3	1	1	6	8		

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	,	M	A	S	T	E	R	S	O	N
A	V	E	N	U	E	,	U	P	P	E	R		B	A	L	U	L	A	N	G	,		
C	A	G	A	Y	A	N		D	E		O	R	O		C	I	T	Y		9	0	0	0

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

Allan Ace Magdaluyo

Contact Person

02 – 8631 8890

Company Telephone Number

2026 2nd Quarter Report

1	2	/	3	1

Month / Day

Fiscal Year

1	7	-	Q

Form Type

0	6	/		

Month / Day

Annual Meeting

Secondary License Type, if applicable

M	S	R	D

Dept. Requiring this Doc

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign___
2,084 Common and 3 Preferred – Series A; 2 Preferred – Series B; 2 Preferred – Series C (June 30, 2026)	Php 3,976,706,580 (June 30, 2026)	

To be accomplished by SEC Personnel concerned

File number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

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

1. For the **2nd Quarter** ended **June 30, 2026**
2. Commission Identification Number: 31168
3. BIR Tax identification No. 002-724-446-000
4. **A BROWN COMPANY, INC.**
5. Metro Manila, Philippines
6. Industry Classification Code: (SEC use only)
7. **Xavier Estates, Masterson Avenue, Upper 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*	2,287,468,000
Preferred shares – Series A	13,264,900
Preferred shares – Series B	7,431,750
Preferred shares – Series C	6,941,000

**net of 190,200,925 treasury common shares*

	Amount of debt outstanding (registered)
Series A 3-Year Fixed-Rate Bonds Due 2029	₱2,031,800,000.00
Series B 5-Year Fixed-Rate Bonds Due 2031	₱1,968,200,000.00

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.

TABLE OF CONTENTS

Item 1. Financial Statements

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS		
Current Assets		
Cash (Note 4)	**₱102,464,777**	₱1,122,083,245
Current portion of receivables (Note 5)	**1,519,663,603**	1,728,484,686
Current portion of contract assets (Note 6)	**984,724,027**	423,316,466
Real estate held for sale (Note 6)	**5,619,563,960**	5,204,729,275
Inventories (Note 7)	**24,552,274**	43,423,215
Prepayments and other current assets (Note 8)	**1,876,490,529**	1,439,832,601
Total Current Assets	**10,127,459,170**	9,961,869,488
Noncurrent Assets		
Noncurrent portion of contract assets (Note 12)	**1,303,979,173**	1,515,250,459
Equity instruments at fair value through other comprehensive income (EIFVOCI) (Note 19)	**585,743,478**	585,443,479
Investments in associates (Note 9)	**1,033,032,223**	434,508,380
Investment properties (Note 10)	**679,759,360**	681,242,683
Property, plant and equipment (Note 10)	**1,606,503,296**	1,570,606,390
Deferred tax assets - net (Note 17)	**978,688**	978,688
Other noncurrent assets (Notes 8)	**1,286,108,403**	1,329,222,567
Total Noncurrent Assets	**6,496,104,620**	6,117,252,646
TOTAL ASSETS	**₱16,623,563,790**	₱16,079,122,134

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 11)	**₱2,495,847,461**	₱2,384,670,480
Short-term debt (Note 13)	**1,100,200,000**	799,948,000
Current portion of long-term debt (Note 13)	**716,887,960**	662,323,879
Contract liabilities (Note 12)	**395,679,112**	409,573,844
Income tax payable	**3,429,168**	3,846,645
Total Current Liabilities	**4,712,043,701**	4,260,362,848
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 13)	**2,159,618,621**	2,076,868,331
Retirement benefit obligation	**59,899,482**	93,946,421
Lease liability - net of current portion	**6,974,790**	6,974,790
Deferred tax liabilities - net (Note 15)	**531,433,451**	537,702,743
Total Noncurrent Liabilities	**2,757,926,343**	2,715,492,285
Total Liabilities	**7,469,970,044**	6,975,855,133

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)	**3,372,533,437**	3,285,492,345
Treasury shares	**(178,101,079)**	(140,255,859)
Cumulative unrealized loss on AFS investments and EIFVOCI	**151,372,686**	151,372,686
Remeasurement gain (loss) on retirement benefit obligation - net of tax	**(19,742,738)**	(19,742,738)
Cumulative translation adjustment	**(9,000,776)**	(10,131,649)
Total Equity Attributable to Equity Holders of the Parent Company	**9,153,871,071**	9,103,544,326
Non-controlling interest	**(277,325)**	(277,325)
Total Equity	**9,153,593,746**	9,103,267,001
TOTAL LIABILITIES AND EQUITY	**₱16,623,563,790**	₱16,079,122,134

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

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

	For the Six Months Ended June 30		For the Three Months Ended June 30	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
REVENUES				
Real estate sales (Note 17)	**₱886,532,602**	₱885,364,542	**₱573,428,773**	₱599,723,275
Sale of agricultural goods (Note 17)	**164,560,732**	129,260,995	**90,392,054**	63,259,138
Water and other service income (Note 17)	**21,951,222**	15,591,827	**11,058,743**	8,235,677
	1,073,044,555	1,030,217,364	**674,879,569**	671,218,090
COST AND EXPENSES				
Cost of real estate sales	**479,525,959**	415,362,637	**310,176,022**	267,316,231
Cost of agricultural goods sold	**108,388,094**	103,386,658	**60,653,569**	47,079,079
Cost of water and other service income	**10,100,029**	7,147,914	**5,603,685**	4,885,049
	598,014,081	525,897,209	**376,433,275**	319,280,359
GROSS PROFIT	**475,030,475**	504,320,155	**298,446,295**	351,937,731
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	**314,809,963**	273,549,287	**176,133,572**	142,090,805
OTHER INCOME (EXPENSES)				
Share in net income (loss) of associates (Note 10)	**84,523,930**	174,454,311	**58,231,239**	84,379,786
Interest expense	**(64,387,675)**	(70,128,850)	**(12,969,236)**	(33,780,279)
Other income - net	**28,284,804**	62,442,673	**2,522,916**	10,409,977
	48,421,059	166,768,135	**47,784,919**	61,009,484
INCOME (LOSS) BEFORE INCOME TAX	**208,641,570**	397,539,003	**170,097,641**	270,856,410
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 15)				
Current	**17,122,963**	8,125,301	**12,585,882**	5,075,784
Deferred	**(2,972,478)**	35,348,519	**(11,586,530)**	18,477,520
	14,150,485	43,473,820	**999,352**	23,553,304
NET INCOME (LOSS)	**₱194,491,085**	₱354,065,183	**₱169,098,289**	₱247,303,106
OTHER COMPREHENSIVE INCOME (LOSS)				
Exchange differences in foreign currency translation	**1,130,873**	(1,906,747)	**1,130,873**	(2,963,093)
	1,130,873	**(1,906,747)**	**1,130,873**	**(2,963,093)**
TOTAL COMPREHENSIVE INCOME (LOSS)	**₱195,621,958**	₱352,158,436	**₱170,229,162**	₱244,340,013
Net income (loss) attributable to:				
Equity holders of the Parent Company	**194,491,085**	**354,068,893**	**169,098,289**	247,303,106
Non-controlling interests	**-**	**(3,710)**		
	₱194,491,085	₱354,065,183	**₱169,098,289**	₱247,303,106
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company	**195,621,958**	351,162,145	**170,229,162**	244,340,013
Non-controlling interests	**-**	(3,710)	**-**	
	₱195,621,958	₱352,158,436	**₱170,229,162**	₱244,340,013
Basic and diluted earnings (loss) per share	**₱0.04**	₱0.10	**₱0.05**	₱0.08

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

A BROWN COMPANY, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2026, JUNE 30, 2025 AND TWELVE MONTHS ENDED DECEMBER 31, 2025

	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, 2026	2,477,668,925	27,637,650	3,331,502,966	3,285,492,345	(140,255,859)	151,372,686	-	(19,742,738)	(10,131,649)	9,103,544,326	(277,325)	9,103,267,001
Effect of adoption of new accounting standards				-		-				-		-
As of January 1, 2026, as restated	2,477,668,925	27,637,650	3,331,502,966	3,285,492,345	(140,255,859)	151,372,686	-	(19,742,738)	(10,131,649)	9,103,544,326	(277,325)	9,103,267,001
Issuance of Capital Stock										-		-
Stock issue Cost and other, net of tax										-		-
Net income				194,491,085		-				194,491,085		194,491,085
Preferred Share Dividends				(107,449,994)						(107,449,994)		(107,449,994)
Other comprehensive income									1,130,873	1,130,873		1,130,873
Disposal of an associate										-		-
Treasury shares buyback				-	(37,845,220)					(37,845,220)		(37,845,220)
At June 30, 2026 (Unaudited)	2,477,668,925	27,637,650	3,331,502,966	3,372,533,437	(178,101,079)	151,372,686	-	(19,742,738)	(9,000,776)	9,153,871,071	(277,325)	9,153,593,746

	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				353,068,892		-				353,068,892		353,068,892
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 June 30, 2025 (Unaudited)	₱2,477,668,925	₱27,637,650	₱3,331,502,966	₱2,940,073,413	-₱94,932,275	-₱5,214,271	-₱2,165,918	-₱20,218,050	-₱10,061,939	₱8,644,290,502	-₱250,224	₱8,644,040,278

	Total Equity Attributable to the Equity Holders of the Parent Company											
	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)	(8,155,192.00)	8,400,578,350	(250,224)	8,400,328,126
				-		-				-		-
As of January 1, 2025, as restated	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)	(8,155,192.00)	8,400,578,350	(250,224)	8,400,328,126
Issuance of Capital Stock										-		-
Stock issue Cost and other, net of tax										-		-
Other comprehensive income				-		156,586,957	673,408	475,312	(1,976,457.00)	155,759,220		155,759,220
Disposal of an associate				(1,492,510)			1,492,510			-		-
Treasury shares buyback				-	(45,323,584)					(45,323,584)		(45,323,584)
At December 31, 2025 (Audited)	2,477,668,925	27,637,650	3,331,502,966	3,285,492,345	(140,255,859)	151,372,686	-	(19,742,738)	(10,131,649)	9,103,544,326	(277,325)	9,103,267,001

A BROWN COMPANY, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Six Months Ended June 30	
	2026	2025
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	**₱208,641,570**	₱397,539,003
Adjustments for:		
Loss (gain) on sale of:		
Share in net loss (income) of associates	**(84,523,930)**	(174,454,311)
Interest expense	**64,387,675**	70,128,850
Depreciation	**38,172,520**	52,444,775
Interest income	**1,587,518**	100,259
Dividend Income	**86,004,175**	40,000,000
Operating income before working capital changes:	**314,269,528**	385,758,575
Decrease (increase) in:		
Receivables	**157,679,802**	412,424,371
Inventories	**(273,721,908)**	(29,153,988)
Prepayments and other current assets	**(435,150,036)**	(38,665,661)
Real estate held for sale	**(551,660,838)**	(678,762,917)
Increase (decrease) in:		
Accounts and other payables	**(526,378,892)**	(137,368,128)
Deposits from customers and contract liabilities	**370,105,530**	6,547,836
Net cash from operations	**(944,856,815)**	**(79,219,912)**
Income tax paid	**(415,476)**	
Interest received	**(1,587,376)**	(100,259)
Net cash from operating activities	**(946,859,668)**	**(79,320,171)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of:		
Property, plant and equipment	**5,551,216**	
Proceeds from (additions to)		
Property, plant and equipment (Note 12)	**(85,577,110)**	(64,790,466)
Other noncurrent assets	**(162,677,271)**	(6,315,290)
Net cash from investing activities	**(242,703,166)**	(71,105,756)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (Note 15):		
Long-term debt	**534,000,000**	551,754,490
Short-term debt	**604,200,000**	692,162,000
Payments of (Note 15):		
Long-term debt	**(387,207,995)**	(398,013,566)
Short-term debt	**(303,948,000)**	(593,908,258)
Acquisition of Treasury Shares	**(37,845,220)**	
Preferred Share Dividends	**(107,449,994)**	(106,466,065)
Finance costs paid (Note 16)	**(131,804,426)**	(91,013,745)
Net cash used in financing activities	**169,944,365**	54,514,857
EFFECT OF EXCHANGE RATE CHANGES ON CASH		(7,098,846)
NET INCREASE (DECREASE) IN CASH	**(1,019,618,468)**	(103,009,916)
CASH AT BEGINNING OF YEAR (Note 4)	**1,122,083,245**	677,964,213
CASH AT END OF YEAR (Note 4)	**₱102,464,777**	₱574,954,297

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

1. Corporate Information

A Brown Company, Inc. (BRN) was originally incorporated on December 21, 1966, as Bendana, Brown, Pizarro & Associates, Inc. It was later renamed Epic Holdings Corporation in 1992, adopted its present corporate name, A Brown Company, Inc., in 1993, and was listed on the Philippine Stock Exchange in 1994.

A Brown is primarily engaged in real estate development, with residential communities across Northern Mindanao, Caraga, and Tanay, Rizal, covering high-end, middle-income, economic, and socialized housing segments. The Company develops master-planned residential projects within emerging regional growth centers, supported by landholdings that enable future development and growth.

The principal place of business and registered office address of the Parent Company is Xavier Estates, Masterson Avenue, Upper Balulang, Cagayan de Oro City 9000.

The Subsidiaries, Associates and Joint Venture of the Group are the following:

Company	Nature of Business	Direct	Indirect
Surigao Greens Agri Corp. ("SGAC")*	Agribusiness	100	–
A Brown Energy and Resources Development, Inc. ("ABERDI")*	Agribusiness	100	–
— Nakeen Corporation ("NCI")*	Agribusiness	–	100
ABC Energy Inc. ("ABCEI")*	Power	100	–
— Manolo Fortich Power Corporation ("MFPC")*	Power	–	100
— Bonsai Agri Corporation ("BAC")*	Agribusiness	–	100
— Northmin Renewables Corporation ("NRC")*	Power	–	100
— Altenergy Tanay Wind Corporation ("ATWC")**	Power generation	–	10
— Alabat Wind Power Corporation ("AWPC")**	Power generation	–	10
Peakpower Energy, Inc. ("PEI")*	Power	20	–
— Peakpower Soccsargen, Inc. ("PSI")**	Power generation	–	100
— Peakpower Bukidnon, Inc. ("PBI")**	Power generation	–	100
— Peakpower San Francisco, Inc. ("PSFI")**	Power generation	–	100
Irradiation Solutions Inc. ("ISI")*	Life Sciences	100	–
Vires Energy Corporation ("VEC")*	Project Development	100	–
Simple Homes Development, Inc. ("SHDI")*	Project Development	100	–
AB Bulk Water Company, Inc. ("ABWCI")*	Project Development	100	–
Southern Electric Transport, Inc. ("SETI")***	Project Development	50	–
Blaze Capital Limited ("BCL")*	Project Development	100	–
— East West Rail Transit Corp. ("EWRTC")**	Project Development	–	33.3

* - Subsidiary
** - Associates
*** - Joint Venture

2. Basis of Preparation

The accompanying interim condensed consolidated financial statements of the Parent Company and its subsidiaries (collectively known as “the Company”) have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments which have been measured at fair value.

The interim condensed consolidated financial statements are presented in Philippine peso, which is the Parent Company’s functional and presentation currency under Philippine Financial Reporting Standards (PFRS) Accounting Standards. All values are rounded to the nearest thousand peso, except when otherwise indicated.

The interim condensed consolidated financial statements have been prepared under the going concern assumption.

Statement of Compliance

The accompanying interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Company’s annual audited consolidated financial statements as at December 31, 2025.

Basis of Consolidation

The interim condensed consolidated financial statements include the accounts of the Parent Company and all of its subsidiaries as at June 30, 2026. The financial statements of the subsidiaries are prepared for the same period as the Parent Company using consistent accounting policies.

Material Accounting Judgments, Estimates and Assumptions

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these estimates and assumptions could result in outcomes that require an adjustment to the carrying amount of the affected asset or liability in the future period.

Except as otherwise disclosed, there were no significant changes in the significant accounting judgments, estimates and assumptions used by the Company for the three-month period ended June 30, 2026.

3. Changes in Material Accounting Policy Information and Disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025.

The material accounting judgments, estimates and assumptions used in the preparation of the consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2025.

4. 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 June 30, 2026 and December 31, 2025, respectively.

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Cash on hand	**₱10,263,875**	₱22,398,788
Cash in banks	**92,200,901**	1,099,684,457
	₱102,464,777	₱1,122,083,245

5. Receivables

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
ICR	**₱1,078,698,450**	₱919,509,511
Trade receivables	**62,045,048**	65,171,778
Advances to officers and employees	**30,295,002**	18,315,796
Loan receivables	**4,000,087**	600,000,000
Other receivables	**350,213,376**	131,248,566
	1,525,251,963	1,734,245,651
Less allowance for credit losses	**5,588,360**	5,760,965
	1,519,663,603	1,728,484,686
Less noncurrent portion	**-**	-
	₱1,519,663,603	₱1,728,484,686

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.

6. Real Estate Inventories

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Land for sale and development	**₱738,745,352**	₱805,797,857
Construction and development costs	**4,880,818,608**	4,398,931,418
	₱5,619,563,960	₱5,204,729,275

The rollforward of this account follows:

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the year	**₱5,204,729,275**	₱4,057,995,302
Construction and development costs incurred	**817,219,436**	1,689,682,744
Transfers from deposits for land acquisition		108,507,135
Borrowing costs capitalized	**67,416,751**	43,368,695
Depreciation expense capitalized	**9,724,456**	14,431,669
Cost of real estate sales	**(479,525,959)**	(709,256,270)
	₱5,619,563,960	₱5,204,729,275

The real estate inventories are carried at cost. No inventories are recorded at amounts lower than cost in June 30, 2026 and December 31, 2025.

7. Other Inventories - at cost

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Finished agricultural goods	**₱18,762,550**	₱5,132,550
Materials and other supplies	**4,119,012**	₱8,856,816
Construction materials	**1,670,712**	29,433,849
	₱24,552,274	₱43,423,215

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.

8. Other Assets

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Current:		
Deposits for purchased land	**₱1,420,746,221**	₱1,070,481,119
Creditable withholding taxes	**234,011,751**	203,660,111
Prepaid expenses	**135,760,133**	124,735,738
Input Taxes	**14,927,159**	11,817,556
Costs to obtain contracts (Note 27)	**19,270,221**	19,659,018
Refundable deposits	**782,788**	953,732
Deposits in Escrow	**7,424,332**	7,424,332
Advances to suppliers	**43,016,456**	45,812,740
Miscellaneous	**551,467**	300,000
	₱1,876,490,529	₱1,484,844,346

Noncurrent:		
Deposits for purchased land-net of current portion	**₱1,111,555,807**	₱1,136,481,490
Advances to third party	**232,813,181**	244,557,368
Input Taxes- net of current portion	**130,368,729**	138,658,273
Refundable deposits - net of current portion	**50,859,846**	49,027,913
Deposit for future stock subscription	**12,500,000**	12,500,000
Deferred input VAT	**54,900**	41,580
Deferred tax assets - net (Note 20)		
Goodwill	**43,007**	43,007
Total	**1,538,195,469**	1,581,309,631
Allowance for impairment	**(252,087,066)**	(252,087,066)
	₱1,286,108,403	₱1,329,222,565

9. Investments in Associates

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
PeakPower Enerygy Inc.	**₱519,032,310**	₱434,508,380
Alternergy Tanay Wind Corporation	**205,616,711**	
Alabat Wind Power Corporation	**394,383,202**	
	₱1,119,032,223	₱434,508,380

On June 24, 2026, A Brown Company, Inc.'s wholly-owned subsidiary, ABC Energy Inc.'s ("ABC Energy") and ATWC and AWPC have partially implemented their Investment Agreement through the acquisition by ABC Energy of 190,714 shares in ATWC and 151,523 shares in AWPC, representing approximately ten percent (10%) of the forty percent (40%) equity stake intended to be acquired by ABC Energy in each of ATWC and AWPC.

ABC Energy has paid approximately Six Hundred Million Pesos (₱600M) covering the acquisition of the 10% equity interest in ATWC and AWPC.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Acquisition cost, beginning of the Year	**₱184,884,999**	₱1,105,595,917
Additions	**599,999,913**	
Disposal		(920,710,918)
	784,884,912	184,884,999
Accumulated equity in net earnings:		
Balances at beginning of year	**302,772,487**	736,315,992
Equity in net earnings	**84,523,930**	240,584,503
Dividends	**-**	(236,000,000)
Disposal		(438,128,008)
	387,296,417	302,772,487
Allowance for Impairment Loss	**(53,149,106)**	(53,149,106)
	₱1,119,032,223	₱434,508,380

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

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
PEI	**₱84,523,930**	₱167,344,545
	₱84,523,930	₱167,344,545

The following table sets out the summarized financial information of PEI as of June 30, 2026 and December 31, 2025:

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Assets		
Current assets	**₱897,822,688**	₱509,137,455
Noncurrent assets	**1,691,454,782**	1,916,446,128
Less liabilities		
Current liabilities	**374,420,532**	208,013,326
Noncurrent liabilities	**381,728,611**	165,390,783
Equity	**₱1,833,128,327**	₱2,052,179,474
Group's carrying amount of the investment	**₱519,032,310**	₱427,184,915

10. Investment Properties and Property, Plant and Equipment

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Investment properties	**₱679,759,360**	₱681,242,683
Property, plant and equipment	**₱1,606,503,296**	₱1,570,606,390

Investment Properties
The account includes land held for capital appreciation amounting to ₱492 million as of June 30, 2025 and December 31, 2026; and land and building held for lease amounting to ₱137 and ₱ 142 million as of June 30, 2026 and December 31, 2025.

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Property, Plant and Equipment
Property, plant and equipment increased to ₱1,606,503,296 as of June 30, 2026 from ₱1,570,606,390 as of December 31, 2025, representing assets used in the operations of the Parent and its respective subsidiaries. These consist of the operating assets deployed across the Group's business segments, supporting the ongoing activities of its real estate, agri-business, and renewable energy projects.

11. Accounts and Other Payables

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Trade payables	**₱1,913,126,451**	₱1,869,832,779
Accrued expenses	**170,613,686**	99,930,205
Retention payable	**62,896,628**	93,626,858
Statutory payables	**205,680,426**	243,964,613
Accrued interest payable	**12,021,647**	8,102,639
Payable to 3rd party	**65,623,691**	65,623,691
Lease liability (current portion)	**2,022,660**	2,022,660
Other payables	**63,862,271**	1,567,034
	₱2,495,847,461	₱2,384,670,479

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 mandatory government agencies. These are noninterest-bearing and are normally settled within one year.

Accrued interest payable is normally settled within 30 days.

12. Contract Assets and Liabilities

The Group's contract assets and liabilities as at June 30, 2026 and December 31, 2025 are as follows:

	June30, 2026 (Unaudited)	December 31, 2025 (Audited)
Current portion of contract assets	**₱984,724,027**	₱423,316,466
Noncurrent portion of contract assets	**1,303,979,173**	1,515,250,459
Contract assets	**2,288,703,199**	1,938,566,925
Contract liabilities	**₱395,679,112**	₱409,573,844

13. 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.

Short-term debt
Short-term debt represents peso loans obtained from local banks and shareholder for working capital and financing requirements. These loans bear annual interest rates ranging from 6.25% to 8.0% the period ended June 30, 2026, subject to annual, semi-annual, and quarterly repricing and are due at various dates within the following year from the reporting date.

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Development Bank of The Philippines	**₱150,000,000**	₱100,000,000
Union Bank of the Philippines	**250,000,000**	100,000,000
China Banking Corporation	**150,000,000**	100,000,000
Philippine National Bank	**120,000,000**	
Land Bank of the Philippines	**430,200,000**	499,948,000
	₱1,100,200,000	₱799,948,000

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.

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Union Bank of the Philippines	**₱1,325,741,808**	₱951,833,333
Philippine National Bank	**392,857,143**	428,571,429
Land Bank of the Philippines	**93,424,000**	190,040,637
BDO Unibank Inc.	**720,000,000**	800,000,000
China Banking Corporation	**384,424,208**	399,209,755
	₱2,916,447,158	₱2,769,655,154
Less Debt Issue Cost	**39,940,578**	30,462,944
Less current portion	**716,887,960**	662,323,879
	₱2,159,618,621	₱2,076,868,330

14. Equity

Common stock
As of June 30, 2026 and December 31, 2024, the Group's common stock consists of:

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Common		
Authorized shares	**3,250,000,000**	3,250,000,000
Par value per share	**1**	1
Issued shares	**2,492,041,675**	2,492,041,675
Outstanding shares	**2,386,740,661**	2,386,740,661
Value of shares issued	**₱2,492,041,675**	₱2,492,041,675

Preferred stock
The details of the Parent Company's preferred stock as at December 31, 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

Preferred Stock – Series A

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.

Preferred Stock – Series B and Series C

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.

Additional paid-in capital (APIC)

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 June 30, 2026 and December 31, 2025, APIC amounted to ₱3.33 million.

Treasury shares

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.

In 2025, the BOD of the Parent Company approved a new share buyback program authorizing the repurchase of up to ₱100.0 million worth of the Parent Company's common shares, effective November 14, 2025. Repurchases will be conducted through open-market transactions via the trading facilities of the Philippine Stock Exchange and will be funded from internally generated cash flow.

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

	June 30, 2026 (Unaudited)		December 31, 2025 (Audited)	
	Shares	**Amount**	Shares	Amount
At January 1	**153,674,925**	**₱140,255,859**	105,301,014	₱94,932,275
Additions	**36,526,000**	**37,845,220**	48,373,911	45,323,584
At June 30/ December 31	**190,200,925**	**₱178,101,079**	153,674,925	₱140,255,859

15. 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 Six Months Ended June 30	
	2026 (Unaudited)	**2025 (Unaudited)**
RCIT	**₱17,122,963**	**₱3,049,538**
MCIT	**(2,972,478)**	**17,870,999**
	₱14,150,485	**₱20,920,537**

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 Six Months Ended June 30	
	2026 (Unaudited)	2025 (Unaudited)
Income before income tax	**₱294,641,570**	**₱126,652,593**
Provision for income tax computed at statutory rate	**73,660,392**	**31,663,148**
Adjustments for equity in net earnings of associates	**(21,130,982)**	**(13,484,297)**
Nondeductible expenses	**7,973,034**	**-**
Change in unrecognized deferred tax assets	**520,556**	**520,556**
Interest income already subjected to final tax	**1,587,518**	**-89,832**
	₱62,610,517	**₱18,609,575**

The components of net deferred tax liabilities as of June 30, 2026 and December 31, 2025:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Deferred tax liabilities on:		
Excess of real estate sales based on POC over real estate sales based on tax rules	**₱(634,194,088)**	₱640,627,060
Unamortized Debt Issue Cost	**(2,049,785)**	(2,049,785)
Prepaid commission	**(3,182,930)**	(3,019,250)
	(639,426,803)	(645,696,095)
Deferred tax assets on:		
NOLCO	**56,662,648**	56,662,648
Fair value adjustment arising from business combination	**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	**₱531,433,451**	₱537,702,743

16. 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 Board of Directors (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.

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.

June 30 2026(Unaudited)

		Neither Past	**Past Due But not Impaired**			
	Total	**Less than 30 Days**	**30-60 Days**	**61-90 Days**	**More than 90 Days**	**Impaired**
Financial assets:						
Cash in banks	**₱92,200,901**	**₱92,200,901**	-	-	-	
Receivables	**1,526,840,236**	**1,505,311,248**	**₱6,022,146**	**₱6,456,728**	**₱3,461,754**	**₱5,588,360**
Deposit in Escrow	**7,424,332**	**7,424,332**				
Refundable deposits	**50,859,846**	**50,859,846**	-	-	-	
	₱1,677,325,314	**₱1,655,796,327**	**₱6,022,146**	**₱6,456,728**	**₱3,461,754**	**₱5,588,360**

December 31, 2025 (Audited)

		Neither Past	Past Due But not Impaired			
	Total	Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days	Impaired
Financial assets:						
Cash in banks	₱1,122,083,245	₱1,122,083,245				
Receivables	1,139,834,011	₱1,065,242,126	₱3,420,087	₱2,813,567	₱2,341,098	₱8,633,842
Deposit in Escrow	7,424,332	7,424,332				
Refundable deposits	52,903,664	52,903,664	–	–	–	
	₱2,707,940,451	₱4,560,386	₱3,556,569	₱2,199,063	₱163,396,632	₱8,633,842

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.

June 30 2026(Unaudited)

	On Demand	**One Year and Below**	**More than One Year**	**Total**
Financial Assets				
Cash	₱102,464,777			₱102,464,777
Receivables	1,519,663,603	₱960,498,212	₱1,328,204,987	3,808,366,803
EIFVOCI	-	-	585,743,478	585,743,478
Deposit from Escrow	-	₱7,424,332		7,424,332
Refundable deposits		50,859,846		50,859,846
Contract Assets		960,498,212	1,328,204,987	2,288,703,199
	1,622,128,380	**1,979,280,602**	**3,242,153,452**	**6,843,562,434**
Financial Liabilities				
Accounts and other payables*	459,428,365	1,837,713,460	-	2,297,141,825
Short-term debt				
Principal		1,100,200,000	-	1,100,200,000
Interest	-	88,016,000	-	28,091,666
Long-term debt	-			
Principal	-	716,887,960	2,159,618,621	2,876,506,580
Interest	-	100,364,314	159,811,778	260,176,092
	459,428,365	3,843,181,734	2,319,430,399	6,562,116,164
Net Inflow (Outflow)	**₱1,162,700,015**	**-₱1,863,901,132**	**₱922,723,054**	**₱281,446,271**

December 31, 2025(Audited)

	On Demand	One Year and Below	More than One Year	Total
Financial Assets				
Cash	₱1,122,083,245			₱1,122,083,245
Receivables	600,000,000	₱1,128,484,686		1,728,484,686
EIFVOCI			₱585,443,479	585,443,479
Deposit from Escrow	7,424,332			7,424,332
Refundable deposits	-	843,263	52,060,401	52,903,664
Contract Assets		423,316,466	1,515,250,459	1,938,566,925
	1,729,507,577	**1,552,644,415**	**2,152,754,339**	**5,434,906,331**

Financial Liabilities				
Accounts and other payables*	-	2,196,539,047	-	2,196,539,047
Short-term debt				0
Principal	-	799,948,000	-	799,948,000
Interest	-	63,995,840	-	63,995,840
Long-term debt	-			0
Principal	-	662,323,879	2,076,868,331	2,739,192,210
Interest	-	92,725,343	290,761,566	383,486,909
	-	3,815,532,109	2,367,629,897	6,183,162,006
Net Inflow (Outflow)	**₱1,729,507,577**	**-₱2,262,887,694**	**-₱214,875,558**	**-₱748,255,675**

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.

17. 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.
- Water Income – Derived from proceeds of sales from water services
- 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.

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

	For the Period Ending June 30, 2026						
	Real Estate Development	**Agricultural**	**Power and Utilities**	**Service**	**Holding**	**Eliminations**	**Consolidated**
Revenue	**₱905,471**	**₱164,561**	**-**	**4,985**	**-**	**₱0**	**₱1,075,017**
Costs and expenses	**487,858**	**108,388**	**-**	**1,768**	**-**	**-**	**598,014**
Gross profit	**417,613**	**56,173**	**-**	**3,217**	**-**	**-**	**477,003**
General, administrative and selling expenses	**288,211**	**51,995**	**705**	**42,648**	**9,789**	**-**	**393,348**
Other income (expenses)	**25,589**	**85**	**6**	**-**	**-**	**99,306**	**124,986**
Income (loss) before income tax	**154,991**	**4,263**	**(699)**	**(39,431)**	**(9,789)**	**99,306**	**208,641**
Provision for (benefit from) income tax:							
Current	**17,123**	**-**	**-**	**-**	**-**	**-**	**17,123**
Deferred	**(2,972)**	**-**	**-**	**-**	**-**	**-**	**(2,972)**
	14,151	**-**	**-**	**-**	**-**	**-**	**14,151**
Net income (loss)	**₱140,840**	**₱4,263**	**-₱699**	**-₱39,431**	**-₱9,789**	**₱99,306**	**₱194,490**

	For the Period Ending June 30, 2026						
	Real Estate Development	**Agricultural**	**Power and Utilities**	**Service**	**Holding**	**Eliminations**	**Consolidated**
Other information							
Segment assets	**₱15,801,708**	**-₱473,060**	**₱1,197,596**	**₱722,284**	**₱1,132,658**	**-₱1,849,197**	**₱16,531,989**
Deferred tax assets	**90,598**	**977**	**-**	**-**	**-**	**-**	**91,575**
Total Assets	**₱15,892,306**	**-₱472,083**	**₱1,197,596**	**₱722,284**	**₱1,132,658**	**-₱1,849,197**	**₱16,623,564**
Segment liabilities	**₱6,836,330**	**₱706,169**	**₱894,250**	**₱467,429**	**₱233,509**	**-₱2,299,731**	**₱6,837,957**
Deferred tax liabilities	**612,046**	**-**	**9,984**	**9,984**	**-**	**-**	**632,013**
Total Liabilities	**₱7,448,376**	**₱706,169**	**₱904,234**	**₱477,413**	**₱233,509**	**-₱2,299,731**	**₱7,469,970**

	For the Year Ended December 31, 2025						
	Real Estate Development	**Agricultural**	**Power and Utilities**	**Holding**	**Consumer**	**Eliminations**	**Consolidated**
Revenue	**1,629,999**	**493,493**	**-**	**-**	**1,730**	**(234,241)**	**1,890,981**
Costs and expenses	**723,617**	**455,909**	**-**	**-**	**2,182**	**(234,241)**	**947,467**
Gross profit	**906,382**	**37,584**	**-**	**-**	**(452)**	**-**	**943,514**
General, administrative and selling expenses	**(390,596)**	**(101,768)**	**(8,686)**	**(26,119)**	**(61,479)**	**7,796**	**(580,852)**
Other income (expenses)	**(2,041,214)**	**(799,210)**	**2,330,773**	**1,780,213**	**(30,980)**	**(675,241)**	**564,341**
Income (loss) before income tax	**(1,525,428)**	**(863,394)**	**2,322,087**	**1,754,094**	**(92,911)**	**(667,445)**	**927,004**
Provision for (benefit from) income tax:							
Current	**35,977**	**1,113**	**173**	**-**	**-**	**-**	**37,263**
Deferred	**23,389**	**(567)**	**(1)**	**91**	**116**	**-**	**23,028**
	59,366	**546**	**172**	**91**	**116**	**-**	**60,291**
Net income (loss)	**(1,584,794)**	**(863,940)**	**2,321,915**	**1,754,003**	**(93,027)**	**(667,445)**	**866,713**

For the Year Ended December 31, 2025	Real Estate Development	Agricultural	Power and Utilities	Holding	Consumer	Eliminations	Consolidated
Other information							
Segment assets	**15,106,332**	**497,082**	**932,765**	**961,545**	**737,212**	**(2,111,782)**	**16,123,154**
Deferred tax assets	**-**	**977**	**-**	**-**	**-**	**2**	**979**
Total Assets	**15,106,332**	**498,059**	**932,765**	**961,545**	**737,212**	**(2,111,780)**	**16,124,133**
	(0)	*0*	*(0)*	*0*	*(0)*	*(1)*	*(1)*
Segment liabilities	**5,645,783**	**1,681,714**	**439,260**	**139,468**	**442,931**	**(1,865,991)**	**6,483,165**
Deferred tax liabilities	**537,505**	**-**	**-**	**91**	**9,984**	**(9,877)**	**537,703**
Total Liabilities	**6,183,288**	**1,681,714**	**439,260**	**139,559**	**452,915**	**(1,875,868)**	**7,020,868**

18. Notes to Consolidated Statements of Cash Flows

Changes in liabilities arising from financing activities

June 30 2026 (Unaudited)				
	Beginning Balance	**Availments**	**Payments**	**Ending Balance**
Short-term debt	**₱ 799,948,000**	**₱604,200,000**	**(303,948,000)**	**₱ 1,100,200,000**
Long-term debt	**2,738,342,914**	**534,000,000**	**(372,422,448)**	**2,899,920,466**
	₱3,538,290,914	**₱ 1,138,200,000**	**-₱ 676,370,448**	**₱ 4,000,120,466**

December 31, 2025 (Audited)				
	Beginning Balance	Availments	Payments	Ending Balance
Short-term debt	₱972,187,000	₱1,305,062,000	-₱1,477,301,000	₱799,948,000
Long-term debt	2,343,853,756	1,457,233,600	(1,062,744,442)	2,738,342,914
	₱3,316,040,756	₱ 2,762,295,600	-₱ 2,540,045,442	₱ 3,538,290,914

Others include reclassification of interest expense and capitalized borrowing costs.

19. 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 Three Months Ended June 30	
	2026	**2025**
Type of product:		
Real estate sales		
Lot-only units	**₱772,611,984**	₱616,965,310
House and lot units	**113,920,619**	269,096,649
Water service	**21,951,222**	14,894,409
Sale of agricultural goods		
Crude palm oil	**164,560,732**	129,260,995
	₱1,073,044,555	₱1,030,217,364

Contract Balances

	June 30 2026 (Unaudited)	December 31, 2024 (Audited)
ICR	**₱1,078,698,450**	₱919,509,511
Current portion of contract assets	**960,498,212**	423,316,466
Noncurrent portion of contract assets	**1,328,204,987**	1,515,250,459
Costs to obtain contracts	**1,306,676**	2,383,406
Contract liabilities	**395,679,112**	409,573,844

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.

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

	June 30 2026 (Unaudited)	December 31, 2025 (Audited)
Balance Beginning	**₱19,659,018**	₱25,037,298
Additions	**6,563,544**	63,035,615
Amortization	**(6,952,341)**	(68,413,895)
Balance Ending	**₱19,270,221**	₱19,659,018

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.

20. Subsequent Events

Issuance of ₱4.0 Billion Fixed-Rate Bonds

Subsequent to the reporting period, on July 3, 2026, A Brown Company, Inc. (the "Parent Company") successfully raised and listed its maiden fixed-rate bond issuance amounting to ₱4.0 Billion on the Philippine Dealing & Exchange Corporation ("PDEx"). The issuance forms part of the Parent Company's ₱12.0 Billion Shelf Registration and was oversubscribed against its ₱3.0 billion base offer size, with demand coming from both institutional accounts and retail investors.

The bonds carry an investment grade Issue Credit Rating of PRS A plus, with a Stable Outlook, from the Philippine Rating Services Corporation (PhilRatings). Net proceeds of the bond issuance will support the Parent Company's renewable energy investments and real estate development pipeline, the redemption of Series A Preferred Shares, and general corporate purposes. PNB Capital and Investment Corporation acted as Sole Issue Manager for the transaction, with PNB Capital and Land Bank of the Philippines jointly serving as Joint Lead Underwriters and Joint Bookrunners.

Investment in Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC)

On July 20, 2026, ABCEI completed its ₱2.3 Billion investment in Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC), acquiring a 40% equity stake in each project company. The closing concludes the two-phase transaction announced earlier this year. A Brown elected to complete its investment ahead of the commercial operations of both projects, resulting in a final investment amount of ₱2.3 Billion, reflecting a valuation adjustment agreed by both parties in recognition of the earlier funding timeline. The investment was executed through a combination of subscription and purchase of shares in ATWC and AWPC.

PART II – Financial Information

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

	Quarter Ended June 30			
			Horizontal Analysis Increase (Decrease)	
	2026 (Unaudited)	2025 (Unaudited)	in ₱	in %
REVENUES				
Real estate sales	**₱573,428,773**	₱599,723,275	(26,294,502)	-4%
Sale of agricultural goods	**90,392,054**	63,259,138	27,132,916	43%
Water and other service	**11,058,743**	8,235,677	2,823,066	34%
	674,879,570	671,218,090	3,661,480	1%
COSTS OF SALES AND SERVICE				
Cost of real estate sales	**310,176,022**	267,316,231	42,859,791	16%
Cost of agricultural goods sold	**60,653,569**	47,079,079	13,574,490	29%
Cost of water and other service revenue	**5,603,685**	4,885,049	718,636	15%
	376,433,276	319,280,359	57,152,917	18%
GROSS PROFIT	**298,446,294**	351,937,731	(53,491,437)	-15%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	**176,133,572**	142,090,805	34,042,767	24%
OTHER INCOME				
Equity in net earnings of associates	**58,231,239**	84,379,786	(26,148,547)	-31%
Other income	**2,522,916**	10,409,977	(7,887,061)	-76%
(OTHER EXPENSES)				
Interest expense	**(12,969,236)**	(33,780,279)	(20,811,043)	-62%
	47,784,919	61,009,484	(13,224,565)	-22%
INCOME BEFORE INCOME TAX	**170,097,641**	270,856,410	(100,758,769)	-37%
PROVISION FOR INCOME TAX				
Current	**12,585,882**	5,075,784	7,510,098	148%
Deferred	**(11,586,530)**	18,477,520	(30,064,050)	-163%
	999,352	23,553,304	(22,553,952)	-96%
NET INCOME	**₱169,098,289**	₱247,303,106	(78,204,817)	-32%

Year-to-Date Ended June 30				
			Horizontal Analysis Increase (Decrease)	
	2026 (Unaudited)	2025 (Unaudited)	in ₱	in %
REVENUES				
Real estate sales	₱886,532,602	₱885,364,542	1,168,061	0%
Sale of agricultural goods	164,560,732	129,260,995	35,299,736	27%
Water and other service	21,951,222	15,591,827	6,359,395	41%
	1,073,044,555	1,030,217,364	42,827,191	4%
COSTS OF SALES AND SERVICE				
Cost of real estate sales	479,525,959	415,362,637	64,163,322	15%
Cost of agricultural goods sold	108,388,094	103,386,658	5,001,436	5%
Cost of water and other service revenue	10,100,029	7,147,914	2,952,115	41%
	598,014,081	525,897,209	72,116,872	14%
GROSS PROFIT	475,030,475	504,320,155	(29,289,681)	-6%
GENERAL, ADMINISTRATIVE AND SELLING EXPENSES	314,809,963	273,549,287	41,260,676	15%
OTHER INCOME				
Equity in net earnings of associates	84,523,930	174,454,311	(89,930,382)	-52%
Other income	28,284,804	62,442,673	(34,157,869)	-55%
(OTHER EXPENSES)				
Interest expense	(64,387,675)	(70,128,850)	(5,741,175)	-8%
	48,421,059	166,768,135	(118,347,076)	-71%
INCOME BEFORE INCOME TAX	208,641,570	397,539,003	(188,897,433)	-48%
PROVISION FOR INCOME TAX				
Current	17,122,963	8,125,301	8,997,662	111%
Deferred	(2,972,478)	35,348,519	(38,320,997)	-108%
	14,150,485	43,473,820	(29,323,335)	-67%
NET INCOME	₱194,491,085	₱354,065,183	(159,574,098)	-45%

Revenues

The Group recorded consolidated revenues of ₱674.88M in the 2nd quarter 2026, an increase of 1% from ₱671.22M in the 2nd quarter 2025 and of ₱1.07B in the 1st half of 2026, an increase of 4% from ₱1.03B in the 1st half of 2025. The revenues are broken down as follows:

Real estate sales

Revenue from real estate sales was ₱573.43M for the 2nd quarter 2026, a decrease of 4% from ₱599.72M for the same period in 2025 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 85% of total consolidated revenues for the 2nd Quarter of 2026. For the year-to-date, revenue from real estate sales was ₱886.53M for the six months ended June 30, 2026, an increase of less than 1% from ₱885.36M for the same period in 2025. Real estate sales contributed to 83% of total consolidated revenues for the 1st half of 2026.

Sale of agricultural goods

Revenue from sale of agricultural goods was ₱90.39M in the 2nd quarter 2026, an increase of 43% from ₱63.26M in the same period in 2025. Sale of agricultural goods contributed about 13% of total consolidated revenues for the 2nd Quarter of 2026. For the year-to-date, revenue from sale of agricultural goods was ₱164.56M for the six months ended June 30, 2026, an increase of 27% from ₱129.26M in the same period in 2025. The increase in revenue is due to high recovery rate for the 2nd quarter of 2026 compared to the same period in 2025, the higher percentage correlates with greater volume output being sold. Sale of agricultural goods contributed about 15% of total consolidated revenues for the 1st half of 2026. 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 ₱11.06M in the second quarter of 2026, an increase from ₱8.24M in the same period in 2025 due to the increase in the turn-over of and actual move-in to units and consumption of water by residents. There is also an increase of income from sterilization services. For the year-to-date, revenue from water and other services was ₱21.95M for the six months ended June 30, 2026, an increase of 41% from ₱15.59M in the same period in 2025.

Cost of Sales and Service
The Group recorded consolidated cost of sales and service of ₱376.43M in the 2nd quarter 2026, an increase of 18% from ₱319.28M in the same period of last year and of ₱598.01M in the 1st half of 2026, an increase of 14% from ₱525.90M in the 1st half of 2025, due to the following:

Cost of real estate sales
The cost of real estate sales was ₱310.18M in the 2nd quarter 2026, an increase of 16% from ₱267.32M for the same period in 2025. The real estate costs recorded are directly related to the real estate sales for the period 2026 which also increased. Gross profit from real estate sales is ₱263.25M with a gross profit margin of 46%. For the year-to-date, the cost of real estate sales was ₱479.53M for the six months ended June 30, 2026, an increase of 15% from ₱415.36M for the same period in 2025. Gross profit from real estate sales for the 1st half of 2026 was ₱407.01M and a gross profit margin of 46%.

Cost of sales of agricultural goods
The cost of sales of agricultural goods amounted to ₱60.65M in the 2nd quarter 2026, an increase of 29% from ₱47.08M for the same period in 2025. The increase in cost of sales was due to the higher production cost for the period. Gross profit from the sales of agricultural products was ₱29.74M, with a gross profit margin of 33%. For the year-to-date, the cost of sales of agricultural goods was ₱108.39M for the six months ended June 30, 2026, an increase of 29% from ₱103.39M for the same period in 2025. Gross profit from the sales of agricultural goods was ₱56.17M and a gross profit margin of 34% for the 1st half of 2026.

Cost of water and other service income
The cost of water and other services was ₱5.60M in the second quarter of 2026, an increase of 15% from ₱4.89M for the same period in 2025 due to higher electricity cost from pump utilization. For the year-to-date, the cost of water and other services was ₱10.1M for the six months ended June 30, 2026, an increase of 41% from ₱7.15M for the same period in 2025 for the same reason above.

General, Administrative and Selling Expenses
The Group recorded general, administrative and selling expenses of ₱176.13M in the second quarter of 2026, an increase of 24% from ₱142.09M for the same period in 2025. The general, administrative, and selling expenses were higher in the 2nd quarter of 2026 compared to the same period in 2025 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. For the year-to-date, the general, administrative and selling expenses amounted to ₱314.81M for the six months ended June 30, 2026, an increase of 15% from ₱273.55M for the same period in 2025.

Other Income/Expenses

Share in net income (loss) of associates
The Group recognized ₱58.23M in equity in net earnings of associates for the second quarter of 2026, a 31% decrease from ₱84.38M for the same period in 2025 and of ₱84.52M for the 1st half of 2026, a 52% decrease from ₱174.45M.

The decline reflects that earnings for the current period comprise solely the equity share of Peakpower Energy Inc. (PEI), whereas prior-year figures included contributions from both PEI and Palm Concepcion Power Corporation (PCPC) prior to the group's divestment of PCPC in July 2025.

Interest Expense
Interest expense decreased to ₱12.97M in the 2nd quarter of 2026, a 62% decrease from ₱33.78M for the same period in 2025. For the year-to-date, interest expense decreased to ₱64.39M in the 1st half of 2026, an 8% decrease from ₱70.13M for the same period in 2025. The decrease is attributed to utilization of proceeds to projects for future development.

Other Income – net
Other income- net decreased to ₱2.52M in the 2nd quarter of 2026, a decrease of 76% from ₱10.41M in the 2nd quarter of 2025. For the year-to-date, other income-net decreased to ₱28.28M in the 1st half of 2026, a 55% decrease from ₱62.44M for the same period in 2025. 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 96% to ₱999k in the 2nd quarter of 2026 from ₱23.55M for the same period last year. For the year-to-date, the total provision for income tax decreased to ₱14.15M in the 1st half of 2026, a 67% decrease from ₱43.47M for the same period in 2025.

Net Income

The Group posted a net income of ₱194.49M for the first half of 2026, down 48% from ₱354.07M in the first half of 2025. For the second quarter of 2026, net income recorded was ₱169.10M, a 32% decrease from ₱247.30M in Q2 2025.

The decline was primarily driven by lower equity in net earnings of associates following the divestment of PCPC in July 2025. On a comparable basis excluding former associate contributions, the Group's core portfolio sustained strong momentum, backed by consistent revenue generation and stable performance across the real estate and agribusiness segments.

Financial Position – Interim Consolidated (Unaudited)

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	Horizontal Analysis Increase (Decrease) in ₱	in %
ASSETS				
Current Assets				
Cash	₱102,464,777	₱1,122,083,245	(1,019,618,468)	-91%
Receivables	1,519,663,603	1,728,484,686	(208,821,083)	-12%
Contract assets	984,724,027	423,316,466	561,407,561	133%
Real estate inventories	5,619,563,960	5,204,729,275	414,834,685	8%
Other inventories	24,552,274	43,423,215	(18,870,941)	-43%
Other current assets	1,876,490,529	1,439,832,601	436,657,928	30%
Total Current Assets	10,127,459,170	9,961,869,488	165,589,682	2%
Noncurrent Assets				
Contract assets - net of current portion	1,303,979,173	1,515,250,459	(211,271,286)	-14%
Equity instruments at fair value through other comprehensive income (EIFVOCI)	585,743,478	585,443,479	299,999	0%
Investments in associates	1,033,032,223	434,508,380	598,523,843	138%
Investment properties	679,759,360	681,242,683	(1,483,323)	0%
Property, plant and equipment	1,606,503,296	1,570,606,390	35,896,906	2%
Deferred tax assets	978,688	978,688	-	-
Other noncurrent assets	1,286,108,403	1,329,222,567	(43,114,164)	-3%
Total Noncurrent Assets	6,496,104,620	6,117,252,646	378,851,974	6%
TOTAL ASSETS	₱16,623,563,790	₱16,079,122,134	544,441,656	3%

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	in ₱	in %
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	₱2,495,847,461	₱2,384,670,480	111,176,981	5%
Short-term debt	1,100,200,000	799,948,000	300,252,000	38%
Current portion of long-term debt	716,887,960	662,323,879	54,564,081	8%
Contract liabilities	395,679,112	409,573,844	(13,894,732)	-3%
Income tax payable	3,429,169	3,846,645	(417,476)	-11%
Total Current Liabilities	4,712,043,702	4,260,362,848	451,680,854	11%
Noncurrent Liabilities				
Long-term debt - net of current portion	2,159,618,621	2,076,868,331	82,750,290	4%
Retirement benefit obligation	59,899,482	93,946,421	(34,046,939)	-36%
Deferred tax liabilities - net	531,433,451	537,702,743	(6,269,292)	-1%
Lease liability – net of current portion	6,974,790	6,974,790	-	-
Total Noncurrent Liabilities	2,757,926,343	2,715,492,285	42,434,058	2%
Total Liabilities	7,469,970,045	6,975,855,133	494,114,912	7%

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	Horizontal Analysis Increase (Decrease) 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	3,372,533,437	3,285,492,345	87,041,092	3%
Treasury shares - common	(178,101,079)	(140,255,859)	(37,845,220)	27%
Fair value reserve of EIFVOCI	151,372,686	151,372,686		
Remeasurement loss on retirement benefit obligation - net of tax	(19,742,738)	(19,742,738)		
Cumulative translation adjustment	(9,000,776)	(10,131,649)	1,130,873	-11%
	9,153,871,071	9,103,544,326	50,326,745	1%
Noncontrolling interest	(277,325)	(277,325)	-	-
Total Equity	9,153,593,746	9,103,267,001	50,326,745	1%
TOTAL LIABILITIES AND EQUITY	₱16,623,563,791	₱16,079,122,134	544,441,657	3%

A Brown Company, Inc. - CONSOLIDATED
Financial Condition Items – June 30, 2026 vs. December 2025

Assets

The Group recorded total assets of ₱16.62B as of June 30, 2026, an increase of ₱544.41M or 3% from ₱16.08B as of December 31, 2025. The net increase was due to the following:

Current Assets

- Cash amounted to ₱102.46M as of June 30, 2026, compared to ₱1.12B as of December 31, 2025, due to utilization of the cash on the development of the different projects and payment of debt including interest.
- Receivables amounted to ₱1.52B as of June 30, 2026, down by 12% from ₱1.73B as of December 31, 2025, due to decrease in loans receivables.
- Contract assets amounted to ₱984.72M as of June 30, 2026, higher by 133% than the ₱423.32M as of December 31, 2025, principally from the increase of completion of various sold amortizing units as against collection of the respective amortizations.
- Real estate inventories amounted to ₱5.62B as of June 30, 2026, an 8% rise compared to ₱5.20B as of December 31, 2025, mainly from the development of the different projects.
- Other inventories amounted to ₱24.55M as of June 30, 2026, a 43% decrease compared to ₱43.42M as of December 31, 2025, due to the utilization of construction materials in the development of real estate projects.
- Other current assets increased to ₱1.88B as of June 30, 2026, a 30% increase from ₱1.44B as of December 31, 2025, mainly due to deposits for land purchases.

Noncurrent Assets

- Noncurrent portion of contract assets amounted to ₱1.30B as of June 30, 2026, lower by 14% than the ₱1.52B as of December 31, 2025, due to increase in contract completion of several units to current portion
- Equity instruments at fair value through other comprehensive income (EIFVOCI) increased to ₱585.74M as of June 30, 2026, higher by ₱299k than the ₱585.44M as of December 31, 2025, as a result for the increase in the fair value of the unquoted investments.
- Investments in associates increased to ₱1.03B as of June 30, 2026, a 138% from ₱434.50M as of December 31, 2025 due to the investments made to Alternergy Tanay Wind Corporation and Alabat Wind Power Corporation.
- Investment properties decreased to ₱679.76M as of June 30, 2026, less than 1% decrease from ₱681.24M as of December 31, 2025 due to the recording of depreciation on land improvements held for lease
- Property, plant and equipment increased to ₱1.61B as of June 30, 2026, a 2% increment from ₱1.57B as of December 31, 2025, principally from the purchase of heavy equipment to be operated in the development of the various projects
- Other noncurrent assets decreased to ₱1.29B as of June 30, 2026, a 3% decline from ₱1.33B as of December 31, 2025, due to the lower deposits for purchased land-net of current portion, lower advances to third party and lower input taxes-net of current portion.

Liabilities

Total liabilities amounted to ₱7.47B as of June 30, 2026, compared to ₱6.98B as of December 31, 2025, an increase of ₱494.11M.

Current Liabilities

- Accounts and other payables amounted to ₱2.50B as of June 30, 2026, a 5% increase from ₱2.38B as of December 31, 2025 due to the 2% increase in the trade payables, 71% increase in accrued expenses, 48% increase in accrued interest payable and 4420% increase in other payables although there was a 33% decrease in retention payable and 12% decrease in statutory payables.
- Short-term debt increased to ₱1.10B as of June 30, 2026, which increased by 38% from ₱799.95M as of December 31, 2025, attributed by availment of new short-term loans by the Parent Company
- Current portion of long-term debt amounted to ₱716.89M as of June 30, 2026, an 8% increase from ₱662.32M as of December 31, 2025.
- Contract liabilities decreased by 3% to ₱395.68M as of June 30, 2026 from ₱409.57M as of December 31, 2025 due to increased real estate sales being recognized from the increase in percentage of completion of the real estate projects.
- Income tax payable amounted to ₱3.43M as of June 30, 2026, an 11% decrease from ₱3.85M as of December 31, 2025.

Noncurrent Liabilities

- Long-term debt – net of current portion amounted to ₱2.16B as of June 30, 2026, a 4% increase from ₱2.08B as of December 30, 2025, as a result of new availments of loans
- Retirement benefit obligation decreased by 36% to ₱59.90M as of June 30, 2026 from ₱93.95M as of December 30, 2025 due to payment of retirement benefits
- Deferred tax liabilities – net amounted to ₱531.43M as of June 30, 2026 from ₱537.70M as of December 30, 2025, a 1% decrease.

Equity

Total equity amounted to ₱9.15B as of June 30, 2026, up by ₱50.33M or 1% from ₱9.10B as of December 31, 2025. The net decrease was due to the following:

- Retained earnings increased to ₱3.37B as of June 30, 2026, 3% higher from ₱3.29B as of December 31, 2025, due to higher net income recorded as against the preferred shares dividend payments.
- Treasury shares increased to ₱178.10M as of June 30, 2026, a 27% increase from ₱140.26M as of December 31, 2025 as the Parent Company continued to purchase its own common shares under its Share Buyback Program in first quarter of 2026.
- Cumulative translation adjustment – foreign exchange loss amounted to ₱9.00M as of June 30, 2026, an 11% decrease from ₱10.13M foreign exchange loss as of December 31, 2025 due to changes in foreign exchange.

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

The table that sets forth the comparative performance indicators of the Company and its majority-owned subsidiaries (consolidated) is shown in Annex III.

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' horizontal and vertical development are 100% complete.

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. The horizontal development of this project is 100% complete. The units are 99% 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 4.08 hectares. The project is now 92% 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 69% done while its vertical development almost 25% 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 100% 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 almost 73% complete. The vertical development is 36% complete.

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 99% 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 100% 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.

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 almost99% 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 6,362.74 metric tons of Fresh Fruit Bunches (FFB) were processed by SGAC for the 2nd Quarter of 2026, compared to the 5,243.19 metric tons in the same period of last year. This is an average of 2,120.91 metric tons of fresh fruit bunch processed per month as against 1,747.73 metric tons of the same period last year. The yield for the 2nd quarter of this year was 1,387.86 metric tons of crude palm oil with an average oil extraction rate of 21.81% as compared to 1,024.38 metric tons having an average extraction rate of 19.54% for the same period last year.

The kernels that were produced totaled to 574.82 metric tons as compared with 461.02 metric tons for the same 2nd quarter of last year.

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

ABERDI owns palm oil processing facilities consisting of a 10- ton-per-hour crude palm oil mill and a 50-ton-per-day Refined, Bleached, and Deodorized ("RBD") physical refinery with fractionation. At present, facilities in Bukidnon are under care and maintenance as the Group prioritizes operations through SGAC's active milling plant in Surigao del Sur.

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

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

ABC Energy Inc. (ABCEI) is the energy holding subsidiary of PSE-listed A Brown Company, Inc. (ABCI) and aims to be a trusted partner in powering progress through a diversified portfolio of sustainable and transformative energy projects across the Philippines.

Originally incorporated as Palm Thermal Consolidated Holdings Corp. (PTCHC) on November 22, 2010 with SEC Registration No. CS201018744, the company initially held a 20% equity stake in Palm Concepcion Power Corporation (PCPC), which developed a baseload power plant in Concepcion, Iloilo. Construction of PCPC's first 135 MW unit began in 2013, with commercial operations commencing in August 2016. In July 2025, ABCEI completed the divestment of its 20% stake in PCPC, enabling capital redeployment toward renewable opportunities.

On September 9, 2025, the Board of Directors of ABCI approved the internal reorganization and realignment of the Group's energy portfolio to ensure more focused management of the energy assets through the acquisition by ABCEI of Northmin Renewables Corp. (NRC) and the 20% equity interest in Peakpower Energy Inc. (PEI) previously held directly by ABCI.

Renewable Energy

Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC) – 40% owned by ABCEI

On October 23, 2025, ABCEI disclosed the acquisition of 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 128 MW Tanay and 64 MW Alabat wind projects, for an aggregate investment amount of ₱2.4 billion. The investment represents the largest single investment across the A Brown Group to date and 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 also received the certification from the Philippine Competition Commission (PCC) that it has cleared the proposed acquisition by ABCEI of a 40% equity stake in both Alternergy Tanay Wind Corporation and Alabat Wind Power Corporation. The Tanay and Alabat wind projects are both in advanced construction stages set for completion by 2026.

On June 24, 2026, ABCEI and ATWC and AWPC partially implemented their Investment Agreement through the acquisition by ABCEI of 190,714 shares ATWC and 151,523 shares in AWPC representing approximately ten percent (10%) of the forty percent (40%) equity stake intended to be acquired by ABCEI in each of ATWC and AWPC. ABCEI has paid approximately six hundred million pesos (₱600 million) covering the acquisition of the 10% equity interest in ATWC and AWPC.

Subsequent to the reporting period, on July 20, 2026, ABCEI completed its ₱2.3 billion investment in Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC), acquiring a 40% equity stake in each project company. The closing concludes the two-phase transaction announced earlier this year. A Brown elected to complete its investment ahead of the commercial operations of both projects, resulting in a final investment amount of ₱2.3 billion, reflecting a valuation adjustment agreed by both parties in recognition of the earlier funding timeline. The investment was executed through a combination of subscription and purchase of shares in ATWC and AWPC.

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

Northmin Renewables Corp. (NRC), formerly Hydro Link Projects Corp. (HLPC) was registered with the Securities and Exchange Commission on May 6, 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, NRC 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 covers some areas 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 Wind Power Project began in the 4th quarter of 2024, while the campaign using Met Mast started in the 2nd quarter of 2025. System Impact Study (SIS) has been secured from the National Grid Corporation of the Philippines (NGCP) for the Misor Wind Power Project while the Bukidnon Wind Power Project's SIS was already applied with the NGCP.

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

Manolo Fortich Power Corporation (MFPC) was incorporated as 100% owned subsidiary of ABCEI on March 17, 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. Currently, the project is under pre-development stage with ongoing activities that includes permitting and pre-feasibility study and initial site investigations.

On June 26, 2026, MFPC received the notice of the issuance by the Department of Energy of Certificate of Authority No. SCOA2026-06-202 ("COA") for the Manolo Fortich Solar Power Project. The COA is effective June 25, 2026.

The COA gives MFPC the exclusive authority to procure the necessary permits and clearances for the exploration and assessment of the Manolo Fortich Solar Power Project from government agencies, local government units, entities or instrumentalities having jurisdiction over any aspect of the Solar Energy development, including the conduct of reconnaissance and other activities needed for feasibility studies within the project area. The project covers an area of 202.38 hectares situated in the Municipality of Manolo Fortich, Province of Bukidnon.

The COA shall be valid for one (1) year from the date of issuance, during which MFPC will conduct the necessary pre-development activities required to transition the project into a formal Solar Energy Operating Contract ("SEOC") with the DOE.

The Manolo Fortich Solar Power Project is part of ABCI's broader renewable energy development strategy through ABCEI.

Thermal Peaking Assets

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. 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 34.8 MW 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 20.9 MW (3 units of 6.97 MW) capacity last December 1, 2014. Commercial operations started on January 27, 2015.

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

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

Peakpower San Francisco Inc. (PSFI) is a 10.4 MW 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 5.2 MW capacity on March 23, 2015. Another COC was issued for the increased 10.4 MW capacity on February 18, 2020. Commercial operations started on January 26, 2018.

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

Peakpower Bukidnon Inc. (PBI) is a 10.4 MW 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 10.4 MW on December 19, 2018 which was extended until November 20, 2024. PBI commenced commercial operation on March 26, 2018.

__Natural Gas Power Project__

Vires Energy Corporation (VEC) – 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 was originally set up as a special purpose vehicle and as proponent of an Integrated Floating LNG Storage and Regasification Terminal paired with a 500 MW Floating Power Plant (FPP) Project in Simlong, Batangas City. 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).

The initiative transitioned into a purely onshore 2 x 450 MW LNG Combined Cycle Power Plant concept designed to 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.

As of December 31, 2025, the Company publicly disclosed the suspension of pre-development activities. This decision was driven by ongoing difficulties in securing grid connection capacity and reliable gas supply, rendering the project's timeline uncertain. While development is currently halted, this suspension does not preclude future value recovery should market conditions allow for the project's full-scale activation, redevelopment, or eventual sale.

Irradiation and Cold Storage Services

Irradiation Solutions, Inc. (ISI) – 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 been secured.

The commercial operations date of the facility started August 2, 2024. The facility's services 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 since 4th quarter of 2024. The facility currently services products in the herbals, spices, frozen goods, and medical industries.

On April 25, 2025, ISI 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. Accudata plans to offer future services including sterility, bioburden, pathogen, and antimicrobial resistance testing for food, medical devices, and pharmaceutical products.

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 laboratory verification.

The investment will support the expansion of Accudata's laboratory infrastructure, equipment upgrades, and additional services. These enhancements reinforce Accudata's position as a trusted partner for quality assurance and diagnostics in the Philippines.

Water Supply

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

AB Bulk Water Company, Inc. (ABWCI) was incorporated on March 31, 2015 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 attractive in terms of scalability and alignment with current and future demand. The project is designed to supply up to 100 MLD at maximum capacity, with an initial phase of 40 MLD, providing safe and reliable water for about 1,000,000 Cagayan de Oro residents. The project is located in Barangay Mambuaya and Bayanga, Cagayan de Oro City, drawing from the Cagayan de Oro River. The 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 and permitting targeted for completion by 2026. 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 Investments

Blaze Capital Limited (BCL) – 100% owned by ABCI

Blaze Capital Limited (BCL) is a British Virgin Islands company incorporated on August 8, 2011, and acquired by ABCI on May 22, 2017. BCL holds a 33.33% equity interest in East West Rail Transit Corporation (EWRTC), a member of the consortium for the East-West Rail Project (EWRP).

The EWRP is a proposed 9.7-km railway line serving the España Blvd.-Quezon Ave. corridor, spanning from Lerma St. in Sampaloc, Manila, to University Ave. in Diliman, Quezon City.

The Consortium—comprising EWRTC and Alloy MTD Group (represented by MTD Philippines Inc.)—submitted an unsolicited proposal to the Philippine National Railways (PNR) to finance, construct, operate, and maintain the project. The PNR granted Original Proponent Status to the Consortium, which remains in good standing. An updated Feasibility Study was completed in 2024 to recalibrate project costs and post pandemic ridership models.

As of December 31, 2025, the Company recognized a non-cash impairment of capitalized costs related to preliminary studies for the project. While forward implementation remains uncertain, this impairment does not preclude future value recovery should the project be reactivated, redeveloped, or sold as the regulatory and infrastructure landscape aligns.

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”).

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 2.5B)(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 and on the process of liquidation and closure of business registration**

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.

Currently, MCPI is on process of liquidating its assets and closing its business registration with BIR. It has already secured the Certificate of Closure with LGU- Pasig City.

Fixed-Rate Bonds Offering – Registration, Issuance and Listing

Fixed-Rate Bonds – Series A and Series B

On April 28, 2026, A Brown Company, Inc. (the "Corporation") disclosed that its Board of Directors approved the shelf registration of Twelve Billion Pesos (₱12B) fixed-rate bonds (the "Bonds") constituting the direct, unconditional, unsubordinated, and unsecured obligations of the Corporation, and the public offer for sale, distribution, and issuance in the Philippines (the "Offer") of the Bonds with a First Tranche of up to Five Billion Pesos (₱5B) comprised of a Base Offer of Three Billion Pesos (₱3B) with an oversubscription option of up to Two Billion Pesos (₱2B) (the "Offer Bonds") at an offer price equivalent to the face value of the Bonds to be registered with the Securities and Exchange Commission ("SEC") and listed on the Philippine Dealing and Exchange Corporation ("PDEx").

Subsequently, on May 04, 2026, the Corporation submitted to the SEC the Registration Statement for the Bonds. The Bonds have been rated PRS A plus with a Stable Outlook by PhilRatings.

On June 16, 2026, the SEC issued the Pre-effective letter of the proposed shelf-registration. On June 18, 2026, the interest rate for the Series A Fixed-Rate Bonds due 2029 was set at 7.4428% per annum while Series B Fixed-Rate Bonds due 2031 was set at 7.9583% per annum. On June 23, 2026, the SEC issued (i) SEC MSRD Order No. 057, Series of 2026 (Order of Registration) for the shelf registration of the fixed-rate bonds in the aggregate principal amount of Twelve Billion Pesos (₱12B) of which the Initial Tranche is a part and (ii) Permit to Offer Securities for Sale ("Permit to Sell") covering the Initial Tranche.

A Brown Company, Inc. raised Four Billion Pesos (₱4B) and listed its maiden fixed-rate bond issuance on PDEX on July 03, 2026.

Net proceeds of the bond issuance will support A Brown's renewable energy investments and its real estate development pipeline, the redemption of Series A Preferred Shares and general corporate purposes.

PNB Capital and Investment Corporation acted as Sole Issue Manager for the transaction. PNB Capital and Land Bank of the Philippines jointly led the offering as Joint Lead Underwriters and Joint Bookrunners.

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 Philippines' annual average headline inflation (2018=100) for the year 2025 stood at 1.7% which was lower than the 2024 annual average inflation rate of 3.2% and still lower than the 2023 and 2022 average inflation rate of 6.0% and 5.8%, respectively. Inflation is projected by the government to maintain at 2 to 4 percent range for 2026. Due to the fuel price shocks brought by the conflict in the Middle East, where the US and Israel ignited a regional conflict against Iran in late February 2026, BSP is projecting an average of 5.1% inflation for 2026. The conflict in the Middle East is not only affecting the price of oil products but of other commodities. The conflict would also result in the possible transport fare hike, electricity hike and potential higher tariffs. This geopolitical tension presents a significant threat of stagflation - increased inflation and slower economic growth.

For 2026, the government targets the GDP growth hitting the lower end of 6-7% as elevated global commodity prices and trade uncertainties could weigh on the growth. The headwinds are uncertainty surrounding global economic policies and geopolitical conflicts 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.

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).

ANNEX I

A BROWN COMPANY, INC. AND SUBSIDIARIES

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

JUNE 30, 2026

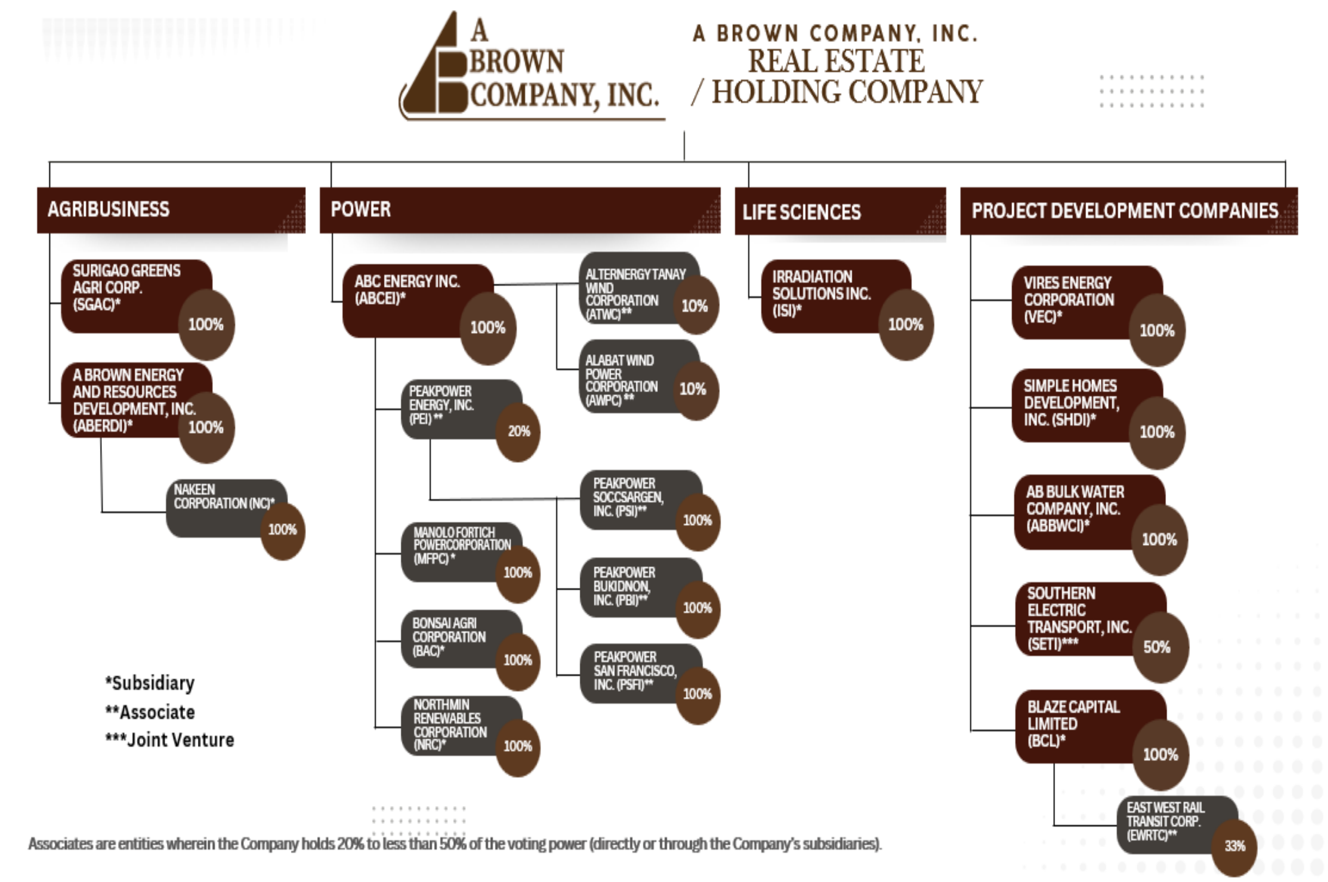
Unappropriated Retained Earnings, as of January 1, 2026		**₱3,285,492,345**
Less: Deferred tax assets that reduced the amount of income tax expense		
Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period		(107,449,994)
Unappropriated Retained Earnings, beginning as adjusted		3,178,042,351
Add/Less: Net Income (loss) for the current year		194,491,085
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)		-178,101,079
Deferred tax asset not considered in the reconciling items under the previous categories		
Total Retained Earnings, end of the reporting period available for dividend		**₱3,194,432,357**

ANNEX II

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

June 30, 2026



On July 20, 2026, ABCEI completed its acquisition of 40% equity stake in Alternergy Tanay Wind Corporation (ATWC) and Alabat Wind Power Corporation (AWPC).

ANNEX III

A BROWN COMPANY, INC. AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
June 30, 2026

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

Financial Ratios Consolidated Figures	Unaudited 06/30/2026	Audited 12/31/2025
Current ratio[1]	2.15:1	2.34:1
Quick ratio[2]	0.34:1	0.67:1
Solvency ratio[3]	0.03:1	0.14:1
Debt to Equity ratio[4]	0.43:1	0.39:1*
Asset to Equity ratio[5]	1.82:1	1.77:1
Interest coverage ratio[6]	10.87x	7.69x*
Return on Equity[7]	2.13%	9.90%
Return on Assets[8]	1.19%	5.75%
Profit Margin ratio[9]	18.1%	45.8%

[1]*Current assets/Current liabilities*
[2]*Current assets less contract assets, inventories and prepayments/Current liabilities*
[3]*Net Income plus depreciation (YTD)/Total liabilities*
[4]*Short-term debt + Current portion of Long-term debt + Long-term debt(net of current) + Bonds payable/ Stockholders' equity*
[5]*Total assets/Stockholders' equity*
[6]*Earnings before income tax, interest, depreciation and amortization (YTD) + Beginning cash / Total Interest Payment*
[7]*Net Income (YTD)/ Average Total stockholders' equity*
[8]*Net income (YTD)/Average Total assets*
[9]*Net income (YTD)/Total Revenue (YTD)*
**unaudited but computed based on audited figures*

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.**

[redacted]

PAUL FRANCIS B. JUAT
President

[redacted]

MARIE ANTONETTE U. QUINITO
Chief Financial Officer

Date: August 12, 2026