

COVER SHEET

SEC Registration Number

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COMPANY NAME

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A	N	D		S	U	B	S	I	D	I	A	R	I	E	S														

PRINCIPAL OFFICE (No./Street/Barangay/City/Town/Province)

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A	V	E	N	U	E	,		E	A	S	T	W	O	O	D		C	I	T	Y								
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Form Type

1	7	-	Q
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(For June 30, 2025)

Department requiring the report

S	E	C
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Secondary License Type, If Applicable

Certificate of Permit to Offer Securities for Sale

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
dinainting@allianceglobal.com.ph	8709-2038 to 41	N/A
No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
983	3rd Thursday of June	December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
DINA INTING	dinainting@allianceglobal.com.ph	8709-2038 to 41	N/A

Contact Person's Address

7th Floor, 1880 Eastwood Avenue, Eastwood City Cyberpark, 188 E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City
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Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. *For the quarterly period ended* **June 30, 2025**
2. *SEC Identification Number* **AS093-7946**
3. *BIR Tax Identification No.* **003-831-302-000**
4. *Exact name of issuer as specified in its charter* **ALLIANCE GLOBAL GROUP, INC.**
5. **METRO MANILA, PHILIPPINES**
Province, country or other jurisdiction of incorporation or organization
6. *(SEC Use Only)*
Industry classification code
7. **7thFloor, 1880 Eastwood Avenue, Eastwood City CyberPark
188 E. Rodriguez Jr. Ave., Bagumbayan, 1110 Quezon City**
Address of principal office
8. **(632) 870920-38 to -41**
Registrant's telephone number, including area code
9. *Securities registered pursuant to Sections 8 and 12 of the SRC, or secs. 4 and 8 of the RSA*

<i>Title of Each Class</i>	<i>Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding (as of June 30, 2025)</i>
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Common

8,815,500,679

(net of 1,454,327,300 buyback shares held by AGI)

10. *Are any or all of these securities listed on a Stock Exchange?* **Yes, on the Philippine Stock Exchange.**
11. (a) *AGI has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 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.*

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

PART I – FINANCIAL INFORMATION

1. FINANCIAL STATEMENTS

Consolidated Statements of Financial Position
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes in Equity
Consolidated Statements of Cash Flows
Notes to Interim Consolidated Financial Statements
Schedule of Financial Soundness Indicators
Aging Schedule of Trade and Other Receivables Under Current Assets

The interim consolidated financial statements (“ICFS”) have been prepared in accordance with the Philippine Accounting Standard 34, *Interim Financial Reporting*. As such, the ICFS do not include all of the information and disclosures required for full annual consolidated financial statements, and thus should be read in conjunction with the audited consolidated financial statements of the Group as of and for the year ended December 31, 2024 (“ACFS”). The accounting policies, methods and measurements used in the ICFS are consistent with those applied in ACFS. The amendments to existing standards adopted by the Group effective January 1, 2025 do not have material impact on the Group’s ICFS. Accounting estimates, assumptions and judgments are used in preparing these statements; and while these are believed to be reasonable under the circumstances, actual results may ultimately differ from such estimates (see Note 3 to both the ACFS and ICFS).

The ICFS comprise the financial statements of the Company and its subsidiaries, after elimination of material intercompany transactions. In addition, shares of stock of the Company acquired by any of these subsidiaries are recognized as treasury shares and presented at cost as part of Treasury Shares in the consolidated statements of changes in equity. Any changes in their market values as recognized separately by the subsidiaries are likewise eliminated in full. Gain or loss on the sale of these treasury shares is presented as addition to or deduction from additional paid-in capital.

Business Segments

Alliance Global Group, Inc. and its subsidiaries (“the Group”) is organized into major business segments that aptly correspond to its operating subsidiaries, namely Megaworld, Emperador, Travellers or NWR, and GADC (up to March 16, 2025), which in turn represent the main products and services provided by the Group and the lines of business in which the Group operates (namely, real estate property development and leasing, manufacture and distribution of distilled spirits, leisure-entertainment and hospitality, and quick-service restaurants operations) (see Note 4 to the ICFS). Effective March 17, 2025, GADC was **deconsolidated** and ceased to be a business segment as it becomes an associate from that date, yet the Group’s ownership interest over GADC has not changed (see Note 1.2 to ICFS). From then on, it is accounted for at equity method wherein the Group’s share in its net profits, corresponding to the Group’s ownership interest, is being taken up.

The Group disaggregates revenues recognized from contracts with customers into these segments that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. This same disaggregation is used in earnings releases, annual reports and investor presentations.

Please refer to Note 1 to the ICFS and ACFS for a comprehensive list of subsidiaries, associates and joint ventures.

2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF INTERIM FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Key Performance Indicators – Top Five

In Million Pesos	H1 2025	H1 2024	YoY	YoY%	Q2 2025	Q2 2024	YoY	YoY%	QoQ%	Q1 2025	Q1 2024	YoY '25	%
REVENUES AND INCOME	100,916	107,454	(6,537)	(6.1)	45,589	56,849	(11,260)	(19.8)	(17.6)	55,327	50,605	4,723	9.3
NET PROFIT ["NP"]	19,223	13,825	5,398	39.0	8,252	7,218	1,035	14.3	(24.8)	10,971	6,607	4,364	66.1
NET PROFIT TO OWNERS ["NPO"]	14,040	8,785	5,255	59.8	5,625	4,569	1,056	23.1	(33.2)	8,415	4,216	4,199	99.6
NP rate ["NPR"] %	19.05	12.87			18.10	12.70				19.83	13.06		
NPO rate ["NPOR"] %	13.91	8.18			12.34	8.04				15.21	8.33		
EBITDA	33,762	29,210	4,552	15.6	14,890	15,241	(351)	(2.3)	(21.1)	18,873	13,970	4,903	35.10
EBITDA margin %	33.46	27.18			32.66	26.81				34.11	27.61		
Return on investment/assets [NP/TA] %	2.39	1.70			1.02	0.89				1.39	0.82		
Excluding Deconsolidated Segment*:													
Revenues and Income	87,062	84,304	2,757	3.3	45,303	45,081	222	0.5	8.5	41,759	39,223	2,535	6.5
NP	15,143	12,681	2,462	19.4	7,966	6,595	1,371	20.8	11.0	7,176	6,086	1,090	17.9
NPO	10,099	8,205	1,895	23.1	5,338	4,258	1,081	25.4	12.1	4,761	3,947	814	20.6
NPR %	17.39	15.04			17.58	14.63				17.19	15.52		
NPOR %	11.60	9.73			11.78	9.44				11.40	10.06		
EBITDA	28,591	25,653	2,938	11.5	14,604	13,418	1,186	8.8	4.4	13,987	12,236	1,752	14.3
EBITDA margin %	32.84	30.43			32.24	29.76				33.50	31.19		
	Jun'25	Dec'24	YoY	%						Mar'25	Dec'24	YoY	%
TOTAL ASSETS	805,411	824,079	(18,668)	(2.3)						789,568	824,079	(34,511)	(4.2)
CURRENT ASSETS	377,804	394,425	(16,622)	(4.2)						374,447	394,425	(19,978)	(5.1)
CURRENT LIABILITIES	134,142	150,121	(15,979)	(10.6)						135,989	150,121	(14,123)	(9.4)
Current ratio	2.82x	2.63x								2.75x	2.63x		
Quick ratio	1.04x	1.06x								1.03x	1.06x		
	H1 2025	H1 2024	YoY	YoY%	Q2 2025	Q2 2024	YoY	YoY%	QoQ%	Q1 2025	Q1 2024	YoY '25	%
Profit before tax and interest ["EBIT"]	28,707	23,472	5,235	22.3	12,855	12,202	653	5.4	(18.9)	15,851	11,269	4,582	40.7
Interest expense	5,878	6,342	(464)	(7.3)	2,861	3,501	(640)	(18.3)	(5.2)	3,018	2,841	176	6.2
Interest coverage rate [on EBIT]	4.88	3.70			4.49	3.49				5.25	3.97		
Interest coverage rate [on EBITDA]	5.74	4.61			5.20	4.35				6.25	4.92		
Excluding Deconsolidated Segment*:													
EBIT	24,232	21,452	2,780	13.0	12,569	11,154	1,416	12.7	7.8	11,663	10,299	1,364	13.2
Interest expense	5,697	5,875	(178)	(3.0)	2,861	3,263	(402)	(12.3)	0.9	2,836	2,613	224	8.6
Interest coverage rate [on EBIT]	4.25	3.65			4.39	3.42				4.11	3.94		
Interest coverage rate [on EBITDA]	5.02	4.37			5.11	4.11				4.93	4.68		

*For a more fitting comparison, the deconsolidated segment [GADC] was stripped out from the comparative periods, including the P3.428 billion gain in its deconsolidation. GADC was consolidated for a short period in 2025, i.e. up to March 16, 2025.

- Revenue growth – measures the percentage change in revenues over a designated period. Performance is measured in terms of both amount and volume, where applicable.
- Net profit growth – measures the percentage change in net profit over a designated period.
- Net profit rate – computed as percentage of net profit to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs.
- Return on investment [or capital employed] – the ratio of net profit to total assets - measures the degree of efficiency in the use of resources to generate net income.
- Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities.

- Interest coverage ratio - computed as profit before tax and interest expense (“EBIT”) divided by interest expense -measures the business’ ability to meet its interest payments.

Results of Operations – First Six Months 2025 vs 2024

The Group, one of the country’s largest and most diversified conglomerates, ended the six-month period (“H1”) with net profit (“NP”) of P19.2 billion and net profit to owners (“NPO”) of P14.0 billion, respectively surging +39% and +60% year-on-year (“YoY”), from P100.9 billion revenues and income (“topline”) which seemed to fall -6% YoY due to deconsolidation of a business segment effective March 17, 2025 causing lopsided comparisons*. On an apples-to-apples comparison, topline, NP and NPO respectively climbed +3%, 19% and 23% YoY, with property development, leasing and hotel businesses at the forefront.

[*The said business segment was consolidated line-by-line for such short period up to March 16, 2025. Subsequently, this it was accounted for at equity method and for which P355.3 million share in its net profit for the period March 17 to June 30, 2025 was reported by the Group. A one-time gain of P3.4 billion was recognized from deconsolidation. See also the foregoing *Business Segments* section.]

For a fair and meaningful comparison, we excluded this deconsolidated business segment and the one-time gain from its deconsolidation in both years as presented and discussed below.

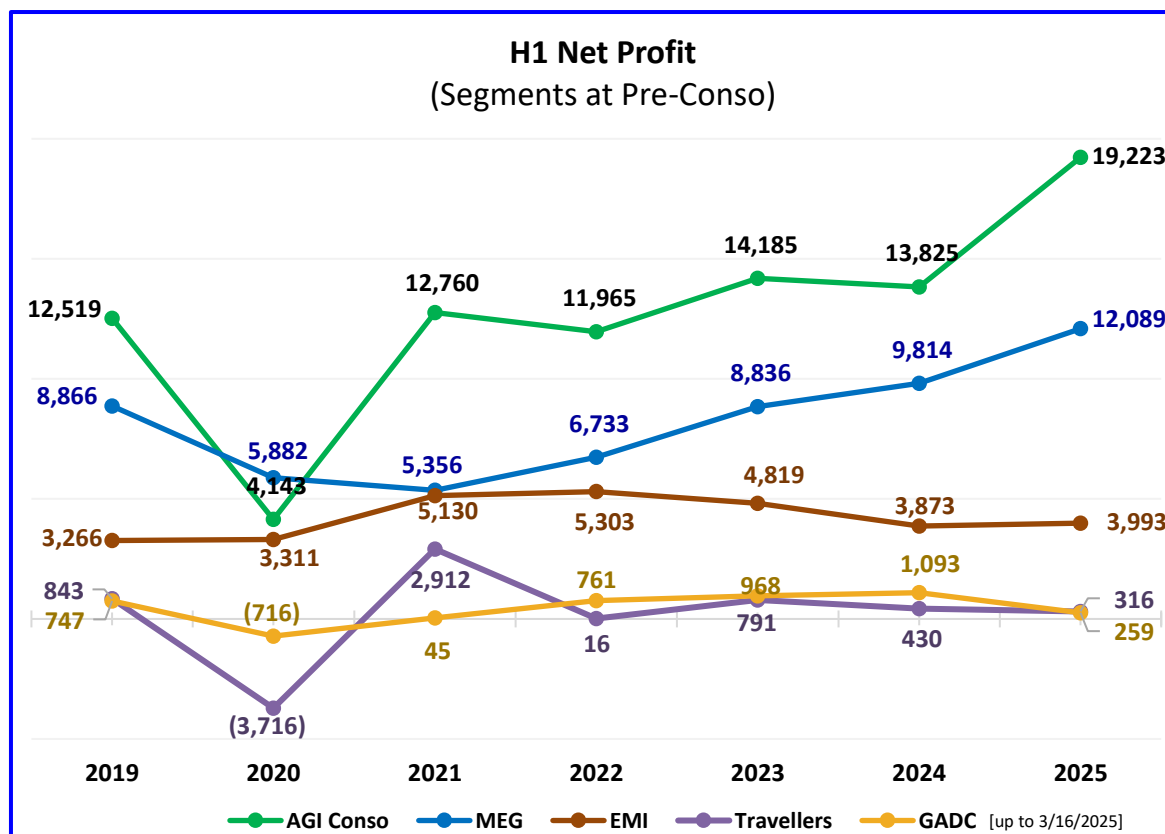
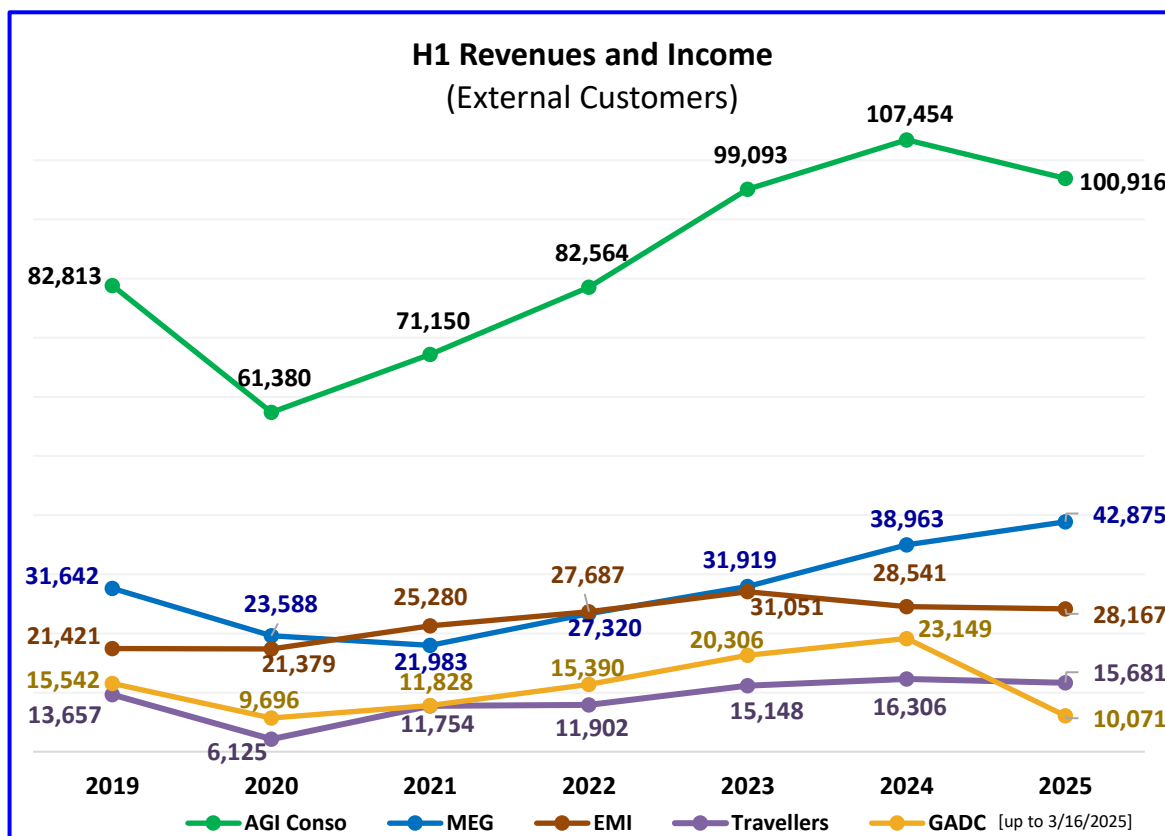
In Million Pesos	H1 2025	H1 2024	YoY '25	%	Q2 2025	Q2 2024	YoY '25	%	QoQ %	Q1 2025	Q1 2024	YoY '25	%
Revenues and income	100,916	107,454	(6,537)	(6.1)	45,589	56,849	(11,260)	(19.8)	(17.6)	55,327	50,605	4,723	9.3
Less gain on deconso of GADC	(3,428)	-								(3,428)	-		
Less GADC [2025 was up to 3/16/2025]	(10,071)	(23,149)			-	(11,768)				(10,071)	(11,382)		
Less share in its NP [from 3/17/2025]	(355)	-			(286)	-				(69)	-		
Revenues and income ex-GADC	87,062	84,304	2,757	3.3	45,303	45,081	222	0.5	8.5	41,759	39,223	2,535	6.5
GPM ex-GADC	49.52%	48.14%			49.26%	47.86%				49.79%	48.45%		
NP	19,223	13,825	5,398	39.0	8,252	7,218	1,035	14.3	(24.8)	10,971	6,607	4,364	66.1
Less gain on deconso of GADC	(3,428)	-			-	-				(3,428)	-		
Less GADC [2025 was up to 3/16/2025]	(297)	(1,144)			-	(623)				(297)	(521)		
Less share in its NP [from 3/17/2025]	(355)	-			(286)	-				(69)	-		
NP ex-GADC	15,143	12,681	2,462	19.4	7,966	6,595	1,371	20.8	11.0	7,176	6,086	1,090	17.9
NPR ex-GADC	17.39%	15.04%			17.58%	14.63%				17.19%	15.52%		
NPO	14,040	8,785	5,255	59.8	5,625	4,569	1,056	23.1	(33.2)	8,415	4,216	4,199	99.6
Less gain on deconso of GADC	(3,428)	-			-	-				(3,428)	-		
Less GADC [2025 was up to 3/16/2025]	(243)	(1,080)			-	(582)				(243)	(498)		
Less minority share to NCI	124	551			-	297				124	254		
Less effect of interco transactions	(38)	(51)			-	(26)				(38)	(26)		
Less share in its NP [from 3/17/2025]	(355)	-			(286)	-				(69)	-		
NPO ex-GADC	10,099	8,205	1,895	23.1	5,338	4,258	1,081	25.4	12.1	4,761	3,947	814	20.6
NPOR ex-GADC	11.60%	9.73%			11.78%	9.44%				11.40%	10.06%		

Stripping out the impact of the deconsolidated business segment, revenues and income in H1 grew +3% YoY to P87.1billion while NP and NPO jumped +19% YoY and +23% YoY respectively to P15.1 billion and P10.1 billion, underpinned by the +5% faster gross profit (“GP”) growth YoY. The Group sustained its growth momentum to second quarter (“Q2”) as Q2 topline and bottom lines accelerated YoY and quarter-on-quarter (“QoQ”). All margin rates, i.e. GPR, NPR, NPOR, in H1, Q2 and Q1 this year improved as compared to those of a year ago. These growths underscored the Group’s resiliency and solid performance across its diversified key business segments, further highlighting prudent and efficient cost management.

Gross profit rate (“GPR” or “GPM”) soared to nearly 50% in H1, up from 48% a year ago, on the back of expanding business activities, leaning to high-margin products in the sales mix. As business activities heightened, operating expenses increased, yet finance and other costs scaled down as last year’s foreign-currency losses completely turned around this year and interest on new loans for property development were capitalized. Correspondingly, the Group’s NP rate (“NPR”),

NPO rate (“NPOR”) and EBITDA rate stood at 17%, 12% and 33%, respectively, better than the 15%, 10% and 30% in same period last year.

By business segments, as represented by the major subsidiary groups [based on pre-conso results]:



2025	MEG	EMI	TRAV	GADC ¹	OTHERS	TOTAL
REVENUES AND INCOME						
% contribution	42.5%	27.9%	15.5%	10.0%	4.1%	100.0%
External customers	42,875	28,167	15,681	10,071	4,122	100,916
Intercompany/ Reclass	<u>164</u>	<u>32</u>	<u>1</u>	<u>(5)</u>	<u>9,926</u>	<u>10,118</u>
Total - as reported at subsidiary level ["Pre-Conso"]	43,039	28,199	15,682	10,066	14,048	111,034
COST AND EXPENSES						
% contribution	35.9%	30.1%	19.6%	12.2%	2.2%	100.0%
External/conso level	28,011	23,507	15,320	9,561	1,688	78,088
Intercompany/ Reclass	<u>-</u>	<u>305</u>	<u>10</u>	<u>33</u>	<u>17</u>	<u>364</u>
Pre-conso	28,011	23,812	15,330	9,594	1,705	78,452
TAX EXPENSE	2,938	394	36	213	24	3,606
% contribution	81.5%	10.9%	1.0%	5.9%	0.7%	100.0%
NET PROFIT						
% contribution	62.0%	22.2%	1.7%	1.5%	12.5%	100.0%
External/conso	11,925	4,266	325	297	2,410	19,223
Intercompany/ Reclass	<u>164</u>	<u>(273)</u>	<u>(9)</u>	<u>(38)</u>	<u>9,909</u>	<u>9,753</u>
Pre-conso	12,089	3,993	316	259	12,319	28,976
NET PROFIT TO OWNERS						
% contribution	56.2%	24.1%	1.4%	1.1%	17.2%	100.0%
External/conso	7,896	3,380	197	157	2,409	14,040
Intercompany/ Reclass	<u>164</u>	<u>(273)</u>	<u>(9)</u>	<u>(38)</u>	<u>9,909</u>	<u>9,753</u>
Transfer to minority	<u>2,636</u>	<u>836</u>	<u>127</u>	<u>124</u>	<u>1</u>	<u>3,723</u>
Pre-conso	10,696	3,943	315	243	12,319	27,516
2024						
REVENUES AND INCOME						
% contribution	36.3%	26.6%	15.2%	21.5%	0.5%	100.0%
External customers	38,963	28,541	16,306	23,149	494	107,454
Intercompany/ Reclass	<u>133</u>	<u>31</u>	<u>3</u>	<u>(19)</u>	<u>3,605</u>	<u>3,752</u>
Pre-conso	39,096	28,572	16,309	23,130	4,099	111,206
COST AND EXPENSES						
% contribution	30.1%	26.3%	17.6%	23.9%	2.2%	100.0%
External/conso level	27,144	23,732	15,853	21,596	1,998	90,324
Intercompany/ Reclass	<u>-</u>	<u>244</u>	<u>5</u>	<u>32</u>	<u>30</u>	<u>310</u>
Pre-conso	27,144	23,976	15,858	21,628	2,028	90,634
TAX EXPENSE	2,137	723	21	409	14	3,305
% contribution	64.7%	21.9%	0.6%	12.4%	0.4%	100.0%
NET PROFIT						
% contribution	70.0%	29.6%	3.1%	8.3%	-11.0%	100.0%
External/conso	9,682	4,085	432	1,144	(1,519)	13,825
Intercompany/ Reclass	<u>132</u>	<u>(212)</u>	<u>(2)</u>	<u>(51)</u>	<u>3,576</u>	<u>3,441</u>
Pre-conso	9,814	3,873	430	1,093	2,057	17,266
NET PROFIT TO OWNERS						
% contribution	70.3%	37.4%	3.0%	6.6%	-17.3%	100.0%
External/conso	6,178	3,285	262	580	(1,520)	8,785
Intercompany/ Reclass	<u>132</u>	<u>(212)</u>	<u>(2)</u>	<u>(51)</u>	<u>3,576</u>	<u>3,441</u>
Transfer to minority	<u>2,242</u>	<u>734</u>	<u>175</u>	<u>551</u>	<u>1</u>	<u>3,703</u>
Pre-conso	8,552	3,806	434	1,080	2,057	15,929
YoY Change						
Revenues and Income- external customers	3,912	(373)	(625)	n/m	3,628	(6,537)
Cost and Expenses	867	(225)	(533)	n/m	(311)	(12,236)
Tax Expense	801	(329)	15	n/m	10	300
Net Profit	2,243	181	(107)	n/m	3,929	5,398
Net Profit to Owners	1,719	95	(65)	n/m	3,929	5,255
Net Profit pre-conso	2,275	120	(114)	n/m	10,262	11,710
Net Profit to Owners pre-conso	2,144	137	(119)	n/m	10,262	11,587
YoY Change %						
Revenues and Income- external customers	10.0%	(1.3%)	(3.8%)	n/m	734.5%	(6.1%)
Cost and Expenses	3.2%	(0.9%)	(3.4%)	n/m	(15.5%)	(13.5%)
Tax Expense	37.5%	(45.5%)	69.8%	n/m	66.5%	9.1%
Net Profit	23.2%	4.4%	(24.8%)	n/m	(258.7%)	39.0%
Net Profit to Owners	27.8%	2.9%	(24.7%)	n/m	(258.5%)	59.8%
Net Profit pre-conso	23.2%	3.1%	(26.4%)	n/m	498.8%	67.8%
Net Profit to Owners pre-conso	25.1%	3.6%	(27.5%)	n/m	498.8%	72.7%

Notes: Numbers may not add up due to rounding off. Numbers presented may slightly differ due to reclassifications for alignment at consolidation level.

¹ GADC in 2025 was up to March 16, 2025 only; thus comparisons are not meaningful ("n/m").

By business segment

The following discussions are based on pre-consolidation results, i.e. the numbers reported separately by the major subsidiaries (these may vary slightly from the preceding chart due to alignment reclassifications at AGI level):

Megaworld, one of the country's largest real estate developer and pioneer in township developments, fast tracked its robust growths with consolidated revenues and income of P43.1 billion, NP of P12.1 billion and NPO of P10.7 billion in H1, respectively swelling +10%, +23% and +25% YoY. The Q2 results escalated further with revenues and income of P22.2 billion, NP of P6.2 billion and NPO of P5.6 billion surging +10%, +31% and +35%, respectively, YoY and +6%, +7% and +10% QoQ. These robust performance was driven by broad-based growth across all revenue streams, which reaffirmed the strength and adaptability of its township strategy.

Costs and expenses in H1 rose +3% YoY to P28.1 billion, a pace slower than revenue growth indicating improved operating leverage. While operating expenses went up +18% YoY, finance and other charges went down as FOREX losses from a year ago were supplanted by the gains this year. GPR, NPR and NPOR during the six-month period improved to 50%, 28% and 25%, respectively, from 49%, 25% and 22% a year ago.

Real estate sales continued to serve as Megaworld's primary revenue driver, contributing 67% of total revenues (vs 68% a year ago). Sales grew +9% YoY to P27.1 billion, supported by strong residential demand across township developments, and steady project completions. This reflects continued market confidence in the Group's integrated 'LIVE-WORK-PLAY' township concept, particularly in Metro Manila and key provincial growth areas.

The current brand contribution mix among Megaworld-GERI-Empire East-Suntrust/SLI was 74%-11%-8%-7%. Geographically, 62% of sales were from Metro Manila projects, 25% from the rest of Luzon, and 13% from Vis-Min projects. Reservation sales in H1 reached P54.7 billion, representing 42% of Megaworld's full year target, while project launches hit P10.4 billion. The group's 36th township was launched during the interim period - the 116-hectare Nascala Coast in Nasugbu, which will be developed by GERI. Megaworld remains on track to reach a total of 37 integrated townships by end of the year.

Rental income in H1 accounted for 26% of Megaworld's total revenues in both years, increasing +15% YoY to P10.7 billion. This was driven by continued demand from high-value tenants and the strong synergy between Megaworld's office and retail ecosystems. *Megaworld Premier Offices* contributed P7.4 billion, up +17% YoY, at a stable occupancy rate of 87%, bolstered by new leases, sustained rent escalations and capacity expansions. Amid industry-wide headwinds, Megaworld's differentiated office footprint continued to outperform. *Megaworld Lifestyle Malls* generated P3.3 billion rental revenues, up +10% YoY, supported by improving foot traffic, improved tenant sales, 30,743sqm of attractive new tenants, and a healthy 93% occupancy rate.

Megaworld Hotels & Resorts posted the highest YoY growth in H1 among the group's revenue streams, with revenues surging 19% to P2.8 billion, fueled by the continued robust domestic tourism. During the second quarter, it announced its partnership with Accor, one of the largest hotel chains in the world to elevate and expand its current hotel portfolio. Average occupancy rate stood at 61%, compared to 63% a year ago.

These operating results brought in 43%, 62% and 56% to AGI's consolidated revenues and income, NP and NPO, respectively, making Megaworld the biggest contributor among AGI's Business Segments.

Emperador, a global alcoholic beverage group, had a good start this year as it ended H1 with NP and NPO growing +3% and +4% YoY to P4.0billion and P3.9 billion, respectively, and revenues

and other income easing -2% YoY to P28.2 billion over a lingering global industry slowdown. It advanced to Q2 with double-digit growths over the first quarter, with the topline and NP numbers respectively accelerating +14% and NPO +13% QoQ, as both the Scotch Whisky and non-Whisky segments exhibited QoQ growths. This performance was achieved amid persisting softness in the global beverage alcohol industry, highlighted by the shifting spending habits and consumption patterns of consumers. High inflation continued pressure consumers' disposable income, leading to a growing sensitivity to price and promotional activities. The group remained resilient with its diversified product portfolio across numerous price points, its wide distribution reach in over 100 global markets, and deep range of aging liquid in its inventories. It managed to cushion the impact of the industry-wide slump.

EMI maintained a relatively healthy GPR at 30% of sales in the H1, as compared to 33% of a year ago, in spite of -13% drop in value YoY, amid the still high costs of inputs and impact of product sales mix. Operating expenses plus finance costs were contained at about same level as a year ago through an efficiently prudent expenditure management. With improved bottom lines YoY, EMI registered NPR and NPOR of 14%, higher than a year ago. Lower income tax expense, due to lower taxable income, also contributed to the improved bottom lines. EBITDA amounted to P5.9 billion, keeping an EBITDA rate of 21%, same as comparable period last year. EBITDA covered interest 7times at end of H1.

The Brandy Segment delivered P18.5 billion revenues and other income from its external customers in H1, up +11% YoY, as Q2 topline gained traction +11% YoY and +13% QoQ. 'Emperador' continued to be the leading local brandy brand, with double-digit growth from 'Fundador' beefing up domestic sales in H1 and shows no signs of tapering. Amid the current global slowdown, the segment was able to expand its sales offshore – particularly in Africa, Canada and other European countries for the Spanish brands and in USA for the Mexican brands. 'Tres Cepas' accelerated its sales, particularly in Equatorial Guinea. GPR improved to 26% versus 24% a year ago primarily due to product mix. Operating expenses were sustained at 11% of the segment's topline. Interest and other charges declined -14% YoY due to decreasing EURIBOR and principal base. NPO swelled +80% YoY to P3.1 billion at the end of H1, reflecting 17% NPOR versus 10% a year ago. EBITDA rate for the period was 23%, comparatively higher than 19% of a year ago.

The Scotch Whisky Segment turned over P9.7 billion revenues and other income from external customers in H1, an -18% clip YoY as the Scotch Whisky industry remained weak in most markets worldwide. While Q2 topline was still behind YoY, it went ahead +14% QoQ. In Q2, 'Whyte&Mackay' sales and UK sales continued climbing YoY and QoQ. The segment tracked QoQ growth in Middle East and Africa as well. Meanwhile, Europe, Asia and USA cycled a fast start in H1 2024. The sales of single-malts in Q2 outpaced Q1 sales, yet still lagging YoY at end of H1. Nevertheless, key markets such as Taiwan have shown resilience of its demand for premium-plus malts. GPR slipped to 36% versus 44% a year ago, reflective of moderating single malts' sales in the product mix. Operating expenses were scaled -8% YoY from reduced expenditures relating to the subdued business performance. Interest expense rose YoY to P0.4 billion, from interest on additional loan drawdowns for the segment's ongoing expansion in its facilities to pave for future growth, notably incurred at a lower SONIA rate. NPO (same as NP) from Scotch Whisky segment amounted to P0.8 billion from P2.1 billion a year ago, reflecting 8% NPOR versus 17% a year ago. EBITDA rate for the period was 16% versus 24% a year ago.

The group contributed 28% to AGI's consolidated revenues and income, 22% to consolidated NP and 24% to consolidated NPO.

Travellers, the Group's integrated leisure and tourism arm, closed H1 with net revenues of P15.1 billion core revenues, a -3% decline YoY. Despite this, GPR improved significantly to 47% from 42% in the same period last year, due to cost optimization strategies related to gaming operations. This is supported by a -10% YoY decrease in direct costs to P8.1 billion and a -15% YoY decline in promotional allowances to P3.8 billion. The decline in promo allowances was due to lower gaming points, rebates and revenue share.

Its operating expenses increased +4% to P5.0 billion, driven mainly by marketing expenses, depreciation and payroll expenses. Interest expenses also went up +13% YoY to P2.2 billion, as less interest was capitalized this interim period due to completion of most projects. Nevertheless, total interest incurred during H1, including the capitalized portion, increased by only +4% YoY. Travellers reported EBITDA of P3.9 billion in H1, a +13% YoY growth. NP and NPO stood at P0.3 billion for the period.

Gross gaming revenues decreased -6% YoY to P15.4 billion primarily due to lower volumes across all segments despite an increase in win rates for Cash Tables and VIP. Revenues from hotels, food, beverage and other services also decreased by -2% to P2.8 billion, mainly due to lower hotel revenues. However, occupancy rates for the five hotels in NWR improved, ranging from 87% to 95% this year compared to 77% to 91% in same period last year.

Travellers group accounted for 16% of AGI's consolidated revenues and income, 2% to consolidated NP and 1% to consolidated NPO.

By profit and loss accounts

The preceding discussions are reflected in the consolidated profit and loss accounts as shown below. We reiterate that the consolidated accounts for H1 2025 included results from GADC for the period January 1 to March 16, 2025 whereas H1 2024 included full period results from GADC, therefore YoY comparisons were impacted accordingly.

In Million Pesos	H1 2025	H1 2024	YoY'25	%
REVENUES AND INCOME				
Sale of goods	54,084	53,427	657	1.2%
Consumer goods	26,970	28,603	(1,633)	(5.7%)
Revenue from real estate (RE) sales	27,115	24,824	2,290	9.2%
Rendering of services	38,954	50,579	(11,625)	(23.0%)
Gaming	15,447	16,431	(984)	(6.0%)
Less: Promotional allowance	(3,808)	(4,494)	686	(15.3%)
Net Gaming	11,639	11,936	(298)	(2.5%)
Sales by company-operated quick-service restaurants	9,272	20,949	(11,677)	(55.7%)
Franchise revenues	734	2,038	(1,304)	(64.0%)
Rental Income	10,874	9,532	1,342	14.1%
Others	6,434	6,122	312	5.1%
Hotel operations	5,593	5,199	394	7.6%
Other services	841	924	(82)	(8.9%)
Share in net profits of associated and joint ventures	334	-	334	
Finance and other income	7,544	3,448	4,096	118.8%
TOTAL	100,916	107,454	(6,537)	(6.1%)
COST AND EXPENSES				
Cost of goods sold	32,208	31,617	591	1.9%
Consumer goods sold	18,715	19,165	(450)	(2.3%)
RE sales	13,493	12,451	1,041	8.4%
Cost of services	17,598	28,082	(10,484)	(37.3%)
Gaming	4,847	5,469	(622)	(11.4%)
Services	12,750	22,613	(9,862)	(43.6%)
Other operating expenses	22,009	22,583	(575)	(2.5%)
Selling and marketing	8,931	8,954	(23)	(0.3%)
General and administrative	13,077	13,630	(552)	(4.1%)
Share in net losses of associates and joint ventures	-	39	(39)	(100.0%)
Finance cost and other charges	6,274	8,003	(1,729)	(21.6%)

In Million Pesos	H1 2025	H1 2024	YoY'25	%
TOTAL	78,088	90,324	(12,236)	(13.5%)
TAX EXPENSE	3,606	3,305	300	9.1%
NET PROFIT	19,223	13,825	5,398	39.0%
NET PROFIT TO OWNERS	14,040	8,785	5,255	59.8%
NET PROFIT ex GADC	15,143	12,681	2,462	19.4%
NET PROFIT TO OWNERS ex GADC	10,099	8,205	1,895	23.1%

Note: Numbers may not add up due to rounding off. Percentages are taken based on full numbers, not from the presented rounded amounts.

Revenues and income, as explained in the foregoing discussions, declined -6% YoY (-P6.5 billion) to P100.9 billion. **Sale of goods** (real estate, alcoholic beverages and snack products) modestly grew +1% YoY (+P0.6 billion) to P54.1 billion, buoyed by robust real estate sales increase of +9% YoY (+P2.3 billion) to P27.1 billion while sales of consumer goods contracted -6% YoY (-P1.6 billion) to P27.0 billion due to global weakness in demand during the six months period. **Rendering of services** (gaming, quick-service restaurants (“QSR”), cinemas and theaters, leasing, hotels and other related services) shrank -23% YoY (-P11.6 billion) to P39.0 billion, due to lopsided numbers in sales of owned QSR and franchise revenues, as previously discussed. Rental income and hotel operations improved +14% (+P1.3 billion) and 8% (+P0.4 billion), respectively. Net gaming revenues slipped -2% (-P0.3 billion) primarily due to lower volumes. **Share in net profit of associates and joint ventures** turned around from reported loss last year due to share in net profit of GADC from March 17 to June 30, 2025. **Finance and other income** ballooned +119% YoY (+P4.1 billion) to P7.5 billion, mainly due to gain on deconsolidation and foreign currency gains recorded this current interim period.

Costs and expenses decreased -14% YoY (-P12.2 billion) to P78.1 billion largely attributed to GADC’s short consolidated period in 2025. **Cost of goods sold** increased +2% YoY (+P0.6 billion) to P32.2 billion, while **cost of services** dipped -37% YoY (-P10.5 billion) to P17.6 billion. **Other operating expenses** declined -3% YoY (-P0.6 billion) to P22.0 billion, accounting for 22% of topline versus 21% during the same period last year, tempered by the lost numbers from deconsolidation. **Finance costs and other charges** dropped -22% YoY (-P1.7 billion) to P6.3 billion due mainly to foreign currency losses reported last year (versus gains recognized in the current period which were reported under Finance and Other Income) and lower interest expense this year.

Tax expense increased +9% YoY (+P0.3 billion) to P3.6 billion due to increase in taxable net profit, especially of Megaworld.

EBITDA amounted to P33.8 billion as compared to P29.2 billion a year ago, exhibiting EBITDA rates of 33% and 27%, respectively. EBITDA ex-GADC amounted to P28.6 billion for an EBITDA rate of 33% versus 30% a year ago primarily due to higher NP, tax expense and depreciation and amortization in the current interim period.

As a result of the foregoing, **NP** and **NPO** were reported at P19.2 billion and P14.0 billion, respectively. Ex-GADC, **NP** and **NPO** amounted to P15.1 billion and P10.1 billion, respectively.

Financial Condition

Consolidated total assets amounted to P805.4 billion at end of the interim period from P824.1 billion at beginning of year, a -2% decline (-P18.7 billion) during the first six months of the year while **consolidated total liabilities** amounted to P377.1 billion at the end of period, posting an -8% decline (-P31.3 billion) from P408.4 billion at beginning of the year. The

movements were largely attributed to the derecognition of GADC's assets and liabilities amounting to P51.2 billion and P37.9 billion as of March 16, 2025, respectively.

The Group remains strongly liquid with **current assets** exceeding **current liabilities** 2.8 times and 2.6 times at the end and beginning of the interim period, respectively. Current assets amounted to P377.8 billion while current liabilities amounted to P134.1 billion at end of the interim period. **Debts** (i.e. loans/bonds) remained stable at P250.0 billion while **net debt** (i.e. debt minus cash/FV financial assets) had grown +9% in six months to P189.0 billion, which was 25% of total tangible assets (total assets less intangibles and deferred tax assets). The Group was fairly leveraged at 44% [net debt over equity] at end of the period versus 42% at beginning of the year.

Cash and cash equivalents decreased by -27% (-P16.5 billion) during the interim, ending at P44.1 billion from P60.6 billion at the start of the year, primarily due to cash used in investing and financing activities outpacing cash generated from operating activities. Details of the Group's cash flows from operating, financing and investing activities are presented in the interim consolidated statements of cash flows.

In summary, the **accounts with at least +/- 5% changes** from year-end were as follows.

Current contract assets, which represent the reclassified portion of trade and other receivables relating to rights to payment which are conditioned upon the completion of units sold and represent excess of progress of work over the right to an amount of consideration, shot up +25% (+P5.7 billion) to P28.5 billion while **non-current** contract assets surged +8% (+P1.1 billion) to P13.8 billion. These pertain to the real estate operations of Megaworld.

Other current assets increased +5% (+P1.1 billion) to P24.7 billion mainly due to increase in input vat, creditable withholding tax and other prepayments due to timing of payments.

Advances to landowners and joint operators increased by +7% (+P0.6 billion) attributed to additional advances made by Megaworld to landowners and co-venturers for new project developments, reflective of robust development activities.

Financial assets at fair value through other comprehensive income grew by +7% (+P0.04 billion) mainly from marked-to-market adjustments.

Investments in associates and joint ventures swelled +174% (+P11.5 billion) to P18.1 billion, primarily attributed to remeasurement of investment in GADC at fair value of P11.1 billion as it was assessed to be an associate effective March 17, 2025.

Property, plant and equipment decreased by -14% (-P24.1 billion) to P144.4 billion mainly due to the derecognition of GADC-related assets. The decrease was partly offset by additional capital expenditures under Megaworld, related to ongoing constructions and asset acquisitions in support of operational expansion, and ongoing expansion in the Scotch whisky business under Emperor.

Deferred tax assets declined -60% (-P1.4 billion) to P0.9 billion mainly due to the derecognition of GADC-related balance.

Other non-current assets ballooned +171% (+P9.3 billion) to P14.7 billion from advances for future investment and other assets.

Trade and other payables decreased -12% (-P9.6 billion) to P67.4 billion mainly due to the derecognition of GADC-related balances.

Current interest-bearing loans declined -5% (-P2.2 billion) to P44.2 billion while **non-current** portion increased +1% (+P1.9 billion) to P185.4 billion for a net decrease of -P0.3 billion from repayments, partially offset by additional drawdowns, during the interim period.

Current Lease liabilities decreased -84% (-P1.0 billion) to P0.2 billion and **non-current lease liabilities** dropped significantly by -93% (-P16.1 billion) to P1.2 billion, for a total decline of P17.1 billion following the derecognition of GADC-related lease liabilities.

Contract liabilities represent MEG's excess of collection over the progress of work with **current** portion increasing +34% (+P0.6 billion) to P2.2 billion and **non-current portion** decreasing -10% (-P0.5 billion) to P4.4 billion during the interim period.

Income tax payable decreased -15% (-P0.3 billion) to P1.8 billion mainly from payment of income tax that fell due within Q2.

Redeemable preferred shares, which all pertained to GADC, were reduced to nil due to the deconsolidation of GADC.

Other current liabilities decreased -9% (-P1.8 billion) mainly from decline in customer deposits of Megaworld.

Retirement benefit obligations declined by -25% (-P0.5 billion) to P1.4 billion from changes in assumptions and benefit payments in retirement plans of Travellers, Megaworld and Emperador, and the derecognition of GADC-related obligations from the Group.

Deferred tax liabilities increased by +8% (+P1.7 billion) to P22.9 billion due to temporary differences arising from Megaworld and Emperador operations. The increase was partially tempered by the removal of GADC-related deferred tax balances following its deconsolidation during the period.

Other non-current liabilities declined by -18% (-P1.7 billion) to P7.7 billion primarily due to the reduction in customer deposits from Megaworld and the impact of GADC deconsolidation.

The **changes in equity components** are presented in detail in the interim consolidated statements of changes in equity. The changes were mainly from profit during the period, acquisition of treasury shares and changes in other equity accounts.

Liquidity and Capital Resources

The consolidated statements of financial position showed strong liquidity with current assets exceeding current liabilities 2.8 times and 2.6 times at the beginning and end of interim period, respectively. Likewise, the interim period opened and closed with total-liabilities-to-equity ratio of 1.0:1 and 0.9:1, respectively, and interest-bearing-debt-to-equity ratio of 0.6 : 1.0. Assets exceeded liabilities and equity 2.0 times at the beginning of the interim period, and closing the period with assets exceeding liabilities 2.1 times and equity 1.9 times.

In general, working capital and investing expenditures during the period were sourced internally from operations and externally through bank loans. The Group may also from time to time seek other sources of funding, if necessary, depending on its financing needs and market conditions. AGI has a pending application to issue warrants within this year.

Amounts in Million Pesos	June 2025	March 2025	December 2024
Interest-bearing debt- current	44,242	47,771	46,480
Interest-bearing debt noncurrent	185,423	175,527	183,524
Bonds payable- noncurrent	19,865	19,854	20,050
Total Debt	249,531	243,153	250,053
Cash and cash equivalents	44,120	48,701	60,603
FVTPL/ FVOCI financial assets	16,399	16,635	16,692
Total Available	60,520	65,336	77,295
Net debt	189,011	177,817	172,758
Total Available to debt rate	24.25%	26.87%	30.91%
Equity	428,339	420,789	415,725
Total debt to total equity rate	58.26%	57.78%	60.15%
Net debt to total equity rate	44.13%	42.26%	41.56%
Total Assets	805,411	789,568	824,079
Total Liabilities	377,072	368,779	408,354
Liabilities to equity ratio	88.03%	87.64%	98.23%
Current ratio	2.82x	2.75x	2.63x
Quick ratio	1.04x	1.03x	1.06x
Return on assets	2.39%	1.39%	3.39%
Solvency ratio	13.53%	7.76%	24.21%

Prospects for the future

Looking ahead, the Group maintains an optimistic outlook, anchored on its broadly diversified operations, strong brand equity, and expanding portfolio of products and services. Its ability to reach a wide consumer base through a well-established distribution network, coupled with strategic marketing efforts, provides a solid foundation for continued growth.

The Group's proven ability to create value over time underscores its capacity to sustain performance in a dynamic and evolving business environment. Despite prevailing economic uncertainties, both domestic and global, the Group remains well-positioned to adapt and respond effectively through its disciplined execution, strong financial position, and forward-looking growth strategy

Others

There were no known material events subsequent to the end of the interim period that would have a material impact in the interim period.

There are no other known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way. The Company does not have nor anticipate having any cash flow or liquidity problems within the year. AGI and its subsidiaries are not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no other known events that will trigger direct or contingent financial obligation that is currently considered material to the Company, including any default or acceleration of an obligation.

There are no other material off-balance sheet transactions, arrangements, obligations, and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. There are also no known events that will cause material change in the relationship between costs and revenues.

There are no other significant elements of income or loss that did not arise from continuing operations.

There were no other material issuances, repurchases or repayments of debt and equity securities.

The business has no seasonal aspects that had a material effect on the financial condition and results of operations of the Group.

SIGNATURE

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

Alliance Global Group, Inc.

Issuer

By:



DINA D.R. INTING

Chief Financial Officer/

Corporate Information Officer/

Compliance Officer

(As Principal Financial/Accounting Officer)

August 13, 2025

Alliance Global Group, Inc. and Subsidiaries
7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark
188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City

Schedule of Financial Soundness Indicators
Annex 68-E
As of June 30, 2025

Ratio	Formula	6/30/2025	12/31/2024
Current ratio	Current assets / Current liabilities	2.82	2.63
Acid test ratio	Quick assets / Current liabilities (Quick assets include cash and cash equivalents, trade and other receivables and financial assets at fair value through profit or loss)	1.04	1.06
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings and bonds payable)	0.14	0.24
Debt-to-equity ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings and bonds payable)	0.58	0.60
Asset-to-equity ratio	Total assets / Total stockholders' equity	1.88	1.98
		6/30/2025	6/30/2024
Interest rate coverage ratio	EBITDA / Total Interest	5.74	4.61
Return on investment	Net profit / Total stockholders' equity	0.04	0.03
Return on investment of equity owners	Net profit attributable to owners of the Parent Company/ equity attributable to the owners of the Parent Company	0.05	0.03
Return on assets	Net profit/ total assets	0.02	0.02
Net profit margin	Net profit / Total revenues	0.19	0.13

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND DECEMBER 31, 2024
(Amounts in Philippine Pesos)

	June 30, 2025 (UNAUDITED)	December 31, 2024 (AUDITED)
<u>A S S E T S</u>		
CURRENT ASSETS		
Cash and cash equivalents	P 44,120,301,994	P 60,602,840,049
Trade and other receivables - net	79,110,616,993	82,472,560,868
Contract assets	28,534,384,614	22,818,989,860
Financial assets at fair value through profit or loss	15,716,982,960	16,054,284,922
Inventories - net	185,626,288,922	188,885,475,796
Other current assets	24,695,071,214	23,591,248,080
	<u>377,803,646,697</u>	<u>394,425,399,575</u>
Total Current Assets		
NON-CURRENT ASSETS		
Trade and other receivables - net	33,098,386,923	33,934,105,742
Contract assets	13,778,299,391	12,696,802,261
Advances to landowners and joint operators	9,440,531,438	8,830,352,156
Financial assets at fair value through other comprehensive income	682,341,842	638,188,728
Investments in associates and joint ventures	18,123,878,036	6,601,858,154
Property, plant and equipment - net	144,430,182,368	168,493,285,797
Investment properties - net	150,716,482,185	148,084,535,098
Intangible assets - net	41,699,218,836	42,686,703,083
Deferred tax assets - net	897,819,585	2,251,334,369
Other non-current assets	14,740,266,869	5,436,351,471
	<u>427,607,407,473</u>	<u>429,653,516,859</u>
Total Non-current Assets		
TOTAL ASSETS	<u>P 805,411,054,170</u>	<u>P 824,078,916,434</u>

	June 30, 2025 (UNAUDITED)	December 31, 2024 (AUDITED)
<u>LIABILITIES AND EQUITY</u>		
CURRENT LIABILITIES		
Trade and other payables	P 67,435,041,407	P 77,069,078,841
Interest-bearing loans	44,242,312,324	46,479,695,155
Lease liabilities	203,213,975	1,246,685,477
Contract liabilities	2,238,981,313	1,669,576,401
Income tax payable	1,841,202,693	2,169,071,129
Advances from other related parties	1,033,123,376	1,004,242,464
Redeemable preferred shares	-	1,574,159,348
Other current liabilities	17,147,833,269	18,908,554,230
Total Current Liabilities	134,141,708,357	150,121,063,045
NON-CURRENT LIABILITIES		
Interest-bearing loans	185,423,166,977	183,524,224,160
Bonds payable	19,865,108,227	20,049,554,649
Lease liabilities	1,160,330,763	17,248,683,855
Contract liabilities	4,441,089,245	4,914,917,981
Retirement benefit obligation	1,384,971,466	1,838,949,459
Deferred tax liabilities - net	22,940,571,649	21,239,236,055
Other non-current liabilities	7,715,485,979	9,417,022,689
Total Non-current Liabilities	242,930,724,306	258,232,588,848
Total Liabilities	377,072,432,663	408,353,651,893
EQUITY		
Equity attributable to owners of the parent company	309,077,308,865	294,373,193,126
Non-controlling interest	119,261,312,642	121,352,071,415
Total Equity	428,338,621,507	415,725,264,541
TOTAL LIABILITIES AND EQUITY	P 805,411,054,170	P 824,078,916,434

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	2025		2024	
	Year-to-Date	Quarter	Year-to-Date	Quarter
REVENUES AND INCOME				
Sale of goods	P 54,084,411,700	P 28,774,112,992	P 53,427,177,873	P 28,296,461,150
Rendering of services	38,953,514,631	14,455,059,469	50,578,584,754	26,305,926,844
Share in net profits of associates and joint ventures - net	334,394,065	269,202,827	-	-
Finance and other income	7,544,026,020	2,090,636,291	3,447,882,671	2,246,448,049
	<u>100,916,346,416</u>	<u>45,589,011,579</u>	<u>107,453,645,298</u>	<u>56,848,836,043</u>
COSTS AND EXPENSES				
Cost of goods sold	32,207,939,288	17,169,676,630	31,616,894,839	16,801,853,040
Cost of services	17,597,598,432	4,764,022,594	28,081,602,168	14,625,510,966
Other operating expenses	22,008,511,203	10,648,208,194	22,583,424,049	12,140,227,392
Share in net losses of associates and joint ventures - net	-	-	38,673,167	32,725,365
Finance costs and other charges	6,273,746,729	3,012,369,754	8,003,152,565	4,546,770,349
	<u>78,087,795,652</u>	<u>35,594,277,172</u>	<u>90,323,746,788</u>	<u>48,147,087,112</u>
PROFIT BEFORE TAX	<u>22,828,550,764</u>	<u>9,994,734,407</u>	<u>17,129,898,510</u>	<u>8,701,748,931</u>
TAX EXPENSE	<u>3,605,624,742</u>	<u>1,742,496,660</u>	<u>3,305,380,119</u>	<u>1,484,083,737</u>
NET PROFIT	<u>19,222,926,022</u>	<u>8,252,237,747</u>	<u>13,824,518,391</u>	<u>7,217,665,194</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Net unrealized fair value gain on financial assets at fair value through other comprehensive income	202,744,761	62,100,732	269,075,915	187,587,858
Actuarial gains on remeasurement of retirement benefit obligation	140,452,000	18,352,000	299,232,000	83,818,000
Deferred tax expense relating to components of other comprehensive income	(35,113,000)	(4,588,000)	(74,808,000)	(20,954,500)
	<u>308,083,761</u>	<u>75,864,732</u>	<u>493,499,915</u>	<u>250,451,358</u>
Items that will be reclassified subsequently to profit or loss				
Net unrealized fair value gain (loss) on cash flow hedge	78,325,240	(26,479,079)	(55,708,946)	(11,314,825)
Deferred tax income (expense) relating to components of other comprehensive income	23,798,805	3,285,634	(3,997,612)	(10,466,225)
Translation adjustments	(7,445,301)	361,779,292	927,562,094	381,305,448
	<u>94,678,744</u>	<u>338,585,847</u>	<u>867,855,536</u>	<u>359,524,398</u>
TOTAL COMPREHENSIVE INCOME	<u>P 19,625,688,527</u>	<u>P 8,666,688,326</u>	<u>P 15,185,873,842</u>	<u>P 7,827,640,950</u>
Net profit attributable to:				
Owners of the parent company	P 14,039,717,266	P 5,624,508,813	P 8,784,792,577	P 4,568,672,635
Non-controlling interest	<u>5,183,208,756</u>	<u>2,627,728,934</u>	<u>5,039,725,814</u>	<u>2,648,992,559</u>
	<u>P 19,222,926,022</u>	<u>P 8,252,237,747</u>	<u>P 13,824,518,391</u>	<u>P 7,217,665,194</u>
Total comprehensive income attributable to:				
Owners of the parent company	P 14,523,589,372	P 5,825,348,618	P 10,018,515,014	P 5,174,960,147
Non-controlling interest	<u>5,102,099,155</u>	<u>2,841,339,708</u>	<u>5,167,358,828</u>	<u>2,652,680,803</u>
	<u>P 19,625,688,527</u>	<u>P 8,666,688,326</u>	<u>P 15,185,873,842</u>	<u>P 7,827,640,950</u>
Earnings Per Share for the Net Profit Attributable to Owners of the Parent Company –				
Basic and Diluted	<u>P 1.6151</u>	<u>P 0.6538</u>	<u>P 1.0016</u>	<u>P 0.5209</u>

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	Attributable to Owners of the Parent Company														Non-controlling Interest	Total Equity
	Capital Stock	Additional Paid-in Capital	Treasury Shares – at Cost	Net Actuarial Losses on Retirement Benefit Plan	Net Fair Value Gains on Financial Assets at FVOCI	Accumulated Translation Adjustments	Revaluation Reserves on Cash Flow Hedge	Share Options	Other Reserves	Retained Earnings						
										Appropriated	Unappropriated	Total	Total			
As of January 1, 2025	P 10,269,827,979	P 34,518,916,029	(P 16,554,828,907)	(P 155,156,070)	P 397,109,832	(P 3,661,386,830)	(P 37,127,353)	P 620,625,162	P 62,781,187,405	P 5,802,840,000	P 200,391,185,879	P 206,194,025,879	P 294,373,193,126	P 121,352,071,415	P 415,725,264,541	
Transactions with owners:																
Change in percentage of ownership	-	-	-	-	-	-	-	-	952,151,030	-	-	-	952,151,030	989,929,411	1,942,080,441	
Acquisition of treasury shares	-	-	(735,259,294)	-	-	-	-	-	-	-	-	-	(735,259,294)	-	(735,259,294)	
Dividend paid by investee	-	-	-	-	-	-	-	-	-	-	-	-	(1,358,693,081)	(1,358,693,081)	-	
Cash dividends declared	-	-	-	-	-	-	-	-	-	(90,250,000)	(90,250,000)	(90,250,000)	-	(90,250,000)	-	
Acquisition and incorporation of new subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	20,000,000	20,000,000	-	
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	4,165,762	4,165,762	-	
Effect of deconsolidation	-	-	-	(258,300,644)	(44,990,524)	-	-	-	(32,289,583)	-	227,960,587	227,960,587	(107,620,164)	(6,848,260,020)	(6,955,880,184)	
	-	-	(735,259,294)	(258,300,644)	(44,990,524)	-	-	-	919,861,447	-	137,710,587	137,710,587	19,021,572	(7,192,857,928)	(7,173,836,356)	
Changes in legal reserves during the year	-	-	-	-	-	-	-	-	290,667,278	-	(129,162,483)	(129,162,483)	161,504,795	-	161,504,795	
Reversal of appropriation	-	-	-	-	-	-	-	-	-	(122,000,000)	122,000,000	-	-	-	-	
Total comprehensive income	-	-	-	83,007,132	235,087,594	107,814,988	57,962,392	-	-	-	14,039,717,266	14,039,717,266	14,523,589,372	5,102,099,155	19,625,688,527	
Balance at June 30, 2025	P 10,269,827,979	P 34,518,916,029	(P 17,290,088,201)	(P 330,449,582)	P 587,206,902	(P 3,553,571,842)	P 20,835,039	P 620,625,162	P 63,991,716,130	P 5,680,840,000	P 214,561,451,249	P 220,242,291,249	P 309,077,308,865	P 119,261,312,642	P 428,338,621,507	
Balance at January 1, 2024, as previously stated	P 10,269,827,979	P 34,518,916,029	(P 15,910,646,863)	(P 280,093,750)	P 188,350,301	(P 4,395,409,250)	P 4,271,571	P 620,625,162	P 43,826,090,598	P 5,058,840,000	P 186,992,323,075	P 192,051,163,075	P 260,893,094,852	P 133,674,416,579	P 394,567,511,431	
Change in accounting policy:	-	-	-	-	-	-	-	-	-	-	(999,350,405)	(999,350,405)	(999,350,405)	(48,457,644)	(1,047,808,049)	
Adoption of PFRS 15 covered by PIC Q&A 2018-12-D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at January 1, 2024, as restated	P 10,269,827,979	P 34,518,916,029	(P 15,910,646,863)	(P 280,093,750)	P 188,350,301	(P 4,395,409,250)	P 4,271,571	P 620,625,162	P 43,826,090,598	P 5,058,840,000	P 185,992,972,670	191,051,812,670	259,893,744,447	133,625,958,935	393,519,703,382	
Transactions with owners:																
Change in percentage of ownership	-	-	-	-	-	-	-	-	1,982,635,624	-	-	-	1,982,635,624	(759,135,167)	1,223,500,457	
Acquisition of treasury shares	-	-	(763,772,583)	-	-	-	-	-	-	-	-	-	(763,772,583)	-	(763,772,583)	
Dividend paid by investee	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,556,242,538)	(1,556,242,538)	
Cash dividends declared	-	-	-	-	-	-	-	-	-	(114,000,000)	(114,000,000)	(114,000,000)	-	(114,000,000)	-	
Acquisition and incorporation of new subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	44,000,000	44,000,000	-	
Share-based compensation	-	-	-	-	-	-	-	-	-	-	-	-	5,168,691	5,168,691	-	
Net realized gain on sale of investment in FVOCI	-	-	-	-	-	-	-	-	-	-	104,027,183	104,027,183	104,027,183	-	104,027,183	
	-	-	(763,772,583)	-	-	-	-	-	1,982,635,624	-	(9,972,817)	(9,972,817)	1,208,890,224	(2,266,209,014)	(1,057,318,790)	
Changes in legal reserves during the year	-	-	-	-	-	-	-	-	518,790,703	-	(23,444,560)	(23,444,560)	495,346,143	-	495,346,143	
Appropriation of retained earnings	-	-	-	-	-	-	-	-	-	450,000,000	(450,000,000)	-	-	-	-	
Total comprehensive income (loss)	-	-	-	181,154,458	466,236,329	626,447,663	(40,116,012)	-	-	-	8,784,792,577	8,784,792,577	10,018,515,015	5,167,358,828	15,185,873,843	
Balance at June 30, 2024	P 10,269,827,979	P 34,518,916,029	(P 16,674,419,446)	(P 98,939,292)	P 654,586,630	(P 3,768,961,587)	(P 35,844,441)	P 620,625,162	P 46,327,516,925	P 5,508,840,000	P 194,294,347,870	P 199,803,187,870	P 271,616,495,829	P 136,527,108,749	P 408,143,604,578	

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	2025		2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	P 22,828,550,764	P	17,129,898,510
Adjustments for:			
Interest expense	5,878,294,936		6,341,881,602
Depreciation and amortization	5,055,343,239		5,738,623,642
Gain on deconsolidation (see Note 1.2)	(3,428,117,621)		-
Interest income	(1,607,427,327 )	(	2,056,898,723)
Unrealized foreign currency loss (gain) - net	(1,011,164,629)		897,297,813
Share in net losses (profits) of associates and joint ventures	(334,394,065)		38,673,167
Reversal of provision	(37,000,000 )	(	36,000,000)
Reversal of impairment losses - net	(29,885,341 )	(	19,487,559)
Net loss on disposal of assets	20,795,115		5,432,347
Dividend income	(15,261,249 )	(	15,587,316)
Gain from derecognition of right-of-use assets and lease liabilities	(10,534,761 )	(	1,844,583)
Impairment loss on inventories	5,604,275		25,799,297
Stock option benefit expense	4,165,762		5,168,691
Operating profit before working capital changes	27,318,969,098		28,052,956,888
Decrease (increase) in trade and other receivables	1,005,183,133	(	2,971,914,978)
Increase in contract assets	(6,796,891,884 )	(	6,575,789,241)
Decrease (increase) in financial assets at fair value through profit or loss	142,384,645	(	462,005,974)
Increase in inventories	(403,424,880 )	(	5,444,010,943)
Increase in advances to landowners and joint ventures	(610,179,282 )	(	552,431,456)
Increase in other current assets	(1,610,146,184 )	(	907,528,396)
Increase in trade and other payables	6,762,604,952		1,868,725,722
Increase in contract liabilities	95,576,176		93,149,523
Increase (decrease) in retirement benefit obligation	58,206,449	(	108,438,047)
Decrease in other current liabilities	(1,760,720,961 )	(	621,136,113)
Increase (decrease) in other non-current liabilities	(899,309,229)		670,278,768
Cash generated from operations	23,302,252,033		13,041,855,753
Cash paid for taxes	(2,046,294,379 )	(	3,085,666,396)
Net Cash From Operating Activities	21,255,957,654		9,956,189,357
 <i>Balance carried forward</i>	 P 21,255,957,654	P	 9,956,189,357

	2025	2024
<i>Balance forwarded</i>	P 21,255,957,654	P 9,956,189,357
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in other non-current assets	(10,458,721,316)	223,417,498
Additions to:		
Property, plant and equipment	(6,730,924,044)	(9,570,523,258)
Investment properties	(2,511,986,472)	(5,553,709,148)
Intangible assets	(404,431,425)	(26,311,734)
Cash of deconsolidated subsidiary (see Note 1.2)	(5,224,603,868)	-
Additional advances granted to associates and other related parties	(1,945,854,828)	(737,520,564)
Interest received	889,782,959	1,038,248,717
Proceeds from:		
Disposal of property, plant and equipment	261,223,396	229,568,871
Collection of notes and loans receivables	-	6,521,739
Collection of advances to associates and other related parties	252,042,756	338,825,002
Cash dividends received	15,261,249	15,587,316
Net Cash Used in Investing Activities	(25,858,211,593)	(14,035,895,561)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from interest-bearing loans and bonds	18,458,476,155	44,460,909,108
Payment of interest-bearing loans and bonds	(18,239,188,488)	(30,257,396,034)
Interest paid	(9,477,453,174)	(8,049,274,082)
Dividends paid	(1,448,943,081)	(1,670,242,538)
Acquisition of treasury shares	(735,259,294)	(763,772,583)
Payment of lease liabilities	(466,797,146)	(386,862,783)
Advances collected and received from related parties	73,286,680	510,576,037
Advances paid to related parties	(44,405,768)	(583,885,755)
Gain on sale of investment in financial assets through other comprehensive income	-	104,027,183
Net Cash From (Used in) Financing Activities	(11,880,284,116)	3,364,078,553
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,482,538,055)	(715,627,651)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	60,602,840,049	65,020,293,464
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	P 44,120,301,994	P 64,304,665,813

See Notes to Interim Consolidated Financial Statements.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(With Comparative Figures as of December 31, 2024)
(Amounts in Philippine Pesos)
(Unaudited)

1. CORPORATE INFORMATION

1.1 General Information

Alliance Global Group, Inc. (the “Company”, “Parent Company”, or “AGI”) was registered with the Philippine Securities and Exchange Commission (“SEC”) on October 12, 1993 and listed its shares in the Philippine Stock Exchange (“PSE”) on April 19, 1999.

Currently, AGI is one of the leading conglomerates in the Philippines, with interests in real estate property development, food and beverage, tourism-entertainment and gaming, and quick-service restaurant. Its fifth leg, the infrastructure, has not yet started operations. The Company and its subsidiaries, associates and joint ventures (collectively referred to as the “Group”) operate a diversified range of businesses that focus on developing products and services that generally cater to their target markets, under the following entities (see Note 4):

Subsidiaries/ Associates/ Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI	
			June 2025	December 2024
Subsidiaries				
Megaworld and subsidiaries				
Megaworld Corporation	Megaworld	(a)	74%	74%
Megaworld Resort Estates, Inc.		(b)	87%	87%
Townsquare Development, Inc.			52%	52%
Golden Panda-ATI Realty Corporation			52%	52%
Arcovia Properties, Inc.			74%	74%
Belmont Newport Luxury Hotels, Inc.			74%	74%
Davao Park District Holdings, Inc.			74%	74%
Eastwood Cyber One Corporation			74%	74%
Global One Hotel Group, Inc.			74%	74%
Global One Integrated Business Services, Inc.			74%	74%
Hotel Lucky Chinatown, Inc.			74%	74%
Landmark Seaside Properties, Inc.			74%	74%
Luxury Global Hotels and Leisures, Inc.			74%	74%
Luxury Global Malls, Inc.			74%	74%
Mactan Oceanview Properties and Holdings, Inc.			74%	74%
Megaworld Cayman Islands, Inc.		(c)	74%	74%
Megaworld Cebu Properties, Inc.			74%	74%
Megaworld Land, Inc.			74%	74%
Citywalk Building Administration, Inc.			74%	74%
Forbestown Commercial Center Administration, Inc.			74%	74%
Iloilo Center Mall Administration, Inc.			74%	74%
Newton Commercial Center Administration, Inc.			74%	74%
Paseo Center Building Administration, Inc.			74%	74%
San Lorenzo Place Commercial Center Administration, Inc.			74%	74%
Southwoods Lifestyle Mall Management, Inc.			74%	74%
Cityfront Commercial Center Administration, Inc.			74%	74%
Uptown Commercial Center Administration, Inc.			74%	74%
Valley Peaks Property Management, Inc.			74%	74%
Westside Commercial Center Administration, Inc.	WCCAI	(o)	74%	74%
Megaworld Newport Property Holdings, Inc.			74%	74%

Subsidiaries/ Associates/ Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI	
			June 2025	December 2024
Subsidiaries				
Megaworld and subsidiaries (continued)				
Megaworld Oceantown Properties, Inc.	MOPI		74%	74%
Piedmont Property Ventures, Inc.			74%	74%
Prestige Hotels and Resorts, Inc.			74%	74%
Richmonde Hotel Group International Ltd.		(d)	74%	74%
Megaworld San Vicente Coast, Inc.	MVSCI		74%	74%
Savoy Hotel Manila, Inc.			74%	74%
Savoy Hotel Mactan, Inc.			74%	74%
Kingsford Hotel Manila, Inc.			74%	74%
Agile Digital Ventures, Inc.			74%	74%
MREIT Fund Managers, Inc.	MFMI	(n)	74%	74%
MREIT Property Managers, Inc.	MPMI	(n)	74%	74%
MREIT, Inc.	MREIT	(n)	48%	48%
Belmont Hotel Mactan, Inc.			74%	74%
Grand Westside Hotel, Inc.			74%	74%
Stonehaven Land, Inc.			74%	74%
Streamwood Property. Inc.			74%	74%
Megaworld Bacolod Properties, Inc.			68%	68%
Manila Bayshore Property Holdings, Inc.			70%	70%
Megaworld Capital Town, Inc.			56%	56%
Megaworld Central Properties, Inc.			57%	57%
Soho Café and Restaurant Group, Inc.			56%	55%
La Fuerza, Inc.			49%	49%
Megaworld-Daewoo Corporation			44%	44%
Northwin Properties, Inc.			44%	44%
Gilmore Property Marketing Associates, Inc.			39%	39%
Integrated Town Management Corporation			37%	37%
Maple Grove Land, Inc.			37%	37%
Megaworld Globus Asia, Inc.			37%	37%
Uptown Place Building Administration, Inc.		(s)	74%	-
Alliance Global Tower Building Administration, Inc.		(s)	74%	-
Eastwood Global Plaza Corporate Tower Building Administration, Inc.		(s)	74%	-
Global One Building Administration, Inc.		(s)	74%	-
1 Campus Place Building Administration, Inc.		(s)	74%	-
Mckinley West Campus Building Administration, Inc.		(s)	74%	-
Technoplaza Two Building Administration, Inc.		(s)	74%	-
8CP Building Administration Inc.		(s)	74%	-
CIP Building Administration Inc.		(s)	74%	-
Suntrust Properties, Inc.			74%	74%
Governor’s Hills Science School, Inc.			74%	74%
Sunrays Properties Management, Inc.			74%	74%
Suntrust Ecotown Developers, Inc.			74%	74%
Suntrust One Shanata, Inc.			74%	74%
Suntrust Two Shanata, Inc.			74%	74%
Stateland, Inc.			73%	73%
Global-Estate Resorts, Inc.	GERI	(e)	61%	61%
Southwoods Malls Inc.			67%	67%
Elite Club & Leisure Inc.	ECLI		61%	61%
Integrated Resorts Property Management, Inc.	IRPMI		61%	61%
Chancellor Hotel Boracay, Inc.			61%	61%
Twin Lakes Corp.			67%	67%
Twin Lakes Hotel, Inc.			67%	67%
Megaworld Global-Estate, Inc.			66%	66%
Global-Estate Golf and Development, Inc.	GEGDI		61%	61%
Golforce, Inc.			61%	61%
Southwoods Ecocentrum Corp.			37%	37%
Philippines Aquatic Leisure Corp.			37%	37%
Global-Estate Properties, Inc.			61%	61%
Aklan Holdings, Inc.			61%	61%
Blu Sky Airways, Inc.			61%	61%
Fil-Estate Subic Development Corp.			61%	61%
Fil-Power Concrete Blocks Corp,			61%	61%
Fil-Power Construction Equipment Leasing Corp.			61%	61%
Golden Sun Airways, Inc.			61%	61%
La Compañía De Sta. Barbara, Inc.			61%	61%

			Percentage of Effective	
			Ownership of AGI	
Subsidiaries/ Associates/ Joint Ventures	Short Name	Notes	June	December
			2025	2024
Subsidiaries				
Megaworld and subsidiaries (continued)				
MCX Corporation			61%	61%
Pioneer L-5 Realty Corp.			61%	61%
Prime Airways, Inc.			61%	61%
Sto. Domingo Place Development Corp.			61%	61%
Fil-Estate Industrial Park, Inc.			48%	48%
Sherwood Hills Development Inc.			34%	34%
Fil-Estate Urban Development Corp.			61%	61%
Global Homes and Communities, Inc.			61%	61%
Savoy Hotel Boracay, Inc.			61%	61%
Belmont Hotel Boracay, Inc.			61%	61%
Novo Sierra Holdings, Corp.			61%	61%
Elite Communities Property Services, Inc.			61%	61%
Oceanfront Properties, Inc.			31%	31%
Empire East Land Holdings, Inc.	EELHI		61%	61%
Sonoma Premiere Land, Inc.		(f)	76%	76%
Pacific Coast Mega City, Inc.			78%	78%
Valle Verde Properties, Inc.			60%	60%
Laguna BelAir School, Inc.			44%	44%
20th Century Nylon Shirt, Inc.			60%	60%
Eastwood Property Holdings, Inc.			60%	60%
Empire East Communities, Inc.			60%	60%
Sherman Oak Holdings, Inc.			60%	60%
Emperador and subsidiaries				
Emperador Inc.	EMI or Emperador		79%	80%
	EDI		79%	80%
Emperador Distillers, Inc.			79%	80%
Alcazar de Bana Holdings Company, Inc.			79%	80%
ProGreen AgriCorp, Inc.			79%	80%
South Point Science Park, Inc.			79%	80%
Ocean One Transport Inc.			79%	80%
Anglo Watsons Glass, Inc.			79%	80%
Cocos Vodka Distillers Philippines, Inc.			79%	80%
The Bar Beverage, Inc.			79%	80%
Tradewind Estates, Inc.			79%	80%
BoozyLife, Inc.			69%	69%
Zabana Rum Company, Inc.			79%	80%
The World’s Finest Liquor	TWFL		79%	80%
Emperador International Ltd.	EIL	(d)	79%	80%
Emperador Asia Pte Ltd.	EA	(h)	79%	80%
Grupo Emperador Spain, S.A.U.	GES	(h)	79%	80%
Bodega San Bruno, S.L.	BSB	(h)	79%	80%
Bodegas Fundador S.L.U.	BFS	(h)	79%	80%
Harvey’s Cellars S.L.U	HCS	(h)	79%	80%
Grupo Emperador Gestion S.L.	GEG	(h)	79%	80%
Domecq Bodega Las Copas, S.L.	DBLC	(g, h)	39%	40%
Stillman Spirits, S.L.	SSSL	(h)	79%	80%
Pedro Domecq S.A. de C.V.	PDSC	(g, h)	39%	40%
Emperador Europe SARL	EES	(h)	79%	80%
Emperador Holdings (GB) Limited.	EGB	(h)	79%	80%
Emperador UK Limited	EUK	(h)	79%	80%
Whyte and Mackay Global Limited	WMG	(h)	79%	80%
Whyte and Mackay Group Limited	WMGL	(h)	79%	80%
Whyte and Mackay Limited	WML	(h)	79%	80%
Whyte and Mackay Warehousing Ltd.	WMWL	(h)	79%	80%
GADC and subsidiaries				
Golden Arches Development Corporation	GADC	(q)	-	49%
Golden Arches Realty Corporation		(q)	-	49%
Clark Mac Enterprises, Inc.		(q)	-	49%
Golden Laoag Foods Corporation		(q)	-	38%
Davao City Food Industries, Inc.		(q)	-	37%
First Golden Laoag Ventures, Inc.		(q)	-	34%
McDonald’s Anonas City Center – Joint Venture		(q)	-	34%
Golden City Food Industries, Inc.		(q)	-	29%

Subsidiaries/ Associates/ Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI	
			June 2025	December 2024
Subsidiaries				
GADC and subsidiaries (continued)				
McDonald’s Bonifacio Global City Joint Venture		(q)	-	27%
Travellers and subsidiaries				
Travellers International Hotel Group, Inc.	Travellers	(i)	60%	60%
NWR Plus Digital Solutions, Inc. (formerly, “Agile Fox Amusement and Leisure Corporation”)			36%	60%
APEC Assets Limited			60%	60%
Aquamarine Delphinium Leisure and Recreation, Inc.			60%	60%
Bright Pelican Leisure and Recreation, Inc.			60%	60%
Brightleisure Management, Inc.			60%	60%
Brilliant Apex Hotels and Leisure Corporation			60%	60%
Coral Primrose Leisure and Recreation Corporation			60%	60%
Deluxe Hotels and Recreation, Inc.			60%	60%
Entertainment City Integrated Resorts & Leisure, Inc.			60%	60%
FHTC Entertainment & Productions, Inc.	FHTC		60%	60%
Golden Peak Leisure and Recreation, Inc.			60%	60%
Grand Integrated Hotels and Recreation, Inc.			60%	60%
Grandservices, Inc.			60%	60%
Grandventure Management Services, Inc.			60%	60%
Lucky Star Hotels and Recreation, Inc.			60%	60%
Lucky Panther Amusement and Leisure Corporation			60%	60%
Luminescent Vertex Hotels and Leisure Corporation			60%	60%
Newport World Gaming Solutions, Inc. (formerly, “Magenta Centaurus Amusement and Leisure Corporation”)			60%	60%
Manhattan Resorts Inc.		(o)	60%	60%
Majestic Sunrise Leisure & Recreation, Inc.			60%	60%
Netdeals, Inc.			60%	60%
Newport Star Lifestyle, Inc.			60%	60%
Royal Bayshore Hotels & Amusement, Inc.			60%	60%
Sapphire Carnation Leisure and Recreation Corporation			31%	31%
Scarlet Milky Way Amusement and Leisure Corporation			60%	60%
Sparkling Summit Hotels and Leisure Corporation			60%	60%
Valiant Leopard Amusement and Leisure Corporation			60%	60%
Vermillion Triangulum Amusement and Leisure Corporation			60%	60%
Westside City, Inc.	WCI	(j)	59%	59%
Purple Flamingos Amusement and Leisure Corporation			59%	59%
Red Falcon Amusement and Leisure Corporation			59%	59%
Captain View Group Limited			59%	59%
Westside Theatre Inc.			60%	60%
Westside Bayshore Holding Corporation	WBHC	(s)	60%	-
Bronze Lynx Amusement and Leisure Inc.	BLALI	(s)	60%	-
Corporate and Others				
Alliance Global Brands, Inc.			100%	100%
McKester Pik-nik International Limited	MPIL	(d)	100%	100%
Great American Foods, Inc.		(k)	100%	100%
New Town Land Partners, Inc.	NTLPI		100%	100%
Alliance Global Group Cayman Islands, Inc.		(c)	100%	100%
Boracay Newcoast Resorts, Inc.			100%	100%
Dew Dreams International, Inc.			100%	100%
First Centro, Inc.	FCI		100%	100%
ERA Real Estate Exchange, Inc.			100%	100%
Oceanic Realty Group International, Inc.			100%	100%
Greenspring Investment Holdings Properties Ltd.		(d)	100%	100%
Alliance Global-Infracorp Development, Inc.	Infracorp		100%	100%
Shiok Success International, Inc.			100%	100%
Travellers Group Ltd.		(d)	100%	100%
Venezia Universal Ltd.		(d)	100%	100%
Dew Dreams International, Ltd.		(d)	100%	100%
Shiok Success International, Ltd.		(d)	100%	100%
Adams Properties, Inc.	Adams		60%	60%
Newport World Resort Properties, Inc.	NWRPI	(r)	98%	97%

Subsidiaries/ Associates/ Joint Ventures	Short Name	Notes	Percentage of Effective Ownership of AGI	
			June 2025	December 2024
Associates				
Advance Food Concepts Manufacturing Inc.	AFCMI	(p)	49%	49%
First Premiere Arches Restaurant Inc.			49%	49%
Golden Arches Development Corporation	GADC	(q)	49%	-
Bonifacio West Development Corporation			34%	34%
Suntrust Resort Holdings, Inc.	SUN		25%	25%
Palm Tree Holdings and Development Corporation			30%	30%
SWC Project Management Limited			25%	25%
WC Project Management Limited			25%	25%
Suntrust WC Hotel Inc.			25%	25%
Fil-Estate Network, Inc.			12%	12%
Fil-Estate Sales, Inc.			12%	12%
Fil-Estate Realty and Sales Associates, Inc.			12%	12%
Fil-Estate Realty Corp.			12%	12%
Nasugbu Properties, Inc.			9%	9%
Joint Ventures				
Bodegas Las Copas, S.L.	BLC	(l)	39%	40%
Front Row Theatre Management, Inc.		(m)	30%	30%

Explanatory notes:

- (a) AGI's effective ownership interest is calculated based on its direct ownership, as well as its direct holdings in FCI and NTLPI. As of June 30, 2025 and December 31, 2024, these interests were 54%, 3%, and 17%.
- (b) AGI and Megaworld directly owns 49% and 51%, respectively.
- (c) Foreign subsidiaries operating under the laws of the Cayman Islands.
- (d) Foreign subsidiaries operating under the Business Companies Act of the British Virgin Islands ("BVI").
- (e) AGI's effective ownership interest represents its indirect holdings through Megaworld, which owns 83% of GERI as of June 30, 2025 and December 31, 2024.
- (f) A subsidiary through 60% and 40% direct ownership of EELHI and FCI, respectively.
- (g) DBLC, a subsidiary of GES, is operating under the laws of Spain and its subsidiary PDSC is operating under the laws of Mexico.
- (h) Subsidiaries under EIL. EA is operating under the laws of Singapore while GES and its subsidiaries BSB, BFS, GEG, DBLC, SSSL and HCS (a subsidiary of BFS) are operating under the laws of Spain. EES is operating under the laws of Luxembourg. DBLC's subsidiary PDSC is operating under the laws of Mexico. EGB (the ultimate UK parent) is operating under the laws of England and Wales. EUK, WMG, WML, WMWL and WMGL are operating under the laws of Scotland. EA, EES and EGB are direct subsidiaries of EIL.
- (i) Effective ownership is based on total voting rights of both common and preferred shares held by the Group—33% by AGI, 2% by FCI, 2% by Megaworld, and 39% by Adams [24% by Genting Hongkong Limited ("GHL") and negligible by the public]. As for Travellers' common shares, 42% are directly owned by AGI, 4% by FCI, 3% by Megaworld, 20% by Adams, 31% by GHL and less than 1% by the public.
- (j) AGI's effective ownership is through 1% direct ownership, 57% through 95% ownership of Travellers, and 1% through ownership of other subsidiaries within the Group (i.e., FCI, Megaworld and Adams).
- (k) Foreign subsidiary of MPIL operating under the laws of United States of America.
- (l) A foreign joint venture under GES.
- (m) A joint venture through FHTC.
- (n) MFMI is engaged in the business of providing fund management services to real estate investment trust ("REIT") companies. MPMI is engaged in the business of providing services in relation to property management, lease management, marketing and project management. MREIT is engaged in the business of real estate investment trust, as provided under Republic Act No. 9856, *the Real Estate Investment Trust Act of 2009*.
- (o) Newly incorporated subsidiaries in 2024.
- (p) In 2024, GADC disposed of its entire interest in AFCMI (including its subsidiaries, RAFSI, MFGFI and GACI). The Group retained significant influence over AFCMI through FCI and reclassified the investment as an investment in an associate.
- (q) Deconsolidated subsidiaries in 2025 (see Note 1.2).
- (r) Effective ownership is based on total voting rights of both common and preferred shares held by the Group—92% by AGI (all common) and 8% by Megaworld (all preferred) as of June 30, 2025 and 89% by AGI (all common) and 11% by Megaworld (all preferred) as of December 31, 2024.
- (s) New subsidiaries in 2025.

The Company, its subsidiaries, associates and joint ventures are incorporated and operating in the Philippines, except for such foreign subsidiaries and a joint venture as identified in the preceding table (see explanatory notes c, d, g, h, k, and l above).

AGI's shares of stock and those of Megaworld, EMI, GERI, EELHI, MREIT and SUN are listed in and traded through the PSE as of June 30, 2025. EMI's shares were secondary listed and started trading on the Main Board of the Singapore Exchange Securities Trading Limited on July 14, 2022.

The principal activities of the Group are further described in Note 4.

The Company's registered office and primary place of business is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez, Jr. Avenue, Bagumbayan, Quezon City.

The Board of Directors ("BOD") approved on August 13, 2025 the release of the interim consolidated financial statements ("ICFS") of the Group as of and for the six months ended June 30, 2025 (including the comparative financial statements as of December 31, 2024, and for the six months ended June 30, 2024).

1.2 Remeasurement of Investment in GADC

In 2025, GADC was granted by McDonald's Corporation a new license term for another 20 years. Certain changes were also agreed in terms of the shareholder's contractual arrangement. As a result, GADC became an associate of AGI effective on March 17, 2025. The aggregate carrying amount of net assets of GADC at the beginning of effectivity date were derecognized and a gain was recognized on deconsolidation, as follows:

(Amounts in PHP)

Current assets	16,070,892,732
Non-current assets	35,178,705,797
Current liabilities	(17,353,483,277)
Non-current liabilities	<u>(20,586,628,805)</u>
Total net assets of GADC derecognized	13,309,486,447
Derecognized non-controlling interest	(6,848,260,020)
Derecognized goodwill of AGI on GADC	<u>1,238,600,052</u>
Total derecognition	7,699,826,479
Recognition of investment in associate	<u>11,127,944,100</u>
Gain on deconsolidation	<u>3,428,117,621</u>

Gain on deconsolidation is presented as part of Finance and Other Income in the 2025 consolidated statement of comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of Preparation of Interim Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

These ICFS have been prepared in accordance with Philippine Accounting Standard (“PAS”) 34, *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Philippine Financial Reporting Standards (“PFRS”) Accounting Standards, and should be read in conjunction with the Group’s audited consolidated financial statements (“ACFS”) as of and for the year ended December 31, 2024.

The ICFS are presented in Philippine pesos, the Company’s functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the ICFS of the Group are measured using the Company’s functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

The presentation of the ICFS is consistent with the most recent ACFS presentation.

The Group presents all items of income and expense in a single consolidated statement of comprehensive income.

2.2 Adoption of Amended PFRS Accounting Standards

The Group adopted for the first time the amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which is mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments are relevant to the Group but have no material impact on the ICFS.

3. JUDGMENTS AND ESTIMATES

The preparation of the Group’s ICFS in accordance with PFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the policies applied and amounts reported in the ICFS and related explanatory notes. Judgments and estimates are based on historical experience and management’s best knowledge of current events and actions, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates. There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

The Group performed its annual impairment test of goodwill and trademarks with indefinite useful lives at year-end and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill arising from business combination and other intangible assets is based on value-in-use calculations. The Group monitors goodwill and trademarks with indefinite useful lives on the cash generating units to which these assets were allocated and considers the relationship between the market capitalization of the subsidiaries and its net book value, among other factors, when reviewing for indicators of impairment. The Group's management assessed that as at and for the six months ended June 30, 2025 and as at December 31, 2024, goodwill arising from business combination and other intangible assets with indefinite useful lives are not impaired.

Aside from the foregoing, the judgments, estimates and assumptions applied in the ICFS, including the key sources of estimation uncertainty, were the same as those applied in the ACFS as at and for the year ended December 31, 2024.

4. SEGMENT INFORMATION

4.1 *Business Segments*

The Group is organized into major business segments, which are the major subsidiaries of the Group. These represent the main products and services provided by the Group and the line of business in which the Group operates.

Presented below is the basis of the Group in reporting its primary segment information.

- (a) The *Megaworld* segment consists of development of real estate, integrated resorts, leasing of properties and hotel operations business which is primarily undertaken by Megaworld and subsidiaries, the Group's forerunner in the real estate industry.
- (b) The *Emperador* segment refers to the manufacture and distribution of distilled spirits, including the production of glass containers, which is undertaken by Emperador and subsidiaries.
- (c) The *Travellers* segment relates to tourism-oriented business that integrates entertainment, hospitality and leisure, including gaming, as that of Newport World Resorts, which is operated by Travellers and subsidiaries.
- (d) The *GADC* segment refers to operations of McDonald's restaurants in the Philippines in accordance with the franchise agreement between GADC and McDonald's Corporation, USA. Effective March 17, 2025, GADC was deconsolidated and ceased to be a business segment as it becomes an associate from that date, yet the Group's ownership interest over GADC has not changed (see Note 1.2).

The Group disaggregates revenues recognized from contracts with customers into these segments that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. This same disaggregation is used in earnings releases, annual reports and investor presentations.

4.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash and cash equivalents, trade and other receivables, contract assets, inventories, property, plant and equipment, intangible assets and investment properties. Segment liabilities include all operating liabilities and consist principally of trade and other payables, contract liabilities, lease liabilities, interest-bearing loans and bonds payable.

4.3 Intersegment Transactions

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

4.4 Analysis of Segment Information

Segment information can be analyzed as follows for the six months ended June 30, 2025 and 2024.

<i>(Amounts in PHP)</i>	For six months ended June 30, 2025 (Unaudited)				
	Megaworld	Travellers	GADC (see Note 1.2)	Emperador	Total
REVENUES AND INCOME					
Sales to external customers	40,917,305,971	15,137,892,773	10,012,898,719	26,727,346,476	92,795,443,939
Intersegment sales	164,222,337	1,258,143	-	31,579,486	197,059,966
Finance and other income	1,957,524,382	533,715,036	40,789,669	1,440,038,469	3,972,067,556
Segment revenues and income	43,039,052,690	15,672,865,952	10,053,688,388	28,198,964,431	96,964,571,461
Cost of sales and expenses excluding depreciation and amortization	(23,678,164,535)	(11,220,058,780)	(8,598,094,970)	(21,570,581,430)	(65,066,899,715)
	19,360,888,155	4,452,807,172	1,455,593,418	6,628,383,001	31,897,671,746
Depreciation and amortization	(1,800,950,638)	(1,859,224,164)	(696,800,373)	(1,083,388,929)	(5,440,364,104)
Finance cost and other charges	(2,532,322,563)	(2,231,279,160)	(266,506,850)	(853,292,469)	(5,883,401,042)
Profit before tax	15,027,614,954	362,303,848	492,286,195	4,691,701,603	20,573,906,600
Tax expense	(2,938,389,267)	(36,006,446)	(212,831,949)	(394,301,922)	(3,581,529,584)
SEGMENT PROFIT	12,089,225,687	326,297,402	279,454,246	4,297,399,681	16,992,377,016
OTHER SEGMENT INFORMATION					
Share in net profit (loss) of associates and joint ventures	(47,835,176)	(12,121)	-	26,957,979	(20,889,318)
SEGMENT ASSETS AND LIABILITIES					
Segment assets	479,368,252,717	121,266,680,299	-	161,055,472,007	761,690,405,023
Segment liabilities	173,029,078,663	77,171,717,016	-	55,704,203,584	305,904,999,263

<i>(Amounts in PHP)</i>	For six months ended June 30, 2024 (Unaudited)				
	Megaworld	Travellers	GADC	Emperador	Total
REVENUES AND INCOME					
Sales to external customers	36,790,607,069	15,610,225,029	23,001,960,079	28,223,641,218	103,626,433,395
Intersegment sales	132,261,963	2,952,371	-	31,394,972	166,609,306
Finance and other income	2,172,661,841	696,244,790	127,755,021	317,145,877	3,313,807,529
Segment revenues and income	39,095,530,873	16,309,422,190	23,129,715,100	28,572,182,067	107,106,850,230
Cost of sales and expenses excluding depreciation and amortization	(20,773,557,308)	(12,146,326,387)	(19,553,726,010)	(22,250,965,705)	(74,724,575,410)
	18,321,973,565	4,163,095,803	3,575,989,090	6,321,216,362	32,382,274,820
Depreciation and amortization	(1,818,354,869)	(1,689,430,028)	(1,537,504,192)	(753,249,697)	(5,798,538,786)
Finance cost and other charges	(4,552,356,709)	(2,017,084,384)	(505,048,677)	(727,952,594)	(7,802,442,364)
Profit before tax	11,951,261,987	456,581,391	1,533,436,221	4,840,014,071	18,781,293,670
Tax expense	(2,137,071,231)	(21,206,553)	(409,251,871)	(723,382,838)	(3,290,912,493)
SEGMENT PROFIT	9,814,190,756	435,374,838	1,124,184,350	4,116,631,233	15,490,381,177
OTHER SEGMENT INFORMATION					
Share in net profit (loss) of associates and joint ventures	(110,197,186)	(12,634)	-	71,536,653	(38,673,167)

The following presents the segment assets and liabilities of the Group as of December 31, 2024 (audited):

SEGMENT ASSETS AND LIABILITIES					
Segment assets	467,554,845,589	123,835,056,627	45,923,087,703	156,907,622,142	794,220,612,061
Segment liabilities	174,446,871,717	80,028,787,305	33,862,730,703	52,622,297,983	340,960,687,708

4.5 Reconciliations

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its ICFS.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
Revenues and income		
Total segment revenues and income	96,964,571,461	107,106,850,230
Unallocated corporate revenue	4,148,834,921	513,404,374
Elimination of intersegment revenues	(197,059,966)	(166,609,306)
Revenues as reported in interim consolidated statements of comprehensive income	100,916,346,416	107,453,645,298
Profit or loss		
Segment operating profit	16,992,377,016	15,490,381,177
Unallocated corporate loss	2,427,608,972	(1,499,253,480)
Elimination of intersegment revenues	(197,059,966)	(166,609,306)
Profit as reported in interim consolidated statements of comprehensive income	19,222,926,022	13,824,518,391
<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets		
Segment assets	761,690,405,023	794,220,612,061
Unallocated corporate assets	43,720,649,147	29,858,304,373
Total assets as reported in interim consolidated statements of financial position	805,411,054,170	824,078,916,434
Liabilities		
Segment liabilities	305,904,999,263	340,960,687,708
Unallocated corporate liabilities	71,167,433,400	67,392,964,185
Total liabilities as reported in interim consolidated statements of financial position	377,072,432,663	408,353,651,893

Concentration of revenue is considered when at least 10% of total segment revenue is generated from a single customer. There is no concentration of the Group's revenue in a single customer as the 10% threshold has not been met in any of the periods presented.

5. PROPERTY, PLANT AND EQUIPMENT

The gross carrying amounts and accumulated depreciation, amortization and impairment of property, plant and equipment as of June 30, 2025 and December 31, 2024 are shown below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cost	231,396,323,114	251,319,163,006
Accumulated depreciation, amortization and impairment	(86,966,140,746)	(82,825,877,209)
Net carrying amount	144,430,182,368	168,493,285,797

A reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the reporting periods is shown below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period, net of accumulated depreciation, amortization and impairment	168,493,285,797	158,306,841,259
Effect of deconsolidation (see Note 1.2)	(28,650,712,138)	(258,077,670)
Additions	8,723,224,082	20,227,625,958
Depreciation and amortization charges for the period	(3,853,596,862)	(9,318,136,695)
Disposals – net	(282,018,511)	(412,020,708)
Derecognition	-	(61,013,106)
Reclassifications – net	-	(16,118,018)
Impairment reversal – net	-	24,184,777
Balance at end of period, net of accumulated depreciation, amortization and impairment	144,430,182,368	168,493,285,797

6. INVESTMENT PROPERTIES

The Group's investment properties include several parcels of land, buildings and improvements which are held for investment purposes only, either to earn rental income or for capital appreciation or both. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of the reporting periods are shown below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Cost	179,470,133,512	175,324,924,376
Accumulated depreciation	(28,753,651,327)	(27,240,389,278)
Net carrying amount	150,716,482,185	148,084,535,098

A reconciliation of the carrying amounts of investment properties at the beginning and end of the reporting periods is shown below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period, net of accumulated depreciation	148,084,535,098	136,346,654,133
Additions	4,246,223,730	14,299,145,364
Depreciation charges for the period	(1,514,808,049)	(3,035,393,528)
Effect of deconsolidation (see Note 1.2)	(99,468,594)	-
Transfer from inventories	-	458,011,111
Transfer from property, plant and equipment	-	16,118,018
Balance at end of period, net of accumulated depreciation	150,716,482,185	148,084,535,098

7. DIVIDENDS

There were no dividends declared and paid by the Company for the six months ended June 30, 2025 and 2024.

8. EARNINGS PER SHARE

Earnings per share is computed as follows:

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
Basic and Diluted –		
Net profit attributable to owners of the Parent Company	14,039,717,266	8,784,792,577
Divide by the weighted average number of outstanding common shares	8,692,536,479	8,770,733,779
	1.6151	1.0016

As of December 31, 2024, the last buy-back program authorized by the BOD was for P9.0 billion to end on April 8, 2025. On April 4, 2025, the Company's BOD approved the extension of said buyback program up to December 31, 2025. On June 2, 2025, the BOD approved its extension up to December 31, 2026 and the increase in the allocated amount for additional P2.0 billion.

The Company has repurchased 1,454,327,300 shares for P16.5 billion and 1,340,860,200 shares for P15.5 billion as of June 30, 2025 and 2024, respectively, which are reported as part of Treasury Shares.

There were 122.96 million shares and 158.23 million shares held by subsidiaries with a total cost of P832.1 million and P1,174.2 million as of June 30, 2025 and 2024, respectively, that were reported as part of Treasury Shares in the consolidated statements of changes in equity and taken out of outstanding common shares in computing EPS.

The basic and diluted earnings per share are the same for the six months ended June 30, 2025 and 2024, as the Company's Executive Stock Option Plan are considered to be antidilutive since their conversion to ordinary shares would increase earnings per share. Thus, the number of issued and outstanding common shares presented does not include the effect of the potential common shares from the Executive Stock Option Plan.

9. RELATED PARTY TRANSACTIONS

The Group's related parties include its stockholders, associates, joint ventures, the Group's key management personnel and retirement fund, and others. The summary of the Group's transactions with its related parties for the periods ended June 30, 2025 and 2024, and the related outstanding balances as of June 30, 2025 and December 31, 2024 are as follows:

<i>(Amounts in PHP)</i>		Amount of Transaction		Receivable (Payable)	
Related Party Category	Notes	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Subsidiaries'					
stockholders:					
Management fees		-	-	(238,709,798)	(359,427,270)
Accounts payable	9.3	-	-	(147,337,958)	(147,337,958)
Related party under					
common ownership:					
Purchase of raw materials and services	9.1	368,939,274	681,207,532	(150,848,157)	(61,615,067)
Advances granted	9.2	1,027,897,406	65,218,665	5,984,453,196	4,956,555,790
Associates –					
Advances granted	9.2	13,984,838	23,959,325	1,025,605,150	1,011,620,312
Others:					
Accounts receivable	9.3	308,766,091	309,517,572	921,041,181	612,275,090
Advances	9.4	(28,880,912)	-	(1,033,123,376)	(1,004,242,464)
Accounts payable	9.3	-	73,309,718	(42,137,715)	(42,137,715)
Donations		124,861,911	144,221,988	(18,615,768)	21,765,546

Unless otherwise stated, the outstanding balances of the Group's transactions with its related parties are unsecured, noninterest-bearing and payable or collectible on demand.

9.1 Purchase of Raw Materials and Services

Emperador imports finished goods and raw materials through a related party under common ownership. These transactions are normally being paid directly within 30 to 90 days. Emperador also imports raw materials from a wholly owned subsidiary of BLC.

9.2 Advances to Associates and Other Related Parties

Entities within the Group grant advances to associates and other related parties for working capital purposes. These advances to associates and other related parties are unsecured, noninterest-bearing and repayable upon demand. Settlement is generally made in cash or through offsetting arrangements.

The movements in Advances to associates and other related parties, which are shown as part of Trade and Other Receivables account in the consolidated statements of financial position, are presented as follows:

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period	5,968,176,102	5,349,447,760
Cash advances granted	1,202,910,160	618,728,342
Cash advances collected	(161,027,916)	-
Balance at end of period	7,010,058,346	5,968,176,102

As of June 30, 2025 and December 31, 2024, based on management's assessment, the outstanding balances of advances to associates and other related parties are not impaired; hence, no impairment losses were recognized.

9.3 Due from/to Related Parties

Transactions with related parties include the following: financing of opening of letters of credit and payment of progress billings, royalty fees, rentals, interest and certain expenses in behalf of the entities within Group or other related parties. Settlement is generally made in cash or through offsetting arrangements.

The outstanding balances of the Due from/to Related Parties are included under Trade and Other Receivables and Trade and Other Payables accounts, respectively, in the consolidated statements of financial position, as presented below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>Due from Related Parties</i>		
Balance at beginning of period	612,275,090	939,316,778
Additions	742,944,668	604,349,460
Effect of deconsolidation (see Note 1.2)	(343,163,737)	-
Collections	(91,014,840)	(931,391,148)
Balance at end of period	921,041,181	612,275,090
<i>Due to Related Parties</i>		
Balance at beginning of period	189,475,673	213,975,673
Repayments	-	(24,500,000)
Balance at end of period	189,475,673	189,475,673

As of June 30, 2025 and December 31, 2024, based on management's assessment, no additional amount of impairment is necessary.

9.4 Advances from Other Related Parties

Certain expenses of entities within the Group are paid for by other related parties. The advances are unsecured, noninterest-bearing, with no repayment terms, and generally payable in cash or through offsetting arrangements.

The movements in advances from other related parties are as follows:

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of period	1,004,242,464	813,376,420
Advances availed	73,286,680	397,665,776
Advances paid	(44,405,768)	(206,799,732)
Balance at end of period	1,033,123,376	1,004,242,464

9.5 Transactions with the Retirement Plans

The Group has formal retirement plans established separately for each significant subsidiary, particularly Megaworld, GERI, EELHI, Travellers, GADC, EDI and WML. These plans are defined benefit post-employment plans maintained for qualified employees, administered and managed by trustee banks (except for GERI which is still an unfunded plan) that are legally separated from the Group. The retirement funds do not provide any guarantee or surety for any obligation of the Group and their investments are not covered by any restrictions or liens.

10. COMMITMENTS AND CONTINGENCIES

10.1 Tax Contingencies of Travellers' Casino Operations

Travellers is subject to 25% and 15% license fees, inclusive of franchise tax and in lieu of all taxes, with reference to the income component of the gross gaming revenues, as provided under the Provisional License Agreement with Philippine Amusement and Gaming Corporation ("PAGCOR").

In August 2016, the SC confirmed that "all contractees and licensees of PAGCOR, upon payment of the 5% franchise tax, shall be exempted from all other taxes, including income tax realized from the operation of casinos." The SC Decision has been affirmed with finality by the SC in a Resolution dated November 28, 2016, which denied the Motion for Reconsideration filed by the BIR. Consistent with the decision of SC, on March 13, 2018, the Office of the Solicitor General issued a legal opinion stating that the tax exemption and imposition of 5% franchise tax in lieu of all other taxes and fees for gaming operations that was granted to PAGCOR extended to all PAGCOR contractees and licensees.

In a Resolution dated May 3, 2021, the Supreme Court affirmed with finality the decision of the Court of Tax Appeals holding that the Company's "gaming revenues, as a PAGCOR licensee, are exempt from regular corporate income tax."

In March 2022, the BIR issued a circular which sought to clarify that the franchise tax imposed on PAGCOR and its licensees, which is defined as 5% of the gross gaming revenues, shall be remitted to the BIR, specifically to the concerned Revenue District Office where the license is registered. In the same circular, BIR stated that the exemption from VAT covers only the contractees of PAGCOR. However, in Revenue Memorandum Circular No. 132-2024, which was issued by the BIR on December 9, 2024 to further clarify the tax treatment of PAGCOR, its licensees and contractees, the BIR confirmed that, in light of recent jurisprudence, income received by “PAGCOR’s Contractees and Licensees from their gaming operations, is subject to 5% franchise tax, in lieu of all other national and local taxes, including indirect taxes such as VAT.”

10.2 Skytrain Project

On October 2017, the Group submitted an unsolicited proposal to the government to build Skytrain that will link Uptown Fort Bonifacio to Guadalupe Station of Metro Rail Transit Line-3. The Group was granted an Original Proponent Status by the DOTr in May 2018 and its proposal is now undergoing review and evaluation at NEDA Board.

10.3 Co-Development Agreement between WCI and SUN

The principal terms of the co-development agreement are as follows:

- (i) *WCI and Travellers shall lease the Project Site (i.e. “the site upon which the hotel casino is to be erected”) to SUN.*

WCI and Travellers shall lease to SUN the site upon which a hotel casino will be erected at an annual rental of US\$10.6 million (P594.9 million), exclusive of VAT, until August 19, 2039. The lease shall automatically be renewed subject to applicable laws for another 25 years, unless otherwise agreed upon by the parties. The annual rental shall be payable upon the commencement of operation of the hotel casino.

In line with the foregoing, on February 21, 2020, WCI and Travellers entered into a lease agreement with SUN. The parties agreed that the lease shall start from a certain period that may be agreed upon by the parties. The rental terms shall commence upon the commercial operations of the Hotel Casino. As of June 30, 2025, the construction remains in progress and operations have not yet commenced.

- (ii) *SUN shall finance the development and construction of a hotel casino.*

SUN shall finance the development and construction of a hotel casino on the leased area. SUN shall also pay a certain fixed amount to WCI for reimbursement of costs already incurred and construction works that have already been accomplished on the Project Site.

In 2021, the conditions specified in the CDA had been fulfilled and the transfer of assets has been completed.

- (iii) *WCI shall enter into an agreement with SUN, for the latter to operate and manage a hotel casino.*

WCI and SUN shall enter into an agreement for the operations and management of a hotel casino for the period of the gaming Provisional License Agreement (i.e. up to July 11, 2033) as well as any extension or renewal of the Provisional License Agreement on terms mutually agreed between WCI and SUN. The operations and management agreement was entered into by the parties on May 4, 2020.

In accordance with the agreement, WCI's share on the gross gaming revenues shall be as follows (which payment shall only be payable when the hotel casino commences operation):

- (a) 1% of the gross gaming revenue on VIP of the Casino; and,
- (b) 3% of the gross gaming revenue on slot machines and mass market tables of the Casino of the hotel casino, based on the gross gaming revenue as submitted to PAGCOR from time to time.

As of June 30, 2025, the hotel casino has not yet commenced its operation; hence, agreement above has not yet materialized.

- (iv) *WCI and the Travellers as warrantors*

Fortune Noble Limited ("Fortune") [a wholly-owned subsidiary of LET Group Holdings Limited], the parent company of SUN, conditionally agreed to subscribe to 2.55 billion new SUN shares subject to the terms and conditions mutually agreed upon by the parties. WCI and Travellers agreed to act as the warrantors, wherein, a put option over the shares of SUN was included. The put option enables Fortune to transfer ownership over SUN to the warrantors in exchange for an option price, upon the happening of any of the put option events during the option period.

The option period commences from the date of the agreement up to the day immediately preceding the date on which the hotel casino first starts its operation. The put option events mainly pertains to the successful commencement of operations of the hotel casino, which include, among others, the termination or suspension of gaming license due to the default of the warrantors, termination of WCI's lease over Site A as applicable, or failure to acquire government consent for operation of hotel casino.

The option price is equivalent to the aggregate of: (a) the consideration for the acquisition by Fortune of the 1.1 billion SUN shares as at the date of the agreement together with interest from the date of completion of the said acquisition up to the date of completion of the put option; and, (b) the aggregate of the shares subscription price for the subscription of 2.6 billion new SUN shares including interest as well from the date of shares subscription completion up to the date of completion of the put option.

Travellers' management assessed that since the put option transfers significant risk to the Group, as warrantors, it shall be accounted for as a financial guarantee to be measured under PFRS 9, *Financial Instruments*. Accordingly, the put option was initially recognized at the amount of premium received then, subsequently measured at the higher of the amount initially recognized or the amount using the expected credit loss model ("ECL").

Applying the ECL model, the option price that WCI and Travellers are committed to pay amounting to P3.7 billion was compared with the value of the collateral or the shares of stocks that they will receive. In determining the value of the shares, management assessed that the price of SUN shares in the PSE as of June 30, 2025 amounting to P0.67 per share or a total value of P2.5 billion is a reasonable estimate of its value. In terms of probability of default, management assessed that it is unlikely or remote (see Note 11.2).

As of June 30, 2025 and December 31, 2024, the value of the put option is still the amount initially recognized as the option price is fully secured by the value of SUN shares and that the probability of default was assessed to be remote.

10.4 Other Commitments and Contingencies

There are other commitments, guarantees and contingent liabilities that arise in the normal course of operations of the Group which are not reflected in the accompanying ICFS. Management is of the opinion that losses, if any, from these items will not have any material impact on the ICFS.

In addition, there are no material off-balance sheet transactions, arrangements, obligations and other relationships of the Group with unconsolidated entities or other persons created during the reporting periods.

11. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has various financial instruments such as cash and cash equivalents, financial assets at fair value through profit or loss ("FVTPL"), financial assets at fair value through other comprehensive income ("FVOCI"), interest-bearing loans, bonds payable, trade receivables and payables and derivative assets and liabilities which arise directly from the Group's business operations. The financial debts were issued to raise funds for the Group's capital expenditures.

The Group does not actively engage in the trading of financial assets for speculative purposes.

The Group is exposed to a variety of financial risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

11.1 Market Risk

(a) Foreign Currency Sensitivity

Most of the Group's transactions are carried out in Philippine pesos, U.S. dollars, Euros and U.K. pounds, which are the functional currencies of the individual subsidiaries making the transactions.

The currency exchange risk arises from transactions carried out in currencies other than the functional currency of the subsidiaries at each entity level. The Group has no significant exposure to changes in foreign currency exchange rates for U.K. pounds since these currencies are not significant to the Group's consolidated financial statements.

Foreign currency denominated financial assets and liabilities, translated into Philippine pesos at period-end closing rate are as follows:

<i>(Amounts in PHP)</i>	<u>U.S. Dollars</u>	<u>HK Dollars</u>	<u>Euros</u>
June 30, 2025			
Financial assets	1,812,735,525	2,966,607,903	143,852,699
Financial liabilities	<u>(31,178,640,938)</u>	<u>(906,227,088)</u>	<u>(18,681,509,866)</u>
	<u>(29,365,905,413)</u>	<u>2,060,380,815</u>	<u>(18,537,657,167)</u>
December 31, 2024			
Financial assets	2,374,101,661	2,333,342,682	249,644,950
Financial liabilities	<u>(52,450,866,355)</u>	<u>(418,496,858)</u>	<u>(19,972,574,551)</u>
	<u>(50,076,764,694)</u>	<u>1,914,845,824</u>	<u>(19,722,929,601)</u>

The table below illustrates the sensitivity of the consolidated income before tax for the period with respect to changes in Philippine pesos against foreign currency exchange rates. The percentages have been determined based on the average market volatility in exchange rates in the previous 12 months estimated at 95% level of confidence.

<i>(Amounts in PHP)</i>	<u>Reasonably possible change in rate</u>	<u>Effect in consolidated profit before tax</u>
June 30, 2025		
U.S. Dollar	+/- 9.87%	(1,867,981,135)
HK Dollar	+/- 9.88%	203,578,336
Euros	+/- 18.36%	(3,403,555,387)
December 31, 2024		
U.S. Dollar	+/- 9.46%	(3,748,507,155)
HK Dollar	+/- 9.43%	180,509,839
Euros	+/- 45.40%	(8,953,907,760)

However, if the Philippine peso had weakened against the U.S. dollar, HK dollar, and Euro by the same percentages, then consolidated profit before tax would have changed at the opposite direction by the same amounts.

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting periods.

The Group periodically reviews the trend of the foreign exchange rates and monitors its non-functional currency cash flows.

Exposures to foreign exchange rates vary during the period depending on the volume of overseas transactions. Nonetheless, the analysis is considered to be representative of the Group's currency risk.

(b) Interest Rate Sensitivity

The Group's interest risk management policy is to minimize interest rate cash flow risk exposures to changes in interest rates. At present, the Group is exposed to changes in market interest rates through certain bank borrowings and cash and cash equivalents, which are subject to variable interest rates. The Group maintains a debt portfolio unit of both fixed and variable interest rates. All other financial assets are subject to fixed interest rates.

The sensitivity of the consolidated profit before tax for the period to a reasonably possible change in interest rates of +/-2.48% for Philippine peso and +/- 2.88% for U.S. dollar in 2025, and +/- 1.27% for Philippine peso and +/- 2.73% for U.S. dollar in 2024 with effect from the beginning of the period. These percentages have been determined based on the average market volatility in interest rates, using standard deviation in the previous 12 months, estimated at 95% level of confidence.

The sensitivity analysis is based on the Group's financial instruments held at June 30, 2025 and December 31, 2024, with an estimated effect from the beginning of the period. All other variables held constant, the consolidated profit before tax would have decreased by P4.3 billion for the period ended June 30, 2025, and decreased by P3.1 billion for the year ended December 31, 2024. Conversely, if the interest rates decreased by the same percentage, consolidated profit before tax would have been lower or higher by the same amount.

11.2 Credit Risk

Generally, the Group's credit risk is attributable to trade and other receivables arising mainly from transactions with approved franchisees, installment sales receivables, rental receivables and other financial assets. The carrying values of these financial assets subject to credit risk are disclosed in Note 12.

The Group maintains defined credit policies and continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at a reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. Franchisees are subject to stringent financial, credit and legal verification process. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant portion of sales, advance payments are received to mitigate credit risk.

Cash and cash equivalents in banks in the Philippines are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P0.5 million per depositor per banking institution, which was increased to P1.0 million effective March 15, 2025. The credit risk for cash and cash equivalents are considered negligible since the counterparties are reputable banks with high quality external credit ratings.

To measure the expected credit losses, trade receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than trade receivables and have substantially the same risk characteristics as the trade receivables.

The Group identifies headline inflation rate and bank lending rate to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

ECL for advances to associates and other related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

Except for real estate sales, contract assets and rental receivables, the Group's financial assets are not covered with any collateral or credit enhancement. Accordingly, the Group manages credit risk by setting limits on the amount of risk in relation to a particular customer including requiring payment of any outstanding receivable before a new credit is extended. Such risk is monitored on a regular basis and subject to an annual or more frequent review. Approval for credit limits are secured from the credit manager.

The Group considers credit enhancements in determining the expected credit loss. Trade receivables from real estate sales are collateralized by the real properties sold while rental receivables are secured to the extent of advanced rental and security deposits received from lessees. Further, customers are required to issue post-dated checks, which provide additional credit enhancement.

Trade and other receivables that are past due but not impaired are presented below.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Not more than 30 days	1,626,885,652	2,734,319,744
31 to 60 days	1,179,312,465	1,922,971,318
Over 60 days	4,168,781,733	6,118,914,553
	<u>6,974,979,850</u>	<u>10,776,205,615</u>

Moreover, the management has assessed that risk over the put option has not increased significantly, as the related probability of any of the put option event from happening is low or remote under the circumstances. Hence, in accordance with the general approach of ECL, the value of the put option was measured on a 12-month basis.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery of the financial asset. Indicators that there is no reasonable expectation of recovery include the cessation of enforcement activity and where the value of any assets that the Group may get from the customers is less than the outstanding contractual amounts of the financial assets to be written-off.

11.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a three-month and one-year period are identified monthly. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of loans, bonds, and preferred shares.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits, mutual funds or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets. In addition, 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, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

As of June 30, 2025, the Group's financial liabilities (excluding lease liabilities) have contractual maturities which are presented below.

	Current		Non-current	
	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
<i>(Amounts in PHP)</i>				
Trade and other payables	47,406,681,618	16,886,611,216	-	-
Interest-bearing loans	19,210,976,121	35,112,358,394	184,087,971,222	22,335,531,358
Bonds payable	408,444,094	408,444,094	21,028,682,281	-
Advances from other related parties	-	1,033,123,376	-	-
Slot jackpot liability	724,537,540	-	-	-
Other liabilities	136,674,479	1,824,815,664	3,389,970,182	295,269,769
	<u>67,887,313,852</u>	<u>55,265,352,744</u>	<u>208,506,623,685</u>	<u>22,630,801,127</u>

As of December 31, 2024, the Group's financial liabilities (excluding lease liabilities) have contractual maturities which are presented below.

	Current		Non-current	
	Within 6 Months	6 to 12 Months	1 to 5 Years	Later than 5 Years
<i>(Amounts in PHP)</i>				
Trade and other payables	58,573,696,450	14,178,450,105	-	-
Interest-bearing loans	13,550,956,792	40,190,853,698	193,844,464,747	19,142,418,772
Bonds payable	418,788,562	418,788,563	21,980,054,250	-
Advances from other related parties	186,975,673	1,004,242,464	-	-
Redeemable preferred shares	1,574,159,348	-	-	-
Guaranty deposits	18,458,277	18,458,276	268,624,570	440,985,109
Slot jackpot liability	772,287,098	-	-	-
Other liabilities	138,266,183	2,404,314,294	3,415,055,472	349,627,196
	<u>75,233,588,383</u>	<u>58,215,107,400</u>	<u>219,508,199,039</u>	<u>19,933,031,077</u>

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

11.4 Other Price Risk Sensitivity

The Group's market price risk arises from its investments carried at fair value. It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

For equity securities listed in the Philippines, the observed volatility rates of the fair values of the Group's investments held at fair value and their impact on the equity as of June 30, 2025 and December 31, 2024 are summarized below.

(Amounts in PHP)	Observed Volatility Rates		Impact on Equity	
	Increase	Decrease	Increase	Decrease
2025 – Investment in quoted equity securities at:				
FVOCI	+35.05%	-35.05%	81,890,433	(81,890,433)
FVTPL	+35.05%	-35.05%	1,909,941,267	(1,909,941,267)
2024 – Investment in quoted equity securities at:				
FVOCI	+30.78%	-30.78%	57,092,524	(57,092,524)
FVTPL	+30.78%	-30.78%	1,722,745,668	(1,722,745,668)

The maximum additional estimated gain or loss in 2025 and 2024 is to the extent of the carrying value of the securities held as of these reporting dates with all other variables held constant. The estimated change in quoted market price is computed based on volatility of listed companies at the PSE for the past twelve months as of June 30, 2025 and December 31, 2024 at 95% confidence level.

The investments in listed equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

12. CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

(Amounts in PHP)	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial assets:				
Financial assets at amortized cost:				
Cash and cash equivalents	44,120,301,994	44,120,301,994	60,602,840,049	60,602,840,049
Trade and other receivables	95,651,048,592	96,741,285,255	89,630,050,732	90,186,132,024
Other financial assets	4,020,407,844	4,015,066,253	4,809,972,409	4,677,206,154
	<u>143,791,758,430</u>	<u>144,876,653,502</u>	<u>155,042,863,190</u>	<u>155,466,178,227</u>
Financial assets at FVTPL:				
Marketable debt and equity securities	15,486,563,413	15,486,563,413	15,685,655,013	15,685,655,013
Derivative assets	230,419,547	230,419,547	368,629,909	368,629,909
	<u>15,716,982,960</u>	<u>15,716,982,960</u>	<u>16,054,284,922</u>	<u>16,054,284,922</u>

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Carrying Values	Fair Values	Carrying Values	Fair Values
<i>Financial assets:</i>				
Financial assets at FVOCI –				
Equity securities	<u>682,341,842</u>	<u>682,341,842</u>	<u>638,188,728</u>	<u>638,188,728</u>
<i>Financial liabilities:</i>				
Financial liabilities at amortized cost:				
Current:				
Trade and other payables	65,347,988,538	64,855,572,372	70,972,319,605	70,903,545,387
Interest-bearing loans	44,242,312,324	45,365,174,792	46,479,695,155	45,373,299,377
Lease liabilities	203,213,975	203,213,975	1,246,685,477	1,246,685,477
Advances from related parties	1,033,123,376	1,033,123,376	1,004,242,464	1,004,242,464
Redeemable preferred shares	-	-	1,574,159,348	1,574,159,348
Customers' deposits	8,155,296,131	8,155,296,131	9,703,763,699	9,703,763,699
Other current liabilities	<u>1,721,651,102</u>	<u>1,721,651,102</u>	<u>2,301,575,916</u>	<u>2,301,575,916</u>
	<u>120,703,585,446</u>	<u>121,334,031,748</u>	<u>133,282,441,664</u>	<u>132,107,271,668</u>
Non-current:				
Interest-bearing loans	185,423,166,977	189,243,307,751	183,524,224,160	178,095,862,161
Bonds payable	19,865,108,227	19,122,680,177	20,049,554,649	19,369,933,610
Lease liabilities	1,160,330,763	1,160,330,763	17,248,683,855	17,248,683,855
Customers' deposits	1,616,999,625	1,616,999,625	2,370,902,526	2,370,902,526
Other non-current liabilities	<u>2,040,525,006</u>	<u>2,040,525,006</u>	<u>2,818,087,867</u>	<u>2,790,477,262</u>
	<u>210,106,130,598</u>	<u>213,183,843,322</u>	<u>226,011,453,057</u>	<u>219,875,859,414</u>
Financial liability at FVTPL –				
Slot jackpot liability	<u>724,537,540</u>	<u>724,537,540</u>	<u>772,287,098</u>	<u>772,287,098</u>

13. FAIR VALUE MEASUREMENT AND DISCLOSURES

13.1 Fair Value Hierarchy

The hierarchy groups financial assets and financial liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets or for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the resource or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or financial liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation techniques, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

13.2 Financial Instruments Measured at Fair Value

The table below shows the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as of June 30, 2025 and December 31, 2024.

	June 30, 2025 (Unaudited)			
(Amounts in PHP)	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL:				
Debt and equity securities	15,486,563,413	-	-	15,486,563,413
Derivative asset	-	230,419,547	-	230,419,547
Financial assets at FVOCI –				
Equity securities	233,638,896	311,800,000	136,902,946	682,341,842
	<u>15,720,202,309</u>	<u>542,219,547</u>	<u>136,902,946</u>	<u>16,399,324,802</u>
Financial liabilities –				
Financial liability at FVTPL –				
Slot jackpot liability	-	724,537,540	-	724,537,540
	December 31, 2024 (Audited)			
(Amounts in PHP)	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL:				
Debt and equity securities	15,685,655,013	-	-	15,685,655,013
Derivative asset	-	368,629,909	-	368,629,909
Financial assets at FVOCI –				
Equity securities	185,485,782	315,800,000	136,902,946	638,188,728
	<u>15,871,140,795</u>	<u>684,429,909</u>	<u>136,902,946</u>	<u>16,692,473,650</u>
Financial liabilities –				
Financial liability at FVTPL –				
Slot jackpot liability	-	772,287,098	-	772,287,098

13.3 Financial Instruments Measured at Amortized Cost for Which Fair Value is Disclosed

The table below shows the fair value hierarchy of the Group's classes of financial assets and financial liabilities measured at fair value in the consolidated statements of financial position on a recurring basis as of June 30, 2025 and December 31, 2024.

(Amounts in PHP)	June 30, 2025 (Unaudited)			
	Level 1	Level 2	Level 3	Total
<i>Financial assets:</i>				
Cash and cash equivalents	44,120,301,994	-	-	44,120,301,994
Trade and other receivables	-	-	96,741,285,255	96,741,285,255
Other financial assets	2,606,994,052	-	1,408,072,201	4,015,066,253
	46,727,296,046	-	98,149,357,456	144,876,653,502
<i>Financial liabilities:</i>				
<i>Current:</i>				
Trade and other payables	-	-	64,855,572,372	64,855,572,372
Interest-bearing loans	-	-	45,365,174,792	45,365,174,792
Lease liabilities	-	-	203,213,975	203,213,975
Advances from related parties	-	-	1,033,123,376	1,033,123,376
Customers' deposits	-	-	8,155,296,131	8,155,296,131
Other current liabilities	-	-	1,721,651,102	1,721,651,102
<i>Non-current:</i>				
Interest-bearing loans	-	-	189,243,307,751	189,243,307,751
Bonds payable	19,122,680,177	-	-	19,122,680,177
Lease liabilities	-	-	1,160,330,763	1,160,330,763
Customers' deposits	-	-	1,616,999,625	1,616,999,625
Other non-current liabilities	-	-	2,040,525,006	2,040,525,006
	19,122,680,177	-	315,395,194,893	334,517,875,070
(Amounts in PHP)	December 31, 2024 (Audited)			
	Level 1	Level 2	Level 3	Total
<i>Financial assets:</i>				
Cash and cash equivalents	60,602,840,049	-	-	60,602,840,049
Trade and other receivables	-	-	90,186,132,024	90,186,132,024
Other financial assets	2,633,667,852	671,562,522	1,371,975,780	4,677,206,154
	63,236,507,901	671,562,522	91,558,107,804	155,466,178,227
<i>Financial liabilities:</i>				
<i>Current:</i>				
Trade and other payables	-	-	70,903,545,387	70,903,545,387
Interest-bearing loans	-	-	45,373,299,377	45,373,299,377
Lease liabilities	-	-	1,246,685,477	1,246,685,477
Advances from related parties	-	-	1,004,242,464	1,004,242,464
Redeemable preferred shares	-	-	1,574,159,348	1,574,159,348
Customers' deposits	-	-	9,703,763,699	9,703,763,699
Other current liabilities	-	-	2,301,575,916	2,301,575,916
<i>Non-current:</i>				
Interest-bearing loans	-	-	178,095,862,161	178,095,862,161
Bonds payable	19,369,933,610	-	-	19,369,933,610
Lease liabilities	-	-	17,248,683,855	17,248,683,855
Customers' deposits	-	-	2,370,902,526	2,370,902,526
Other non-current liabilities	-	-	2,790,477,262	2,790,477,262
	19,369,933,610	-	332,613,197,472	351,983,131,082

For financial assets and financial liabilities with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments approximate their fair values.

The fair values of the financial assets and financial liabilities included in Level 2 and Level 3 above which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

13.4 Investment Property Measured at Cost for which Fair Value is Disclosed

The fair value of the Group's investment properties earning rental income was determined through discounted cash flows valuation technique. The Group uses assumptions that are mainly based on market conditions existing at each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

The Group determines the fair value of idle properties through appraisals by independent valuation specialists using market-based valuation approach where prices of comparable properties are adjusted for specific market factors such as location and condition of the property.

As of June 30, 2025 and December 31, 2024, the fair value of the Group's investment property amounting to P486.9 billion is classified within Level 3 of the fair value hierarchy. The Level 3 fair value of investment properties earning rental income was determined using the income approach which is performed with values derived using a discounted cash flow model. The income approach uses future free cash flow projections and discounts them to arrive at a present value. The discount rate is based on the level of risk of the business opportunity and costs of capital. The most significant inputs into this valuation approach are the estimated annual cash inflow and outgoing expenses, anticipated increase in market rental, discount rate and terminal capitalization rate.

14. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objective is to ensure its ability to continue as a going concern; to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk; and to maintain strong and healthy financial position to support its current business operations and drive its expansion and growth in the future.

There were no changes in the Group's approach to capital management during the periods presented.

<i>(Amounts in PHP)</i>	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Total liabilities	377,072,432,663	408,353,651,893
Total equity	428,338,621,507	415,725,264,541
Liabilities-to-equity ratio	0.88:1.00	0.98:1.00

15. OTHER MATTERS

There were no seasonal aspects that had a material effect on the financial condition or results of operations of the Group.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
AGING SCHEDULE OF CURRENT TRADE AND OTHER RECEIVABLES

June 30, 2025

(Amounts in Philippine Pesos)

Current	P	71,322,004,993
1 to 30 days		1,626,885,652
31 to 60 days		1,179,312,465
Over 60 days		<u>4,168,781,733</u>
Total		78,296,984,843
Due from other related parties		<u>813,632,150</u>
Balance as at June 30, 2025	P	<u><u>79,110,616,993</u></u>