

COVER SHEET

A S O 9 5 0 0 2 2 8 3  
SEC Registration Number

D M C I H O L D I N G S , I N C .  
  
  
(Company's Full Name)

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C H I N O R O C E S A V E . M A K A T I C I T Y  
  
(Business Address: No., Street City / Town / Province)

HERBERT M. CONSUNJI  
Contact Person

8888-3000  
Company Telephone Number

1 2 3 1  
Month Day  
Fiscal Year

SEC Form 17-Q  
Second Quarter Interim Report 2025  
FORM TYPE

0 5 1 3  
Month Day  
Annual Meeting

N.A.  
Secondary License Type, If Applicable

C F D  
Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarter ended June 30, 2025

2. SEC Identification No. AS095-002283

3. BIR Tax Identification No. 004-703-376

DMCI Holdings, Inc.

4. Exact name of issuer as specified in its charter

5. Philippines

6.  (SEC Use Only)

Province, Country or other jurisdiction of  
incorporation or organization

Industry Classification Code:

7. 3<sup>rd</sup> Floor, Dacon Building, 2281 Pasong Tamo Ext., Makati city1231

Address of principal office

Postal Code

8. Tel. (632) 8888-3000

Fax : None

Issuer's telephone number, including area code

9. Not applicable

Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

<u>Title of Each Class</u>	<u>No. of Shares Outstanding</u>	<u>Amount</u>
Common Shares	Php13,277,470,000.00	Php13,277,470,000.00
Preferred Shares Class A	960.00	960.00
Preferred Shares Class B	10,000,000.00	10,000,000.00
TOTAL	Php13,287,470,960.00	Php13,287,470,960.00

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

Yes [X] No [ ]

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

Philippine Stock Exchange

Common and Class A Preferred Shares

12. Indicate by check mark whether the registrant:

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

Yes [X] No [ ]

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

Yes ☒ No ☐

## **PART I--FINANCIAL INFORMATION**

### **Item 1. Financial Statements.**

The Financial Statements as of and for the period ended **June 30, 2025** are contained herein.

#### **MANAGEMENT’S DISCUSSION AND ANALYSIS OF RESULTS OF CONSOLIDATED OPERATIONS AND CONSOLIDATED FINANCIAL CONDITION AS OF AND FOR THE PERIODS ENDED JUNE 30, 2025 AND 2024**

June 30, 2025 (Unaudited) vs June 30, 2024 (Unaudited)

### **I. RESULTS OF OPERATIONS**

The table below summarizes the performance of DMCI Holdings, Inc. (PSE: DMC), its subsidiaries and associate, collectively referred to as “the DMCI Group”, for the periods ended June 30, 2025 and 2024.

- D.M. Consunji, Inc. (DMCI), a wholly-owned subsidiary, is one of the leading engineering-based integrated construction firms in the country. It operates in two construction segments: building and infrastructure. It also has separate business units for joint ventures and allied services (i.e., concrete production, steel fabrication and equipment rental).
- DMCI Project Developers, Inc. (DMCI Homes), a wholly-owned subsidiary, is one of the leading mid-segment developers in the Philippines, offering best-in-class amenities and value-for-money properties in Metro Manila and other key urban areas. The company has also started to expand its portfolio into leisure and the high-end market.
- Semirara Mining and Power Corporation (SMPC), a majority-owned subsidiary (56.65%), is the largest and most modern coal producer in the Philippines. It is a vertically integrated power generation company in the country that runs on its own fuel (coal). Its two wholly-owned operating subsidiaries—Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC)—provide baseload power to the national grid through bilateral contract quantity (BCQ) and the Wholesale Electricity Spot Market (WESM).
- DMCI Power Corporation (DMCI Power), a wholly-owned subsidiary, is the largest off-grid energy supplier in the Philippines. It currently operates and maintains thermal, bunker and diesel power plants in parts of Masbate, Oriental Mindoro and Palawan.
- DMCI Mining Corporation (DMCI Mining), a wholly owned subsidiary, extracts nickel ore through surface mining and ships directly to China and other markets. The company currently operates two mines in Santa Cruz, Zambales, through Zambales Diversified Metals Corporation (ZDMC) and Zambales Chromite Mining Company (ZCMC), and is actively developing new mining sites in Palawan to expand its operations through Berong Nickel Corporation.
- Maynilad Holdings Corporation, a 27%-owned associate, owns 93% of Maynilad Water Services, Inc. (Maynilad). The largest private water service provider in the Philippines, Maynilad holds a 25-year franchise to establish, operate and maintain the waterworks

system and sewerage and sanitation services in the West Zone service area of Metro Manila and the Province of Cavite.

- Concreat Asian South East Corporation (CASEC), a 56.75%-owned subsidiary, holds 89.86% of Concreat Holdings Philippines, Inc. (Concreat), a major cement manufacturer in the country. CHP produces high-quality cement under the brands APO, Rizal and Island, including Ordinary Portland Cement (OPC), widely used in large-scale construction projects. The company operates through its wholly owned subsidiaries, APO Cement Corporation and Solid Cement Corporation. Following the acquisition on December 2, 2024, DMC gained an effective 51% economic interest in Concreat.

## CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS

<i>in Php millions except EPS</i>	April to June (Q2)			January to June (H1)		
	2025	2024	Change	2025	2024	Change
I. SMPC (56.65%)	2,265	3,419	-34%	4,800	7,110	-32%
II. Maynilad (25%)	973	732	33%	1,899	1,395	36%
III. DMCI Homes	678	737	-8%	2,052	1,421	44%
IV. DMCI Power	374	355	5%	644	619	4%
V. DMCI Mining	344	(43)	900%	753	(65)	1,258%
VI. Parent and others	50	93	-46%	141	124	14%
VII. D.M. Consunji Inc.	18	240	-93%	68	338	-80%
VIII. Concreat (51%)	(682)	-	-100%	(1,228)	-	-100%

<b>Core Net Income</b>	<b>4,020</b>	<b>5,533</b>	<b>-27%</b>	<b>9,129</b>	<b>10,942</b>	<b>-17%</b>
Nonrecurring Items	1	2	-50%	1	198	-99%
<b>Reported Net Income</b>	<b>4,021</b>	<b>5,535</b>	<b>-27%</b>	<b>9,130</b>	<b>11,140</b>	<b>-18%</b>
<b>EPS (reported)</b>	<b>0.30</b>	<b>0.42</b>	<b>-27%</b>	<b>0.69</b>	<b>0.84</b>	<b>-18%</b>

## Q2 2025 vs Q2 2024 Consolidated Highlights

- The DMCI Group posted a net income of Php 4.02 billion, a 27-percent decline from Php 5.53 billion in the same period last year, primarily due to lower contributions from the integrated energy, real estate and construction businesses, as well as the ongoing integration of the cement operations, which were acquired on December 2, 2024.

Improved earnings from the water, nickel mining, and off-grid power businesses helped temper the decline, highlighting the resilience and balance of the Group's diversified portfolio.

As a result, earnings per share decreased from Php 0.42 to Php 0.30.

Excluding nonrecurring items, core net income also declined by 27%, from Php 5.53 billion to Php 4.02 billion, with earnings per share similarly falling from Php 0.42 to Php 0.30.

- EBITDA declined by 13%, from Php 11.65 billion to Php 10.12 billion, with the EBITDA margin narrowing to 34% from 41%, due to higher operating expenses.

To elaborate:

Total revenues rose by 6%, from Php 28.09 billion to Php 29.74 billion, driven by contributions from the cement business, stronger nickel and off-grid power sales, and higher construction accomplishments.

Total cash costs increased by 20%, from Php 18.06 billion to Php 21.60 billion, outpacing revenue growth. This was largely due to higher cost of sales and operating expenses, as well as the consolidation of cement-related costs.

The impact was partially offset by a 34% drop in government share from the coal segment, from Php 1.73 billion to Php 1.13 billion.

The cash component of COS rose by 20%, from Php 14.16 billion to Php 16.99 billion, reflecting addition of cement and higher construction accomplishments and project delays.

Operating expenses surged by 60%, from Php 2.17 billion to Php 3.48 billion, due to the addition of cement operations, association dues from rent-to-own units, and excise taxes from higher nickel shipments.

Equity earnings, mainly from Maynilad, rose by 15%, from Php 759 million to Php 875 million, helping cushion the impact of lower core margins.

Other income (net) increased by 27%, from Php 866 million to Php 1.10 billion, on the back of higher forfeiture and rental income from DMCI Homes and foreign exchange gains at SMPC.

Depreciation and amortization increased by 41%, from Php 2.05 billion to Php 2.90 billion, primarily due to the consolidation of cement assets, acquisition of new mining equipment, amortization of SMPC's Narra mine stripping asset, new off-grid plant investments, major activities in on-grid power plants, and higher nickel shipment volumes.

Net finance costs (finance costs net of finance income) increased nearly fourfold (389%), from Php 170 million to Php 832 million (+389%), mainly due to the consolidation of Concreat's finance costs (Php 419 million), higher financing costs and lower finance income at SMPC and DMCI Homes.

- Income tax expense declined by 20%, from Php 1.28 billion to Php 1.02 billion, mainly due to lower taxable income from SMPC and DMCI Homes.
- 2025 and 2024 nonrecurring items relate to Maynilad's foreign exchange loss.

Note: While Concreat recorded a Php 452 million nonrecurring loss for the write-down of an old self-generation power asset at Apo Cement, this will not be reflected in the Group's consolidated results. This is because the final purchase price allocation (PPA) is for final determination. Under PFRS 3, the Group has up to one year from acquisition to finalize the provisional goodwill disclosed in 2024.

- SMPC, DMCI Homes and Maynilad contributed a combined 97% of core net income.

## **H1 2025 vs H1 2024 Consolidated Highlights**

- The DMCI Group recorded a consolidated net income of Php 9.13 billion for the first half of 2025, marking an 18% drop from Php 11.14 billion a year ago. The decline was primarily driven by weaker earnings from the integrated energy business, lower contributions from construction, and the initial losses from newly consolidated cement unit, Concreat.

On the other hand, stronger performances from real estate, water, nickel mining and off-grid power helped mitigate the impact and demonstrated the underlying strength and diversification of the Group's business portfolio.

Consequently, earnings per share decreased from Php 0.84 to Php 0.69. This translated to an annualized return on equity of 15.2%.

- Last March 25, DMC's board declared regular and special cash dividends totaling Php 0.60 per share (Php 7.97 billion), sourced from unrestricted retained earnings and paid on April 24. This represents a 42% payout of 2024 core net income—well above the minimum 25% policy.
- As of June 30, 2025, the Group remained in a healthy financial position relative to December 31, 2024 :  
The current ratio declined to 240% from 261%, while the quick ratio slipped to 86% from 95%, following the dividend payout in April.

Total debt decreased by 4%, from Php 68.13 billion to Php 65.57 billion, as amortizations at Concreat, SMPC, and DMCI Homes more than offset new borrowings at high-growth units DMCI Mining and DMCI Power.

The net debt-to-equity ratio was stable at 22.3%, slightly down from 22.6%, reflecting the combined impact of lower cash balances (down 6% from Php 34.30 billion to Php 32.08 billion) and reduced debt.

## **Q2 2025 vs Q2 2024 Subsidiaries and Associate Performance**

### **I. Semirara Mining and Power Corporation (SMPC)**

The integrated energy business contributes Php 2.3 billion in reported net income, down 34% from Php 3.42 billion in the prior year, mainly due to soft energy market conditions and the recognition of an equity loss from its cement associate.

At the standalone level, the SMPC Group reported a net income of P4.07 billion, a 33% decline from P6.05 billion.

Total revenues declined by 18%, from P18.17 billion to P14.82 billion, largely reflecting lower selling prices in coal segment and weaker spot market prices in the power segment.

Meanwhile, total cash costs fell by 14%, a slower pace than topline, from P9.74 billion to P8.34 billion, due to reductions in direct costs, government share and operating expenses.

Breaking this down further, the cash component of COS decreased by 10%, from P6.94 billion to P6.26 billion, mainly on the back of a high-base effect from last year's payment of industrial all-risk (IAR) insurance premiums of coal segment, as well as lower materials costs, improved access to coal seams and reduced power generation expenses.

Government share dropped by 34% from P1.73 billion to P1.13 billion, on the combined effect of weaker coal revenues and lower total production costs.

Operating expenses also contracted by 11%, from P1.07 billion to P954 million, mainly from reduced maintenance requirements in the power segment.

As a result, core EBITDA decreased by 23% from P8.43 billion to P6.48 billion, with the core EBITDA margin narrowing slightly from 46% to 44%.

Net income margin narrowed to 27%, down from 33% last year but slightly above the pre-pandemic level of 26% in Q2 2019. This reflected higher depreciation and amortization (D&A) expenses, the recognition of an equity net loss from its cement associate and lower finance income.

D&A expenses rose by 17% from P1.66 billion to P1.95 billion, due to the acquisition of new mining equipment and increased amortization of the capitalized stripping asset for Narra mine, and capital expenditures related to the SCPC Unit 2's generator replacement and upgrades to the fuel and feed systems.

In contrast, other income surged more than fourfold (+359%), from P32 million to P147 million, on the back of higher net foreign exchange gains and miscellaneous income from the coal segment.

Provision for income taxes decreased by 40%, from P852 million to P512 million, due to lower taxable income in the power segment and a reduced tax impact from realized foreign exchange gains in the coal segment.

The following provides a detailed discussion of the financial and operational performance of SMPC's coal and power segments:

## Coal

At the standalone level, coal revenues contracted by 20% to P10.27 billion, from P12.81 billion, primarily due to weaker selling prices stemming from lower quality sold.

Reported net income declined by 40%, from P3.73 billion to P2.24 billion, following the drop in revenues, lower finance income, and higher depreciation and amortization.



Net of intercompany eliminations, net income decreased by 41%, from P3.14 billion to P1.84 billion. Eliminating entries likewise declined by 31%, from P593 million to P407 million, mainly due to the impact of efficient coal blending by the power segment and lower coal selling prices, which compressed gross margins.

Eliminating entries represent the gross margins from intercompany transactions between the coal and power segments.

To further elaborate on the segment's financial performance:

- **Normalizing prices.** The average selling price (ASP) of Semirara coal fell by 20%, from P2,780/MT to P2,223/MT, due to the combined effect of stabilizing global market indices and a higher proportion of lower-quality and non-commercial grade coal shipments.

Average Newcastle index (NEWC) declined by 26%, from US\$135.6 to US\$100.5, while Indonesian Coal Index 4 (ICI4) dropped by 16%, from US\$55.0 to US\$46.4, slower than NEWC. Quarter-over-quarter, NEWC slid by 4% from US\$104.6, while ICI4 slipped by 6% from US\$49.3.

Despite these declines, average 2025 NEWC and ICI4 prices remained above pre-pandemic (2019) levels at US\$79.9 (+26%) and US\$37.5 (+31%), respectively.

Shipments of non-commercial grade coal rose by 31%, from 1.6 MMT to 2.1 MMT, increasing its share of total quarterly sales from 35% in 2024 to 46% in 2025.

- **Flattish shipments.** Total coal shipments stood at 4.6 MMT for both periods, as increased own plant sales offset lower foreign shipments.

Foreign shipments fell by 8%, from 2.4 MMT to 2.2 MMT, attributable to a decline in shipments to China (down from 2.3 MMT to 1.8 MMT), partly offset by increased shipments to South Korea and new export markets India and Vietnam.

China remained the primary export destination, accounting for 85% of total export sales, followed by South Korea (7%), India (3%), Vietnam (3%), and Brunei (2%).

Meanwhile, domestic shipments grew by 9%, from 2.2 MMT to 2.4 MMT, with deliveries to own plants rising by 30% due to higher generation.

- **Margins moderated slightly.** Core EBITDA dropped by 24%, from P4.90 billion to P3.75 billion, while margin slipped from 38% to 36%, on weaker revenues and higher operating expenses. Meanwhile, net income margin narrowed from 29% to 22%, amid higher depreciation and thinner price-cost spreads.

Revenues declined by 20%, from P12.81 billion to P10.27 billion, while total cash costs dropped by 18%, from P7.91 billion to P6.53 billion, because of lower government share and cash component of cost of sales.

The cash component of cost of sales fell by 13%, from P6.04 billion to P5.23 billion, reflecting better access to coal seams and a high base effect from the payment of industrial all-risk (IAR) insurance premium last year. Government share dropped by 34%, from P1.73 billion to P1.13 billion, due to the lower topline.

Operating expenses rose by 14%, from P146 million to P167 million, on higher ICT-related and labor-related expenses.

- **Rising noncash items.** Depreciation and amortization expenses surged by 39%, from P1.11 billion to P1.54 billion, largely due to the acquisition of new mining equipment over the past twelve months and increased amortization of the Narra mine stripping asset. In 2024, P1.36 billion was capitalized for the Narra mine stripping.
- **Other income up.** Other income shifted from P69 million in expenses to P50 million, largely due to net foreign exchange gains.
- **Lower finance income.** Net finance income dropped from P87 million to breakeven, driven by reduced cash balances and lower interest income from short-term placements, cushioned by lower loans payable.

Beginning cash balances declined by 60%, from P19.70 billion to P7.97 billion (March 2024 versus March 2025), while loans payable decreased by 33%, from P670 million to P447 million.

The segment also reported the following operational highlights:

- **Higher production.** Coal output rose by 8%, from 5.2 MMT to 5.6 MMT, on improved access to coal seams at Narra North Blocks 3 and 4 and West Block 2.

Material movement slipped by 2%, from 63.8 million bank cubic meters (MBCM) to 62.15 MBCM, while strip ratio improved from 11.4 to 10.4.

For the full year, the strip ratio is projected to average at 10.4, 15% improvement than the 12.2 recorded in FY2024.

- **Healthy inventory.** Ending total coal inventory grew by 13%, from 2.4 MMT to 2.7 MMT, while commercial-grade inventory registered a 33% drop, from 1.2 MMT to 0.8 MMT, reflecting higher demand for mid-grade coal.

Quarter-on-quarter, total stockpile jumped by 50%, from 1.8 MMT, while commercial-grade inventory likewise grew by 33%, from 0.6 MMT, attributable to strong production levels.

## Power

Standalone segment revenues fell by 6%, from P6.86 billion to P6.47 billion, mainly due to lower selling prices, partly offset by stronger plant performance.

Core EBITDA contracted by 15%, from P3.67 billion to P3.12 billion, with margin moderating slightly from 53% to 48%, due to weaker selling prices and higher generation costs following greater electricity sales.

Reported net income dropped by 16%, from P2.30 billion to P1.94 billion, while net margin narrowed slightly from 34% to 30%, largely due to reduced core EBITDA, higher depreciation, and lower net finance income.

Net of intercompany eliminations, reported net income declined by 20%, from P2.91 billion to P2.33 billion. No non-recurring items were recorded during either period.

The segment's results are attributable to the following:

- **Stronger plant availability.** Overall plant availability rose from 81% to 87%, driven by a reduction in outage days (from 69 to 48). SCPC's performance offset downtime at SLPGC.

SCPC's availability climbed from 71% to 90%, benefiting from a high base effect in outage days (reduced from 53 to 18) as Unit 2's 77-day planned maintenance was completed between March 6 and May 22, 2024, restoring its dependable 300 MW capacity.

Meanwhile, SLPGC's availability declined from 91% to 84%, following an increase in outage days (from 16 to 30) caused by boiler tube leak incidents.

- **Expanded average capacity.** Total average capacity during running days inched up by 2%, from 801 MW to 815 MW, as SCPC's capacity rose from 503 MW to 524 MW, offsetting a slight drop in SLPGC's output (from 298 MW to 291 MW) due to deration.
- **Higher generation and sales.** With better capacity and uptime, gross generation increased by 16%, from 1,352 GWh to 1,566 GWh, primarily from SCPC. Total power sales also expanded by 17%, from 1,228 GWh to 1,435 GWh, with the share of spot sales declining slightly to 56%, from 59% last year, due to increased BCQ volumes.
- **Rising BCQ volumes.** BCQ sales surged by 27%, from 500 GWh to 638 GWh, following a 42% jump in contracted capacity, from 238.2 MW to 334.4 MW at the beginning of the period (March 2024 vs. March 2025).

Spot market sales likewise increased by 9%, from 728 GWh to 797 GWh, supported by greater spot exposure, which rose from 413.1 MW to 421.6 MW, net of station service.

Station service refers to electricity used internally to power lights, motors, control systems, and other auxiliary systems within the plant.

- **Weaker ASP.** Overall average selling price (ASP) fell by 19%, from P5.58/kWh to P4.51/kWh. BCQ ASP climbed by 11%, from P4.62/kWh to P5.15/kWh, driven by new and renegotiated contracts.

On the other hand, spot ASP dropped by 36%, from P6.25/kWh to P4.00/kWh, reflecting wider supply margins and lower fuel costs in the Wholesale Electricity Spot Market (WESM).

- **Rising cash costs.** Total cash costs rose by 5%, from P3.20 billion to P3.35 billion, mainly due to higher generation volume, partly offset by more efficient fuel management and a decline in operating expenses.

The cash component of cost of sales increased by 13%, from P2.27 billion to P2.57 billion, while operating expenses declined by 15%, from P925 million to P786 million, due to lower maintenance spending following stronger plant reliability.

- **Higher D&A.** Depreciation and amortization expenses grew by 8%, from P714 million to P769 million, in line with capital expenditures for SCPC Unit 2's generator replacement and upgrades to the fuel and feed systems.

- **Lower other income.** Other income declined slightly by 5%, from P102 million to P97 million, mainly due to lower fly ash sales.
- **Reduced net finance income.** Net finance income fell from P19 million to P5 million, due to smaller cash balances and reduced interest income from placements, tempered by lower loan obligations.

Beginning cash balances dropped by 57%, from P5.30 billion to P2.27 billion, while loans payable decreased by 68%, from P4.99 billion to P1.60 billion.

The segment also reported the following operational updates:

- **Growing contracted capacity.** As of June 30, 2025, the power segment had 320.4 MW of contracted capacity, accounting for 42% of its net selling capacity of 756 MW. Of this total, 8% included a fuel pass-through clause.

SCPC accounted for 244.5 MW or 76% of the contracted volume, while SLPGC contributed 75.9 MW.

After excluding station service requirements of 84 MW, the segment maintained 435.6 MW of net spot exposure.

- **Moderate spot purchases.** Spot purchases increased by 184%, from P13 million to P37 million, due to higher station service needs following forced outages.

The segment remained a net seller to the spot market by 785 GWh, compared to 725 GWh in Q2 2024.

## II. DMCI Project Developers Inc. (DMCI Homes)

Net income contribution from the real estate business reached Php 678 million, supported by improved collections from newly qualified accounts and higher other income. This reflects an 8% decline from Php 737 million in the previous period, due to the decrease in revenues, as well as higher operating expenses and net finance costs

At the standalone level, net income dropped by 15%, from Php 824 million to Php 704 million, while the net income margin slightly narrowed from 24% to 21%. No nonrecurring items were recorded in 2025.

The following provides additional insights into the financial performance of DMCI Homes:

- Total revenues reached Php 3.39 billion, 3% lower than the previous year's Php 3.49 billion.. The notable increase in newly qualified accounts surpassing the 14.5% threshold, which helped cushion the impact of cancellations and the lingering sale slowdown from the pandemic period.

Other revenues remained stable at Php 267 million from P270 million, reflecting sustained contributions from construction contracts on joint venture projects, property management, hotel operations, and elevator services.

- Total cash costs increased by 5%, from Php 2.78 billion to Php 2.91 billion, driven by higher operating expenses despite lower cost of sales.

Cost of sales (COS) decreased by 6%, from Php 2.07 billion to Php 1.95 billion, due to operational efficiencies.

Meanwhile, operating expenses rose by 35%, from Php 709 million to Php 958 million, mainly due to association dues for ready-for-occupancy units, along with higher selling, marketing, repair and maintenance, licensing, and personnel expenses.

As a result, core EBITDA fell by 33%, from Php 718 million to Php 482 million, with the EBITDA margin narrowing from 21% to 14%.

Net income margin declined more modestly, from 24% to 21%, as the decline in operating income was partially cushioned by stronger other income and lower income tax expense.

- Other income rose by 23%, from Php 809 million to Php 993 million, mainly due to higher forfeitures and rental income, including from rent-to-own units.
- Net finance costs increased by 46%, from Php 311 million to Php 455 million, reflecting the impact of the significant financing component and higher borrowing rates. The blended rate for loans payable climbed from 5.41% to 6.05%.
- Provision for income tax decreased by 25%, from Php 353 million to Php 266 million, in line with the decline in taxable income.

### III. Maynilad Water Services, Inc. (Maynilad)

Associate Maynilad's reported net income contribution stood at Php 974 million, 33% higher than Php 734 million last year, primarily driven by a higher average effective tariff, partly offset by increased cash and noncash costs.

At the standalone level, reported net income rose by 29% to Php 3.81 billion, from Php 2.96 billion, with core net income also up by 29% to Php 3.81 billion, from Php 2.96 billion.

Below are the key highlights of Maynilad's quarterly performance:

- **Strong revenue growth.** Total revenues increased by 16%, from Php 8.41 billion to Php 9.79 billion, driven by tariff adjustments, and re-opening fees for previously disconnected services amid flattish billed volume.
- **Higher cash costs.** Total cash costs dropped by 2%, from Php 2.82 billion to Php 2.75 billion, largely due to lower production costs and better water turbidity resulting to low consumption of water treatment chemical, partly offset by the increased cross-border water purchases, personnel expenses, outside services, repairs and maintenance
- **Increase in noncash costs.** Noncash costs expanded by 9%, from Php 867 million to Php 947 million, due to increased amortization of concession assets and depreciation from new facilities.
- **Other expense.** Other income turned into an expense of Php 178 million, from a Php 28 million income last year, mainly due to accruals for real property taxes from new facilities.

- **Uptick in finance costs.** Net finance cost (net of finance income) grew by 3%, from Php 536 million to Php 553 million, on combined effect of benefitting from capitalization of finance costs related to ongoing projects and lower cash balance which led to lower finance oncome.

Finance income fell by 84%, from Php 57 million to Php 9 million.

Finance costs dipped by 5%, from Php 592 million to Php 562 million, while loans payable increased by 3% to Php 86.09 billion, from Php 83.65 billion.

- **Stable margins.** Core EBITDA margin stood at 66%, slightly down from 67%. Meanwhile, net income margin rose to 68% from 37%, supported by revenue growth, slower growth in cash costs, and lower income tax provisions.
- **Lower income taxes.** Income tax provisions fell by 15%, from Php 1.27 billion to Php 1.08 billion, on high-base effect from the conservative recognition of deferred income taxes in the same period last year.
- **Billed volume dip.** Billed volume declined by 1%, from 141.9 million cubic meters (MCM) to 139.8 MCM, largely attributable to lower commercial demand. Conversely, consumption per connection eased by 3% to 0.95 cubic meters per day, from 0.99.
- **Slight shift in customer mix.** Domestic customers accounted for 82.2% of billed volume, up from 81.6% last year, while non-domestic users decreased slightly to 17.8% (from 18.4%).
- **Adjusted tariff.** Average effective tariff rose by 10%, from Php 60.2 to Php 66.0, following the staggered implementation (third tranche) of the Metropolitan Waterworks and Sewerage System (MWSS)—approved basic rate adjustment effective January 1, 2025.

The company also reported the following operational results:

- **Lower water production.** Total water production at the DMA level decreased by 6%, from 193.0 MCM to 182.3 MCM, due to reduced output from the La Mesa and Putatan Treatment plants, as part of ongoing supply optimization efforts and non-revenue water (NRW) reduction initiatives.
- **Improved water efficiency.** Average non-revenue water (NRW) for DMA areas improved from **26.5%** to **23.3%**, while end-of-period NRW fell to **22.9%**, from **26.0%**, owing to ongoing pipe rehabilitation and leak detection efforts.
- **Expanding coverage and better availability.** Water service connections grew by 1.4%, from 1,542,045 to 1,563,344, supported by demand growth, population increases, and reconnections over the past twelve months.

24-hour water availability reached 97.4%, a notable increase from 95.3% last year. Meanwhile, water service coverage stood at 94.8% (from 94.7%), serving a growing population of 10.5 million (up 1% from 10.4 million).

- **Stronger sewer service coverage.** Sewer coverage expanded to 34.5%, from 30.7%, driven by a 14% increase in the served population to 3.6 million from 3.2 million, supported by aggressive infrastructure investments.

#### IV. DMCI Mining Corporation (DMCI Mining)

Net income contribution from the nickel business swung from a Php 43 million net loss to Php 344 million in the second quarter of 2025, driven by stronger operating performance and improved selling prices. The full operations of Zambales Chromite Mining Company (ZCMC) during the period increased the number of active mines from one to two.

At the standalone level, DMCI Mining reported a turnaround in net income, from a Php 54 million net loss to Php 322 million in net earnings. Core EBITDA surged from Php 38 million to Php 599 million on the back of stronger revenues and improved operating performance. No nonrecurring items were reported in either period.

Consequently, EBITDA margin expanded from 9% to 50%, while net income margin improved from -12% to 27%.

The following outlines DMCI Mining's financial and operational results:

- **Strong topline recovery.** Total revenues surged by 174%, from Php 437 million to Php 1.20 billion, reflecting higher selling prices and shipment volumes.
- **Higher shipments.** Total shipments grew by 62%, from 322,000 WMT to 522,000 WMT, as ZCMC resumed operations and contributed 210,000 WMT. ZDMC shipments slightly dipped by 3%, from 322,000 WMT to 312,000 WMT, accounting for 60% of total shipments.
- **Improved selling prices.** Average selling price (ASP) rose by 70%, from US\$23/WMT to US\$39/WMT, driven by better-grade nickel and stronger market benchmarks.

The average nickel grade sold improved to 1.36% from 1.31%, supported by higher-quality output from ZCMC.

While the Q2 2025 average LME nickel price declined by 21%, from US\$18,401/ton to US\$15,174/ton, the Philippine FOB price for 1.30% grade nickel climbed by 63%, from US\$19/WMT to US\$34/WMT. This was fueled by stronger demand in Asia—particularly for mid-grade saprolite nickel (1.30%–1.60%) from China and Indonesia—and monsoon-related shipping disruptions in the Philippines.

- **Slower growth in cash costs.** Total cash costs increased by 50%, from Php 399 million to Php 598 million, growing at a slower pace than revenues.

Cash cost of sales rose by 81%, from Php 206 million to Php 374 million, reflecting higher shipment volumes and related costs in shiploading, fuel, and labor.

Operating expenses grew by 57%, from Php 193 million to Php 303 million, due to higher excise taxes, environmental and SDMP spending tied to ZCMC's operations, and site development activities under Berong Nickel Corporation (BNC) in Palawan.

- **Increased noncash costs.** Depreciation and amortization rose by 41%, from Php 95 million to Php 134 million, due to higher equipment usage and acquisition of mining equipment over the past year.

The company also reported the following operational and financial results:

- **Higher production.** Total production volume increased by 46%, from 328,000 WMT to 479,000 WMT, primarily due to ZCMC's full-quarter output, accounting for 47% of total quarterly output.
- **Larger stockpile.** Ending inventory rose by 31%, from 116,000 WMT to 152,000 WMT. ZCMC's reactivation added 31,000 WMT to the inventory, while ZDMC stockpile increased by 5%, from 95,000 WMT to 100,000 WMT.
- **Healthier financial position.** As of June 30, 2025, the company's net debt-to-equity shifted to a net cash position of -6.7%, from a net debt position of 1.2% in December 2024, supported by a higher cash balance despite increased borrowings.

Total cash balance surged by 85%, from Php 848 million to Php 1.57 billion, backed by strong operating cash flows, even after Php 317 million in capex and Php 200 million in dividends paid to the parent.

Loans payable increased by 39%, from Php 900 million to Php 1.25 billion, primarily to fund capital expenditures.

- **Higher capital spending.** While quarterly capex dropped by 55%, from Php 187 million to Php 84 million, first-half capital expenditures rose by 43%, from Php 221 million to Php 317 million. The increase was attributed to fleet expansion at BNC Long Point and ZCMC, as well as exploration activities in Palawan.

## V. DMCI Power Corporation (DMCI Power)

Net income contribution from the off-grid energy business rose by 6%, from Php 355 million to Php 374 million, on the back of higher energy sales following expanded capacity in Palawan and the start of operations in Antique.

At the standalone level, net income likewise increased by 6%, from Php 354 million to Php 374 million. No nonrecurring items were reported during the period.

The following details provide key highlights into DMCI Power's performance:

- **Modest topline growth.** Total revenues rose by 4%, from Php 2.16 billion to Php 2.24 billion, in line with higher energy sales amid flat average.
- **Stronger energy sales.** Total energy sales volume increased by 4%, from 138.8 GWh to 144.2 GWh, on increased demand from Masbate, Oriental Mindoro and new contributions from Antique.

By service areas, Palawan remained the largest market, accounting for 39% of total sales, followed by Masbate (33%), Oriental Mindoro (24%), and Antique (4%).

Sales in Masbate grew by 3%, from 46.6 GWh to 48.1 GWh, while Oriental Mindoro sales rose by 5%, from 32.4 GWh to 33.9 GWh. Meanwhile, Palawan sales declined by 6%, from 59.8 GWh to 56.1 GWh, on lower energy offtake during the quarter. Antique



contributed 6.2 GWh, following new power supply agreement which commenced in February 2025, and the start of Semirara Wind in Q2.

By fuel type, sales from bunker plants surged by 33%, from 40.7 GWh to 54.3 GWh. Diesel was relatively flat, inching up from 40.7 GWh to 40.8 GWh. Coal-based generation declined by 18%, from 57.4 GWh to 47.1 GWh. Wind added 2.1 GWh in Q2 2025.

- **Stable ASP.** The average selling price (ASP) held steady at Php 15.5/KWh, as the inflation adjustment factor and the shift to higher-cost diesel in Masbate, due to thermal plant maintenance, offset the impact of lower fuel costs.

Thermal (coal) fuel prices dropped by 12%, from Php 4.66 per kilogram to Php 4.11. Bunker fuel costs fell by 7%, from Php 49.80 to Php 46.37 per liter, while diesel prices decreased by 8%, from Php 53.26 to Php 48.93 per liter.

- **Solid EBITDA performance.** Core EBITDA improved by 10%, from Php 541 million to Php 594 million, with EBITDA margin slightly expanding from 25% to 27% because of the more modest growth in total cash costs.

Total cash costs rose by 2%, from Php 1.62 billion to Php 1.64 billion, in line with higher sales volume, tempered by lower fuel costs.

- **Steady finance costs and higher tax provisions.** Finance cost rose slightly by 5%, from Php 53 million to Php 56 million, with no recorded finance income.

Provision for income taxes increased by 83%, from Php 21 million to Php 39 million, following the expiration of the income tax holiday (ITH) for the Masbate thermal plant in September 2024.

Meanwhile, the 8MW Masbate hybrid diesel plant's six-year ITH will remain in effect until January 2029, and the Palawan thermal plant has a four-year ITH set to expire in July 2027. New ITH grants include the 8.8MW Aborlan expansion, which is exempt until 2031, and the 12.5 MW Semirara wind farm, which will benefit from the ITH until 2032.

The company also reported the following results:

- **Expanded installed capacity.** Total installed capacity grew by 18%, from 159.8 MW to 188.3, driven by the commercial operations of new power plants. These include the 8 MW Palawan Bunker expansion plant in Aborlan (March 2025), the second 8 MW bunker unit in Aborlan (May 2025) and the 12.5 MW Semirara Wind in Antique (June 2025).
- **Higher generation output.** Total gross generation increased by 9%, from 149.7 GWh to 157.5 GWh, driven by higher dispatch in Masbate, Oriental Mindoro, and the commencement of operations in Antique.

Masbate's output rose by 2%, from 50.8 GWh to 52.1 GWh, while Oriental Mindoro edged up by 1%, from 33.6 GWh to 34.1 GWh. Palawan remained stable at 65.2 GWh (from 65.3 GWh), while Antique contributed 6.2 GWh.

- **Resilient market coverage.** DMCI Power maintained full market share (100%) in Masbate and held steady at 52% in Palawan. In Oriental Mindoro, market share rose

from 24% to 29%, driven by reduced availability of both conventional and renewable plants in the area.

- **Healthy financial position.** Net debt-to-equity ratio fell to 100%, from 106% at December 2024.

Cash balance increased by 32%, from Php 257 million to Php 338 million, on new loan drawdowns and strong operating performance.

Loans payable rose 3%, from Php 5.55 billion to Php 5.74 billion, reflecting funding for pipeline projects.

Total equity book value grew by 9%, from Php 4.97 billion to Php 5.40 billion, fueled by retained earnings and continued financial performance.

- **Higher Capital Spending.** Quarterly capital investments tripled (+233%), from Php 133 million to Php 444 million, primarily to support the maintenance activities of 15MW Palawan Thermal Plant and the commissioning 8MW Masbate Bunker plant.

## VI. D.M. Consunji, Inc. (DMCI)

Net income contribution from the construction business dropped to Php 18 million in the second quarter, from Php 240 million in the same period last year. The decline was primarily due to project delays that led to more conservative revenue recognition and elevated cash costs.

At the standalone level, DMCI reported a 47% decline in net income to Php 143 million, from Php 269 million. Core EBITDA also fell by 23% to Php 303 million from Php 392 million.

Meanwhile, consolidating entries under the parent company (DMC) rose from Php 38 million to Php 129 million, reflecting increased project progress for affiliate companies.

The following provides a detailed breakdown of DMCI's results:

- **Higher topline.** Total revenues grew by 20%, from Php 3.62 billion to Php 4.34 billion, supported by increased accomplishments across the Building, Infrastructure, and Joint Venture (JV) segments.

The Building segment remained the top contributor at 57% of total revenues, followed by Joint Ventures (20%), Infrastructure (17%), and Allied Services (6%).

Building revenues rose 5%, from Php 2.35 billion to Php 2.47 billion, driven by progress in new projects and finalization of certain accounts.

Infrastructure revenues surged 118%, from Php 344 million to Php 743 million, due to progress on key projects and subcontracting works.

Joint Ventures and billables increased 23%, from Php 699 million to Php 863 million, largely from accomplishments on the Metro Manila Subway Project Contract Package 102 (with Nishimatsu Construction), the South Commuter Railway Project Contract

Package S02 (with Acciona Construction Philippines), and the North-South Commuter Railway Project Contract Package 01 (with Taisei Corporation).

Allied Services revenues rose 17%, from Php 224 million to Php 262 million, on increased project accomplishments.

- **Narrower margins.** Total cash costs rose 25%, from Php 3.22 billion to Php 4.04 billion, outpacing topline growth. This was primarily due to conservative estimates amid prolonged project timelines, which resulted in higher material costs, extended labor, and additional overhead.

The cash component of cost of sales (COS) increased 24%, from Php 3.12 billion to Php 3.85 billion, due to higher accomplishments.

Operating expenses rose 75%, from Php 105 million to Php 183 million, reflecting increased costs for taxes, permits, and software licenses.

Noncash costs decreased 12%, from Php 138 million to Php 121 million, as capital spending slowed with fewer project requirements over the past 12 months.

Net finance income declined 44%, from Php 32 million to Php 18 million, due to lower cash levels and interest rates.

As a result, EBITDA and core net income margins narrowed to 7% and 3%, respectively, from 11% and 7% last year.

The company also reported the following operational and financial results for the periods ending June 30, 2025, and December 31, 2024:

- **Healthy backlog.** Total order book stood at Php 36.4 billion, down 11% from Php 40.6 billion, as booked revenues (Php 8.0 billion) outpaced new project awards (Php 4.0 billion) and change orders (Php 0.2 billion).

The Building segment accounted for 53% of the order book, followed by Joint Ventures (40%) and Infrastructure (7%).

- **Notable project awards** in H1 2025 included the Amani Tower and La Salle Greenhills Senior High School and Innovation Building.
- **Capital expenditures uptick.** Quarterly capex rose 6%, from Php 125 million to Php 132 million, reflecting requirements for new and ongoing projects.
- **Net cash position.** The company remained debt-free since December 2023. While the cash balance declined by 13%, from Php 4.27 billion to Php 3.71 billion, due to project requirements and capital expenditures for the period, the net debt-to-equity ratio remained healthy at -0.48, compared to -0.59.

## VII. Concreat Holdings Philippines (Concreat)

The cement business contributed a net loss of Php 683 million, largely attributable to higher interest expense and modest revenues, while turnaround efforts are underway following DMCI Management's acquisition on December 2, 2024.

Standalone core net income improved by 28%, although amounting to a loss of Php 1.08 billion, compared to a loss of Php 1.51 billion last year, primarily due to the previous year's foreign exchange losses from payables and loans previously owed to Cemex.

Including nonrecurring items, reported net loss was at Php 1.54 billion, 2% improvement compared with the Php 1.51 billion loss last year. 2025 nonrecurring item amounting to Php 452 million, pertains to the write-down of old power self-generation assets in APO Cement Plant, while no nonrecurring items were recorded in 2024.

Core EBITDA from the cement business was a loss of Php 139 million, compared to a loss of Php 19 million last year, as cost savings were offset by lower selling price and temporary production constraints.

Recovery efforts underway for Concreat, as reductions in unitary cash cost arising from the benefits of operational improvements – including the use of Semirara coal as primary fuel, utilization of fuel ash as raw materials, and optimization of supply chain operations – have started to materialize, especially towards the latter half of the quarter.

Further information on Concreat's financial results:

- **Lower revenue.** Total revenue dipped by 5%, from Php 4.18 billion to Php 3.96 billion, mainly due to lower average selling price, which was down 4% compared with the same period last year, as a result of intense industry competition, heightened by the presence of imported cement.
- **Reduced cash cost.** Total cash cost per ton fell by 2%, from Php 4,063 to Php 3,969, mainly attributable to cost savings from synergies with the DMCI group and the cessation of royalty and fees previously paid to Cemex.
- **Decreased other expenses.** Other expenses fell to Php 10 million, as the previous year's expenses of Php 796 million included foreign exchange losses from payables and loans previously owed to Cemex.
- **Higher finance cost.** Net finance cost (net of finance income) increased to Php 418 million from Php 170 million, driven by higher bank loan balances. In addition, last year benefitted from the capitalization of interest related to the Solid Cement New Line project.
- **Lower CAPEX.** Capital expenditure (CAPEX) declined by 67%, from Php 1.15 billion to Php 380 million, as the Solid Cement New Line project was completed in April 2025.
- **Completion of Solid Cement New Line.** In April 2025, the additional 1.5 million tons per year integrated cement production line in Solid Cement Plant became fully operational. Total annual capacity of Concreat increased by 26%, from 5.7 million tons to 7.2 million tons, with Solid Cement's annual capacity boosted to 3.4 million tons from 1.9 million tons.

## CAPEX

The DMCI Group spent Php 23.5 billion in capital expenditures in the first half of 2025, up 19% from last year. Excluding Maynilad, group capex rose 10%, from Php 11.5 billion to Php 12.7 billion, mainly due to the addition of Concreat's spending. Most of its investments went to completing Solid Cement's new 1.5 million-ton capacity kiln, which began commercial operations in April, and to minor system upgrades.

SMPC increased spending for re-fleeting, equipment purchases, and plant maintenance at SLPGC. DMCI Homes focused on the construction of ongoing projects, while DMCI Power ramped up spending due to the commissioning of the Semirara Wind Project and scheduled maintenance of its Palawan plant. DMCI Mining also boosted investments for fleet expansion and exploration in Palawan and Zambales.

Maynilad remained the biggest capex contributor, with a 32% increase to Php 4.9 billion. Investments were directed toward improving water service delivery, non-revenue water (NRW) reduction, and sewerage infrastructure development.

in Php bn	Q2 2025	Q2 2024	Change	H1 2025	H1 2024	Change
DMCI	0.1	-	100%	0.4	-	100%
DMCI Homes	3.3	3.4	-3%	6.1	7.7	-21%
SMPC	2	1.4	43%	4.5	3.2	41%
DMCI Power	0.4	0.1	300%	0.6	0.4	50%
DMCI Mining	0.1	0.2	-50%	0.3	0.2	50%
Maynilad	6	4.7	28%	10.8	8.2	32%
Concreat	0.4	-	100%	0.8	-	100%
<b>Total</b>	<b>12.3</b>	<b>9.9</b>	<b>24%</b>	<b>23.5</b>	<b>19.8</b>	<b>19%</b>

in Php bn	2025F	2024	Change
DMCI	0.5	0.1	400%
DMCI Homes	17.4	14.7	18%
SMPC	6.9	5.3	30%
DMCI Power	1.7	1.6	6%
DMCI Mining	0.5	0.7	-29%
Maynilad	28.4	25.7	11%
Concreat	1.8	0.2*	100%
<b>Total</b>	<b>57.2</b>	<b>48.3</b>	<b>18%</b>

*\*under DMCI Holdings management as of December 2, 2024*

For full-year 2025, the DMCI Group is poised to ramp up capital investments across its businesses. Excluding Maynilad, group capex is projected to increase by 30%, driven by the addition of Concreat's spending and higher investments from DMCI Homes, SMPC, DMCI, and DMCI Power.

DMCI will continue to invest in refueling and equipment for new and ongoing projects. DMCI Homes plans to allocate 92% of its Php 17.4 billion capex to the construction of ongoing and newly launched projects, with the remainder mainly for settlement of outstanding payables on land banking.

SMPC expects capex to climb 30% to Php 6.9 billion, largely for fleet expansion and equipment upgrades to support its expanded mining program, following the approval of its revised ECC in May, which raised its annual mining limit to 20 million metric tons. The remainder of its capex will support system upgrades and maintenance aimed at improving fuel and feed efficiency in its power segment.

DMCI Power has earmarked 80% of its Php 1.7 billion capex for expansion projects, including the Masbate Diesel and Solar Plants, Palawan Bunker Plant, and Semirara Wind Project. The balance will go to regular maintenance.

DMCI Mining will focus its budget on start-up costs for a new Palawan mine, and the recently opened mine Zambales site, covering fleet expansion, infrastructure build-out, and exploration.

Maynilad will continue to lead the Group's capital spending with a full-year budget of Php 28.4 billion. Its investments are geared toward enhancing water supply reliability, reducing system losses, and expanding wastewater infrastructure across its service area. The utility also plans to invest in customer service improvements and digitalization initiatives to support operational efficiency and long-term sustainability.

Meanwhile, Concreat (CHP) plans to spend Php 1.8 billion, with 45% for completing Solid Cement's Kiln 4, and the rest for plant upgrades, integration efforts within the DMCI Group, and distribution network development.

## Outlook and Updates

The DMCI Group remains cautiously optimistic for the second half of 2025 amid ongoing challenges from normalized energy prices, a softer construction market, and transitional costs in the cement business. Despite these headwinds, the Group is supported by its DMCI Ecosystem model, where vertical integration enhances supply security, operating efficiency, and cost control across its portfolio.

The integration of Concreat is part of this ecosystem strategy. While still stabilizing, the cement business is expected to improve cost efficiency and supply chain reliability for key businesses such as construction, real estate, and energy.

Beyond Concreat, the Group's core businesses continue to pursue organic growth:

- **DMCI** is actively bidding for large-scale industrial, building, and infrastructure projects, leveraging its debt-free balance sheet to pursue new contracts as public spending accelerates under Build Better More, the Maharlika Fund, and the ARROW Act.

- **DMCI Homes** is focused on selling ready-for-occupancy units through rent-to-own schemes and flexible payment terms. Beyond Metro Manila, it is developing a new project in Cebu and planning a premium residential launch in Baguio within the year.
- **SMPC** is pursuing cost and operational efficiencies alongside production expansion. The ECC amendment raising its annual mining capacity to 20 MMT and exploration at Acacia mine are expected to strengthen its scale and competitiveness. For power, the company aims to contract around two-thirds of its net selling capacity through bilateral agreements to manage market volatility.
- **DMCI Power** targets a 26% increase in installed capacity this year, with new units in Palawan and Semirara already online, and another 8MW set to commence by Q3. The company is also participating in CSPs aligned with government rural electrification goals.
- **DMCI Mining** is set to benefit from stronger nickel prices and increased production in Zambales, which could reach 2 million WMT this year. Operations at the Long Point mine in Palawan may begin by Q4, potentially raising the number of active mines to three and production capacity to 3 million WMT by 2026.
- **Maynilad** Maynilad continues to implement the third tranche of its MWSS-approved rate rebasing in 2025, while ramping up capital spending to improve service reliability, expand water and wastewater coverage, and reduce system losses—aimed at meeting its 2025 service obligations and targets under the current rate rebasing period through 2027.
- **Concreat Holdings** is focused on scaling operations and improving cost efficiency through Solid Cement's Kiln 4, streamlined product lines, Semirara coal utilization, fly ash blending, and supply chain optimization. Strengthening its distribution network and exploring alternative fuels will remain key priorities.

### **Explanation of movement in consolidated income statement accounts:**

#### **Revenues**

Consolidated revenues for the first six months of 2025 increased by 11% from Php 55.5 billion to Php 61.6 billion due to construction accomplishments of new projects, higher real estate accounts qualifying for revenue recognition, improved nickel shipments and prices and one full quarter cement revenue contribution.

#### **Cost of Sales and Services**

Cost of sales and services during the period increased by 29%, outpacing the increase in revenue. This is mainly attributable, higher replacement costs of power, real estate costs and one full quarter contribution from cement segment. This resulted to lower gross profit margin.

#### **Operating Expenses**

Government royalties for the period amounted to Php 2.3 billion, 40% lower from Php 3.8 billion last year as the coal business recorded lower profits. Excluding government royalties, operating expenses incurred during the six-month period increased by 58% to Php 7.4 billion due mainly to higher repairs and maintenance, salaries and wages, insurance premiums, and association dues, coupled with the full quarter inclusion of CHP's operating expenses.

#### **Equity in Net Earnings**

Equity in net earnings of associates increased by 27% as a result of higher income take up from Maynilad.

#### Finance Income

Consolidated finance income decreased by 3% due mainly to lower amount of placements and applicable rates during the period.

#### Finance Cost

Consolidated finance costs increased by 58%, as net impact of loan payments and availment during the period, coupled with the inclusion of CHP's finance costs.

#### Other Income-net

Other income increased by 15% primarily attributable to income from real estate forfeitures and cancellations.

#### Provision for Income Tax

Income tax grew despite lower taxable income due to expiration of ITH of off-grid business and higher contribution from real estate and nickel mining segments.

## **II. CONSOLIDATED FINANCIAL CONDITION**

### **June 30, 2025 (Unaudited) vs December 31, 2024 (Audited)**

Total assets for the period reached P287.5 billion, a slight dip from December 31, 2024. Meanwhile, consolidated total equity is at par with December 31, 2024 balance at Php 150.1 billion.

Consolidated cash decreased by 6% from Php 34.3 billion to Php 32.1 billion due mainly to payment of dividends to shareholders. This is mitigated by the improved collection from real estate customers.

Receivables grew by 3% to Php 22.4 billion due mainly to the pending collection from power and cement customers.

Contract assets (current and non-current) decreased by 17% to Php 15.7 billion due to lower construction accomplishments.

Consolidated inventories increased by 7% to Php 71.6 billion primarily attributable to higher project accomplishments of real estate segment and coal inventory and power plant spare parts of SMPC.

Other current assets decreased by 10% to Php 15.0 billion from Php 16.6 billion of last year due mainly to amortization of prepaid expenses.

Investments in associates and joint ventures stands still at Php 24.2 billion as a result of the net impact of the income take up and dividend received from Maynilad.

Property, plant and equipment is flat at Php 82.6 billion.

Right-of-use assets decreased by 6% due to amortization.



Other noncurrent assets grew by 25% due mainly to higher refundable deposits and noncurrent prepayments.

Accounts and other payables increased by 5% from Php 32.2 billion to Php 33.8 billion primarily attributable to the timing of payment of cement and power segments suppliers.

Contract liabilities (current and non-current) slightly declined by 1% to Php 24.3 billion due to recoupment of customers' deposits.

From Php 68.1 billion, total debt (under short-term and long-term debt) stood at Php 65.6 billion on the back of the debt payment made by SMPC, Concreat and DMCI Homes and availment of DMCI Mining and DMCI Power.

Liabilities for purchased land is grew by 9% to Php 1.2 billion as a result of land banking activity of the real estate business.

Deferred tax liabilities increased by 4% on higher booked income compared to taxable income of real estate sales.

Consolidated retained earnings stood at Php 92.6 billion at the end of June 2025, 1% higher from the restated retained earnings of 2024 at Php 91.5 billion after generation of Php 9.1 billion net income and declaration of dividend amounting to Php 7.97 billion.

Non-controlling interest decrease by 3% as a result of the non-controlling share in net income reduced by dividends to non-controlling interest of SMPC.

### III. KEY PERFORMANCE INDICATORS

The Company and its Subsidiaries (the "Group") use the following key performance indicators to evaluate its performance:

- a) Segment Revenues
- b) Segment Net Income (after Noncontrolling Interests)
- c) Earnings Per Share
- d) Return on Common Equity
- e) Net Debt to Equity Ratio

#### SEGMENT REVENUES

<i>(in Php Millions)</i>	For the Period		Variance	
	2025	2024	Amount	%
Semirara Mining and Power Corporation	31,328	36,594	(5,266)	-14%
D.M. Consunji, Inc.	8,334	7,342	992	14%
DMCI Homes	7,936	6,518	1,418	22%
Concreat	7,258	—	7,258	100%
DMCI Power	3,998	3,855	143	4%
DMCI Mining	2,587	1,029	1,558	151%
Parent and Others	161	179	(18)	-10%
<b>Total Revenues</b>	<b>61,602</b>	<b>55,517</b>	<b>6,085</b>	<b>11%</b>

The initial indicator of the Company's gross business results is seen in the movements in the different business segment revenues.

As shown above, consolidated revenues increased by 11% as lower coal price is cushioned by the impact of improved nickel shipment and prices, power sales and higher real estate accounts qualifying for revenue recognition coupled with the full period inclusion of cement business revenue.

#### CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS

<b>(in Php Millions)</b>	For the Period		Variance	
	2025	2024	Amount	%
Semirara Mining and Power Corporation	4,800	7,110	(2,310)	-32%
DMCI Homes	2,052	1,421	631	44%
Maynilad	1,899	1,395	504	36%
DMCI Mining	753	(65)	818	1,258%
DMCI Power	644	619	25	4%
Parent and Others	141	124	17	14%
D.M. Consunji, Inc.	68	338	(270)	-80%
Concreat	(1,228)	–	(1,228)	-100%
<b>Core Net Income</b>	<b>9,129</b>	<b>10,942</b>	<b>(1,813)</b>	<b>-17%</b>
Non-recurring Items	1	198	(197)	-99%
<b>Reported Net Income</b>	<b>9,130</b>	<b>11,140</b>	<b>(2,010)</b>	<b>-18%</b>

The decline in net income (after non-controlling interest) of the Group is attributed to the lower coal prices, fewer construction projects and the net loss contribution of cement segment. These are mitigated by improved nickel shipment and prices, higher power and real estate sales and better performance of its associate.

#### EARNINGS PER SHARE

Earnings per share (EPS) pertains to the company's income allocated to each outstanding share of common stock. It serves as an indicator of the company's profitability.

The Company's consolidated basic and diluted EPS was Php 0.69/share for the six-month period ended June 30, 2025, a 18% decline from Php 0.84/share EPS year-on-year.

#### RETURN ON COMMON EQUITY

Return on common equity is defined as the amount of net income a company earns per amount of shareholders equity. It is one of the common metrics used by investor to determine how effectively their capital is being reinvested. It is arrived at by dividing the net income share of the parent company over the average parent equity. The Company's return on common equity stood at 8% and 10% for the six-month period of 2025 and 2024, respectively.

## NET DEBT TO EQUITY RATIO

As a stockholder/investor, financial position and stability would be an important aspect. The Company tests its solvency and leverage exposure through the net debt to equity ratio. This test indicates the Company's ownership of creditors vs. owners/investors. Net debt to equity ratio is computed by dividing the interest-bearing loans net of cash and cash equivalents over total equity.

Total borrowings stood at Php 65.6 billion, which resulted to a net debt to equity ratio of 0.22:1 and 0.23:1 as of June 30, 2025 and December 31, 2024, respectively.

## FINANCIAL SOUNDNESS RATIOS

	June 30, 2025	December 31, 2024
Current Ratio	2.40 times	2.61 times
Net Debt to Equity Ratio	0.22 times	0.23 times
Asset to Equity Ratio	1.92 times	1.88 times
	June 30, 2025	June 30, 2024
Return on Assets	5%	7%
Return on Common Equity	8%	10%
Interest Coverage Ratio	8 times	15 times
Gross Profit Margin	34%	43%
Net Profit Margin	20%	30%

## PART II--OTHER INFORMATION

1. The Company's operation is a continuous process. It is not dependent on any cycle or season;
2. Economic and infrastructure developments in the country may affect construction business; Interest rate movements may affect the performance of the real estate industry; Mining activities are generally hinged on the commodities market and affected by weather conditions. Businesses not affected by known cycle, trends or uncertainties are power and water.
3. On March 25, 2025, the BOD of the Parent Company approved the declaration of (1) regular cash dividends in the amount of Php 0.35 per common share or a total of Php 4.69 billion; and (2) special cash dividends of Php 0.25 per common share or a total of Php 3.27 billion, or a grand total of Php 7.97 billion in favor of the common stockholders of record as of April 10, 2025, and was paid on April 24, 2025.
4. On October 16, 2024, the BOD of the Parent Company approved the declaration of special cash dividends of Php 0.48 per common share or a total of Php 6.37 billion, in favor of the common stockholders of record as of October 30, 2024 and was paid on November 15, 2024.
5. There are no undisclosed material subsequent events and transferring of assets not in the normal course of business that have not been disclosed for the period that the Company has knowledge of.
6. There are no material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation has been disclosed in the notes to financial statements.
7. There are no 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.

8. Except for interest payments on loans, which the Company can fully service, the only significant commitment that would have a material impact on liquidity are construction guarantees. These are usually required from contractors in case of any damage/destruction to a completed project.
9. Any known trends or any known demands, commitments, events or uncertainties that will result in or that will have a material impact on the registrant's liquidity. - None
10. The Group does not have any offering of rights, granting of stock options and corresponding plans therefore.
11. All necessary disclosures were made under SEC Form 17-C.

### SIGNATURES

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

Issuer                      DMCI Holdings, Inc.

Signature and Title

  
**Herbert M. Consunji**  
Executive Vice President and CFO

Signature and Title

  
**Joseph Adelbert V. Legasto**  
Deputy Chief Financial Officer

Date

August 5, 2025

**DMCI HOLDINGS, INC. AND SUBSIDIARIES****UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****(Amounts in Thousands)**

	<b>June 30, 2025</b> <b>(Unaudited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	<b>₱32,079,871</b>	₱34,298,524
Receivables - net (Note 9)	<b>22,393,468</b>	23,033,562
Current portion of contract assets	<b>10,317,698</b>	13,057,803
Inventories	<b>71,640,048</b>	67,234,146
Other current assets	<b>15,001,948</b>	15,202,487
Total Current Assets	<b>151,433,033</b>	152,826,522
<b>Noncurrent Assets</b>		
Property, plant and equipment	<b>82,560,015</b>	82,493,172
Investments in associates and joint ventures (Note 6)	<b>24,198,268</b>	24,275,274
Contract asset - net of current portion	<b>5,369,210</b>	5,888,895
Trademarks	<b>5,492,744</b>	5,492,744
Deferred tax assets - net	<b>1,647,948</b>	1,617,544
Exploration and evaluation asset	<b>445,215</b>	1,386,296
Right-of-use assets	<b>3,603,096</b>	3,828,484
Goodwil	<b>1,947,415</b>	1,947,415
Other noncurrent assets	<b>10,801,290</b>	8,689,307
Total Noncurrent Assets	<b>136,065,201</b>	135,619,131
	<b>₱287,498,234</b>	₱288,445,653

**LIABILITIES AND EQUITY****Current Liabilities**

Short-term debt	<b>₱3,975,923</b>	₱4,312,526
Accounts and other payables	<b>33,819,128</b>	32,244,992
Income tax payable	<b>152,664</b>	391,225
Current portion of liabilities for purchased land	<b>665,188</b>	532,239
Current portion of long-term debt	<b>9,174,883</b>	4,906,247
Current portion of contract liabilities and other customers' advances and deposits	<b>15,405,915</b>	16,199,469
Total Current Liabilities	<b>63,193,701</b>	58,586,698

(Forward)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Noncurrent Liabilities</b>		
Long-term debt - net of current portion	<b>₱52,415,878</b>	₱58,907,449
Deferred tax liabilities - net	<b>5,534,775</b>	5,313,225
Contract liabilities - net of current portion	<b>8,880,382</b>	8,354,244
Liabilities for purchased land - net of current portion	<b>510,052</b>	547,119
Other noncurrent liabilities	<b>6,882,801</b>	6,965,919
Total Noncurrent Liabilities	<b>74,223,888</b>	80,087,956
Total Liabilities	<b>137,417,589</b>	138,674,654
<b>Equity (Note 3)</b>		
Equity attributable to equity holders of the Parent Company:		
Paid-in capital	<b>27,949,868</b>	27,949,868
Treasury shares - Preferred	<b>(7,069)</b>	(7,069)
Retained earnings	<b>92,626,465</b>	91,463,005
Premium on acquisition of non-controlling interests	<b>(817,958)</b>	(817,958)
Remeasurements on retirement plans - net of tax	<b>1,106,281</b>	1,182,835
Net accumulated unrealized gains on equity investments designated at FVOCI	<b>242,034</b>	242,034
Share in other comprehensive income of associates	<b>(93,410)</b>	(93,410)
	<b>121,006,211</b>	119,919,305
Non-controlling interests	<b>29,074,434</b>	29,851,694
Total Equity	<b>150,080,645</b>	149,770,999
	<b>₱287,498,234</b>	₱288,445,653

**DMCI HOLDINGS, INC. AND SUBSIDIARIES****UNAUDITED CONSOLIDATED STATEMENTS OF INCOME**

For the Period and Quarter Ended June 30, 2025 and 2024

(Amounts in Thousands, except for Earnings Per Share figures)

	For the period		For the quarter	
	Jan to Jun 2025	Jan to Jun 2024	Apr to Jun 2025	Apr to Jun 2024
<b>REVENUE</b> (Notes 4 and 8)				
Coal mining	<b>₱18,351,688</b>	₱23,882,005	<b>₱8,315,829</b>	₱11,243,483
Electricity sales	<b>16,973,373</b>	16,567,091	<b>8,718,208</b>	9,080,994
Real estate sales	<b>7,935,863</b>	6,517,888	<b>3,389,881</b>	3,456,923
Construction contracts	<b>8,335,336</b>	7,342,151	<b>4,083,024</b>	3,771,031
Nickel mining	<b>2,586,502</b>	1,028,739	<b>1,196,504</b>	437,367
Cement	<b>7,257,655</b>	–	<b>3,955,771</b>	–
Merchandise sales and others	<b>161,284</b>	179,543	<b>84,617</b>	97,253
	<b>61,601,701</b>	55,517,417	<b>29,743,834</b>	28,087,051
<b>COSTS OF SALES AND SERVICES</b>				
Coal mining	<b>11,580,696</b>	12,447,923	<b>5,226,588</b>	6,164,144
Electricity sales	<b>9,130,099</b>	7,803,273	<b>4,708,670</b>	4,138,650
Real estate sales	<b>4,704,258</b>	3,886,213	<b>1,949,851</b>	2,066,427
Construction contracts	<b>7,881,266</b>	6,699,502	<b>3,820,824</b>	3,409,143
Nickel mining	<b>900,814</b>	711,735	<b>387,946</b>	294,681
Cement	<b>6,434,127</b>	–	<b>3,557,772</b>	–
Merchandise sales and others	<b>116,431</b>	136,357	<b>59,565</b>	75,592
	<b>40,747,691</b>	31,685,003	<b>19,711,216</b>	16,148,637
<b>GROSS PROFIT</b>	<b>20,854,010</b>	23,832,414	<b>10,032,618</b>	11,938,414
<b>OPERATING EXPENSES</b> (Note 5)	<b>9,674,672</b>	8,438,193	<b>4,782,870</b>	3,963,795
	<b>11,179,338</b>	15,394,221	<b>5,249,748</b>	7,974,619
<b>OTHER INCOME (EXPENSES)</b>				
Equity in net earnings of associates (Note 6)	<b>1,803,918</b>	1,422,989	<b>874,609</b>	758,587
Finance income	<b>1,047,823</b>	1,083,898	<b>269,203</b>	505,636
Finance costs	<b>(2,128,137)</b>	(1,344,460)	<b>(1,101,639)</b>	(675,697)
Other income - net	<b>2,441,270</b>	2,118,994	<b>1,099,313</b>	866,027
<b>INCOME BEFORE INCOME TAX</b>	<b>14,344,212</b>	18,675,642	<b>6,391,234</b>	9,429,172
<b>PROVISION FOR INCOME TAX</b>	<b>2,302,854</b>	2,089,276	<b>1,019,994</b>	1,277,885
<b>NET INCOME</b>	<b>₱12,041,358</b>	₱16,586,366	<b>₱5,371,240</b>	₱8,151,287
<b>NET INCOME ATTRIBUTABLE TO</b>				
Equity holders of the Parent				
Company (Note 4)	<b>₱9,129,942</b>	₱11,139,893	<b>₱4,021,091</b>	₱5,535,417
Non-controlling interests	<b>2,911,416</b>	5,446,473	<b>1,350,149</b>	2,615,870
	<b>₱12,041,358</b>	₱16,586,366	<b>₱5,371,240</b>	₱8,151,287
<b>EARNINGS PER SHARE</b>				
<b>ATTRIBUTABLE TO EQUITY</b>				
<b>HOLDERS OF THE PARENT</b>				
<b>COMPANY-BASIC AND DILUTED</b>				
(Note 7)	<b>₱0.69</b>	₱0.84	<b>₱0.30</b>	₱0.42

**DMCI HOLDINGS, INC. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF**  
**COMPREHENSIVE INCOME**

**For the Period and Quarter Ended June 30, 2025 and 2024**  
**(Amounts in Thousands)**

	<b>For the period</b>		<b>For the quarter</b>	
	<b>Jan to Jun 2025</b>	<b>Jan to Jun 2024</b>	<b>Apr to Jun 2025</b>	<b>Apr to Jun 2024</b>
<b>NET INCOME</b>	<b>₱12,041,358</b>	<b>₱16,586,366</b>	<b>₱5,371,240</b>	<b>₱8,151,287</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
<b>Items to be reclassified subsequently to profit or loss</b>				
Changes in fair values of investments in equity instruments designated at FVOCI	—	—	—	—
	—	—	—	—
<b>Items not to be reclassified to profit or loss in subsequent periods</b>				
Remeasurement gains on retirement plans	—	—	(64,491)	—
Income tax effect	(76,554)	(1,312)	16,123	(1,312)
	(76,554)	(1,312)	(48,368)	(1,312)
<b>OTHER COMPREHENSIVE INCOME</b>	<b>(76,554)</b>	<b>(1,312)</b>	<b>(48,368)</b>	<b>(1,312)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>₱11,964,804</b>	<b>₱16,585,054</b>	<b>₱5,322,872</b>	<b>₱8,149,975</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Equity holders of the Parent Company (Note 4)	<b>₱9,053,388</b>	<b>₱11,138,581</b>	<b>₱3,972,723</b>	<b>₱5,534,105</b>
Non-controlling interests	<b>2,911,416</b>	<b>5,446,473</b>	<b>1,350,149</b>	<b>2,615,870</b>
	<b>₱11,964,804</b>	<b>₱16,585,054</b>	<b>₱5,322,872</b>	<b>₱8,149,975</b>



# DMCI HOLDINGS, INC. AND SUBSIDIARIES

## UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Period Ended June 30, 2025 and 2024

(Amounts in Thousands)

### Attributable to Equity Holders of the Parent Company

	Capital Stock (Note 3)	Additional Paid-in Capital (Note 3)	Total Paid-in Capital (Note 3)	Treasury Shares - Preferred (Note 3)	Unappropriated Retained Earnings (Note 3)	Premium on Acquisition of Non-controlling Interest	Remeasurements on Retirement Plans	Net Accumulated Unrealized Gain on equity investments designated at FVOCI	Other Equity	Parent Equity	Non controlling Interests	Total Equity
For the Period Ended June 30, 2025												
Balances as of January 1, 2025	₱13,287,474	₱14,662,394	₱27,949,868	(₱7,069)	₱91,463,005	(₱817,958)	₱1,182,835	₱242,034	(₱93,410)	₱119,919,305	₱29,851,694	₱149,770,999
Comprehensive income												
Net income	—	—	—	—	9,129,942	—	—	—	—	9,129,942	2,911,416	12,041,359
Other comprehensive income	—	—	—	—	—	—	(76,554)	—	—	(76,554)	—	(76,554)
Total comprehensive income	—	—	—	—	9,129,942	—	(76,554)	—	—	9,053,388	2,911,416	11,964,805
Cash dividends declared (Note 3)	—	—	—	—	(7,966,482)	—	—	—	—	(7,966,482)	(3,688,676)	(11,655,158)
Balances at June 30, 2025	₱13,287,474	₱14,662,394	₱27,949,868	(₱7,069)	₱92,626,465	(₱817,958)	₱1,106,281	₱242,034	(₱93,410)	₱121,006,211	₱29,074,434	₱150,080,646

### For the Period Ended June 30, 2024

As Restated

Balances as of January 1, 2024	₱13,277,474	₱4,672,394	₱17,949,868	(₱7,069)	₱90,797,032	(₱817,958)	₱899,283	₱174,698	₱25,385	₱109,021,239	₱28,415,911	₱137,437,150
Comprehensive income												
Net income	—	—	—	—	11,139,893	—	—	—	—	11,139,893	5,446,473	16,586,366
Other comprehensive income	—	—	—	—	—	—	(1,312)	—	—	(1,312)	—	(1,312)
Total comprehensive income	—	—	—	—	11,139,893	—	(1,312)	—	—	11,138,581	5,446,473	16,585,054
Cash dividends declared (Note 3)	—	—	—	—	(9,559,778)	—	—	—	—	(9,559,778)	(6,449,470)	(16,009,248)
Balances at June 30, 2024	₱13,277,474	₱4,672,394	₱17,949,868	(₱7,069)	₱92,377,147	(₱817,958)	₱897,971	₱174,698	₱25,385	₱110,600,042	₱27,412,914	₱138,012,956

**DMCI HOLDINGS, INC. AND SUBSIDIARIES****UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS****For the Period Ended June 30, 2025 and 2024****(Amounts in Thousands)**

	<b>June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	<b>₱14,344,213</b>	<b>₱18,675,642</b>
Adjustments for:		
Depreciation, depletion and amortization	<b>5,808,838</b>	4,256,650
Finance cost	<b>2,128,137</b>	1,344,460
Equity in net earnings of associates and joint ventures	<b>(1,803,918)</b>	(1,422,989)
Finance income	<b>(1,047,823)</b>	(1,083,898)
Movement in net retirement liability	<b>(203,230)</b>	82,263
Net unrealized foreign exchange gain	<b>(86,569)</b>	(45,290)
Gain on sale of property, plant and equipment	<b>(15,712)</b>	—
Gain on sale of undeveloped land	<b>—</b>	(194,560)
Operating income before changes in working capital	<b>19,123,936</b>	21,612,278
Decrease (increase) in:		
Receivables and contract assets	<b>2,505,828</b>	2,740,030
Inventories	<b>(5,285,456)</b>	(2,048,443)
Other current assets	<b>1,594,595</b>	1,875,664
Increase (decrease) in:		
Accounts and other payables	<b>7,228,751</b>	(3,024,328)
Contract liabilities and other customer advances and deposits	<b>(267,416)</b>	1,655,220
Liabilities for purchased land	<b>95,883</b>	(165,760)
Cash generated from operations	<b>24,996,121</b>	22,644,661
Interest received	<b>1,047,823</b>	1,083,898
Income taxes paid	<b>(2,350,269)</b>	(3,056,378)
Net cash provided by operating activities	<b>23,693,675</b>	20,672,181
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to :		
Property, plant and equipment	<b>(3,931,355)</b>	(3,071,048)
Investments in associates, joint ventures and others	<b>—</b>	(2,624,467)
Proceeds from disposal of :		
Property, plant and equipment	<b>38,952</b>	—
Undeveloped land	<b>—</b>	1,820,500
Increase in other noncurrent assets	<b>(6,444,682)</b>	(151,710)
Dividends received from associate	<b>1,642,495</b>	1,146,113
Net cash used in investing activities	<b>(8,694,590)</b>	(2,880,612)

(Forward)

	<b>June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from:		
Long-term debt	<b>₱2,215,708</b>	₱1,403,390
Short-term debt	<b>4,733,648</b>	—
Payments of:		
Dividends paid to equity holders of parent company	<b>(7,966,482)</b>	(9,559,778)
Dividends to non-controlling interests	<b>(3,688,676)</b>	(6,449,470)
Long-term debt	<b>(4,462,783)</b>	(4,123,798)
Short-term debt	<b>(5,070,250)</b>	(116,026)
Interest	<b>(2,103,998)</b>	(1,335,896)
Decrease in other noncurrent liabilities	<b>(961,474)</b>	(116,335)
Net cash used in financing activities	<b>(17,304,307)</b>	(20,297,913)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>86,569</b>	45,290
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(2,218,653)</b>	(2,461,054)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>34,298,524</b>	32,158,079
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>₱32,079,871</b>	₱29,697,025

# DMCI HOLDINGS, INC. AND SUBSIDIARIES

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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### 1. Corporate Information

DMCI Holdings, Inc. (the Parent Company) was incorporated on March 8, 1995 with a corporate life of 50 years from and after the date of incorporation and is domiciled in the Philippines. The Parent Company's registered office address and principal place of business is at 3<sup>rd</sup> Floor, Dacon Building, 2281 Chino Roces Avenue, Makati City.

The Parent Company and its subsidiaries (collectively referred to herein as the Group) is primarily engaged in general construction, coal and power generation, real estate development, water concession, nickel mining and manufacturing.

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

The accompanying consolidated financial statements were approved and authorized for issue by the Board of Directors (BOD) on August 5, 2025.

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### 2. Summary of Significant Accounting Policies

#### Basis of Preparation

The interim unaudited condensed consolidated financial statements of the Group have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*. Accordingly, the unaudited condensed consolidated financial statements do not include all of the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2024.

The interim financial statements have been prepared using the historical cost basis, except for financial assets at fair value through profit or loss (FVPL) and at fair value through comprehensive income (FVOCI) financial assets that have been measured at fair value. The Group's functional and presentation currency is the Philippine Peso (₱). All amounts are rounded to the nearest thousand (₱000), unless otherwise indicated.

#### Statement of Compliance

The interim unaudited condensed consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs), which include availment of the relief granted by the Securities and Exchange Commission (SEC) under Memorandum Circular No. 14, Series of 2018, Memorandum Circular No. 3, Series of 2019 and Memorandum Circular No. 4, Series of 2020. PFRS include Philippine Financial Reporting Standards, Philippine Accounting Standards and Interpretations issued by Philippine Interpretations Committee (PIC).

#### Basis of Consolidation

The interim unaudited condensed consolidated financial statements comprise the financial statements of the Group as of June 30, 2025 and December 31, 2024.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests (NCI), even if this results in the NCI having a deficit balance. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other similar events. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any noncontrolling-interests and the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries (which are all incorporated in the Philippines). The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	Nature of Business	2025			2024		
		Direct	Indirect	Effective	Direct	Indirect	Effective
				Interest			Interest
(In percentage)							
<u>General Construction:</u>							
<b>D.M. Consunji, Inc. (DMCI)</b>	General Construction	<b>100.00</b>	–	<b>100.00</b>	100.00	–	100.00
Beta Electromechanical Corporation (Beta Electric) <sup>1</sup>	General Construction	–	<b>53.20</b>	<b>53.20</b>	–	53.20	53.20
Raco Haven Automation Philippines, Inc. (Raco) <sup>1*</sup>	Non-operating	–	<b>50.14</b>	<b>50.14</b>	–	50.14	50.14
Oriken Dynamix Company, Inc. (Oriken) <sup>1*</sup>	Non-operating	–	<b>89.00</b>	<b>89.00</b>	–	89.00	89.00
DMCI Technical Training Center (DMCI Training) <sup>1</sup>	Services	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
<u>Real Estate:</u>							
<b>DMCI Project Developers, Inc. (PDI)</b>	Real Estate Developer	<b>100.00</b>	–	<b>100.00</b>	100.00	–	100.00
DMCI-PDI Hotels, Inc. (PDI Hotels) <sup>2</sup>	Hotel Operator	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
DMCI Homes Property Management Corporation (DPMC) <sup>2</sup>	Property Management	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Zenith Mobility Solutions Services, Inc. (ZMSSI) <sup>2</sup>	Services	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Riviera Land Corporation (Riviera) <sup>2</sup>	Real Estate Developer	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
L & I Development Corporation (LIDC) <sup>2*</sup>	Real estate Developer	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
<u>Coal Mining:</u>							
<b>Semirara Mining and Power Corporation (SMPC)</b>	Mining	<b>56.65</b>	–	<b>56.65</b>	56.65	–	56.65
<u>On-Grid Power:</u>							
Sem-Calaca Power Corporation (SCPC) <sup>3</sup>	Power Generation	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
<i>(Forward)</i>							
Southwest Luzon Power Generation Corporation (SLPGC) <sup>3</sup>	Power Generation	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
Sem-Calaca RES Corporation (SCRC) <sup>3 &amp; 6</sup>	Retail	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
SEM-Cal Industrial Park Developers, Inc. (SIPDI) <sup>3</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
Semirara Energy Utilities, Inc. (SEUI) <sup>3</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
Southeast Luzon Power Generation Corporation (SeLPGC) <sup>3</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
Semirara Materials and Resources Inc. (SMRI) <sup>3</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
St. Raphael Power Generation Corporation (SRPGC) <sup>3</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
Sem-Calaca Port Facilities, Inc. (SCPFI) <sup>3 &amp; 6</sup>	Non-operational	–	<b>56.65</b>	<b>56.65</b>	–	56.65	56.65
<u>Off-Grid Power:</u>							
<b>DMCI Power Corporation (DPC)</b>	Power Generation	<b>100.00</b>	–	<b>100.00</b>	100.00	–	100.00
DMCI Masbate Power Corporation (DMCI Masbate) <sup>4</sup>	Power Generation	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
<u>Nickel Mining:</u>							
<b>DMCI Mining Corporation (DMC)</b>	Holding Company	<b>100.00</b>	–	<b>100.00</b>	100.00	–	100.00
Berong Nickel Corporation (BNC) <sup>5</sup>	Mining	–	<b>74.80</b>	<b>74.80</b>	–	74.80	74.80
Ulugan Resouces Holdings, Inc. (URHI) <sup>5</sup>	Holding Company	–	<b>30.00</b>	<b>30.00</b>	–	30.00	30.00
Ulugan Nickel Corporation (UNC) <sup>5</sup>	Holding Company	–	<b>58.00</b>	<b>58.00</b>	–	58.00	58.00
Nickeline Resources Holdings, Inc. (NRHI) <sup>5</sup>	Holding Company	–	<b>58.00</b>	<b>58.00</b>	–	58.00	58.00
TMM Management, Inc. (TMM) <sup>5</sup>	Services	–	<b>40.00</b>	<b>40.00</b>	–	40.00	40.00
Zambales Diversified Metals Corporation (ZDMC) <sup>5</sup>	Mining	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Zambales Chromite Mining Company Inc. (ZCMC) <sup>5</sup>	Non-operational	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Fil-Asian Strategic Resources & Properties Corporation (FASRPC) <sup>5</sup>	Non-operational	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Montague Resources Philippines Corporation (MRPC) <sup>5</sup>	Non-operational	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Montemina Resources Corporation (MRC) <sup>5</sup>	Non-operational	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00
Mt. Lanat Metals Corporation (MLMC) <sup>5</sup>	Non-operational	–	<b>100.00</b>	<b>100.00</b>	–	100.00	100.00

		2025			2024		
	Nature of Business	Direct	Indirect	Effective Interest	Direct	Indirect	Effective Interest
(In percentage)							
Fil-Euro Asia Nickel Corporation (FEANC) <sup>5</sup>	Non-operational	–	100.00	100.00	–	100.00	100.00
Heraan Holdings, Inc. (HHI) <sup>5</sup>	Holding Company	–	100.00	100.00	–	100.00	100.00
Zambales Nickel Processing Corporation (ZNPC) <sup>5</sup>	Non-operational	–	100.00	100.00	–	100.00	100.00
Zamnorth Holdings Corporation (ZHC) <sup>5</sup>	Holding Company	–	100.00	100.00	–	100.00	100.00
ZDMC Holdings Corporation (ZDMCHC) <sup>5</sup>	Holding Company	–	100.00	100.00	–	100.00	100.00
<u>Cement:</u>							
<b>Cemex Asian South East Corporation (CASEC)</b> (Note 4)	Holding Company	56.75	6.31	63.06	56.75	6.31	63.06
Cemex Holdings Philippines, Inc. (CHP) <sup>7</sup>	Holding Company	–	56.66	56.66	–	56.66	56.66
Edgewater Ventures Corp (EVC) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Triple Dime Holdings, Inc. (TDHI) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Bedrock Holdings, Inc. (BHI) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Sandstones Strategic Holdings, Inc. (SSHI) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Apo Cement Corporation (Apo) <sup>7</sup>	Cement	–	56.66	56.66	–	56.66	56.66
Solid Cement Corporation (Solid) <sup>7</sup>	Cement	–	56.66	56.66	–	56.66	56.66
Ecocast Builders, Inc. (Ecocast) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Enerhiya Central, Inc. (Enerhiya) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Ecocrete, Inc. (Ecocrete) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Ecopavements, Inc. (Ecopavements) <sup>7</sup>	Non-operational	–	56.66	56.66	–	56.66	56.66
Newcrete Management, Inc. (NMI) <sup>7</sup>	Non-operational	–	39.66	39.66	–	39.66	39.66
<u>Manufacturing</u>							
<b>Semirara Cement Corporation (SemCem)</b>	Non-operational	100.00	–	100.00	100.00	–	100.00
<b>Wire Rope Corporation of the Philippines (Wire Rope)</b>	Manufacturing	45.68	16.02	61.70	45.68	16.02	61.70

\*Ongoing liquidation.

<sup>1</sup> DMCI's subsidiaries.

<sup>2</sup> PDI's subsidiaries.

<sup>3</sup> SMPC's subsidiaries. SMRI was formerly known as Semirara Claystone, Inc. (SCI)

<sup>4</sup> DPC's subsidiaries.

<sup>5</sup> DMC's subsidiaries.

<sup>6</sup> Wholly owned subsidiary of SCPC. Incorporated on December 20, 2022.

<sup>7</sup> CHP's subsidiaries.

### Noncontrolling Interests

Noncontrolling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group.

Noncontrolling interests are presented separately in the consolidated statement of income, consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position, separately from parent shareholder's equity. Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

The proportion of ownership interest held by noncontrolling interests on the consolidated subsidiaries are presented below. The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	<u>(In Percentage)</u>
Beta Electromechanical Corporation (Beta Electromechanical)	46.80
Raco Haven Automation Philippines, Inc. (Raco)	49.86
Oriken Dynamix Company, Inc. (Oriken)	11.00
Semirara Mining and Power Corporation (SMPC)	43.35
Sem-Calaca Power Corporation (SCPC)	43.35
Southwest Luzon Power Generation Corporation (SLPGC)	43.35
Sem-Calaca RES Corporation (SCRC)	43.35
SEM-Cal Industrial Park Developers, Inc. (SIPDI)	43.35
Semirara Energy Utilities, Inc. (SEUI)	43.35
Southeast Luzon Power Generation Corporation (SeLPGC)	43.35
Semirara Materials and Resource, Inc. (SMRI)	43.35
St. Raphael Power Generation Corporation (SRPGC)	43.35
Sem-Calaca Port Facilities, Inc. (SCPFI)	43.35
Berong Nickel Corporation (BNC)	25.20
Ulugan Resouces Holdings, Inc. (URHI)	70.00
Ulugan Nickel Corporation (UNC)	42.00
Nickeline Resources Holdings, Inc. (NRHI)	42.00
TMM Management, Inc. (TMM)	60.00
Cemex Asian South East Corporation (CASEC)	36.94
Cemex Holdings Philippines, Inc. (CHP)	43.34
Edgewater Ventures Corp (EVC)	43.34
Triple Dime Holdings, Inc. (TDHI)	43.34
Bedrock Holdings, Inc. (BHI)	43.34
Sandstones Strategic Holdings, Inc. (SSHI)	43.34
Apo Cement Corporation (Apo)	43.34
Solid Cement Corporation (Solid)	43.34
Ecocast Builders, Inc. (Ecocast)	43.34
Enerhiya Central, Inc. (Enerhiya)	43.34
Ecocrete, Inc. (Ecocrete)	43.34
Ecopavements, Inc. (Ecopavements)	43.34
Newcrete Management, Inc. (NMI)	60.34
Wire Rope Corporation of the Philippines (Wire Rope)	38.30

The voting rights held by the Group in the these subsidiaries are in proportion to their ownership interests, except for URHI and TMM.

#### New Standards, Interpretations, and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.



- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*  
  
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- Amendments to PAS 7 and PFRS 7, Disclosures: Supplier Finance Arrangements  
  
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

#### Standards Issued but not yet Effective

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

#### *Effective beginning on or after January 1, 2025*

- PFRS 17, *Insurance Contracts*  
  
PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure.  
PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.  
  
This standard is not applicable to the Group.
- Amendments to PAS 21, *Lack of exchangeability*  
  
The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.  
  
The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.  
  
These amendments are not expected to have a material impact on the Group's consolidated financial statements

#### *Effective beginning on or after January 1, 2026*

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*  
  
The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities

that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

The Group is currently assessing the impact of adopting these amendments.

- Annual Improvements to PFRS Accounting Standards – Volume 11

The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*  
The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.
- Amendments to PFRS 7, *Gain or Loss on Derecognition*  
The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.
- Amendments in PFRS 9
  - a) Lessee Derecognition of Lease Liabilities  
The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
  - b) Transaction Price  
The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to ‘transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*’ with ‘the amount determined by applying PFRS 15’. The term ‘transaction price’ in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.
- Amendments to PFRS 10, *Determination of a ‘De Facto Agent’*  
The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

These amendments are not expected to have a material impact on the Group’s consolidated financial statements.

- Amendments to PAS 7, *Cost Method*  
The amendments to paragraph 37 of PAS 7 replaced the term ‘cost method’ with ‘at cost’, following the prior deletion of the definition of ‘cost method’.

These amendments are not expected to have a material impact on the Group’s consolidated financial statements.

*Effective beginning on or after January 1, 2027*

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors’ demand for better information about companies’ financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Group is currently assessing the impact of adopting these amendments.

- PFRS 19, *Subsidiaries without Public Accountability*

The standard allows eligible entities to elect to apply PFRS 19’s reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities.

This standard is not applicable to the Group.

*Deferred effectivity*

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

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors’ interests in the associate or joint venture.

On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

These amendments are not expected to have a material impact on the Group’s consolidated financial statements.

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### 3. Equity

#### Capital Stock

As of June 30, 2025 and December 31, 2024, the Parent Company's capital stock consists of:

#### *Authorized capital stock*

	No. of shares
Common stock, ₱1 par value	19,900,000,000
Preferred stock - ₱1 par value	100,000,000

#### *Outstanding capital stock*

	No. of shares
Common shares	13,277,470,000
Preferred shares	10,003,780
Less: treasury shares	2,820
	10,000,960

The preferred stock is redeemable, convertible, non-voting, non-participating and cumulative with par value of ₱1.00 per share. The preferred shareholders' right of converting the preferred shares to common shares expired in March 2002.

On October 1, 2018, the Board authorized the Parent Company to make an offer (the "Redemption Offer") to the outstanding preferred shareholders for the Parent Company to acquire the remaining outstanding 3,780 preferred shares at the purchase price of ₱2,500 per preferred share from October 8 to November 29, 2018. The Redemption Offer is intended to provide the preferred shareholders a final chance to divest of their preferred shares in view of their previous inability to avail of the Exchange Offer in 2002. On November 29, 2018, the Parent Company has redeemed a total of 2,820 preferred shares for a total cost of ₱7.07 million.

On May 21, 2019, the Stockholders approved the amendment of Articles of Incorporation to increase the Par Value of Preferred Shares from ₱1.00 to ₱1,000 per Preferred Share.

On December 23, 2024, the SEC approved the issuance of the 10,000,000 Class B preferred stocks via private placement at ₱1,000 face value to Dacon Corporation.

The preferred stock is redeemable, non-voting, non-participating and cumulative with par value of ₱1.00 per share.

#### Retained Earnings

On March 25, 2025, the BOD approved the declaration of (1) *regular cash dividends* in the amount of ₱0.35 per common share or a total of ₱4,693.64 million; and (2) *special cash dividends* of ₱0.25 per common share or a total of ₱3,272.84 million, or a grand total of ₱7,966.48 million in favor of the common stockholders of record as of April 10, 2025, and was paid on April 24, 2025.

On October 16, 2024, the BOD approved the declaration of special cash dividends of ₱ 0.48 per common share or a total of ₱6,373.19 million in favor of the common stockholders of record as of October 30, 2024, and was paid on November 15, 2024.

On April 4, 2024, the BOD approved the declaration of (1) *regular cash dividends* in the amount of ₱0.46 per common share or a total of ₱6,107.64 million; and (2) *special cash dividends* of ₱0.26 per common share or a total of ₱3,452.14 million, or a grand total of ₱9,559.78 million in favor of the common stockholders of record as of April 22, 2024, and was paid on May 3, 2024.

On October 10, 2023, the BOD approved the declaration of special cash dividends of ₱0.72 per common share or a total of ₱9,559.78 million in favor of the common stockholders of record as of October 24, 2023, and was paid on November 9, 2023.

#### Capital Management

The primary objective of the Group's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. There were no changes made in the Group's capital management objectives, policies or processes. The Group considers total equity attributable to equity holders of the Parent Company less net accumulated unrealized gain or loss on equity investments designated at FVOCI as capital.

The Group is not subject to any externally imposed capital requirements.

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#### 4. **Business Segments**

The following tables present the net income of the specific business segments for the period ended June 30, 2025 and 2024:

##### Segment Revenues

(in PHP Millions)	For the period		Variance	
	June 2025	June 2024	Amount	%
Semirara Mining and Power Corporation	<b>31,328</b>	36,594	(5,266)	-14%
D.M. Consunji, Inc.	<b>8,334</b>	7,342	992	14%
DMCI Homes	<b>7,936</b>	6,518	1,418	22%
Concreat	<b>7,258</b>	—	7,258	100%
DMCI Power	<b>3,998</b>	3,855	143	4%
DMCI Mining	<b>2,587</b>	1,029	1,558	151%
Parent and Others	<b>161</b>	179	(18)	-10%
<b>Total Revenues</b>	<b>61,602</b>	55,517	6,085	11%

Net income after non-controlling interests

(in PHP Millions)	For the period		Variance	
	June 2025	June 2024	Amount	%
Semirara Mining and Power Corporation	<b>4,800</b>	7,110	(2,310)	-32%
DMCI Homes	<b>2,052</b>	1,421	631	44%
Maynilad	<b>1,899</b>	1,395	504	36%
DMCI Mining	<b>753</b>	(65)	818	1,258%
DMCI Power	<b>644</b>	619	25	4%
Parent and Others	<b>141</b>	124	17	14%
D.M. Consunji, Inc.	<b>68</b>	338	(270)	-80%
Concreat	<b>(1,228)</b>	—	(1,228)	-100%
Core Net Income	<b>9,129</b>	10,942	(1,813)	-17%
Non-recurring Items	<b>1</b>	198	(197)	-99%
Reported Net Income	<b>9,130</b>	11,140	(2,010)	-18%

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**5. Operating Expenses**

The following tables present the consolidated operating expenses for the period ended June 30, 2025 and 2024:

	2025	2024
Government share	<b>₱2,259,330</b>	₱3,759,182
Salaries, wages and employee benefits	<b>1,688,573</b>	1,201,132
Taxes and licenses	<b>959,693</b>	843,178
Repairs and maintenance	<b>730,171</b>	751,569
Distribution expenses	<b>956,238</b>	—
Outside services	<b>387,056</b>	444,917
Insurance	<b>392,349</b>	339,093
Depreciation, depletion and amortization	<b>361,128</b>	125,100
Supplies	<b>252,041</b>	156,609
Advertising and marketing	<b>309,804</b>	218,253
Association dues	<b>238,969</b>	50,790
Administrative expenses	<b>86,248</b>	—
Entertainment, amusement and recreation	<b>94,237</b>	87,257
Transportation and travel	<b>90,538</b>	82,166
Communication, light and water	<b>74,733</b>	55,324
Rent	<b>36,321</b>	38,060
Miscellaneous expense	<b>757,243</b>	285,563
	<b>₱9,674,672</b>	₱8,438,193

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## 6. Summarized Financial Information of Interests in Related Entities

Financial information as of and for the period ended June 30, 2025 and December 31, 2024 on the Group's subsidiary with material non-controlling interest (NCI) follows:

### Semirara Mining and Power Corporation and Subsidiaries (SMPC)

(in millions)	June 30, 2025	December 31, 2024
<b>Statements of Financial Position</b>		
Current assets	₱29,579	₱30,199
Noncurrent assets	39,534	40,995
Current liabilities	11,272	12,872
Noncurrent liabilities	1,404	1,804
Equity	56,437	56,518

(in millions)	June 30, 2025	June 30, 2024
<b>Statements of Comprehensive Income</b>		
Revenue	₱31,331	₱36,594
Net income	8,419	12,590
Other comprehensive income	—	—
Total comprehensive income	8,419	12,590

Financial information as of and for the period ended June 30, 2025 and December 31, 2024 on the Group's material interest in associate follows:

### Maynilad Water Holdings Company, Inc. and Subsidiaries

(in millions)	June 30, 2025	December 31, 2024
<b>Statements of Financial Position</b>		
Current assets	₱10,087	₱16,824
Noncurrent assets	203,108	190,283
Current liabilities	31,954	30,129
Noncurrent liabilities	97,267	94,136
Noncontrolling interests	4,030	4,662
Equity	83,974	82,842

(in millions)	June 30, 2025	June 30, 2024
<b>Statements of Comprehensive Income</b>		
Revenue	₱18,319	₱16,441
Net income	3,406	5,243
Other comprehensive income	—	—
Total comprehensive income	6,981	5,243

Investment in Maynilad Water Holdings Company, Inc. (MWHCI) is accounted for using the equity method. Equity in net earnings in the six months ended June 30 amounted to ₱1,898.18 million in 2025 and ₱1,398.27 million in 2024.

Financial information as of and for the period ended June 30, 2025 and December 31, 2024 on the Group's immaterial interest in associate and joint ventures follows:

Subic Water

On January 22, 1997, PDI subscribed to 3.26 million shares at the par value of ₱10 per share for an aggregate value of ₱32.62 million in Subic Water, a joint venture company among Subic Bay Metropolitan Authority (SBMA), a government-owned corporation, Olongapo City Water District, and Cascal Services Limited (a company organized under the laws of England).

The Group owns a total of 30% of Subic Water's outstanding capital stock after the sale of 10% share to the City of Olongapo on March 23, 2016.

The investment in Subic Water is accounted for as an investment in an associate using the equity method. The carrying amount of the investment in associate amounted to ₱274.21 million and ₱252.28 million as of June 30, 2025 and December 31, 2024, respectively. The unaudited share in net earnings amounted to ₱21.93 million for the period ended June 30, 2025.

RLC DMCI Property Ventures Inc (RDPVI).

In March 2019, the RLC DMCI Property Ventures Inc., a joint venture agreement with Robinsons Land Corporation, was incorporated to purchase, acquire and develop into a residential condominium project a portion of the parcels of land situated in Las Pinas City with an area of fourteen thousand four hundred ninety-two (14,492) square meters or less. Initial capitalization to the joint venture from DMCI PDI amounted to ₱500 million. The carrying amount of the investment amounted to ₱424.27 million and ₱501.28 million as of June 30, 2025 and December 31, 2024, respectively.

DMC Estate Development Ventures, Inc. (DMC EDVI)

In June 2021, the Group and DMC Urban Property Developers Inc. (UPDI) entered into a joint venture agreement to purchase, acquire and develop parcels of land into condominium project for residential and commercial uses. Each party holds a 50% ownership interest in the joint venture. In 2024, the Group infused additional capital of ₱1,225 million to the joint venture on top of its initial capitalization of ₱125 million. The carrying amount of the investment amounted to ₱1,500.15 million and ₱1,541.02 million as of June 30, 2025 and December 31, 2024, respectively.

DMCI MC Property Ventures Inc. (DMPVI)

In 2024, the Group and Marubeni Corporation (MC) entered into a joint venture agreement to purchase, acquire and develop parcels of land into condominium project for residential and commercial uses. The Group holds 60% ownership interest in the joint venture with initial capitalization of ₱1,641 million. The carrying amount of the investment amounted to ₱1,533.09 million and ₱1,551.50 million as of June 30, 2025 and December 31, 2024, respectively.



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## 7. Earnings Per Share

The following table presents information necessary to calculate basic and diluted earnings per share on net income attributable to equity holders of the Parent Company (in thousands except basic earnings per share):

Basic/diluted earnings per share

	For the period (2025)	For the period (2024)	For 2 <sup>nd</sup> Quarter (2025)	For 2 <sup>nd</sup> Quarter (2024)
Net income attributable to equity holders of Parent Company	<b>₱9,129,942</b>	₱11,139,894	<b>₱4,021,091</b>	₱5,535,417
Divided by weighted average number of common shares	<b>13,277,470</b>	13,277,470	<b>13,277,470</b>	13,277,470
Basic and diluted earnings per share	<b>₱0.69</b>	₱0.84	<b>₱0.30</b>	₱0.42

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## 8. Related Party Transactions

Related parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making the financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions entered into by the Group with related parties are at arm's length and have terms similar to the transactions entered into with third parties. In the regular course of business, the Group's significant transactions with related parties include the following:

- Engineering and construction works of the water business is contracted to the construction segment of the Group. These projects are bid out to various contractors and are awarded on arm's length transactions. Booked revenues from these contracts amounted to ₱1,600.00 million and ₱1,880.13 million for the period ended June 30, 2025 and 2024, respectively.
- An affiliate had transactions with the Group for services rendered relating to the Group's coal operations. These include services for the confirmatory drilling for coal reserve and evaluation of identified potential areas, exploratory drilling of other minerals within the Island, dewatering well drilling along the mine and fresh water well drilling for industrial and domestic supply under an agreement.

The affiliate also provides to the group marine vessels for use in the delivery of coal to its various customers. The coal freight billing is on a per metric ton basis plus demurrage charges when delay will be incurred in the loading and unloading of coal cargoes.

- An affiliate of the Group transports visitors and employees from point to point in relation to the Group's ordinary course of business and vice versa and bills the related party for the utilization costs of the aircrafts.

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## 9. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise interest-bearing loans and borrowings. The main purpose of these financial instruments is to raise financing for its operations and capital expenditures. The Group has various other financial assets and liabilities, such as receivables and payables which arise directly from its operations.

The main risks arising from the use of financial instruments are liquidity risk, market risk and credit risk. The Group's BOD reviews and approves policies for managing each of these risks and they are summarized below.

### a. *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations.

A significant part of the Group's financial assets that are held to meet the cash outflows include cash equivalents and accounts receivables. Although accounts receivables are contractually collectible on a short-term basis, the Group expects continuous cash inflows. In addition, although the Group's short-term deposits are collectible at a short notice, the deposit base is stable over the long term as deposit rollovers and new deposits can offset cash outflows.

Moreover, the Group considers the following as mitigating factors for liquidity risk:

- It has available lines of credit that it can access to answer anticipated shortfall in sales and collection of receivables resulting from timing differences in programmed inflows and outflows.
- It has very diverse funding sources.
- It has internal control processes and contingency plans for managing liquidity risk. Cash flow reports and forecasts are reviewed on a weekly basis in order to quickly address liquidity concerns. Outstanding trade receivables are closely monitored to avoid past due collectibles.
- The Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund-raising activities. Fund-raising activities may include bank loans and capital market issues both on-shore and off-shore which is included in the Group's corporate planning for liquidity management.

### b. *Market Risk*

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in equity prices, market prices, interest rates and foreign currency exchange rates.

The sensitivity analyses have been prepared on the following bases:

- Equity price risk - movements in equity indices
- Market price risk - movements in one-year historical coal and nickel prices
- Interest rate risk - market interest rate on unsecured bank loans
- Foreign currency risk - yearly movement in the foreign exchange rates

The assumption used in calculating the sensitivity analyses of the relevant income statement item is the effect of the assumed changes in respective market risks. This is based on the financial

assets and financial liabilities held at June 30, 2025 and December 31, 2024.

#### *Equity Price Risk*

The Group's equity price risk exposure at year-end relates to financial assets whose values will fluctuate as a result of changes in market prices, principally, equity securities classified as Equity investment designated at FVOCI.

Quoted securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers or factors affecting all instruments traded in the market. The Group's market risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments; diversification plan; and limits on investment in each industry or sector.

#### *Commodity Price Risk*

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

#### *Coal*

The price that the Group can charge for its coal is directly and indirectly related to the price of coal in the world coal market. In addition, as the Group is not subject to domestic competition in the Philippines, the pricing of all of its coal sales is linked to the price of imported coal. World thermal coal prices are affected by numerous factors outside the Group's control, including the demand from customers which is influenced by their overall performance and demand for electricity. Prices are also affected by changes in the world supply of coal and may be affected by the price of alternative fuel supplies, availability of shipping vessels as well as shipping costs.

As the coal price is reset on a periodic basis under coal supply agreements, this may increase its exposure to short-term coal price volatility.

There can be no assurance that world coal prices will be sustained or that domestic and international competitors will not seek to replace the Group in its relationship with its key customers by offering higher quality, better prices or larger guaranteed supply volumes, any of which would have a materially adverse effect on the Group's profits.

To mitigate this risk, the Group continues to improve the quality of its coal and diversify its market from power industry, cement industry, other local industries and export market. This will allow flexibility in the distribution of coal to its target customers in such manner that minimum target average price of its coal sales across all its customers will still be achieved. Also, in order to mitigate any negative impact resulting from price changes, it is the Group's policy to set minimum contracted volume for customers with long term supply contracts for each given period (within the duration of the contract) and pricing is negotiated on a monthly basis to even out the impact of any fluctuation in coal prices, thus, protecting its target margin. The excess volumes are allocated to spot sales which may command different price than those contracted already since the latter shall follow pricing formula per contract.

Nevertheless, on certain cases temporary adjustments on coal prices with reference to customers following a certain pricing formula are requested in order to recover at least the cost of coal if the resulting price is abnormally low vis-à-vis cost of production (i.e., abnormal rise in cost of fuel, foreign exchange).

Below are the details of the Group's coal sales to the domestic market and to the export market (as a percentage of total coal sales volume):

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Domestic market	<b>28.67%</b>	31.81%
Export market	<b>71.33%</b>	68.19%

The following table shows the effect on income before income tax should the change in the prices of coal occur based on the inventory of the Group as of June 30, 2025 and December 31, 2024 with all other variables held constant. The change in coal prices used in the simulation assumes fluctuation from the lowest and highest price based on one-year historical price movements in 2025 and 2024.

	<u>Effect on income before income tax</u>	
	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Change in coal price (in thousands)		
<i>Based on ending coal inventory</i>		
Increase by 83% in 2025 and 62% in 2024	<b>₱531,312</b>	₱290,758
Decrease by 83% in 2025 and 62% in 2024	<b>(531,312)</b>	(290,758)
<i>Based on coal sales volume</i>		
Increase by 52% in 2025 and 64% in 2024	<b>2,277,411</b>	4,779,123
Decrease by 52% in 2025 and 64% in 2024	<b>(2,277,411)</b>	(4,779,123)

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's long-term debt obligations. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debt.

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates, with all variables held constant, through the impact on floating rate borrowings:

	<u>Effect on income before income tax</u>	
	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Basis points (in thousands)		
+100	<b>(₱367,455)</b>	(₱108,537)
-100	<b>367,455</b>	108,537

The sensitivity analyses shown above are based on the assumption that the interest movements will be more likely be limited to hundred basis points upward or downward fluctuation in both 2025 and 2024. The forecasted movements in percentages of interest rates used were derived based on the Group's historical changes in the market interest rates on unsecured bank loans.

There was no effect on the equity other than those affecting the income before tax.

### *Foreign Currency Risk*

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group does not have any foreign currency hedging arrangements.

Information on the Group's foreign currency-denominated monetary assets and liabilities and their Philippine peso equivalents follows (amounts in thousands):

	June 30, 2025				
	U.S. Dollar	Japanese Yen	UK Pounds	Euro	Equivalent in PHP
<b>Financial assets</b>					
Cash and cash equivalents	\$96,025	¥843,248	£5	€853	₱5,813,814
Receivables	12,548	—	—	—	709,998
	108,573	843,248	5	853	6,523,812
<b>Financial liabilities</b>					
Accounts payable and accrued expenses	(69,079)	—	—	—	(3,908,542)
	\$39,494	¥843,248	£5	€853	₱2,615,270

The following tables demonstrates the sensitivity to a reasonably possible change in foreign exchange rates, with all variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) as of June 30, 2025 (amounts in thousands):

	Exchange rate movement	Effect on profit before tax
In Peso per US Dollar		
Increase	0.99%	₱22,016
Decrease	(0.99%)	(22,016)
In Peso per Japanese Yen		
Increase	2.11%	6,894
Decrease	(2.11%)	(6,894)
In Peso per UK Pound		
Increase	3.78%	13
Decrease	(3.78%)	(13)
In Peso per Euro		
Increase	3.25%	1,729
Decrease	(3.25%)	(1,729)

There is no impact on the Group's equity other than those already affecting profit or loss. The movement in sensitivity analysis is derived from current observations on movement in dollar average exchange rates.

### *c. Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's maximum exposure to credit risk for the components of the statement of financial position at June 30, 2025 and December 31, 2024 is the carrying amounts except for real estate receivables. The Group's exposure to credit risk arises from default of the counterparties which include certain financial institutions, real estate buyers, subcontractors, suppliers and various electric companies. Credit risk management involves dealing only with recognized, creditworthy third parties. It is the Group's policy that all counterparties who wish to trade on credit terms are subject to credit verification procedures. The

Treasury Department's policy sets a credit limit for each counterparty. In addition, receivable balances are monitored on an ongoing basis. The Group's financial assets are not subject to collateral and other credit enhancement except for real estate receivables. As of June 30, 2025 and December 31, 2024, receivables that are doubtful of collection had been provided with allowance.

#### *Real estate contracts*

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (using incurred loss model prior to adoption of PFRS 9). The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. 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%). The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

#### *Electricity sales*

The Group earns substantially all of its revenue from bilateral contracts, WESM and from various electric companies. WESM and the various electric companies are committed to pay for the energy generated by the power plant facilities.

Under the current regulatory regime, the generation rate charged by the Group to WESM is determined in accordance with the WESM Price Determination Methodology (PDM) approved by the ERC and are complete pass-through charges to WESM. PDM is intended to provide the specific computational formula that will enable the market participants to verify the correctness of the charges being imposed. Likewise, the generation rate charged by the Group to various electric companies is not subject to regulations and are complete pass-through charges to various electric companies.

#### *Mining*

The Group evaluates the financial condition of the local customers before deliveries are made to them. On the other hand, export sales are covered by sight letters of credit issued by foreign banks subject to the Group's approval, hence, mitigating the risk on collection.

The Group generally offers 80% of coal delivered payable within thirty (30) days upon receipt of billing and the remaining 20% payable within 15 days after receipt of final billing based on final analysis of coal delivered.

#### *Construction contracts*

The credit risk for construction receivables is mitigated by the fact that the Group can resort to carry out its contractor's lien over the project with varying degrees of effectiveness depending on the jurisprudence applicable on location of the project. A contractor's lien is the legal right of the Group to takeover the projects-in-progress and have priority in the settlement of contractor's receivables and claims on the projects-in-progress and have priority in the settlement of contractor's receivables and claims on the projects in progress is usually higher than receivables from and future commitments with the project owners. Trade and retention receivables from project owners are normally high standard because of the creditworthiness of project owners and collection remedy of contractor's lien accorded contractor in certain cases.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

Generally, trade receivables are writtenoff when deemed unrecoverable and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

With respect to the credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, 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 that have proven track record in financial soundness.

Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

#### *Cash and Cash Equivalents*

Cash and cash equivalents are short-term placements and working cash fund placed, invested or deposited in foreign and local banks belonging to top 10 banks in the Philippines in terms of resources and profitability. These financial assets are classified as Grade A due to the counterparties' low probability of insolvency.

#### *Equity investment designated at FVOCI*

The Group's Equity investment designated at FVOCI are classified as Grade B because these assets are susceptible to untoward consequences due to the current financial positions of counterparties.

#### *Receivables*

Included under Grade A are accounts considered to be of high value and are covered with coal supply, power supply, and construction contracts. The counterparties have a very remote likelihood of default and have consistently exhibited good paying habits. Grade B accounts are active accounts with minimal to regular instances of payment default, due to collection issues or due to government actions or regulations. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly. The

Group determines financial assets as impaired when probability of recoverability is remote and in consideration of lapse in period which the asset is expected to be recovered.

For real estate receivables, and other receivables, Grade A are classified as financial assets with high credit worthiness and probability of default is minimal. While receivables under Grade B and C have favorable and acceptable risk attributes, respectively, with average credit worthiness.

Receivable from related parties are considered Grade A due to the Group's positive collection experience.

Impairment analysis (using incurred loss model prior to adoption of PFRS 9) is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of customer segments with similar loss patterns (i.e., by geographical region, payment scheme, type of customers, etc.). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### *Security and Refundable Deposits*

Security and refundable deposits are classified as Grade A since these are to be refunded by the lessor and utility companies at the end of lease term and holding period, respectively, as stipulated in the agreements.

As of June 30, 2025, the aging analysis of the Group's receivables presented per class follows:

	June 30, 2025							
	Neither past nor impaired	Past due but not impaired					Impaired assets	Total
		<30 days	30-60 days	61-90 days	91-120 days	>120 days		
Receivables								
Trade								
Real estate	₱2,431,437	₱286,964	₱206,985	₱175,093	₱404,782	₱991,003	₱45,604	₱4,541,868
General								
construction	3,268,773	70,402	209,143	91,286	41,214	186,103	21,437	3,888,358
Electricity sales	3,596,166	645,608	508,778	187,447	661,755	1,237,850	1,647,307	8,484,911
Coal mining	1,760,163	176,067	—	784	42,203	—	36,113	2,015,330
Nickel mining	371,058	—	—	—	—	—	—	371,058
Cement	713,925	—	—	—	—	—	91,094	805,019
Merchandising and others	40,765	—	17,696	12,233	3,221	23,603	8,246	105,764
Receivables from related parties	2,274,964	—	—	—	—	—	—	2,274,964
Other receivables	1,240,350	12,786	3,059	3,041	5,133	438,522	145,336	1,848,227
	₱15,697,601	₱1,191,827	₱945,661	₱469,884	₱1,158,308	₱2,877,081	₱1,995,137	₱24,335,499

#### *Financial assets*

The fair values of cash and cash equivalents and receivables (except installment contract receivables) approximate their carrying amounts as of reporting dates due to the short-term nature of the transactions.

The fair values of installment contracts receivables are based on the discounted value of future cash flows using the applicable rates for similar types of loans and receivables.

Refundable deposits are carried at cost since these are mostly deposits to a utility company as a consequence of its subscription to the electricity services of the said utility company needed for the



Group's residential units.

*Financial assets*

In the absence of a reliable basis of determining fair values due to the unpredictable nature of future cash flows and the lack of suitable methods in arriving at a reliable fair value, security deposits other than those pertaining to operating leases and unquoted equity investment designated at FVOCI are carried at cost less impairment allowance, if any.

*Financial liabilities*

The fair values of accounts and other payables and accrued expenses and payables to related parties approximate their carrying amounts as of reporting dates due to the short-term nature of the transactions.

Estimated fair value of long-term fixed rate loans and liabilities for purchased land are based on the discounted value of future cash flows using the applicable rates for similar types of loans with maturities consistent with those remaining for the liability being valued. For floating rate loans, the carrying value approximates the fair value because of recent and regular repricing (quarterly) based on market conditions.

Fair values of receivables, long-term debt, liabilities for purchased land and investment properties are based on level 3 inputs while that of quoted Equity investment designated at FVOCI and financial assets at FVTPL are from level 1 inputs.

There has been no reclassification from Level 1 to Level 2 or 3 category as of June 30, 2025 and December 31, 2024.