CEBU LANDMASTERS
We Build with You in Mind

August 14, 2026

Philippine Dealing & Exchange Corp.
29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

Attention: **Atty. Suzy Claire R. Selleza**
Head - Issuer Compliance and Disclosure Department

Securities and Exchange Commission
The SEC Headquarters, 7907 Makati Avenue
Salcedo Village, Bel-Air, Makati City 1209

Attention: **Atty. Oliver O. Leonardo**
Director - Markets and Securities Regulation Department

Dear Mesdames and Gentlemen:

In compliance with PDEx Rule 7.9.3 and the Implementing Rules and Regulations of the Securities and Regulation Code, we enclose a copy of Cebu Landmasters, Inc.'s ("CLI" or the "Company") disclosure filing to The Philippine Stock Exchange, Inc.

We trust that this submission meets your requirements. If you have questions and/or clarifications, please feel free to contact the undersigned. Thank you.

Very truly yours,

CEBU LANDMASTERS, INC.

By: [redacted]

ATTY. LOU DELIANNE I. REBOJA
Legal Counsel and Compliance Senior Manager

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
   Jun 30, 2026
2. SEC Identification Number
   CS200321240
3. BIR Tax Identification No.
   227-599-320-000
4. Exact name of issuer as specified in its charter
   CEBU LANDMASTERS, INC.
5. Province, country or other jurisdiction of incorporation or organization
   CEBU CITY, CEBU, PHILIPPINES
6. Industry Classification Code(SEC Use Only)

7. Address of principal office
   10TH FLOOR, PARK CENTRALE TOWER, JOSE MA. DEL MAR ST., CEBU I.T. PARK, BRGY. APAS, CEBU CITY, PHILIPPINES
   Postal Code
   6000
8. Issuer's telephone number, including area code
   0322314870
9. Former name or former address, and former fiscal year, if changed since last report
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON SHARES	3,465,201,467
PREFERRED SHARES	4,280,340

11. Are any or all of registrant's securities listed on a Stock Exchange?
    ◉ Yes ○ No
    If yes, state the name of such stock exchange and the classes of securities listed therein:
    PHILIPPINE STOCK EXCHANGE - COMMON SHARES & PREFERRED SHARES
12. Indicate by check mark whether the registrant:

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

◉ Yes ○ No

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

Yes No

Cebu Landmasters, Inc.
CLI

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

For the period ended	Jun 30, 2026
Currency (indicate units, if applicable)	PHP

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2026	Dec 31, 2025
Current Assets	74,466,189,942	57,350,750,814
Total Assets	141,644,063,009	134,157,309,421
Current Liabilities	48,167,446,751	39,898,482,895
Total Liabilities	103,860,201,380	99,430,555,590
Retained Earnings/(Deficit)	14,603,155,117	13,697,101,470
Stockholders' Equity	37,783,861,629	34,726,753,831
Stockholders' Equity - Parent	23,317,284,453	22,411,230,806
Book Value per Share	5.49	4.64

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	4,894,704,698	5,053,798,279	10,979,238,326	11,666,854,528
Gross Expense	3,036,834,651	3,031,959,830	7,030,994,963	7,039,062,812
Non-Operating Income	13,994,703	26,576,678	72,315,618	43,987,615
Non-Operating Expense	697,551,391	565,234,703	1,384,617,501	1,287,086,341
Income/(Loss) Before Tax	1,174,313,359	1,483,180,424	2,635,941,480	3,384,692,990
Income Tax Expense	201,786,710	316,454,955	635,712,566	893,492,961
Net Income/(Loss) After Tax	972,526,649	1,166,725,469	2,000,228,913	2,491,200,029
Net Income Attributable to Parent Equity Holder	648,936,455	656,448,669	1,529,789,912	1,651,819,727
Earnings/(Loss) Per Share (Basic)	0.16	0.16	0.39	0.43

Earnings/(Loss) Per Share (Diluted)	0.16	0.16	0.39	0.43

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.34	0.82
Earnings/(Loss) Per Share (Diluted)	0.34	0.82

Other Relevant Information
-

Filed on behalf by:

Name	Lou Delianne Reboja
Designation	Legal Counsel and Compliance Sr. Manager

COVER SHEET

C	S	2	0	0	3	2	1	2	4	0

SEC REGISTRATION NUMBER

C	E	B	U		L	A	N	D	M	A	S	T	E	R	S	,		I	N	C	.					

(Company Name)

1	0	T	H		F	L	O	O	R	,		P	A	R	K		C	E	N	T	R	A	L	E			
T	O	W	E	R	,		J	O	S	E		M	A	.		D	E	L		M	A	R		S	T	.	,
B	2		L	3	,		C	E	B	U		I	T		P	A	R	K	,		B	R	G	Y	.		
A	P	A	S	,		C	E	B	U		C	I	T	Y	,		P	H	I	L	I	P	P	I	N	E	S
6	0	0	0																								

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

Paquita T. Rafols
Contact Person

032-231-4870
Company Telephone Number

1	2		3	1

Month Day

17-Q
Form Type

0	6		0	5

Month Day

Annual Meeting

June 5, 2026

Secondary License Type, If Applicable

Dept. Requiring this Doc

Amended Articles Number/Section

24
Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

SEC Number: CS200321240
File Number: ________

CEBU LANDMASTERS, INC.

(Company's Full Name)

**10TH FLOOR, PARK CENTRALE, B2 L3,
JOSE MA. DEL MAR ST.,
CEBU IT PARK, APAS, CEBU CITY**

(Company Address)

(032) 231-4870

(Telephone Number)

June 30, 2026

(Quarter Ended)

SEC Form 17-Q Quarterly Report

(Form Type)

-

(Amendments)

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 June 30, 2026
2. Commission Identification Number CS200321240
3. BIR Tax Identification No. 227-599-320
4. Exact name of issuer as specified in its charter: CEBU LANDMASTERS, INC
5. Province, Country or other jurisdiction of incorporation or organization: CEBU CITY, CEBU, PHILIPPINES
6. Industry Classification Code: _______ (SEC Use Only)
7. Address of the issuer's principal office and postal code:

   10TH FLOOR, PARK CENTRALE, B2 L3, JOSE MA. DEL MAR ST., CEBU IT PARK, APAS, CEBU CITY
   Postal code: 6000

9. Issuer's telephone number, including area code: (032) 231-4870
10. Former name, former address, former fiscal year: Not applicable
11. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of shares issued and outstanding
COMMON SHARES	3,465,201,467
PREFERRED SHARES	4,280,340

Stock Exchange: Philippine Stock Exchange

Securities listed: Common shares
Preferred shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):
Yes [x] No [ ]

(b) has been subject to such filing requirements for the past 90 days:
Yes [x] No [ ]

I. MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

CLI is the leading residential developer in Visayas and Mindanao. The Company's story commenced with a vision to provide quality homes for everyday Filipinos. Jose R. Soberano III founded CLI and incorporated the Company on September 26, 2003. On June 2, 2017, the Company was listed on the PSE with "CLI" as its ticker symbol. A total of 430,000,000 shares were issued and fully subscribed at ₱5.00 per share. CLI's initial public offering was instrumental in this growth, as it raised ₱2.15 billion worth of fresh capital from investors – boosting its expansion in new locations and fueling its various projects.

As of June 30, 2026, CLI has a total of 132 projects in different development stages and established a diverse portfolio of residences, offices, hotels, mixed-use properties, and townships across 19 key cities in the VisMin region.

In 2025, an independent study by Colliers International reaffirmed CLI's leadership in the VisMin residential market. Based on net sales for the period July 2024 to June 2025, the study identified CLI as the top residential developer in the region, with an 18% residential market share. The Company continues to maintain a strong presence across key VisMin cities, supported by sustained demand for its developments.

The Company has also received various industry recognitions. At the 2025 PropertyGuru Philippines Property Awards, CLI was recognized as Best Housing Developer in the Philippines, Best Developer in Visayas, and Best Developer in Mindanao. The Company was likewise named Employer of the Year Exemplar – Visayas at the 2025 People Management Association of the Philippines Awards. In addition, CLI received a 2 Golden Arrow award under the ASEAN Corporate Governance Scorecard by the Institute of Corporate Directors. Other recognitions during the year include the Green Initiative Award at the 2025 ACES Awards, two Bronze Stevie Awards for Innovative Achievement in Corporate Social Responsibility and Innovation in Annual Reports, and the Outstanding Large Corporation II award at the 2025 Land Bank Gawad Tanyag.

CLI's vision extends beyond the present accomplishments. The Company remains steadfast in its pursuit of expansion and innovation. CLI's robust growth strategies aim to further solidify its market leadership, foster strategic partnerships, and explore new avenues for sustainable development and community enhancement.

COMPANY MILESTONES FOR THE PERIOD ENDED JUNE 30, 2026

During the first half of 2026, Cebu Landmasters, Inc. ("CLI") continued to advance its regional growth strategy while expanding its presence across residential, commercial, hospitality, and township developments.

CLI, in partnership with the Archdiocese of Cebu, officially opened Patria de Cebu, a 21,000-square-meter mixed-use heritage development in Cebu's historic district, integrating retail, office, hospitality, and lifestyle components while preserving the site's cultural heritage.

The Company likewise expanded its commercial portfolio with the soft opening of The Paragon Davao Lifestyle Mall, contributing to the increase in CLI's leasing portfolio to approximately 76,000 square meters of gross leasable area as of June 2026.

In hospitality, CLI opened Radisson RED Cebu Mandaue, the first Radisson RED hotel in the Philippines, bringing its operational hotel portfolio to five properties, with five additional hotels currently in the pipeline. The expansion further strengthens the Company's recurring income platform and positions CLI to benefit from continued growth in regional tourism.

CLI also advanced the development of Manresa Town in Cagayan de Oro through the construction of the ₱120-million Manresa Access Road in partnership with Xavier University. Meanwhile, the Company took a significant step in its Luzon expansion strategy by securing an approximately 70-hectare property in Dasmariñas, Cavite, envisioned as its flagship township development in Luzon with approximately 6,000 residential units and complementary commercial and institutional components.

CLI also strengthened its commitment to sustainability and community development, receiving two Stevie® Awards and an ACES Award during the period.

For the six months ended June 30, 2026, CLI recorded consolidated revenues of ₱10.16 billion, with recurring income continuing to grow as rental revenues increased by 49% and hotel revenues by 15%. Parent NIAT reached ₱1.53 billion, while reservation sales amounted to ₱10.72 billion. The Company maintained a solid financial position, with a net debt-to-equity ratio of 1.72x as of June 30, 2026.

COMPANY MILESTONES FOR THE PERIOD ENDED DECEMBER 31, 2025

For the year ended December 31, 2025, Cebu Landmasters, Inc. (CLI) continued to strengthen its presence across VisMin while taking a significant step in expanding beyond its core markets. The Company further solidified its footprint in the region through ongoing developments, including its mixed-use landbank in Liloan, Cebu, while marking a key milestone with its entry into Luzon. CLI recently secured a 70-hectare property in Dasmariñas, Cavite—its first major investment in Luzon—expected to support a future township in one of the region's fastest-growing corridors and opening a new phase in its geographic expansion.

As of year-end, CLI has a total of 132 projects across residential, office, hotel, co-living, co-working, mixed-use, and township developments in 18 key cities across the Visayas and Mindanao. During the year, the Company maintained a strong launch pipeline, rolling out more than 4,500 residential units with a combined sales value of approximately ₱31.3 billion across Cebu, Cagayan de Oro, Palawan, and General Santos.

Key project launches were met with strong market reception. One Manresa Place in Cagayan de Oro generated ₱4 billion in sales within two days and reached ₱5 billion within two weeks, achieving around 96% take-up shortly after launch. Similarly, Casa Mira Homes GenSan recorded ₱4.3 billion in sales within three days and was fully sold out within the year. These strong performances contributed to a high overall sell-out rate of 91% across completed, ongoing, and newly launched developments, underscoring sustained end-user demand in CLI's core markets.

In a study by Colliers, CLI retained its top position in the VisMin real estate market, accounting for a 18% share of the region's residential segment, an increase in market share from 16% the previous year.

Sustained Industry Recognition and Awards

CLI continued to receive strong industry recognition in 2025, reaffirming its leadership in the VisMin real estate market. During the year, the Company was recognized at the PropertyGuru Philippines Property Awards, where it secured major accolades including Best Housing Developer, Best Developer (Visayas), and Best Developer (Mindanao)—highlighting its consistent delivery of quality developments and strong market presence across the region.

CLI's winning streak as the Top 10 Developers in the Philippines by BCI Asia for the seventh straight year reinforces its reliability and innovation in real estate development.

The 2025 Asia-Pacific Stevie Awards again recognized CLI , as one of the Silver Stevie Winners for Innovative Achievement in Corporate Social Responsibility. This distinction represents the Company's unwavering dedication to sustainability and exceptional efforts in improving the environment and society at large.
In addition, CLI earned recognition for its sustainability efforts, receiving the 2025 Green Initiative Award, reflecting its commitment to environmentally responsible development and long-term value creation.

In 2025, CLI received another award from ACES recognizing its green initiatives citing its tree growing program, initial steps towards circularity in plastic waste management and its green building certification.

REVIEW ON THE COMPANY'S RESULTS OF OPERATION
January 1 to June 30, 2026 vs January 1 to June 30, 2025

Cebu Landmasters Inc. maintained a resilient performance in the first half of 2026, with consolidated revenue reaching ₱10.16 billion, broadly stable with the ₱10.32 billion recorded in the same period last year. The 1% variance was mainly due to the timing and mix of real estate revenue recognition, while growth in hotel operations, and rental income provided support to overall revenues. Net Income Attributable to Parent stood at ₱1.53 billion with a 7% decrease from ₱1.65 billion primarily reflecting the lower revenue base, higher costs, and increased finance costs.

REVENUES

Real estate sales

Real estate sales continued to provide a strong contribution to overall performance, with revenue reaching ₱9.74 billion in the first half of 2026, representing a modest 2% year-over-year decrease from ₱9.97 billion. The performance was supported by steady construction progress and continued recognition of additional units as projects advanced through their respective stages of completion.

In terms of location, Mindanao emerged as the strongest contributor to revenue, accounting for 54% of the overall figure. Cebu and Visayas (ex-Cebu) contributed 26% and 16%, respectively. The strong contribution from Mindanao was driven primarily by projects Casa Mira Homes Gensan, One Manresa Place, East Village Residences and The West Village Residences.The remaining 4% was contributed by recurring income.

Revenue per Market segment reported the following performance:

Premier Masters (Premier market) reported revenue of ₱2.25 billion, increasing by 78% year-on-year from ₱1.27 billion, driven by higher revenue recognition from premium residential projects, including Costa Mira Beachtown Panglao.

Garden Series (Mid-market), generated ₱2.64 billion in revenue, 41% lower than the ₱4.44 billion recorded in the prior-year period, primarily due to significant revenue qualifications from Velmiro Heights Davao and Mindara Residences from prior year, which resulted in a higher comparative base.

Casa Mira Series (Economic market) generated ₱3.06 billion, 14% lower than ₱3.56 billion recorded in the same period last year. Despite the decline, the segment remained the largest contributor, accounting for 30% of total revenue. As the Company's fastest-growing and most popular residential brand, Casa Mira continues to benefit from sustained demand across its regional markets, supported by ongoing revenue recognition from its project portfolio.

The Company expects continued revenue contributions from its existing project portfolio as construction progresses and additional units qualify for revenue recognition, with future project launches expected to provide further support to real estate revenue growth.

Leasing

Rental revenues increased by 49% to ₱161.93 million from ₱108.49 million in the same period last year, driven by higher occupancy across completed commercial developments, new tenant take-up, and the continued expansion of the Company's leasing portfolio.

Gross Leasable Area (GLA) increased by 6.7% year-on-year reaching 75,982 square meters from 71,241 square meters from the same period last year. Rental revenue growth of 49% substantially outpaced GLA growth, reflecting higher occupancy and the full-period contribution of space turned over during 2025. The expansion was supported by the completion and turnover of Banilad Highstreet and the Drive-Thru spaces in Davao Global Township, both of which achieved full lease occupancy. The portfolio was further expanded through additional leasable spaces from DGT Pavilion, DGT Retail Pads, DGT City Center, LPU Town Center, Paragon Lifestyle Mall, Casa Mira Towers, LPU Retail Strip, and Astra Corporate Center.

The opening and tenant take-up of Astra Mall, together with the ongoing leasing activities at Patria de Cebu, are expected to provide additional recurring income as occupancy continues to build.

With a significantly larger GLA and an expanding base of occupied commercial spaces, CLI is positioned to further grow recurring rental revenues and strengthen its leasing portfolio in the coming periods.

Hotel operations

Hotel revenues increased by 15% to ₱230.81 million from ₱200.10 million in the same period last year, primarily driven by improving tourism activity and additional contributions from newly opened properties. During the period, the Company expanded its operating hospitality portfolio with the opening of Radisson RED Cebu Mandaue, a 144-room hotel with a development cost of ₱1.99 billion, and Citadines Bacolod City, a 200-room property. These additions increased CLI's operational hospitality portfolio to five properties, comprising Citadines Cebu City, lyf Cebu City at Base Line Center, The Pad Co-Living at Banilad High Street, Radisson RED Cebu Mandaue, and Citadines Bacolod City.

The expansion of the hospitality portfolio is expected to support the Company's recurring income base as the newly opened properties ramp up operations. The Company also has a growing hospitality pipeline, including the 263-room Citadines Paragon Davao nearing completion and four additional hotel developments under construction, which are expected to provide further contributions to hotel revenues upon completion and commencement of operations.

Management Fee

Management fee income decreased by 35% to ₱26.29 million from ₱40.62 million in the same period last year, primarily due to the reclassification of certain CLIPMI activities from management fee income to service income. The decrease therefore mainly reflects a revenue classification change, rather than a reduction in the underlying management activities. Management fee income primarily comprises project management fees charged by CLI for managing the development of joint venture projects.

COST AND EXPENSES

Cost of sales and services

For the six months ended June 30, 2026, the Company recorded ₱5.09 billion in costs, slightly lower than the ₱5.10 billion recorded in the same period last year. The relatively stable cost base was consistent with the overall movement in revenue during the period.

Operating Expenses

Total operating expenses amounted to ₱1.94 billion during the period, remaining relatively stable compared with the ₱1.93 billion recorded in the same period in 2025.

On October 7, 2022, CLI listed its first tranche, amounting to ₱5 Billion, of its ₱15 billion shelf-registered bonds programme, with the following tenors:

- Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
- Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
- Series C with a tenor of 7 years with a fixed rate of 7.3649%

And on March 21, 2025, the CLI issued the second tranche of its sustainability linked bonds amounting to P5,000,000,000 with the following tenors:

- Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
- Series E – maturity of 5 years and a coupon rate of 6.9157%.

And on March 21, 2025, the CLI issued the second tranche of its sustainability linked bonds amounting to P5,000,000,000 with the following tenors:

C. Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
D. Series E – maturity of 5 years and a coupon rate of 6.9157%.

The proceeds from the bonds raised will extend the debt maturity of the company and lock in rates to address any interest rate risk brought about by the challenging macro environment.

Also, CLI successfully listed its follow-on offering of PHP 4.28 billion from Series A preferred shares. Proceeds from this offering will primarily be used to support the company's expansion plans.

On August 8, 2025, Cebu Landmasters Inc. secured a ₱3,000,000,000 Sustainability-Linked Notes (SLNs) with the following tenors:

- Series F – maturity of 7 years; coupon rate of 6.9532% & 6.8727 %
- Series G – maturity of 10 years; coupon rate 7.3652% & 7.3024%

Subscribed by leading institutional investors, the proceeds will be used to fund real estate projects in fast-growing Visayas and Mindanao areas, as well as for general corporate purposes.

This Sustainability-Linked Notes issuance gives CLI long-term funding while linking its capital to measurable environmental and social outcomes. It demonstrates the company's commitment to sustainable development and supports its continued growth in the Visayas and Mindanao markets.

NIAT ATTRIBUTABLE TO NON-CONTROLLING INTEREST (NCI)

Net income attributable to non-controlling interests (NCI) decreased to ₱470.44 million from ₱839.38 million in the same period last year, primarily due to lower income contributions as certain joint venture projects reached completion and contributed less to current-period earnings.

REVIEW ON THE COMPANY'S FINANCIAL CONDITION
As of June 30, 2026, vs December 31, 2025

CLI's balance sheet remains steady and healthy to support construction and expansion plans. As of June 30, 2026, CLI reported total assets of ₱141.64 billion, an increase of 6% from ₱134.16 billion as of December 31, 2025 driven by progress in construction from sold units.

ASSETS

27% decrease in Cash and cash equivalents
Mainly primarily due to funding requirements for project development and working capital requirements during the period.

291% increase in Receivables (including non-current portion)
Increased from ₱6.22 billion to ₱24.37 billion is attributable to several real estate projects that reached 100% completion as at the end of the interim period. Under the Company's policy, contract receivables are recognized or reclassified from contract assets, when the performance obligation is satisfied, and the entity has an unconditional right to payment, meaning the percentage of completion of the project is at 100%.

19% decrease in Contract assets (including non-current portion)
from ₱55.60 billion to ₱44.94 billion primarily due to the completion and turnover of installment contracts from existing projects.
2% increase in Real Estate Inventories
from ₱21.17 billion to ₱21.68 billion mainly due to lot acquisitions for future development projects and progression of development activities in newly launched and ongoing projects.

43% increase in Deposits on land for future development
from ₱782.30 million to ₱1.12 billion mainly due to additional payments made for the acquisition of strategic landbank properties, including parcels located in Dasmariñas, Cavite, intended for future residential, commercial, and mixed-use developments.

5% increase in Due from related parties
Due to transactions paid by CLI (Parent) on behalf of its related parties from ₱78.39 million to ₱82.48 million.

8% decrease in Prepayments and other current assets
*f*rom ₱10.46 billion to ₱9.61 billion significantly due to decreased advances to subcontractors.

7% decrease in Investment in Associates
from ₱175.28 million to ₱162.67 million primarily due to the ₱12.60 millionshare in net losses from associates during the period.

6% increase in Property and equipment
from ₱12.97 billion to ₱13.79 billion primarily attributable to the continued development and increase in construction-in-progress and other ongoing capital expenditures.

4% increase in Investment properties
from ₱21.03 billion to ₱21.79 billion attributed to ongoing construction of recurring income generating projects such as Masters Tower, Abaca Resort and Davao Global Township.

46% decrease in Non-current assets
from ₱1.57 billion to ₱0.84 billion due to commissions paid in advance for future periods are now moving into the current period (increased current prepaid commissions).

LIABILITIES

11% increase in Interest-bearing loans and borrowings (including non-current portion)
from ₱60.65 billion to ₱67.18 billion reflects stability, coupled with the strategic decision to raise funds through preferred shares to support ongoing and future project developments.

9% decrease in Trade payables (including non-current portion)
from ₱30.32 billion to ₱27.60 billion primarily attributable to the termination of the escrow arrangement as of June 30, 2026, following NTTUDA's redemption of its preferred shares. The escrow arrangement relates to NTTUDA's subscription to

796,500 non-voting redeemable preferred shares of CLVI at ₱2,000 per share, with a total subscription amount of ₱1.593 billion.

12% decrease in Contract liabilities
from ₱345.03 million to ₱302.50 million mainly due to the recognition of revenues from previously collected buyer advances upon satisfaction of revenue recognition requirements.

49% increase in Customers' Deposits
from ₱130.67 million to ₱194.95 million due to higher collections from buyers for units that have yet to meet the criteria for revenue recognition.

70% decrease in Income tax payable
from ₱39.23 million to ₱11.67 million mainly due to the settlement of outstanding income tax obligations and lower accrual of income tax due for the period.

9% increased Deferred tax liabilities - net
from ₱6.57 billion to ₱7.18 billion due to the recognition of deferred tax on taxable temporary differences arising during the period.

EQUITY

7% increase in Parent Company's Retained Earnings
from ₱13.70 billion in December 2025 to ₱14.60 due to the Net Profit recognized during the period

I. KEY PERFORMANCE INDICATORS

The Cebu Landmasters Inc. (CLI or the "Company") uses a range of financial and operational key performance indicators ("**KPIs**") to help measure and manage its performance. These KPIs reflect the Company's continuous focus on efficiency, cost control and profitability across all its operations. Management considers the following as KPIs:

	YTD June 30, 2026	**YTD June 30, 2025**
Gross Profit Margin[1]	50%	51%
Net Income Margin[2]	20%	24%
EBITDA[3]	₱4.15 billion	₱4.78 billion
EBITDA Margin[4]	41%	46%
Interest Coverage Ratio[5]	5.27	7.27
	As of June 30, 2026	**As of December 31, 2025**
Return on Assets[6]	3%	3%
Return on Equity (Parent)[7]	15%	17%
Current Ratio[8]	1.55	1.44
Net Debt to Equity Ratio[9]	1.72	1.66

Debt to Equity Ratio[10]	1.78	1.75

1. Gross Profit Margin is gross profit as a percentage of revenues.
2. Net Income Margin is consolidated net income as a percentage of revenues.
3. EBITDA is defined as earnings before interest, tax, depreciation and amortization from continuing operations, and before exceptional items.
4. EBITDA margin is EBITDA as a percentage of revenues
5. Interest coverage ratio is computed by dividing EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization) plus cash balance, to the interest during the period.
6. Return on Average Assets is net income as a percentage of the average assets as at year-end and assets as at end of the immediately preceding year.
7. Return on Average Equity is net income as a percentage of the average of the equity as at year-end and equity as at end of the immediately preceding year.
8. Current Ratio is current assets divided by current liabilities
9. Net Debt-to-Equity Ratio is interest bearing debt less cash and cash equivalents over total equity
10. Debt to Equity is interest bearing debt over total equity

The Company's gross profit margin is dependent on the mix of revenue during the period. During the first six months of 2026, 30% of the Company's topline was attributable to Casa Mira Series Projects which had a higher Gross Profit Margin compared to the other segments. Additionally, recurring projects showed a remarkable recovery in revenue, driven primarily by higher occupancy levels. Meanwhile, Net Income Margin to Parent remains stable at 15%.

Cebu Landmasters continue to implement cost efficiency measures that enabled the company to post stable and healthy margins despite the challenging market environment.

For the period ended June 30, 2026, the Company maintained healthy financial ratios, with Return on Assets at 3% and Return on Equity (Parent) at 15%. The Net Debt-to-Equity ratio remained stable at 1.72x, reflecting the Company's prudent debt management. Meanwhile, the Current Ratio stood at 1.55x, indicating adequate liquidity to meet its short-term obligations.

Management together with key officers continue to effectively handle their respective operations and financial requirements despite the high-inflation environment. As a result, CLI's financial position remains liquid and strong.

KPIS SUBJECT OF LOAN COVENANTS

The notes facility agreements to which CLI is a party require that it should maintain the following financial ratios, with testing to be done by the Facility Agent annually based on CLI's year-end audited consolidated financial statements:

a. a Debt-to-Equity Ratio not exceeding 2.5:1;
b. a Current Ratio of 1:1; and
c. Interest Coverage Ratio of at least 3:1.

"Debt-to-Equity Ratio" means the result obtained by dividing (i) the amount of interest-bearing liabilities of the Issuer by (ii) total Equity of the Issuer, in each case as appearing in the latest consolidated audited balance sheet of the Issuer; provided, that if the Issuer issues preferred shares which are (1) either redeemable at fixed date, or redeemable at the option of the holder of the preferred shares, and (2) the Issuer is obliged to make payments in the form of either interest or dividends, or the terms and conditions of the issuance of preferred shares oblige the Issuer to distribute a specific percentage of profits, then such preferred shares shall be categorized as liabilities falling under (i) hereof, otherwise, it shall be classified as part of Equity when computing the Debt-to-Equity Ratio. "Equity" means, at any date and as shown in the latest consolidated audited balance sheet of the Issuer, the aggregate of outstanding capital stock, additional paid-in capital, equity reserve and retained earnings.

"Current Ratio" means the proportion of Current Assets to Current Liabilities and is determined by dividing Current Assets by Current Liabilities. "Current Assets" means, at any date, the aggregate current assets as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS. "Current Liabilities" means, at any date, the aggregate current liabilities as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS.

For purposes of the covenant on Interest Coverage Ratio, the ratio shall be computed using 12-months trailing EBITDA plus cash balance over interest due for the next year. "EBITDA" means, during the relevant period, the net earnings of the Issuer before deducting net interest expense, income tax, depreciation, and amortization, as determined in accordance with PFRS and based on the Issuer's consolidated audited financial statements.

II. OTHER INFORMATION

ITEM 1 2nd QUARTER 2026 DEVELOPMENTS

A. New Projects or Investments in another line of business or corporation. None

B. Composition of Board of Directors

Name	Position
Jose R. Soberano III	Executive Chairman
Ma. Rosario B. Soberano	Vice Chairman of the Board, Treasurer, and Senior Executive Vice-President
Jose Franco B. Soberano	Director, President and Chief Executive Officer
Joanna Marie S. Bergundthal	Director, Executive Vice-President for Marketing and HR
Dr. Eugene S. Acevedo	Lead Independent Director
Atty. Ma. Jasmine S. Oporto	Independent Director
Dr. Winston Conrad B. Padojinog	Independent Director
Leonardo D. Cuaresma, Jr.	Independent Director
Rufino Luis T. Manotok	Non-Executive Director
Stephen A. Tan	Non-Executive Director
Beauregard Grant L. Cheng	Non-Executive Director

E. Performance of the corporation or result/progress of operations.

Please see unaudited Financial Statements and Management's Discussion and Analysis.

F. Declaration of Dividends.

On April 7, 2026, the BOD approved the declaration of regular cash dividends amounting to P0.18 per share with record date on April 22, 2026 which was paid on May 6, 2026.

G. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.

As of June 30, 2026, the Company holds ownership interests in the following subsidiaries and associates:

Entity	Effective Percentage of Ownership	
	2026	2025
Subsidiaries		
(1) A.S. Fortuna Property Ventures, Inc. ("**ASF**")	100	100
(2) CLI Hotels and Resorts, Inc. ("**CHR**")	100	100
(3) CLI Premier Hotels Intl. Inc. ("**CPH**")	100	100
(4) Cebu Landmasters Property Management, Inc. ("**CPM**")	100	100
(5) CLI-LITE Panglao Inc. ("**CLI-LITE**")	88	88
(6) BL CBP Ventures, Inc. ("**BL Ventures**")	50	50
(7) Yuson Excellence Soberano, Inc. ("**YES**")	50	50
(8) Yuson Huang Excellence Soberano, Inc. ("**YHES**")	50	50
(9) YHEST Realty and Development Corporation ("**YHEST**")	50	50
(10) CCLI Premier Hotels, Inc. ("**CCLI**")	50	50
(11) YHES Premier Hotel Inc. ("**YHESPH**")	50	50
(12) Mivesa Garden Residences, Inc. ("**MGR**")	45	45
(13) El Camino Developers Cebu, Inc. ("**El Camino**")	35	35
(14) Cebu Homegrown Developers, Inc. ("**CHDI**")	50	50
(15) Cebu BL-Ramos Ventures, Inc. ("**CBLRV**")	50	50
(16) Ming-Mori Development Corporation ("**MDC**")	78	78
(17) GGTT Realty Corporation ("**GGTT**")	50	50
(18) Sugbo Prime Estate, Inc. ("**SPE**")	64	64
(19) CLI Mac Developers, Inc. ("**CLI MAC**")	60	60
(20) CLI NUD Pasig Ventures, Inc. ("**CNPVI**")	60	100
(21) CLI NUD Ventures, Inc. ("**CLI NUD**")	60	60
(22) CLI Water, Inc. ("**CWI**")	100	100
(23) CLI Sports, Inc. ("**CLI - Sports**")	100	-

Entity	Effective Percentage of Ownership	
	2025	2024
Associates		
(24) Magspeak Nature Park, Inc. ("**Magspeak**")	25	25
(25) Icom Air Corporation ("**ICOM**")	33	33
(26) Iloilo Global City Corporation ("**IGCC**")	43	43

ASF was incorporated as a JV on March 9, 2017 to facilitate the acquisition of a 9,989-sq.m. property along AS Fortuna Avenue for the development of the Astra Center Mandaue, a mixed-use development in the AS Fortuna Mandaue area that will house a hotel, residential, and office development and a boutique mall. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary as of December 31, 2017. Its principal office is located on the 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.

CHR was incorporated on August 4, 2022 as a wholly-owned subsidiary of CLI and is engaged to run and manage the Group's various hotel projects. Its principal place of business is located in Cebu City.

CPH, a wholly owned subsidiary of the Company, was incorporated on August 26, 2016 to take charge of Citadines Cebu City and the Company's future hotel developments. The commercial operations started on September 14, 2019. Its principal office address is at 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.

CLPM, a wholly owned subsidiary of the Company, was incorporated on April 20, 2017, to provide property management services initially to housing and condominium projects developed by the Company. It is envisioned to eventually offer and expand its services to outside clients. CLPM started commercial operations on September 1, 2017. Its principal office address is at 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.

CLI-LITE was incorporated on July 19, 2021, as an undertaking by CLI and two other corporations for the development of a mixed-use project with residential condominiums and a possible hotel component in Panglao Island, Bohol. The principal place of business of CLI-LITE is located in Cebu City.

BL Ventures was incorporated on February 3, 2016, to develop Latitude Corporate Center, a 24 storey office development at the Cebu Business Park. BL Ventures was a JV of the Company and Borromeo Bros, Inc. Its principal office address is at AB Soberano Bldg., Salvador Ext., Labangon, Cebu City.

YES was incorporated on December 15, 2016 to mark the Company's entry into the Davao market. It is a JV between the Company and Yuson Comm. Investments Inc. to undertake the development of MesaTierra Garden Residences, a 21-storey residential condominium, and two other mixed-use projects in Davao City. It will also engage in real estate brokering to facilitate the marketing and sale of the JV developments in Davao. Its principal office address is at Suite A, 204 Plaza De Luisa Complex, 140 R. Magsaysay Ave., Davao City.

YHES was incorporated on November 10, 2017, to develop the Paragon Davao, a 1.9-ha property in Riverside Davao. The development will become a mixed-use real estate which will include a residential, retail, hotel, and convention center. YHES Inc., is a JV of CLI, Yuson Strategic Holdings Inc., and Davao Filandia Realty Corp. Its principal office is located at MesaTierra Garden Residences Showroom, E. Quirino Avenue, Davao City.

YHEST was incorporated on August 10, 2018 to develop the Davao Global Township. It is a JV between CLI, Yuson Strategic Holdings Inc., Davao Filandia Realty Corp., Plaza De Luisa Development Inc., Yuson Newtown Corp., and Davao Primeland Properties Corp. Its principal address is at MesaTierra Garden Residences Showroom, E. Quirino Avenue, Davao City.

CCLI was incorporated on November 12, 2018, as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. The Citadines hotel is planned to be managed by Ascott. The principal place of business of CCLI is located at the 2nd floor MesaVirre showroom in Bacolod City.

YHESPH was incorporated on October 28, 2019, as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI which owns 50% of YHES. YHESPH has not yet started its commercial operations.

MGR was incorporated on March 13, 2017 to develop Towers 6 and 7 (Phase 3) of Mivesa Garden Residences, a real property development project located on a 3,000-sq.m. property to be registered in the Company’s name. Its principal office is located on the 10th Floor, Park Centrale Tower, J.M. del Mar St., Cebu IT Park, Brgy. Apas, Cebu City. CLI holds a 45% stake in MGR.

EL Camino was incorporated on August 15, 2016, to develop a 1.17-ha. property inside the Cebu IT Park, and to construct (1) 38 Park Avenue at the Cebu IT Park, a 38-storey high-end residential condominium, and (2) Park Avenue Corporate Center, a Grade A office building with over 20,000 sq.m. of leasable area. Its principal office address is at Base Line Center, Juana Osmeña St., Brgy. Kamputhaw, Cebu City. The Company has a 35% stake in El Camino.

CHDI, a JV of Aboitizland and CLI, was recently incorporated on December 5, 2019 to develop a high-rise mixed-use condominium complex, with sellable and leasable units, in a 12,405 sq.m. lot area in Mandaue City, Cebu. The Company has a 50% stake in Aboitiz CLI Cebu Developers,
Inc.

CBLRV was incorporated on February 21, 2020, as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. Its principal place of business is located in Cebu City.

MMDC was incorporated on August 1, 2013, to undertake and execute land reclamation projects, submit bids, and accept awards for reclamation projects, and manage, hold, and sell reclaimed land and other real property. MMDC is the private consortium that has proposed to undertake the Ming-Mori Reclamation Project of the Municipality of Minglanilla, which involves the development of the Minglanilla TechnoBusiness Hub, a 100-ha. techno-business park in the progressive town of Minglanilla, a mere 30 minutes away from Cebu City. The Company has increased its stake to 78% from 20% in MMDC in 2021. This transaction enabled CLI to become the project manager and principal developer of the reclamation project.

GGTT was incorporated on March 26, 2003 and is engaged to construct a residential condominium project in its principal place of business in Iloilo City. On June 16, 2020, CLI acquired 50% ownership in GGTT to obtain a controlling interest in the company, however, the transaction was accounted for by the Group as an asset acquisition as discussed in Note 7 in the Audited Financial Statements. During the first quarter of 2021, GGTT started commercial operations, and is now considered as a subsidiary of CLI.

SPE was formed in 2019 as a one-person corporation and was converted into an ordinary stock corporation ("OSC") after entering into a JV with CLI on March 4, 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is in Cebu City.

CLI Mac was incorporated in Feb 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominiums in Cebu City. The principal place of business is located in Cebu City.

CNPVI formerly known as CLI Luzon Ventures, Inc. (CLVI) was incorporated in 2025 as an undertaking between CLI and NTT UD Asia Pte. Ltd. (NTTUDA), with the purpose of developing residential and mixed-use projects in Luzon. Its principal place of business is located in Cebu City. On May 12, 2026, the Securities and Exchange Commission (SEC) approved the change of corporate name to CLI NUD Pasig Ventures, Inc. As at June 30, 2026, CNPVI has yet to start commercial operations.

CWI was incorporated in 2025 as a wholly owned subsidiary of CLI to supply water to CLI's various projects. The principal place of business of CWI is located in Cebu City. As at June 30, 2026, CWI has yet to start commercial operations.

Magspeak was incorporated on October 21, 2011, to acquire, lease and develop lands into nature and eco-tourism parks in Balamban Cebu, and to manage, and operate the same. CLI holds a 25% stake in Magspeak.

ICOM was incorporated in December 2020 as an undertaking of CLI and various individual stockholders to import aircraft(s) and operate a transportation business in the Philippines. ICOM's principal place of business is located in Iloilo City.

IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business is also located in Iloilo City.

CLI NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of a mixed-use condominium project in Cebu City. In 2025, CLI exercised control over CLI NUD through its authority to direct operational activities and govern strategic and financial policies. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.

CLI - Sports was incorporated in 2026 as a wholly owned subsidiary of CLI to develop comprehensive sports, fitness, and recreation facilities, generating revenue through diverse, related operations. Its principal place of business is located in Cebu City. As at June 30, 2026, CLI Sports has yet to commence commercial operations.

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

The Board of Directors of Cebu Landmasters, Inc. ("Company" or "CLI") during its Special Board meeting on October 6, 2021 has approved the Executive Stock Option Plan (ESOP) for qualified officers of CLI. This is a type of performance incentive, where options are granted to purchase the shares of the Company at a discount.

The shares that may be exercised from these options will be sourced from the treasury shares of the Company or from publicly traded shares. The objectives of the plan are a) to Attract, retain, and motivate talented and key employees; b) Encourage employees to align individual performance with Company objectives; and c) Reward employee performance with stockholdings in proportion to their contribution to the Company.

Each level has a predetermined number of shares exercisable per year with a four-year vesting period. The exercise price is the higher of Php 2.25 or current market price with a 15% discount. The current market price is computed as the average of the closing price for the last five trading days.

Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least 6 months from the exercise date.

Voting and dividend rights vests upon the issuance of the shares to the employees.

In April 12, 2022, CLI granted exercise of 3,349,000 and 470 CLI shares to beneficiaries/participants under CLI Executive Stock Option Plan sourced from the treasury shares of the Company at the market price of 2.98 and 3.00 respectively.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate.

Not Applicable

H. Other information, material events or happenings that may have affected or may affect market price of security.

None

I. Transferring of assets, except in the normal course of business.

None

III. OTHER NOTES FOR THE SECOND QUARTER OF 2026 OPERATIONS AND FINANCIALS

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.

None

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

None

L. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

None

M. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See Notes to Financial Statements and Management Discussion and Analysis.

N. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

None

O. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

None

P. Changes in Contingent Liabilities or contingent assets since the last annual balance sheet date.

None

Q. Other material events or transactions during the interim period.

None

R. Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None

S. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

None.

T. Material commitments for capital expenditures, general purpose and expected sources of funds

For the first half of 2026, a total of ₱7.81 Bn was spent, with the majority, or 54%, for project developments.

U. Known trends, events or uncertainties that have had or that are reasonably expected to have an impact on sales/revenues/ income from continuing operations.

None

V. Significant elements of income or loss that did not arise from continuing operations

None

W. Causes for any material change/s from period to period in one or more line items of the financial statements.

None

X. Seasonal aspects that had a material effect on the financial condition or results of operations.

None

Y. Disclosures not made under SEC Form 17C

None

CEBU LANDMASTERS
We Build with You in Mind

SIGNATURES

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

ISSUER	CEBU LANDMASTERS, INC.
	[redacted]
PRINCIPAL ACCOUNTING OFFICER	**Paquita Tique-Rafols** Chief Financial Officer
DATE	August 10, 2026

CEBU LANDMASTERS
We Build with You in Mind

SUBSCRIBED AND SWORN to before me, a notary public for and in the City of Cebu this AUG 10 2026, *Paquita Tigue Rafols* who is personally known to me and who signed the above *SEC Form 17-Q Quarterly Report* in my presence and swore as to said document that he understood the contents thereof and the same is his free and voluntary act and deed as well as the corporation represented therein.

Witness my hand and seal on the date and place above mentioned.

Doc. No. : 355;
Page No.: 70;
Book No.: 6;
Series of : 2026;

ATTY. ALEN JOEL R. PITA
ROLL NO. 72443
NOTARY PUBLIC
CEBU CITY, PHILIPPINES

[redacted]
ATTY. ALEN JOEL R. PITA
Notary Public
Notarial Commission No. 116-25, Cebu City
Valid until December 31, 2026
Roll of Attorneys No. 72443
MCLE Compliance No. VIII-0028482, issued on 04-16-2025
PTR No. 1580268 ; 12-12-2025, Cebu Province
IBP No. 568400 ; 12-19-2025, Cebu Chapter
Room 1706 17th Floor Park Centrale Tower,
J.M. Del Mar St., Cebu I.T. Park, Apas, Cebu City

CEBU LANDMASTERS
We Build with You in Mind

STATEMENT OF MANAGEMENT APPROVAL OF FINANCIAL STATEMENTS

The management of Cebu Landmasters, Inc. and Subsidiaries (the Group) is responsible for the preparation and fair presentation of the condensed consolidated interim financial statements, including the schedules attached therein, as of June 30, 2026 and December 31, 2025 and for the six months ended June 30, 2026 and 2025, 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 statement that are free from material misstatement, whether due to fraud or error.

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

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

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

[redacted]

Jose R. Soberano III
Executive Chairman
TIN: [redacted]

[redacted]

Jose Franco B. Soberano
President and Chief Executive Officer
TIN: [redacted]

[redacted]

Paquita Tigue-Rafols
FVP – Accounting & Chief Financial Officer
TIN: [redacted]

Signed this 10th day of August 2026.

SUBSCRIBED AND SWORN to before me this AUG 1 0 2026 at Cebu City, affiants exhibiting to me their respective Tax Identification Nos.

[redacted]

ATTY. ALEN JOEL R. PITA
Notary Public
Notarial Commission No. 116-25, Cebu City
Valid until December 31, 2026
Roll of Attorneys No. 72443
MCLE Compliance No. VIII-0028482, issued on 04-16-2025
PTR No. 1580268 ; 12-12-2025, Cebu Province
IBP No. 568400 ; 12-19-2025; Cebu Chapter
Room 1706 17th Floor Park Centrale Tower
J.M. Del Mar St., Cebu I.T. Park, Apas, Cebu City

Doc No. 352 ;
Page No. 70 ;
Book No. 6 ;
Series of 2026

ATTY. ALEN JOEL R. PITA
ROLL NO. 72443
NOTARY PUBLIC
CEBU CITY, PHILIPPINES

10th Floor, Park Centrale, J.M. del Mar St., Cebu I.T. Park, Apas, Cebu City
Tel. No. (032) 231 - 4914 & (032) 231 - 4870 or Telefax (032) 231 - 5073

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2026 AND DECEMBER 31, 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Notes	June 30 2026 Unaudited	December 31 2025 Audited
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalents	4	**P 2,214,230,828**	P 3,040,615,556
Receivables - net	5	**20,416,004,501**	4,707,683,379
Contract assets - net	17	**19,344,121,157**	17,104,926,866
Real estate inventories	6	**21,677,411,506**	21,173,330,063
Deposits on land for future development	7	**1,117,393,154**	782,304,850
Due from related parties	25	**82,483,353**	78,394,118
Prepayments and other current assets	8	**9,614,545,443**	10,463,495,982
		74,466,189,942	**57,350,750,814**
Non-current asset held-for-sale		**-**	-
Total Current Assets		**74,466,189,942**	**57,350,750,814**
NON-CURRENT ASSETS			
Receivables - net	5	**3,949,280,115**	1,516,846,742
Contract assets - net	17	**25,595,264,144**	38,497,094,963
Investments in associates	9	**162,671,769**	175,275,580
Property and equipment - net	10	**13,787,792,074**	12,969,185,066
Right-of-use assets	11	**1,051,801,869**	1,056,794,863
Investment properties - net	12	**21,789,842,284**	21,026,009,305
Other non-current assets - net	13	**841,220,812**	1,565,352,088
Total Non-current Assets		**67,177,873,067**	76,806,558,607
TOTAL ASSETS		**P 141,644,063,009**	P 134,157,309,421
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Interest-bearing loans and borrowings	14	**P 20,547,504,510**	6,797,561,915
Bonds Payable	15	**-**	2,763,194,048
Trade and other payables	16	**27,037,868,471**	29,751,973,554
Contract liabilities	17	**302,497,116**	345,034,388
Customers' deposits	17	**194,946,083**	130,665,228
Lease liabilities	11	**72,957,978**	70,824,271
Income tax payable		**11,672,593**	39,229,491
Total Current Liabilities		**48,167,446,751**	39,898,482,895
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	14	**35,505,096,061**	39,976,233,296
Bonds payable	15	**11,129,832,959**	11,111,294,563
Trade and other payables	16	**559,264,577**	566,795,667
Lease liabilities	11	**1,257,593,975**	1,245,462,755
Post-employment defined benefit obligation		**59,610,163**	59,610,163
Deferred tax liabilities - net		**7,181,356,894**	6,572,676,251
		-	
Total Non-current Liabilities		**55,692,754,629**	59,532,072,695
Total Liabilities		**103,860,201,380**	99,430,555,590
EQUITY	26		
Equity attributable to shareholders of Parent Company		**23,317,284,453**	22,411,230,806
Non-controlling interest		**14,466,577,176**	12,315,523,025
Total Equity		**37,783,861,629**	34,726,753,831
TOTAL LIABILITIES AND EQUITY		**P 141,644,063,009**	P 134,157,309,421

See Notes to Condensed Consolidated Interim Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS
FOR THE PERIOD ENDED JUNE 30, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Notes	Apr to June 2026 Unaudited	Jan to June 2026 Unaudited	Apr to June 2025 Restated	Jan to June 2025 Restated
REVENUES	17				
Sale of real estates		P 3,758,813,060	P 8,737,075,803	P 3,161,574,391	P 8,966,644,464
Interest income from real estate sales		208,708,356	1,006,269,205	481,470,086	999,449,647
Hotel operations		111,675,050	230,804,762	95,526,128	200,095,777
Rental		101,778,072	161,929,994	55,756,708	108,488,407
Management fees		(4,564,178)	26,286,246	14,664,508	40,618,777
		4,176,410,360	10,162,366,010	3,808,991,821	10,315,297,072
COST OF SALES AND SERVICES	18	(2,167,745,135)	(5,094,366,118)	(2,123,605,171)	(5,104,699,800)
GROSS PROFIT		2,008,665,225	5,067,999,892	1,685,386,650	5,210,597,272
OPERATING EXPENSES	19	(869,089,516)	(1,936,628,846)	(908,354,659)	(1,934,363,012)
OTHER OPERATING INCOME	20	718,294,338	816,872,316	1,244,806,458	1,351,557,456
OPERATING PROFIT		1,857,870,047	3,948,243,362	2,021,838,449	4,627,791,716
FINANCE COSTS	21	(678,257,727)	(1,363,229,728)	(565,094,522)	(1,286,910,655)
FINANCE INCOME		13,994,703	72,315,618	20,520,809	38,614,668
SHARE IN NET LOSS OF ASSOCIATES	9	(12,551,734)	(12,603,789)	308,469	(175,686)
IMPAIRMENT LOSS ON FINANCIAL ASSETS			(80,039)	(140,181)	
OTHER GAINS (LOSSES)	20	(6,741,930)	(8,703,945)	5,747,400	5,372,947
PROFIT BEFORE TAX		1,174,313,359	2,635,941,479	1,483,180,424	3,384,692,990
TAX EXPENSE	24	(201,786,710)	(635,712,566)	(316,454,955)	(893,492,961)
NET PROFIT		P 972,526,649	P 2,000,228,913	P 1,166,725,469	P 2,491,200,029
Net profit attributable to:					
Parent Company's shareholders		P 648,936,455	P 1,529,789,912	P 656,448,669	P 1,651,819,727
Non-controlling interests		323,590,194	470,439,001	510,276,800	839,380,302
		P 972,526,649	P 2,000,228,913	P 1,166,725,469	P 2,491,200,029
Earnings per Share:					
Basic and diluted	27	P 0.16	P 0.39	P 0.16	P 0.43
Dividends per Share:	26				
Common shares		P -	P 0.18	P -	P 0.18
Preferred shares					
Series A-1 (CLIA1)		P -	P -	P -	P -
Series A-2 (CLIA2)		P -	P -	P -	P -

See Notes to Condensed Consolidated Interim Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED JUNE 30, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Apr to June 2026 Unaudited	Jan to June 2026 Unaudited	Apr to June 2025 Restated	Jan to June 2025 Restated
NET PROFIT	P 972,526,649	P 2,000,228,913	P 1,166,725,469	P 2,491,200,029
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will not be reclassified				
subsequently to profit or loss	-	-	-	-
Gain (loss) on remeasurements of				
post-employment defined benefit plan	-	-		
Tax income (expense)	-	-	-	-
	-	-	-	-
TOTAL COMPREHENSIVE INCOME	P 972,526,649	P 2,000,228,913	P 1,166,725,469	P 2,491,200,029
Total comprehensive income attributable to:				
Parent Company's shareholders	P 648,936,455	P 1,529,789,912	P 656,448,669	P 1,651,819,727
Non-controlling interests	P 323,590,194	P 470,439,001	P 510,276,800	P 839,380,302
	P 972,526,649	P 2,000,228,913	P 1,166,725,469	P 2,491,200,029

See Notes to Condensed Consolidated Interim Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED JUNE 30, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Attributable to Shareholders of Parent Company											
	Capital Stock (See Note 26)		Additional Paid-in Capital	Treasury Stock	Share Options Outstanding	Revaluation Reserves	Retained Earnings (See Note 26)				Non-controlling Interests	
	Common	Preferred	(See Note 26)	(See Note 26)	(See Note 26)	(See Note 26)	Appropriated	Unappropriated	Total	Total	(See Note 26)	Total
Balance at January 1, 2026												
As previously reported	3,623,451,997	4,280,340	5,855,925,221	(732,664,604)	7,059,255	(43,922,873)	4,766,378,338	8,930,723,133	13,697,101,471	22,411,230,807	12,315,523,025	34,726,753,832
Transactions with owners												
Non-controlling interests arising from step acquisition											-	-
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	-	1,684,815,150	1,684,815,150
Issuance of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(623,736,266)	(623,736,266)	(623,736,266)	(4,200,000)	(627,936,266)
Stock option granted	-	-	-	-		-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(623,736,266)	(623,736,266)	(623,736,266)	1,680,615,150	1,056,878,884
Appropriation of retained earnings												
Reversal of appropriations during the year	-	-	-	-	-	-	(993,806,956)	993,806,956	-	-	-	-
	-	-	-	-	-	-	(993,806,956)	993,806,956	-	-	-	-
Total comprehensive income for the year												
Net profit for the year	-	-	-	-	-	-	-	1,529,789,912	1,529,789,912	1,529,789,912	470,439,001	2,000,228,913
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	1,529,789,912	1,529,789,912	1,529,789,912	470,439,001	2,000,228,913
Balance at June 30, 2026	**P 3,623,451,997**	**P 4,280,340**	**P 5,855,925,221**	**(P 732,664,604)**	**P 7,059,255**	**(P 43,922,873)**	**P 3,772,571,382**	**P 10,830,583,735**	**P 14,603,155,117**	**P 23,317,284,453**	**P 14,466,577,176**	**P 37,783,861,629**
Balance at January 1, 2025												
As previously reported	P 3,623,451,997	P 4,280,340	P 5,855,925,221	(P 732,664,604)	P 5,681,640	(P 34,689,808)	P 3,223,719,308	P 8,399,872,293	P 11,623,591,601	P 20,345,576,387	P 9,960,543,018	P 30,306,119,405
Effect of restatement - see Note 2	-	-	-	-	-	-	-	-	-	-	-	-
As restated	3,623,451,997	4,280,340	5,855,925,221	(732,664,604)	5,681,640	(34,689,808)	3,223,719,308	8,399,872,293	11,623,591,601	20,345,576,387	9,960,543,018	30,306,119,405
Transactions with owners												
Issuance of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Investments from non-controlling stockholdrs	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	(623,736,265)	(623,736,265)	(623,736,265)	(552,000,000)	(1,175,736,265)
Stock option granted	-	-		-	545,986	-	-	-	-	545,986	-	545,986
	-	-	-	-	545,986	-	-	(623,736,265)	(623,736,265)	(623,190,279)	(552,000,000)	(1,175,190,279)
Appropriation of retained earnings												
Appropriations during the year	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	-	(1,116,407,802)	1,116,407,802	-	-	-	-
	-	-	-	-	-	-	(1,116,407,802)	1,116,407,802	-	-	-	-
Total comprehensive income for the year												
Net profit for the year	-	-	-	-	-	-	-	1,651,819,727	1,651,819,727	1,651,819,727	839,380,302	2,491,200,029
Other comprehensive loss	-	-	-	-	-		-	-	-	-	-	-
	-	-	-	-	-	-	-	1,651,819,727	1,651,819,727	1,651,819,727	839,380,302	2,491,200,029
Balance at June 30, 2025	P 3,623,451,997	P 4,280,340	P 5,855,925,221	(P 732,664,604)	P 6,227,626	(P 34,689,808)	P 2,107,311,506	P 10,544,363,557	P 12,651,675,063	P 21,374,205,835	P 10,247,923,320	P 31,622,129,155

See Notes to Condensed Consolidated Interim Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED JUNE 30, 2026 AND 2025
(Amounts in Philippine Pesos)
(UNAUDITED)

	Notes	June 2026	June 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**P 2,635,941,479**	P 3,384,692,990
Adjustments for:			
Gain on sale of investment properties		**(543,034,128)**	(1,161,590,607)
Interest expense on:			
Loans	21	**938,885,727**	1,106,764,140
Lease liabilities	11	**43,038,044**	41,925,398
Bonds	21	**268,611,552**	137,011,529
Amortized debt issuance cost		**53,542,754**	-
Depreciation and amortization	19	**150,265,159**	110,042,732
Interest income	4	**(35,703,860)**	(33,658,572)
Share in net losses of associates	9	**12,603,786**	175,686
Share options benefit expense		**-**	545,986
Impairment loss on financial assets		**133,398**	-
Loss (gain) on sale of property and equipment	10	**(25,340)**	(12,417)
Operating profit before working capital changes		**3,524,258,571**	3,585,896,865
Decrease (increase) in receivables		**(17,070,116,373)**	(1,131,626,367)
Decrease (increase) in contract assets		**10,662,636,528**	(2,948,811,149)
Decrease in real estate inventories		**(504,081,424)**	(4,198,877,234)
Increase in prepayments and other current assets		**1,295,108,719**	(1,233,161,161)
Increase in deposits on land for future development		**(335,088,304)**	(500,008,638)
Decrease in other non-current assets		**728,389,756**	520,673,084
Increase (decrease) in trade and other payables		**(2,650,312,558)**	4,337,878,451
Decrease in contract liabilities		**(42,537,272)**	65,763,025
Increase in customers' deposits		**64,280,855**	28,049,279
Decrease in post-employment defined benefit obligation		**-**	(5,076,813)
Cash used in operations		**(4,327,461,503)**	(1,479,300,658)
Cash paid for taxes		**(500,746,999)**	(553,104,668)
Net Cash Generated (Used) in Operating Activities		**(4,828,208,502)**	(2,032,405,326)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investment properties		**31,214,565**	1,556,438,957
Acquisitions of property and equipment		**(555,591,956)**	(253,312,164)
Acquisitions of investment properties		**(1,001,428,505)**	(1,366,656,192)
Right of use asset		**(4,099,930)**	-
Advances to related parties	25	**(4,089,235)**	-
Interest received	4	**35,703,860**	33,658,572
Collections of advances to related parties	25	**-**	1,518,331
Advances to related parties		**-**	(849,826)
Proceeds from sale of property and equipment	10	**25,340**	22,462
Acquisitions of computer software	13	**(7,182,047)**	(662)
Net Cash Used in Investing Activities		**(1,505,447,908)**	(29,180,522)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of interest-bearing loans - net	14	**18,461,020,729**	13,759,049,515
Repayments of interest-bearing loans and notes	14	**(9,046,990,123)**	(12,280,420,799)
Proceeds from issuances of bonds - net	15	**-**	4,932,678,949
Issuance of redeemable preferred shares		**-**	
Repayments of bonds		**(2,766,260,000)**	-
Issuance of redeemable preferred shares		**-**	1,593,000,152
Interest paid on interest-bearing loans		**(1,584,062,726)**	(1,610,313,054)
Cash dividends paid	26	**(797,639,619)**	(1,345,439,621)
Repayments of lease liabilities	11	**(28,773,117)**	-
Interest Paid on Lease Liabilities		**-**	(47,378,420)
Additional investment from non-controlling shareholders	26	**1,684,815,150**	-
Interest paid on bonds		**(414,838,613)**	(260,609,704)
Net Cash From Financing Activities		**5,507,271,682**	4,740,567,018
NET INCREASE IN CASH AND CASH EQUIVALENTS		**(826,384,728)**	2,678,981,170
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**3,040,615,556**	1,583,238,995
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 2,214,230,828**	P 4,262,220,165

See Notes to Condensed Consolidated Interim Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
JUNE 30, 2026 AND 2025
(With Comparative Audited Figures as of December 31, 2025)
(Amounts in Philippine Pesos)
(UNAUDITED)

1. GENERAL INFORMATION

1.1 Corporate Information

Cebu Landmasters, Inc. (the Parent Company or CLI) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on September 26, 2003. CLI is presently engaged in real estate-related activities which include real estate development, sales, leasing and property management. The Parent Company's real estate portfolio includes residential condominium and subdivisions, mixed-use developments, townships, hotels and resorts, offices, and co-living accommodations.

The Parent Company is a subsidiary of A B Soberano Holdings Corp. (the Ultimate Parent Company or ABS). ABS is a holding company and is incorporated and domiciled in the Philippines. The registered office address and principal place of business of ABS is located at 2nd Street, Villa San Lorenzo, Quijada Street, Barangay Guadalupe, Cebu City.

On January 6, 2017, the Board of Directors (BOD) approved the Parent Company's application for the registration of its common stocks with the SEC and application for the listing thereof in the Philippine Stock Exchange (PSE). The Parent Company's shares were listed on the main board of the PSE on June 2, 2017 (see Note 26).

The registered office address of CLI, which is also its principal place of business, is located at 10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City, Philippines.

1.2 Subsidiaries, Associates and Joint Venture

CLI holds ownership interests in the following subsidiaries, associates and joint venture:

Entities	Note	Effective Percentage of Ownership 2026	2025
Subsidiaries			
CLI Premier Hotels Int'l. Inc. (CPH)	(a)	**100%**	100%
Cebu Landmasters Property Management, Inc. (CPM)	(b)	**100%**	100%
A.S. Fortuna Property Ventures, Inc. (ASF)	(c)	**100%**	100%
CLI Hotels and Resorts Inc. (CHR)	(d)	**100%**	100%
CLI Water, Inc. (CWI)	(e)	**100%**	100%
CLI Sports Inc. (CLI – Sports)	(f)	**100%**	-
CLI-LITE Panglao Inc. (CLI-LITE)	(g)	**88%**	88%
Ming-mori Development Corporation (MDC)	(h)	**78%**	78%
Sugbo Prime Estate, Inc. (SPE)	(i)	**64%**	64%
CLI NUD Pasig Ventures, Inc. (CNPVI)	(j)	**60%**	100%
CLI MAC Developers, Inc. (CLI MAC)	(k)	**60%**	60%

(Forward)

Entities	Note	Effective Percentage of Ownership	
		2026	2025
Subsidiaries			
CLI NUD Ventures, Inc. (CLI NUD)	(l)	**60%**	60%
BL CBP Ventures, Inc. (BL Ventures)	(m)	**50%**	50%
Yuson Excellence Soberano, Inc. (YES)	(n)	**50%**	50%
Yuson Huang Excellence Soberano, Inc. (YHES)	(o)	**50%**	50%
YHEST Realty and Development Corporation (YHEST)	(p)	**50%**	50%
CCLI Premier Hotels, Inc. (CCLI)	(q)	**50%**	50%
Cebu Homegrown Developers, Inc. (CHDI)	(r)	**50%**	50%
YHES Premier Hotels Inc. (YHESPH)	(s)	**50%**	50%
Cebu BL-Ramos Ventures Inc. (CBLRV)	(t)	**50%**	50%
GGTT Realty Corporation (GGTT)	(u)	**50%**	50%
Mivesa Garden Residences, Inc. (MGR)	(v)	**45%**	45%
El Camino Developers Cebu, Inc. (El Camino)	(w)	**35%**	35%
Associates			
Iloilo Global City Corporation (IGCC)	(x)	**43%**	43%
ICOM Air Corporation (ICOM)	(y)	**33%**	33%
Magspeak Nature Park, Inc. (Magspeak)	(z)	**25%**	25%

CLI and its subsidiaries (collectively referred as "the Group"), associates and joint venture are all incorporated in the Philippines. The subsidiaries, associates and joint venture, except CPH, CPM, CHR, CWI, SPE, CCLI, YHESPH, ICOM and CLI - Sports, are in the same line of business as CLI. A brief description of these entities follows:

(a) CPH was incorporated in 2016 as a wholly owned subsidiary of CLI. CPH is engaged in the real estate and hotel management business. The principal place of business of CPH is located in Cebu City.

(b) CPM was incorporated in 2017 as a wholly owned subsidiary of CLI. CPM is engaged in the management of condominium corporations and housing associations affiliated with CLI. The principal place of business of CPM is located in Cebu City.

(c) ASF was incorporated in 2017 as a joint venture where CLI initially held 40% ownership interest. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary. The principal place of business of ASF is located in Cebu City.

(d) CHR was incorporated in 2022 as a wholly owned subsidiary of CLI. It is engaged in managing the Group's hotel projects. Its principal place of business is located in Cebu City.

(e) CWI was incorporated in 2025 as a wholly owned subsidiary of CLI to supply water to CLI's various projects. The principal place of business of CWI is located in Cebu City. As at June 30, 2026, CWI has yet to start commercial operations.

(f) CLI Sports was incorporated in 2026 as a wholly owned subsidiary of CLI to develop comprehensive sports, fitness, and recreation facilities, generating revenue through diverse, related operations. Its principal place of business is located in Cebu City. As at June 30, 2026, CLI Sports has yet to commence commercial operations.

(g) CLI-LITE was incorporated in 2021 as an undertaking by CLI and two other corporations for the development of a mixed-use project in Panglao Island, Bohol, which includes residential condominiums and a potential hotel component. The principal place of business of CLI-LITE is located in Cebu City.

(h) MDC was incorporated in 2013 as an undertaking between CLI and four other entities for the development of an economic business district. The principal place of business of MDC is located in Cebu City. As at June 30, 2026, MDC has yet to start commercial operations.

(i) SPE was incorporated in 2019 as a one person corporation and was converted to an ordinary stock corporation after entering into a joint venture with CLI in 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is located in Cebu City.

(j) CLI NUD Pasig Ventures, Inc. (CNPVI), formerly known as CLI Luzon Ventures, Inc. (CLVI) was incorporated in 2025 as an undertaking between CLI and NTT UD Asia Pte. Ltd. (NTTUDA), with the purpose of developing residential and mixed-use projects in Luzon. Its principal place of business is located in Cebu City. On May 12, 2026, the Securities and Exchange Commission (SEC) approved the change of corporate name to CLI NUD Pasig Ventures, Inc. As at June 30, 2026, CNPVI has yet to start commercial operations.

(k) CLI MAC was incorporated in 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium project in Cebu City. CLI exercised control over CLI MAC through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As at June 30, 2026, CLI MAC has yet to commence commercial operations.

(l) CLI NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of mixed-use condominium project in Cebu City. In 2025, CLI exercised control over CLI NUD through its authority to direct operational activities and govern strategic and financial policies. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.

(m) BL Ventures was incorporated by CLI and Borromeo Bros. Estate, Inc. (BBEI) to construct and operate Latitude Corporate Center. The principal place of business of BL Ventures is located in Cebu City.

(n) YES was incorporated by CLI and Yuson Comm. Investments, Inc. to construct and operate Messatiera Garden Residences in Davao. The principal place of business of YES is located in Davao City.

(o) YHES was incorporated in 2017 as an undertaking among CLI, Yuson Strategic Holdings, Inc., and Davao Filandia Realty Corp. for the development of mixed-used real estate project, the Paragon Davao. The principal place of business of YHES is located in Davao City.

(p) YHEST was incorporated in 2018 as an undertaking among CLI and five corporations for the development of a central business district located at Matina, Davao. The principal place of business of YHEST is located in Davao City.

(q) CCLI was incorporated in 2018 as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. CCLI started its commercial operations in 2024. The principal place of business of CCLI is located in Bacolod City.

(r) CHDI is an undertaking between CLI and Ixidor Holdings, Inc. and was incorporated in 2019. CHDI is engaged in the development of a high-rise mixed-use condominium complex in Mandaue City, Cebu. The principal place of business of CHDI is located in Cebu City.

(s) YHESPH was incorporated in 2019 as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI which owns 50% of YHES. As at June 30, 2026, YHESPH has yet to start commercial operations.

(t) CBLRV was incorporated in 2020 as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. The principal place of business is located in Cebu City.

(u) GGTT was incorporated in 2003 and is engaged to construct a residential condominium project. The principal place of business of GGTT is located in Iloilo City.

(v) MGR was incorporated in 2017 as an undertaking by CLI and three corporations for the construction of buildings 6 and 7 of the Mivesa Garden Residences condominium. MGR is considered a subsidiary of CLI because CLI is exposed, or has rights, to variable returns from its involvement with MGR and has the ability to affect those returns due to its full control on MGR's management. The principal place of business of MGR is located in Cebu City.

(w) El Camino was incorporated in 2016 as an undertaking between CLI and four other corporations for the development of 38 Park Avenue condominium project in Cebu City. CLI controls El Camino's operations through a shareholder agreement and is considered its parent. The principal place of business of El Camino is located in Cebu City.

(x) IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business is located in Iloilo City. As at June 30, 2026, IGCC has yet to commence commercial operations.

(y) ICOM was incorporated on December 7, 2020 as an undertaking of CLI and various individual stockholders and corporations to import aircraft(s) and to operate a transportation business in the Philippines. ICOM's principal place of business is in Iloilo City.

(z) Magspeak was incorporated in 2011 as an undertaking among CLI and four other corporations for the development of a mountain resort to be located in Balamban, Cebu. The principal place of business of Magspeak is located in Cebu City.

1.3 Approval of Issuance of Condensed Consolidated Interim Financial Statements

The condensed consolidated interim financial statements of the Group as at and for the six months ended June 30, 2026 (including the comparative condensed interim financial statements for the six months ended June 30, 2025 and audited consolidated statement of financial position as of December 31, 2025), were authorized for issue by the BOD on August 10, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in preparing these consolidated financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The condensed consolidated interim financial information of the Group has been prepared in accordance with Philippine Accounting Standard (PAS) 34, Interim Financial Reporting. This condensed consolidated interim financial information does not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2025, which have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards), as restated in these condensed consolidated interim financial statements.

The condensed consolidated interim financial information is presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

(b) Prior Period Restatements

(i) Reclassification of Properties Used in Hotel Operations

In 2025, the Group reclassified certain properties relating to prior periods to align their presentation with the Group's policy on classifying properties based on their intended use once sufficient information is available and the associated costs have been incurred to determine the asset's actual use. This policy requires classification to reflect the actual use of the asset rather than the original intent at initial acquisition.

On June 30, 2025, the Group corrected the classification of certain properties amounting to P284,923,362 from investment properties to property and equipment, as these were used in hotel operations and not held for lease. This reclassification was accounted for in accordance with PAS 40, *Investment Property,* and PAS 16, *Property, Plant and Equipment*.

The affected properties form part of mixed-use developments and were previously presented as investment properties when they were initially intended to be held for lease. Based on updated information on their actual utilization in hotel operations, the Group reclassified these properties as property and equipment to more faithfully reflect their current use. The revised classification is consistent with the classification principles under PAS 40, *Investment Property*, and PAS 16, *Property, Plant and Equipment*.

(ii) Reclassification of Accrual Adjustments Related to Investment Properties

In 2025, the Group identified a prior-period presentation adjustment in the consolidated statement of cash flows relating to the movements in investment properties.

(iii) Adjustment to Property Sales Classification

In 2024, the Group reclassified certain properties amounting to P9,648,748 from investment property to real estate inventories, which were subsequently sold within the same period. Upon review, the Group noted that the transfer did not meet the criteria for change in use under PAS 40 as the properties were sold without substantial redevelopment or repurposing. Accordingly, the Group restated its condensed consolidated interim statement of profit or loss for the period ended June 30, 2024, to reflect the sale of these properties as gain on sale of investment property, rather than as real estate sales.

(iv) Unrecorded Dividend Declaration

On June 14, 2024, the Parent Company declared cash dividends amounting to P78,252,924 and P91,450,426 on its Series A-1 and A-2 preferred shares, respectively. These dividend declarations were not initially recorded in the Group's books. Accordingly, the Group restated its condensed consolidated interim statements of changes in equity for the six months ended June 30, 2024 to reflect the dividend declaration. The restatement has no impact on the other components of the condensed consolidated interim financial statements and the most recent annual consolidated financial statements for the year ended December 31, 2024.

Presented below is the analysis of the effects of the prior period adjustments in the condensed consolidated interim statements of financial position as of December 31, 2024.

(Amounts in PHP)	Note	As Previously Reported	Restatements	As Restated
Change in assets :				
Property and equipment - net	2.1(b)(i)	9,165,352,398	284,923,362	9,450,275,760
Investment properties - net	2.1(b)(i)	19,444,997,083	(284,923,362)	19,160,073,721
			-	

Presented below is the analysis of the effects of the prior period adjustments in the condensed consolidated interim statements of profit or loss for the six months ended June 30, 2024.

(Amounts in PHP)	Note	As Previously Reported	Restatements	As Restated
Sale of real estates	2.1(b)(ii)	10,015,410,502	(23,921,892)	9,991,488,610
Interest income from real estate sales	2.1(b)(ii)	1,109,703,350	(61,099)	1,109,642,251
Cost of sales and services	2.1(b)(ii)	(5,853,082,692)	7,700,096	(5,845,382,596)
Other operating income	2.1(b)(ii)	167,419,163	16,282,895	183,702,058
			-	

Presented below is the analysis of the effects of the prior period adjustment in the condensed consolidated interim statements of changes in equity for the six months ended June 30, 2024.

(Amounts in PHP)	Note	As Previously Reported	Restatements	As Restated
Cash dividends	2.1(b)(iii)	623,736,265	169,703,350	793,439,615

Presented below is the analysis of the effects of the prior period adjustments in the condensed consolidated interim statements of cash flows for the six months ended June 30, 2024.

(Amounts in PHP)	Note	As Previously Reported	Restatements	As Restated
Changes in cash flows from operating activities:				
Decrease in receivables	2.1(b)(ii)	404,583,238	(7,700,096)	396,883,142
Gain on sale of investment properties	2.1(b)(ii)	-	(16,282,895)	(16,282,895)
Changes in cash flows from investing activities –				
Proceeds from sale of investment properties	2.1(b)(ii)	-	23,982,991	23,982,991
			-	

2.2 Material Accounting Policy Information

The Group's condensed consolidated interim financial information has been prepared in accordance with the accounting policies adopted in the Group's most recent annual consolidated financial statements for the year ended December 31, 2025, as restated in these condensed consolidated interim financial statements.

2.3 Estimates and Judgments

In preparing the condensed consolidated interim financial information, management makes judgments, estimates and assumptions that affect the recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The key judgments, estimates and assumptions applied in the condensed consolidated interim financial information, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual consolidated financial statements for the year ended December 31, 2025.

3. SEGMENT INFORMATION

3.1 Business Segments

The Group's operating segments are organized and managed based on the nature of products and services provided. The Group's real estate segment covers the development and sale of residential and office units to individual and corporate buyers. The rental segment includes leasing of office and commercial spaces to corporate organizations. The management services segment focuses on the management of real estate projects and upkeep services to condominium corporations and housing associations. The hotel operations segment relates to the management of hotel business operations that caters hotel guest.

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

3.2 Segment Reporting

In identifying its operating segments, management generally follows the Group's products and service lines, which represent the main products and services provided by the Group.

Each of these operating segments is managed separately, as each service line requires different resources and operating strategies. All inter-segment transfers are carried out at arm's length prices.

For management purposes, the Group uses the same measurement policies as those used in its consolidated financial statements, except that the following are not included in arriving at the operating profit of the operating segments:

- post-employment benefit expenses;
- expenses relating to share-based payments;
- research costs relating to new business activities; and,
- revenue, costs and fair value gains from investment property.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

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

3.3 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, real estate inventories, property and equipment, and investment properties, 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 segment liabilities do not include deferred taxes.

3.4 Intersegment Transactions

Segment revenues, expenses and performance include intersegment sales and purchases. Such sales and purchases are eliminated in consolidation, if any.

3.5 Analysis of Segment Information

The table below presents revenue and profit information for the six months ended June 30, 2026 and 2025 and certain assets and liabilities information regarding segments as at June 30, 2026 and December 31, 2025.

			2026			
	Real Estate	**Hotel Operations**	**Rental**	**Management Services**	**Elimination**	**Consolidated**
REVENUES						
Sale to external customers	9,743,345,007	230,804,761	161,929,994	26,286,246	–	10,162,366,008
Intersegment sales	1,212,016	3,503,752	14,272,212	82,742,244	(101,730,224)	–
Total revenues	**9,744,557,023**	**234,308,513**	**176,202,206**	**109,028,490**	**(101,730,223)**	**10,162,366,009**
COSTS AND EXPENSES						
Costs of sales and services	4,859,152,254	149,391,324	52,437,966	49,616,342	(16,231,769)	5,094,366,117
Operating expenses	1,843,700,566	151,892,488	10,186,671	2,913,965	(72,064,844)	1,936,628,846
Impairment Loss	–	80,039	–	–	–	80,039
Total costs and expenses	**6,702,852,820**	**301,363,851**	**62,624,637**	**52,530,307**	**(88,296,613)**	**7,031,075,002**
Segment results (loss)	**3,041,704,203**	**(67,055,338)**	**113,577,569**	**56,498,183**	**(13,433,610)**	**3,131,291,007**
Other operating income						816,872,316
Finance costs						(1,363,229,728)
Share in net loss of associates						(12,603,790)
Finance income						72,315,619
Other losses						(8,703,944)
Tax expense						(635,712,566)
Net profit						**2,000,228,914**
ASSETS AND LIABILITIES						
Segment assets	**134,277,864,579**	**4,207,362,231**	**22,019,972,927**	**202,536,745**	**(19,063,673,475)**	**141,644,063,007**
Segment liabilities	**101,677,919,141**	**3,987,242,025**	**103,374,534**	**130,719,522**	**(2,039,053,846)**	**103,860,201,376**

			2025			
	Real Estate	Hotel Operations	Rental	Management Services	Elimination	Consolidated
REVENUES						
Sale to external customers	10,143,794,437	200,095,777	1,282,345,537	40,618,777	–	11,666,854,528
Intersegment sales	32,403,594	126,339	10,724,517	114,048,426	(157,302,876)	–
Total revenues	10,176,198,031	200,222,116	1,293,070,054	154,667,203	(157,302,876)	11,666,854,528
COSTS AND EXPENSES						
Costs of sales and services	4,907,886,178	137,468,355	41,772,759	32,525,146	(14,952,638)	5,104,699,800
Operating expenses	1,934,312,315	101,372,438	9,542,330	3,171,258	(114,035,329)	1,934,363,012
Total costs and expenses	6,842,198,493	238,840,793	51,315,089	35,696,404	(128,987,967)	7,039,062,812
Segment results (loss)	3,333,999,538	(38,618,677)	1,241,754,965	118,970,799	(28,314,909)	4,627,791,716
Finance costs						(1,286,910,655)
Share in net loss of associates						(175,686)
Finance income						38,614,668
Other gains						5,372,947
Tax expense						(893,492,961)
Net profit						2,491,200,029
ASSETS AND LIABILITIES						
Segment assets	111,651,805,456	3,178,936,970	21,198,516,617	39,473,995	-	136,068,733,038
Segment liabilities	91,512,768,275	3,804,272,187	133,227,972	129,455,186	-	95,579,723,620

The segments are further analyzed based on their geographical location as shown in Note 17.1. Most of the rental and management services segments are located in Cebu City with contributions from some other parts of Visayas and Mindanao. Sales to any of the Group's major customers did not exceed 10% of the Group's revenues in all of the years presented.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at June 30,2026:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Cash on hand	**10,637,438**	7,559,112
Cash in banks	**2,095,437,322**	1,860,554,518
Short-term placements	**108,156,068**	1,172,501,926
	2,214,230,828	3,040,615,556

Cash in banks (savings and demand deposits) generally earn interest at rates based on daily bank deposit rates. Short-term placements are made for varying periods and earn effective interest per annum as shown below.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Term	**14 to 35 days**	4 to 36 days
Effective interest rate	**1.75% to 5.50%**	1.75% to 5.50%

Cash in banks (savings and demand deposits) generally earn interest based on daily bank deposit rates. Interest income earned from cash and cash equivalents amounted to P35,703,859 and P33,658,572 in June 30, 2026 and 2025, respectively, are presented as Finance Income in the consolidated statements of Profit or Loss.

5. RECEIVABLES

This account includes the following:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Contract receivables:	17		
Third parties		**18,898,775,040**	2,689,407,733
Related parties	25.3, 25.4	**4,003,272,209**	2,294,494,227
Retention receivable		**246,571,668**	247,571,464
Receivable from contractors and suppliers		**199,513,957**	162,431,157
Management fee receivable		**198,304,924**	164,296,911
Rent receivable		**155,428,421**	100,498,441
Advances to officers and employees		**80,633,683**	77,061,313
Receivable from move-in fees		**80,014,984**	67,373,198
Receivable from insurance		**77,669,806**	67,763,900
Receivable from hotel operations		**47,306,904**	98,557,358
Other receivables		**379,107,313**	256,255,314
		24,366,598,909	6,225,711,016
Allowance for impairment		**(1,314,293)**	(1,180,895)
		24,365,284,616	6,224,530,121

Receivables are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current	**20,416,004,501**	4,707,683,379
Non-current	**3,949,280,115**	1,516,846,742
	24,365,284,616	6,224,530,121

Buyers of real estate properties are given two to four years to complete the equity amortization, which ranges from 10% to 30% of the contract price of the real estate being purchased. Contract receivables, which are all covered by postdated checks, are only recognized when the collection of total transaction price is reasonably assured and the corresponding revenue is recognized. Generally, full payment by buyers of their equity amortization is followed by full settlement by the buyer's chosen financing institution of the buyer's account within 12 months. Title to real estate properties are transferred to the buyers once full payment has been made. Hence, contract receivables are fully secured by the real properties acquired by buyers.

Long-term contract receivables, which are noninterest-bearing, are receivables from buyers whose equity payments are expected to be fully paid after 12 months following the end of the reporting period. These are measured at amortized cost, which is determined by discounting future cash flows using the applicable rates of similar types of instruments. The aggregate unamortized discount on noninterest-bearing contract receivables amounts to P90,170,919 and P63,814,805 as at June 30, 2026 and December 31, 2025, respectively.

The Group has day-one loss on noninterest-bearing contract receivables, net of amortization of day one loss, amounting to P27,099,939 and P1,209,588 and is presented as part of Finance Costs in the 2026 and 2025 consolidated statements of profit or loss (see Note 21).

Shown below is the aging of contract receivables as of June 30, 2026.

	June 30, 2026
Not yet due	**22,614,717,171**
Not more than 30 days	**104,749,859**
More than 30 days but less than 60 days	**30,862,395**
More than 60 days but less than 90 days	**22,934,261**
More than 90 days but less than 120 days	**14,744,386**
More than 120 days	**114,039,177**
	22,902,047,249

Retention receivable represents amounts retained by Home Development Mutual Fund (HDMF) from the proceeds of loans availed by real estate buyers in accordance with HDMF Circular No. 182-A to pay off their obligations to the Group.

The Group assesses an ECL when the receivables from contract with customers and other counterparties are initially recognized and updates the assessment at each reporting date based on the analysis determined by management. A reconciliation of the allowance for impairment at the beginning and end of June 30, 2026 and December 31, 2025 is shown in the next page.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**1,180,895**	2,436,656
Impairment losses	**133,398**	1,980,540
Write-off	**-**	(3,236,301)
Balance at end of year	**1,314,293**	1,180,895

6. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Condominium units		**718,418,540**	716,166,222
Subdivision units		**287,675,906**	199,582,401
		1,006,094,446	915,748,623
Construction-in-progress (CIP):			
Land development costs		**11,897,515,842**	12,827,606,197
Condominium building costs		**3,433,783,447**	2,272,836,943
Housing costs		**1,823,766,443**	2,171,437,289
		17,155,065,732	17,271,880,429
Raw land inventory	7	**3,516,251,328**	2,985,701,011
		21,677,411,506	21,173,330,063

An analysis of the cost of real estate inventory included in cost of sales is presented in Note 18.

Land development costs pertain to the cost of land acquisition, and site development costs of horizontal projects and other future site projects of the Group.

Condominium building costs consist of the cost of land and the cost to construct the units of the vertical projects of the Group. Housing costs pertain to the cost of house construction for the horizontal projects of the Group.

Raw land inventory consists of parcels of land owned by the Group in various locations. These are expected to be developed into saleable condominium or subdivision units.

As at June 30, 2026 and December 31, 2025, real estate inventories totaling to P11,559,567,151 and P7,816,486,575, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 14.1).

Based on management's assessment, there is no allowance for inventory write-down required to be recognized; hence, inventories are recorded at cost as at June 30, 2026 and December 31, 2025.

7. DEPOSITS ON LAND FOR FUTURE DEVELOPMENT

Deposits on land for future development pertains to advance payments for acquisitions of certain parcels of land which are intended for future development into saleable real estate projects. These are transferred to real estate inventories upon completion of the acquisition and satisfaction of the criteria for recognition as inventory, including completion of documentation and transfer of legal title or substantially all risks and rewards, as applicable.

A reconciliation of the deposits on land for future development is presented below.

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year		**782,304,850**	-
Additions		**384,001,329**	1,098,764,038
Transferred to raw land inventory	6	**(48,913,025)**	(316,459,188)
Balance at end of year		**1,117,393,154**	782,304,850

The deposits on land for future development are presented under Current Assets in the June 30, 2026 consolidated statement of financial position.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

This account includes the following:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Deferred commissions		**3,323,878,316**	2,314,807,424
Input VAT and deferred input VAT		**1,995,335,942**	2,063,658,416
Advances to suppliers		**1,263,116,769**	1,155,578,813
Advances to subcontractors		**1,131,138,953**	3,118,661,804
Prepaid taxes		**1,126,961,687**	1,004,112,964
Short-term investments		**505,096,857**	220,581,011
Prepaid expenses		**250,747,129**	117,560,177
Restricted escrow fund		**-**	449,119,013
Others		**18,269,790**	19,416,360
		9,614,545,443	10,463,495,982

Advances to subcontractors and suppliers include advance payments for materials, payment of labor and overhead expenses for on-going construction of subdivision and condominium units for sale. These are applied against the progress billings of subcontractors and are classified as current assets as it is related to projects for sale.

Restricted escrow fund pertains to cash received by CNPVI under an escrow arrangement related to NTTUDA's subscription of redeemable preferred shares. Under the terms of the agreement, the escrowed funds may be disbursed only for purposes mutually agreed upon by both parties and released solely upon their joint written instructions. The escrow fund consists entirely of cash held in savings accounts with a reputable bank. As of June 30, 2026, the escrow fund has been terminated with NTTUDA redeeming its preferred shares.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE/ NON-CURRENT ASSET HELD FOR SALE (NCAHFS)

9.1 Breakdown of Carrying Amounts

A reconciliation of the carrying amounts of investments in associates at the beginning and end of June 30, 2026 and December 31, 2025 is shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**175,275,580**	152,506,039
Additional investments	**-**	23,250,000
Share in net profit (loss) during the year	**(12,603,789)**	(480,459)
Balance at end of year	**162,671,769**	175,275,580

An analysis of the carrying amount of the Parent Company's investments in associates and a joint venture as at June 30, 2026 and December 31, 2025 is shown below.

	Associates			
(Amounts in PHP)	**IGCC**	**Magspeak**	**ICOM**	**Total**
June 30, 2026				
Cost				
Balance at beginning of year	18,500,000	31,235,094	153,050,934	202,786,028
Balance at end of year	**18,500,000**	**31,235,094**	**153,050,934**	**202,786,030**
Accumulated equity in net losses				
Balance at beginning of year	(1,106,021)	(5,124,200)	(21,280,229)	(27,510,450)
Equity in net gains (losses) during the year	(6,288,480)	(131,497)	(6,183,812)	(12,603,789)
Balance at end of year	**(7,394,501)**	**(5,255,697)**	**(27,464,039)**	**(40,114,237)**
Carrying Amount	**11,105,479**	**25,979,397**	**125,586,893**	**162,671,769**

	Associates			Join Venture	
(Amounts in PHP)	IGCC	Magspeak	ICOM	CLI NUD	Total
December 31, 2025					
Cost					
Balance at beginning of year	8,500,000	30,735,096	140,300,934	635,274,769	814,810,799
Additional investments	10,000,000	500,000	12,750,000	147,583,216	170,833,216
Reclassification from NCAHFS	-	-	-	237,832,347	237,832,347
Consolidation through step acquisition	-	-	-	(1,020,690,332)	(1,020,690,332)
Balance at end of year	18,500,000	31,235,096	153,050,934	-	202,786,030
Accumulated equity in net losses					
Balance at beginning of year	(1,231,930)	(4,517,832)	(21,280,229)	(2,895,787)	(29,925,778)
Equity in net gains (losses) during the year	125,909	(606,368)	-	688,822	208,363
Consolidation through step acquisition	-	-	-	2,206,965	2,206,965
Balance at end of year	(1,106,021)	(5,124,200)	(21,280,229)	-	(27,510,450)
Carrying Amount	17,393,979	26,110,896	131,770,705	-	175,275,580

Shares in net losses of associates totaling P12,603,789 and P175,686 were recognized in 2026 and 2025, respectively, in the consolidated statements of profit or loss. There were no dividends received from the Group's associates in 2026 and 2025.

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2026 and 2025 are shown below.

(Amounts in PHP)	**Land**	**Building and Parking Units**	**Operating Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
June 30, 2026								
Cost	359,058,133	1,507,624,934	214,643,942	92,959,270	57,870,902	16,842,695	12,095,780,891	14,344,780,768
Accumulated depreciation and amortization	-	(305,125,321)	(124,706,918)	(64,211,135)	(47,699,964)	(15,245,355)	-	(556,988,693)
Net carrying amount	**359,058,133**	**1,202,499,613**	**89,937,024**	**28,748,135**	**10,170,938**	**1,597,340**	**12,095,780,891**	**13,787,792,074**
December 31, 2025								
Cost	359,058,133	1,486,133,674	187,453,365	86,718,765	56,496,069	16,842,695	11,249,070,617	13,441,773,318
Accumulated depreciation and amortization	-	(244,290,597)	(109,143,569)	(59,394,745)	(44,660,765)	(15,098,576)	-	(472,588,252)
Net carrying amount	359,058,133	1,241,843,077	78,309,796	27,324,020	11,835,304	1,744,119	11,249,070,617	12,969,185,066

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2026 and 2025 is as follows:

(Amounts in PHP)	**Land**	**Building and Parking Units**	**Operating Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
Balance at January 1, 2026 net of accumulated depreciation and amortization	359,058,133	1,241,843,077	78,309,796	27,324,020	11,835,304	1,744,119	11,249,070,617	12,969,185,066
Additions	-	21,491,260	27,524,627	6,240,505	1,374,833	-	846,710,274	903,341,499
Disposals	-	-	(334,050)	-	-	-	-	(334,050)
Depreciation and amortization for the year	-	(60,834,724)	(15,563,349)	(4,816,390)	(3,039,199)	(146,779)	-	(84,400,441)
Balance at June 30, 2026 net of accumulated depreciation and amortization	**359,058,133**	**1,202,499,613**	**89,937,024**	**28,748,135**	**10,170,938**	**1,597,340**	**12,095,780,892**	**13,787,792,074**

(Amounts in PHP)	Land	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Balance at January 1, 2025 net of accumulated depreciation and amortization	359,058,133	420,199,492	51,966,704	22,070,526	11,628,492	3,304,843	9,333,834,006	10,202,062,196
Additions	-	351,302,858	48,631,765	15,934,872	6,062,868	-	2,376,747,075	2,798,679,438
Addition through step acquisition	-	-	-	-	-	-	41,621,489	41,621,489
Reclassifications	-	547,758,806	-	-	-	-	(471,526,563)	76,232,243
Disposals	-	-	(569,595)	(1,916,000)	-	-	-	(2,485,595)
Depreciation and amortization for the year	-	(77,418,079)	(21,719,078)	(8,765,378)	(5,856,056)	(1,560,724)	(31,605,390)	(146,924,705)
Balance at December 31, 2025 net of accumulated depreciation and amortization	359,058,133	1,241,843,077	78,309,796	27,324,020	11,835,304	1,744,119	11,249,070,617	12,969,185,066

Depreciation and amortization expense on property and equipment is presented as part of Operating Expenses in the consolidated statements of profit or loss (see Note 19).

In 2026, the Group disposed of certain fully depreciated property and equipment costing P334, 050 for P25,340. The related gain on sale of property and equipment is presented as part of Other Income in the consolidated statements of profit or loss (Note 20.1).

In 2025 the Group reclassified investment property to Building with carrying amounts of P76,232,243. There was no similar transaction in 2026.

Borrowing costs that are capitalized as part of property and equipment amounted to P387,376,951 and P1,174,147,146 in 2026 and 2025, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 14 and 15).

Borrowing costs are capitalized when they are directly attributable to the acquisition or construction of qualifying assets. Capitalization starts when expenditures and borrowing costs are incurred and activities necessary to prepare the asset for its intended use are in progress, and it ceases when the asset is substantially ready for its intended use.

Certain land, building, office equipment, furniture and fixtures and construction in progress with an aggregate carrying amount of P11,511,777,857 and P10,394,856,952 as at June 30, 2026 and December 31, 2025, respectively, are used as collateral for certain interest-bearing loans of the Group (see Note 14.1).

As at June 30, 2026 and December 31, 2025, the cost of the Group's fully-depreciated property and equipment that are still used in operations amounted to P217,125,528 and P174,176,191 , respectively.

11. LEASES

The Group entered into lease contracts, as lessee, for leases of land and office spaces. With the exception of short-term leases and leases of low-value underlying assets, each lease is presented in the consolidated statements of financial position as Right-of-use Assets and the corresponding obligation, as Lease Liabilities. 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.

Leases generally restrict the use of the underlying assets to the Group, unless subleasing is contractually permitted. Leases are generally non-cancellable, or may only be cancelled by incurring a substantive termination fee, as applicable to each contract. 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.

Under the lease contracts, the Group is prohibited from selling or pledging the underlying leased assets as security. For the lease of office space, the Group must keep the related property in a good state of repair and return the property in good condition at the end of the lease. For the lease on the land, the Group must insure all the improvements made on the property.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the 2026 and 2025 consolidated statement of financial position.

	Number of right-of-use assets leased	Remaining Lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
June 30, 2026					
Land	**4**	**1.5 to 34 years**	**-**	**-**	**-**
Office space	**1**	**2 years**	**1**	**-**	**1**
December 31, 2025					
Land	4	18 to 35 years	-	-	-
Office space	1	1 year	1	-	1

11.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at June 30, 2026 and December 31, 2025 and the movements during the year are shown as follows:

(Amounts in PHP)	**Land**	**Office Space**	**Total**
June 30, 2026 (Unaudited)			
Cost	1,268,208,672	15,877,921	1,284,086,593
		4,099,930	4,099,930
	1,268,208,672	19,977,851	1,288,186,523
Accumulated amortization			
Balance at beginning of year	211,413,810	15,877,921	227,291,731
Amortization for the year	7,384,620	1,708,303	9,092,923
Balance at end of year	218,798,430	17,586,224	236,384,654
Carrying amount as at June 30	**1,049,410,242**	**2,391,627**	**1,051,801,869**

(Amounts in PHP)	**Land**	**Office Space**	**Total**
December 31, 2025 (Audited)			
Cost	1,268,208,672	15,877,921	1,284,086,593
Accumulated amortization			
Balance at beginning of year	174,997,465	14,585,971	189,583,436
Amortization for the year	36,416,344	1,291,950	37,708,294
Balance at end of year	211,413,809	15,877,921	227,291,730
Carrying amount as at December 31	1,056,794,863	-	1,056,794,863

As at June 30, 2026, the Group recognized additions to Right-of-Use (ROU) Assets amounting to P4,099,930, corresponding to a new lease agreement entered into for the GGTT office space.

11.2 Lease Liabilities

Lease liabilities presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current	**72,957,978**	70,824,271
Non-current	**1,257,593,975**	1,245,462,755
	1,330,551,953	1,316,287,026

The Group is fully liable for the rentals on the remaining term of the lease of office space, including any interest, penalties, utility charges and damages for termination prior to expiration of the contract. The contracts of lease on land does not provide for any future lease termination and extension options.

11.3 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 expense relating to short-term leases and low-value assets is presented as Rent under Operating Expenses in the consolidated statements of profit or loss (see Note 19).

11.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P28,773,117 and P47,378,420 for the six months ended June 30, 2026 and 2025, respectively The interest expense in relation to the lease liabilities are presented as part of Interest expense on lease liabilities under Finance Costs in the consolidated statement of profit or loss (see Note 21).

12. INVESTMENT PROPERTIES

The Group's investment properties include parcels of land held for development of properties, condominium units and retail building for lease. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of June 30, 2026 and December 31, 2025 are shown below.

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
June 30, 2026						
Costs	2,246,357,185	803,335,673	467,205,706	2,079,841,636	16,741,392,656	22,338,132,856
Accumulated depreciation	(260,379,196)	(239,956,643)	(47,954,733)	-	-	(548,290,572)
Carrying amount	**1,985,977,989**	**563,379,030**	**419,250,973**	**2,079,841,636**	**16,741,392,656**	**21,789,842,284**
December 31, 2025						
Costs	2,245,590,785	812,697,758	467,205,706	2,079,841,636	15,915,449,814	21,520,785,700
Accumulated depreciation	(232,455,676)	(222,616,691)	(39,704,028)	-	-	(494,776,395)
Carrying amount	2,013,135,109	590,081,067	427,501,679	2,079,841,636	15,915,449,814	21,026,009,305

A reconciliation of the carrying amounts of investment properties at the beginning and end of June 30, 2026 and December 31, 2025 is as shown below:

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
Balance at January 1, 2026, net of accumulated depreciation	2,013,135,111	590,081,067	427,501,678	2,079,841,636	15,915,449,814	21,026,009,306
Additions	766,398	-	-	-	1,375,532,714	1,376,299,112
Disposals		(9,362,085)			(549,589,872)	(558,951,957)
Depreciation during the year	(27,923,520)	(17,339,952)	(8,250,705)	-	-	(53,514,177)
Balance at June 30, 2026, net of accumulated depreciation	**1,985,977,989**	**563,379,030**	**419,250,973**	**2,079,841,636**	**16,741,392,656**	**21,789,842,284**
Balance at January 1, 2025, net of accumulated depreciation	1,162,281,283	727,680,157	96,138,718	2,370,054,512	14,052,132,615	18,408,287,285
Additions	-	-	-	15,000,000	3,798,654,601	3,813,654,601
Addition through step acquisition	-	-	-	-	21,653,896	21,653,896
Reclassifications of completed projects	909,225,209	-	347,864,372	-	(1,257,089,581)	-
Reclassifications to other accounts	-	(9,682,090)	-	-	(76,232,243)	(85,914,333)
Disposals	(10,133,276)	(90,093,111)	-	(305,212,876)	(623,669,474)	(1,029,108,737)
Depreciation during the year	(48,238,107)	(37,823,889)	(16,501,411)	-	-	(102,563,407)
Balance at December 31, 2025, net of accumulated depreciation	2,013,135,109	590,081,067	427,501,679	2,079,841,636	15,915,449,814	21,026,009,305

In 2026, the Group sold certain investment properties with cost and carrying amount of P558,951,957 and P557,479,892 respectively, for a total consideration of P1,121,529,061. The gain on sale amounting to P564,049,169 is presented as Gain on sale of investment properties under Other Operating Income in the consolidated statements of profit or loss (see Note 20.1).

In 2025, the Group reclassified certain investment properties with aggregate carrying amount of P9,682,090 to real estate inventories and P76,232,243 to property and equipment (see Note 10). There was no similar transaction in 2026.

Borrowing costs that are capitalized as part of investment property amounted to P484,371,311 and P994,498,830 in June 30, 2026 and December 31, 2025, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 14 and 15).

Income and expenses from investment properties for the six months ended June 30, 2026 and 2025 are presented below.

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Rental income	17.1		
Retail building		**123,770,961**	80,472,536
Condominium units		**26,389,866**	21,038,362
Parking units		**2,495,688**	2,861,248
Others		**9,273,479**	4,116,261
		161,929,994	108,488,407
Cost on rental services	18		
Depreciation		**52,437,966**	41,772,759

The depreciation and other expenses are included as part of Cost of Sales and Services in the consolidated statements of profit or loss in 2026 and 2025 (see Note 18).

Investment properties have a total fair value of P23,487,867,829 as at December 31, 2025, respectively, based on the appraisal done by an independent expert. On the basis primarily of the foregoing valuations, management has assessed that no impairment loss is required to be provided on the Group's investment properties as at June 30, 2026.

Investment properties with a total carrying amount of P13,394,563,080 and P11,637,470,164 as at June 30, 2026 and December 31, 2025, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 14.1).

13. OTHER NON-CURRENT ASSETS

This account includes the following:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Advances to subcontractors		**315,215,329**	315,215,329
Deferred commissions	18.3	**283,844,536**	1,019,513,350
Refundable deposits		**212,547,451**	205,268,395
Computer software - net		**19,259,492**	15,001,011
Investment in equity securities		**9,375,002**	-
Others		**979,002**	10,354,003
		841,220,812	1,565,352,088

Advances to subcontractors include advance payments for materials, payment of labor and overhead expenses for on-going construction of investment properties. These are applied against the progress billings of subcontractors.

Refundable deposits pertain to recoverable payments, which are expected to be realized at the termination of the contract, to lessors and various payees. These are measured at amortized cost.

The gross carrying amounts and accumulated amortization of Computer software at the beginning and end of June 30, 2026 and December 31, 2025 are shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Cost	**75,887,726**	68,705,679
Accumulated amortization	**(56,628,234)**	(53,704,668)
Carrying amount	**19,259,492**	15,001,011

The total additions to computer software amounted P7,182,047 in 2026. There was no similar transaction in 2025. The amortization expense on the computer software amounted to P2,923,566 and P3,424,388 in June 30, 2026 and 2025, respectively, and is presented as part of Depreciation and amortization under Operating Expenses (see Note 19). Fully amortized software still in use amounted to P24,972,844 and P17,773,349 in June 30, 2026 and 2025 respectively.

14. INTEREST-BEARING LOANS AND BORROWINGS

The outstanding balance of interest-bearing loans and corporate notes are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current:			
Bank loans	14.1	**19,620,718,797**	5,835,061,916
Corporate notes	14.2	**926,785,713**	962,499,999
		20,547,504,510	6,797,561,915
Non-current:			
Bank loans	14.1	**27,477,066,917**	31,512,615,657
Corporate notes	14.2	**8,028,029,144**	8,463,617,639
		35,505,096,061	39,976,233,296
		56,052,600,571	46,773,795,211

14.1 Bank Loans

An analysis of the movements in the balance of interest-bearing loans is presented below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**37,347,677,573**	34,877,244,105
Net proceeds from issuance	**18,461,020,729**	27,726,936,137
Repayments	**(8,565,740,124)**	(25,344,403,014)
Reclassification	**(181,372,207)**	
Amortization of debt issue costs	**36,199,743**	87,900,345
Balance at end of year	**47,097,785,714**	37,347,677,573

A reconciliation of the unamortized debt issue cost at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**96,476,532**	150,494,327
Debt issue costs from new loans	**82,065,228**	33,882,550
Amortization of debt issue cost	**(36,199,743)**	(87,900,345)
Balance at end of the year	**142,342,017**	96,476,532

The loans bear interest rates per annum ranging from 5.50% to 8.75% in 2026 and from 5.50% to 9.25% in 2025. Certain loans are collateralized by the specific projects and developments for which the loans were obtained. The carrying amount of such projects aggregating to P36,465,908,088 and P29,848,813,691 as at as at June 30, 2026 and December

31, 2025, respectively, are included in the Real Estate Inventories, Property and Equipment and Investment Properties accounts in the consolidated statements of financial position (see Notes 6, 10 and 12).

The total interest incurred from the foregoing loans, including amortization of debt issuance cost, amounted to P1,410,611,823 and P1,592,898,735 in 2026 for the six months ended June 30, 2026 and 2025, respectively. Of these amounts, P691,609,158 and P592,618,077 were capitalized as part of investment properties and property and equipment for the six months ended June 30, 2026 and 2025, respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2026 and 2025 (see Note 21).

14.2 Corporate Notes

The Parent Company and various financial institutions executed a Notes Facility Agreement (NFA) for the issuance of Long-Term Corporate Notes (LTCN) totaling P13,000,000,000 and Sustainability-Linked Notes (SLN) totaling P3,000,000,000.

The NFA is composed of the following tranches:

NFA	**Date Executed**	**Tranche**	**Tenor**	**Principal Amounts in PHP**
LTCN	07/20/2018	Series A	Seven years	2,500,000,000
		Series B	Ten years	1,000,000,000
		Series C	Ten years with repricing on the interest rate re-setting date	1,500,000,000
	03/05/2020	Series D	Five years	1,300,000,000
		Series E	Seven years	5,700,000,000
		Series F	Ten years	1,000,000,000
SLN	08/06/2025	Series G	Seven years	850,000,000
		Series H	Ten years	2,150,000,000
				16,000,000,000

The Parent Company made the following drawdowns from the NFA.

Year	Tranche	Interest Rate	Maturity Dates	Amounts in PHP
2025	Series G	6.87% - 6.95%	August - September 2032	850,000,000
	Series H	7.30% - 7.37%	August - September 2035	2,150,000,000
				3,000,000,000
2020	Series D	3.46%	September 2025	1,300,000,000
	Series E	3.54% - 4.66%	April 2027	5,700,000,000
	Series F	4.23% - 5.23%	March 2030	1,000,000,000
				8,000,000,000
2019	Series A	7.25%	January 2026	2,000,000,000
2018	Series A	7.25%	December 2025	500,000,000
	Series B	6.63%	August - September 2028	1,000,000,000
	Series C	6.75%	October - December 2028	1,500,000,000
				3,000,000,000

The SLN series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a Sustainability Performance Target (SPT) is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of corporate notes is presented below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**9,426,117,638**	9,774,835,826
Net proceeds from issuance	**-**	2,964,542,666
Repayments	**(481,250,000)**	(3,337,500,000)
Amortization of debt issue cost	**9,947,219**	24,239,146
Balance at end of the year	**8,954,814,857**	9,426,117,638

A reconciliation of the unamortized debt issue costs of corporate notes at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**64,060,933**	52,842,745
Debt issue costs from new notes	**-**	35,457,334
Amortization of debt issue costs	**(9,947,219)**	(24,239,146)
Balance at end of the year	**54,113,714**	64,060,933

The debt issuance costs are deducted from the fair value or issue price of the note.

The total interest incurred related to the NFA, including amortization of debt issuance cost, amounted to P285,733,511 and P287,607,048, of which P33,912,043 and P181,123,567 was capitalized as part of property and equipment and investment properties for the six months ended June 30, 2026 and 2025 respectively (see Notes 10 and 12).

The Group is required to maintain the specifically defined financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at June 30, 2026, the Group is compliant with the requirements.

15. BONDS PAYABLE

The outstanding balance of bonds payable are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current	**-**	2,763,194,048
Non-current	**11,129,832,959**	11,111,294,563
	11,129,832,959	13,874,488,611

On September 23, 2022, CLI registered with the SEC its debt securities program of P15,000,000,000 fixed-rate bonds, to be offered in one or more tranches within three years. The breakdown of the bonds payable, together with their respective terms and conditions, is presented below.

Tranche / Series	Type	Tenor	Issue Date	Due Date	Coupon Rate	Principal Amount
1st Tranche						
Series A	Fixed-rate	3.5 years	October 7, 2022	April 7, 2026	6.4222%	2,766,260,000
Series B	Fixed-rate	5.5 years	October 7, 2022	April 7, 2028	6.9884%	1,243,670,000
Series C	Fixed-rate	7 years	October 7, 2022	October 7, 2029	7.3649%	990,070,000
						5,000,000,000
2nd Tranche						
Series D	SLB	3 years	March 21, 2025	March 21, 2028	6.6348%	2,852,600,000
Series E	SLB	3.5 years	March 21, 2025	March 21, 2030	6.9157%	2,147,400,000
						5,000,000,000
3rd Tranche						
Series F	SLB	4 years	December 5, 2025	December 5, 2029	6.5408%	2,187,080,000
Series G	SLB	7 years	December 5, 2025	December 5, 2032	6.6807%	602,810,000
Series H	SLB	10 years	December 5, 2025	December 5, 2035	6.9572%	1,215,300,000
						4,005,190,000
						14,005,190,000

All Series Bonds were listed with the Philippine Dealing & Exchange Corp. (PDEx) and have been rated "PRS Aa plus" with a stable outlook by PhilRatings.

The Sustainability-Linked Bonds (SLB) series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a SPT is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of bonds payable is presented below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**13,874,488,611**	4,964,768,926
Repayments	**(2,766,260,000)**	
Net proceeds from issuance	**-**	8,876,780,500
Amortization of debt issue costs	**21,604,348**	32,939,185
Balance at end of year	**11,129,832,959**	13,874,488,611

A reconciliation of the unamortized debt issue cost at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year	**130,701,389**	35,231,074
Debt issue costs from new bonds	**-**	128,409,500
Amortization of debt issue costs	**(21,604,348)**	(32,939,185)
Balance at end of the year	**109,097,041**	130,701,389

The total interest incurred related to the bonds, including amortization of debt issue costs, amounted to P436,442,961 and P274,128,970, of which P146,227,061 and P77,314,356 was capitalized as part of property and equipment and investment properties for the six months ended June 30, 2026 and 2025 respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2026 and 2025 (see Note 21). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 6.54% to 7.36% in June 30, 2026 and 6.42% to 7.36% in December 31, 2025.

The Group is required to maintain the financial ratios with respect to:(a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at June 30, 2026, the Group is compliant with the requirements.

16. TRADE AND OTHER PAYABLES

The trade and other payables are composed of the following:

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current:			
Unbilled construction costs		**13,500,094,203**	14,071,158,248
Trade payables		**5,355,191,905**	6,161,191,185
Sales commissions payable		**4,867,791,980**	4,610,338,653
Retention payable		**1,567,851,765**	1,375,697,872
Accrued expenses	14	**512,995,374**	570,807,565
Dividends payable	26.6	**169,703,355**	339,406,706
Government-related obligations		**84,986,462**	105,207,518
Output VAT		**73,909,493**	98,483,259
Redeemable preferred shares	8	**-**	1,593,000,000
Other payables		**905,343,934**	826,682,548
		27,037,868,471	29,751,973,554
Non-current			
Retention payable		**479,428,612**	479,428,609
Advance rental		**77,167,856**	69,132,246
Other payables		**2,668,109**	18,234,812
		559,264,577	566,795,667
		27,597,133,048	30,318,769,221

Unbilled construction costs pertain to estimated obligations to contractors for services already performed but not yet billed to the Group.

Trade payables mainly represent outstanding obligations to owners of parcels of land acquired, subcontractors and suppliers of construction materials.

Redeemable preferred shares pertain to NTTUDA's subscription to redeemable preferred shares of CNPVI amounting to P1,593,000,000 as of 2025. The proceeds from the subscription were intended to partially finance the acquisition of a property to be classified as real estate inventory. As at June 30, 2026, all redeemable preference shares previously issued have been fully redeemed in accordance with their terms of issue.

Retention payable pertains to amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Portion of the amount retained that is not expected to be paid within 12 months from the end of the reporting period is presented as part of non-current liabilities in the consolidated statements of financial position.

Accrued expenses pertain to accruals for interest, contracted services, security services, professional fees and other recurring accruals in the Group's operations. Other payables are mostly construction bonds from various subcontractors

17. REVENUE FROM CONTRACTS WITH CUSTOMERS AND CONTRACT BALANCES

17.1 Disaggregation of Contract Revenues

The Group derives revenue from the transfer of goods and services over time and at a point in time. Presented below are revenues from its major product lines and geographical areas for the six months ended June 30, 2026 and 2025:

	Cebu	Mindanao	Visayas	Luzon	Total
June 30,2026					
*Sale of real estate**					
Over time	1,543,484,348	3,504,116,245	1,210,154,428	381,337,412	6,639,092,433
At a point in time	1,069,595,336	1,721,919,067	312,202,815	535,357	3,104,252,575
	2,613,079,684	5,226,035,312	1,522,357,243	381,872,769	9,743,345,008
Hotel operations					
Over time	148,234,942	-	82,569,820	-	230,804,762
Lease of properties					
Over time	145,478,474	16,451,520	-	-	161,929,994
Render of management services					
Over time	27,406,083	634,965	-	(1,754,802)	26,286,246
	2,934,199,183	**5,243,121,797**	**1,604,927,063**	**380,117,967**	**10,162,366,010**

	Cebu	Mindanao	Visayas	Luzon	Total
June 30,2025					
*Sale of real estate**					
Over time	2,666,576,590	3,994,089,816	1,693,423,136	702,107,982	9,056,197,524
At a point in time	237,760,998	610,127,243	60,128,346	1,880,000	909,896,587
	2,904,337,588	4,604,217,059	1,753,551,482	703,987,982	9,966,094,111
Hotel operations					
Over time	119,527,587	-	80,568,190	-	200,095,777
Lease of properties					
Over time	99,061,735	9,426,672	-	-	108,488,407
Render of management services					
Over time	40,618,777	-	-	-	40,618,777
	3,163,545,687	4,613,643,731	1,834,119,672	703,987,982	10,315,297,072

**The sale of real estate units include significant financing component in accordance with PFRS 15, which was presented as Interest income from real estate sales in the condensed consolidated interim statements of the profit or loss.*

17.2 Contract Balances

The breakdown of contract balances is as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Contract assets - net	**44,939,385,301**	55,602,021,829
Contract Liabilities	**(302,497,116)**	(345,034,388)
	44,636,888,185	55,256,987,441

The Group's contract assets as at June 30, 2026 and December 31, 2025 are presented in the consolidated statements of the financial position as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Current	**19,344,121,157**	17,104,926,866
Non-current	**25,595,264,144**	38,497,094,963
	44,939,385,301	55,602,021,829

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as at the end of the reporting period. Its classification and presentation in the consolidated statements of financial position is based on the Group's estimate of project completion, hence, any change in estimated completion period affects transfers to contracts receivables. Current contract assets include the outstanding balance of P1,673,105,980 from the inventory lots sold to ultimate parent.

The Group assesses an ECL when the contract assets are initially recognized and updates the assessment at each reporting date based on the analysis determined by management.

Contract liabilities pertain to collections from buyers that are ahead of the stage of completion of the real estate units sold. Changes in the contract assets and contract liabilities are recognized by the Group when a right to receive payment is already established and upon performance obligation, respectively. Collections from buyers on sale of real estate units where the gating criteria for recognition of sales contract have yet to be met are accounted for and presented as Customers' Deposits in the consolidated statements of financial position.

A summary of the Group's contract liabilities and customers' deposits is presented below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Contract liabilities	**302,497,116**	345,034,388
Customers' deposits	**194,946,083**	130,665,228
	497,443,199	475,699,616

Contract liabilities pertain to collections from buyers that are ahead of the stage of completion of the real estate units sold.

Collections from buyers on sale of real estate units where the gating criteria for recognition of sales contract have not yet met are accounted for as Customers' Deposits in the condensed consolidated interim statements of financial position.

18. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 19).

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	June 30, 2025 (As Restated – see Note 2)
Cost of real estate sales:			
Contracted services	19	**3,527,612,247**	4,197,554,163
Land	19	**1,047,689,753**	654,015,486
Other costs		**267,618,486**	41,363,891
		4,842,920,486	4,892,933,540
Cost of rental services – Depreciation		**52,437,966**	41,772,759
Cost of management services – Salaries and wages		**49,616,342**	32,525,146
Cost of hotel operations:			
Salaries and wages		**58,686,792**	47,082,773
Materials and supplies		**40,351,465**	31,238,375
Utilities		**35,703,441**	27,455,869
Depreciation		**4,839,813**	16,257,842
Others		**9,809,812**	15,433,496
		149,391,323	137,468,355
		5,094,366,118	5,104,699,800

19. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	June 30, 2025 (As Restated – see Note 2)
Contracted services	18	**3,527,612,247**	4,197,554,163
Land	18	**1,047,689,753**	654,015,486
Salaries and employee benefits		**499,660,024**	473,012,659
Commissions		**478,231,909**	553,792,779
Taxes and licenses		**392,104,912**	372,091,840
Hotel Operations		**149,391,324**	-
Professional and legal fees		**142,675,741**	15,280,202
Depreciation and amortization	10, 11.1, 12, 13	**142,359,651**	110,042,732
Advertising		**92,799,934**	77,226,815
Utilities		**82,166,186**	77,748,307
Association dues		**53,217,866**	14,503,923
Security services		**43,911,880**	53,120,204
Repairs and maintenance		**37,806,828**	42,855,562
Rent		**31,542,793**	16,969,594
Transportation and travel		**30,915,135**	28,346,124
Insurance		**20,842,563**	34,094,155
Subscription and membership dues		**18,733,982**	20,801,881
Supplies		**14,067,197**	44,102,943
Representation and entertainment		**13,666,633**	13,918,634
Donations		**10,503,702**	10,208,589
Communications		**10,100,988**	7,363,579
Move-in fee expenses		**4,228,399**	13,277,190
Management fee		**1,598,012**	3,778,948
Trainings and seminars		**1,341,087**	759,497
Others		**183,826,218**	204,197,006
		7,030,994,964	7,039,062,812

These costs and expenses are classified in the consolidated statements of profit or loss as follows:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	June 30, 2025 (As Restated see Note 2)
Cost of sales and services	18	**5,094,366,118**	5,104,699,800
Operating expenses	19	**1,936,628,846**	1,934,363,012
		7,030,994,964	7,039,062,812

20. OTHER OPERATING INCOME AND OTHER LOSSES

20.1 Other Operating Income

This account is composed of the following:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	June 30, 2025 (As Restated – see Note 2)
Gain on sale of investment properties	12	**564,049,169**	1,161,590,607
Refund from cancelled units		**65,683,406**	82,482,019
Service Fee		**46,355,672**	-
Utilities charged to tenants		**36,783,695**	12,266,523
Documentation fee		**15,298,928**	15,207,143
Water income		**14,939,977**	13,223,315
Administrative charges		**6,448,959**	6,045,521
Foreign exchange gains		**5,206,972**	1,522,185
Parking Income		**4,364,338**	-
Service Income		**3,433,560**	-
Scrap sales		**2,890,998**	2,868,156
Referral incentive		**2,417,327**	2,464,304
Insurance claims		**2,066,688**	12,338,366
Zonal value incremental tax charge to buyer		**1,746,429**	-
Move-in fee income		**1,741,259**	9,319,604
Late payment penalties charged to customers		**1,503,366**	4,495,270
Sponsorships		**1,023,661**	5,573,661
Others		**42,664,341**	22,160,782
		816,872,316	1,351,557,456

Move-in fee income pertains to excess fees charged to real estate buyers upon turn-over of their units over the cost of services to make the buyers' units habitable which include requisition of building insurance and fire extinguisher, processing of related taxes, utility connections and others.

Reversal of payables pertains to outstanding payables related to advances from buyers in excess of the paid transfer charges and move-in fees, which are not refunded to the buyers. It also includes outstanding payables from cancelled contracts with certain building contractors and suppliers, which the Group is no longer required to pay and income from the write-off of long-outstanding unidentified deposits.

20.2 Other Gains (Losses)

This account is composed of the following:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Foreign exchange gains (losses)	**(10,705,928)**	692,073
Gain (loss) on sale of assets	**-**	12,417
Reversal of provision for extraordinary losses	**2,001,983**	
Other gains (losses)	**-**	4,668,457
	(8,703,945)	5,372,947

Other losses mainly comprise expenses and charges arising from non-recurring events and transactions, including transaction costs related to equity and debt issuances and losses from calamity-related incidents.

21. FINANCE COSTS

This is composed of the following:

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Interest expense on:			
Loans	14.1	**938,885,726**	1,106,764,140
Bonds	15	**268,611,552**	137,011,529
Lease liabilities	11.2	**43,038,044**	41,925,398
Retirement obligation		**6,042**	-
Amortized debt issue costs		**53,542,754**	-
DST on borrowings		**32,045,671**	-
Day one loss, net of amortization	5	**27,099,939**	-
Others		**-**	1,209,588
		1,363,229,728	1,286,910,655

Interest expense on loans and bonds are the portion not capitalized as part of property and equipment, and investment properties (see Notes 10 and 12).

22. FINANCE INCOME

This is composed of the following:

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Interest expense on:			
In-house financing		**36,580,625**	4,926,480
Interest income on banks	4.0	**35,703,859**	33,658,572
Discounting of long-term receivables		**31,134**	29,616
		72,315,618	38,614,668

23. EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits amounts to P499,660,024 and P425,929,886 in June 30 2026 and 2025, respectively (see Note 19)

23.2 Post-Employment Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Group maintains a funded and non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Group. The trustee bank manages the fund in coordination with the Group's top management who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of the Group's BOD. Normal retirement benefit is an amount equivalent to 50% of the final monthly covered compensation (average monthly basic salary during the last 12 months of credited service) for every year of credited service.

(b) Risks Associated with the Retirement Plan

The plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

24. CURRENT AND DEFERRED TAXES

The Group is registered with the Board of Investments (BOI) as a developer of various economic and low-cost housing projects. Accordingly, the Group enjoys an income tax holiday on the BOI-registered projects within three to four taxable years from its registration. The Group five registered projects with BOI as of June 30, 2026.

The components of tax expense relating to profit or loss and other comprehensive income or loss are as shown below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Reported in profit or loss:		
Current tax expense:		
Regular corporate income tax (RCIT) at 25%	**58,609,420**	431,805,844
Final income tax	**7,140,194**	6,542,420
Minimum corporate income tax (MCIT)	**15,196,845**	1,017,849
	80,946,459	439,366,113
Deferred tax expense arising from origination and reversal of temporary differences	**554,766,107**	454,126,848
	635,712,566	893,492,961

As of June 30, 2026, the EL CAMINO, YES, YHES, CHDI, CLBRV, GGTT, SPE, CHR, CLI – LITE and MMDC are subject to MCIT which is computed at 2% of gross income. Other components of the Group are not yet subject to MCIT as those have not operated beyond four taxable years. The Group reported MCIT amounting to P15,196,845 and P1,017,849 for the six months ended June 30, 2026 and 2025, respectively.

The Group opted to treat the capitalized borrowing costs as capital expenditure in accordance with Section 34(b) of the NIRC; hence, there are no deferred taxes related to the transaction. Furthermore, it opted to claim itemized deductions in computing its income tax due for the quarters ended June 30, 2026 and 2025.

25. RELATED PARTY TRANSACTIONS

The Group's related parties include its ultimate parent company, entities under common ownership, associates, shareholders, the Group's key management personnel, and its retirement fund. A summary of the Group's transactions and outstanding balances with related parties is presented below.

		Amount of Transaction		Outstanding Balance	
(Amounts in PHP)	**Note**	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30,2026 (Unaudited)**	December 31, 2025 (Audited)
Ultimate Parent Company					
Sale of investment properties	25.3	**799,137,393**		**2,170,656,857**	1,397,637,514
Sale of inventories	25.3	**1,709,579,767**	1,390,119	**2,215,115,798**	524,120,797
Dividends paid	25.2	**413,207,837**	413,207,837	**-**	-
Entities under Common Ownership					
Advances (collections)	25.1	**2,539,540**	(1,518,331)	**81,090,998**	78,551,458
Associates and Joint Venture					
Advances (collections)	25.1	**1,549,696**	849,826	**1,392,356**	(157,340)
Key Management Personnel					
Sale of investment properties	25.4	**-**		**475,645,625**	475,645,625
Sale of inventories	25.4	**4,307,992**	19,252,236	**814,959,909**	799,350,563
Dividends paid	25.2	**66,925,892**	66,925,892	**-**	-
Compensation	25.6	**87,290,840**	57,913,779	**-**	-

Based on management's assessment, no impairment loss is required to be provided on the Group's receivables from related parties as at June 30, 2026, and December 31, 2025. In respect of contract receivables and contract assets, it is fully secured by the units purchased, expected to be settled in cash and due based on the contract terms.

25.1 Due from Related Parties

The Group grants cash advances to shareholders, entities under common ownership and associates. An analysis of such advances is presented below.

(Amounts in PHP)	**Entities Under Common Ownership**	**Associates**	**Total**
Balance at January 1, 2026	78,551,458	(157,340)	78,394,118
Additions	2,539,540	1,549,696	4,089,235
Balance at June 30, 2026	**81,090,998**	**1,392,356**	**82,483,353**
Balance at January 1, 2025	54,101,961	(676,613)	53,425,348
Additions	24,449,497	519,273	24,968,770
Balance at December 31, 2025	78,551,458	(157,340)	78,394,118

The outstanding balances from these transactions, which are collectible on demand, unsecured and noninterest-bearing, are presented as Due from Related Parties in the consolidated statements of financial position.

25.2 Cash Dividends

The amounts of cash dividends paid by the Company to the following related parties are as follow:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	**December 31, 2025 (Audited)**
Ultimate Parent Company	**413,207,837**	413,207,837
Key Management Personnel	**66,925,892**	66,925,892
	480,133,729	480,133,729

The were no outstanding balances arising from these cash dividends as at June 30, 2026 December 31, 2025.

25.3 Real Estate Sales to Ultimate Parent Company

In 2025, CLI sold to ABS parcels of land under investment properties with carrying amount of P295,992,923 for P587,907,786.

In 2026, CLI also sold to ABS parcels of land under investment properties with carrying amount of P549,589,872 for P1,092,624,000 (see Note 12). The transactions resulted in a gain amounting to P543,034,128.00 which are presented as part Gain on sale of investment properties under Other Operating Income in the consolidated statements of profit or loss (see Note 20.1).

As at June 30, 2026, the outstanding balance from these transactions amounted to P2,170,656,857 and are noninterest-bearing, collectible in cash over a period of five years, under the terms similar to the sale of real estate properties to customers, and presented as part of Contract receivables under the Receivables account in the consolidated statements of financial position (see Note 5).

In 2025 CLI sold real estate inventories to ABS amounting to P534,932,583. An additional sale to ABS was made by the group during 2026 for P1,709,579,767. The outstanding balances related to these transactions are noninterest-bearing, collectible in cash over a period of five years under the terms similar to the sale of real estate properties to customers.

As at June 30, 2026, the outstanding balance amounted to P2,215,115,798 which is presented as part of Contract Receivable in the consolidated statement of financial position (Note 5).

25.4 Real Estate Sales to Key Management Personnel

In 2025, the Group sold to key management personnel a parcel of land classified as investment properties with carrying amount of P244,362,173 for P485,352,679 which resulted in a gain of P240,990,506. There was no similar transaction in 2026.

In 2026 and 2025, CLI sold condominium units to key management personnel amounting to P4,307,992 and P818,605,241, respectively. The outstanding balance related to these transactions are noninterest-bearing, collectible similarly to the sale of real estate units to customers, is presented as part of Contract receivables under the Receivables account in the 2025 and 2024 condensed consolidated interim statement of financial position (see Note 5).

26. EQUITY

26.1 Capital Stock

Details of the Parent Company's authorized capital stock as of June 30,2026 and December 31,2025 are as follows:

	Shares		Amounts in PHP	
	2026	2025	**2026**	2025
Preferred shares				
Authorized				
Series A – P1.00 par value	**1,000,000,000**	1,000,000,000	**1,000,000,000**	1,000,000,000
Series B – P0.10 par value	**1,000,000,000**	1,000,000,000	**100,000,000**	100,000,000
Total	**2,000,000,000**	2,000,000,000	**1,100,000,000**	1,100,000,000
Issued and outstanding:				
Issuance during the year:				
Preferred Shares – Series A-1 (CLIA1)	**2,063,360**	2,063,360	**2,063,360**	2,063,360
Preferred Shares – Series A-2 (CLIA2)	**2,216,980**	2,216,980	**2,216,980**	2,216,980
Balance at end of year	**4,280,340**	4,280,340	**4,280,340**	4,280,340
Common shares – P1.00 par value				
Authorized	**9,000,000,000**	9,000,000,000	**9,000,000,000**	9,000,000,000
Issued:				
Balance at beginning and end of year	**3,623,451,997**	3,623,451,997	**3,623,451,997**	3,623,451,997
Treasury shares	**(158,250,530)**	(158,250,530)	**(732,664,604)**	(732,664,604)
Issued and outstanding	**3,465,201,467**	3,465,201,467	**2,890,787,393**	2,890,787, 393

On April 25, 2023, the BOD approved the amendment of the Articles of Incorporation (AOI) of CLI to reallocate the authorized capital stock of P10,100,000,000 to be divided as follows:

(a) 9,000,000,000 common shares with a par value of P1 per share;
(b) 1,000,000,000 Series A preferred shares with a par value of P1 per share; and,
(c) 1,000,000,000 Series B preferred shares with a par value of P0.10 per share.

The amendment to the AOI was later approved by the stockholders on June 1, 2023. On October 18, 2023, the SEC officially accepted CLI's application for the amendment of its AOI, which was later approved on December 29, 2023.

On April 12, 2024, CLI issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,276,059,660 (see Note 26.2). The initial dividend rate of the shares shall be as follows: (a) in respect of the Series A-1 Preferred Shares, at fixed rate of 7.59% per annum of the Offer price, and (b) for the Series A-2 Preferred Shares, at the fixed rate of 8.25% per annum of the offer price. The BOD has full discretion over the declaration and payment of dividends, subject to conditions and to the extent allowed by law. Accordingly, the Group classified the preferred shares as equity securities, as such discretion allows the Group to defer principal and dividend payments indefinitely.

The share price of the Parent Company's common stock closed at P2.19 per share on June 30, 2026 and P2.35 per share on December 31, 2025.

The common stock of the Parent Company that is held under nominee accounts totaled 1,280,274,286 and 1,284,557,145 shares as at June 30, 2026 and December 31, 2025, respectively. This represents 35% of the Parent Company's outstanding shares as at June 30, 2026 and December 31, 2025, respectively.

The Parent Company has no other listed equity securities as at June 30, 2026.

26.2 Additional Paid-in Capital

On June 2, 2017, the Parent Company made an initial public offering (IPO) of 430,000,000 unissued common shares at an offer price of P5 per share, which is equivalent to P2,150,000,000. Accordingly, the Parent Company recognized additional paid-in capital of P1,608,917,974 in the consolidated statements of financial position after deducting the related share issuance costs of P111,082,026.

On April 12, 2024, the Company issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,247,007,247 in the consolidated statements of financial position after deducting the related share issuance costs of P29,052,413.

26.3 Treasury Shares

On February 27, 2018, the BOD of the Parent Company approved a P250,000,000 budget for a share buy-back program and employee share option plan. On March 2022, qualified employees started exercising their share options (see Note 26.4).

On March 27, 2020, the BOD of the Parent Company approved an additional P500,000,000 stock buy-back program over the next two years. In relation to this program, the Parent Company reacquired its common stock in 2021 and 2020, for P15,320,885 and P485,657,205, respectively, and presented them as Treasury Stock in the consolidated statements of financial position. No additional shares were reacquired in 2022.

In 2022, the Parent Company has reissued 3,349,470 shares of treasury shares as a result of exercise of the same number of share options (Note 26.4). As of June 30, 2026, the Group has a total of 158,250,530 treasury shares amounting to P732,664,604.

26.4 Employee Share Option

On October 6, 2021, the BOD of the Parent Company approved the Executive Share Option Plan (ESOP) for its qualified officers. The ESOP grants options to purchase the shares of the Parent Company at a price of P2.25 or current market price with a 15% discount, whichever is higher. Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least six months from the exercise date. Voting and dividend rights vest upon the issuance of the shares to the employees.

Pursuant to this ESOP, on January 5, 2022, the Parent Company granted share options to qualified officers to subscribe to 31,016,200 common shares of the Parent Company, with the following vesting period.

- The 1st 25% of the options granted can be exercised immediately upon the year of grant;
- The 2nd 25% of the options granted can be exercised one year after the options were granted;
- The 3rd 25% of the options granted can be exercised two years after the options were granted; and,
- The last 25% of the options granted can be exercised three years after the options were granted.

In 2022, a total of 3,349,470 share options were exercised at a price of P2.40 per share using the Parent Company treasury shares (see Note 26.3).

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

Average option life	2.5 years
Average share price at grant date	P2.86
Average exercise price at grant date	P2.43
Average fair value at grant date	P0.15
Average standard deviation of share price returns	20.17%
Average dividend yield	14.95%
Average risk-free investment rate	2.59%

The underlying expected volatility was determined by reference to historical prices of the Parent Company's shares.

26.5 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the consolidated statement of changes in equity at their aggregate amount under the Revaluation Reserves account are shown below.

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year		**(43,922,873)**	(34,689,808)
Other comprehensive loss:			
Loss on remeasurement of post-employment defined benefit obligation	23.2	**-**	(12,310,753)
Tax income (expense)	24	**-**	3,077,688
		-	(9,233,065)
Balance at end of year		**(43,922,873)**	(43,922,873)

26.6 Retained Earnings

(a) Cash Dividends

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
2026				
Common shares:				
April 7, 2026	April 22, 2026	May 6, 202	623,736,265	0.18
			623,736,265	
2025				
March 17, 2025	April 11, 2025	April 16, 2025	519,780,220	0.15
March 17, 2025	April 11, 2025	April 16, 2025	103,956,045	0.03
			623,736,265	
Preferred shares (CLIA1):				
November 10, 2025	January 2, 2026	January 12, 2026	39,126,462	18.96
November 10, 2025	April 6, 2026	April 13, 2026	39,126,462	18.96
November 10, 2025	July 2, 2026	July 13, 2026	39,126,462	18.96
November 10, 2025	October 2, 2026	October 12, 2026	39,126,462	18.96
			156,505,848	
Preferred shares (CLIA2):				
November 10, 2025	January 2, 2026	January 12, 2026	45,725,213	20.63
November 10, 2025	April 6, 2026	April 13, 2026	45,725,213	20.63
November 10, 2025	July 2, 2026	July 13, 2026	45,725,213	20.63
November 10, 2025	October 2, 2026	October 12, 2026	45,725,213	20.63
			182,900,852	
			1,586,879,230	

(b) Appropriated Retained Earnings Releases

In 2026 and 2025, the Parent Company reversed certain appropriations made in previous years amounting to P993,806,956 and P1,693,661,345, respectively, to unrestricted retained earnings after partial fulfillment of its intended purpose. A portion of the Group's retained earnings, equivalent of the cost of treasury shares is legally restricted in accordance with Section 40 of the Revised Corporation Code.

26.7 Non-controlling Interests

The subsidiaries of the Group with significant NCI as at June 30, 2026 and December 31, 2025 are as follows.

(Amounts in PHP)	NCI Ownership %		NCI Equity in Subsidiaries	
Subsidiaries	**2026**	2025	**2026**	2025
YHEST	**50%**	50%	**5,412,079,569**	4,869,847,679
CHDI	**50%**	50%	**2,595,103,402**	2,598,519,983
CNPVI	**40%**	0%	**1,594,313,693**	-
CLI NUD	**40%**	40%	**1,471,954,539**	1,419,876,083
El Camino	**65%**	65%	**878,182,749**	913,811,545
CBLRV	**50%**	50%	**683,098,006**	562,535,798
YHES	**50%**	50%	**670,466,043**	723,946,776
GGTT	**50%**	50%	**393,692,855**	442,335,971
CLI-LITE	**12%**	12%	**292,036,587**	240,669,176
CLI MAC	**40%**	40%	**148,276,327**	148,163,103
BL Ventures	**50%**	50%	**84,077,164**	79,973,392
MDC	**22%**	22%	**79,324,918**	79,501,359
YES	**50%**	50%	**75,537,646**	89,461,966
CCLI	**50%**	50%	**38,714,283**	87,968,821
MGR	**55%**	55%	**31,822,389**	33,478,145
SPE	**36%**	36%	**17,897,006**	25,433,229
			14,466,577,176	12,315,523,025

The analysis of the movement of NCI as at June 30, 2026 and December 31, 2025 are as follows:

(Amounts in PHP)	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of year		**12,315,523,025**	9,960,543,018
Consolidation through step acquisition		**-**	1,415,278,385
Share in net profit during the year		**470,439,001**	992,888,942
Dividends		**(4,200,000)**	(854,000,000)
New and additional investments		**1,684,815,150**	800,812,680
Balance at end of year		**14,466,577,176**	12,315,523,025

The dividends pertains to BL CBP in 2026 and El Camino and YHEST in 2025.

27. EARNINGS PER SHARE

EPS is computed as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Net profit attributable to Parent	**1,529,789,912**	1,651,819,727
Preferred dividends – see Note 26.6	**(169,703,350)**	(169,703,350)
Income available to common stockholders	**1,360,086,562**	1,482,116,377
Divided by weighted average number of outstanding common shares	**3,465,201,467**	3,465,201,467
Basic and diluted EPS	**0.39**	0.43

Aside from the employee share options, there were no instruments that could potentially dilute basic earnings per share in June 30, 2026 and 2025, hence basic EPS is the same as diluted EPS.

28. COMMITMENTS AND CONTINGENCIES

28.1 Operating Lease Commitments – Group as Lessor

The Group is a lessor under several operating leases for certain condominium and parking units and retail building space (see Note 12). To manage its risks over these operating leases, the Group retains its legal title over the underlying assets and requires its lessee to pay security deposits at the start of the lease, which are forfeited in case a lessee pre-terminates without prior notice or before the expiry of the lease term without cause. The leases have terms ranging from one to 15 years, with renewal options, and include annual escalation from 5% to 10%.

The future minimum lease receivables under these agreements are presented below.

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	June 30, 2026 (Unaudited)
Within one year	**226,552,609**	139,522,074
Within one but not more than 5 years	**643,163,014**	668,000,920
More than five years	**546,285,129**	446,823,610
	1,416,000,752	1,254,346,604

None of the rental income in 2026 and 2025 are related to variable lease payments.

28.2 Operating Lease Commitments – Group as Lessee

The Group entered into several short-term cancellable leases for its billboards, warehouse and staff house. Rent expense incurred from the short-term cancellable leases are shown as Rent under Operating Expenses in the consolidated statements of profit or loss (see Note 19).

As at June 30, 2026, the expected future rentals is expected to be more or less the same with the annual rent expense recognized because of the terms of the leases, which are less than 12 months.

28.3 Completion of Sold Units

The Group is obligated to finish the sold units that are at a certain stage of completion at the time of sale. The Group recognized a contract liability, which amounts to P302,497,116 and P345,034,388 as at June 30, 2026 and December 31, 2025, respectively, when it collects more than it is entitled to based on the stage of completion of the project development (see Note 17.2).

28.4 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations that are not reflected in the consolidated financial statements because the possible outflow of economic resource as a result of present obligations is considered improbable or remote or the amount to be provided cannot be measured reliably. As at June 30, 2026 and 2025, management is of the opinion that losses, if any, from these items will not have a material effect on the Group's consolidated financial statements.

29. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to certain financial risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarized in Note 30. The main types of risks are market risk, credit risk and liquidity risk. The Group's risk management focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

It does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below and in the succeeding pages.

29.1 Market Risk

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

It has no significant foreign currency exposure risks as most of its transactions are carried out in Philippine pesos, its functional currency.

29.2 Credit Risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument fails to meet its contractual obligation. To manage credit risk, the Group maintains credit policies and monitors its exposure to credit risk on a continuous basis. Receivables balances are being monitored on a regular basis to ensure timely execution of necessary collection intervention efforts. For contract receivables and contract assets, credit risk is mitigated by the Group's ability to repossess and resell the underlying property in accordance with contract terms and applicable laws. Management considers this recovery mechanism, together with historical cancellation and collection experience, in estimating expected credit losses.

(a) Maximum exposure to credit risk

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets (including contract assets), as summarized below.

(Amounts in PHP)	Notes	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Cash and cash equivalents	4	**2,214,230,828**	3,040,615,556
Receivables*	5	**24,284,650,933**	6,147,468,808
Contract assets	17.2	**44,939,385,301**	55,602,021,829
Due from related parties	25.1	**82,483,353**	78,394,118
Restricted escrow fund	8	**-**	449,119,013
Short-term investments	8	**505,096,857**	220,581,011
Refundable deposits	13	**212,547,451**	205,268,395
		72,238,394,723	65,743,468,730

**Receivables excludes advances to officers and employees.*

(b) Credit Quality

The Group classifies cash in banks as high grade as these are deposited with reputable banks. Other receivables, due from related parties and refundable deposits are considered to be unrated. For trade receivables, standard grade pertains to receivables with no default in payments and are effectively collateralized by the real estate inventories which can be subject to repossession upon non-payment of customers after reasonable collection effort has been exerted by the Group.

The quality of the Group's financial assets as at June 30, 2026 and December 31, 2025 is shown below.

	Neither past due not impaired			Past due but	Individually	
	High grade	**Standard grade**	**Unrated**	**not impaired**	**impaired**	**Total**
(Amounts in PHP)						
2026						
Cash and cash equivalents	**2,214,230,828**	**-**	**-**	**-**	**-**	**2,214,230,828**
Receivables:						
Contract	**-**	**22,614,717,171**	**-**	**287,330,078**	**-**	**22,902,047,249**
Others	**-**		**1,381,289,391**	**-**	**1,314,293**	**1,382,603,684**
Contract assets	**-**	**44,939,385,301**	**-**	**-**	**-**	**44,939,385,301**
Due from related parties	**-**	**-**	**82,483,353**	**-**	**-**	**82,483,353**
Restricted escrow fund	**-**	**-**	**-**	**-**	**-**	**-**
Short-term investments	**505,096,857**	**-**	**-**	**-**	**-**	**505,096,857**
Refundable deposits	**-**	**-**	**212,547,451**	**-**	**-**	**212,547,451**
	2,719,327,685	**67,554,102,473**	**1,676,320,195**	**287,330,078**	**1,314,293**	**72,238,394,723**
2025						
Cash and cash equivalents	3,040,615,556	-	-	-	-	3,040,615,556
Receivables:						
Contract	-	4,824,774,614	-	159,127,347	-	4,983,901,961
Others	-		1,162,385,952	-	1,180,895	1,163,566,847
Contract assets	-	55,602,021,829	-	-	-	55,602,021,829
Due from related parties	-	-	78,394,118	-	-	78,394,118
Restricted escrow fund	449,119,013	-	-	-	-	449,119,013
Short-term investments	220,581,011	-	-	-	-	220,581,011
Refundable deposits	-	-	205,268,395	-	-	205,268,395
	3,710,315,580	60,426,796,443	1,446,048,465	159,127,347	1,180,895	65,743,468,730

29.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored regularly using short-term and rolling cash flow projections. Long-term liquidity needs for a six-month and one-year period are identified monthly. It maintains cash to meet its liquidity requirements. Excess cash are invested in short-term placements.

	Current		Non-current	
	Within	**Six to**	**One to Five**	**More than**
(Amounts in PHP)	**Six Months**	**12 Months**	**Years**	**Five Years**
June 30, 2026				
Interest-bearing loans and Borrowings[1]	**3,751,276,587**	**3,272,751,158**	**34,891,454,500**	**14,333,574,054**
Bonds payable	**-**	**-**	**9,420,820,000**	**1,818,110,000**
Trade and other payables2	**18,949,937,460**	**2,521,345,245**	**4,673,616,379**	**1,216,089,587**
	22,701,214,047	**5,794,096,403**	**48,985,890,879**	**17,367,773,641**
December 31, 2025				
Interest-bearing loans and borrowings	4,584,423,585	4,897,555,926	17,336,767,879	24,888,397,593
Bonds payable	3,234,760,250	382,738,827	11,316,034,284	2,426,060,974
Trade and other payables*	24,545,383,110	5,002,899,667	497,663,421	-
	32,364,566,945	10,283,194,420	29,150,465,584	27,314,458,567

** Trade and other payables excludes output VAT, government-related obligations and advance rental.*

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

30. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE MEASUREMENTS AND DISCLOSURES

30.1 Carrying Amounts and Fair Values by Category

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

		June 2026		December 2025	
(Amounts in PHP)	Notes	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Financial Assets					
At amortized cost:					
Cash and cash equivalents	4	**2,214,230,828**	**2,214,230,828**	3,040,615,556	3,040,615,556
Receivables - net[1]	5	**24,284,650,933**	**24,284,650,933**	6,147,468,808	6,147,468,808
Due from related parties	25.1	**82,483,353**	**82,483,353**	78,394,118	78,394,118
Restricted escrow fund	8	**-**	**-**	449,119,013	449,119,013
Short-term investments	8	**505,096,857**	**505,096,857**	220,581,011	220,581,011
Refundable deposits	13	**212,547,451**	**212,547,451**	205,268,395	205,268,395
		27,299,009,422	**27,299,009,422**	10,141,446,901	10,141,446,901
Financial Liabilities					
At amortized cost:					
Interest-bearing loans and borrowings	14	**56,249,056,299**	**56,249,056,299**	46,773,795,211	47,811,285,919
Bonds payable	15	**11,238,930,000**	**11,238,930,000**	13,874,488,611	14,481,548,887
Trade and other payables[2]	16	**27,360,988,671**	**27,360,988,671**	30,045,946,198	30,045,946,198
		94,848,974,970	**94,848,974,970**	90,694,230,020	92,338,781,004

1 Receivables - net excludes advances to officers and employees.
2 Trade and other payables excludes output VAT, government-related obligations and advance rental.

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 29.

30.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts recognized in the consolidated statements of financial position			Related amounts set-off in the consolidated statements of financial position		
(Amounts in PHP)	**Financial assets**	**Financial assets set-off**	**Net amount presented in the consolidated statements of financial position**	**Financial instruments**	**Cash collateral received**	**Net amount**
June 30, 2026						
Cash and cash equivalents	**2,214,230,828**	**-**	**2,214,230,828**	**2,203,593,390**	**-**	**10,637,438**
December 31, 2025						
Cash and cash equivalents	3,040,615,556	-	3,040,615,556	3,011,920,892	-	7,559,112

The following financial liabilities with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	Gross amounts recognized in the consolidated statements of financial position		Net amount presented in the consolidated statements of financial position	Related amounts set-off in the consolidated statements of financial position		
	Financial liabilities	**Financial liabilities set-off**		**Financial instruments**	**Cash collateral received**	**Net amount**
June 30, 2026						
Interest-bearing loans	**56,249,056,299**	-	**56,249,056,299**	**2,203,593,390**	-	**54,045,462,909**
December 31, 2025						
Interest-bearing loans	46,773,795,211	-	46,773,795,211	3,011,920,892	-	43,761,874,319

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Group and counterparties (i.e., banks) allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

30.3 Fair Value Measurements and Disclosures

(a) *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:

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

(b) 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,

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

Classification within the fair value hierarchy is determined based on the lowest level of input that is significant to the 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 relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

(b) Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The table below summarizes the fair value hierarchy of the Group's financial assets and financial liabilities, which are not measured at fair value in the 2026 and 2025 consolidated statements of financial position, but for which fair value is disclosed (see Note 30.1).

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
June 30, 2026				
Financial assets:				
Cash and cash equivalents	2,214,230,828	-	-	2,214,230,828
Receivables – net[1]	-	-	24,284,650,933	24,284,650,933
Due from related parties	-	-	82,483,353	82,483,353
Short-term investments	505,096,857	-	-	505,096,857
Refundable deposits	-	-	212,547,451	212,547,451
	2,719,327,685	**-**	**24,579,681,737**	**27,299,009,422**
Financial liabilities:				
Interest-bearing loans	-	-	56,249,056,299	56,249,056,299
Bonds payable	-	-	11,238,930,000	11,238,930,000
Trade and other payables	-	-	27,361,069,236	27,361,069,236
	-	**-**	**94,849,055,535**	**94,849,055,535**

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
December 31, 2025				
Financial assets:				
Cash and cash equivalents	3,040,615,556	-	-	3,040,615,556
Receivables – net[1]	-	-	6,147,468,808	6,147,468,808
Due from related parties	-	-	78,394,118	78,394,118
Restricted escrow fund	449,119,013	-	-	449,119,013
Short-term investments	220,581,011	-	-	220,581,011
Refundable deposits	-	-	205,268,395	205,268,395
	3,710,315,580	-	6,431,131,321	10,141,446,901
Financial liabilities:				
Interest-bearing loans	-	-	47,811,285,919	47,811,285,919
Bonds payable	-	-	14,481,548,887	14,481,548,887
Trade and other payables	-	-	30,045,946,198	30,045,946,198
	-	-	92,338,781,004	92,338,781,004

[1] Receivables excludes advances to officers and employees.
[2] Trade and other payables excludes output VAT, government-related obligations and advance rental.

Management has determined that the carrying amounts of the Group's financial assets and liabilities measured at amortized cost approximate their fair values due to their short-term nature, except for interest-bearing loans and borrowings and bonds payable, whose fair values were determined using discounted cash flow techniques based on market rates.

(c) Fair Value Measurement for Non-financial Assets

The table below shows the Levels within the hierarchy of investment property, which are not carried at fair value but whose fair value are required to be disclosed on a recurring basis as at June 30, 2026 (see Note 12).

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
Investment Property		4,679,673,200	19,088,981,985	**23,768,655,185**

The fair value of the Group's investment properties was determined based on independent appraisals using market-based valuation techniques.

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 parcels of land and buildings, and the comparable prices in the corresponding property location.

The fair value of these parcels of land, condominium units, parking units, construction-in-progress and retail building were determined based on the following approaches:

(i) Fair Value Measurement for Land, Condominium Units, Parking units and Retail Buildings

The Level 3 fair value of the parcels of land, condominium units, retail building and parking slots under Investment Properties account was determined using the market approach, adjusted for differences in key attributes such as properties size, zoning and accessibility.

Under the market approach, when comparable lease offerings of similar properties and sales prices of comparable land properties in close proximity are used in the valuation of the subject property with insignificant adjustment on the price, fair value is included in Level 2. Consequently, if the observable recent prices of the reference properties were adjusted significantly for differences in key attributes such as properties size, zoning and accessibility, the fair value is included in Level 3. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

(ii) Fair Value Measurement for Improvements under Retail Buildings

The Level 3 fair value of building improvements presented as part of retail buildings under Investment Properties account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

31. 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 products and services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

(Amounts in PHP)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Total interest-bearing loans and borrowings and bonds payable	**67,182,433,530**	60,648,283,822
Total equity	**37,783,861,629**	34,726,753,831
Debt-to-equity ratio	**1.78:1.00**	1.75:1.00

The Group's goal in capital management is to limit a maximum debt-to-equity structure ratio of 75:25 on a monthly basis. The Group is required to maintain certain financial ratios in relation with its borrowings (see Notes 14 and 15). The Group has complied with its covenant obligations for both periods ended June 30, 2026 and December 31, 2025.

32. SUPPLEMENTARY INFORMATION ON NON-CASH INVESTING AND FINANCING ACTIVITIES

Discussed below are the supplemental information on non-cash investing and financing activities relative to the Group's condensed consolidated interim statements of cash flows.

(a) In 2026 and 2025, borrowing costs that were capitalized as part of Property and Equipment and Investment Properties totaled to P871,748,262 and P2,168,645,976 (see Notes 10 and 12).

(b) Unpaid dividends in relation to CLI's Series A-1 and A-2 preferred shares amounted to P169,703,355 and P339,406,706 as at June 30, 2026 and December 31, 2025, respectively and is presented as Dividends payable under Trade and Other Payables in the statements of financial position.

(c) In 2026, the Group recognized an addition to Right-of-Use (ROU) Assets amounting to P4,099,930, corresponding to a new lease agreement entered into for the GGTT office space.

33. IMPACT OF EARTHQUAKE ON COMPANY'S BUSINESS

On June 8, 2026, earthquakes struck various parts of the Mindanao regions, with General Santos and Davao being the most affected areas. The Company has ongoing real estate development projects and investment properties located in General Santos and Davao that may have been affected by these incidents.

As of the date of authorization of these financial statements, management is still in the process of assessing the extent of any damage to its projects, properties, and related assets, as well as the potential impact on its financial position and performance. Accordingly, no adjustments yet have been made to the carrying amounts of assets and liabilities in these financial statements.