, the same board approval would be required for the transactions that meet and exceed the materiality threshold covering the same related party.

The summary of the Group's transactions with related parties for the three months ended March 31, 2026 is as follows:

Related party category	Notes	Amount of transaction	Outstanding receivable (payable)	Terms	Conditions
Ultimate parent company:					
Cash advance granted	5, 21.4	-	80,000,000	Interest-bearing On demand;	Unsecured; Unimpaired
Interest receivable	5, 21.4	-	1,186,918,770	Noninterest-bearing	Unsecured; Unimpaired
Rent income	5, 21.2	53,570	309,420	Normal credit terms On demand;	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	-	-	Noninterest-bearing	Unsecured; Unimpaired
Associate:					
Revenue from services	5, 17.1, 21.1	5,948,108	726,461,523	Normal credit terms On demand;	Unsecured; Unimpaired
Cash advance granted	5, 21.4	-	(10,000,000)	Noninterest-bearing On demand;	Unsecured; Unimpaired
Cash advance obtained	13, 21.4	23,329,165	-	Noninterest-bearing	Unsecured; Unimpaired
Rent income	5, 21.2	-	-	Normal credit terms	Unsecured; Unimpaired
Joint Arrangement:					
Revenue from services	5, 17.1, 21.1	7,280,895	30,517,159	Normal credit terms On demand;	Unsecured; Unimpaired
Cash advance granted	5, 21.4	-	-	Noninterest-bearing On demand;	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	-	-	Noninterest-bearing	Unsecured; Unimpaired
Shareholder:					
Revenue from services	5, 21.1	12,470,194	637,337,097	Normal credit terms On demand;	Unsecured; Unimpaired
Cash advance obtained	5, 21.4	132,652	757,143	Noninterest-bearing On demand;	Unsecured; Unimpaired
Cash advance granted	14, 21.4	(25,000,000)	-	Noninterest-bearing	Unsecured; Unimpaired
Related parties under common ownership:					
Rent income	5, 21.2 5, 17.1, 21.1	-	442,143	Normal credit terms	Unsecured; Unimpaired
Revenue from services	5, 17.1, 21.1	222,925,174	563,592,495	Normal credit terms On demand;	Unsecured; Unimpaired
Cash advance granted	5, 21.4	(67,598,585)	536,378,538	Noninterest-bearing On demand;	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	1,702,080	(54,666,000)	Noninterest-bearing On demand;	Unsecured; Unimpaired
Interest receivable	5, 21.4	-	98,013,208	Noninterest-bearing Upon retirement of beneficiaries	Unsecured; Unimpaired
Retirement fund		-	5,510,902	Upon liquidation,	Unsecured; Unimpaired
Advances to employees	5, 21.3	65,115,212	146,053,754	Noninterest-bearing	Unsecured; Unimpaired
Key management personnel compensation	21.6	54,672,858	-	On demand	Unsecured; Unimpaired

The summary of the Group's transactions with related parties for the year ended March 31, 2025 is as follows:

Related party category	Note	Amount of transaction	Outstanding receivable (payable)	Terms	Conditions
Ultimate parent company:					
Cash advance granted	4, 21.4	80,000,000	3,169,295,108	Interest-bearing	Unsecured; Unimpaired
Interest receivable	4, 21.4	63,937,500	1,533,686,161	On demand; Noninterest-bearing	Unsecured; Unimpaired
Rent income	4, 21.2	13,393	322,812	Normal credit terms	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	90,233,593	-	On demand; Noninterest-bearing	Unsecured; Unimpaired
Associate:					
Revenue from services	4, 17.1, 21.1	-	997,247,698	Normal credit terms	Unsecured; Unimpaired
Cash advance granted	4, 21.4	1,520,000	6,283,231	On demand; Noninterest-bearing	Unsecured; Unimpaired
Cash advance obtained	13, 21.4	-	(30,000,000)	On demand; Noninterest-bearing	Unsecured; Unimpaired
Rent income	4, 21.2	13,393	455,536	Normal credit terms	Unsecured; Unimpaired
Joint Arrangement:					
Revenue from services	4, 17.1, 21.1	181,847,082	62,318,838	Normal credit terms	Unsecured; Unimpaired
Cash advance granted	4, 21.4	-	-	On demand; Noninterest-bearing	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	-	-	On demand; Noninterest-bearing	Unsecured; Unimpaired
Shareholder:					
Revenue from services	4, 21.1	59,434,127	672,275,692	Normal credit terms	Unsecured; Unimpaired
Cash advance granted	4, 21.4	-	889,795	On demand; Noninterest-bearing	Unsecured; Unimpaired
Related parties under common ownership:					
Rent income	4, 21.2	3,031,802	47,318,408	Normal credit terms	Unsecured; Unimpaired
Revenue from services	4, 17.1, 21.1	427,305,170	719,158,096	Normal credit terms	Unsecured; Unimpaired
Cash advance granted	4, 21.4	286,850	3,349,053,143	On demand; Noninterest-bearing	Unsecured; Unimpaired
Cash advance obtained	14, 21.4	943,200	(51,660,000)	On demand; Noninterest-bearing	Unsecured; Unimpaired
Interest receivable	4, 21.4	75,806,409	1,589,755,692	On demand; Noninterest-bearing	Unsecured; Unimpaired
Retirement fund		-	5,211,295	Upon retirement of beneficiaries	Unsecured; Unimpaired
Advances to officers and employees	4, 21.3	12,574,008	93,512,550	Upon liquidation, Noninterest-bearing	Unsecured; Unimpaired
Key management personnel compensation	21.6	61,626,626	-	On demand	Unsecured; Unimpaired

21.1 Rendering of services

In the normal course of business, the Group provides construction services to its associate and other related parties. The related revenue from these transactions amounted to P1,346.5 million for the period ended March 31, 2026 (March 31, 2025 – P668.6 million) and is recognized as part of Construction Operation Revenues account in the interim condensed consolidated statements of income. Services rendered to related parties are based on normal terms similar to terms that would be available to non-related parties.

The outstanding contract receivables from these transactions, which are generally unsecured and settled through cash within three to six months, and the related retention receivables, which can only be collected after a certain period of time upon acceptance by project owners of the certificate of completion, are as part of Contract and Retention receivables under Trade and Other Receivables account in the condensed interim consolidated statements of financial position (Note 5).

There were no impairment losses recognized in 2025 and 2024 for these related party receivables.

21.2 Rental of land and building

The Group is a lessee for certain parcels of land and building owned by related parties under common ownership.

The Parent Company also leases out its office space to its associates and related parties under common ownership. As a result, the Group recognized rent income amounting to P1.2 million as at March 31, 2026 and P3.1 million as at March 31, 2025 from the lease of its office building to several related parties. This is recognized as part of Others - net under Income and Expenses section in the condensed interim consolidated statements of income. The outstanding balances arising from these transactions are presented as part of Other receivables under the Trade and Other Receivables account in the condensed interim consolidated statements of financial position (Note 5).

21.3 Advances to employees

Advances to employees represent unsecured, noninterest-bearing cash advances for business-related expenditures that are to be liquidated 60 days from the date the cash advances were received. The outstanding receivables from these transactions are presented as part of Trade and Other Receivables (Note 5).

No impairment losses were recognized as at March 31, 2026 and December 31, 2025 for these advances.

21.4 Advances to and from related parties

The Group has provided unsecured, interest-bearing, and noninterest-bearing cash advances to its associates and certain related parties under common ownership to finance portion of their working capital requirement which are payable upon demand. Interest income arising from advances to related parties amounted to P1.2 million in 2026 (2025 – P139.7 million) are presented under Finance income. Outstanding interest receivable on advances to related parties amounting to P1,186.9 million in 2026 (2025 - P1,284.9 million) is presented as part of Accrued interest receivables under Trade and Other Receivables (Note 5). In 2026 and 2025, the Parent Company provided bridge financing to its parent and associates for the Group's business expansion and diversification program.

The breakdown of the outstanding balances as of March 31, 2026 and December 31, 2025 are as follows:

	2026	2025
Advances to related parties:		
Related party under common ownership	489,714,465	466,252,648
Ultimate parent company	80,000,000	80,000,000
Associates	-	23,329,165
Shareholder	757,143	889,795
	570,471,608	570,471,608
Due to related parties:		
Associates	(10,000,000)	(10,000,000)
Related party under common ownership	(54,666,000)	(52,963,920)
Shareholder	-	(25,000,000)
	(64,666,000)	(87,963,920)

Further, upon assessment of recoverability based on the capacity to pay and expected collectability of these advances, no impairment losses were recognized on March 31, 2026 and December 31, 2025.

The Group's outstanding receivables from and payables to the same related parties as presented can be potentially offset to the extent of their corresponding outstanding balances.

The Group has existing material related party transaction policy to adhere with SEC Memorandum Circular No. 10, Series of 2019 which include: the identification of related parties, coverage of material related party transactions, adjusted thresholds, identification and prevention or management of potential or actual conflicts of interests arising out of or in connection with the material related party transactions, guidelines in ensuring arm's length terms, approval of material related party transactions, self-assessment and periodic review of policy, disclosure requirements, whistleblowing mechanisms, and remedies for abusive material related party transactions. The BOD, with the assistance of the Audit and Compliance Committee shall oversee, review, and approve all related party transactions to ensure that these are conducted in the regular course of business and on an arm's length basis and not undertaken on more favorable economic terms to the related parties than with non-related or independent parties under similar circumstances. The Audit and Compliance Committee shall be granted the sole authority to review related party transactions. Those falling within the materiality thresholds set by the Group's BOD shall require the approval of the Chief Executive Officer and/or President or the BOD, as the case may be.

21.5 Others

The Parent Company's retirement plan is in the form of a bank-trustee managed account. The fair value of the retirement plan totaled to P5.5 million as at March 31, 2026 and December 31, 2025.

21.6 Key management compensation

The compensation of key management personnel for the three months ended March 31, 2026 and 2025 amounted to P54.7 million and P61.6 million, respectively.

22 Commitments and contingencies

The following are the significant commitments and contingencies involving the Group:

22.1 Credit lines

Credit lines are revolving in nature, allowing repeated drawdowns within the approved limit. Loan availments during the year include reavailments of previously settled amounts, consistent with the terms of the facility agreements.

The Parent Company has existing credit lines with local banks totaling P25,300 million as at March 31, 2026 and December 31, 2025.

The Parent Company availed of bank loans totaling P12,887 million and P17,562 million from the credit lines in March 31, 2026 and December 31, 2025, respectively (Note 15.2). Unused credit lines as at March 31, 2026 and December 31, 2025 amounted to P12,413 million and P7,738 million, respectively.

22.2 Use of proceeds

The Parent Company has capital commitments to utilize the proceeds from the issuance of its preferred shares amounting to P12,516.8 million for various expansion of its facilities and construction of infrastructure projects as stated in the use of proceeds report. As of March 31, 2026 and December 31, 2025, the balance of the unutilized proceeds amounted to P1,694.1 million and P2,026.5 million, respectively.

22.3 Others

Apart from the foregoing significant commitments, and the Group's construction commitments with various counterparties under the ordinary course of business, there are other commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these commitments and contingencies will not have material effects on the Group's consolidated financial statements, taken as a whole.

There are other pending claims, tax assessment, and other legal actions filed by the Group or against the Group arising from the normal course of business. There are no related provisions recognized in the consolidated financial statements as management believes that the Group has strong legal positions related to such claims. Moreover, management believes that the ultimate liability, if any, with respect to such litigations, claims and disputes will not materially affect the financial position and results of operations of the Group.

23 Others - net

The details of this account as at the reporting period are as follows:

	March 31, 2026	March 31, 2025
Income from scrap sales	25,324,825	28,698,341
Commercial, public market and parking rentals	3,538,868	-
Utility recoveries	24,597,621	21,391,991
Common usage service area (CUSA) charges	9,130,970	-
Others	175,634,557	77,486,998
	238,226,840	127,577,329

Commercial public market and parking rentals are revenues generated from a range of rental options, including long-term leases and short-term rentals to regular market vendors and businesses for commercial purposes.

Utility recoveries represent additional income recognized arising from utility bills that are to be recovered from and billed to tenants, supplementing the usual revenue streams.

CUSA charges are supplementary to cover the costs associated with the maintenance and operation of the building's common areas.

Income from retirement sales arises from the sale of fixed assets as derecognized from the books.

24 Earnings per share

Earnings per share is calculated as Group's profit divided by the outstanding shares of its common stock and computed as follows:

	March 31, 2026	March 31, 2025
Net profit attributable to shareholders of the Parent Company	265,352,942	213,996,964
Dividends on cumulative preferred shares	(220,451,630)	(107,661,703)
Net profit available to common shareholders of the Parent Company	44,901,312	106,335,261
Divided by weighted average number of outstanding common shares	2,015,031,337	2,013,409,717
Basic and diluted earnings per share	0.02	0.05

The Group has outstanding ESOP shares which represent potential common shares. However, these were anti-dilutive as of March 31, 2026 and December 31, 2025; hence, diluted earnings per share is equal to basic earnings per share.

25 Significant accounting judgments and estimates

The preparation of the interim condensed consolidated financial statements in accordance with PAS 34, *"Interim Financial Reporting"* requires management to make judgments and estimates that affect the amounts reported in the condensed interim consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

26 Risk management objectives and policies

The Group is exposed to a variety of financial risks in relation to its financial instruments. The Group's financial assets and financial liabilities by category are summarized in succeeding pages. The main types of risk are market risk, credit risk and liquidity risk.

The Group's risk management is coordinated with the Group's Parent Company, in close cooperation with the BOD, and focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets. The Group does not actively engage in the trading of financial assets for speculative purposes, nor does it write options. The relevant financial risks to which the Group is exposed to are described below and in the succeeding pages.

26.1 Market risk

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

(a) Foreign currency risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. The Group also holds US dollar denominated cash in banks. The Group does not have any financial liabilities denominated in foreign currency.

Exposures to foreign exchange rates vary during the period depending on the volume of foreign currency transactions.

(b) Interest rate risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing. The Group is exposed to changes in market rates through its cash in banks and short-term placements which are subject to monthly repricing intervals and some short-term working capital loans which are subject to variable interest rate. Any increase in finance costs due to changes in interest rates will be mitigated by the finance income on cash and cash equivalents and short-term placements.

26.2 Credit risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, such as the granting of loans and receivables to customers and related parties and placing deposits with local banks.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. Based on the Company's analysis, it has a degree of concentration of credit risk since a significant portion of its receivables is attributed only to three customers.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the related assets as shown in the consolidated statements of financial position or in the detailed analysis provided in the notes to the consolidated financial statements, as summarized below.

	Notes	March 31, 2026	December 31, 2025
Cash and cash equivalents*	4	7,660,234,923	11,158,041,262
Trade and other receivables - net**	5	18,365,580,284	19,191,243,163
Refundable security and bond deposits	9	385,960,228	249,280,822
		26,681,775,435	30,598,565,247

*excludes cash on hand

**excludes advances to employees

None of the Group's financial assets are secured by or other credit enhancements, except for cash and cash equivalents, as described below and in the succeeding pages.

(a) Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1.0 million for every depositor per banking institution.

(b) Trade and other receivables and contract assets

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and other receivables and contract assets.

To measure the ECL, trade and other receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due (age buckets). The Group also concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables as it shares the same credit risk characteristics.

The expected loss rates are based on the payment and aging profiles over a period of 36 months before March 31, 2026 or December 31, 2025 respectively, and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the interest rate in the Philippines to be the most relevant factor and accordingly adjusts the historical loss rates based on expected changes in this factor.

The Group identifies a default when the receivables become credit impaired or when the customer has not

been able to settle the receivables when due, depending on the terms with customers or after completion and acceptance of the stage of completion as represented by the billings. In making the assessment, the Group considers the net position of the customer after advances and deposits received from the customer, reason for non-payment (i.e. dispute related to quality of work completed has been raised by the customer) and the credit standing of the customer. In addition, the Group considers qualitative assessment in determining default such as in instances where the customer is unlikely to pay its obligations and is deemed to be in significant financial difficulty. When customer is unlikely to pay a past due account in the next year due to financial difficulty, an ECL is recognized in the books.

The Group has determined that the credit standing and liquidity of the significant portion of its receivables and customers from the construction segment are not affected severely by COVID-19 as these customers have reputable cash management strategies.

On that basis, the loss allowance as at March 31, 2026 and December 31, 2025 was determined based on months past due, as follows, for both trade and other receivables:

	Not more than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year	Total
March 31, 2026:					
Expected credit loss rate	-	-	-	35.33%	
Contract receivables	7,943,642,272	404,554,168	212,429,126	401,826,221	8,962,451,787
Lease receivables	368,300,799	37,652,272	75,833,830	267,136,483	748,923,384
	8,311,943,071	442,206,440	288,262,956	668,962,704	9,711,375,171
Loss allowance	-	-	-	236,319,702	236,319,702
December 31, 2025:					
Expected credit loss rate				35.5%	
Contract receivables	9,281,965,167	472,712,336	248,218,598	469,524,792	10,472,420,893
Lease receivables	357,561,530	33,536,359	19,768,746	258,001,730	668,868,365
	9,639,526,697	506,248,695	267,987,344	727,526,522	11,141,289,258
Loss allowance	-	-	-	236,319,702	236,319,702

The Group recognized an allowance for ECL amounting to P1,087.4 million representing unbilled costs incurred by the Group and assessed to be not recoverable (Note 7).

The real estate sales receivables account pertaining to PH1 is secured to the extent of the fair value of the residential condominium units sold (i.e., based on current prices less estimated cost to sell) since the title to the real estate properties remains with the Group until the real estate sales receivables are fully collected. In 2024, estimated fair value of collaterals held against the real estate sales receivables of PH1 exceeded the gross maximum exposure hence, the related credit risk exposure is deemed immaterial, and the expected loss given default on real estate sales receivables is nil.

The Group's rental receivables are secured to the extent of advance rentals and security deposits received from lessees. Furthermore, in case of delay in collection of rentals from lessees, the Group imposes penalties pursuant to its standard lease agreements.

ECL for advances to and receivable from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the counterparties' ability to repay the receivables upon demand at the reporting date taking into consideration the historical defaults from the counterparties. The Group does not consider any significant risks in the advances to and receivable from related parties since the related parties have enough capacity to pay the advances and receivables upon demand.

(c) *Refundable security and bond deposits*

The Group is not exposed to any significant credit risk exposures to its lessors as lease agreements were executed with reputable entities. The Group can negotiate, before the end of the lease term, to apply deposit to rentals due.

26.3 Liquidity risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for six-month and one-year periods are identified monthly.

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

	Current	Non current
	Less than 1 year	1 to 5 years
March 31, 2026:		
Interest-bearing loans and borrowings	27,409,226,582	10,174,405,989
Trade and other payables	11,737,125,878	-
Security deposits*	-	5,074,680
	39,146,352,460	10,179,480,669
December 31, 2025:		
Interest-bearing loans and borrowings	21,103,232,516	16,589,969,628
Trade and other payables	5,355,063,109	-
Security deposits*	-	46,464,657
	26,458,295,625	16,636,434,285

**Under other non-current liabilities only, current portion of security deposits is included as part of trade and other payables*

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

27 Categories, offsetting and fair values of financial assets and financial liabilities

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the condensed interim consolidated statements of financial position are shown below:

Notes	March 31, 2026		December 31, 2025	
	Carrying values	Fair values	Carrying values	Fair values
Financial assets				
At amortized cost:				
Cash and cash equivalents	4	7,247,854,909	7,247,854,909	11,164,720,984
Trade and other receivables - net*	5	18,635,580,284	18,635,580,284	19,191,243,163
Refundable security and bond deposits	9	385,960,228	385,960,228	249,280,822
		26,769,395,421	26,769,395,421	30,605,244,969
Financial assets at FVOCI:				
Club shares		1,044,472	1,044,472	1,044,472
Investment in SSPI		2,500,000	2,500,000	2,500,000
		3,544,472	3,544,472	3,544,472
		26,772,939,893	26,772,939,893	30,608,789,441
Financial Liabilities				
At amortized cost:				
Interest-bearing loans and borrowings	15	32,936,448,178	32,936,448,178	37,693,202,144
Trade and other payables	14	8,068,278,817	8,068,278,817	5,355,063,109
Security deposits	17	48,734,636	48,734,636	46,464,657
		41,053,461,631	41,053,461,631	43,094,729,910

*Excluding advances to employees.

27.1 Offsetting of financial assets and financial liabilities

Currently, all other financial assets and financial liabilities are settled on a gross basis and no offsetting of financial instruments has been made in 2026 and 2025. However, each party to the financial instrument (particularly related parties) will have the option to settle amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Group's outstanding receivables from and payables to the same related parties as presented in Note 21 can be potentially offset to the extent of their corresponding outstanding balances.

27.2 Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are

readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

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

27.3 Fair value measurement for investment property carried at cost

Commercial property

The fair value of certain commercial property are determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of investment property, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Group's non-financial assets indicated above is their current use. As at March 31, 2026 and December 31, 2025, the Level 3 fair value of commercial area under investment properties was determined using the cost approach which considers a substitute for the purchase of a given property, the possibility of constructing another property that is a replica of, or equivalent to, the original or one that could furnish equal utility with no undue cost resulting from delay.

The fair values of the commercial property as at March 31, 2026 and December 31, 2025 were based on the latest appraisal report dated October 3, 2023 using the cost approach for the Group.

Land

The fair value of certain parcels of land are determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the land, and the comparable prices in the corresponding property location. The fair value of other parcels of land was derived using the market comparable approach that reflects the recent transaction prices for similar properties in nearby locations. Both valuation processes were applied as sale comparable method.

In estimating the fair value of investment property, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Group's non-financial assets indicated above is their current use. As at March 31, 2026 and December 31, 2025, the Level 3 fair value of commercial area under investment properties was determined using the cost approach which considers a substitute for the purchase of a given property, the possibility of constructing another property that is a replica of, or equivalent to, the original or one that could furnish equal utility with no undue cost resulting from delay.

Valuations are performed with sufficient regularity at least once every three (3) years enough to ensure that the fair value of the revalued asset does not differ significantly from its carrying value.

28 Reconciliation of liabilities arising from financing activities

Presented below is the reconciliation of the Group's liabilities arising from financing activities, which includes both cash and non-cash changes.

	Bank Loans (Note 15.2)	Notes payable (Note 15.1)	Lease liabilities (Note 13)	Bonds payable (Note 15.3)	Exchangeable Note	Total
Balance as of January 1, 2026	25,841,994,960	2,820,000,000	74,252,548	8,956,954,635.68	-	37,693,202,144
Cash flows from financing activities:						
Additional borrowings	4,498,557,400	4,857,633,921	-	-	-	9,356,191,321
Repayment of borrowings	(12,604,625,978)	-	(49,129,167)	(1,600,000,000)	-	(14,155,496,811)
Non-cash financing activities:						
Amortization of deferred charges	-	-	-	42,551,525	-	42,551,525
Balance as of March 31, 2026	17,735,926,382	7,677,633,921	123,381,715	7,399,506,161	-	32,936,448,179
Balance as of January 1, 2025	21,090,547,054	5,388,000,000	169,586,723	3,953,869,786	7,763,200,000	38,365,203,563
Cash flows from financing activities:						
Additional borrowings	5,964,297,644	-	-	-	-	5,964,297,644
Repayment of borrowings	(5,746,173,050)	-	(20,142,245)	-	-	(5,766,315,295)
Non-cash financing activities:						
Amortization of deferred charges	-	-	-	7,011,661	-	7,011,661
Balance as of March 31, 2025	24,262,826,671	1,840,000,000	162,258,668	8,941,905,572	-	35,206,990,911

29 Capital management objectives, policies and procedures

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented on the consolidated statements of financial position.

The Group sets the amount of capital in proportion to its overall financing structure, equity and liabilities. The Group manages the capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, re-issuance of treasury shares or sell assets to reduce debt.

	Note	March 31, 2026	December 31, 2025
Interest-bearing loans and borrowings (excluding lease liabilities)	15	32,813,066,464	37,618,949,596
Total equity		27,044,543,505	24,494,344,309
		1.21:1:00	1.54:1:00

30 Basis of Preparation of Condensed Interim Consolidated Financial Statements

These condensed interim consolidated financial statements as at and for the three-month reporting period ended March 31, 2026 have been prepared in accordance with PAS 34, "Interim Financial Reporting".

The condensed interim consolidated financial statements do not include all the notes normally included in annual consolidated financial statements. Accordingly, these condensed interim financial statements are to be read in conjunction with the annual consolidated financial statements as at and for the year ended December 31, 2025 and any public announcements made by the Company during the three-month period ended March 31, 2026.

The accounting policies adopted are consistent with those of the previous financial year. The same accounting policies and methods of computation are followed in the interim report as compared with the most recent annual financial statements.

30.1 Adoption of Amended Standards

(a) *New standards, amendments and interpretations applied by the Group*

The Group has applied the following amendments for the first time for their reporting period commencing January 1, 2025:

- Amendments to PAS 21 - Lack of Exchangeability

The Financial and Sustainability Reporting Standards Council (FSRSC) has approved on October 10, 2023 the adoption of amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability issued by the International Accounting Standards Board (IASB) in August 2023 as amendments to PAS 21 The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability.

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. An entity shall apply the amendments for annual reporting periods beginning on or after January 1, 2025.

The adoption did not have a significant impact on the Group's consolidated financial statements as at March 31, 2026 and December 31, 2025.

(b) *New standards, amendments and interpretations not yet adopted by the Group*

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for the March 31, 2026 reporting period and have not been early adopted by the Group.

- PFRS 18 Presentation and Disclosure in Financial Statements (*Effective beginning on or after January 1, 2027*)

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

There are no other new standards, interpretations and amendments to existing standards not yet effective as at March 31, 2026 and December 31, 2025 reporting periods. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

31 Events after the end of the reporting period

31.1 Preferred Shares Dividends

On April 14, 2026, the Company's Board of Directors approved the declaration of regular cash dividends on its Series 7A and Series 7B Preferred Shares out of the unrestricted retained earnings of the Company. The dividends were declared after March 31, 2026 and, accordingly, were not recognized as liabilities as at March 31, 2026 in accordance with PAS 10, Events after the Reporting Period.

	Approval dates	Record date	Payment date	Amount per share
Series 7A Preferred shares	April 14, 2026	May 4, 2026	May 19, 2026	P1.83
Series 7B Preferred shares	April 14, 2026	May 4, 2026	May 19, 2026	P1.93

31.2 Redemption of Series 5 Preferred Shares

On March 12, 2026, the Company's Board of Directors approved the redemption of its Series 5 Preferred Shares. On April 17, 2026, the Company redeemed 15,000,000 Series 5 Preferred Shares at the redemption price of P100 per share, or an aggregate redemption amount of P1,500.0 million using the proceeds from the issuance of Preferred Shares Series 6.

Management is not aware of any other material events after March 31, 2026 up to the date of issuance that would require adjustment to or disclosure in the consolidated financial statements.

Accounts Receivable Aging

	<u>Not more than 3</u> <u>mos.</u>	<u>More than 3</u> <u>mos. but not</u> <u>more than 6 mos.</u>	<u>More than 6 mos.</u>	<u>More than 1 year</u>	<u>TOTAL</u>
March 31, 2026					
Contract receivables	7,943,642,272	404,554,168	212,429,126	401,826,221	8,962,451,787
Rental receivables	368,300,799	37,652,272	75,833,830	267,136,483	748,923,384
	8,311,943,071	442,206,440	288,262,956	668,962,704	9,711,375,171

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Gentlemen and Mesdames:

In compliance with the disclosure requirements of the Philippine Stock Exchange, Inc., please find enclosed are the following:

1. Quarterly Progress Report on the Application of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation as of and for the Quarter Ended 31 March 2026; and
2. Report of Independent Auditors on Factual Findings.

MEGAWIDE CONSTRUCTION CORPORATION

By:



JEZ G. DELA CRUZ
Chief Financial Officer

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Re: **MEGAWIDE CONSTRUCTION CORPORATION**
Quarterly Progress Report as of and for the Quarter Ended 31 March 2026 on the Application of Proceeds from the Preferred Shares Offering with Certification of Independent Auditors

Gentlemen and Mesdames:

In connection with the preferred shares offering of **MEGAWIDE CONSTRUCTION CORPORATION** (the "Company") on 24 October 2025, we submit herewith the Company's quarterly report on the application of the proceeds from the said offering. The details of the disbursements made as of and for the quarter ended 31 March 2026 are as follows:

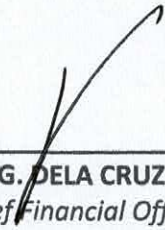
Offering Proceeds (30,000,000) shares at PhP 100.00 per share)	PhP	3,000,000,000.00
Less: Expenses related to the public offering		
SEC Registration Fee and Legal Research Fee		927,967.50
PSE Filing Fees		3,360,000.00
Documentary Stamp Tax		225,000.00
Underwriting Fees		18,609,618.25
Legal Counsel Fees		3,172,201.98
Receiving and Stock Transfer Agency Fees		911,769.60
Auditor Fees		2,800,000.00
Other Expenses		440,994.82
Net Offering Proceeds	PhP	2,969,552,447.85
Less: Disbursements		
Accumulated costs incurred as of December 31, 2025		2,713,178,819.31
Costs incurred for the quarter ended March 31, 2026		256,373,628.54
	PhP	2,969,552,447.85
Balance of the Offering Proceeds as of March 31, 2026	PhP	-

We hope you find everything in order.

Very truly yours,

MEGAWIDE CONSTRUCTION CORPORATION

By:



JEZ G. DELA CRUZ
Chief Financial Officer



Agreed-upon Procedures Report on Quarterly Progress Report on the Use of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation

To the Board of Directors and Stockholders
Megawide Construction Corporation
(A Subsidiary of Citicore Holdings Investment, Inc.)
20 N. Domingo Street
Brgy, Valencia, Quezon City

Purpose of this Agreed-upon Procedures Report

Our report is solely for the purpose of assisting Megawide Construction Corporation (the “Company”) in connection with the Company’s compliance with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor’s certification on the information being presented by the Company with respect to the Quarterly Progress Report (the “Report”) dated April 15, 2026 on the application of net proceeds received by Company from its shares offering (“Offering Proceeds”) as at March 31, 2026 and for the period from November 19, 2025 (listing date) to March 31, 2026 relating to the application of the Offering Proceeds and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The board of directors and shareholders of the Company have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board of Accountants (IESBA) Code.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated March 10, 2026 performed solely to assist the Company in complying with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor's certification on the information being presented by the Company relating to the application of the Offering Proceeds.

The agreed-upon procedures and the results thereof are summarized as follows:

1. Obtained and checked the mathematical accuracy of the following:
 - a. The Report;
 - b. Reallocation of the Use of Proceeds Report, if any;
 - c. Schedule of planned use of proceeds from the Offering Prospectus; and,
 - d. Detailed schedule of utilization of proceeds as of and for the quarter ended March 31, 2026.

No exceptions noted.

We present below the summary of the breakdown and application of the Offering Proceeds as of and for the quarter ended March 31, 2026 based on the information we obtained from the Company.

	Initial Balance of Allocation of Offering Proceeds on November 19, 2025	Application of Offering Proceeds as of December 31, 2025	Application of Offering Proceeds for the Quarter ended March 31, 2026	Balance of Offering Proceeds as of March 31, 2026
Redemption of series 2B preferred shares	1,740,588,000	1,740,588,000	-	-
Partial financing of pipeline projects	1,000,000,000	794,677,180	205,322,820	-
General corporate purposes	228,964,448	177,913,639	51,050,809	-
	2,969,552,448	2,713,178,819	256,373,629	-

2. Agreed total amount of disbursement of the Offering Proceeds shown in the Report to the detailed schedule of disbursements of proceeds as of and for the quarter ended March 31, 2026. No exceptions noted.

	Amount	
	Per Report	Per schedule of disbursements
Use of proceeds	256,373,629	256,373,629

3. We compared the disbursements of the Offering Proceeds shown in the Report with the schedule of planned use of proceeds indicated in the Offering Prospectus, dated October 24, 2025, and published through the Philippine Stock Exchange Electronic Disclosure Generation Technology on October 28, 2025. No exceptions noted.
4. We inquired and identified the nature of disbursements of the Offering Proceeds in the detailed schedule and checked that such disbursements were consistent with the planned use of the Offering Proceeds. Disbursements for the quarter pertain to the partial financing of pipeline projects, and general corporate purposes. As of March 31, 2026, the Offering Proceeds have been fully utilized. Any costs incurred in excess of the Offering Proceeds in relation to the projects were funded through alternative sources of financing. No exceptions noted.
5. We traced the reported application of Offering Proceeds amounting to P256,373,629 for the quarter from January 1, 2026 to March 31, 2026 to the Company's accounting records and certain material transactions to corresponding supporting documents. No exceptions noted.

Restriction on distribution and use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.



Pocholo C. Domondon
Partner

CPA Cert. No. 108839

P.T.R. No. 0011401; issued on January 8, 2026 at Makati City

T.I.N. 213-227-235

BIR A.N. 08-000745-128-2024; issued on November 9, 2024; effective until November 8, 2027

BOA/PRC Reg. No. 0142/P-014, effective until November 14, 2028

Makati City
April 15, 2026

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Gentlemen and Mesdames:

In compliance with the disclosure requirements of the Philippine Stock Exchange, Inc., please find enclosed are the following:

1. Quarterly Progress Report on the Application of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation as of and for the Quarter Ended 31 March 2026; and
2. Report of Independent Auditors on Factual Findings.

MEGAWIDE CONSTRUCTION CORPORATION

By:



JEZ G. DELA CRUZ
Chief Financial Officer

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Re: **MEGAWIDE CONSTRUCTION CORPORATION**
Quarterly Progress Report as of and for the Quarter Ended 31 March 2026 on the Application of Proceeds from the Preferred Shares Offering with Certification of Independent Auditors

Gentlemen and Mesdames:

In connection with the preferred shares offering of **MEGAWIDE CONSTRUCTION CORPORATION** (the "Company") on 21 March 2025, we submit herewith the Company's quarterly report on the application of the proceeds from the said offering. The details of the disbursements made as of and for the quarter ended 31 March 2026 are as follows:

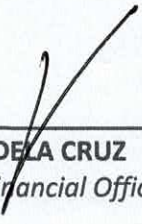
Offering Proceeds (52,739,020) shares at PhP 100.00 per share)	PhP	5,273,902,000.00
Less: Expenses related to the public offering		
SEC Registration Fees		2,083,125.00
PSE Filing Fees		6,720,000.00
Documentary Stamp Tax		527,390.20
Underwriting Fees		20,063,602.15
Selling Fees		19,432,662.35
Legal Counsel Fees		2,797,548.99
Receiving and Stock Transfer Agency Fees		182,400.00
Other Expenses		356,732.05
Net Offering Proceeds	PhP	5,221,738,539.26
Less: Disbursements		
Accumulated costs incurred as of December 31, 2025		4,633,227,275.87
Costs incurred for the quarter ended March 31, 2026		74,821,493.86
	PhP	4,708,048,769.73
Balance of the Offering Proceeds as of March 31, 2026	PhP	513,689,769.53

We hope you find everything in order.

Very truly yours,

MEGAWIDE CONSTRUCTION CORPORATION

By:



JEZ G. DELA CRUZ
Chief Financial Officer



Isla Lipana & Co.

Agreed-upon Procedures Report on Quarterly Progress Report on the Use of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation

To the Board of Directors and Stockholders
Megawide Construction Corporation
(A Subsidiary of Citicore Holdings Investment, Inc.)
20 N. Domingo Street
Brgy, Valencia, Quezon City

Purpose of this Agreed-upon Procedures Report

Our report is solely for the purpose of assisting Megawide Construction Corporation (the “Company”) in connection with the Company’s compliance with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor’s certification on the information being presented by the Company with respect to the Quarterly Progress Report (the “Report”) dated April 15, 2026 on the application of net proceeds received by Company from its shares offering (“Offering Proceeds”) as at March 31, 2026 and for the period from April 14, 2025 (listing date) to March 31, 2026 relating to the application of the Offering Proceeds and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The board of directors and shareholders of the Company have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board of Accountants (IESBA) Code.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated March 10, 2026 performed solely to assist the Company in complying with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor's certification on the information being presented by the Company relating to the application of the Offering Proceeds.

The agreed-upon procedures and the results thereof are summarized as follows:

1. Obtained and checked the mathematical accuracy of the following:
 - a. The Report;
 - b. Reallocation of the Use of Proceeds Report, if any;
 - c. Schedule of planned use of proceeds from the Offering Prospectus; and,
 - d. Detailed schedule of utilization of proceeds as of and for the quarter ended March 31, 2026.

No exceptions noted.

We present below the summary of the breakdown and application of the Offering Proceeds as of and for the quarter ended March 31, 2026 based on the information we obtained from the Company.

	Initial Balance of Allocation of Offering Proceeds on April 14, 2025	Application of Offering Proceeds as of December 31, 2025	Application of Offering Proceeds for the Quarter ended March 31, 2026	Balance of Offering Proceeds as of March 31, 2026
Redemption of series 4 preferred shares	4,000,000,000	4,000,000,000	-	-
Partial financing of pipeline projects	1,033,436,757	444,925,494	74,821,494	513,689,769
General corporate purposes	188,301,782	188,301,782	-	-
	5,221,738,539	4,633,227,276	74,821,494	513,689,769

2. Agreed total amount of disbursement of the Offering Proceeds shown in the Report to the detailed schedule of disbursements of proceeds as of and for the quarter ended March 31, 2026. No exceptions noted.

	Amount	
	Per Report	Per schedule of disbursements
Use of proceeds	74,821,494	74,821,494

3. We compared the disbursements of the Offering Proceeds shown in the Report with the schedule of planned use of proceeds indicated in the Offering Prospectus, dated March 21, 2025, and published through the Philippine Stock Exchange Electronic Disclosure Generation Technology on March 24, 2025. No exceptions noted.
4. We inquired and identified the nature of disbursements of the Offering Proceeds in the detailed schedule and checked that such disbursements were consistent with the planned use of the Offering Proceeds. Disbursements for the quarter pertain to the partial financing of pipeline projects. No exceptions noted.
5. We traced the reported application of Offering Proceeds amounting to P74,821,494 for the quarter January 1, 2026 to March 31, 2026 to the Company's accounting records and certain material transactions to corresponding supporting documents. No exceptions noted.

Restriction on distribution and use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.



Pocholo C. Domondon
Partner

CPA Cert. No. 108839

P.T.R. No. 0011401; issued on January 8, 2026 at Makati City

T.I.N. 213-227-235

BIR A.N. 08-000745-128-2024; issued on November 9, 2024; effective until November 8, 2027

BOA/PRC 0142/P-014, effective until November 14, 2028

Makati City
April 15, 2026

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Gentlemen and Mesdames:

In compliance with the disclosure requirements of the Philippine Stock Exchange, Inc., please find enclosed are the following:

1. Quarterly Progress Report on the Application of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation as of and for the Quarter Ended 31 March 2026; and
2. Report of Independent Auditors on Factual Findings.

MEGAWIDE CONSTRUCTION CORPORATION

By:



JEZ G. DELA CRUZ
Chief Financial Officer

15 April 2026

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

Re: **MEGAWIDE CONSTRUCTION CORPORATION**
Quarterly Progress Report as of and for the Quarter Ended 31 March 2026 on the Application of Proceeds from the Preferred Shares Offering with Certification of Independent Auditors

Gentlemen and Mesdames:

In connection with the preferred shares offering of **MEGAWIDE CONSTRUCTION CORPORATION** (the "Company") on 27 November 2020, we submit herewith the Company's quarterly report on the application of the proceeds from the said offering. The details of the disbursements made as of and for the quarter ended 31 March 2026 are as follows:

Offering Proceeds (43,626,010 shares at PhP 100.00 per share)	PhP	4,362,601,000.00
Less: Expenses related to the public offering*		
Underwriting fees		23,881,930.83
Registration and filing fees		6,830,655.00
Professional fees		5,986,013.50
Documentary stamp tax		436,260.10
Net Offering Proceeds	PhP	4,325,466,140.57
Less: Disbursements		
Accumulated costs incurred as of December 31, 2025		3,143,836,082.29
Costs incurred for the quarter ended March 31, 2026		1,193,033.96
	PhP	3,145,029,116.25
Balance of the Offering Proceeds as of March 31, 2026	PhP	1,180,437,024.32

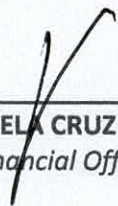
**The expenses related to the preferred shared offering amounting to PhP 37.1 million, which were incurred prior to the receipt of the proceeds from the offering, were initially funded using the Company's working capital. The Company charged this amount against the proceeds from the offering in the last quarter of 2020.*

We hope you find everything in order.

Very truly yours,

MEGAWIDE CONSTRUCTION CORPORATION

By:

A handwritten signature in black ink, appearing to be 'Jez G. Dela Cruz', written over a horizontal line.

JEZ G. DELA CRUZ
Chief Financial Officer



Agreed-upon Procedures Report on Quarterly Progress Report on the Use of Proceeds from the Preferred Shares Offering of Megawide Construction Corporation

To the Board of Directors and Stockholders
Megawide Construction Corporation
(A Subsidiary of Citicore Holdings Investment, Inc.)
20 N. Domingo Street
Brgy, Valencia, Quezon City

Purpose of this Agreed-upon Procedures Report

Our report is solely for the purpose of assisting Megawide Construction Corporation (the “Company”) in connection with the Company’s compliance with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor’s certification on the information being presented by the Company with respect to the Quarterly Progress Report (the “Report”) dated April 15, 2026 on the application of net proceeds received by Company from its shares offering (“Offering Proceeds”) as at March 31, 2026 and for the period from November 27, 2020 (listing date) to March 31, 2026 relating to the application of the Offering Proceeds and may not be suitable for another purpose.

Responsibilities of the Engaging Party

The board of directors and shareholders of the Company have acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with Philippine Standard on Related Services (PSRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We have also complied with the independence requirements in accordance with Part 4A of the International Ethics Standards Board of Accountants (IESBA) Code.

Our firm applies Philippine Standard on Quality Control (PSQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the letter of engagement dated March 10, 2026 performed solely to assist the Company in complying with the requirement of the Philippine Stock Exchange (PSE) to submit an external auditor's certification on the information being presented by the Company relating to the application of the Offering Proceeds.

The agreed-upon procedures and the results thereof are summarized as follows:

1. Obtained and checked the mathematical accuracy of the following:
 - a. The Report;
 - b. Reallocation of the Use of Proceeds Report, if any;
 - c. Schedule of planned use of proceeds from the Offering Prospectus; and,
 - d. Detailed schedule of utilization of proceeds as of and for the quarter ended March 31, 2026.

No exceptions noted.

We present below the summary of the breakdown and application of the Offering Proceeds as of and for the quarter ended March 31, 2026 based on the information we obtained from the Company.

	Initial Balance of Allocation of Offering Proceeds on November 27, 2020	Revised Allocation of Offering Proceeds as of June 13, 2025	Application of Offering Proceeds as of December 31, 2025	Application of Offering Proceeds for the Quarter ended March 31, 2026	Balance of Offering Proceeds as of March 31, 2026
Ninoy Aquino International Airport (NAIA) rehabilitation	1,224,188,530	-	-	-	-
Development of Cebu Integrated Transport Hub	830,037,568	1,274,700,551	1,274,700,551	-	-
Expansion of MCIA Under Concession Agreement 2 (CA2)	816,125,687	816,125,687	816,125,687	-	-
Development of Lot 2 of the Paranaque Integrated Terminal Exchange (PITX) and other locations	647,702,951	1,248,374,586	66,744,528	1,193,034	1,180,437,024
Expansion of Pre-cast and other ancillary business	375,609,437	576,828,779	576,828,779	-	-
Mactan Cebu International Airport (MCIA) multi-use development	215,900,984	77,874,313	77,874,313	-	-
General corporate purposes	215,900,984	331,562,225	331,562,225	-	-
	4,325,466,141	4,325,466,141	3,143,836,083	1,193,034	1,180,437,024

2. Agreed total amount of disbursement of the Offering Proceeds shown in the Report to the detailed schedule of disbursements of proceeds as of and for the quarter ended March 31, 2026. No exceptions noted.

	Amount	
	Per Report	Per schedule of disbursements
Use of proceeds	1,193,034	1,193,034

3. We compared the disbursements of the Offering Proceeds shown in the Report with the schedule of planned use of proceeds indicated in the Offering Prospectus and its subsequent revision of allocation as approved by the Company's Board of Directors (BOD) on June 13, 2025 and disclosed in the Philippine Stock Exchange Electronic Disclosure Generation Technology on June 13, 2025. No exceptions noted.
4. We inquired and identified the nature of disbursements of the Offering Proceeds in the detailed schedule and checked that such disbursements were consistent with the planned use of the Offering Proceeds. Disbursements for the quarter pertain to the development of Lot 2 of the Paranaque Integrated Terminal Exchange (PITX) and other locations. No exceptions noted.
5. We traced the reported application of Offering Proceeds amounting to P1,193,034 for the quarter January 1, 2026 to March 31, 2026 to the Company's accounting records and certain material transactions to corresponding supporting documents. No exceptions noted.

Restriction on distribution and use

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or to be distributed to any other parties.



Pocholo C. Domondon
Partner

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Makati City
April 15, 2026