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SEC Registration Number

A B R O W N C O M P A N Y , I N C .

(Company's Full Name)

X A V I E R E S T A T E S U P T O W N
A I R P O R T R O A D B A L U L A N G

C A G A Y A N D E O R O C I T Y

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

Allan Ace R. Magdaluyo

Contact Person

02-8631 8890

Company Telephone Number

2025 3rd Quarter Report

1 2 3 1

Month Day
Fiscal Year

1 7 - Q

FORM TYPE

0 6

Month
Annual Meeting

Day

Secondary License Type, if applicable

M S R D

Dept. Requiring this Doc.

Amended Articles Number/Section

2,087 Common and 3 Preferred – Series A;
2 Preferred – Series B; 2 Preferred –
Series C (September 30, 2025)

Total No. of Stockholders

Total Amount of Borrowings

Php 2,764,440,132 (September 30, 2025)

Domestic

- 0 -

Foreign

To be accomplished by SEC Personnel concerned

File number

LCU

Document I.D.

Cashier

STAMPS

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**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 **3rd Quarter** ended **September 30, 2025**
2. Commission Identification Number: 31168
3. BIR Tax identification No. 002-724-446-000
4. **A BROWN COMPANY, INCORPORATED**
5. Metro Manila, Philippines
6. Industry Classification Code: (SEC use only)
7. **Xavier Estates Uptown, Airport Road, Balulang, Cagayan de Oro City 9000**
8. Telephone Nos. **(02) 8631-8890** or (02) 8633-3135 (Liaison Office)
9. Former address in last report is: -
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of shares outstanding
Common shares	2,372,367,911
Preferred shares – Series A	13,264,900
Preferred shares – Series B	7,431,750
Preferred shares – Series C	6,941,000

11. Are any or all of the securities listed on a Stock Exchange?
Yes, all of the outstanding common shares and “Series A, Series B and Series C” preferred shares are listed in the Philippine Stock Exchange.
- 12.a Yes, we have 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 the 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 the registrant was required to file such reports).
- 12.b Yes, we have been subject to such filing requirements for the past 90 days.

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PART I – Financial Information

Item 1. Financial Statements

Please find attached herein the Interim Consolidated Financial Statements (Unaudited) (as Exhibit 1) for the Third (3rd) Quarter ending September 30, 2025.

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

Quarter Ended September 30

	2025 (Unaudited)	2024 (Unaudited)	Horizontal Analysis Increase (Decrease)	
			in ₱	in %
REVENUES				
Real estate sales	₱144,370,992	₱459,314,763	-314,943,771	-68%
Sale of agricultural goods	61,601,829	82,921,538	-21,319,709	-25%
Water and other service	7,938,293	7,296,442	641,851	8%
	213,911,114	549,532,743	-335,621,629	-61%
COSTS OF SALES AND SERVICE				
Cost of real estate sales	49,862,753	104,058,624	-54,195,871	-52%
Cost of agricultural goods sold	39,667,105	70,550,269	30,883,165	-43%
Cost of water and other service revenue	1,970,294	4,953,697	-2,983,403	-60%
	91,500,152	179,562,591	88,062,439	-49%
GROSS PROFIT	122,410,962	369,970,152	-247,559,190	-66%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	578,047,491	144,653,137	433,394,354	299%
OTHER INCOME (EXPENSES)				
Equity in net earnings of associates	46,827,683	21,986,385	24,841,298	113%
Impairment loss	(215,422,227)		215,422,227	
Interest expense	(109,422,280)	(95,663,415)	-13,758,865	-14%
Gain on sale of shares	1,840,671,538		1,840,671,538	
Other income	108,399,706	32,686,728	75,712,978	231%
	1,671,054,420	(40,990,302)	1,712,044,722	-4176%
INCOME BEFORE INCOME TAX	1,215,417,891	184,326,713	1,031,091,178	559%
PROVISION FOR INCOME TAX				
Current	2,881,976	2,210,213	671,763	-30%
Deferred	(36,348,519)	-	-36,348,519	
	(33,466,543)	2,210,213	-35,676,756	-1614%
NET INCOME	₱1,248,884,434	₱182,116,501	1,066,767,934	585%

Year-to-Date Ended September 30

	2025 (Unaudited)	2024 (Unaudited)	Horizontal Analysis Increase (Decrease)	
			in ₱	in %
REVENUES				
Real estate sales	₱1,029,735,534	₱1,020,165,268	9,570,266	0%
Sale of agricultural goods	190,862,824	157,652,678	33,210,146	21%
Water and other service	23,530,120	26,228,130	(2,698,010)	-10%
	1,244,128,478	1,204,046,075	40,082,403	3%
COSTS OF SALES AND SERVICE				
Cost of real estate sales	465,225,390	362,093,291	103,132,099	28%
Cost of agricultural goods sold	143,053,763	130,237,468	12,816,295	9%
Cost of water and other service revenue	9,118,208	12,543,969	(3,425,760)	-27%
	617,397,361	504,874,728	112,522,633	22%
GROSS PROFIT	626,731,117	699,171,347	(72,440,231)	-10%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	851,596,776	352,455,497	499,141,281	141%
OTHER INCOME (EXPENSES)				
Equity in net earnings of associates	221,281,735	88,788,658	132,493,076	149%
Impairment loss	(215,422,227)		215,422,227	-
Interest expense	(179,551,130)	(141,283,374)	38,267,756	27%
Gain on sale of shares	1,840,671,538		1,840,671,538	
Other income	170,842,379	58,189,263	112,653,116	193%
	1,837,822,295	5,694,548	1,832,127,747	32,173%
INCOME BEFORE INCOME TAX	1,612,956,633	352,410,398	1,260,546,235	357%
PROVISION FOR INCOME TAX				
Current	11,007,277	8,946,325	2,060,952	23%
Deferred	-	(4,226,021)	4,226,021	100%
	11,007,277	4,720,304	6,286,973	133%
NET INCOME	₱1,601,949,357	₱347,690,094	1,254,259,262	360%

Revenues

The Group recorded consolidated revenues of ₱213.91M in the 3rd quarter 2025, a decrease of 61% from ₱549.53M in the 3rd quarter of 2024 and of ₱1.24B in the 1st nine months of 2025, an increase of 3% from ₱1.20B in the 1st nine months of 2024. The revenues are broken down as follows:

Real estate sales

Revenue from real estate sales was ₱144.37M for the 3rd quarter 2025, a decrease of 68% from ₱459.31M for the same period in 2024 due to decrease in the percentage of completion of various sold projects amortizing over the collection period and take out of various projects. Real estate sales contributed to 68% of total consolidated revenues. For the year-to-date, revenue from real estate sales was ₱1.029B for the nine months ended September 30, 2025, an increase of ₱9.57M from ₱1.020B for the same period in 2024. Real estate sales contributed to 82% of total consolidated revenues for the 1st nine months of 2025.

Sale of agricultural goods

Revenue from sale of agricultural goods was ₱61.60M in the 3rd quarter 2025, a decrease of 25% from ₱82.92M in the same period in 2024. For the year-to-date, revenue from sale of agricultural goods was ₱190.86M for the nine months ended September 30, 2025, an increase of 21% from ₱157.65M in the

same period in 2024. The agricultural products are palm oil products consisting of Crude Palm Oil, Palm Acid Oil, and Kernel.

Water and other service income

Revenue from water and other services was ₱7.93M in the third quarter in 2025, a slight increase from ₱7.29M in the same period in 2024 due to the net effect on the new revenue from irradiation/sterilization services and the temporary timing difference in the water revenue recognition. For the year-to-date, revenue from water and other services was ₱23.53M for the nine months ended September 30, 2025, a decrease of 10% from ₱26.22M in the same period in 2024 due to the temporary timing difference in the water revenue recognition.

Cost of Sales and Service

The Group recorded consolidated cost of sales and service of ₱91.50M in the 3rd quarter of 2025, a decrease of 49% from ₱179.56M in the same period of last year and of ₱617.39M in the 1st nine months of 2025, an increase of 22% from ₱504.87M in the 1st nine months of 2024, due to the following:

Cost of real estate sales

The cost of real estate sales was ₱49.86M in the 3rd quarter of 2025, a decrease of 52% from ₱104.05M for the same period in 2024. The real estate costs recorded are directly related to the real estate sales for the period 2025 which also decreased. Gross profit from real estate sales is ₱94.50M, with a gross profit margin of 65%. For the year-to-date, the cost of real estate sales was ₱465.22M for the nine months ended September 30, 2025, an increase of 28% from ₱362.09M for the same period in 2024. Gross profit from real estate sales for the 1st nine months of 2025 was ₱564.51M and a gross profit margin of 54%.

Cost of sales of agricultural goods

The cost of sales of agricultural goods amounted to ₱39.66M in the 3rd quarter of 2025, a decrease of 43% from ₱70.55M for the same period in 2024. The decrease in cost of sales was due to the lower production and sales for the period. Gross profit from the sales of agricultural products was ₱21.93M, with a gross profit margin of 35%. For the year-to-date, the cost of sales of agricultural goods was ₱143.05M for the nine months ended September 30, 2025, an increase of 9% from ₱130.23M for the same period in 2024. Gross profit from the sales of agricultural goods was ₱14.41M and a gross profit margin of 61% for the 1st nine months of 2025.

Cost of water and other service income

The cost of water and other services was ₱1.97M in the third quarter of 2025, a decrease of 60% from ₱4.95M for the same period in 2024 due to fuel efficiency in the utilization of the pumps and lesser spillage. For the year-to-date, the cost of water and other services was ₱9.11M for the nine months ended September 30, 2025, a decrease of 27% from ₱12.54M for the same period in 2024 due to increase in fuel efficiency in the utilization of the pumps and lesser spillage.

General, Administrative and Selling Expenses

The Group recorded general, administrative and selling expenses of ₱578.04M in the 3rd quarter of 2025, an increase of 299% from ₱144.65M for the same period in 2024. For the year-to-date, the general, administrative and selling expenses amounted to ₱851.59M for the nine months ended September 30, 2025, an increase of 141% from ₱352.45M for the same period in 2024. The general, administrative, and selling expenses were higher in 2025 compared to 2024 even as the group delivered on higher total consolidated revenue. General, administrative, and selling expenses include personnel expenses, marketing expenses, taxes and licenses, outside services, professional fees, depreciation, provision for inventory losses, rental expenses, and utilities and supplies. There was a 3380% increase in Taxes and Licenses sustained in the Business Permits as well as other licensing requirements; 154% increase in Utilities and Supplies; 77% increase in Professional Fees; 117% increase in Marketing Expenses; 183% increase in Transportation and Travel and 128% increase in Repairs and Maintenance paralleled with 526% increase in the depreciation of the capital assets.

Other Income/Expenses

Share in net income (loss) of associates

The Group recognized ₱46.82M in equity in net earnings of associates for the 3rd quarter of 2025, a 113% increase from ₱21.98M for the same period in 2024 and of ₱221.28M in equity in net earnings of associates for the 1st nine months of 2025, a 149% increase from ₱88.78M. The increase reflects higher

reported profits from associated companies like Palm Concepcion Power Corporation and Peakpower Energy Inc.

Impairment Loss

Impairment loss increased to ₱215.42M in the 3rd quarter of 2025, as compared to nil for the same period in 2024. For the year-to-date, impairment loss increased to ₱215.42M in the 1st nine months of 2025, as compared to nil for the same period in 2024. The increase is attributed to impairment loss on some PPE and the additional impairment loss recorded for ABERDI and Nakeen Corporation's bearer plants for this period.

Interest Expense

Interest expense increased to ₱109.42M in the 3rd quarter of 2025, a 14% increase from ₱95.66M for the same period in 2024. For the year-to-date, interest expense increased to ₱179.55M in the 1st nine months of 2025, a 27% increase from ₱141.28M for the same period in 2024. The increase is attributed to increased loan drawdowns and adoption of new PFRS standard on accounting for borrowing cost limiting the capitalization of incurred interest to qualifying assets.

Gain on sale of Shares

Gain on sale of shares increased to ₱1.84B in the 3rd quarter of 2025, an increase from nil in the 3rd quarter of 2024. For the year-to-date, other income-net increased to ₱1.84B in the 1st nine months of 2025, an increase from nil for the same period in 2024. The gain on sale of shares was the result of the sale of all Palm Concepcion Power Corporation (PCPC) shares to the third party.

Other Income – net

Other income- net increased to ₱108.39M in the 3rd quarter of 2025, an increase of 231% from ₱32.68M in the 3rd quarter of 2024. For the year-to-date, other income-net increased to ₱170.84M in the 1st nine months of 2025, a 193% increase from ₱58.18M for the same period in 2024. Other income includes income from forfeited accounts; rental income and tapping fees, transfer fees and other water charges.

Provision for Income Tax

Total provision for income tax decreased by 1,614% to ₱33.46M as benefit from income tax in the 3rd quarter of 2025 from ₱2.21M for the same period last year. For the year-to-date, the total provision for income tax increased to ₱11.00M in the 1st nine months of 2025, a 133% decrease from ₱4.72M for the same period in 2024.

Net Income

Net income of ₱1.24B in the 3rd quarter of 2025 was a 585% increase from ₱182.11M in the 3rd quarter of 2024. For the year-to-date, net income increased to ₱1.60B in the 1st nine months of 2025, a 360% increase from ₱347.69M for the same period in 2024. The increase was mainly due to higher equity earnings from associates and other income as the result of the sale of all Palm Concepcion Power Corporation (PCPC) shares to the third party. The Group recorded top-line revenues for its real estate and agribusiness segment.

Financial Position – Interim Consolidated (Unaudited)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	Horizontal Analysis Increase (Decrease)	
			in ₱	in %
ASSETS				
Current Assets				
Cash	₱1,848,165,283	₱677,964,213	1,170,201,070	172%
Receivables	1,165,181,359	1,006,179,782	159,001,577	15%
Contract assets	196,477,873	131,239,842	65,238,031	49%
Real estate inventories	4,795,201,712	4,057,995,302	737,206,410	18%
Other inventories	15,488,844	48,750,406	-33,261,562	-68%
Other current assets	1,963,305,272	1,272,275,513	691,029,759	54%
Total Current Assets	9,983,820,343	7,194,405,058	2,789,415,285	38%
Noncurrent Assets				
Contract assets - net of current portion	1,542,267,524	1,542,267,524	-	-
Equity instruments at fair value through other comprehensive income (EIFVOCI)	1,341,331,493	1,542,267,524	(41,007,681)	-3%
Investments in associates	429,156,522	428,856,522	300,000	0%
Investment properties	364,354,718	1,839,745,991	-1,475,391,273	-80%
Property, plant and equipment	631,838,036	631,838,036	-	-
Other noncurrent assets	1,803,358,522	1,715,734,159	87,624,363	5%
	780,933,375	735,687,707	45,245,668	6%
Total Noncurrent Assets	5,551,908,697	6,894,129,939	-1,342,221,242	-19%
TOTAL ASSETS	₱15,535,729,040	₱14,088,534,997	1,447,194,043	10%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	₱1,844,880,985	₱1,315,630,677	529,250,308	40%
Short-term debt	555,700,000	972,187,000	-416,487,000	-42%
Current portion of long-term debt	536,039,896	602,633,723	-66,593,827	-11%
Contract liabilities	411,775,516	481,762,306	-69,986,790	-14%
Total Current Liabilities	3,348,396,397	3,372,213,706	-23,817,309	0%
Noncurrent Liabilities				
Long-term debt - net of current portion	1,672,700,236	1,741,220,033	-68,519,797	-3%
Retirement benefit obligation	88,677,159	84,475,120	4,202,039	5%
Deferred tax liabilities - net	533,030,797	490,298,012	42,732,785	8%
Total Noncurrent Liabilities	2,294,408,191	2,315,993,165	-21,584,974	0%
Total Liabilities	5,642,804,588	5,688,206,871	-45,402,283	0%

			Horizontal Analysis Increase (Decrease)	
	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	in ₱	in %
Equity Attributable to Equity Holders of the Parent Company				
Capital stock				
Common stock	2,477,668,925	2,477,668,925		
Preferred stock	27,637,650	27,637,650		
Additional paid-in capital	3,331,502,966	3,331,502,966		
Retained earnings	4,188,957,588	2,694,454,515	1,494,503,073	55%
Fair value reserve of EIFVOCI	(5,214,271)	(5,214,271)		
Remeasurement loss on retirement benefit obligation - net of tax	(20,218,050)	(20,218,050)		
Remeasurement loss on defined benefit plan of an associate	(2,165,918)	(2,165,918)		
Cumulative translation adjustment	(10,061,939)	(8,155,192)	1,906,747	23%
Treasury shares - common	(94,932,275)	(94,932,275)		
	9,893,174,676	8,400,578,350	1,492,596,326	17%
Noncontrolling interest	(250,224)	(250,224)	-	-
Total Equity	9,892,924,452	8,400,328,126	1,492,596,326	17%
TOTAL LIABILITIES AND EQUITY	15,535,729,040	₱14,088,534,997	1,447,194,043	10%

A Brown Company, Inc. - CONSOLIDATED
Financial Condition Items – September 30, 2025 vs. December 2024

Assets

The Group recorded total assets of ₱15.53B as of September 30, 2025, an increase of ₱1.44B or 10% from ₱14.08B as of December 31, 2024. The net increase was due to the following:

Current Assets

- Cash amounted to ₱1.84B in September 2025, compared to ₱677.96M in December 2024, a 172% increase due to utilization of the cash collections on the development of the different projects and the proceeds from the sale of the Palm Concepcion Power Corporation's shares
- Receivables amounted to ₱1.16B in September 2025, up by 15% from ₱1.00B in December 2024, due to increased progress completion of real estate projects of Mountain Pines Farm 2, Adelaida; Meadows Residences and Teakwood Crest Subdivision.
- Contract assets amounted to ₱196.47M in September 2025, higher by 49% than the ₱131.23M in December 2024, principally from the increase of completion of various sold amortizing units as against collection of the respective amortizations.
- Real estate inventories amounted to ₱4.79B in September 2025, a 18% rise compared to ₱4.05B in December 2024, mainly from the development of the different projects.

- Other inventories amounted to ₱15.48M in September 2025, a 68% decrease compared to ₱48.75M in December 2024, due to the utilization of construction materials in the development of real estate projects.
- Other current assets increased to ₱1.96B in September 2025, a 54% increase from ₱1.27B in December 2024, due to advances for land purchases, creditable withholding taxes brought about by increase sales and additional deposits made to landbanking purchase on installments and input taxes.

Noncurrent Assets

- Investments in associates decreased significantly to ₱364.35M in September 2025, an enormous 80% from ₱1.83B in December 2024 due to derecognition of the investment in Palm Concepcion Power Corporation (PCPC) as a result of the sale of all its shares to third party
- Property, plant and equipment increased to ₱1.80B in September 2025, a 5% increment from ₱1.71B in December 2024, principally from the purchase of heavy equipment to be operated in the development of the various projects
- Other noncurrent assets increased to ₱780.93M in September 2025, a 6% growth from ₱735.68M in December 2024, due to the recognition of the equivalent input tax incurred on the purchase of inventories utilized in the production as well as additional equipment purchased during the period.

Liabilities

Total liabilities amounted to ₱5.64B as of September 30, 2025, compared to ₱5.68B as of December 31, 2024, a decrease of ₱45.40M.

Current Liabilities

- Accounts and other payables amounted to ₱1.84B in September 2025, a 40% jump from ₱1.31B in December 2024 due to the 63% increase in the trade payables caused by purchase of inventories and equipment to be utilized in the operations and the 10% increase in statutory payables
- Short-term debt decreased to ₱555.70M in September 2025, which declined by 42% from ₱972.18M in December 2024, attributed by the principal repayments of the short-term loan availed by the parent.
- Current portion of long-term debt amounted to ₱536.03M in September 2025, an 11% decrease from ₱602.63M in December 2024.
- Contract liabilities decreased by 14% to ₱411.77M in September 2025 from ₱481.76M in December 2024.

Noncurrent Liabilities

- Long-term debt – net of current portion amounted to ₱1.67B in September 2025, a 3% decrease from ₱1.74B in December 2024, as a result from repayments of principal loans
- Retirement benefit obligation increased by 5% to 88.67M in September 2025 from ₱84.47M in December 2024 in recognition of retirement expense of employees
- Deferred tax liabilities – net amounted to ₱533.03M in September 2025 from ₱490.29M in December 2024, an 8% increase as an effect of increase in sales

Equity

Total equity amounted to ₱9.89B as of September 30, 2025, up by ₱1.44B or 17% from ₱8.40B as of December 31, 2024. The net increase was due to the following:

- Retained earnings increased to ₱4.18B in September 2025, a 55% increment from ₱2.69B in December 2024, due to the recognition of income earned during the period.
- Cumulative translation adjustment increased to ₱10.06M in September 2025, a 23% increase from ₱8.15M in December 2024.

Financial Soundness Indicators/Top Key Performance Indicators
(Consolidated Figures)

The table below sets forth the comparative performance indicators of the Company and its majority-owned subsidiaries:

Financial Ratios Consolidated Figures	Unaudited 09/30/2025	Unaudited 09/30/2024	Audited 12/31/2024
Current ratio ¹	2.98:1	2.26:1	2.13:1
Quick ratio ²	0.90:1	0.28:1	0.50:1
Solvency ratio ³	0.30:1	0.06:1	0.07:1
Total Debt to Equity ratio ⁴	0.57:1	0.60:1	0.68:1
Asset to Equity ratio ⁵	1.57:1	1.60:1	1.68:1
Interest coverage ratio ⁶	9.52x	5.93x	2.85x
Return on Equity ⁷	17.51x	3.69x	4.32%
Return on Assets ⁸	10.82%	2.28%	2.59%
Profit Margin ratio ⁹	128.76%	20.09%	18.5%

¹Current assets/Current liabilities

²Current assets less contract assets, inventories and prepayments/Current liabilities

³Net Income plus depreciation (YTD)/Total liabilities

⁴Total liabilities/Stockholders' equity

⁵Total assets/Stockholders' equity

⁶Earnings before income tax, interest, depreciation and amortization (YTD)/Total Interest Payment

⁷Net Income (YTD)/ Average Total stockholders' equity

⁸Net income (YTD)/Average Total assets

⁹Net income (YTD)/Total Revenue (YTD)

Current Ratio

The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximize the current assets on its statement of financial position (balance sheet) to satisfy its current debt and other payables.

Acid test Ratio or Quick Ratio

The acid-test, or quick ratio, compares a company's most short-term assets to its most short-term liabilities to see if a company has enough cash to pay its immediate liabilities, such as short-term debt.

Solvency Ratio

Solvency ratio is one of the various ratios used to measure the ability of a company to meet its long-term debts. Moreover, the solvency ratio quantifies the size of a company's after-tax income, not counting non-cash depreciation expenses, as contrasted to the total debt obligations of the firm. Also, it provides an assessment of the likelihood of a company to continue congregating its debt obligations.

Debt-to-equity Ratio

The debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity. It is a measure of the degree to which a company is financing its operations through debt versus wholly owned funds. More specifically, it reflects the ability of shareholder equity to cover all outstanding debts in the event of a business downturn. The debt-to-equity ratio is a particular type of gearing ratio.

Asset-to-equity Ratio

The asset to equity ratio reveals the proportion of an entity's assets that has been funded by shareholders. A low ratio indicates that a business has been financed in a conservative manner, with a large proportion of investor funding and a small amount of debt. A high asset to equity ratio can indicate that a business can no longer access additional debt financing, since lenders are unlikely to extend additional credit to an organization in this position.

Interest Coverage Ratio

The interest coverage ratio measures the number of times a company can make interest payments on its debt before interest and taxes (EBIT). In general, the lower the interest coverage ratio is, the higher the company's debt burden, which increases the possibility of bankruptcy.

Return on Assets (ROA)

The Return on Assets (ROA) figure gives investors an idea of how efficient the company uses the assets it owns to generate profits. The higher the ROA number, the better, because the company is earning more money on less investment.

Return on equity (ROE)

Return on equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity. It is considered a measure of a corporation's profitability in relation to stockholders' equity. Whether ROE is deemed good or bad will depend on what is normal among a stock's peers. A good rule of thumb is to target an ROE that is equal to or just above the average for the peer group.

Net Profit Margin

The net profit margin is a ratio formula that compares a business profit to its total expenses. The net profit margin allows analysts to gauge how effectively a company operates. The higher the net profit margin, the more money a company keeps.

Real Property Development:

High-end Housing

Xavier Estates: It is the pioneer in premier mixed-use development in Northern Mindanao. This 220-hectare development located at Fr. Masterson Avenue, Upper Balulang, and sprawled on a panoramic plateau overlooking the City has now become 288 hectares through additional acquisitions of adjacent developable areas over the years. It is a perfectly master-planned community which guarantees luxury, elegance, prestige, convenience and security.

Xavier Estates Phase 5B – Ventura Residences II was launched in June 2018. It features house and lot units and prime lots. Located at the back of **Ventura Residences**, this second phase shall have the identical house colors of orange and cream as the first phase. House and Lot units are single detached with a lot area of 110 to 170 sq.m. and floor area of 80 sq.m. Prime lots with lot cuts of 110 to 500 sq.m. are located by the ridge. The project is 100% completed.

Xavier Estates Phase 6 - Ignatius Enclave was launched in June 2018. It is located in Upper Balulang, Cagayan de Oro City, a 3-kilometer drive to Mastersons Avenue where major commercial establishments are located. There are also churches, grade schools, high schools and educational centers nearby. It features house and lot units and prime lots. Aimed at fostering a Happy Community concept, the single modern home design introduces ABCI's first venture into the vibrant house colors of yellow, orange, blue and green accents. The project is 100% completed with the houses 99% completed.

Xavier Estates Phase 6 – Ignatius Enclave 2 located in the lower tier of the Balulang scape. It features house and lot units. These single detached two-storey units have floor area of 120 sqm and are located in 120 sqm lot areas. House could also be built in bigger lots ranging from 150 sqm to 415 sqm. This project is 100% completed. The units are 90% completed programmed to be finished upon full collection from the buyers.

Teakwood Hills: It is located in Barangay Agusan, Cagayan de Oro City, some 2.3 kilometers from the national highway going uphill. This idyllic enclave has a breathtaking endless view of the mountains and the sea. The roads are eight meters wide and lined with trees. It has a club house with recreational amenities such as swimming pool, billiards, darts and table tennis. Lot sizes start from a minimum cut of 250 sq. m., all with a 180-degree scenic view of the famous Macalajar bay and an elevation of 220 meters above sea level. Phase 1 is 68% complete while Phase 2 is 100% complete.

Teakwood Hills Phase 3 occupies three (3) hectares in the northern portion of the upscale property. It is coined as Belle del Mar (*Charm of the Sea*) as it overlooks the waters. It offers lots for sale at 180sqm to 316sqm. This project is 100% completed.

Teakwood Crest Subdivision is located a kilometer away from Teakwood Hills Subdivision in Barangay Balubal, Cagayan de Oro City. Overlooking Macajalar Bay, this property provides a refreshing take from the sea breeze. This property is classified under open market housing, shall have a minimum lot cut of 150 sqm for sale. Total saleable area is 3.7 hectares. The project is now 85% completed.

Valencia Estates: It is located in Barangay Lumbo, Valencia City, Bukidnon. The amenities are patterned after the excellent standards of a plush subdivision with a road network of 15 meters for the main road, 10 meters for the service roads complete with sodium street lamps; a basketball court, a clubhouse with a swimming pool. It also has open spaces and playground, perimeter fence and a 24-hour security service. The project is 100% complete.

Coral Resort Estates: The project is considered as the first residential resort estates in Northern Mindanao. It is strategically located in Initao, Misamis Oriental with a total development area of 5.4 hectares. Phase 1-Cluster A and Cluster B of the project with development area of 2.5 hectares and 2.9 hectares, respectively are 100% complete.

Coral Resort Estates Phase 2 is situated in the southern part of Coral Resort Estates. It covers approximately 4 hectares comprising of lots for sale ranging from 180 to 398 sqm. **Coral Resort Estates Phase 3** with approximately 5 hectares offers saleable lots with an area ranging from 180 to 380 sqm. Phase 2 is 100% complete while Phase 3 is 100% complete.

Coral Resort offers a one-of-a-kind experience to its residents, away from the city, and nature's breeze at its greatest. Residents get the best spot of the breathtaking infinite view of the blue sea while enjoying the coolness of the fresh breeze.

West Highlands is a residential estate beside a golf course community located in Brgy. Bonbon, Butuan City. The estate has a total developmental area of 25.9 hectares and is 289 feet above sea level which gives lot owners a panoramic view of historic Mt. Mayapay or the cityscape. **West Highlands Phase 2** was launched last October 2017 highlighting fairway and inner fairway lots. Percentage-of-completion for Phase 1 is at 100% while Phase 2A is 100% complete on horizontal development and 100% for vertical development. For Phase 2B, the horizontal development is 59% done while its vertical development - Block 9 and Block 8 is 36% and 41% done, respectively.

The Terraces in Xavier Estates was launched last September 2018. This prime property is highlighted by prime cascading ridge lots of 180 to 400 sq.m. in size. Located in the terraces-like land configuration, this area commands a 180-view of the city of Cagayan de Oro and the mountains of Bukidnon and is low dense with less than 50 lots for sale. The horizontal development is 100% completed.

Mountain Pines Farm 2 is located in Brgy. Kalugmanan, Manolo Fortich in the Province of Bukidnon. This is the first residential farm-lot type or the gentleman's farm concept. Presenting sweater-weather at 1,200 meters above sea level it is located in the cool pine tree-bordered confines at the foothills of Mt. Kitanglad Range. It is a stone's throw away from Mindanao's famous adventure forest park and is surrounded by well-appointed high value crop farms. Total land area covers approximately 20 hectares with saleable lots with maximum lot cuts at 1,600sqm. It features a clubhouse and community center with parks and open spaces. The project is 99% completed.

Adelaida Meadow Residences is situated in Brgy Bancasi, less than a kilometer away from Butuan City Airport. It is within the 7-kilometer radius of schools, malls, churches and hospitals in the downtown area. It lies 5 kilometers from Caraga's first paspalum te golf course, the West Highlands Golf Club. It offers single detached house and lot packages in 120 sqm lot area. Buyers have a choice between two model houses: Amethyst and Sapphire. Amethyst is a two-storey modern house with a total of 64.88 sqm floor area. The master's bedroom, kitchen, dining, living room, and terrace are in the ground floor. While there are 2 bedrooms in the second floor with its own balconies. Sapphire is a two-storey modern house with a 117.5 sqm floor area. The kitchen, dining, living room, and one bedroom are located in the ground floor. The second floor hosts the master's bedroom, another bedroom and a 15sqm balcony where parties and family bonding activities can be held al fresco. This gated community has its parks and playground and community facility. The horizontal development is 51% complete. The vertical development for Blocks 1 to 7 is about 47% to 85% done and for Blocks 10 to 13, about 14% to 39% done.

Economic Housing

Phase 5-Ventura Residences is the first venture of A Brown Company, Inc. into the middle market house-and-lot package nestled inside the Xavier Estates. Ventura Residences is 100% complete. This project has a saleable area of 5.8 hectares.

Xavierville Homes: It is an economic housing development project adjacent to the Xavier Estates. Phase 1 and 2 are 100% complete. This project has development area of 4.84 hectares and a saleable area of 2.59 hectares.

Adelaida Park Residences located beside Mountain View Homes is the first residential subdivision in the region offering a ridgeview linear park. The linear park is 410 linear meters in length with park lights along the jogging path/bicycle path. Single detached and attached house and lot units are offered with lot area ranging 90-161 sq.m. with floor area ranging 60-110 sq.m. Adelaida Park Residences has single houses sufficiently spaced from each other with its own parking space; is a gated community with ranch-type perimeter fence; has proposed pavilion; and is certified flood free with an elevation of 157 feet above river bank. The horizontal development is 100% complete while the vertical development is at 97% complete.

Adelaida Mountain Residences is a new master planned integrated community rising in the cool hills of Tanay, Rizal. It overlooks views of Sierra Madre Mountains and the Laguna Lake. Being anywhere around 400 to 500 meters above sea level, weather stays relatively cool. With approximately 12 hectares of

development, saleable lots range from 252sqm to 834sqm. The horizontal development is at 99% complete.

Socialized Housing

St. Therese Subdivision: The subdivision is a 1.67-hectares socialized housing project located in Balulang, Cagayan de Oro that will provide 155 house and lots of which 91 units are row houses, 38 units are duplex, and 26 units are single attached. The project is 100% complete.

St. Therese Subdivision 2 is a socialized housing project located adjacent the St Therese 1. Total area is about 6,111 square meters with 48 saleable house & lots units. Ground floor area of these units is at 28 square meters with provision for loft. It is about 66% complete with its horizontal development. The vertical development is about 51% complete.

Mountain View Homes: This project has a development area of 2.3 hectares with 216 saleable house and lots with guard house and basketball court. **Mountain View Homes Phase 2** is a new venture into the socialized and economic housing which is adjacent to the original Mountain View Homes. It is accessible to churches, schools, malls and commercial establishment. The socialized housing project has row houses with lot area of 50sq.m. and floor area of 26sq.m. Single detached units for economic housing have a lot area of 75-143 sq. m. and floor area of 36-38 sq. m. The percentage-of-completion for Phase 1 and Phase 2 are both 100% complete.

Mangoville is a socialized housing which was launched on Feb 10, 2018. It is located in Barangay Agusan, Cagayan de Oro, just 1.8 kilometers away from the highway. Mangoville boasts of duplex design houses with its own parking space in a lot area of 67.5 sq.m. with floor area of 22 sq.m. It has a 10-meter-wide main road and 8-meter-wide inner roads, with perimeter fence and guardhouse. Mangoville homeowners will enjoy a view of the Macajalar Bay in its elevation of 169 meters above sea level. In 5.5 hours, all 235 units were reserved. The horizontal development is 100% complete while the vertical development is at 98% complete.

Adelaida Homes is the 1st socialized housing project of ABCI in Luzon, specifically situated in Brgy. Sampaloc, Tanay, Rizal. It opened with 137 house and lot units. The row houses have a lot area that starts at 40sqm and floor area that starts at 26sqm. The horizontal development is 100% complete while the vertical development is at 99% complete.

Similar to Adelaida Mountain Residences, these properties are very accessible to most places of interest like town malls, restaurants, town markets, churches and tourist attractions like swim resorts, eco parks, falls and others within 200m to less than 10km in distance from the project site.

Recent Projects:

After the introduction to the market of the Company's projects like Coral Resort Estates Phase 2 and Phase 3; Teakwood Hills Phase 3; Ignatius Enclave 2; Adelaida Homes and Adelaida Mountain Residences, the recent addition to the Company's real estate portfolio projects include Mountain Pines Farm 2; Adelaida Meadow Residences; Teakwood Crest Subdivision and St. Therese Subdivision 2.

Agri-business

Palm Oil Mill

A total of 5,128.50 metric tons of Fresh Fruit Bunches (FFB) derived from internal and external sources were processed by SGAC for the 3rd Quarter of 2025, compared to 7,175.28 metric tons in the same period of last year. This has an average of 1,709.50 metric tons of fresh fruit bunch processed per month as against 2,391.76 metric tons of the same period last year. The yield for the 3rd quarter of this year was 1,021.80 metric tons of crude palm oil with an average oil extraction rate of 19.92% as compared to 1,453.63 metric tons having an average extraction rate of 20.26% for the same period last year. There was no production of CPO by ABERDI since March 2023 because ABERDI has leased out its milling plant to a third party.

The kernels that were produced totalled to 300.43 metric tons as compared to 421.68 metric tons of the same 3rd quarter of last year.

Refined Bleached Deodorized Oil (RBDO) Plant

For the 3rd Quarter of 2024, there was no operation of the refinery because the Company focused on the CPO due to its competitive rate. For the 3rd Quarter of 2025, the RBDO plant is not operating.

Fractionation Plant

The production of Palm Olein and Palm Stearin started in June 2015. The Crude Palm Oil that was produced is further processed into Refined Bleached and Deodorized Oil, the raw material of Palm Olein and Palm Stearin. In the 3rd Quarter of 2024, there was no production of palm olein and palm stearin since CPO were no longer processed in the fractionation plant because CPO's selling price is better than palm olein and its by-products. In the 3rd Quarter of 2025, the fractionation plant is not operating.

Surigao Greens Agri Corp. (SGAC)

Surigao Greens Agri Corp. was incorporated on February 11, 2023, with SEC Registration No. 2023020085735-42. ABCI has subscribed one hundred percent (100%) of SGAC's outstanding capital stock at incorporation. SGAC's primary purpose is to engage in the business of processing, milling and refining palm oil to manufacture crude palm oil, Refined Beached Deodorized Palm Oil, Palm Olein, and other products and to distribute such products on a wholesale or retail basis, provided that the Corporation shall not solicit accept or take investments/placements from the public and neither shall it issue investment contracts.

Surigao Greens Agri Corp. (SGAC) has executed an Asset Purchase Agreement consisting of several parcels of land with total land area of Seventy Thousand (70,000) square meters and a Palm Oil Milling Plant located in Tambis, Barobo, Surigao del Sur. The Palm Oil Milling Plant consists of a factory building and machineries with a rated capacity of 10 metric tons (MT) per hour.

The purchase of the Palm Oil Milling Plant in Surigao del Sur has allowed an access to an existing and operational and cost-efficient crude palm oil milling plant that is able to source palm oil fresh fruit bunches from nearby plantation farms in the region (Surigao and Agusan).

The acquisition also provides operational and supply chain synergies with existing palm oil milling and refinery facilities in Impasug-ong, Bukidnon that are currently operated by A Brown Energy and Resources Development Inc. (ABERDI), another A Brown subsidiary. Operational and cost-cutting synergies within the group can be realized by having access to more palm oil fresh fruit bunches from nearby plantations, reduced logistics and transport costs, and being better positioned to pursue further growth opportunities in the Group's palm oil business.

Power Generation

Coal-Fired Power Project

Palm Concepcion Power Corp. (PCPC) – 20% owned by ABCEI (formerly PTCHC) and was sold last July 2025

ABC Energy Inc. (ABCEI) is 100% owned by A Brown Company Inc. which had 20% equity interest in Palm Concepcion Power Corporation (PCPC).

PCPC is the project company for the 2 x 135-megawatt coal-fired power plant in Concepcion, Iloilo. The power plant project is a base load plant that uses Circulating Fluidized Bed Combustion (CFBC) technology that is highly efficient and low-pollution. The first 135MW unit was designed to address the power supply requirements of the Visayas grid and provide a steady flow of power to the growing businesses and economic development in the islands of Panay, Negros, Cebu and even Leyte.

On 14 July 2025, the Board of Directors of A Brown Company, Inc.'s subsidiary, ABC Energy Inc. ("ABCEI") approved the proposal to sell its 20% equity interest in Palm Concepcion Power Corporation, a domestic corporation engaged in power generation and operating a coal-fired plant in Panay island.

Bunker-Fired Power Project

On September 9, 2025, the Board of Directors of A Brown Company, Inc. has approved the internal reorganization and realignment of its energy portfolio to ensure more focused management of the energy assets through the sale of its wholly-owned subsidiary, NRC and its 20% equity interest in Peakpower Energy Inc. (PEI) to its wholly-owned holding company, ABC Energy Inc. (ABCEI).

Peakpower Energy Inc. (PEI) – 20% owned by ABCEI

Peakpower Energy, Inc. was formed in 2013 to construct diesel/bunker-fired power plant projects designed to generate peaking energy in various A+/Green-rated electric cooperatives in Mindanao. These projects are Build-Operate-Maintain and Transfer (BOMT) agreements for brand new engines, which will last for 15 years through its subsidiaries as operating units: Peakpower Soccsargen, Inc., Peakpower San Francisco, Inc. and Peakpower Bukidnon, Inc. --- continue to provide dependable peaking capacity under long-term agreements.

Peakpower Soccsargen Inc. (PSI) – 100% owned by PEI

Peakpower Soccsargen Inc. (PSI) is a 34.8MW diesel/bunker-fired power plant located in General Santos City. It has a 15-year BOMT agreement with the South Cotabato II Electric Cooperative Inc. (SOCOTECO II).

The Energy Regulatory Commission (ERC) issued the Certificate of Compliance (COC) for PSI's first 20.9MW (3 units of 6.97MW) capacity last December 1, 2014. Commercial operations started on January 27, 2015.

The 13.9MW (2 units of 6.97MW) Power Plant expansion declared commercial operations last September 12, 2017. ERC granted the COC of the expansion on February 20, 2018.

SOCOTECO II is the largest distribution utility in Mindanao and its franchise area includes General Santos City, the municipalities of Glan, Malapatan, Alabel, Malungon, Kiamba, Maasim and Maitum in Sarangani and the municipalities of Polomolok and Tupi in South Cotabato.

Peakpower San Francisco Inc. (PSFI) – 100% owned by PEI

Peakpower San Francisco Inc. (PSFI) is a 10.4MW diesel/bunker-fired power plant with business address located in San Francisco, Agusan del Sur. It has a 15-year BOMT agreement with the Agusan del Sur Electric Cooperative Inc. (ASELCO).

ERC issued the Certificate of Compliance (COC) for the first 5.2MW capacity on March 23, 2015. Another COC was issued for the increased 10.4MW capacity on February 18, 2020. Commercial operations started on January 26, 2018.

ASELCO's franchise area includes the municipalities of San Francisco, Prosperidad, Rosario, Trento, Bunawan, Veruela, Sta. Josefa, Loreto, Sibagat, Esperanza, Talacogon, La Paz, San Luis and Bayugan City.

Peakpower Bukidnon Inc. (PBI) – 100% owned by PEI

Peakpower Bukidnon Inc. (PBI) is a 10.4MW diesel/bunker-fired power plant with business address located in Barangay Alae, Manolo Fortich, Bukidnon. It has a 15-year BOMT agreement with the Bukidnon Second Electric Cooperative Inc. (BUSECO).

ERC issued a Certificate of Compliance for the 10.4MW on December 19, 2018 which was extended until November 20, 2024. PBI commenced commercial operation on March 26, 2018.

BUSECO's franchise area includes the municipalities of Libona, Manolo Fortich, Sumilao, Baungon, Malitbog, Talakag, Impasug-ong, Malaybalay, Lantapan and Cabanglasan, all in the Province of Bukidnon.

IRRADIATION AND COLD STORAGE SERVICES

Irradiation Solutions Inc. – 100% owned by ABCI

In January 2021, the Securities and Exchange Commission (SEC) approved the incorporation of the ABCI's new subsidiary, Irradiation Solutions, Inc. (ISI) with SEC Registration No. 2021010004587-27. ISI owns and operates the Tanay E-Beam and Cold Storage Facility, the first commercial electron beam (E-Beam) facility in the Philippines offering contract sterilization services across multiple industries.

The facility can provide sterilization services for medical products such as masks, dressings, syringes, and surgical staplers, as well as other single-use medical devices. In addition, it offers commercial sterilization services for agricultural and fishery products, enhancing the quality and export potential of local fruits, seafood, and other food items. The E-Beam technology, used in over 60 countries, is considered the most cost-effective among commercial sterilization methods and leaves no residue after treatment. It also allows for sterilization in final packaging.

The Board of Investments (BOI) has granted approval for the project as Pioneering status under the Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act. All necessary approvals and permitting required for the operations have either secured or applied/waiting for its release.

The commercial operations date of the facility started August 02, 2024. On-going activities include product qualification and testing of product samples; activities that are crucial prior to routine processing of each product. Likewise, the facility started accepting product for routine processing by 4th quarter of 2024. The facility currently services products in the herbals and spices industries.

ISI has announced a strategic investment of ₱12.5 million in Accudata Analytical Labs Corporation (Accudata), acquiring a 35% equity stake. This partnership aims to enhance ISI E-Beam's microbiological testing capabilities and expand its integrated service offerings to clients across the food, pharmaceutical, and medical sectors. Based in Calamba, Laguna, Accudata is a specialized diagnostics and product safety laboratory offering microbial testing and regulatory compliance services. The lab supports multiple industries by detecting pathogens, spoilage organisms, and mycotoxins in food and feed products, while also performing microbial analysis on raw materials, water, and industrial inputs. In addition, Accudata plans to offer future services including sterility, bioburden, pathogen, and antimicrobial resistance testing for food, medical devices, and pharmaceutical products. Accudata is recognized for offering the fastest African Swine Fever (ASF) diagnostics in the market using RT-PCR and ELISA, with a 24-hour turnaround time. This collaboration enables ISI E-Beam to offer a fully integrated service model, combining its electron beam (E-Beam) sterilization services with advanced laboratory diagnostics. Clients will benefit from a streamlined process for safety assurance, faster turnaround times, enhanced regulatory support, and the convenience of working with a single provider for both sterilization and lab verification. The investment will support the expansion of Accudata's laboratory infrastructure, equipment upgrades, and additional services, including advanced sterility, bioburden, pathogen, and antimicrobial resistance testing. These enhancements reinforce Accudata's position as a trusted partner for quality assurance and diagnostics in the Philippines.

Natural Gas Power Plant Project:

Vires Energy Corporation –100% owned by ABCI

ABCI acquired 99.995% of the outstanding capital of Vires Energy Corporation ("VEC") from Argo Group Pte. Ltd. of Singapore in June 2020. It was incorporated on March 11, 2015 with SEC Registration No. CS201504660. In March 2023, ABCI completed its 100% ownership by acquiring the remaining 0.005% of shares.

VEC is the proponent of a 2 x 450 MW onshore LNG Combined Cycle Power Plant, to be located in Barangay Simlong, Batangas City. This proposed power generation facility will operate under a Third-Party Access (TPA) model, sourcing natural gas through long-term supply agreements from existing LNG terminals and available indigenous gas sources.

Originally, the project was envisioned as an Integrated Floating LNG Storage and Regasification Terminal paired with a 500 MW Floating Power Plant (FPP). However, market developments, including the completion of two operational LNG terminals in Batangas and the availability of domestic gas supply, prompted a reconfiguration of the project. On August 30, 2024, VEC formally notified the Department of Energy (DOE) of its decision to discontinue the floating LNG terminal and withdrew its Notice to Proceed (NTP).

VEC is currently assessing the most effective options for connecting to existing gas pipeline infrastructure to ensure secure access to third-party gas supply. The project is in the pre-development stage, with ongoing evaluations related to permitting, engineering design, grid interconnection, and other commercial arrangements.

Renewable Energy Projects:

Northmin Renewables Corp. (NRC) – formerly Hydro Link Projects Corp. (HLPC) - 100% owned by ABC Energy Inc. (ABCEI)

Northmin Renewables Corp. (NRC), formerly Hydro Link Projects Corp. (HLPC) was registered with the Securities and Exchange Commission on 6 May 2010 with SEC Registration No. CS201006733.

NRC is focused on renewable energy projects in Northern Mindanao. NRC is currently managing two greenfield wind energy projects. On November 28, 2023, Northmin secured Wind Energy Service Contracts for the Bukidnon Wind Power Project and the Misor Wind Power Project.

The Bukidnon Wind Power Project is located in Malaybalay City, Cabanglasan and San Fernando, Bukidnon which is covered by Wind Energy Service Contract No. 2023-10-333.

The Misor Wind Power Project is located in Balingoan, Claveria, Salay, Sugbongcogon, Kinoguitan, Talisayan, and Medina, Misamis Oriental which is covered by Wind Energy Service Contract No. 2023-10-335. NRC is appointed by the Department of Energy as having the exclusive right to explore, develop, and utilize the Wind Energy Resources within the applied contract areas.

NRC is currently undertaking pre-development activities for both projects in line with the approved DOE work program. Preliminary wind assessments have been completed. The wind measurement campaign using Lidar for the Misor Project began in the 4th quarter of 2024, while the campaign using Met Mast is scheduled to start in the 2nd quarter of 2025.

On September 9, 2025, the Board of Directors of A Brown Company, Inc. has approved the internal reorganization and realignment of its energy portfolio to ensure more focused management of the energy assets through the sale of its wholly-owned subsidiary, NRC and its 20% equity interest in Peakpower Energy Inc. (PEI) to its wholly-owned holding company, ABC Energy Inc. (ABCEI).

Bulk Water Supply Projects:

AB Bulk Water Company, Inc. (ABWCI) - 100% owned by ABCI

AB Bulk Water Company, Inc. (ABWCI) was incorporated on March 31, 2015 with SEC Registration No. CS201506364 to engage in the business of holding and providing rights to water, to public utilities and cooperatives or in water distribution or to engage in business activities related to water development.

ABWCI's initial project scheme focused on sourcing water from the Lumayagan River to serve the Municipality of Opol and adjacent growth areas, including Cagayan de Oro, El Salvador, Alubijid, Laguindingan, and Gitagum, with a projected capacity of 40 million liters per day (MLD). The technical

viability of the Lumayagan project was confirmed through the completion of the detailed engineering design phase. The company secured a Water Permit from the National Water Resources Board (NWRB) and an Environmental Compliance Certificate (ECC) from the Department of Environment and Natural Resources (DENR). A Watershed Management Study was also completed in coordination with local government units and stakeholders.

In parallel, ABWCI has also pursued the New CDO Bulk Water Project, which is considered more viable in terms of scalability and alignment with current and future demand. The project is located in Barangay Bayanga, Cagayan de Oro City, drawing from the Cagayan de Oro River, and is designed to be phased up to 200 MLD. This bulk water facility is envisioned to support the rapidly developing Uptown CDO area as well as the broader Cagayan de Oro City market.

The project is currently undergoing pre-development, with detailed engineering design targeted for completion by 2025. Planned infrastructure includes a water intake system, treatment plant, and transmission pipelines. ABWCI is actively exploring bulk water supply partnerships with subdivisions, cooperatives, distribution companies and utilities such as the Cagayan de Oro Water District (COWD) to secure long-term distribution and access agreements.

Infrastructure Projects:

Blaze Capital Limited – 100% owned by ABCI

Blaze Capital Limited is a British Virgin Islands company, incorporated and registered on August 8, 2011. It was acquired by ABCI on May 22, 2017. Blaze Capital Limited has a 33.33% ownership in East West Rail Transit Corporation (EWRTC) which is part of a consortium for the East-West Railway Project (EWRP).

The East-West Rail Project is a proposed 9.67-km railway line starting at Lerma St. in Sampaloc, Manila and terminating at University Ave. in Diliman, Quezon City. The proposed line will serve the Espana Blvd.-Quezon Ave. corridor located in the City of Manila and Quezon City.

The Consortium, composed of EWRTC and Alloy MTD Group (represented by MTD Philippines Inc.), submitted an unsolicited proposal to the Philippine National Railways to finance, build and then operate and maintain the East West Rail Project. The PNR granted the Original Proponent Status to the Consortium and remains in good standing.

An updated Feasibility Study was commissioned and completed in 2024 incorporating the impacts of completed, on-going and planned infrastructure projects that will affect the project.

The Consortium is currently working on updating the proposal to align with the changes in the revised 2022 Implementing Rules and Regulations of the BOT Law. The proposal will present an updated technical proposal, ridership post-pandemic era, project cost, and other pertinent changes as will be presented to the current PNR Board and subsequently for PNR endorsement to NEDA Board.

ABC Energy Inc. (ABCEI) - formerly Palm Thermal Consolidated Holdings Corp. (PTCHC) is 100% owned by ABCI

ABC Energy Inc. (ABCEI), formerly Palm Thermal Consolidated Holdings Corp. (PTCHC) was registered with the Securities and Exchange Commission on 22 November 2010 with SEC Registration No. CS201018744.

Palm Thermal is the corporate vehicle for ABCI's entry in the power generation business. After the acquisition of PCPC by PTCHC, it entered into various agreements with other investors. PCPC and PCLHC had merged with PCPC as the surviving entity.

On January 6, 2015, the SEC approved PCPC's application of the increase in authorized capital stock to 6,000,000,000 shares divided into 1,500,000,000 common shares and 4,500,000,000 redeemable preferred shares both with a par value of P1.00 per share which reduced PTCHC equity interest in PCPC to 20%.

On August 29, 2024, PTCHC approved the following amendments to its Articles of Incorporation (AOI):

1. FIRST ARTICLE changing the name of the Corporation to "ABC Energy Inc."

2. SECOND ARTICLE changing the primary purpose of the Corporation to: "To engage in the business of a holding company to hold shares for energy-related investments, whether common, preferred, treasury, founders or other kinds of shares, and to pay for such shares, in whole or in part, in cash or by exchanging therefor, stocks, or securities of this or any other corporation, and while the owner or holder of any such shares, to receive and dispose of the dividends and to exercise all the rights, powers and privileges of ownership, including voting any stock so owned, without however engaging in dealership in securities or in stock brokerage business, to the extent permitted by law, to aid, either by loans or by guaranty of securities or in any other manner, any corporation, any share of stock, or any evidence of indebtedness or other security whereof are held by this corporation, and to do any act designed to protect, preserve, improve or enhance the value of any property at any time held or controlled by this corporation, Provided that the corporation shall not solicit, accept or take investments/placements from the public neither shall it issue investment contracts."

3. THIRD ARTICLE changing the principal office of the Corporation to "Unit 1001 Exquadra Tower, 1 Jade Drive, Ortigas Center, Pasig City, Metro Manila."

The corporate name change to ABC Energy Inc. will improve the company's image as an energy holding entity, aligning with its future role in owning and managing energy-related investments within the A Brown Group. The Board of Directors of ABCI likewise authorized the conversion of ABCI's Deposit For Future Subscription in PTCHC amounting to Php750.0 Million to form part of Additional Paid-In Capital (APIC).

On January 23, 2025, the Securities and Exchange Commission approved the amendments to its Articles of Incorporation (AOI).

On 14 July 2025, the Board of Directors of A Brown Company, Inc.'s subsidiary, ABC Energy Inc. ("ABCEI") approved the proposal to sell its 20% equity interest in Palm Concepcion Power Corporation, a domestic corporation engaged in power generation and operating a coal-fired plant in Panay island.

The divestment will enable A Brown Group to access additional capital in support of its strategic objectives. The Group intends to allocate these proceeds toward strengthening core business segments, accelerating green energy initiatives, and reducing debt to enhance capital efficiency. Furthermore, the Group will proactively pursue investment opportunities in new sectors to diversify and secure long-term revenue streams.

The transaction is a strategic move that allows the Group to unlock value from a minority, non-controlling stake and redeploy capital into high-impact opportunities that enhance long term value creation and drive shareholder returns.

On October 23, 2025, ABC Energy Inc. ("ABCEI") disclosed that it will acquire a 40% equity stake in each of two Alternergy project companies, Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC) which are developing the 128MW Tanay and 64MW Alabat wind projects, for an aggregate investment amount of P2.4 billion. Alternergy Holding Corporation's (Alternergy) wind holding company, Alternergy Wind Holdings Corporation, will retain 60% ownership in ATWC and AWPC. The Tanay and Alabat wind projects are both in advanced construction stages set for completion by early 2026. The investment by ABC Energy Inc. marks a significant step in expanding its renewable energy portfolio following the divestment of its coal power interest in Palm Concepcion Power Corporation in July 2025. ABCEI's P2.4 billion investment represents the largest single investment across the A Brown Group to date and aligns with its strategy to accelerate green energy initiatives. A Brown is also present in Tanay through its real estate holdings and development activities, contributing to the area's continued growth. The transaction is subject to regulatory review and to the approval of the Philippine Competition Commission.

Manolo Fortich Power Corporation (MFPC) is 100% owned by ABCEI

Manolo Fortich Power Corporation (MFPC) was registered with the Securities and Exchange Commission on 17 March 2025 with SEC Registration No. 2025030193699-12. Its primary purpose is to acquire, scheme, develop, construct, invest in, and operate power generating plants, including solar power plants, and engage in the business of a Generation Company, and to develop, assemble and operate other power related facilities, appliances and devices, and develop and operate conventional and renewable energy

resources, sell electricity and carbon credits, act as a wholesale and retail electricity supplier and aggregator, operate and maintain power plants, securing any needed licenses.”

Southern Electric Transport, Inc. (SETI) - Joint Venture with GET Philippines on ABC Electric Shuttle Service

On February 21, 2023, the Board of Directors of A Brown Company, Inc. (“ABCI”) has authorized the Corporation to enter into a joint venture with GET Philippines, Inc. (“GET”) to create, promote, operate and manage the ABC Electric Shuttle Service as a clean, efficient, modern and green mass transport system in Cagayan de Oro (“the Project”).

GET will incorporate and set up a new company (“JV Co.”) to be jointly owned with ABCI for the purpose of initially owning ten (10) Community Optimized Managed Electric Transport (COMET) electric vehicles that will be deployed for the Project.

On December 12, 2023, the Board of Directors of A Brown Company, Inc. (“ABCI”) has approved some proposed amendments to the Joint Venture Agreement with GET Philippines, Inc. (“GET”).

The following terms of the Joint Venture Agreement was amended:

1.) The JV Co. will now have an authorized capital stock of Thirty Million Pesos (Php30,000,000.00) divided into Thirty Million (30,000,000) shares with par value of One Peso (Php1.00), instead of the previously planned authorized capital stock of One Hundred Million Pesos (Php100,000,000.00).

2.) Upon incorporation, the initial subscription to JV Co.’s shares shall be Ten Million Pesos (Php10,000,000.00), which is a reduction from the initial planned subscription of Forty-Five Million Pesos (Php45,000,000.00).

3.) GET will no longer be the sole initial subscriber to the JV Co.’s authorized capital stock upon incorporation with a subsequent transfer of fifty percent (50%) of its shareholdings to ABCI, as originally planned.

4.) Thus, upon incorporation, each of GET and ABCI will now initially subscribe to Five Million (5,000,000) shares each at a subscription price of Twenty-Two Million Five Hundred Thousand Pesos (Php22,500,000.00). The additional paid-in capital (“APIC”) in the amount of Seventeen Million Five Hundred Thousand Pesos (Php17,500,000.00) shall be paid into JV Co. either upon incorporation or immediately after its incorporation. The JV Co. will be owned upfront by GET and ABCI in equal shares of fifty percent (50%) each.

5.) GET has an option to make its equity contribution in the JV Co. in the form of new COMET electric vehicles in lieu of cash.

6.) Upon incorporation, the fifth member of the Board shall initially be vacant and the Board seat shall be reserved to be filled by an independent director, as defined under Title III Section 22 of the Revised Corporation Code, who shall be jointly nominated by ABCI and GET after incorporation.

The reduction in the capitalization of the JV Co. at incorporation has been agreed upon by ABCI and GET to reduce the filing fees and the documentary stamp taxes.

On May 7, 2024, the Securities and Exchange Commission approved the incorporation of Southern Electric Transport, Inc. (SETI).

Joint Venture Agreement for the Misamis Oriental Capitol Compound Development Project

A Brown Company, Inc. entered into a Joint Venture Agreement (JVA) with the Provincial Government of Misamis Oriental on January 23, 2025. The JVA covers the Misamis Oriental Capitol Compound Development Project (the "Project") which seeks to develop, under an integrated Master Development Plan, a portion of the Misamis Oriental Provincial Capitol Compound into a mixed-use complex including the development of necessary public infrastructure, construction of a high-rise multi-purpose building, commercial and office buildings, a dormitory, and a public park. The Project is to be developed in four (4) parts with total investment committed by the Corporation of Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00)(the "Investment Commitment").

Parts 1-3 (Phase One) of the Project will include the development and construction of Office Spaces, a Commercial/Shopping Center, a Park and Parking facilities. Part 4 (Phase Two) of the Project will include the development and construction of a Multilevel Mixed-Use building with a Dormitory.

In addition, the JVA also contemplates the acquisition by the Corporation of a Four Thousand Twenty-Four (4,024) square meter portion of the area earmarked for the Project which the Corporation shall develop, for its own account, into a modern urban center consisting of a multi-level mixed-use building having the same or complementing design with the other structures in the Project. The purchase by the Corporation of the aforesaid property and the development of the Project Site are integral and inseparable components of the Joint Venture such that the execution of a Deed of Sale in favor of the Corporation shall obligate the Corporation to complete the development of the Project in accordance with the timetable and comply with its other obligations for the full term of the JVA, provided, that if the Corporation is prevented from purchasing the property, the Corporation shall be under no obligation to develop the Project Site.

The required clearance from the Commission on Audit (COA) has already been secured.

Masinloc Consolidated Power, Inc. (MCPI) - 49% owned by ABCI

MCPI was registered with the Securities and Exchange Commission on 4 July 2007 with SEC Registration No. CS200710562. Its primary purpose is to engage in, conduct and carry on the business of construction, planning, purchasing, management and operation of power plants and the purchase, generation, production, supply and sale of electricity, to enter into all kinds of contracts for the accomplishment of the aforementioned purpose.

On March 22, 2023, Masinloc Consolidated Power, Inc. (MCPI) has secured the approval of the Securities and Exchange Commission (SEC) on the shortening of its corporate term from fifty (50) years from and after the date of incorporation to seventeen years (17) years from and after the date of issuance of the Certificate of Incorporation, or on 3 July 2024.

Impact of Economic/Political Uncertainties:

The Company's performance will continue to hinge on the overall economic performance of the country. Interest rate movements may affect the performance of the real estate industry, including the Company. Good governance will definitely lead to better economy and better business environment and vice-versa. After the change of leadership as the result of the May 2022 National Elections and of the 2025 Midterm elections, political stability encourages people to work better and spend more and the investors to infuse funds for additional investment. Given the other positive economic indicators like recovery in exports, sustained rise in remittances and growing liquidity in the domestic financial market, the government's projected growth targets are attainable.

The annual average headline inflation (2018=100) of the country for the year 2024 stood at 3.2% which was lower than the 2023 annual average inflation rate of 6.0% and still lower than the 2022 and 2021 average inflation rate of 5.8% and 3.9%, respectively. Inflation is projected by the government to settle at 2 to 4 percent range over 2025 to 2026 mainly due to the decline in rice prices.

For 2025, the government targets the GDP growth hitting the lower end of 6-8% as elevated global commodity prices and trade uncertainties could weigh on the growth. The headwinds are partially offset by the BSP's monetary policy easing but uncertainty surrounding global economic policies, particularly the potential impact from the proposed US tariffs, pose additional risks to domestic growth. The central bank also cited "weaker investment demand amid subdued global economic activity and geopolitical tensions".

To achieve these goals, there are risks that lie ahead. Extreme weather disturbances like global warming and strong typhoons will be the biggest roadblock. The agriculture sector challenge is to make it resilient to such shocks. Reducing the cost of food, especially of rice, is important in reducing poverty. At the same time, there's need to raise productivity in the agricultural sector by helping farmers transition to higher value crops and making technology easily accessible. Other potential downside risks also include greater volatility in capital flows, and geopolitical risks and global pandemic. Thus, the government needs to remain vigilant and consider potential repercussions to the Philippine economy.

No extraordinary purchase or sale of plant and equipment are expected beyond those in the regular course of the Company's operations. There are no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation nor 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.

Disclaimer: This Quarter Report may contain certain forward-looking statements, which involve risks, uncertainties, and assumptions. The forward-looking statements contained in this Quarter Report are based upon what management of the Company believes are reasonable assumptions at the date of this report. There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Amendment to Articles of Incorporation and By-Laws

Reclassification of Unissued Common Shares to Preferred Shares

On April 12, 2021 and June 24, 2021, the BOD and shareholders representing at least 2/3 of the outstanding capital stock, respectively, approved the proposal to amend the Parent Company's AOI to create preferred shares by reclassifying its authorized capital stock from the from the current Three Billion Three Hundred Million Pesos (₱ 3,300,000,000.00) divided into Three Billion Three Hundred Million (3,300,000,000) Common Shares to Three Billion Three Hundred Million Pesos (₱ 3,300,000,000.00) divided into Three Billion Two Hundred Fifty Million Pesos (₱ 3,250,000,000) divided into Three Billion Two Hundred Fifty Million (3,250,000,000) Common Shares and Fifty Million Pesos (₱ 50,000,000) divided into Fifty Million (50,000,000) Preferred Shares. The reclassification of the Unissued Common Shares to create Preferred Shares will provide flexibility for the Group with respect to its prospective capital raising activities. On October 5, 2021, the SEC approved the said amendment to the AOI.

The provision of the amendment of Article VII of the Parent Company's AOI including the description of the different classes of stock of the Corporation and a statement of the designations and powers, preferences and rights, and conversions, limitations, or restrictions thereof, in respect of each class of stock can be gleaned in the Company's website (under Our Company/Articles of Incorporation and By-Laws).

Preferred Shares Offering – Registration, Issuance and Listing

Preferred Shares – Series A

On May 25, 2021, the BOD approved the offering and issuance of cumulative, non-voting, non-participating, non-convertible, peso-denominated perpetual preferred shares out of the authorized but unissued capital of the Corporation, with an aggregate issue amount of up to One Billion Five Hundred Million Philippine Pesos (₱1,500,000,000.00) to be registered with the Securities and Exchange Commission and listed on the Philippine Stock Exchange, Inc.

The preferred shares offering and issuance were subject to the SEC's approval on the Parent Company's amendment to the AOI approved by the BOD and shareholders on April 12, 2021 and June 24, 2021, respectively, to create preferred shares by reclassifying its authorized capital stock. On July 19, 2021, the Company filed with SEC the Registration Statement for the shelf registration of the preferred shares.

On 15 October 2021, the SEC issued the Certificate of Filing of Enabling Resolution dated 14 October 2021 in connection with the offer and issue of 50,000,000 cumulative, non-voting, non-participating, and non-convertible perpetual preferred shares, at an offer price of up to Php100.00 per share which was approved by the Board of Directors of the Company on July 15, 2021 and was filed with the SEC pursuant to Section 6 of the Revised Corporation Code of the Philippines (R.A. No. 11232).

The Parent Company received a "Pre-effective letter" dated 22 October 2021 on the same day issued by the SEC which confirmed that it favorably considered the Company's Registration Statement in relation to

the Company's proposed shelf registration subject to compliance by the Company with the conditions prescribed in the Pre-effective letter.

On 10 November 2021, the Parent Company secured approval from the Philippine Stock Exchange (PSE) for the shelf-listing of up to 50 million preferred shares and the follow-on public offer of up to 15 million preferred shares. For the first tranche, A Brown will offer 10 million preferred shares at an offer price of P100 per share or P1B worth with an oversubscription option of up to 5 million preferred shares worth P500 million. On 11 November 2021, A Brown approved the preferred shares offering with an initial dividend rate of 7.0% p.a. to be paid quarterly.

On 12 November 2021, the Company received from the Securities and Exchange Commission (SEC):
(i) SEC MSRD Order No. 76 s. 2021 ("Order of Registration") for the shelf registration of up to 50,000,000 cumulative, non-voting, non-participating, non-convertible, and redeemable perpetual Preferred Shares of which the Initial Offer Shares are a part, dated 12 November 2021; and
(ii) Permit to Offer Securities for Sale ("Permit to Sell") covering the Initial Offer Shares, dated 12 November 2021.

On November 29, 2021, there were 13,264,900 "Series A" preferred shares that were issued and listed in the Philippine Stock Exchange with "BRNP" as its ticker symbol.

The Corporation designated and appointed PNB Capital and Investment Corporation as the sole issue manager.

The Offer Shares shall be offered and sold in tranches within a period of three (3) years from the effective date of the Registration Statement (the "Shelf Period"), at an offer price of Php 100.00 per share. The Parent Company may offer from time to time, in one (1) or more tranches in such amounts/issue price and under such terms and conditions as may be determined by Corporation in light of prevailing market and other conditions at the time of sale.

Preferred Shares – Series B and Series C

On November 3, 2023, the Board of Directors approved the offer and sale to the public of up to 15,000,000 Non-Voting Preferred Shares (the "**Offer**"), to be issued and offered under the Corporation's 50,000,000 Preferred Shares Shelf Registration under MSRD Order No. 76 series of 2021 (the "**Shelf Registration**"). The Board likewise authorized Management to cause the preparation and filing of (i) a Registration Statement and Offer Supplement in relation to the Offer under the Shelf Registration; (ii) a Listing Application with the Philippine Stock Exchange ("**PSE**") for the Offer; (iii) the approval of all the disclosures contained in the Registration Statement, the Offer Supplement, and Listing Application to be filed with the Securities and Exchange Commission and the PSE. In connection with the Offer, the amendment of the Company's unaudited interim financial statements for the six months ended June 30, 2022 and June 30, 2023 was submitted. The amendment is being made arising from the review of the Company's financial statements as part of the Offer.

The Company filed on November 7, 2023 with the Securities and Exchange Commission an Amended Registration Statement together with a Preliminary Offer Supplement for the issuance of 10,000,000 Preferred Shares with an oversubscription option of 5,000,000 Preferred Shares to be offered at an issue price of Php100.00 per share (the "**Offer Shares**"). The Offer Shares will be issued from the Company's 50,000,000 Preferred Shares shelf registration under MSRD Order No. 76 Series of 2021.

On 23 January 2024, the SEC issued the Certificate of Filing of Enabling Resolution dated 12 January 2024 in connection with the offer and issue of up to 15,000,000 cumulative, non-voting, non-participating, nonconvertible, peso-denominated, redeemable, perpetual preferred shares to be issued and offered under the Corporation's 50,000,000 Preferred Shares registration which was approved by the Board of Directors of the Company on November 3, 2023 and was filed with the SEC pursuant to Section 6 of the Revised Corporation Code of the Philippines (R.A. No. 11232).

On 30 January 2024, the Parent Company secured approval from the Philippine Stock Exchange (PSE) of its listing application for the follow-on offering and listing of up to 15,000,000 Series B and C Preferred Shares (the "Offer Shares") which is the second tranche of the Company's 50,000,000 Preferred Shares Shelf Registration. On 05 February 2024, A Brown approved the preferred shares offering with an initial dividend rate of 8.25% and 8.75% p.a. for Series B and Series C, respectively to be paid quarterly.

On 08 February 2024, the Company received from the Securities and Exchange Commission (SEC) the Permit to Offer Securities for Sale (“Permit to Sell”) covering the Second Tranche Offer Shares, dated 08 February 2024.

On February 23, 2024, there were 7,431,750 “Series B” preferred shares and 6,941,000 “Series C” preferred shares that were issued and listed in the Philippine Stock Exchange with “BRNPB” and “BRNPC”, respectively as their ticker symbol.

For further information, kindly refer to the Prospectus and Offer Supplement dated November 11, 2021 (including the Order of Registration and Permit to Sell issued by the SEC dated November 12, 2021) with regard to “Series A” preferred shares offering and the Offer Supplement dated February 5, 2024 (including the Permit to Sell issued by the SEC dated February 8, 2024) with regard to “Series B” and “Series C” preferred shares offering which are accessible through the Company’s website (under Investor Relations/Prospectus).

Uses of Proceeds from “Series A” Preferred Shares Offering

For the year ending December 31, 2022, the proceeds of the Preferred Stocks Offering – Series A of 13.2649 million shares of A Brown Company, Inc. (BRNP) listed on November 29, 2021 were applied as follows:

In Php Millions

Gross Proceeds	₱ 1,326.49
Expenses Related to the Offering	20.62
Net Proceeds ¹	₱ 1,305.87

In Php Millions

Purpose	Per Offer Supplement	Net Proceeds	Actual Disbursements -Annual - 2021	Balance for Disbursement t -December 31, 2021	Actual Disbursements -Annual - 2022	Balance for Disbursement -December 31, 2022
Development of Real Estate Projects	₱ 600.00	₱ 600.00	₱ -	₱ 600.00	₱ 600.00	-
Landbanking	400.00	400.00	74.02	325.98	325.98	-
Finance Future Funding Requirements for ISI	350.00	200.00	87.36	112.64	112.64	-
General Corporate Purposes	150.00	105.87	6.10	99.77	99.77	-
	₱ 1,500.00	₱ 1,305.87	₱ 167.48	₱ 1,138.39	₱ 1,138.39	-

As of the 3rd Quarter Report ending September 30, 2022 on the disbursement on the proceeds, the Company reported the entire proceeds being fully utilized.

Uses of Proceeds from “Series B and Series C” Preferred Shares Offering

For the year ending December 31, 2024, the proceeds of the Preferred Stocks Offering – Series B and Series C of 7.43175 million and 13.2649 million shares, respectively of A Brown Company, Inc. (BRNPB and BRNPC) that were listed on February 23, 2024 were applied as follows:

In Php Millions

Gross Proceeds	₱ 1,437.28
Expenses Related to the Offering	22.58
Net Proceeds ¹	₱ 1,414.70

In Php Millions

Purpose	Per Offer Supplement	¹ Net Proceeds	Actual Disbursements – Annual - 2024	Balance for Disbursement as of December 31, 2024
Development of Real Estate Projects	₱ 1,000.00	₱965.12	₱ 965.12	₱ -
Landbanking	300.00	289.54	289.54	-
General Corporate Purposes	165.82	160.04	160.04	-
	₱1,465.82	₱1,414.70	₱ 1,414.70	₱ -

¹ Expenses Related to the Offering include: (i) Underwriting and selling fees; (ii) SEC and PSE Filing Fee; (iii) Taxes; (iv) Legal fees; (v) Receiving agent, paying agent and stock transfer agent professional fees; (vi) other expenses (i.e., cost of printing, publication, accounting and consultancy fees, public relations, media expenses)

As of the 4th Quarter Report ending December 31, 2024 on the disbursement on the proceeds, the Company reported the entire proceeds of Series B and Series C offering being fully utilized.

Dividend – Common Shares

On July 12, 2024, the Parent Company’s Board of Directors approved the declaration of cash dividends on common shares at Php 0.025/share with entitled shareholders of record as of 01 August 2024 and payable on 15 August 2024. The cash dividend was paid out of the Corporation’s unrestricted retained earnings as of 31 December 2023.

On July 08, 2025, the Parent Company’s Board of Directors approved the declaration of cash dividends on common shares at Php 0.025/share with entitled shareholders of record as of 01 August 2025 and payable on 15 August 2025. The cash dividend will be paid out of the Corporation’s unrestricted retained earnings as of 31 December 2024.

Dividend – “Series A” Preferred Shares

As and if cash dividends are declared by the Board of Directors on the Company’s “Series A” preferred dividends, the cash dividends shall be at the fixed rate of 7.00% per annum which will be payable quarterly on March 1, May 29, August 29 and November 29 of each year subject to the certain limitations as provided for in the Prospectus and Offer Supplement dated November 11, 2021. The cash dividends on “Series A” preferred shares is computed as 7% x Php 100.00 x 90/360 amounting to Php 1.75 per share.

The following are the dividend declarations of the Company on “Series A” preferred shares in 2022:

Declaration Date	Record Date	Payment Date
February 2, 2022	February 16, 2022	March 1, 2022
April 29, 2022	May 17, 2022	May 30, 2022
April 29, 2022	August 3, 2022	August 30, 2022
April 29, 2022	November 3, 2022	November 29, 2022

Considering that 29 May 2022 (Sunday) and 29 August 2022 (National Heroes Day) are not Banking Days, dividends will be paid on the next succeeding Banking Day which is 30 May 2022 and 30 August 2022, respectively, without adjustment on the amount of dividends to be paid.

The cash dividends were paid out of the Corporation’s unrestricted retained earnings as of 31 December 2021.

The following are the dividend declarations of the Company on “Series A” preferred shares in 2023:

Declaration Date	Record Date	Payment Date
February 3, 2023	February 17, 2023	March 1, 2023
February 3, 2023	May 3, 2023	May 29, 2023
February 3, 2023	August 1, 2023	August 29, 2023
February 3, 2023	October 31, 2023*	November 29, 2023

*On October 19, 2023, it was disclosed that the Record Date for the 29 November 2023 cash dividend was to be adjusted from 31 October 2023 to 03 November 2023 on account of the declaration of 30 October 2023 as a non-working holiday because of the Barangay and Sangguniang Kabataan Elections.

The cash dividends for this period – for 2023 were paid out of the Corporation’s unrestricted retained earnings as of 31 December 2022.

The following are the dividend declarations of the Company on “Series A” preferred shares in 2024:

Declaration Date	Record Date	Payment Date
February 1, 2024	February 16, 2024	March 1, 2024
February 1, 2024	May 3, 2024	May 29, 2024
February 1, 2024	August 1, 2024	August 29, 2024
February 1, 2024	November 5, 2024	November 29, 2024

The cash dividends for this period – for 2024 were paid out of the Corporation’s unrestricted retained earnings as of 31 December 2023.

The following were the dividend declarations of the Company on “Series A” preferred shares in 2025:

Declaration Date	Record Date	Payment Date
February 3, 2025	February 17, 2025	March 3, 2025
February 3, 2025	May 5, 2025	May 29, 2025
February 3, 2025	August 5, 2025	August 29, 2025
February 3, 2025	November 5, 2025	December 1, 2025

Considering that 01 March 2025 (Saturday) and 29 November 2025 (Saturday) are not Banking Days, dividends will be paid on the next succeeding Banking Day which is 03 March 2025 and 01 December 2025, respectively, without adjustment on the amount of dividends to be paid.

The cash dividends for this period – for 2025 will be paid out of the Corporation’s unrestricted retained earnings as of 31 December 2024.

Dividend – “Series B and Series C” Preferred Shares

The terms of the issuance of the “Series B” and “Series C” Preferred Shares provide a yearly cash dividend at the rate of 8.25% and 8.75%, respectively of the Offer Price of Php100.00 per share, payable quarterly in arrears, on May 23, August 23, November 23 and February 23 of each year. On April 8, 2024, the Board approved the declaration of cash dividend for the four quarters of the year in the amount of Php 2.0625 per “Series B” Preferred Share and Php 2.1875 per “Series C” Preferred Share, computed as follows:

$$\begin{aligned} \text{Series B: } & 8.25\% \times \text{Php } 100.00 \times 90/360 = \text{Php } 2.0625 \text{ per share} \\ \text{Series C: } & 8.75\% \times \text{Php } 100.00 \times 90/360 = \text{Php } 2.1875 \text{ per share} \end{aligned}$$

The Board likewise approved the following schedule of the record and payment/distribution dates of the quarterly cash dividends for the “Series B” and “Series C” Preferred Shares in the three quarters of 2024 and 1st Quarter of 2025:

Declaration Date	Record Date	Payment Date
April 8, 2024	May 3, 2024	May 23, 2024
April 8, 2024	August 1, 2024	August 23, 2024
April 8, 2024	November 5, 2024	November 25, 2024
April 8, 2024	February 10, 2025	February 24, 2025

Considering that 23 November 2024 (Saturday) and 23 February 2025 (Sunday) are not Banking Days, dividends will be paid on the next succeeding Banking Day which is 25 November 2024 and 24 February 2025, respectively, without adjustment on the amount of dividends to be paid.

The cash dividends were be paid out of the Corporation’s unrestricted retained earnings as of 31 December 2023.

The following were the dividend declarations of the Company on “Series B” and “Series C” preferred shares in the three quarters of 2025 and 1st Quarter of 2026:

Declaration Date	Record Date	Payment Date
February 3, 2025	May 5, 2025	May 23, 2025
February 3, 2025	August 5, 2025	August 26, 2025
February 3, 2025	November 5, 2025	November 24, 2025
February 3, 2025	February 9, 2026	February 23, 2026

Considering that 23 August 2025 (Saturday) and 23 November 2025 (Sunday) are not Banking Days, dividends will be paid on the next succeeding Banking Day which is 26 August 2025 and 24 November 2025, respectively, without adjustment on the amount of dividends to be paid.

The cash dividends for this period – for 2025 were paid out of the Corporation’s unrestricted retained earnings as of 31 December 2024.

ABCI’s Revitalized Vision-Mission-Shared Values

On September 09, 2025, the Board of Directors of A Brown Company, Inc. has approved ABCI’s revitalized Vision Statement; Mission Statement and Shared Values.

Vision Statement: A trusted enterprise driven by technical and service excellence for nation building and the common good.

Mission Statement: We build businesses that uplift lives, ignite opportunities, and shape enlightened and happy communities.

Shared Values:

Value	Description
Pioneering Spirit	We develop bold ideas into opportunities for forward-thinking solutions.
Accountability	We take ownership of every action and its outcomes.
Integrity	We do what is right and just.
Grit	We persevere, overcome, and deliver value.
Family-Oriented	We value close ties, respect, solidarity, and support within our organization and community.

We believe that the Company’s available cash, including cash flow from operations and drawings from existing and anticipated credit facilities, will provide sufficient liquidity to fund our projected operating, investment, capital expenditures and debt service requirements for the next twelve months. We have also implemented a number of initiatives under our liability management program to meet our debt service requirements in the short and medium term.

Material Event/s and Uncertainties:

The Company has no other events to report on the following:

- a) Any known trends, demands, commitments, events or uncertainties that will have a material impact on its liquidity.
- b) Any material commitments for capital expenditures.
- c) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/ revenues/ income from continuing operations.
- d) Any significant elements of income or loss that did not arise from the issuer’s continuing operations.
- e) Any seasonal aspects that had a material effect on the financial condition or results of operations.

- f) Any event/s that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.
- g) Any 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.

The Company has no other information that needs to be disclosed other than disclosures made under SEC Form 17-C (if any).

SIGNATURES:

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

Registrant: **A BROWN COMPANY, INC.**


ROBERTINO E. PIZARRO
President & Chief Executive Officer


MARIE ANTONETTE U. QUINTO
Chief Finance Officer

DATE: NOVEMBER 14, 2025

A BROWN COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	SEPTEMBER 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current Assets		
Cash (Note 4)	₱1,848,165,283	₱677,964,213
Current portion of receivables (Note 5)	1,165,181,359	1,006,179,782
Current portion of contract assets (Note 12)	196,477,873	131,239,842
Real estate held for sale (Note 6)	4,795,201,712	4,057,995,302
Inventories (Note 7)	15,488,844	48,750,406
Prepayments and other current assets (Note 8)	1,963,305,272	1,272,275,513
Total Current Assets	9,983,820,343	7,194,405,058
Noncurrent Assets		
Noncurrent portion of receivables (Note 5)	-	
Noncurrent portion of contract assets (Note 12)	1,542,267,524	1,542,267,524
Equity instruments at fair value through other comprehensive income (EIFVOCI) (Note 9)	429,156,522	428,856,522
Investments in associates (Note 9)	364,354,718	1,839,745,991
Investment properties (Note 10)	631,838,036	631,838,036
Property, plant and equipment (Note 10)	1,803,358,522	1,715,734,159
Other noncurrent assets (Notes 8)	780,933,375	735,687,707
Total Noncurrent Assets	5,551,908,697	6,894,129,939
TOTAL ASSETS	₱15,535,729,040	₱14,088,534,997
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 11)	₱1,844,880,985	₱1,315,630,677
Short-term debt (Note 13)	555,700,000	972,187,000
Current portion of long-term debt (Note 13)	536,039,896	602,633,723
Contract liabilities (Note 12)	411,775,516	481,762,306
Total Current Liabilities	3,348,396,397	3,372,213,706
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 13)	1,672,700,236	1,741,220,033
Retirement benefit obligation	88,677,159	84,475,120
Deferred tax liabilities - net (Note 15)	533,030,797	490,298,012
Total Noncurrent Liabilities	2,294,408,191	2,315,993,165
Total Liabilities	5,642,804,588	5,688,206,871
Equity		
Capital stock (Note 14)	2,477,668,925	2,477,668,925
Preferred stock (Note 14)	27,637,650	27,637,650
Additional paid-in capital (Note 14)	3,331,502,966	3,331,502,966
Retained earnings (Note 14)	4,188,957,588	2,694,454,515
Treasury shares	(94,932,275)	(94,932,275)

Cumulative unrealized loss on AFS investments and EIFVOCI	(5,214,271)	(5,214,271)
Remeasurement gain (loss) on retirement benefit obligation - net of tax	(20,218,050)	(20,218,050)
Remeasurement loss on retirement benefit obligation of an associate	(2,165,918)	(2,165,918)
Cumulative translation adjustment	(10,061,939)	(8,155,192)
Total Equity Attributable to Equity Holders of the Parent Company	9,893,174,676	8,400,578,350
Non-controlling interest	(250,224)	(250,224)
Total Equity	9,892,924,452	8,400,328,126
TOTAL LIABILITIES AND EQUITY	₱15,535,729,040	₱14,088,534,997

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See accompanying Notes to Consolidated Financial Statements.

A BROWN COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Nine Months Ended September 30		For the Three Months Ended September 30	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
REVENUES				
Real estate sales	₱1,029,735,534	₱1,020,165,268	₱144,370,992	₱459,314,763
Sale of agricultural goods	190,862,824	157,652,678	61,601,829	82,921,538
Water and other service income	23,530,120	26,228,130	7,938,293	7,296,442
	1,244,128,478	1,204,046,075	213,911,114	549,532,743
COST AND EXPENSES				
Cost of real estate sales (Note 6)	465,225,390	362,093,291	49,862,753	104,058,624
Cost of agricultural goods sold (Notes 7)	143,053,763	130,237,468	39,667,105	70,550,269
Cost of water and other service income	9,118,208	12,543,969	1,970,294	4,953,697
	617,397,361	504,874,728	91,500,152	179,562,591
GROSS PROFIT	626,731,117	699,171,347	122,410,962	369,970,152
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES (Note 18)	851,596,778	352,455,497	578,047,491	144,653,137
OTHER INCOME (EXPENSES)				
Share in net income (loss) of associates (Note 10)	221,281,735	88,788,658	46,827,683	21,986,385
Impairment loss (Note 12)	(215,422,227)		(215,422,227)	
Interest expense (Note 16)	(179,551,130)	(141,283,374)	(109,422,280)	(95,663,415)
Gain on Sale of Shares	1,840,671,538		1,840,671,538	
Other income - net	170,842,379	58,189,263	108,399,706	32,686,728
	1,837,822,295	5,694,548	1,671,054,420	(40,990,302)
INCOME (LOSS) BEFORE INCOME TAX	1,612,956,633	352,410,398	1,215,417,891	184,326,713
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 15)				
Current	11,007,277	8,946,325	2,881,976	2,210,213
Deferred		(4,226,021)	(36,348,519)	
	11,007,277	4,720,304	(33,466,543)	2,210,213
NET INCOME (LOSS)	₱1,601,949,357	₱347,690,094	₱1,248,884,434	₱182,116,501
OTHER COMPREHENSIVE INCOME (LOSS)				
Remeasurement gain (loss) on defined benefit plan - net of tax effect	-	-	-	-
Exchange differences in foreign currency translation	(1,906,747)	(12,519,314)	(2,963,093)	700,411
Net change in fair value of EIFVOCI and AFS investments (Note 9)	-	126,158,696	-	-

TOTAL COMPREHENSIVE INCOME (LOSS)	₱1,600,042,610	₱461,329,476	₱1,245,921,341	₱182,816,912
Net income (loss) attributable to:				
Equity holders of the Parent Company	1,601,953,066	347,698,493	1,496,217,301	182,121,190
Non-controlling interests	(3,710)	(8,399)	-	(4,689)
	₱1,601,949,357	₱347,690,094	₱1,248,884,434	₱182,116,501
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company	1,600,046,320	270,105,335	1,493,254,209	182,821,601
Non-controlling interests	(3,710)	(8,399)	-	(4,689)
	₱1,600,042,610	₱461,329,476	₱1,245,921,341	₱182,816,912
Basic/ Diluted earnings (loss) per share	₱0.61	₱0.09	₱0.60	₱0.05

See accompanying Notes to Consolidated Financial Statements.

A BROWN COMPANY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025, SEPTEMBER 30, 2024 AND DECEMBER 31, 2024

	Common Stock	Preferred Stock	Additional Paid-in Capital	Retained Earnings	Treasury Shares	Fair Value Reserve of EIFVOCI	Remeasurement Gain (Loss) on Defined Benefit Plans of an associate	Remeasurement Gain (Loss) on Retirement Obligation	Cumulative Translation Adjustment	Total	Non- controlling interests	Total Equity
As of January 1, 2025	₱2,477,668,925	₱27,637,650	₱3,331,502,966	₱2,694,454,515	₱94,932,275	₱5,214,271	₱2,165,918	₱20,218,050	₱8,155,192	₱8,400,578,350	₱250,224	₱8,400,328,126
Issuance of Capital Stock												
Net income				1,268,575,881		-				1,268,575,881		1,268,575,881
Preferred Share Dividends				(107,449,994)						(107,449,994)		(107,449,994)
Other comprehensive income									(1,906,747)	(1,906,747)		(1,906,747)
At September 30, 2025 (Unaudited)	₱2,477,668,925	₱27,637,650	₱3,331,502,966	₱3,855,580,402	₱94,932,275	₱5,214,271	₱2,165,918	₱20,218,050	₱10,061,939	₱9,559,797,490	₱250,224	₱9,559,547,266

	Common Stock	Preferred Stock	Additional Paid-in Capital	Retained Earnings	Treasury Shares	Fair Value Reserve of EIFVOCI	Remeasurement Gain (Loss) on Defined Benefit Plans of an associate	Remeasurement Gain (Loss) on Retirement Obligation	Cumulative Translation Adjustment	Total	Non- controlling interests	Total Equity
As of January 1, 2024	₱2,477,668,925	₱13,264,900	₱1,931,178,758	₱2,834,608,536	₱94,932,275	₱71,683,836	₱1,221,512	₱21,570,632	₱4,878,649	₱7,072,191,513	₱219,418	₱7,071,972,095
Effect of adoption of new accounting standards				-								
As of January 1, 2024, as restated	2,477,668,925	13,264,900	1,931,178,758	2,834,608,536	(94,932,275)	(71,683,836)	(1,221,512)	(21,570,632)	4,878,649.00	7,072,191,513	(219,418)	7,071,972,095
Issuance of Capital Stock		14,372,750	1,402,051,565							1,416,424,315		1,416,424,315
Net income				291,293,243						417,451,939	(9,636)	417,442,303
Preferred Share Dividends				(189,972,760)								
Other comprehensive income									(11,818,903)	(201,791,663)		(201,791,663)
At Sept 30, 2024 (Unaudited)	₱2,477,668,925	₱27,637,650	₱3,333,230,323	₱2,935,929,018	₱94,932,275	₱54,474,860	₱1,221,512	₱21,570,632	₱6,940,254	₱8,704,276,104	₱229,053	₱8,704,047,050

	Common Stock	Preferred Stock	Additional Paid-in Capital	Retained Earnings	Fair Value Reserve of EIFVOCI	Remeasurement Gain (Loss) on Retirement Obligation - net of tax	Remeasurement Gain (Loss) on Defined Benefit Plan of an Associate	Cumulative Translation Adjustment	Treasury Shares - Common	Total	Noncontrolling Interest	Total
At January 1, 2024	₱2,477,668,925	₱13,264,900	₱1,931,178,758	₱2,834,608,536	(₱71,683,836)	(₱21,570,632)	(₱1,221,512)	₱4,878,649	(₱94,932,275)	₱7,072,191,513	(₱219,418)	₱7,071,972,095
Effect of adoption of standards				(222,923,928)						(222,923,928)		(222,923,928)
As of January 1, 2024, as restated	2,477,668,925	13,264,900	1,931,178,758	2,611,684,608	(71,683,836)	(21,570,632)	(1,221,512)	4,878,649	(94,932,275)	6,849,267,585	(219,418)	6,849,048,167
Issuance of preferred stocks, net of issue costs (Note 17)		14,372,750	1,400,324,208							1,414,696,958		1,414,696,958
Dividend declaration (Note 17)				(244,697,755)						(244,697,755)		(244,697,755)
Reversal of deferred taxes recognized in equity (Note 20)				(6,671,734)						(6,671,734)		(6,671,734)
Net income (loss)				334,139,396						334,139,396	(30,806)	334,108,590
Other comprehensive income (loss)					66,469,565	1,352,582	(944,406)	(13,033,841)		53,843,900		53,843,900
Total comprehensive income (loss)				334,139,396	66,469,565	1,352,582	(944,406)	(13,033,841)		387,983,296	(30,806)	387,952,490
At December 31, 2024	₱2,477,668,925	₱27,637,650	₱3,331,502,966	₱2,694,454,515	(₱5,214,271)	(₱20,218,050)	(₱2,165,918)	(₱8,155,192)	(₱94,932,275)	₱8,400,578,350	(₱250,224)	₱8,400,328,126

(Audited)

See accompanying Notes to Consolidated Financial Statements

Issuance of Capital Stock		1,418,588,726
Net cash used in financing activities	(948,493,205)	1,079,758,342
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(8,576,340)	(15,281)
NET INCREASE (DECREASE) IN CASH	1,170,201,070	199,891,427
CASH AT BEGINNING OF YEAR (Note 4)	677,964,213	118,082,483
CASH AT END OF YEAR (Note 4)	₱1,848,165,283	₱317,973,910
		-

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See accompanying Notes to Consolidated Financial Statements.

A BROWN COMPANY, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

A Brown Company, Inc. (the Parent Company or ABCI), a publicly-listed company, was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on December 21, 1966 as Bendana Brown Pizarro and Associates, Inc. to primarily engage in the business of property development and to invest in shares of stocks of listed companies. On December 28, 2012, upon amendment of Article IV of the Articles of Incorporation, approved among others that "That the term for which the Parent Company is to exist is extended for another fifty (50) years from and after the date of the expiration of the original corporate term on December 20, 2016".

The Parent Company is engaged in the business of real estate development in Cagayan de Oro City and Initao in Misamis Oriental, Tanay, Rizal; Valencia City, Bukidnon and Butuan City, Agusan del Norte.

The Parent Company's shares of stock are listed and are currently traded at the Philippine Stock Exchange (PSE).

The principal place of business and registered office address of the Parent Company is Xavier Estates Uptown, Airport Road, Balulang, Cagayan de Oro City.

The Subsidiaries

The Parent Company, through its subsidiaries, also ventured into palm oil milling, power generation and holdings of investments. The following are the subsidiaries of the Parent Company:

A Brown Energy and Resources Development, Inc. (ABERDI)

ABERDI is a 100% owned subsidiary of the Parent Company incorporated and registered with the SEC on February 1, 2001 to primarily engage in the business of manufacturing and trading of palm oil and other palm products including, but not limited to refined bleached deodorized oil, palm olein, crude palm oil, palm stearin, palm acid oil, palm fatty acid distillate, and palm kernels.

ABC Energy Inc. (ABCEI) formerly Palm Thermal Consolidated Holdings, Corp. (PTCHC)

ABCEI is a 100% owned subsidiary of the Parent Company registered with the SEC on November 22, 2010. On August 29, 2024, the BOD and stockholders of ABCEI has approved the amendments of the Articles of Incorporation. The amendment includes changing the name of the Corporation to ABC Energy Inc. (ABCEI, changing its primary purpose to "engage in the business of a holding company to hold shares for energy-related investments, whether common, preferred, treasury, founders or other kinds of shares, and to pay for such shares, in whole or in part, in cash or by exchanging therefor, stocks, or securities of this or any other corporation, and while the owner or holder of any such shares, to receive and dispose of the dividends and to exercise all the rights, powers and privileges of ownership, including voting any stock so owned, without however engaging in dealership in securities or in stock brokerage business, to the extent permitted by law, to aid, either by loans or by guaranty of securities or in any other manner, any corporation, any share of stock, or any evidence of indebtedness or

other security whereof are held by this corporation, and to do any act designed to protect, preserve, improve or enhance the value of any property at any time held or controlled by this corporation, Provided that the corporation shall not solicit, accept or take investments/placements from the public neither shall it issue investment contracts." and changing the principal office of the subsidiary. In 2024, the Parent Company authorizes the reclassification of its deposits for future stock subscription for the additional capital in ABCEI amounting to ₱750.0 million. The said amendment was approved by SEC on January 23, 2025.

Blaze Capital Limited (BCL)

BCL is a 100% owned subsidiary of the Parent Company registered with BVI Financial Services Commission as a British Virgin Island (BVI) Business Company on August 8, 2011 under the BVI Business Companies Act 2004. Subject to the Act and any other BVI legislation, the Company has irrespective of corporate benefit (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transactions; and (b) for the purposes of (a), full rights, powers and privileges. Since its incorporation, BCL has not started its commercial operations.

Northmin Renewables Corp (NRC) Formerly Hydro Link Projects Corp. (HLPC)

NRC is a 100% owned subsidiary of the Parent Company registered with the SEC on May 6, 2010.

On July 24, 2023, the BOD and stockholders of NRC has approved the amendments of the Articles of Incorporation. The amendment includes changing the name of the Corporation to Northmin Renewables Corp. (NRC), changing its primary purpose to "to invest in renewable energy projects and all other energy related investments", changing the principal office of the subsidiary; and increasing the authorized capital stock from ₱16.0 million to ₱100.0 million.

In 2023, the Parent Company authorizes the reclassification of its deposits for future stock subscription for the additional capital in NRC amounting to ₱35.0 million to enable the latter to meet the capital adequacy and other requirements of Department of Energy. The said amendment was approved by SEC on December 29, 2023.

On December 6, 2023, the Department of Energy (DOE) has awarded the Company service contracts for Bukidnon Wind Power Project and Misamis Oriental Wind Power Project. The service contracts are effective November 28, 2023. With the award of the service contract, the Company is currently undertaking pre-development activities for both projects on the work program approved by the Department of Energy.

In 2024, the Parent Company subscribed additional capital amounting to ₱15.75 million, of which ₱5.75 million remain unpaid as of December 31, 2024, and was recognized as an additional investment in the subsidiary.

AB Bulk Water Company, Inc. (ABBWCI)

ABBWCI is a 100% owned subsidiary of the Parent Company registered with the SEC on March 31, 2015. ABBWCI was organized primarily to engage in the business of holding and providing rights to water to public utilities and cooperatives or in water distribution in the Municipality of Opol and related activities. Since its incorporation, ABBWCI has not started its commercial operations.

Masinloc Consolidated Power, Inc. (MCPI)

MCPI is a 49% owned subsidiary of the Parent Company registered with the SEC on July 4, 2007. MCPI was organized primarily to engage in, conduct and carry on the business of construction, planning, purchase, supply and sale of electricity. MCPI is registered under the Foreign Investments Act of 1991 on July 6, 2007. MCPI has not yet started its commercial operations. On March 22, 2023, the Company has secured the approval of the Securities and Exchange Commission (SEC) on the shortening of its corporate life from fifty (50) years from and after the date of incorporation to seventeen (17) years from and after the date of issuance of the Certificate of Incorporation, or on July 3, 2024.

Simple Homes Development, Inc. (SHDI)

SHDI is a 100% owned subsidiary of the Parent Company registered with the SEC on February 26, 1997. SHDI was organized primarily to invest in, purchase or otherwise acquire and own, hold, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description, and related activities. Since its incorporation, SHDI has not started its commercial operations.

Nakeen Corporation (NC)

NC is a 100% owned subsidiary of the Parent Company through ABERDI registered with the SEC on February 2, 1997. Its primary purpose is to engage in the business of agriculture in all aspects, including but not limited to, the operation of fishponds and fish pens, the raising of cattle, both large and small, the raising of hogs and chicken and any and all other activities related to or incidental to the foregoing markets. NC is also engaged in selling palm seedlings and bunch.

Bonsai Agri Corporation (BAC)

BAC is a 100% owned subsidiary of the Parent Company through ABERDI registered with the SEC on February 2, 1997. BAC was organized to engage in business of agriculture in all aspect, including but not limited to operation of fishponds and fish pens, the raising of cattle, both large and small, the raising of hogs and chickens and all other activities related to or incidental to the foregoing, and to market, sell, or otherwise dispose of any produce and products in both local and foreign markets. Since its incorporation, the Company has not started its commercial operations.

Vires Energy Corporation (VEC)

VEC is a 99.995% owned subsidiary of the Parent Company registered with the SEC on March 11, 2015. It was organized primarily to operate, engage in, conduct and carry on the business of exploring, developing, converting, producing, processing, and refining of power energy, fuel and/or any other source of power energy, including importation, handling, distributing and marketing at wholesale either within or outside the Philippines; to develop, manage, lease, and operate refineries for the power and fuel products or any other source of power energy; to enter into business undertaking to establish, develop, explore and operate business that will provide the technical manpower to persons and institutions engaged in aforesaid energy production; and in general to carry on and undertake such activities which may seem to the Company capable of being conveniently carried on in connection with the above purposes, or calculated, directly, to enhance the value of or render profitable, any of the Company's property or rights. Since its incorporation, the Company has not started its commercial operations. VEC is a subsidiary effective June 18, 2020 (see Note 16).

Irradiation Solutions Inc. (ISI)

ISI is a 100% owned subsidiary of the Parent Company incorporated and registered with the SEC on January 4, 2021. ISI was organized in providing irradiation services for all types of goods e.g., food products and non-food products through exposing such goods to ionizing radiation such as gamma rays, x-rays, or accelerated electrons from electron beam machines.

Surigao Greens Agri Corp. (SGAC)

SGAC is a 100% owned subsidiary of the Parent Company registered with the SEC on February 13, 2023. The Company was organized to engage in the business of processing, milling and refining palm oil to manufacture crude palm oil, refined beached deodorized palm oil, palm olein and other products and to distribute such products on a wholesale or retail basis, provided that the corporation shall not solicit accept or take investments/placements from the public and neither shall it issue investment contracts.

Manolo Fortich Power Corporation (MFPC)

MFPC is a 100% owned subsidiary of the Parent Company through ABCEI registered with the SEC on March 17, 2025. The Company was organized to acquire, scheme, develop, construct, invest in, and operate power generating plants, including solar power plants, and engage in the business of a Generation Company, and to develop, assemble and operate other power related facilities, appliances and devices, and develop and operate conventional and renewable energy resources, sell electricity and carbon credits, act as a wholesale and retail electricity supplier and aggregator, operate and maintain power plants, securing any needed licenses.

2. **Cash**

Cash in banks pertain to savings and current accounts that generally earn interest based on prevailing respective bank deposit rates. The Group earned interest from cash in banks amounting to ₱0.01 million and ₱.49 million in September 30, 2025 and December 31, 2024, respectively.

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Cash on hand	₱16,202,074	₱40,576,191
Cash in banks	1,831,963,209	637,388,022
	₱1,848,165,283	₱677,964,213

3. **Receivables**

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
ICR	₱801,191,320	₱ 857,300,438
Trade receivables	59,789,543	25,747,387
Advances to officers and employees	19,149,891	14,231,056
Dividend receivable	9,000,000	9,000,000
Other receivables	277,423,338	108,534,742

	1,166,554,092	1,014,813,623
Less allowance for credit losses	2,372,733	8,633,841
	1,164,181,359	1,006,179,782
Less noncurrent portion	-	-
	₱1,164,181,359	₱1,006,179,782

ICR consists of accounts collectible in equal monthly installments with various terms up to a maximum of two years, and bear interest ranging from 10% to 18% in 2025 and 2024. The ICRs are interest-bearing except for those with installment terms within two years. The transfer certificates of title remain in the possession of the Group until full payment has been made by the customers.

Trade receivables include receivables from water service and sale of palm oil and other palm products which are noninterest-bearing and are normally collected within seven (7) to sixty (60) days.

Dividend receivable pertains to the cash dividends declared by the associate, PCPC, which is due and demandable.

Advances to officers and employees pertain to salary and other loans granted to the Group's employees that are collectible through salary deduction. These are noninterest-bearing and are due within one year.

Other receivables pertain to advances made to homeowners' association of one of the projects and nontrade receivables. These receivables are noninterest-bearing and are due within one (1) year.

4. Real Estate Inventories

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Land for sale and development	₱724,018,034	₱817,297,857
Construction and development costs	4,071,183,677	3,240,697,445
	₱4,795,201,712	₱4,057,995,302

The rollforward of this account follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of the year	₱4,057,995,302	₱3,571,105,773
Construction and development costs incurred	1,129,208,139	1,052,699,317
Borrowing costs capitalized	20,884,895	79,123,832
Depreciation expense capitalized	2,626,013	21,601,442
Transfers from investment properties		15,011,531
Cost of real estate sales	-415,512,637	-681,546,593
	₱4,795,201,712	₱4,057,995,302

The real estate inventories are carried at cost. No inventories are recorded at amounts lower than cost in September 30, 2025 and December 31, 2024.

Land for sale and development represents real estate subdivision projects in which the Group has been granted License to Sell (LTS) by the Department of Human Settlements and Urban Development. It also includes raw land inventories that are under development and those that are about to undergo development.

Construction and development costs incurred pertain to amounts paid to contractors and development costs in relation to the development of land and construction of housing units, capitalized borrowing costs and other costs directly attributable to bringing the real estate inventories to its intended condition.

Collateralized properties

Pursuant to the loan agreement, certain real estate inventories were collateralized in favor of the bank to secure the Group's short-term and long-term debts (see Note 13). As at September 30, 2025 and December 31, 2024, the carrying values of the collateralized real estate inventories amounted to ₱1.5 Billion.

5. **Other Inventories - at cost**

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Finished agricultural goods	₱9,435,661	₱41,213,558
Inventories	4,231,523	
Construction materials	1,821,661	7,536,848
	₱15,488,844	₱48,750,406

Construction materials pertain to supplies used in the construction and development of the real estate projects.

Agricultural materials and other supplies pertain to fertilizers, fuel and oil and other consumables.

6. **Other Assets**

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current:		
Deposits for purchased land	₱1,446,438,137	₱903,173,965
Creditable withholding taxes	258,886,858	162,271,670
Prepaid expenses	49,507,047	109,234,851
Input Taxes	178,514,820	32,802,641
Costs to obtain contracts (Note 27)	20,350,502	25,037,298
Refundable deposits	946,976	908,313
Deposits in Escrow	7,424,332	7,424,332
Advances to suppliers	685,134	31,278,980
Miscellaneous	551,467	143,463
	₱1,963,305,272	₱1,272,275,513

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Noncurrent:		
Deposits for purchased land-net of current portion	₱356,404,316	₱347,307,831
Advances to third party	231,228,524	238,298,242
Input Taxes- net of current portion	142,407,777	95,469,983
Refundable deposits - net of current portion	50,849,751	54,568,644
Goodwill	43,007	43,007
	₱780,933,375	₱735,687,707

Deposits for purchased land pertain to installment payments made by the Group to the sellers of lands where sales contracts have yet to be executed. The lands are intended to be held for sale and development in the future.

Creditable withholding taxes pertain to carry over of unapplied income tax credits and are recoverable and can be applied against the income tax payable in future periods.

Prepaid expenses consist mainly of prepaid supplies, employee benefits, rent, insurance and taxes and licenses which are applicable in the future period.

Costs to obtain contracts pertain to commissions paid to brokers and marketing agents on the sale of pre-completed real estate units. These capitalized costs are amortized as marketing expense under "General, administrative and selling expenses" in the consolidated statements of comprehensive income over the expected construction period using the POC following the pattern of real estate revenue recognition.

Advances to third party pertain to advances made by the Parent Company to potential joint venture partners for acceptable business projects. The advances are to be applied to the cost of the business project.

Deferred input VAT pertains to the input VAT from the purchase of a capital good whose acquisition cost exceeds ₱1.0 million. Section 110(A) (1) of the NIRC so provides that the input tax on capital goods purchased or imported in a calendar month for use in trade or business shall be spread evenly over the month of acquisition and the 59 succeeding months, unless the expected useful life of the capital good is less than five years, in which case the input tax is amortized over such a shorter period. Pursuant to the implementation of TRAIN law, this provision is applicable only until December 31, 2021.

Miscellaneous pertains to advances to suppliers and contractors.

7. Investments in Associates

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
PCPC	-	₱1,359,328,462
PEI	₱ 311,210,944	427,184,915
EWRTC	53,143,775	53,232,614
	₱364,354,718	₱1,839,745,991

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Acquisition cost, beginning and end of year	₱1,105,595,917	₱1,105,595,917
Accumulated equity in net earnings:		
Balances at beginning of year	734,150,074	716,161,062
Equity in net earnings	221,370,574	140,933,418

Sale of PCPC Investment	(1,526,673,007)	
Dividends	(170,000,000)	(122,000,000)
Equity in other comprehensive income (loss)	(88,839)	-944,406
	-741,241,199	734,150,074
	₱364,354,718	₱1,839,745,991

The Group's share in net income (loss) of its associates are shown below:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
PCPC	-	₱65,744,893
PEI	₱54,026,029	75,257,131
EWRTC	-88,839	-68,606
	₱53,937,189	₱140,933,418

Investment in PCPC

The Group sold its 20% investment in PCPC last July 31, 2025. PCPC was registered with the SEC on December 18, 2007 primarily to acquire, design, develop, construct, invest in and operate power generating plants. The Group accounts its investment in PCPC as investment in associate as it exercises significant influence over PCPC.

As of July 31, 2025, the following table sets out the summarized financial information of PCPC:

	June 30, 2025 (Unaudited)
Assets	
Current assets	₱3,429,380,080
Noncurrent assets	6,593,037,600
Less liabilities	
Current liabilities	2,079,726,450
Noncurrent liabilities	1,537,612,843
Equity	6,405,078,387
Group's carrying amount of the investment	₱1,526,673,007

Investment in PEI

The Group has 20% investment in PEI. PEI was incorporated and registered with the SEC on February 19, 2013 primarily to purchase, acquire, own and hold shares of stock, equity, and property of energy companies. Through its subsidiaries, PEI's focus is to develop, construct, and operate diesel power plants in Mindanao to address the ongoing power shortages in the region.

The following table sets out the summarized financial information of PEI as of September 30, 2025 and December 31, 2024:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets		
Current assets	₱1,531,168,331	₱509,137,455
Noncurrent assets	1,834,188,962	1,916,446,128
Less liabilities		
Current liabilities	231,872,831	208,013,326
Noncurrent liabilities	367,725,856	165,390,783
Equity	₱2,765,758,605	₱2,052,179,474
Group's carrying amount of the investment	₱311,210,944	₱427,184,915

	For the Nine Months Ended September 30	
	2025	2024
Revenue	₱745,383,077	₱571,514,717
Costs and expenses	475,252,934	404,994,325
Net income	270,130,143	166,520,392
Other comprehensive income	-	-
Total comprehensive income	₱270,130,143	₱166,520,392

Investment in EWRTC

The Group has 33.33% investment in EWRTC. The Consortium composed of EWRTC and Alloy MTD Group (represented by MTD Philippines Inc.) has submitted an unsolicited proposal to the Philippine National Railways (PNR) to build and then operate and maintain the East-West Rail Project. The East-West Rail Project is an integrated light rail mass transportation system and is intended to help alleviate the gap in the transportation infrastructure in the metropolis. This project is in line with the objective of the government to increase the ratio of rail transport systems to the rocketing ridership demand in Metro Manila and other major urban cities. The Project will involve the development, design, construction, supply, completion, testing, commissioning, and operation & maintenance of the East-West Rail Project that will traverse the corridor of Quezon Avenue in Quezon City and España Boulevard in Manila.

In 2020, the PNR has re-granted the Original Proponent Status (OPS) to the Consortium. The Project was endorsed again to the National Economic and Development Authority (NEDA) for evaluation and approval by the Investment Coordination Committee (ICC). As of December 31, 2021, the Consortium has completed and submitted the latest requirements of the ICC, including the Environmental Impact Statement. In 2021, the Consortium has secured local endorsements from the local government unit hosts. The Consortium continues to work on securing the Environmental Compliance Certificate and remains in active discussions with foreign entities for possible entry and investment in the project. The following table sets out the

summarized financial information of EWRTC as of September 30, 2025 and December 31, 2024:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets		
Current assets	₱72,082,461	₱53,197,537
Noncurrent assets	74,884,999	7,205,176
Less liabilities		
Current liabilities	128,041,586	532,394,217
Capital deficiency	₱18,925,874	-₱471,991,504

8. Investment Properties and Property, Plant and Equipment

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Investment properties	₱631,838,036	₱631,838,036
Property, plant and equipment	₱1,803,358,522	₱1,715,734,159

Investment Properties

The account includes land held for capital appreciation amounting to ₱492 million as of September 30, 2025 and December 31, 2024; and land and building held for lease amounting to ₱139.6 and ₱ 142 million as of September 30, 2025 and December 31, 2024.

Property, Plant and Equipment

Property, plant and equipment includes land, leasehold improvements, bearer plants, refined bleached deodorized and fractionation machineries, buildings and improvements, machineries and equipment, construction in progress, right of use assets and other equipment.

No additional impairment was recognized by the Group for the remaining bearer plants since management estimated that the recoverable amount exceeds the carrying, excluding the specific impairment as of September 30, 2025. The recoverable amount was computed using discounted cash flows approach.

9. Accounts and Other Payables

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Trade payables	₱1,480,838,576	₱906,068,492
Accrued expenses	32,668,111	83,686,069
Retention payable	48,505,991	69,932,635
Statutory payables	282,868,307	255,943,481
	₱1,844,880,985	₱1,315,630,677

Trade payables are noninterest-bearing and are generally on a 30 to 60-day credit terms.

Accrued expenses pertain to contractual services, professional fees, rentals and other recurring expenses incurred by the Group.

Retention payable are noninterest-bearing and pertains to the amount withheld by the Group on contractor's billings to be settled upon completion of the relevant contracts within the year. The retention serves as a holdout amount withheld from the contractor to cover for back charges that may arise from quality issues in affected projects.

Statutory payables pertain to dues from remittance to Social Security System, Philippine Health Insurance Corporation, Home Development Mutual Fund, and withholding taxes. These are noninterest-bearing and are normally settled within one year.

Accrued interest payable is normally settled within 30 days.

10. Contract Assets and Liabilities

Contract assets represent the right to consideration that was already delivered by the Group in excess of the amount recognized as ICR. This is reclassified as ICR when the monthly amortization of the customer is already due for collection. The movement in contract asset is mainly due to new real estate sales contract recognized during the period and increase in POC, less reclassification to ICR.

The Group requires buyers of real estate units to pay a minimum percentage of the total contract price as reservation fee before the parties enter into a sale transaction. Payments from buyers which have not yet reached the buyer's equity to qualify for revenue recognition and excess of collections over the recognized receivables and contract assets based on POC are presented as "Contract liabilities" in the consolidated statements of financial position.

When the Group's current collection threshold is reached by the buyer, revenue is recognized, and these deposits and down payments are recorded as either ICR or contract asset depending on the right to demand collection. The excess of collections over the recognized revenue is applied against the receivables or contract assets in the succeeding years. The movement in

contract liabilities is mainly due to the reservation sales and advance payments of buyers less real estate sales recognized upon reaching the collection threshold and from increase in POC.

The Group's contract assets and liabilities as at September 30, 2025 and December 31, 2024 are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Current portion of contract assets	₱196,477,873	₱131,239,842
Noncurrent portion of contract assets	1,542,267,524	1,542,267,524
Contract assets	1,738,745,397	1,673,507,366
Contract liabilities	₱411,775,516	₱481,762,306

11. Loans Payable

Loans payable represents various secured and unsecured loans obtained from local financial institutions and shareholder to finance the Group's real estate development projects, working capital requirements and for general corporate purposes.

The Parent Company entered into loan agreements with the following banks: Union Bank of the Philippines (UBP), Development Bank of the Philippines (DBP), Landbank of the Philippines (LBP), China Bank Corporation (CBC), BPI Family Savings Bank (BPIF), May Bank Philippines (MBI), and Philippine Bank of Communication (PBCOM).

Short-term debt

Short-term debt represents peso loans obtained from local banks and shareholder for working capital and financing requirements. These loans, except loan from shareholder, bear annual interest rates ranging from 5.5% to 8.5% and 4.5% to 9.0% in 2024 and 2023, respectively, subject to semi-annual and quarterly repricing and are due at various dates within the following year from the reporting date. Loan from shareholder is on demand and noninterest-bearing.

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
DBP		₱244,661,000
UBP		233,706,000
CBC		170,000,000
PBCOM		130,000,000
PNB	₱150,000,000	
LBP	405,700,000	150,000,000
	₱555,700,000	₱972,187,000

Long-term debt

The long-term debt represents various loans obtained from local financial institutions and shareholder to finance the Parent Company's real estate projects and for general corporate purposes.

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
UBP	₱1,021,133,333	₱902,507,344
DBP	94,014,000	142,764,000
PNB	446,428,571	500,000,000
Shareholder Loan - A (Note 15)	-	60,861,940
LBP	284,794,753	318,718,669
CBC	399,209,754	431,814,458
	₱2,245,580,412	₱2,356,666,411
Less Debt Issue Cost	36,840,280	12,812,655
Less current portion	536,039,896	602,633,723
	₱1,672,700,236	₱1,741,220,033

Interest expense (excluding capitalized borrowing costs) recognized in the unaudited interim condensed consolidated statements of comprehensive income amounted to ₱12.5 million and ₱12.3 million for the three months ended September 30, 2025 and 2024, respectively.

Borrowing costs for the six months period ended September 30, 2025 and 2024 amounted to ₱31 million and ₱23 million, respectively, are capitalized as part of real estate inventories. The capitalization rate used to determine the borrowing costs eligible for capitalization is 6% and 6.34% for the three months period ended September 30, 2025 and 2024, respectively (see Note 5).

12. Equity

Common stock

As of September 30, 2025 and December 31, 2024, the Group's common stock consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<u>Common</u>		
Authorized shares	3,250,000,000	3,250,000,000
Par value per share	1	1
Issued shares	2,477,668,925	2,477,668,925
Outstanding shares	2,372,367,911	2,372,367,911
Value of shares issued	₱2,477,668,925	₱2,477,668,925

On October 12, 2017, the BOD approved the conversion of the Group's debt to Brownfield Holdings Incorporated amounting to ₱250,000,000 and deposits for future subscription of Valueleases, Inc. and RME Consulting, Inc. amounting to ₱200,000,000 to equity at ₱1.1 per share resulting to increase the number of issued shares by 398,230,088 shares.

On May 19, 2016, the Group declared stock dividends amounting to 346,573,104 shares for the stockholders of record as of February 10, 2017 and distributed 346,572,301 shares net of 803 fractional shares to the stockholders.

These stock transactions resulted to an increase in the Group's authorized and subscribed shares of capital stock of 1,300,000,000 and 744,802,389 common shares, respectively.

Preferred stock

On April 12, 2021, the BOD approved the amendment of the Articles of Incorporation of the Parent Company to reclassify and divide the authorized capital stock into: (i) 3,250,000,000 common shares with a par value of ₱1.0 per share; and (ii) 50,000,000 preferred shares with a par value of ₱1.0 per share.

On May 25, 2021, the BOD authorized the shelf registration of 50 million preferred shares, and the offer and sale of up to 15 million preferred shares at an offer price of ₱100.0 per share.

On October 5, 2021, the SEC approved the Company's proposal to create preferred shares by reclassifying its authorized capital stock from the current 3.3 billion common shares to 3.25 billion common shares and 50.0 million preferred shares.

On November 12, 2021, the Company secured the approval from PSE and SEC for the offer and sale of 15.0 million cumulative, non-voting, non-participating, non-convertible, redeemable "Series A" preferred shares at the option of the Parent Company. The "Series A" preference shares are entitled to fixed rate cash dividends at 7% per annum, payable quarterly in arrears on March 1, May 29, August 29 and November 29 each year. The offering allowed the Parent Company to raise ₱1.3 billion as new capital.

The details of the Parent Company's preferred stock as at September 30, 2025 follow:

Authorized shares	50,000,000
Par value per share	₱1.0
Issued shares	27,637,650
Outstanding shares	27,637,650
Value of shares issued	₱27,637,650

Record of Registration of Securities with the SEC

Common Stock

The Securities and Exchange Commission (SEC) issued the following orders related to the Group's registration of its securities which are offered to the public: SEC-BED Order No. 1179 issued on December 17, 1993 of 200.0 million shares at an issue price of ₱4.5 per share; SEC-BED Order No. 847 issued on August 15, 1994 of 230.0 million shares; and, SEC-CFD Order No. 64 issued on March 12, 1996 of 530.0 million shares.

There were 2,087 and 2,086 stockholders as of September 30, 2025 and December 31, 2023, respectively in the records of the transfer agent, Professional Stock Transfer, Inc. (PSTI).

The share price closed at ₱0.67 on September 30, 2025 and ₱0.56 on December 27, 2024.

Dividend – Common Shares

On July 12, 2024, the Board of Directors of A Brown Company, Inc. approved the declaration of cash dividends on Common Shares at Php 0.025/share with entitled shareholders of record as of 01 August 2024 and payable on 15 August 2024. The cash dividend was paid out of the Corporation's unrestricted retained earnings as of 31 December 2023.

Preferred Stock – Series A

The SEC issued the following orders related to the Group's registration and issuance of its "Series A" preferred shares securities which are offered to the public: (1) SEC MSRDC Order No. 76 s. 2021 ("Order of Registration") for the shelf registration of up to 50.0 million cumulative, non-voting, non-participating, non-convertible, and redeemable perpetual preferred shares; and (2) Permit to Offer Securities for Sale ("Permit to Sell") covering the Initial Offer Shares dated November 12, 2021.

On November 29, 2021, there were 13,264,900 "Series A" preferred shares that were issued and listed in the PSE with "BRNP" as its ticker symbol.

As of September 30, 2025 and December 31, 2024, there were three (3) registered "Series A" preferred stockholders in the records of the transfer agent, Professional Stock Transfer, Inc. (PSTI).

The share price closed at ₱97.60 and ₱96.50 on September 30, 2025 and December 27, 2024, respectively.

Preferred Stock – Series B and Series C

On November 3, 2023, the Board of Directors approved the offer and sale to the public of up to 15,000,000 Non-Voting Preferred Shares (the "Offer"), to be issued and offered under the Corporation's 50,000,000 Preferred Shares Shelf Registration under MSRDC Order No. 76 series of 2021 (the "Shelf Registration"). The Board likewise authorized Management to cause the preparation and filing of (i) a Registration Statement and Offer Supplement in relation to the Offer under the Shelf Registration; (ii) a Listing Application with the Philippine Stock Exchange ("PSE") for the Offer; (iii) the approval of all the disclosures contained in the Registration Statement, the Offer Supplement, and Listing Application to be filed with the Securities and Exchange Commission and the PSE.

The Company filed on November 7, 2023 with the Securities and Exchange Commission an Amended Registration Statement together with a Preliminary Offer Supplement for the issuance of 10,000,000 Preferred Shares with an oversubscription option of 5,000,000 Preferred Shares to be offered at an issue price of Php100.00 per share (the "Offer Shares"). The Offer Shares were issued from the Company's 50,000,000 Preferred Shares shelf registration under MSRDC Order No. 76 Series of 2021.

On 23 January 2024, the SEC issued the Certificate of Filing of Enabling Resolution dated 12 January 2024 in connection with the offer and issue of up to 15,000,000 cumulative, non-voting, non-participating, non-convertible, peso-denominated, redeemable, perpetual preferred shares to be issued and offered under the Corporation's 50,000,000 Preferred Shares registration

which was approved by the Board of Directors of the Company on November 3, 2023 and was filed with the SEC pursuant to Section 6 of the Revised Corporation Code of the Philippines (R.A. No. 11232).

On 30 January 2024, the Parent Company secured approval from the Philippine Stock Exchange (PSE) of its listing application for the follow-on offering and listing of up to 15,000,000 Series B and C Preferred Shares (the "Offer Shares") which is the second tranche of the Company's 50,000,000 Preferred Shares Shelf Registration. On 05 February 2024, A Brown approved the preferred shares offering with an initial dividend rate of 8.25% and 8.75% p.a. for Series B and Series C, respectively to be paid quarterly in arrears on May 23, August 23, November 23 and February 23 of each year.

On 08 February 2024, the Company received from the Securities and Exchange Commission (SEC) the Permit to Offer Securities for Sale ("Permit to Sell") covering the Second Tranche Offer Shares, dated 08 February 2024.

On February 23, 2024, there were 7,431,750 "Series B" preferred shares and 6,941,000 "Series C" preferred shares that were issued and listed in the Philippine Stock Exchange with "BRNPB" and "BRNPC", respectively as their ticker symbol.

As of September 30, 2025 and December 31, 2024, there were two (2) registered for each Series B" and "Series C" preferred stockholders in the records of the transfer agent, Professional Stock Transfer, Inc. (PSTI).

The share price closed at ₱104.50 and ₱104.00 on September 23, 2025 and December 19, 2024, respectively for Series B - Preferred Shares. The share price closed at ₱104.50 and ₱107.20 on September 30, 2025 and December 26, 2024, respectively for Series C - Preferred Shares.

Additional paid-in capital (APIC)

In relation to the issuance of preferred shares by the Parent Company in 2021, the Group has recognized APIC for the excess proceeds of subscriptions over the par value, net of transaction costs. Incremental costs directly attributable to the issue of new shares such as underwriter fees, legal fees, and other professional fees are presented in equity as a deduction from APIC amounting to ₱20.0 million, net of tax.

As of September 30, 2025 and December 31, 2024, APIC amounted to ₱3,333.2 million and ₱1,931.3 million.

Treasury shares

In 2016, the Group has acquired all of the unissued fractional shares arising from the stock dividend declaration in 2013, constituting an aggregate of 1,014 shares. These 1,014 shares were reflected as subscribed and issued shares and recognized as treasury shares at cost equal to par value of ₱1.

On August 17, 2020, the BOD of the Parent Company has approved the implementation of a share buyback program of up to ₱50.0 million worth of the Parent Company's common shares. On May 25, 2021, the initial approved budget of the program has been extended from ₱50.0 million to ₱100.0 million as recommended and approved by the BOD.

In 2021, the Parent Company has bought back from the market a total of 78,756,014 shares or ₱70.6 million. These treasury shares are recorded at cost and are not entitled for dividends.

The movement in the Parent Company's treasury shares follows:

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Shares	Amount	Shares	Amount
At January 1	105,301,014	₱94,932,275	78,756,014	₱94,932,275
Additions	-	-	26,545,000	-
At December 31	105,301,014	₱94,932,275	105,301,014	₱94,932,275

13. Income Taxes

Provision for (benefit from) current income tax pertains to regular corporate income tax (RCIT) and minimum corporate income tax (MCIT) as follows:

	For the Nine Months Ended September 30	
	2025	2024
RCIT	₱11,007,277	₱8,946,470
MCIT		77,662,857
	₱11,007,277	₱8,946,470

The reconciliation of provision for income tax computed at the statutory tax rate to provision for income tax reported in the consolidated statements of comprehensive income follows:

	For the Nine Months Ended September 30	
	2025	2024
Income before income tax	₱3,388,083,713	₱290,823,979
Provision for income tax computed at statutory rate	847,020,928	72,705,995
Adjustments for equity in net earnings of associates	(13,484,297)	(22,197,165)
Deferred income tax	-	-
Nondeductible expenses	8,974,321	1,131,234
Change in unrecognized deferred tax assets	9,958,675	9,958,675
Interest income already subjected to final tax	(3,038,598)	(117,783)
	₱849,431,028	₱61,480,956

The components of net deferred tax liabilities as of September 30, 2025 and December 31, 2024:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Deferred tax liabilities on:		
POC Excess of real estate sales based on over real estate sales based on tax rules	-P635,791,434	-P593,222,329
Unamortized Debt Issue Cost	(2,049,785)	(2,049,785)
Prepaid commission	(3,182,930)	(3,019,250)
	(641,024,149)	(598,291,364)
Deferred tax assets on:		
NOLCO	56,662,648	56,662,648
business combination Fair value adjustment arising from	13,301,338	13,301,338
Retirement benefit liability	12,210,115	12,210,115
MCIT	10,963,577	10,963,577
Unrealized foreign exchange loss	60,551	60,551
Allowance for impairment on receivables	698,549	698,549
	93,896,778	93,896,778
In equity:		
Remeasurement loss on retirement benefit plan	7,084,877	7,084,877
NOLCO on preferred share issue costs recognized in APIC	6,671,734	6,671,734
Cumulative translation adjustment	339,963	339,963
	14,096,574	14,096,574
Deferred tax liabilities - net	-P533,030,797	-P490,298,012

14. Business Combination

Acquisition of VEC

On June 18, 2020, the Parent Company signed a share purchase agreement with Argo Group Pte. Ltd., to acquire Argo Group Pte. Ltd.'s 99.995% ownership interest in VEC for a total consideration of P50.2 million pertaining to the transfer of the Parent Company's EIFVPL through a deed of assignment of shares.

The following are the fair values of the identifiable assets and liabilities assumed:

Assets:

Cash	P51,507
Receivables	1,674,693
Other current assets	1,537,086
Property and equipment (Note 10)	78,575,418

Assets:	
	81,838,704
Liabilities:	
Trade and other payables	29,009,627
Total net assets acquired	52,829,077
Acquisition cost	(50,170,000)
Gain on bargain purchase	₱2,659,077
Cash flow on acquisition:	
Cash acquired with the subsidiary	₱51,507

The valuation had not been completed by the date the financial statements were approved for issue by the BOD on April 23, 2021. The purchase price allocation resulted in gain on bargain purchase of ₱2.7 million which is presented under “Gain on bargain purchase” in the 2020 consolidated statement of comprehensive income. VEC was sold at a discount since Argo Group Pte. Ltd. is no longer interested in pursuing its liquified natural gas projects and was keen to divest its investment related to such.

The accounting for business combination was determined provisionally in 2020 as allowed by PFRS 3.

In 2021, the Group determined that the provisional amounts are final and that no adjustments shall be made in the consolidated financial statements.

15. Financial Risk Management Objectives and Policies

The Group is exposed to a variety of financial risks, which resulted from its operating, investing and financing activities in relation to its financial instruments which include financial assets comprising cash, receivables (excluding advances to officers and employees), receivables from related parties, EIFVPL, EIFVOCI and refundable deposits included under “Other assets”. This also includes financial liabilities comprising accounts and other payables (excluding statutory payables), short-term and long-term debts. The main types of risks are market risk (mainly interest rate and equity price risks), credit risk and liquidity risk which arise in the normal course of the Group’s business activities.

The objective of financial risk management is to contain, where appropriate, exposures in these financial risks to limit any negative impact on the Group’s results and financial position. The Group actively measures, monitors and manages its financial risk exposures by various functions pursuant to the segregation of duties principle. The management takes charge of the Group’s overall risk management strategies and for approval of risk strategies and policies under the direction of the Group’s BOD.

The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial performance.

There were no changes in the Group’s financial risk management objectives and policies in 2025 and 2024.

The main risks arising from the use of financial instruments are credit risk, liquidity risk and interest rate risk. The Group's BOD reviews and agrees with policies for managing each of these risks. These are summarized below:

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group trades only with recognized, creditworthy third parties. The Group's receivables are monitored on an ongoing basis to manage exposure to bad debts and to ensure timely execution of necessary intervention efforts. The Group's debt financial assets are not subject to collateral and other credit enhancement except for real estate receivables. Real estate buyers are subject to standard credit check procedures, which are calibrated based on payment scheme offered. The Group's respective credit management units conduct a comprehensive credit investigation and evaluation of each buyer to establish creditworthiness.

In addition, the credit risk for ICRs is mitigated as the Group has the right to cancel the sales contract without need for any court action and take possession of the subject real estate property in case of refusal by the buyer to pay on time the due ICR. This risk is further mitigated because the corresponding title to the subdivision units sold under this arrangement is transferred to the buyers only upon full payment of the contract price. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another CTS to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Group, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossess of the real estate projects is higher than the exposure at default (i.e., recovery rate is more than 100%).

With respect to credit risk arising from the other debt financial assets of the Group, which comprise cash and due to a related party, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group transacts only with institutions or banks which have demonstrated financial soundness for the past 5 years.

The Group's maximum exposure to credit risk is equal to the carrying values of its debt financial assets and contract assets except for ICRs as discussed above. The table below shows the credit quality and aging analysis of the Group's financial assets and contract assets:

The aging analysis per class of financial assets as at September 30, 2025 and December 31, 2024 is as follows:

	September 30, 2025 (Unaudited)				
	Total	Neither Past		Past Due But not Impaired	
		Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days
Financial assets:					
Cash in banks	P1,831,963,209	P1,831,963,209	-	-	-

Receivables	1,160,926,825	1,142,613,464	P6,022,146	P6,456,728	P3,461,754	P2,372,733
Deposit in Escrow	7,424,332	7,424,332				
Refundable deposits	50,849,751	50,849,751	-	-	-	
	P3,051,164,117	P3,032,850,756	P6,022,146	P6,456,728	P3,461,754	P2,372,733

December 31, 2024 (Audited)						
Total	Neither Past		Past Due But not Impaired			Impaired
	Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days		
Financial assets:						
Cash in banks	P677,964,213	P677,964,213				
Receivables	1,082,450,720	P1,065,242,126	P3,420,087	P2,813,567	P2,341,098	P8,633,842
Deposit in Escrow	7,424,332	7,424,332				
Refundable deposits	52,903,664	52,903,664	-	-	-	
	P2,707,940,451	P4,560,386	P3,556,569	P2,199,063	P163,396,632	P8,633,842

The following are the details of the Group's assessment of credit quality and the related ECLs as at September 30, 2025 and December 31, 2024.

General approach

- *Cash* – These are of high quality as the amounts are deposited in reputable banks which have good bank standing and is considered to have low credit risk. Accordingly, management assessed that no ECL relating to the cash of the Group is recognized.
- *Receivables (except ICR and trade receivables), receivables from related parties and refundable deposits* – These are high grade since these pertain to counterparties who have a very remote likelihood of default and have consistently exhibited good paying habits. Accordingly, management assessed that no ECL relating to these receivables and deposits of the Group is recognized. This assessment is undertaken each financial year through examining the financial position of the counterparties and the markets in which they operate.

Simplified approach

- *ICR and contract assets* – These are high grade since these pertain to counterparties who have a very remote likelihood of default and have consistently exhibited good paying habits. Accordingly, management assessed that no ECL relating to these receivables of the Group is recognized. Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers. This assessment is undertaken each financial year through examining the financial position of the counterparties and the markets in which they operate.
- *Trade receivables* – These are high grade since these pertain to receivables from customers who have established good credit standing with the Company. The Group

applied the simplified approach under PFRS 9, using a ‘provision matrix’. Accordingly, management assessed and recognized ECL relating to trade receivables amounting to nil and ₱2.8 million in 2025 and 2024, respectively. Trade receivables are regarded as short-term and while there are certain accounts that are past-due, the Group evaluates the credit risk with respect to trade receivables as low as there were no history of default payments.

For financial assets recognized on the consolidated statements of financial position, the gross exposure to credit risk equals their carrying amount except for ICR and contract assets where exposure to credit risk is not significant given that title of the real estate property is only transferred to the customer if the consideration had been fully paid.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or the counterparty failing on repayment of a contractual obligation; or inability to generate cash inflows as anticipated.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and advances from related parties. The Group monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash deemed adequate by management to finance its operations and capital requirements and to mitigate the effects of fluctuations in cash flows. The Group considers its available funds and its liquidity in managing its long-term financial requirements. It matches its projected cash flows to the projected amortization of long-term borrowings. For its short-term funding, the Group’s policy is to ensure that there are sufficient operating inflows to match repayments of short-term debt. As part of its liquidity risk management, it regularly evaluates its projected and actual cash flows.

The tables below summarize the Group’s financial assets that can be used to manage its liquidity risk and the maturity profile of its financial liabilities as of September 30, 2025 and December 31, 2023⁴ based on contractual undiscounted payments:

	September 30, 2025 (Unaudited)			Total
	On Demand	One Year and Below	More than One Year	
Financial Assets				
Cash	₱1,848,165,283			₱1,848,165,283
Receivables	1,164,181,359	₱1,732,910,910	₱5,834,487	2,902,926,756
EIFVOCI	-	-	429,156,522	429,156,522
Deposit from Escrow	-	₱7,424,332		7,424,332
Refundable deposits		50,849,751		50,849,751
Contract Assets		196,477,873	2,872,068,927	3,068,546,800
	3,012,346,642	1,987,662,865	3,307,059,936	8,307,069,443
Financial Liabilities				
Accounts and other payables*	364,319,564	1,457,278,258	-	1,821,597,822

Short-term debt				
Principal		555,700,000	-	555,700,000
Interest	-	44,456,000	-	28,091,666
Long-term debt				
Principal	-	536,039,896	1,672,700,236	2,208,740,132
Interest	-	75,045,586	234,178,033	309,223,618
	364,319,564	2,668,519,739	1,906,878,268	4,923,353,238
Net Inflow (Outflow)	₱2,648,027,078	-₱680,856,875	₱1,400,181,667	₱3,383,716,204

December 31, 2024 (Audited)				
	On Demand	One Year and Below	More than One Year	Total
Financial Assets				
Cash	₱677,964,213			₱677,964,213
Receivables	59,894,936	₱946,284,846		1,006,179,782
EIFVOCI			₱428,856,522	428,856,522
Deposit from Escrow	7,424,332			7,424,332
Refundable deposits	-	843,263	52,060,401	52,903,664
Contract Assets		131,239,842	1,542,267,524	1,673,507,366
	745,283,481	1,078,367,951	2,023,184,447	3,846,835,879
Financial Liabilities				
Accounts and other payables*	-	1,059,687,196	-	1,059,687,196
Short-term debt				0
Principal	-	972,187,000	-	972,187,000
Interest	-	77,774,960	-	77,774,960
Long-term debt				0
Principal	-	602,633,723	1,741,220,033	2,343,853,756
Interest	-	84,368,721	243,770,805	328,139,526
	-	2,796,651,600	1,984,990,838	4,781,642,438
Net Inflow (Outflow)	₱745,283,481	-₱1,718,283,649	₱38,193,609	-₱934,806,559

* Excluding statutory payables

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchanges rates, commodity prices, equity prices and other market changes.

The following table presents a comparison by category of carrying values and estimated fair values of the Group's financial instruments as at September 30, 2025 and December 31, 2024:

	September 30, 2025(Unaudited)		December 31, 2024 (Audited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial Assets				
Cash	₱1,848,165,283	₱1,848,165,283	₱677,964,213	₱677,964,213
Receivables	2,903,926,756	2,903,926,756	1,006,179,782	1,006,179,782
EIFVOCI	429,156,522	239,411,453	428,856,522	239,411,453
Refundable deposits	50,849,751	50,849,751	52,903,664	48,759,913
	5,232,098,311	5,042,353,242	2,165,904,181	1,972,315,361
Financial Liabilities				
Accounts and other payables*	1,562,012,678	1,562,012,678	1,059,687,196	1,059,687,196
Short-term debt	555,700,000	555,700,000	972,187,000	972,187,000
Long-term debt	2,208,740,132	2,208,740,132	2,343,853,756	2,343,853,756
	₱4,326,452,810	₱4,326,452,810	₱4,375,727,952	₱4,375,727,952

* Excluding statutory payables

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash, receivables (except ICR), accounts and other payables and short term-debt.* The fair values approximate their carrying amounts as of reporting dates due to the short-term maturity of these financial instruments.
- *ICR.* The fair value of ICR due within one year approximates its carrying amount. Noncurrent portion of ICR are discounted using the applicable discount rates (Level 3 input).
- *Receivables from related parties.* Carrying amounts of receivables from related parties which are collectible on demand approximate their fair values. Receivables from related parties are unsecured and have no foreseeable terms of repayments.
- *EIFVOCI.* For unquoted equity securities, the fair value is determined using valuation techniques with inputs and assumptions that are based on market observable data and conditions and reflect appropriate risk adjustments that market participants would make for credit and liquidity risks existing at the end each of reporting period. The fair values are determined based on average selling price of price per share of similar or identical assets traded in an active market (Level 3 input).
- *Refundable deposits.* The fair values of refundable deposits are not determinable since the timing of each refund is not reasonably predictable, hence presented at cost.
- *Long-term debt.* The fair value of borrowings with fixed interest rate is based on the discounted net present value of cash flows using the PH BVAL. Discount rates used range from 5.4% to 7.5% in 2025 and 2024. The Group classifies the fair value of its long-term debt under Level 3.

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and,
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at September 30, 2025 and December 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

16. **Segment Information**

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the segment information is reported based on the nature of service the Group is providing.

The segments where the Group operate follow:

- Real estate development - Development of land into commercial and residential subdivision, sale of lots and residential houses and the provision of customer financing for sales;
- Agricultural - Development of land for palm oil production and sale of palm oil and other palm products including, but not limited to refined bleached deodorized oil, palm olein, crude palm oil, palm stearin, palm acid oil, palm fatty acid distillate, and palm kernels.
- Power and utilities - Operating of power plants and/or purchase, generation, production supply and sale of power. However, there was no commercial operations yet as of September 30, 2025.
- Holding - Holding of properties of every kind and description.
- Services - Provide irradiation services for all types of goods.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For the years ended September 30, 2025 and December 31, 2024, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The financial information about the operations of these operating segments is summarized below (in thousands):

For the Period Ending September 30, 2025

	Real Estate Development	Agricultural	Power and Utilities	Service	Holding	Eliminations	Consolidated
Revenue	P1,054,777	P199,599	-	947	-	P0	P1,255,323
Costs and expenses	474,002	143,054	-	341	-	-	617,397
Gross profit	580,775	56,545	-	606	-	-	637,926
General, administrative and selling expenses	487,102	116,664	3,779	70,022	356,678	-	1,034,245
Other income (expenses)	2,128,375	(247,820)	5	-	-	128,716	2,009,276
Income (loss) before income tax	2,222,048	(307,939)	(3,774)	(69,416)	(356,678)	128,716	1,612,957
Provision for (benefit from) income tax:							
Current	11,007	-	-	-	-	-	11,007
Deferred	-	-	-	-	-	-	-
	11,007	-	-	-	-	-	11,007
Net income (loss)	P2,211,041	-P307,939	-P3,774	-P69,416	-P356,678	P128,716	P1,601,950
Net income attributable to:							
Owners of the Parent Company	2,211,041	(307,939)	(3,770)	(69,416)	(356,678)	128,716	1,601,954
Non-controlling interests	-	-	(4)	-	-	-	(4)
	P2,211,041	-P307,939	-P3,774	-P69,416	-P356,678	P128,716	P1,601,950

For the Period Ending September 30, 2025

	Real Estate Development	Agricultural	Power and Utilities	Service	Holding	Eliminations	Consolidated
Other information							
Segment assets	P15,768,976	P951,652	P1,191,489	P744,511	P1,117,791	-P4,327,606	P15,446,813
Deferred tax assets	47,787	34,903	1,121	-	2,010	3,094	88,916
Total Assets	P15,816,763	P986,555	P1,192,610	P744,511	P1,119,801	-P4,324,512	P15,535,728
Segment liabilities	P5,207,822	P868,771	P981,955	P426,728	P129,558	-P2,542,211	P5,072,624
Deferred tax liabilities	536,804	-	9,868	9,867	-	13,641	570,181
Total Liabilities	P5,744,626	P868,771	P991,823	P436,595	P129,558	-P2,528,570	P5,642,803

For the Year Ended December 31, 2024							
	Real Estate Development	Agricultural	Power and Utilities	Holding	Services	Eliminations	Consolidated
Revenue	₱1,557,313	₱432,816	₱-	₱-	₱-	(₱182,265)	₱1,807,864
Costs and expenses	693,396	424,358	-	-	-	(182,265)	935,489
Gross profit	863,917	8,458	-	-	-	-	872,375
General, administrative and selling expenses	(387,973)	(110,176)	(10,575)	(1,460)	(39,979)	6,661	(543,502)
Other income (expenses)	(20,002)	19,388	258,017	1	(11,001)	(124,961)	121,442
Income (loss) before income tax	455,942	(82,330)	247,442	(1,459)	(50,980)	(118,300)	450,315
Provision for (benefit from) income tax	105,750	933	-	-	5,204	4,319	116,206
Net income (loss)	₱350,192	(₱83,263)	₱247,442	(₱1,459)	(₱56,184)	(₱122,619)	₱334,109

As of December 31, 2024							
	Real Estate Development	Agricultural	Power and Utilities	Holding	Services	Eliminations	Consolidated
Other information							
Segment assets	₱13,881,190	₱1,155,096	₱1,839,026	₱1,079,184	₱753,872	(₱4,551,408)	₱14,156,960
Deferred tax assets	-	-	-	-	-	-	-
Total Assets	13,881,190	1,155,096	1,839,026	1,079,184	753,872	(4,551,408)	14,156,960
Segment liabilities	4,827,864	1,433,474	32,344	140,488	766,680	(1,934,516)	5,266,334
Deferred tax liabilities	489,017	-	-	-	9,867	(8,586)	490,298
Total Liabilities	₱5,316,881	₱1,433,474	₱32,344	₱140,488	₱776,547	(₱1,943,102)	₱5,756,632

17. Notes to Consolidated Statements of Cash Flows

Changes in liabilities arising from financing activities

September 30, 2025(Unaudited)				
	Beginning Balance	Availments	Payments	Ending Balance
Short-term debt	₱972,187,000	₱842,162,000	(1,258,649,000)	₱555,700,000
Long-term debt	2,356,666,411	657,754,490	(768,840,489)	2,245,580,412
	₱3,328,853,411	₱1,499,916,490	-₱2,027,489,489	₱2,801,280,412

December 31, 2024 (Audited)				
	Beginning Balance	Availments	Payments	Ending Balance
Short-term debt	₱745,414,000	₱880,192,000	-₱653,419,000	₱972,187,000
Long-term debt	1,887,809,535	995,706,150	(526,849,274)	2,356,666,411
	₱2,633,223,535	₱ 1,875,898,150	-₱ 1,180,268,274	₱ 3,328,853,411

Others include reclassification of interest expense and capitalized borrowing costs.

The Group's noncash investing and financing activities pertain to the following:
In September 30, 2025 and September 30, 2024, capitalized borrowing cost amounted to ₱20 million and ₱31 million, respectively.

18. Revenue from Contracts with Customers

Revenue Disaggregation

The Group derives revenue from the transfer of services and goods over time and at a point in time, respectively, in different product types. The Group's disaggregation of each sources of revenue from contracts with customers are presented below:

	For the Nine Months Ended September 30	
	2025	2024
<i>Type of product:</i>		
Real estate sales		
Lot-only units	₱904,177,701	₱703,763,511
House and lot units	125,557,833	316,401,756
Water service	22,583,163	26,228,130
Sale of agricultural goods		
Crude palm oil	181,703,791	149,645,997
Palm acid oil	5,228,520	3,289,000
Palm stearin	-	269,613
Palm kernel	4,877,470	3,056,833
Palm fatty acid distillate	-	279,182
Palm olein	-	1,112,053
	₱1,244,128,478	₱1,204,046,075

The real estate sales and water service revenue are revenue from contracts with customers that are recognized over time while revenue from sale of agricultural goods are recognized at a point in time.

Contract Balances

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
ICR	₱801,191,320	₱857,300,438
Current portion of contract assets	196,477,873	131,239,842
Noncurrent portion of contract assets	1,542,267,524	1,542,267,524
Costs to obtain contracts	1,323,712	2,383,406
Contract liabilities	411,775,516	481,762,306

ICR are from real estate sales which are collectible in equal monthly installments with various terms up to a maximum of two years, and bear interest ranging from 10% to 18% in 2025 and 2024. The transfer certificates of title remain in the possession of the Group until full payment has been made by the customers.

Contract assets represent the right to consideration that was already delivered by the Group in excess of the amount recognized as ICR. This is reclassified as ICR when the monthly

amortization of the customer is already demandable for collection or when the remaining balance of the total contract price once the equity payments have been settled by the customer is already collectible for collection from the bank for real estate sales under bank financing. The movement in contract asset is mainly due to new real estate sales contract recognized during the period and increase in percentage of completion, less reclassification to ICR.

Cost to obtain contract are derecognized if sales are subsequently cancelled. The balances below pertain to the costs to obtain contracts:

	September 30, 2025 (Unaudited)	December 31, 2023 (Audited)
Balance Beginning	₱25,037,298	₱12,077,001
Additions	13,437,468	36,878,172
Amortization	-18,124,264	-23,917,875
Balance Ending	₱20,350,502	₱25,037,298

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the goods and services transferred by the Group based on percentage of completion. The movement in contract liability is mainly due to sales reservations and advance payments of buyers less real estate sales recognized upon reaching the buyer's equity and from increase in POC.

Performance Obligation

Information about the Parent Company's significant performance obligation is summarized below:

Real estate sales

The Parent Company entered into contracts to sell with one identified performance obligation, which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration. The sale of real estate unit may cover the contract for either the (i) serviced lot; (ii), and service lot and house and the Parent Company concluded that there is one performance obligation in each of these contracts. The Parent Company recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payments of 10% to 25% of the contract price spread over a certain period (e.g., three months to four years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to fifteen (15) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either a contract asset or contract liability.

The remaining performance obligation is expected to be recognized within one year which relate to the continuous development of the Group's real estate projects. The Group's real estate projects are completed within 6 months to 12 months, from start of construction.

19. Other Matters

Impasug-Ong and Kalabugao Plantations

The Group entered into a DC with KASAMAKA at the Municipality of Impasug-ong, Bukidnon concerning the development of palm oil commercial plantation on August 2006.

KASAMAKA had been granted with Community Based Forest Management Agreement (CBFMA) no. 55093, by the Department of Environment and National Resources (DENR) on December 22, 2000 covering an area of 2,510.80 hectares. Under the CBFMA, KASAMAKA is mandated to develop, manage and protect the allocated community forest project area. Moreover, it is allowed to enter into agreements or contracts with private or government entities for the development of the whole or portion of the CBFMA area.

The project's objectives are to establish approximately 894 hectares into a commercial palm plantation within 5 years (2006-2011). However, ABERDI may intercrop suitable agricultural crops in the plantation and raise livestock, the harvest and produce of which shall belong to ABERDI.

The responsibilities of KASAMAKA with regards to the project follow:

- To provide the land area of 894 hectares within CBFMA area for oil palm plantation; and,
- To provide manpower needs of the Group in all developmental activities such as land preparation, planting, weeding, fertilization, harvesting, maintenance and others.

On the other hand, the responsibility of ABERDI in regard to the project is to provide technical and financial resources to develop the 894 hectares into palm oil plantation for a period of 20 years up to 2026.

Opol Plantation

The Group entered into a DC for the establishment of palm oil commercial plantation in Tingalan, Opol, Misamis Oriental with KMBT.

KMBT has been granted CBFMA No. 56297 by DENR on December 31, 2000 covering a total area of 1,000 hectares of forest lands located in Tingalan, Opol, Misamis Oriental to develop, manage and protect the allocated Community Forest Project Area.

The roles and responsibilities of KMBT under the Development Contract are as follows:

- To provide the land area within the CBFMA for oil plantation; and,
- To provide manpower needs of NC in all developmental activities such as land preparation, planting, weeding, fertilization, harvesting, maintenance and others.

On the other hand, the responsibility of NC in regard to the project is to provide technical and financial resources to develop the covered area into palm oil plantation for a period of 25 years.

In 2019, the Group entered into a contract with the landowners' association in Tingalan, Opol, Misamis Oriental providing the landowners a royalty fee of ₱10.0 per metric ton of fresh fruit bunches harvested. The royalty fee is included as part of the costs of purchase of FFB recognized under "Other inventories - at cost" in the consolidated statements of financial position.

A BROWN COMPANY, INC. AND SUBSIDIARIES
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A BROWN COMPANY, INC. AND SUBSIDIARIES

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION**

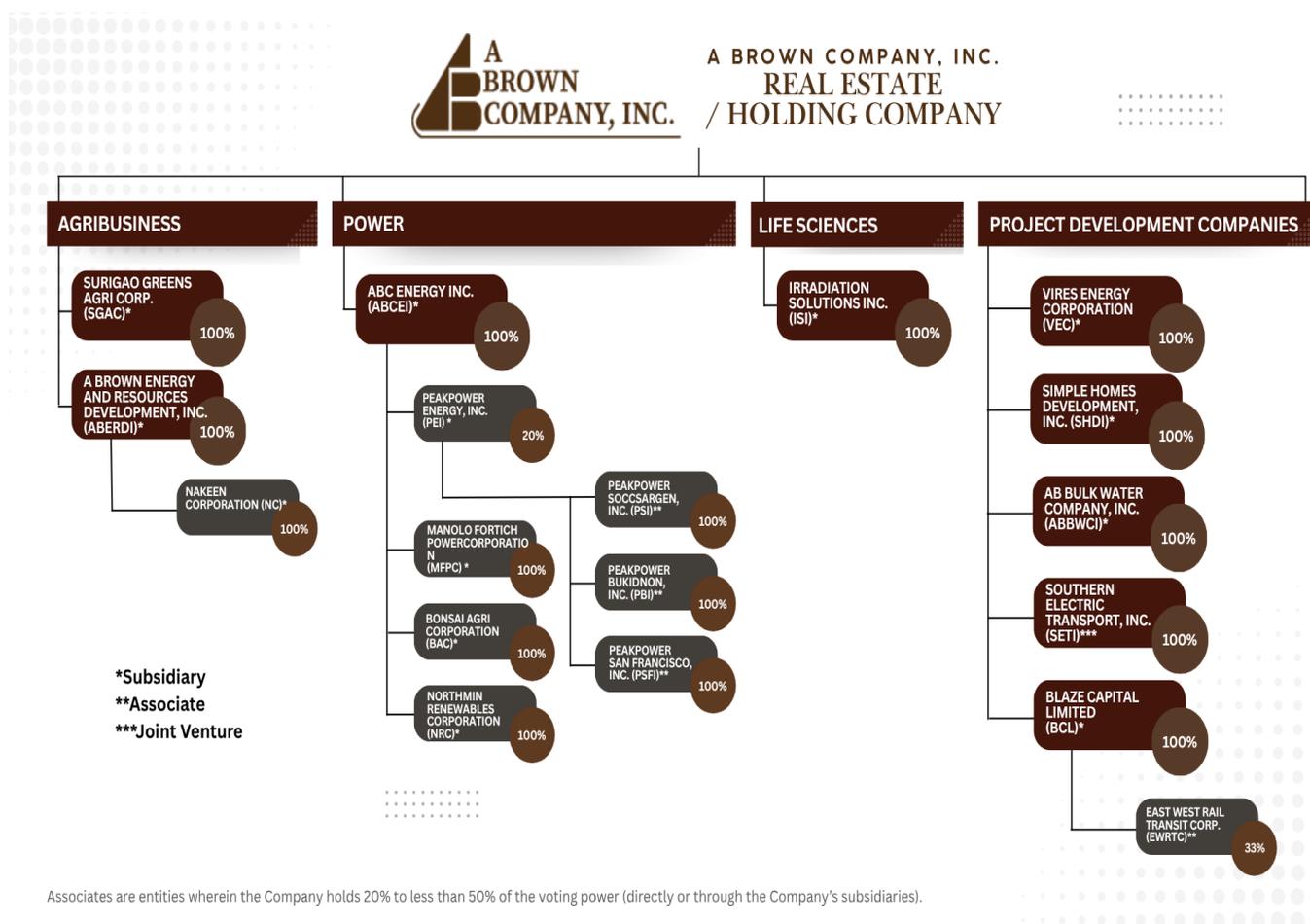
September 30, 2025

Unappropriated Retained Earnings, as of January 1, 2025	₱2,694,454,515
Less: Deferred tax assets that reduced the amount of income tax expense	-31,275,302
Category B: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	-107,449,994
<hr/>	
Unappropriated Retained Earnings, beginning as adjusted	2,555,729,219
Add/Less: Net Income (loss) for the current year	3,377,076,436
Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	-
Treasury shares (except for reacquisition of redeemable shares)	-94,932,275
Deferred tax asset not considered in the reconciling items under the previous categories	(50,545,929)
<hr/>	
Total Retained Earnings, end of the reporting period available for dividend	₱5,787,327,451
<hr/> <hr/>	

A BROWN COMPANY, INC. AND SUBSIDIARIES

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES

September 30, 2025



A BROWN COMPANY, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS
September 30, 2025

	Number of shares or principal amount of bonds and notes	Amount shown in the consolidated statement of financial position	Income received or accrued
Cash	-	₱1,848,165,283	₱3,038,598
Trade receivable	-	59,789,543	-
ICR	-	801,191,320	6,542,174
Other receivables	-	286,423,338	-
EIFVOCI	588	429,156,522	-
Refundable deposits	-	946,976	-
	588	₱2,281,751,560	₱9,580,772

A BROWN COMPANY, INC. AND SUBSIDIARIES**SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND
PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)****September 30, 2025**

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Current	Not Current	Balance at the end of the period
<i>Not applicable. The Group's receivables from officers and employees pertain to ordinary purchases subject to usual terms, travel and expense advances and other transactions arising from the Group's ordinary course of business.</i>						

A BROWN COMPANY, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED DURING THE
CONSOLIDATION OF FINANCIAL STATEMENTS
September 30, 2025

Intercompany receivable and payable

	2025		
	Receivable	Payable	Current
	Balance	Balance	Portion
ABCI	₱155,422,572	-₱106,745,316	₱48,690,121
ABERDI	36,818,388	-34,817,772	2,000,616
ABBWCI	-	-15,545,898	-15,545,898
SHDI	-	-2,521,854	-2,521,854
BAC	-	-1,918,896	-1,918,896
NC	25,954,888	-1,466,174	24,488,714
BCL	-	-49,868,704	-49,868,704
MCPI	-	-319,207	-319,207
ISI	-	-14,080,908	-14,080,908
VEC	-	-4,899,457	-4,899,457
SGAC	15,110,994	-175,289	14,935,705
PTCHC	-	-746,082	-746,082
NRC	-	-229,314	-229,314
Total Eliminated Receivables/Payables	₱233,306,842	-₱233,334,870	-₱15,163

Deposit for future stock subscription (DFFS) classified as liability

	Receivable	Payable	Current
	Balance	Balance	Portion
ABCI	₱767,910,707	-	-
ABERDI	0	-₱518,810,707	-
PTCHC	-	(21,600,000)	-
ISI	-	(40,000,000)	-
SGAC	-	(187,500,000)	-
Total Eliminated DFFS	₱767,910,707	-₱767,910,707	-

A BROWN COMPANY, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT
September 30, 2025

Long-term Debt			
Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "current portion of long-term debt" in related consolidated statement of financial position	Amount shown under caption "long-term debt" in related consolidated statement of financial position
Term Loan	₱4,800,000,000	₱536,039,896	₱1,672,700,236

A BROWN COMPANY, INC. AND SUBSIDIARIES**SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES
(LONG-TERM LOANS FROM RELATED COMPANIES)****September 30, 2025**

Indebtedness to related parties (Long-term loans from Related Companies)		
Name of related party	Balance at beginning of period	Balance at end of period
Shareholders	₱60,861,940	₱0

A BROWN COMPANY, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF
OTHER ISSUERS
September 30, 2025

Guarantees of Securities of Other Issuers

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is file	Nature of guarantee
Not applicable				

ANNEX III - SCHEDULE G

A BROWN COMPANY, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK
September 30, 2025

Title of Issue	Number of shares		Number of shares reserved for options warrants, conversion and other rights	Number of shares held by		
	Number of shares authorized	Number of shares issued and outstanding as shown under related consolidated statement of financial position caption		Affiliates	Directors, officers and employees	Others
Common stock	3,250,000,000	2,372,367,911	–	1,516,103,440	25,179,310	831,085,161
Preferred stock						
- Series A		13,264,900	–		64,000	13,200,900
- Series B	50,000,000	7,431,750	–	100,000	50,000	7,281,750
- Series C		6,941,000	–		100,000	6,841,000
- Total	50,000,000	27,637,650	–	100,000	214,000	27,323,650
Total	3,300,000,000	2,400,005,561	–	1,516,203,310	25,393,310	858,408,811

A BROWN COMPANY, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
September 30, 2025

Below are the financial ratios that are relevant to the Group for the periods ended September 30, 2025 and September 30, 2024:

Ratios	Formula	September 30, 2025	September 30, 2024
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	2.98	2.26
Acid test ratio	$\frac{\text{Quick assets}}{\text{Current liabilities}}$	0.90	0.28
Solvency ratio	$\frac{\text{Net income} + \text{Depreciation}}{\text{Total liabilities}}$	0.30	0.06
Debt to equity ratio	$\frac{\text{Total liabilities}}{\text{Total equity}}$	0.57	0.60
Asset to equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	1.57	1.60
Interest rate coverage ratio	$\frac{\text{EBITDA}}{\text{Total interest paid}}$	9.52	5.93
Return on equity	$\frac{\text{Net income}}{\text{Average total equity}}$	0.18	0.04
Return on assets	$\frac{\text{Net income}}{\text{Average total assets}}$	0.11	0.02
Net profit margin	$\frac{\text{Net income}}{\text{Net revenue}}$	1.29	0.20