COVER SHEET

A	S	O	9	5	0	0	2	2	8	3

SEC Registration Number

DMCI HOLDINGS, INC.

(Company's Full Name)

3RD FLR. DACON BLDG. 2281
CHINO ROCES AVE. MAKATI CITY

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

HERBERT M. CONSUNJI
Contact Person

8888-3000
Company Telephone Number

Fiscal Year		Form Type	Annual Meeting	
Month	Day		Month	Day
12	31	**SEC Form 17-Q Second Quarter Interim Report 2026**	05	12

N.A.
Secondary License Type, If Applicable

CFD
Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarter ended **June 30, 2026**

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. 3rd Floor, Dacon Building, 2281 Chino Roces Avenue, Makati City   1231
   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

Title of Each Class	No. of Shares Outstanding	Amount
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 [X]   No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

The Financial Statements as of and for the period ended **June 30, 2026** 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, 2026 AND 2025

June 30, 2026 (Unaudited) vs June 30, 2025 (Unaudited)

I. RESULTS OF OPERATIONS

The table below summarizes the performance of DMCI Holdings, Inc. (PSE: DMC), its subsidiaries and associates, collectively referred to as "the DMCI Group", for the periods ended June 30, 2026 and 2025.

- 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, and equipment rental).

- DMCI Project Developers, Inc. (DMCI Homes), a wholly-owned subsidiary, is one of the leading mid-market 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 expanded its portfolio into leisure and the upscale 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 three mines in Candelaria and Santa Cruz, Zambales, through Zambales Diversified Metals Corporation (ZDMC) and Zambales Chromite Mining Co. Inc. (ZCMCI), and Aborlan, Palawan through Berong Nickel Corporation (BNC).

- Maynilad Water Holdings Company, Inc. , a 27%-owned associate, owns 67% 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 transaction on December 2, 2024, DMC gained an effective 51% economic interest in Concreat.

CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS

in Php millions except EPS	**April to June (Q2)**			**January to June (H1)**		
	2026	**2025**	**Change**	**2026**	**2025**	**Change**
I. SMPC (56.65%)	2,550	2,265	13%	4,744	4,800	-1%
II. DMCI Mining	1,295	344	276%	1,735	753	130%
II.DMCI Homes	1,049	705	49%	2,326	1,947	19%
III.Maynilad (18.16%)	812	973	-17%	1,526	1,899	-20%
V. DMCI Power	406	374	9%	708	644	10%
VI. Parent and others	113	50	126%	211	141	50%
VII. D.M. Consunji Inc.	195	18	983%	241	68	254%
VIII. Concreat	(4)	(682)	-99%	(207)	(1,228)	-83%
Core Net Income	**6,416**	**4,047**	**59%**	**11,284**	**9,024**	**25%**
Nonrecurring Items	100	1	13,640%	100	1	13,640%
Reported Net Income	**6,516**	**4,048**	**61%**	**11,384**	**9,025**	**26%**
EPS (reported)	**0.49**	**0.30**	**61%**	**0.86**	**0.68**	**26%**

Q2 2026 vs Q2 2025 Consolidated Highlights

- The DMCI Group posted a strong second-quarter performance, with reported net income rising by 61%, from Php 4.05 billion to Php 6.52 billion, supported by improved results across all subsidiaries.

  Higher contributions from the integrated energy, nickel mining, real estate, off-grid power, construction and cement businesses, tempered by the lower contribution from Maynilad following the dilution of the Group's effective ownership after its initial public offering in late 2025.

  Core net income increased by 59%, from Php 4.05 billion to Php 6.42 billion.

  As a result, reported earnings per share rose by 61%, from Php 0.30 to Php 0.49.

- EBITDA increased by 36%, from Php 9.96 billion to Php 13.56 billion, while EBITDA margin expanded to 37%, from 34% in the same period last year.

  To elaborate:

  Total revenues grew by 23%, from Php 29.59 billion to Php 36.35 billion, driven by higher coal and power prices, record nickel shipments and power sales, and stronger cement and real estate revenues, partly offset by lower construction revenues.

  Total cash costs increased by 15%, from Php 21.60 billion to Php 24.83 billion, slower than revenue growth.

  The cash component of cost of sales rose by 16%, from Php 16.99 billion to Php 19.69 billion, mainly due to higher generation and fuel costs in the power businesses, increased nickel mining and shipment activity, stronger real estate accomplishments and higher cement sales.

  Operating expenses increased by 18%, from Php 3.48 billion to Php 4.10 billion, mainly due to higher taxes and royalties and increased operating activity in the nickel mining business, higher repairs and maintenance in real estate.

  Government share from coal declined by 9%, from Php 1.13 billion to Php 1.04 billion, reflecting narrower coal operating margins.

  Equity in net earnings, including contributions from Maynilad, Subic Water and other joint venture projects, declined by 7%, from Php 875 million to Php 817 million, mainly due to the dilution of the Group's effective ownership in Maynilad following its initial public offering in November 2025, which reduced DMCI's stake from 25.26% to 18.16%.

Other income, net increased by 11%, from Php 1.10 billion to Php 1.22 billion, supported by higher rental and forfeitures income from DMCI Homes, foreign exchange gains from construction joint ventures.

Depreciation and amortization declined by 15%, from Php 2.90 billion to Php 2.46 billion, mainly due to the reassessment of the remaining useful lives of certain SLPGC plant assets, effective January 1, 2026, following major plant modifications and the implementation of an enhanced asset management program. The decline also reflected Concreat's replacement of higher-cost logistics assets with more cost-efficient alternatives.

- Net finance costs declined by 12%, from Php 640 million to Php 566 million, mainly due to lower borrowings in the real estate business and lower interest rates in the cement segment, partly offset by higher financing requirements in the mining and power businesses and lower income from in-house real estate financing.

- Income tax expense increased by 85%, from Php 1.03 billion to Php 1.90 billion, in line with higher taxable income from the integrated energy, nickel mining and real estate businesses, partly cushioned by Berong Nickel Corporation's utilization of net operating loss carryover (NOLCO).

- SMPC, DMCI Mining and DMCI Homes accounted for 76% of the Group's core net income during the quarter. Including Maynilad, the four businesses contributed 89%.

- 2026 nonrecurring gains amounted to Php 100 million, compared with Php 1 million in the same period last year, mainly pertained to the Group's attributable share in the one-time gain arising from the reassessment of the remaining useful lives of certain SLPGC plant assets.

H1 2026 vs H1 2025 Consolidated Highlights

- The DMCI Group recorded consolidated net income of Php 11.38 billion for the first half of 2026, up 26% from Php 9.03 billion in the same period last year. Core net income likewise increased by 25%, from Php 9.02 billion to Php 11.28 billion.

  The growth was driven by stronger contributions from nickel mining, real estate, off-grid power, construction, together with a significant reduction in losses from Concreat.

  These gains more than offset slightly lower contribution from the integrated energy business and the reduced contribution from Maynilad following the dilution of the Group's effective ownership after its initial public offering.

Consequently, reported earnings per share increased by 26%, from Php 0.68 to Php 0.86. This translated to a six-month return on equity of 9.2%, equivalent to approximately 18.4% on an annualized basis.

- On May 7, 2026, the Board declared regular cash dividends of Php 0.30 per share, representing a total payout of approximately Php 4.0 billion. The declared dividends were equivalent to 27% of the company's 2025 core net income of Php 14.9 billion, in line with its policy of distributing at least 25% of the previous year's core earnings. The dividends were paid on June 5, 2026.

- As of June 30, 2026, the Group maintained a healthy financial position relative to December 31, 2025.
    - The current ratio improved to 257%, from 246%, supported by stronger cash balances and higher current assets.
    - Total debt remained broadly stable at Php 66.35 billion, compared with Php 66.31 billion at year-end. Higher borrowings at SMPC, Concreat and DMCI Power were offset by debt repayments at DMCI Homes and DMCI Mining.
    - Cash and cash equivalents increased by 34%, from Php 29.08 billion to Php 39.09 billion, mainly driven by stronger cash generation from SMPC and DMCI Mining.
    - As a result, the net debt-to-equity ratio improved to 17.1%, from 25.1% as of December 2025, reflecting the higher cash balance and continued growth in equity.

Q2 2026 vs Q2 2025 Subsidiaries Performance

I. Semirara Mining and Power Corporation (SMPC)

The integrated energy business contributed Php 2.55 billion in core earnings for the second quarter, up 13% year-on-year from Php 2.27 billion, as improved power performance more than offset weaker coal earnings.

Excluding a Php180 million nonrecurring gain, core net income rose by 12%, from Php4.07 billion to Php4.58 billion.

On a quarter-on-quarter basis, reported net income increased by 25% from Php3.82 billion in the first quarter, supported by improved plant availability and stronger coal and power prices.

Total revenues increased by 25%, from Php 14.82 billion to Php18.60 billion, driven by higher coal and electricity selling prices, increased electricity sales volumes, partly offset by lower coal shipments.

Total cash costs rose by 36%, from Php8.34 billion to Php11.33 billion, outpacing revenue growth due mainly to higher cost of sales and operating expenses.

Drilling down, the cash component of cost of sales increased by 47%, from Php 6.26 billion to Php 9.22 billion, driven by higher power sales and elevated coal production costs per metric ton.

Government share declined by 9%, from Php 1.13 billion to Php 1.04 billion, reflecting narrower coal operating margins.

Overall, core EBITDA increased by 12%, from Php 6.48 billion to Php 7.27 billion. However, core EBITDA margin thinned from 44% to 39%, as the increase in cash costs exceeded revenue growth.

Net income margin declined slightly from 27% to 26%, as higher operating earnings and lower depreciation and amortization were partly offset by increased income tax expense.

Depreciation and amortization fell by 6%, from Php1.95 billion to Php1.82 billion, primarily due to the reassessment of the remaining useful lives of certain SLPGC plant assets, effective January 1, 2026. The reassessment reflected major plant modifications completed since commissioning and the implementation of an enhanced asset management program.

Meanwhile, other income decreased by 44%, from Php147 million to Php83 million, mainly due to net foreign exchange losses and lower fly ash sales in the power segment.

The Group recognized a Php7 million equity net loss from its cement associate, a significant improvement from the Php102 million loss recorded in the prior year.

Net finance income increased from Php6 million to Php36 million. Finance costs rose by 112%, from Php52 million to Php110 million, primarily due to the Php5 billion loan drawdown by the coal segment in March 2026. This was more than offset by higher finance income, which increased by 152%, from Php58 million to Php146 million, supported by higher cash balances and placements.

Income tax expense increased by 91%, from Php512 million to Php978 million, in line with higher taxable earnings from the power segment. 2026 nonrecurring gain amounting to Php180 million pertains to the reversal of depreciation recognized in the first quarter of 2026, net of tax, following the reassessment of the remaining useful lives of certain SLPGC plant assets, effective January 1, 2026.

Power became the dominant earnings contributor, accounting for 96% of the Group’s reported net income, up from 57% last year. Meanwhile, the coal segment, including the cement associate, contributed 4%, down from 43%.

At the standalone level, coal revenues increased by 9%, from Php 10.27 billion to Php 11.18 billion, as higher average selling prices more than offset lower shipment volumes.

Reported net income declined by 65%, from Php2.25 billion to Php782 million, primarily due to significantly higher cost of sales.

Net of intercompany eliminations, net income attributable to the coal segment decreased by 90%, from Php 1.84 billion to Php 191 million.

Eliminating entries jumped by 45%, from Php 407 million to Php 591 million, primarily due to higher plant availability of the Calaca power plants.

These eliminating entries represent the gross margins arising from intercompany transactions between the coal and power segments.

Further details on the segment's financial and operational performance are discussed below:

- **Stronger selling prices.** The average selling price (ASP) increased by 27%, from Php 2,223/MT to Php 2,833/MT, supported by higher global coal benchmark prices and an improved sales mix.

  During the period, the average Newcastle Index (NEWC) increased by 36%, from US$100.5 to US$136.2, while the Indonesian Coal Index 4 (ICI4) rose by 38%, from US$46.4 to US$64.3, driven by the impact of geopolitical developments in the Middle East on global fuel markets.

  On a quarter-on-quarter basis, benchmark prices continued to strengthen, with Newcastle increasing 15% from US$118.8, while the ICI4 rose 23% from US$52.4.

- **Reduced shipments.** Total coal shipments declined by 13%, from 4.6 MMT to 4.0 MMT, primarily due to lower production and softer demand for the lower-grade coal inventory available during the quarter. Water seepage conditions limited production at the Acacia mine, reducing access to the better-quality coal expected from the area.

  Export shipments fell by 18%, from 2.2 MMT to 1.8 MMT, while domestic shipments declined by 8%, from 2.4 MMT to 2.2 MMT. China accounted for 47% of export sales, followed by 30% to Indonesia and remaining 23% between Thailand, India and Brunei.

  Domestic shipments declined by 8%, from 2.4 MMT to 2.2 MMT as sales to the Company's own power plants decreased by 8%, from 1.3 MMT to 1.2 MMT. Meanwhile, deliveries to third-party power customers declined by 33%, from 0.6 MMT to 0.4 MMT. Shipments to industrial and cement customers remained broadly unchanged at 0.2 MMT and 0.3 MMT, respectively.

- **Thinner operating margins.** Core EBITDA declined by 38%, from Php3.75 billion to Php2.33 billion, reducing the EBITDA margin from 36% to 21%, as total cash costs grew faster than revenues. Meanwhile, net income margin contracted from 22% to 7%.

  Total revenues grew by 9%, from Php 10.27 billion to Php 11.18 billion, while total cash costs jumped by 36%, from Php 6.53 billion to Php 8.85 billion, primarily due to higher cost of sales.

  The cash component of production costs increased by 46%, from Php5.23 billion to Php7.64 billion, mainly due to higher production cost per metric ton driven by elevated fuel prices, contracted services, and increased stripping activities associated with both the Narra and Acacia mines.

  Higher production costs per metric ton reflected the combined impact of lower coal output and the drawdown of commercial inventories. As shipments (4.0 MMT) exceeded production (2.5 MMT), previously capitalized inventory costs were recognized during the quarter.

  Government share declined by 9%, from Php1.13 billion to Php1.04 billion, reflecting lower operating margins. Meanwhile, operating expenses remained relatively stable at Php171 million, compared with Php167 million last year.

- **Stable noncash charges.** Depreciation and amortization remained broadly unchanged at Php1.54 billion, due to absence of re-fleeting for the period.

- **Other expense.** The segment recorded a net other expense of Php 2 million, compared with Php 50 million in other income in the prior year, mainly due to the net foreign exchange losses.

  Net foreign exchange losses amounted to Php 11 million, compared with a Php 44 million gain last year, primarily due to losses from the revaluation of foreign currency-denominated payables, which exceeded gains from collections.

- **Improved net finance income.** Net finance income improved to Php24 million from breakeven in the prior year. Finance costs increased by 252%, from Php29 million to Php102 million, primarily due to the Php5 billion loan drawdown in March 2026. This was more than offset by the increase in finance income, which rose from Php29 million to Php126 million on larger average cash balances and short-term placements.

- **Normalization of taxes.** Tax expense increased from Php6 million to Php27 million due to higher final taxes on services.

The segment also reported the following operational highlights:

- **Lower production.** Quarterly coal production declined by 55%, from 5.6 MMT to 2.5 MMT, mainly due to stripping activities in new block of the mature Narra mine, limited operations at the Acacia mine. Acacia production was limited to areas with controlled seepage conditions during the quarter.

  Production from Narra declined from 5.6 MMT to 0.8 MMT, while Acacia contributed 1.7 MMT during the quarter.

  Material movement decreased by 19%, from 62.5 million bank cubic meters (BCM) to 50.4 million BCM amid ongoing stripping activities and reduced capacity.

  Meanwhile, the strip ratio almost doubled from 10.4 to 19.7, reflecting the substantially higher pre-stripping requirements associated with both mines.

  For full-year 2026, the strip ratio is expected to average 13.0, as production gradually shifts to the Acacia mine over the remainder of the year.

- **Higher inventory levels.** Ending total coal inventory increased by 81%, from 2.7 MMT to 4.9 MMT, while commercial-grade inventory rose by 38%, from 0.8 MMT to 1.1 MMT, reflecting higher production over the past year.

  On a quarter-on-quarter basis, total inventory declined by 23% from 6.4 MMT, while commercial-grade inventory fell by 50%, from 2.2 MMT, as shipments exceeded production during the quarter.

Power

At the standalone level, the power segment delivered record quarterly earnings, with reported net income more than doubling by 101% to Php3.91 billion, from Php1.94 billion last year.

Power revenues increased by 40%, from Php6.47 billion to Php9.05 billion, driven by stronger electricity selling prices and increased sales volumes following improved plant availability.

Core EBITDA rose by 65%, from Php3.12 billion to Php5.15 billion, as revenue growth outpaced the increase in operating costs, expanding core EBITDA margin from 48% to 57%.

The improvement in earnings reflected stronger operating performance, lower depreciation and amortization, and a Php180 million nonrecurring gain arising from the reassessment of SLPGC plant asset useful lives.

Net of intercompany eliminations, reported net income contribution to the Group increased by 96%, from Php2.33 billion to Php4.56 billion.

The segment's results are attributable to the following:

- **Improved plant availability.** Overall plant availability increased to 94%, from 87% in the same period last year, reducing total outage days to 21, from 48.

  SCPC's availability improved to 93% from 90%, as total outage days declined to 13 from 18, despite slightly lower availability of Unit 1, which was more than offset by the uninterrupted operation of Unit 2.

  Meanwhile, SLPGC's availability increased to 95% from 84%, as total outage days reduced to 8 from 30, reflecting improved reliability across both generating units following fewer planned and forced outages.

- **Higher average capacity.** Average generating capacity during running days increased by 2%, from 815 MW to 831 MW, following the uprating of SCPC's dependable capacity in September 2025.

  SCPC's average capacity increased by 3%, from 524 MW to 542 MW, while SLPGC remained broadly stable at 289 MW, compared with 291 MW last year.

- **Best-ever generation and sales.** Gross generation increased by 9%, from 1,566 GWh to a 1,710 GWh, primarily due to improved plant availability.

  SCPC generation increased by 7%, from 1,033 GWh to 1,108 GWh, while SLPGC output rose by 13%, from 533 GWh to 602 GWh.

  Consequently, electricity sales also increased by 9%, from 1,435 GWh to 1,563 GWh.

- **Balanced sales portfolio.** BCQ sales increased by 14%, from 638 GWh to 728 GWh, supported by a 26% increase in contracted capacity, from 333.4 MW to 422.4 MW at the beginning of the period (April 2026 vs. April 2025).

  Despite the higher contracted position, spot sales also increased by 5%, from 797 GWh to 835 GWh, as improved plant availability and higher generation enabled the segment to capitalize on elevated wholesale electricity prices.

- **Stronger selling prices.** Overall average selling price (ASP) increased by 29%, from Php4.51/KWh to Php5.81/KWh, primarily due to substantially higher spot electricity prices.

  BCQ ASP declined by 9%, from Php5.15/KWh to Php4.68/KWh, while spot ASP surged 70%, from Php4.00/KWh to Php6.80/KWh, following the sharp increase in Luzon-Visayas spot market prices.

  Average Luzon-Visayas spot prices increased by 72%, from Php4.04/KWh to Php6.97/KWh, driven by stronger electricity demand and tighter market conditions.

- **Better operating margins.** Core EBITDA increased by 65%, from Php3.12 billion to Php5.15 billion, lifting the EBITDA margin from 48% to 57%. Net income margin likewise expanded from 30% to 43%.

  Total revenues increased by 40%, from Php6.47 billion to Php9.05 billion, while total cash costs increased by only 16%, from Php3.35 billion to Php3.90 billion.

  The cash component of cost of sales increased by 17%, from Php2.57 billion to Php3.00 billion, mainly due to higher generation and electricity sales, as well as increased fuel costs mitigated by efficient fuel management.

  Operating expenses increased by 15%, from Php787 million to Php907 million, largely due to higher plant maintenance and enhanced ER 1-94 benefits to host communities.

- **Lower non-cash charges.** Depreciation and amortization declined by 27%, from Php768 million to Php563 million, following the reassessment of the remaining useful lives of certain SLPGC plant assets, effective January 1, 2026. The reassessment reflected major plant modifications completed since commissioning, as well as the implementation of an enhanced asset management program, which supported the extension of the assets' remaining useful lives.

- **Lower other income.** Other income fell by 12%, from Php 97 million to Php85, mainly due to lower fly ash sales.

- **Higher net finance income.** Net finance income grew from Php5 million to Php11 million, primarily due to reduced interest expense following the continued reduction in loans payable.

  Ending loans payable (June 2026 vs. June 2025) declined by 64%, from Php1.1 billion to Php0.4 billion, as the segment continued to deleverage. Meanwhile, ending cash balances increased by 4%, from Php5.6 billion to Php5.8 billion.

- **Higher tax provisions.** Income tax expense increased by 87%, from Php506 million to Php948 million, in line with higher taxable earnings.

The segment also reported the following operational updates:

- **Growing contracted capacity.** As of June 30, 2026, the power segment had 445.4 MW of contracted capacity, representing 57% of its net selling capacity of 785.2 MW. Of this total, 8% included fuel pass-through provisions.

  SCPC accounted for 305 MW of contracted capacity, while SLPGC contributed 140.4 MW.

  After deducting station service requirements of 74.8 MW, the segment maintained 339.8 MW of net spot market exposure.

Station service refers to the electricity produced by the plant that is used within the facility to power lights, motors, control systems, and other auxiliary electrical loads necessary for plant operation.

The Philippine Electricity Market Corporation, through the Independent Electricity Market Operator of the Philippines (IEMOP), approved the uprating of SCPC Unit 1 and 2's dependable capacity to 250MW and 310MW, respectively (from 240MW and 300MW) on September 4, 2025.

- **Minimal spot purchases.** Spot purchases declined by 78%, from Php23 million to Php5 million, owing to improved plant availability. The segment remained a net seller to the spot market by 834 GWh, compared to 791 GWh in Q2 2025.

II. DMCI Mining Corporation (DMCI Mining)

Net income contribution from the nickel business surged by 276%, from Php 344 million to Php 1.29 billion, as the company operated three mines during the quarter, compared with two in the same period last year. The increase was driven mainly by record shipment volumes following the full-quarter contribution of Berong Nickel Corporation's Long Point mine.

At the standalone level, net income increased by 387%, from Php 322 million to Php 1.57 billion. No nonrecurring items were recorded during either period.

Additional details on DMCI Mining's operating and financial performance are as follows:

- Record shipment volumes lift revenues. Total revenues nearly tripled (+189%) from Php 1.20 billion to Php 3.44 billion, as significantly higher shipment volumes more than offset lower selling prices.

  Total shipments increased by 142%, from 522,000 WMT to 1.26 million WMT, driven mainly by the full-quarter contribution of BNC's Long Point mine and higher shipments from ZCMC.

  BNC accounted for the largest share of total shipments at 59%, followed by ZDMC at 21% and ZCMC at 20%.

  ZDMC shipments declined by 18%, from 312,000 WMT to 257,000 WMT, while ZCMC shipments increased by 23%, from 210,000 WMT to 259,000 WMT. BNC contributed 749,000 WMT during the quarter.

  Lower ASP reflects expanded nickel ore product. Average selling price (ASP) declined by 10%, from US$39/WMT to US$35/WMT, as Long Point mine produces lower-grade limonite nickel ore, which carries more stable pricing and reduce overall operating costs. Average nickel grade sold declined by 8%, from 1.36% to

1.25%, reflecting a higher proportion of mid- to lower-grade ore shipments. However, if the Limonite and Saprolite ores are separated, the average nickel grade for Saprolite declined only by 5% with ASP of US$42.81/WMT (+10% YoY). Improved nickel prices also allowed the company to sell lower-grade ore that would have otherwise been less commercially viable under weaker market conditions.

Average LME nickel prices increased by 20%, from US$15,175 per ton to US$18,158 per ton, while the Philippine FOB price for 1.3% nickel ore rose by 12%, from US$34/WMT to US$38/WMT, supported by tighter Indonesian nickel ore supply and stronger demand from regional smelters, particularly in Indonesia.

- **Stronger EBITDA performance.** Core EBITDA more than tripled from Php 599 million to Php 2.13 billion, as the sharp increase in shipment volumes more than offset lower ASP and higher operating costs.

  Core EBITDA margin expanded to 62%, from 50%, reflecting stronger operating leverage from the significant increase in volumes.

  Total cash costs increased by 119%, from Php 598 million to Php 1.31 billion, mainly due to higher mining and shipment activities following the ramp-up of Long Point operations.

  Cash cost of sales increased by 122%, from Php 276 million to Php 614 million, reflecting higher hauling, shiploading, fuel and labor costs associated with increased operating activity.

  Meanwhile, operating expenses rose by 116%, from Php 322 million to Php 697 million, primarily due to higher taxes and royalties, following the effectivity of the enhanced fiscal mining regime on February 17, 2026, as well as increased environmental protection, social development and site-related expenditures associated with higher production and shipments.

- **Record quarterly earnings.** Net income margin expanded to 46%, from 27%, as the increase in operating earnings more than offset higher depreciation, finance costs and income tax provisions.

  Depreciation, depletion and amortization increased by 21%, from Php 134 million to Php 162 million, mainly due to higher depletion charges following increased production and shipments. Meanwhile, net finance costs stood at Php 12 million, from Php 13 million.

- Provision for income tax increased by 210%, from Php 126 million to Php 390 million, in line with higher taxable income during the quarter, partly offset by BNC’s utilization of net operating loss carryover (NOLCO).

The company also reported the following operational and financial results:

- **Best-ever production levels.** Total production increased by 167%, from 478,000 WMT to 1.28 million WMT, mainly due to the full-quarter contribution of BNC's Long Point mine and higher output from ZDMC and ZCMC.

  ZDMC production increased by 11%, from 252,000 WMT to 280,000 WMT, while ZCMC production rose by 16%, from 226,000 WMT to 263,000 WMT. BNC contributed 733,000 WMT during the period.

- **Healthy inventory position.** Ending inventory increased by 5%, from 152,000 WMT to 159,000 WMT, as higher production broadly matched the significant increase in shipment volumes.

- **Solid financial position.** As of June 30, 2026, the company shifted to a net cash position, from a net debt-to-equity ratio of 13% as of December 2025, mainly due to higher cash balances and lower borrowings.

  Cash and cash equivalents increased by 143%, from Php 901 million to Php 2.19 billion, supported by strong operating cash flows despite Php 1.35 billion in dividend payments and Php 150 million in loan repayments. Meanwhile, loans payable declined by 10%, from Php 1.45 billion to Php 1.30 billion.

- **Lower capital spending.** Quarterly capital expenditures declined by 32%, from Php 84 million to Php 57 million, following the completion of major mine development activities for BNC and ZCMC in the previous year.

  First-half capital expenditures declined by 49%, from Php 317 million to Php 163 million.

III. DMCI Project Developers Inc. (DMCI Homes)

Net income contribution from the real estate business reached Php 1.05 billion, up 49% from Php 705 million in the same period last year, primarily driven by higher residential revenues, lower reversals from cancellations and improved operating margins.

At the standalone level, net income increased by 42%, from Php 730 million to Php 1.04 billion. No nonrecurring items were recorded during either period.

Figures are presented excluding the impact of the significant financing component (SFC) to provide better year-on-year comparability of operating performance. Under accounting standards, SFC adjustments are computed and recognized at year-end to reflect the financing element embedded in long-term real estate receivables and customer payment terms.

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

- **Higher revenues.** Total revenues increased by 22%, from Php 3.23 billion to Php 3.94 billion, mainly driven by higher residential revenues.

  Residential revenues grew by 23%, from Php 2.97 billion to Php 3.63 billion, supported by higher percentage-of-completion recognition and lower reversals from cancellations.

  Meanwhile, other revenues increased by 16%, from Php 267 million to Php 309 million, driven by higher contract revenues from the joint venture projects, property management, hotel operations and elevator maintenance.

- **Improved operating performance.** Total cash costs increased by 13%, from Php 2.91 billion to Php 3.28 billion, slower than revenue growth.

  The cash component of cost of sales increased by 14%, from Php 1.95 billion to Php 2.23 billion, in line with higher project accomplishments and revenue recognition.

  Operating expenses rose by 10%, from Php 958 million to Php 1.06 billion, largely due to higher repairs and maintenance and selling and marketing expenses.

  With revenues growing faster than cash costs, core EBITDA more than doubled from Php 325 million to Php 657 million, while EBITDA margin expanded to 17%, from 10% last year.

- **Stronger earnings.** Core net income increased by 42%, supported by stronger operating performance and higher other income.

  Other income increased by 8%, from Php 993 million to Php 1.07 billion, primarily driven by rental income, including contributions from rent-to-own units.

  Net finance costs increased by 9%, to Php 285 million from Php 262 million, as lower finance income from in-house financing and placements more than offset the decline in finance costs.

  The blended interest rate for loans payable increased from 6.05% to 6.32%, reflecting market conditions.

  Meanwhile, provision for income tax increased by 31%, from Php 275 million to Php 360 million, in line with higher taxable income during the period.

As a result, net income margin improved to 26%, from 23% in the same period last year.

- **Healthier balance sheet.** Total assets stood at Php 89.93 billion as of June 2026, down 5% from Php 94.63 billion as of December 2025.

  Cash and cash equivalents declined by 42%, from Php 11.36 billion to Php 6.62 billion, mainly due to loan repayments (Php 6.6 billion), dividend payments to the parent company (Php 0.6 billion) and equity investment to hotel operations (Php 0.6 billion).

  Loans payable decreased by 17%, from Php 32.16 billion to Php 26.55 billion, following scheduled debt repayments.

  As a result, the company maintained a healthy net debt-to-equity ratio of 0.51, improving from 0.55 as of year-end 2025.

IV. DMCI Power Corporation (DMCI Power)

Net income contribution from the off-grid energy business increased by 9%, from Php 374 million to Php 406 million, driven by record quarterly energy sales volume.

At the standalone level, net income rose by 13%, from Php 374 million to Php 423 million. No nonrecurring items were recorded during either period.

Key highlights of DMCI Power's performance are as follows:

- **Higher revenues.** Total revenues increased by 41%, from Php 2.24 billion to Php 3.16 billion, driven by higher energy sales volume and average selling prices across all service areas.

- **Best-ever energy sales**. Total energy sales volume grew by 9%, from 144.2 GWh to a record 157.0 GWh, supported by higher sales in Palawan and Masbate and increased generation in Antique.

  By service area, Palawan remained the largest contributor, accounting for 40% of total sales volume, followed by Masbate at 32%, Oriental Mindoro at 22% and Antique at 7%.

  Sales in Palawan increased by 11%, from 56.1 GWh to 62.1 GWh, supported by higher dispatch from the Aborlan bunker-fired expansion units and stronger demand. Masbate sales rose by 5%, from 48.1 GWh to 50.7 GWh, driven by the addition of the 8 MW Masbate bunker expansion plant in February 2026

Sales in Oriental Mindoro remained stable at 33.9 GWh, while combined energy sales in Antique increased by 68%, from 6.2 GWh to 10.4 GWh, driven by higher thermal sales and increased generation from the Semirara wind turbines.

By fuel type, bunker-fired generation increased by 37%, from 54.3 GWh to 74.6 GWh, while coal-fired generation rose by 8%, from 47.1 GWh to 50.8 GWh. Wind generation more than doubled from 2.1 GWh to 5.3 GWh. Meanwhile, diesel generation declined by 36%, from 40.8 GWh to 26.2 GWh.

- **Higher ASP.** Overall average selling price increased by 30%, from Php 15.51 per kWh to Php 20.1 per kWh, mainly due to higher fuel prices.

  Thermal coal fuel prices increased by 2%, from Php 4.2 per kilogram to Php 4.3 per kilogram. Bunker fuel prices rose by 39%, from Php 46.4 per liter to Php 64.7 per liter, while diesel prices more than doubled from Php 48.9 per liter to Php 101.3 per liter.

- **Improved financial performance.** Core EBITDA increased by 14%, from Php 594 million to Php 677 million, supported by record quarterly revenues.

  Total cash costs rose by 51%, from Php 1.64 billion to Php 2.48 billion, mainly due to higher fuel prices and increased generation. As cash costs grew faster than revenues, core EBITDA margin moderated to 21%, from 27% in the same period last year.

- **Higher depreciation and finance costs.** Depreciation and amortization increased by 23%, from Php 125 million to Php 154 million, following the commercial operations of new power plants and continued investments in generation capacity.

  Finance costs increased by 10%, from Php 56 million to Php 61 million, due to higher average borrowings to support expansion projects.

  Provision for income tax remained broadly stable at Php 39 million.

  The 8 MW Masbate hybrid diesel plant’s six-year income tax holiday will remain in effect until January 2029, while the Palawan thermal plant’s four-year income tax holiday is set to expire in July 2027. The two 8.8 MW Aborlan expansion units are exempt until 2031, while the 12.5 MW Semirara Wind Project will benefit from an income tax holiday until 2032.

The company also reported the following results:

- **Expanded installed capacity.** Total installed capacity increased by 6%, from 188.3 MW to 198.8 MW, following the addition of the 8 MW Masbate bunker expansion plant in February 2026 and the 2.6 MW diesel-fired plant in Antique, which commenced operations on May 25, 2026.

- **Stable market coverage.** DMCI Power maintained its 100% market share in Masbate, while its market share in Palawan improved to 54%, from 52% in the same period last year. Market share in Oriental Mindoro remained stable at 29%.

- **Healthy financial position.** Net debt-to-equity ratio improved to 116%, from 124% as of December 2025, as the increase in equity outpaced the growth in net debt.

  Cash and cash equivalents declined by 66%, from Php 270 million to Php 91 million, mainly due to capital expenditures.

  Loans payable increased by 4%, from Php 7.08 billion to Php 7.34 billion, to support ongoing expansion projects and capital spending requirements.

  Total equity increased by 14%, from Php 5.48 billion to Php 6.27 billion, supported by retained earnings and continued positive financial performance.

- **Higher capital spending.** Quarterly capital expenditures reached Php 427 million, bringing first-half capital spending to Php 805 million. The expenditures mainly fund pipeline projects in Occidental Mindoro and Palawan and various plant maintenance activities.

V. D.M. Consunji, Inc. (DMCI)

Net income contribution from the construction business surged to Php 195 million in the second quarter, from Php 18 million in the same period last year. The improvement was driven by better project margins, higher income recognition from joint ventures, lower operating and non-cash expenses, and the favorable reversal of consolidation adjustments.

Consolidation adjustments attributable to the parent company reversed to a positive Php 16 million, from a negative Php 129 million in the same period last year. These adjustments mainly relate to cement purchases from Concreat and construction services rendered to affiliated companies.

At the standalone level, reported net income increased by 24%, from Php 143 million to Php 178 million.

- **Lower revenues.** Total revenues declined by 16%, from Php 4.34 billion to Php 3.62 billion, as lower accomplishments from Building and Infrastructure projects more than offset increased activity in Joint Ventures and billables, and Allied Services and others.

Building revenues decreased by 19%, from Php 2.47 billion to Php 2.00 billion, due to slower progress in ongoing projects and the completion or near-completion of certain accounts.

Infrastructure revenues fell by 86%, from Php 749 million to Php 102 million, as major projects approached completion.

Meanwhile, revenues from Joint Ventures and billables increased by 39%, from Php 862 million to Php 1.20 billion, mainly due to inclusion of billings and progress related to Metro Manila Subway Packages CP102 and CP105.

Allied Services and others grew by 25%, from Php 263 million to Php 328 million, driven by higher support requirements from ongoing projects.

The Building segment remained the largest revenue contributor at 55%, followed by Joint Ventures and billables at 33%, Allied Services and others at 9%, and Infrastructure at 3%.

- **Improved margins despite lower revenues**. Total cash costs declined by 17%, from Php 4.04 billion to Php 3.37 billion, broadly in line with lower project accomplishments.

  The cash component of cost of sales decreased by 17%, from Php 3.85 billion to Php 3.20 billion, mainly due to lower activity in the Building and Infrastructure segments.

  Operating expenses declined by 10%, from Php 183 million to Php 164 million, due to lower ICT equipment and software expenses following the implementation of new systems.

  As a result, Core EBITDA declined by 15%, from Php 304 million to Php 258 million, while Core EBITDA margin remained stable at 7% on both periods.

  Non-cash costs decreased by 9%, from Php 121 million to Php 110 million, as certain assets became fully depreciated.

  Other income increased from Php 3 million to Php 47 million, mainly due to the recognition of net foreign exchange gains arising from higher foreign currency balances associated with new joint venture projects.

  Net finance income increased to Php 22 million, from Php 19 million in the same period last year, on higher interest income from placements.

  As a result, Core EBITDA declined by 15%, from Php 304 million to Php 258 million, while Core EBITDA margin remained stable at 7% on both periods.

Consequently, core net income increased by 24%, from Php 143 million to Php 178 million, translating to a net margin of 5%, from 3% in the prior-year period. No nonrecurring items were booked during the quarter.

The company also reported the following operational and financial results as of June 30, 2026:

- **Order book expansion.** Total order book increased by 12%, from Php 38.5 billion as of December 2025 to Php 43.1 billion as of June 2026, as new project awards of Php 6.2 billion and change orders totaling Php 4.6 billion more than offset Php 6.2 billion in booked project revenues.

  The new project award mainly pertains to the Metro Manila Subway Project Contract Package 109, secured in joint venture with Taisei Corporation. The project covers the construction of an underground station at Ninoy Aquino International Airport Terminal 3 and its connecting tunnels.

  Meanwhile, change orders totaling Php 3.4 billion were mainly attributable to adjustments in subcontracting works for the North-South Commuter Railway Project Contract Package 1.

  Joint Venture projects remained the largest component of the order book at 70%, followed by Building at 28% and Infrastructure at 2%.

- **Prudent capital spending.** Quarterly capital expenditures declined by 74%, from Php 361 million to Php 93 million, mainly due to lower project requirements and the timing of planned expenditures, with the bulk of the year's capital spending program scheduled for the latter part of the year.

- **Healthy balance sheet.** The company has remained debt-free since December 2023.

  Cash and cash equivalents declined by 5%, from Php 5.39 billion as of December 2025 to Php 5.12 billion as of June 2026, mainly due to operating requirements.

  Stockholders' equity increased by 3%, from Php 8.01 billion to Php 8.27 billion, driven by retained earnings.

  With a lower cash balance and higher equity base, the net debt-to-equity ratio moderated to -0.62, from -0.67 as of December 2025.

VI. Concreat Holdings Philippines (Concreat)

The cement business moved close to breakeven in the second quarter, posting a core net loss contribution of just Php 4 million, a significant improvement from the Php 682 million loss recorded in the same period last year. This reflects the continued progress of integration and operational improvement initiatives following DMCI Management's acquisition on December 2, 2024.

At the standalone level, core EBITDA turned positive at Php 553 million, reversing the Php 138 million loss recorded last year. The turnaround was driven by higher sales and lower unit cash costs, supported by better operating efficiencies and reduced energy consumption and power costs.

Standalone core net loss also narrowed by 80%, from Php 1.09 billion to Php 215 million.

Including nonrecurring items, reported net loss was Php 215 million, compared with the Php 1.54 billion loss reported a year ago. 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 2026.

Further details on Concreat's financial performance are as follows:

- **Higher revenues.** Total revenues increased by 16%, from Php 3.96 billion to Php 4.60 billion, supported by higher selling prices and sales volume.

  Average selling price increased by 11% year-on-year, reflecting the company's pricing initiatives to offset higher input costs arising from elevated global fuel prices. Cement sales volume grew by 6%, driven by stronger sales of Ordinary Portland Cement.

- **Lower unit cash costs.** Total cash cost per ton declined by 6%, from Php 3,967 to Php 3,723, due to improved operating efficiencies, higher production, and lower energy consumption and power costs.

- **Reduced non-cash costs.** Depreciation and amortization decreased by 22%, from Php 491 million to Php 382 million, following the replacement of higher-cost logistics assets with more cost-efficient alternatives.

- **Moderated finance costs.** Net finance costs declined by 17%, from Php 432 million to Php 359 million, mainly due to lower interest rates.

- **Higher capital spending.** Capital expenditures increased to Php 1.30 billion, from Php 380 million in the same period last year. Spending during the quarter was mainly spent on plant improvements, equipment replacements and maintenance activities.

CAPEX

In the second quarter, the DMCI Group's capital expenditures declined by 10%, mainly due to the absence of major fleet replacement activities at SMPC and DMCI Mining. This was partly offset by a sixfold increase in Concreat's capital spending for plant improvements, equipment replacements and maintenance activities.

in Php bn	**Q2 2026**	**Q2 2025**	**Change**
DMCI	0.1	0.2	-50%
DMCI Homes	3.5	3.3	6%
SMPC	0.4	2.1	-81%
DMCI Power	0.4	0.4	0%
DMCI Mining	0.1	0.1	0%
Concreat	1.3	0.4	225%
Total	**5.7**	**6.5**	-12%

H1 2026	**H1 2025**	**Change**
0.1	0.4	-74%
6.0	6.1	-2%
0.9	4.5	-80%
0.8	0.6	41%
0.2	0.3	-49%
1.7	0.8	113%
9.7	**12.7**	-24%

in Php bn	**2026F**	**2025**	**Change**
DMCI	0.2	0.8	-75%
DMCI Homes	15.0	11.5	30%
SMPC	1.9	5.9	-68%
DMCI Power	2.3	1.2	92%
DMCI Mining	0.2	0.6	-67%
Concreat	2.9	2.2	32%
Total	**22.6**	**22.2**	**1%**

For 2026, Group capital expenditures are expected to remain broadly stable at approximately Php 22.6 billion, compared with Php 22.3 billion in 2025. The latest estimate is lower than the Php 23.7 billion announced in May, mainly due to the deferral of certain spending plans for DMCI Power's Palawan projects and DMCI Mining's development activities to 2027.

D.M. Consunji, Inc. will continue investing in fleet replacement and construction equipment to support new and ongoing projects.

DMCI Homes has allocated up to Php 14.9 billion for capital expenditures in 2026. Around 92% of the budget will be directed toward the construction of ongoing and new projects, subject to market conditions, while the balance will be used for land banking and equipment acquisitions.

Semirara Mining and Power Corporation expects capital expenditures to decline significantly to approximately Php 1.9 billion, reflecting the absence of major fleet replacement activities and management's continued focus on prudent capital allocation.

Coal segment capital expenditures are projected at approximately Php 0.8 billion, mainly for ICT investments, maintenance of the 2×7.5 MW power plant generators on Semirara Island and mobile equipment support.

Power segment capital expenditures are expected to reach approximately Php 1.1 billion, primarily for plant maintenance, assurance spares and ICT investments to support operational reliability.

DMCI Power plans to invest approximately Php 2.3 billion to support around 50 MW of new capacity additions across Palawan, Masbate and Oriental Mindoro, which are expected to come online between 2027 and 2029. These include the Roxas bunker-fired power plant in Palawan, the Mobo bunker-fired power plant and a solar facility in Masbate, and the deployment of modular high-speed diesel generating units across Palawan, Oriental Mindoro and Masbate.

DMCI Mining has allocated approximately Php 236 million for mine development and equipment acquisitions in Palawan and Zambales.

Concreat plans to spend Php 2.9 billion in capital expenditures, with about 56% allocated for plant capacity efficiency improvements and operational upgrades, while the balance will be used for annual plant maintenance.

Outlook and Updates

The Group enters the second half of 2026 with stronger operating momentum across several businesses, supported by higher power sales, expanded nickel production, improving cement operations and new capacity additions in off-grid power.

However, performance may continue to vary across businesses amid elevated energy and fuel costs and interest rates, softer conditions in construction and real estate, volatility in commodity and electricity prices, and uncertainty surrounding the continuity of SMPC's COC No. 5 beyond July 2027.

Against this backdrop, the Group will prioritize operational efficiency, inventory monetization and prudent capital allocation, while selectively pursuing growth opportunities across its core businesses. Its diversified portfolio, healthy cash generation and manageable leverage position the Group to capture emerging opportunities over the longer term.

- **D.M. Consunji, Inc.** is focused on rebuilding its order book through a diversified pipeline of large-scale infrastructure, building, industrial and utility projects. The company is prioritizing technically complex opportunities, expanding into growth sectors such as water, data centers and healthcare, and leveraging joint ventures and affiliate projects to improve project visibility and manage execution risk.

- **DMCI Homes** will remain focused on accelerating inventory turnover and strengthening its balance sheet through rent-to-own programs, flexible payment schemes, international sales initiatives and continued deleveraging amid the current market conditions.

  The company is also building on the positive market reception of Solmera Coast's resort-residential concept. With the project set to open , management is optimistic that the condotel format can provide a differentiated value proposition and broaden the company's recurring income opportunities. DMCI Homes is likewise targeting the launch another condotel project before year-end, while continuing to assess other differentiated residential and leisure formats.

- **SMPC** will remain focused on safe and efficient coal production, inventory management and preserving capital flexibility while awaiting greater clarity on COC No. 5. The company will continue prioritizing domestic customers where product specifications are compatible.

  In power, the priority is to sustain plant availability and maintain a balanced mix of contracted and spot sales. This approach supports reliable supply while preserving flexibility to respond to changing market conditions.

- **DMCI Power** continues to pursue growth opportunities in the off-grid market, supported by rural electrification initiatives and rising demand for dependable capacity in underserved areas.

  Following the commissioning of its 8.8 MW bunker-fired plant in Masbate in February 2026 and a 2 MW diesel plant in Antique, the company expects to add another 7 MW of bunker-fired capacity in Palawan. Overall, around 40 MW of additional capacity is in the pipeline over the next two years.

- **DMCI Mining** remains well positioned to benefit from sustained regional demand for Philippine nickel ore, particularly from Asian smelters. Following the start of commercial operations at the Long Point mine in Palawan in March 2026, the company now operates three active mines with a combined annual operating capacity of approximately 3 million WMT.

With ZDMC nearing depletion within the year, DMCI Mining is advancing permitting and development plans for its other nickel assets to support future production and maintain continuity across its portfolio.

- **Concreat** is approaching an inflection point in its financial performance, reflecting progress in strengthening its commercial strategy, operational efficiency and distribution capabilities. The company remains focused on sustaining these improvements and responding to evolving market conditions, with cautious optimism for the second half of 2026.

Explanation of movement in consolidated income statement accounts:

Revenues

Consolidated revenues for the first six months of 2026 increased by 10% from Php 61.6 billion to Php 67.5 billion due higher electricity sales and prices, improved nickel and cement sales and prices coupled with higher percentage of completion and lower cancellation of real estate developments.

Cost of Sales and Services

Cost of sales and services during the period increased by 4%. Lower construction costs negated the higher costs of all the other businesses. This resulted to higher gross profit margin.

Operating Expenses

Government royalties for the period amounted to Php 2.1 billion, 9% lower from Php 2.3 billion last year as the coal business recorded lower profits. Excluding government royalties, operating expenses incurred during the six-month period increased by 11% to Php 8.2 billion due mainly to higher repairs and maintenance, salaries and wages, insurance premiums, and association dues.

Equity in Net Earnings

Equity in net earnings of associates decreased by 14% as a result of lower equity pick up of Maynilad stemming from the reduced effective stake over the associate from 25% to 18% following its successful IPO last year.

Finance Income

Consolidated finance income decreased by 20% due mainly to lower applicable rates during the period.

Finance Cost

Consolidated finance costs decreased by 6%, as net impact of loan payments and availment during the period.

Other Income-net

Other income increased by 8% primarily attributable to income from real estate forfeitures and cancellations, foreign exchange gain and insurance claim.

Provision for Income Tax

Income tax grew as a result of higher taxable income from segments without ITH.

II. CONSOLIDATED FINANCIAL CONDITION

June 30, 2026 (Unaudited) vs December 31, 2025 (Audited)

The Company's financial condition for the period improved as total assets reached Php 296.1 billion, a 5% increase from December 31, 2025. Consolidated total equity likewise increase by 7% to Php 159.3 billion.

Consolidated cash increased by 34% from Php 29.1 billion to Php 39.1 billion owing to loan availment of the coal segment, higher revenue from businesses, negated by the dividend payment of the Parent Company.

Receivables grew by 15% to Php 25.5 billion due mainly to higher revenue of power and nickel businesses.

Contract assets (current and non-current) increased by 18% to Php 14.7 billion due to ongoing negotiations for settlement of project claims.

Consolidated inventories grew to Php 82.0 billion mainly composed of accomplished real estate projects, coal inventories and plant spare parts.

Other current assets decreased by 7% to Php 12.2 billion from Php 13.1 billion of last year due mainly to amortization of prepaid expenses.

Investments in associates and joint ventures declined to Php 23.9 billion from Php 24.4 billion of last year as a result of the net impact of the income take up and dividend received from Maynilad.

Property, plant and equipment slightly declined by 4% to Php 76.3 billion since depreciation offset the property acquisition during the period.

Right-of-use assets decreased by 3% due to amortization.

Other noncurrent assets grew by 10% due mainly to higher refundable deposits and noncurrent prepayments.

Accounts and other payables reached Php 33.5 billion mainly on timing of payment to suppliers of the businesses.

Contract liabilities (current and non-current) increased by 8% to Php 24.0 billion due to the net impact of the collection of downpayment from customer this period and the recoupment of those which were received last year..

From Php 66.3 billion, total debt (under short-term and long-term debt) stood flat during the first six months of the year as a result of loan availament of SMPC, CHP and DMCI Power and debt payment made by DMCI Homes and Mining.
Liabilities for purchased land is flat at P1.2 billion.

Deferred tax liabilities is flat at Php 5.0 billion on higher booked income compared to taxable income of real estate sales.

Consolidated retained earnings stood at Php 99.2 billion at the end of June 2026, 8% increase from the retained earnings of 2025 at Php 91.8 billion after generation of Php 11.4 billion net income and dividend declaration of Php 4.0 billion.

Non-controlling interest grew by 12% as a result of the minority share's to the net income of SMPC and CHP.

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

	For the Period		Variance	
(in Php Millions)	2026	2025	Amount	%
Semirara Mining and Power Corporation	32,485	31,327	1,158	4%
DMCI Homes	8,858	7,936	922	12%
Concreat	8,674	7,258	1,416	20%
D.M. Consunji, Inc.	7,348	8,335	(987)	-12%
DMCI Mining	5,094	2,587	2,507	97%
DMCI Power	4,830	3,998	832	21%
Parent and Others	162	161	1	1%
Total Revenues	**67,451**	**61,602**	**5,939**	**10%**

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 10% as lower construction revenue is cushioned by the impact of improved nickel shipment, higher power and cement sales and prices and higher percentage of completion and lower cancellation of real estate accounts.

CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS

	For the Period		Variance	
(in Php Millions)	2026	2025	Amount	%
Semirara Mining and Power Corporation	4,744	4,800	(56)	-1%
DMCI Homes	2,326	2,052	274	13%
DMCI Mining	1,735	753	982	130%
Maynilad	1,526	1,899	(373)	-20%
DMCI Power	708	644	64	10%
D.M. Consunji, Inc.	241	68	173	254%
Parent and Others	211	141	70	50%
Concreat	(207)	(1,228)	1,021	-83%
Core Net Income	**11,284**	**9,129**	**2,155**	**24%**
Non-recurring Items	100	1	99	9990%
Reported Net Income	**11,384**	**9,130**	**2,254**	**25%**

The increase in net income (after non-controlling interest) of the Group is attributed to the improved nickel shipment, higher power and cement sales and prices and percentage of completion of real estate projects. These were slightly negated by the reduced equity pick up from Maynilad's earnings as a result of the decrease in effective ownership from 25% to 18%.

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 0.86/share for the six-month period ended June 30, 2026, a 25% growth from Php 0.69/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 9% and 8% for the six-month period of 2026 and 2025, 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 66.3 billion, which resulted to a net debt to equity ratio of 0.17:1 and 0.22:1 as of June 30, 2026 and December 31, 2025, respectively.

FINANCIAL SOUNDNESS RATIOS

	June 30, 2025	**December 31, 2025**
Current Ratio	2.57 times	2.46 times
Net Debt to Equity Ratio	0.17 times	0.25 times
Asset to Equity Ratio	1.86 times	1.90 times
	June 30, 2025	**June 30, 2025**
Return on Assets	6%	5%
Return on Common Equity	9%	8%
Interest Coverage Ratio	10 times	8 times
Gross Profit Margin	37%	34%
Net Profit Margin	22%	20%

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 May 7, 2026, the BOD of the Parent Company approved the declaration of cash dividends in the amount of Php 0.30 per common share or a total of Php 3.98 billion in favor of the common stockholders of record as of May21, 2026, and was paid on June 5, 2026.
4. On October 21, 2025, 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 November 5, 2025 and will be paid on November 21, 2025.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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
11. The Group does not have any offering of rights, granting of stock options and corresponding plans therefore.

12. 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 & Chief Finance Officer
Signature and Title	**Joseph Adelbert V. Legasto** Deputy Chief Financial Officer
Date	August 6, 2026

DMCI HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands)

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	**₱39,092,898**	₱29,077,896
Receivables - net (Note 9)	**25,729,321**	22,114,099
Current portion of contract assets	**9,692,688**	7,510,319
Inventories	**82,043,390**	79,330,845
Other current assets	**12,218,972**	13,120,054
Total Current Assets	**168,777,269**	151,153,213
Noncurrent Assets		
Property, plant and equipment	**76,321,438**	79,284,458
Investments in associates and joint ventures (Note 6)	**23,911,910**	24,440,477
Contract asset - net of current portion	**5,051,285**	4,999,828
Trademarks	**5,492,744**	5,492,744
Right-of-use assets	**3,335,699**	3,450,763
Goodwil	**1,731,435**	1,731,435
Deferred tax assets - net	**1,631,367**	1,669,776
Exploration and evaluation asset	**216,212**	550,195
Other noncurrent assets	**9,824,216**	8,954,626
Total Noncurrent Assets	**127,516,306**	130,574,302
	₱296,293,575	₱281,727,515
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt	**₱3,096,947**	₱2,826,290
Accounts and other payables	**33,750,693**	30,966,162
Income tax payable	**431,761**	256,233
Current portion of liabilities for purchased land	**681,176**	632,575
Current portion of long-term debt	**12,115,046**	12,750,303
Current portion of contract liabilities and other customers' advances and deposits	**15,629,745**	13,973,073
Total Current Liabilities	**65,705,368**	61,404,636

(Forward)

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Noncurrent Liabilities		
Long-term debt - net of current portion	**₱51,134,573**	₱50,730,254
Deferred tax liabilities - net	**4,963,103**	5,018,442
Contract liabilities - net of current portion	**8,357,982**	8,328,353
Liabilities for purchased land - net of current portion	**474,569**	507,439
Other noncurrent liabilities	**6,348,516**	7,291,533
Total Noncurrent Liabilities	**71,278,743**	71,876,021
Total Liabilities	**136,984,111**	133,280,657
Equity (Note 3)		
Equity attributable to equity holders of the Parent Company:		
Paid-in capital	**27,949,868**	27,949,868
Treasury shares - Preferred	**(7,069)**	(7,069)
Retained earnings	**99,218,739**	91,817,522
Premium on acquisition of non-controlling interests	**(817,958)**	(817,958)
Remeasurements on retirement plans - net of tax	**1,245,183**	1,246,682
Net accumulated unrealized gains on equity investments designated at FVOCI	**244,318**	244,318
Share in other comprehensive income of associates	**(23,076)**	(23,076)
	127,810,005	120,410,287
Non-controlling interests	**31,499,459**	28,036,571
Total Equity	**159,309,464**	148,446,858
	₱296,293,575	₱281,727,515

DMCI HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

For the Period and Quarter Ended June 30, 2026 and 2025
(Amounts in Thousands, except for Earnings Per Share figures)

	For the period		For the quarter	
	Jan to Jun 2026	Jan to Jun 2025	**Apr to Jun 2026**	Apr to June 2025
REVENUE (Notes 4 and 8)				
Coal mining	**₱18,276,759**	₱18,351,688	**₱8,643,089**	₱8,315,829
Electricity sales	**19,038,292**	16,973,373	**12,210,457**	8,718,208
Real estate sales	**8,858,069**	7,935,863	**3,941,421**	3,389,881
Construction contracts	**7,346,890**	8,335,336	**3,721,631**	4,083,024
Nickel mining	**5,094,018**	2,586,502	**3,442,037**	1,196,504
Cement	**8,674,437**	7,257,655	**4,294,513**	3,955,771
Merchandise sales and others	**162,191**	161,284	**97,258**	84,617
	67,450,656	61,601,701	**36,350,406**	29,743,834
COSTS OF SALES AND SERVICES				
Coal mining	**13,368,801**	11,580,696	**7,287,019**	5,226,588
Electricity sales	**9,037,685**	9,130,099	**5,303,415**	4,708,670
Real estate sales	**5,137,530**	4,704,258	**2,183,314**	1,949,851
Construction contracts	**6,761,708**	7,881,266	**3,345,246**	3,820,824
Nickel mining	**1,415,778**	900,814	**761,275**	387,946
Cement	**6,529,981**	6,434,127	**3,079,537**	3,557,772
Merchandise sales and others	**112,805**	116,431	**67,181**	59,565
	42,364,288	40,747,691	**22,026,987**	19,711,216
GROSS PROFIT	**25,086,368**	20,854,010	**14,323,419**	10,032,618
OPERATING EXPENSES (Note 5)	**10,272,106**	9,674,672	**5,254,776**	4,782,870
	14,814,262	11,179,338	**9,068,643**	5,249,748
OTHER INCOME (EXPENSES)				
Equity in net earnings of associates (Note 6)	**1,545,281**	1,803,918	**817,773**	874,609
Finance income	**779,681**	1,047,823	**434,265**	269,203
Finance costs	**(2,012,289)**	(2,128,137)	**(1,001,487)**	(1,101,639)
Other income - net	**2,626,880**	2,441,270	**1,217,375**	1,099,313
INCOME BEFORE INCOME TAX	**17,753,815**	14,344,212	**10,536,569**	6,391,234
PROVISION FOR INCOME TAX	**2,905,729**	2,302,854	**1,903,226**	1,019,994
NET INCOME	**₱14,848,086**	₱12,041,358	**₱8,633,343**	₱5,371,240
NET INCOME ATTRIBUTABLE TO				
Equity holders of the Parent Company (Note 4)	**₱11,384,458**	₱9,129,942	**₱6,515,640**	₱4,021,091
Non-controlling interests	**3,463,628**	2,911,416	**2,117,703**	1,350,149
	₱14,848,086	₱12,041,358	**₱8,633,343**	₱5,371,240
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY-BASIC AND DILUTED (Note 7)	**₱0.86**	₱0.69	**₱0.49**	₱0.30

DMCI HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Period and Quarter Ended June 30, 2026 and 2025
(Amounts in Thousands)

	For the period		For the quarter	
	Jan to Jun 2026	Jan to Jun 2025	**Apr to Jun 2026**	Apr to June 2025
NET INCOME	**₱14,848,086**	₱12,041,358	**₱8,633,343**	₱5,371,240
OTHER COMPREHENSIVE INCOME (LOSS)				
Items to be reclassified subsequently to profit or loss				
Changes in fair values of investments in equity instruments designated at FVOCI	**–**	–	**–**	–
	–	–	**–**	–
Items not to be reclassified to profit or loss in subsequent periods				
Remeasurement gains on retirement plans	**(1,999)**	(102,072)	**–**	(64,491)
Income tax effect	**500**	25,518	**–**	16,123
	(1,499)	(76,554)	**–**	(48,368)
OTHER COMPREHENSIVE INCOME	**(1,499)**	(76,554)	**–**	(48,368)
TOTAL COMPREHENSIVE INCOME	**₱14,846,587**	₱11,964,804	**₱8,633,343**	₱5,322,872
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the Parent Company (Note 4)	**₱11,382,959**	₱9,053,388	**₱6,515,640**	₱3,972,723
Non-controlling interests	**3,463,628**	2,911,416	**2,117,703**	1,350,149
	₱14,846,587	₱11,964,804	**₱8,633,343**	₱5,322,872

DMCI HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the Period Ended June 30, 2026 and 2025
(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)	Unppropriated 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, 2026							
Balances as of January 1, 2026	**₱13,287,474**	**₱14,662,394**	**₱27,949,868**	**(₱7,069)**	**₱91,817,522**	**(₱817,958)**	**₱1,246,682**	**₱244,318**	**(₱23,076)**	**₱120,410,287**	**₱28,036,571**	**₱148,446,858**
Comprehensive income												
Net income	–	–	–	–	**11,384,458**	–	–	–	–	**11,384,458**	**3,463,628**	**14,848,086**
Other comprehensive income	–	–	–	–	–	–	**(1,499)**	–	–	**(1,499)**	–	**(1,499)**
Total comprehensive income	–	–	–	–	**11,384,458**	–	**(1,499)**	–	–	**11,382,959**	**3,463,628**	**14,846,587**
Cash dividends declared (Note 3)	–	–	–	–	**(3,983,241)**	–	–	–	–	**(3,983,241)**	**(740)**	**(3,983,981)**
Balances at June 30, 2026	**₱13,287,474**	**₱14,662,394**	**₱27,949,868**	**(₱7,069)**	**₱99,218,739**	**(₱817,958)**	**₱1,245,183**	**₱244,318**	**(₱23,076)**	**₱127,810,005**	**₱31,499,459**	**₱159,309,464**
					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

DMCI HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Period Ended June 30, 2026 and 2025
(Amounts in Thousands)

	June 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱17,753,815**	₱14,344,213
Adjustments for:		
Depreciation, depletion and amortization	**5,588,729**	5,808,838
Finance cost	**2,012,289**	2,128,137
Equity in net earnings of associates and joint ventures	**(1,545,281)**	(1,803,918)
Finance income	**(779,681)**	(1,047,823)
Movement in net retirement liability	**(138,072)**	(203,230)
Net unrealized foreign exchange loss (gain)	**(108,469)**	(86,569)
Gain on sale of undeveloped land	**(80,644)**	–
Gain on sale of property, plant and equipment	**1,251**	(15,712)
Operating income before changes in working capital	**22,703,937**	19,123,936
Decrease (increase) in:		
Receivables and contract assets	**(5,606,396)**	2,505,828
Inventories	**(3,563,457)**	(5,285,456)
Other current assets	**901,084**	1,594,595
Increase (decrease) in:		
Accounts and other payables	**3,047,278**	7,228,751
Contract liabilities and other customer advances and deposits	**1,686,300**	(267,416)
Liabilities for purchased land	**15,732**	95,883
Cash generated from operations	**19,184,478**	24,996,121
Income taxes paid	**(2,747,131)**	(2,350,269)
Interest received	**779,681**	1,047,823
Net cash provided by operating activities	**17,217,028**	23,693,675
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received from associate	**1,566,949**	1,642,495
Additions to property, plant and equipment	**(1,712,204)**	(3,931,355)
Increase in other noncurrent assets	**551,680**	(6,444,682)
Proceeds from disposal of undeveloped land	**97,019**	–
Proceeds from disposal of property, plant and equipment	**14,395**	38,952
Net cash provided by/(used in) investing activities	**517,839**	(8,694,590)

(Forward)

	June 30	
	2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Long-term debt	**₱5,592,893**	₱2,215,708
Short-term debt	**277,023**	4,733,648
Payments of:		
Dividends to equity holders of parent company	**(3,983,241)**	(7,966,482)
Dividends to non-controlling interests	**(740)**	(3,688,676)
Long-term debt	**(5,823,831)**	(4,462,783)
Short-term debt	**(6,367)**	(5,070,250)
Interest	**(2,012,289)**	(2,103,998)
Increase (decrease) in other noncurrent liabilities	**(1,871,782)**	(961,474)
Net cash used in financing activities	**(7,828,334)**	(17,304,307)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**108,469**	86,569
NET INCREASE IN CASH AND CASH EQUIVALENTS	**10,015,002**	(2,218,653)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**29,077,896**	34,298,524
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**₱39,092,898**	₱32,079,871

DMCI HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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 3rd 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 6, 2026.

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, 2025.

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, 2026 and December 31, 2025.

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 inancial 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 earnigns, 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	2026 Direct	2026 Indirect	2026 Effective Interest	2025 Direct	2025 Indirect	2025 Effective Interest
				(In percentage)			
General Construction:							
D.M. Consunji, Inc. (DMCI)	General Construction	**100.00**	**–**	**100.00**	100.00	–	100.00
Beta Electromechanical Corporation (Beta Electric) [1]	General Construction	**–**	**53.20**	**53.20**	–	53.20	53.20
Raco Haven Automation Philippines, Inc. (Raco) [1*]	Non-operating	**–**	**50.14**	**50.14**	–	50.14	50.14
Oriken Dynamix Company, Inc. (Oriken) [1*]	Non-operating	**–**	**89.00**	**89.00**	–	89.00	89.00
DMCI Technical Training Center (DMCI Training) [1]	Services	**–**	**100.00**	**100.00**	–	100.00	100.00
Real Estate:							
DMCI Project Developers, Inc. (PDI)	Real Estate Developer	**100.00**	**–**	**100.00**	100.00	–	100.00
DMCI-PDI Hotels, Inc. (PDI Hotels) [2]	Hotel Operator	**–**	**100.00**	**100.00**	–	100.00	100.00
DMCI Homes Property Management Corporation (DPMC) [2]	Property Management	**–**	**100.00**	**100.00**	–	100.00	100.00
Zenith Mobility Solutions Services, Inc. (ZMSSI) [2]	Services	**–**	**100.00**	**100.00**	–	100.00	100.00
Riviera Land Corporation (Riviera) [2]	Real Estate Developer	**–**	**100.00**	**100.00**	–	100.00	100.00
L & I Development Corporation (LIDC) [2*]	Real estate Developer	**–**	**100.00**	**100.00**	–	100.00	100.00
Coal Mining:							
Semirara Mining and Power Corporation (SMPC)	Mining	**56.65**	**–**	**56.65**	56.65	–	56.65
On-Grid Power:							
Sem-Calaca Power Corporation (SCPC) [3]	Power Generation	**–**	**56.65**	**56.65**	–	56.65	56.65
Southwest Luzon Power Generation Corporation (SLPGC) [3]	Power Generation	**–**	**56.65**	**56.65**	–	56.65	56.65
Sem-Calaca RES Corporation (SCRC) [3 & 6]	Retail	**–**	**56.65**	**56.65**	–	56.65	56.65
SEM-Cal Industrial Park Developers, Inc. (SIPDI) [3]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
Semirara Energy Utilities, Inc. (SEUI) [3]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
Southeast Luzon Power Generation Corporation (SeLPGC) [3]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
Semirara Materials and Resources Inc. (SMRI) [3]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
St. Raphael Power Generation Corporation (SRPGC) [3]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
Sem-Calaca Port Facilities, Inc. (SCPFI) [3 & 6]	Non-operational	**–**	**56.65**	**56.65**	–	56.65	56.65
Off-Grid Power:							
DMCI Power Corporation (DPC)	Power Generation	**100.00**	**–**	**100.00**	100.00	–	100.00
DMCI Masbate Power Corporation (DMCI Masbate) [4]	Power Generation	**–**	**100.00**	**100.00**	–	100.00	100.00
Nickel Mining:							
DMCI Mining Corporation (DMC)	Holding Company	**100.00**	**–**	**100.00**	100.00	–	100.00
Berong Nickel Corporation (BNC) [5]	Mining	**–**	**74.80**	**74.80**	–	74.80	74.80
Ulugan Resouces Holdings, Inc. (URHI) [5]	Holding Company	**–**	**30.00**	**30.00**	–	30.00	30.00
Ulugan Nickel Corporation (UNC) [5]	Holding Company	**–**	**58.00**	**58.00**	–	58.00	58.00
Nickeline Resources Holdings, Inc. (NRHI) [5]	Holding Company	**–**	**58.00**	**58.00**	–	58.00	58.00
TMM Management, Inc. (TMM) [5]	Services	**–**	**40.00**	**40.00**	–	40.00	40.00
Zambales Diversified Metals Corporation (ZDMC) [5]	Mining	**–**	**100.00**	**100.00**	–	100.00	100.00
Zambales Chromite Mining Company Inc. (ZCMC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Fil-Asian Strategic Resources & Properties Corporation (FASRPC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Montague Resources Philippines Corporation (MRPC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Montemina Resources Corporation (MRC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Mt. Lanat Metals Corporation (MLMC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Fil-Euro Asia Nickel Corporation (FEANC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00

Forward

	Nature of Business	2026 Direct	2026 Indirect	2026 Effective Interest	2025 Direct	2025 Indirect	2025 Effective Interest
				(In percentage)			
Heraan Holdings, Inc. (HHI) [5]	Holding Company	**–**	**100.00**	**100.00**	–	100.00	100.00
Zambales Nickel Processing Corporation (ZNPC) [5]	Non-operational	**–**	**100.00**	**100.00**	–	100.00	100.00
Zamnorth Holdings Corporation (ZHC) [5]	Holding Company	**–**	**100.00**	**100.00**	–	100.00	100.00
ZDMC Holdings Corporation (ZDMCHC) [5]	Holding Company	**–**	**100.00**	**100.00**	–	100.00	100.00
Cement:							
Concreat Asian South East Corporation (CASEC) (Note 4)	Holding Company	**56.75**	**6.31**	**63.06**	56.75	6.31	63.06
Concreat Holdings Philippines, Inc. (CHP) [7]	Holding Company	**–**	**56.66**	**56.66**	–	56.66	56.66
Edgewater Ventures Corp (EVC) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Triple Dime Holdings, Inc. (TDHI) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Bedrock Holdings, Inc. (BHI) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Sandstones Strategic Holdings, Inc. (SSHI) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Apo Cement Corporation (Apo) [7]	Cement	**–**	**56.66**	**56.66**	–	56.66	56.66
Solid Cement Corporation (Solid) [7]	Cement	**–**	**56.66**	**56.66**	–	56.66	56.66
Ecocast Builders, Inc. (Ecocast) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Enerhiya Central, Inc. (Enerhiya) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Ecocrete, Inc. (Ecocrete) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Ecopavements, Inc. (Ecopavements) [7]	Non-operational	**–**	**56.66**	**56.66**	–	56.66	56.66
Newcrete Management, Inc. (NMI) [7]	Non-operational	**–**	**39.66**	**39.66**	–	39.66	39.66
Manufacturing							
Semirara Cement Corporation (SemCem)	Non-operational	**100.00**	**–**	**100.00**	100.00	–	100.00
Wire Rope Corporation of the Philippines (Wire Rope)	Manufacturing	**45.68**	**16.02**	**61.70**	45.68	16.02	61.70

*Ongoing liquidation.
[1] DMCI's subsidiaries.
[2] PDI's subsidiaries.
[3] SMPC's subsidiaries. SMRI was formerly known as Semirara Claystone, Inc, (SCI)
[4] DPC's subsidiaries.
[5] DMC's subsidiaries.
[6] Wholly owned subsidiary of SCPC. Incorporated on December 20, 2022.
[7] CHP's subsidiaries.
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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.

	(In Percentage)
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 2025. 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 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.

<u>Standards Issued but not yet Effective</u>
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, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*

  The amendments add illustrative examples to several PFRS Accounting Standards intended to improve the reporting of climate-related and other uncertainties in the financial statements, particularly to address stakeholders' concerns about consistency of information within the general-purpose financial reports and sufficient information on climate-related risks and other uncertainties in the financial statements.

  The examples address topics such as materiality judgements, significant judgements and estimates, and aggregation and disaggregation.

  The illustrative examples are not an integral part of PFRS Accounting Standards and, as such, do not have an effective date or transition requirements. However, an entity is expected to be entitled to sufficient time to implement any changes to align the information disclosed in its financial statements with the illustrative examples. Determining how much time is sufficient is a matter of judgement that depends on an entity's particular facts and circumstances. Nonetheless, an entity would be expected to implement any changes on a timely basis.

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

- 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.

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

  The amendments only apply to contracts that reference nature-dependent electricity such as contracts to buy or sell nature-dependent electricity, as well as financial instruments that reference such electricity. This amendment cannot be applied by analogy to other contracts, items or transactions.

  The amendments clarify the application of the 'own-use' requirements for in-scope contracts, amend the designation requirements for a hedge item in a cash flow hedging relationship for in-scope contracts and include new disclosure requirements.

  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 17, *Insurance Contracts*

  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

  The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach)
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts

  On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. Thereafter, on February 14, 2025, the FSRSC approved the amendment to PFRS 17 that further defers the date of initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard.

  This new accounting standard is not applicable to the Group.

- 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 this new accounting standard.

- 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.

  In 2025, PFRS 19 was amended to provide reduced disclosure requirements for new or amended PFRS Accounting Standards adopted by the FSRSC from the issuances of the IASB between February 2021 and May 2024.

  The application of the standard is optional for eligible entities. This standard is not applicable to the Group.

- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*
  The amendments introduce translation requirements for entities translating their financial statements, or the results and financial position of a foreign operation, from a functional currency that is the currency of a non-hyperinflationary economy to a presentation currency that is the currency of a hyperinflationary economy.

  These amendments are 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 FSRSC 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.

3. **Equity**

Capital Stock

As of June 30, 2026 and December 31, 2025, 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 May 7, 2026, the BOD approved the declaration of cash dividends in the amount of ₱0.30 per common share or a total of ₱3,983.24 million in favor of the common stockholders of record as of May 21, 2026, and was paid on June 5, 2026.

On October 21, 2025, 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 November 5, 2025, and was paid on November 21, 2025.

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.

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.

4. Business Segments

The following tables present the net income of the specific business segments for the period ended June 30, 2026 and 2025:

Segment Revenues

	For the period		Variance	
(in PHP Millions)	**June 2026**	June 2025	Amount	%
Semirara Mining and Power Corporation	**32,485**	31,327	1,158	4%
DMCI Homes	**8,858**	7,936	922	12%
Concreat	**8,674**	7,258	1,416	20%
D.M. Consunji, Inc.	**7,348**	8,335	(987)	-12%
DMCI Mining	**5,094**	2,587	2,507	97%
DMCI Power	**4,830**	3,998	832	21%
Parent and Others	**162**	161	1	1%
Total Revenues	**67,451**	61,602	5,939	10%

Net income after non-controlling interests

(in PHP Millions)	For the period June **2026**	June 2025	Variance Amount	%
Semirara Mining and Power Corporation	**4,744**	4,800	(56)	-1%
DMCI Homes	**2,326**	2,052	274	13%
DMCI Mining	**1,735**	753	982	130%
Maynilad	**1,526**	1,899	(373)	-20%
DMCI Power	**708**	644	64	10%
D.M. Consunji, Inc.	**241**	68	173	254%
Parent and Others	**211**	141	70	50%
Concreat	**(207)**	(1,228)	1,021	-83%
Core Net Income	**11,284**	9,129	2,155	24%
Non-recurring Items	**100**	1	99	9990%
Reported Net Income	**11,384**	9,130	2,254	25%

5. **Operating Expenses**

The following tables present the consolidated operating expenses for the period ended June 30, 2026 and 2025:

	2026	2025
Government share	**₱2,062,909**	₱2,259,330
Salaries, wages and employee benefits	**1,754,835**	1,688,573
Distribution expenses	**1,538,494**	956,238
Taxes and licenses	**1,276,644**	959,693
Repairs and maintenance	**922,645**	730,171
Insurance	**414,288**	392,349
Outside services	**470,910**	387,056
Advertising and marketing	**334,084**	309,804
Depreciation, depletion and amortization	**267,720**	361,128
Association dues	**211,715**	238,969
Supplies	**208,881**	252,041
Entertainment, amusement and recreation	**96,213**	94,237
Transportation and travel	**118,509**	90,538
Communication, light and water	**78,151**	74,733
Administrative expenses	**46,483**	86,248
Rent	**37,115**	36,321
Miscellaneous expense	**432,510**	757,243
	₱10,272,106	₱9,674,672

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

Financial information as of and for the period ended June 30, 2026 and December 31, 2025 on the Group's subsidiary with material non-controlling interest (NCI) follows:

Semirara Mining and Power Corporation and Subsidiaries (SMPC)

(in millions)	**June 30, 2026**	December 31, 2025
Statements of Financial Position		
Current assets	**₱46,997**	₱29,661
Noncurrent assets	**33,373**	36,833
Current liabilities	**10,093**	9,771
Noncurrent liabilities	**5,920**	941
Equity	**64,357**	55,782

(in millions)	**June 30, 2026**	June 30, 2025
Statements of Comprehensive Income		
Revenue	**₱34,020**	₱31,331
Net income	**8,575**	8,419
Other comprehensive income	**–**	–
Total comprehensive income	**8,575**	8,419

Concreat Asian South East Corporation (CASEC) and Subsidiaries

(in millions)	**June 30, 2026**	December 31, 2025
Statements of Financial Position		
Current assets	**₱8,588**	₱8,056
Noncurrent assets	**39,055**	39,738
Current liabilities	**6,907**	9,501
Noncurrent liabilities	**27,794**	24,139
Equity	**12,942**	14,154

(in millions)	**June 30, 2026**	June 30, 2025
Statements of Comprehensive Income		
Revenue	**₱8,987**	₱7,257
Net loss	**(763)**	(1,755)
Other comprehensive income	**–**	–
Total comprehensive income/ (loss)	**(763)**	(1,755)

Financial information as of and for the period ended June 30, 2026 and December 31, 2025 on the Group's material interest in associate follows:

Maynilad Water Holdings Company, Inc. and Subsidiaries

(in millions)	**June 30, 2026**	December 31, 2025
Statements of Financial Position		
Current assets	**₱30,889**	₱33,710
Noncurrent assets	**237,186**	222,247
Current liabilities	**35,004**	33,851
Noncurrent liabilities	**116,172**	105,038
Noncontrolling interests	**36,019**	36,030
Equity	**116,899**	117,068

(in millions)	**June 30, 2026**	June 30, 2025
Statements of Comprehensive Income		
Revenue	**₱19,113**	₱18,319
Net income	**3,406**	6,981
Other comprehensive income	**–**	–
Total comprehensive income	**5,606**	6,981

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 ₱1,523.84 million in 2026 and ₱1,898.18 million in 2025.

Financial information as of and for the period ended June 30, 2026 and December 31, 2025 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 ₱371.88 million and ₱321.88 million as of June 30, 2026 and December 31, 2025, respectively. The unaudited share in net earnings amounted to ₱64.36 million for the period ended June 30, 2026.

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 ₱387.36 million and ₱391.41 million as of June 30, 2026 and December 31, 2025, 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 ₱1,279.12 million and ₱1,546.22 million as of June 30, 2026 and December 31, 2025, 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 interst in the joint venture with initial capitalization of ₱1,641 million. The carrying amount of the investment amounted to ₱1,428.51 million and ₱1,287.31 million as of June 30, 2026 and December 31, 2025, respectively.

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 (2026)	For the period (2025)	**For 2nd Quarter (2026)**	For 2nd Quarter (2025)
Net income attributable to equity holders of Parent Company	**₱11,384,458**	₱9,129,942	**₱6,515,640**	₱4,021,091
Divided by weighted average number of common shares	**13,277,470**	13,277,470	**13,277,470**	13,277,470
Basic and diluted earnings per share	**₱0.86**	₱0.69	**₱0.49**	₱0.30

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:

a. 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 ₱986.01 million and ₱738.57 million for the period ended June 30, 2026 and 2025, respectively.

b. 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.

c. 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.

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, 2026 and December 31, 2025.

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):

	June 30, 2026	December 31, 2025
Domestic market	**49.17%**	54.38%
Export market	**50.83%**	45.62%
	100%	100%

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, 2026 and December 31, 2025 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 2026 and 2025.

	Effect on income before income tax	
Change in coal price (in thousands)	**June 30, 2026**	December 31, 2025
Based on ending coal inventory		
Increase by 37% in 2026 and 495% in 2025	**₱1,082,501**	₱1,731,419
Decrease by 37% in 2026 and 495% in 2025	**(1,082,501)**	(1,731,419)
Based on coal sales volume		
Increase by 52% in 2026 and 40% in 2025	**3,228,569**	6,687,317
Decrease by 52% in 2026 and 40% in 2025	**(3,228,569)**	(6,687,317)

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:

	Effect on income before income tax	
Basis points (in thousands)	**June 30, 2026**	December 31, 2025
+100	**(₱398,970)**	(₱365,982)
-100	**398,970**	365,982

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 2026 and 2025. 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, 2026				
	U.S. Dollar	**Japanese Yen**	**UK Pounds**	**Euro**	**Equivalent in PHP**
Financial assets					
Cash and cash equivalents	**$38,330**	**¥684,933**	**£10**	**€615**	**₱2,649,755**
Receivables	**7,147**	**–**	**–**	**–**	**437,590**
	45,477	**684,933**	**10**	**615**	**3,087,345**
Financial liabilities					
Accounts payable and accrued expenses	**(31,559)**	**–**	**–**	**–**	**(1,932,325)**
	$13,918	**¥684,933**	**£10**	**€615**	**₱1,155,020**

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, 2026 (amounts in thousands):

	Exchange rate movement	Effect on profit before tax
In Peso per US Dollar		
Increase	**0.21%**	**₱1,799**
Decrease	**(0.21%)**	**(1,799)**
In Peso per Japanese Yen		
Increase	**0.48%**	**1,239**
Decrease	**(0.48%)**	**(1,239)**
In Peso per UK Pound		
Increase	**0.18%**	**1**
Decrease	**(0.18%)**	**(1)**
In Peso per Euro		
Increase	**0.39%**	**167**
Decrease	**(0.39%)**	**(167)**

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, 2026 and December 31, 2025 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, 2026 and December 31, 2025, 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, 2026, the aging analysis of the Group’s receivables presented per class follows:

	June 30, 2026							
	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	**₱2,732,613**	**₱106,704**	**₱53,949**	**₱482,205**	**₱98,713**	**₱765,256**	**₱42,164**	**₱4,281,604**
General construction	**3,692,286**	**100,550**	**298,705**	**130,378**	**58,863**	**265,798**	**49,605**	**4,596,185**
Electricity sales	**6,110,393**	**708,361**	**516,952**	**390,588**	**802,304**	**1,153,140**	**1,681,734**	**11,363,472**
Coal mining	**2,127,899**	**798,546**	**226,089**	**74,530**	**195,816**	**–**	**2,642**	**3,425,522**
Nickel mining	**435,156**	**–**	**–**	**–**	**–**	**–**	**–**	**435,156**
Cement	**613,110**	**61,849**	**20,616**	**216,470**	**–**	**–**	**118,765**	**1,030,810**
Merchandising and others	**15,909**	**–**	**36,120**	**9,127**	**2,381**	**51,669**	**7,879**	**123,085**
Receivables from related parties	**805,483**	**–**	**–**	**–**	**–**	**–**	**–**	**805,483**
Other receivables	**1,230,720**	**11,307**	**4,858**	**2,587**	**17,322**	**11,685**	**141,246**	**1,419,725**
	₱17,763,569	**₱1,787,317**	**₱1,157,289**	**₱1,305,885**	**₱1,175,399**	**₱2,247,548**	**₱2,044,035**	**₱27,481,042**

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, 2026 and December 31, 2025.