

MACROASIA CORPORATION AND SUBSIDIARIES

Management's Discussion and Analysis of Financial Condition and Results of Operations

**For the First Quarter and
Period Ended March 31, 2026**

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Our unaudited condensed consolidated financial statements include the accounts of MacroAsia Corporation and its subsidiaries, collectively referred to as the “the Group” or “MacroAsia Group” in this report.

The unaudited condensed consolidated financial statements for the first quarter ended March 31, 2026 have been prepared in accordance with Philippine Accounting Standard 34, Interim Financial Reporting. Accordingly, the unaudited condensed consolidated financial statements which are filed as Annex 1 of this report, do not include all the information required by generally accepted accounting principles in the Philippines (Philippine GAAP) for complete financial statements as set forth in the Philippine Financial Reporting Standards (PFRS).

DISCUSSION AND ANALYSIS (MD&A) OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The main objective of this MD&A is to help the readers understand the dynamics of our Group’s businesses and the key underlying factors for our financial results. Hence, our MD&A is comprised of discussions about our core business units and our analysis of the results of their operations.

This section also focuses on key statistics from the unaudited condensed consolidated financial statements and discusses known risks and uncertainties relating to the aviation and other industry in the Philippines where we operate during the stated reporting period. However, our MD&A should not be considered all inclusive, as it excludes unknown risks, uncertainties and changes that may occur in general, economic, political and environmental conditions after the stated reporting period or after the date of this report.

Our MD&A should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes. All financial information is reported in Philippine peso (₱), unless otherwise stated.

Any references in this MD&A to “the Parent Company”, “MAC”; or “the Corporation” means MacroAsia Corporation and references to the “MacroAsia Group” or “the Group” means MacroAsia Corporation and its subsidiaries/associates.

Additional information about the Group, which includes annual and quarterly reports can be found in our corporate website, www.macroasiacorp.com.

BUSINESS OVERVIEW

A. MacroAsia Corporation: Parent Company as a Holding Company

MacroAsia Corporation (MAC) traces its origins to Infanta Mineral & Industrial Corporation (IMIC), which was incorporated in the Philippines on February 16, 1970, to engage in geological exploration and development. During the 1970s, IMIC operated the Infanta Nickel Mine in Brooke's Point, Palawan, exporting nickel ore to Japan until commercial mining operations ceased due to declining nickel prices. On January 26, 1994, the company amended its Articles of Incorporation to shift its primary purpose from geological exploration to becoming a holding company, rebranding itself as Cobertson Holdings Corporation. A year later, on November 6, 1995, the Securities and Exchange Commission (SEC) approved another amendment, officially renaming the company **MacroAsia Corporation**.

MacroAsia Corporation commenced commercial operations as a holding company in 1996. It has since focused its investments on aviation services, non-airline food services, and water concessions and utilities through its subsidiaries and affiliates. Today, the company's revenues are primarily driven by food and aviation-related support businesses which includes aircraft maintenance, repair, and overhaul (MRO), in-flight catering, airport ground handling, and an aviation training school and commissary operation. It operates a special economic zone at Ninoy Aquino International Airport (NAIA). Beyond the aviation sector, MacroAsia generates revenue from institutional food catering and water concession and utility services.

For the last three years as of reporting date:

- MAC and its subsidiaries/associates have not been involved in any bankruptcy, receivership, or similar proceedings.
- During this period, MAC and its related entities also had no material reclassifications, mergers, consolidation or purchase of significant amount of assets not in the ordinary course of business;
- None of the companies issued debt securities like bonds or offered company securities to the investing public; and
- As a services provider, there were no material or major expenses for research and development.

B. Strategic Business Units

The Company's key business groups representing each of its strategic business units (SBU) are as follows:

- 1) **Food Services** - this refers to food products and services utilizing MAC-owned facilities or those of clients which MAC subsidiaries are designated to operate.

<i>Name of Company</i>	<i>Products and Services</i>	<i>Business Development (Last 3 years)</i>
<p>a. MacroAsia Catering Services, Inc. (MACS): <i>(67% owned by MAC; 33% owned by SATS, Singapore.)</i></p> <p>Incorporated on October 25, 1996.</p>	<p>Provides airline catering to majority of foreign airlines operating in NAIA, Philippines, and also services the catering requirements of institutional clients.</p>	<p>MACS remains the largest and preferred foreign-airline caterer at NAIA, serving 1.2 million meals as of March 2026, up from 1.1 million in 2025 and 1.0 million in 2024. (3 months comparable period).</p> <p>As of March 2026, this kitchen had 546 total staff.</p>
<p>b. MacroAsia SATS Inflight Services Corp. (MSISC). <i>(67% owned by MAC; 33% by SATS Ltd., Singapore)</i></p> <p>Incorporated on May 16, 2016</p>	<p>Operates the Philippine Airlines Inflight Kitchen near NAIA Terminal 2 since March 2019, serving exclusively the catering requirements of Philippine Airlines, a related party.</p>	<p>The PAL Kitchen produced 2.0 million meals as of March 2026, compared with 1.8 million in 2025 and 1.7 million in 2024. (3 months comparable period).</p> <p>As of March 2026, this kitchen had 710 total staff.</p>
<p>c. MacroAsia SATS Food Industries Corporation (MSFI). <i>(67% owned by MAC; 33% by SATS Ltd., Singapore)</i></p> <p>Incorporated on July 14, 2015</p>	<p>Operates a commissary or central kitchen on MAC-owned land in Muntinlupa City, supplying food products mainly to non-airline clients, managing food services for institutions such as banks and corporate offices, and providing some food items for a budget airline and airline terminal lounges.</p>	<p>Competing in a fragmented institutional food market, MSFI continues to expand its client base, winning multiple tenders.</p> <p>Sales volume reached 4.6 million meals as of March 2026, up from 3.4 million in 2025 and 2.8 million in 2024. (3 months comparable period).</p>

		As of March 2026, this central kitchen and its related locations had 642 total staff.
<p>d. Cebu Pacific Catering Services, Inc. (CPCS).</p> <p><i>(40% owned by MAC; 40% by Cathay Pacific Catering Services (HK); 20% by MGO Group of Cebu)</i></p> <p>Incorporated on June 14, 1996</p>	Operates the sole inflight kitchen within the Mactan Economic Processing Zone, serving both domestic and foreign airlines at Mactan-Cebu International Airport.	<p>After resuming full operations post-pandemic, CPCS reported 161 thousand meals as of March 2026, up from 136 thousand in 2025 and 103 thousand in 2024. (3 months comparable period).</p> <p>The facility was under care and maintenance in 2021–2022 due to limited flight activity.</p> <p>As of March 2026, this kitchen had 118 total staff.</p>
<p>e. MacroAsia Jolliant Food Services Corporation (MJFSC).</p> <p><i>(49% owned by MacroAsia New Ventures Inc. (MNVI) a wholly-owned subsidiary of MAC; 51% by Princess Jolliant Food Services Corp)</i></p> <p>Incorporated on November 04, 2025</p>	Operates a, Cebu with a primary purpose in selling food products, including but not limited to marine, aquaculture, agricultural, and meat products, cooked meals, and ready to heat meals.	<p>MJFSC established its presence in Cebu by serving institutional accounts. The company services the packed food requirements of key clients in Cebu. MJFSC is poised to be recognized as a leading commissary for institutional clients not only in Cebu but across the Visayas region.</p> <p>As of March 2026, Sales volume reached 1.3 million meals.</p>

* On September 12, 2024, during the Special Stockholders' Meeting of MacroAsia Catering Services, Inc. (MACS), a 67%-owned subsidiary of MacroAsia Corporation (MAC) and 33%-owned by SATS Ltd. of Singapore, the stockholders approved the declaration of property dividends consisting of MACS' investments in its two subsidiaries, MacroAsia SATS Inflight Services Corporation (MSIS) and MacroAsia SATS Food Industries (MSFI), at cost. On June 4, 2025, the Securities and Exchange Commission (SEC) approved the said declaration of property dividends. The approval resulted in the transfer of ownership of the shares of MSIS and MSFI from MACS to its shareholders, MAC and SATS, in proportion to their respective equity holdings in MACS.

This transaction forms part of the Group's corporate reorganization plan aimed at consolidating its food businesses under MSFI, which shall serve as the parent entity of the MacroAsia Food Group, with MACS and MSIS as its subsidiaries.

Sources and Availability of Raw Materials:

Most raw materials used by the Company are sourced locally, while identified imported ingredients are utilized to meet the specialized menu requirements of airline clients. Over the past three (3) years, meal production has remained uninterrupted despite occasional supply constraints. In cases of temporary unavailability, approved substitute items are provided in close coordination with clients. The Company also maintains a bonded warehouse license, which allows the duty- and tax-free importation of raw materials, provided that the finished meals are re-exported to airline customers.

Government Approval/Concessions:

The facilities operated by MacroAsia Catering Services, Inc. (MACS) for foreign airlines and by MacroAsia SATS Inflight Services Corporation (MSISC) for Philippine Airlines are located within airport premises on government-owned properties and are operated under lease agreements. Under MIAA in previous years, the lease for the MACS facility is renewed periodically in accordance with applicable terms and conditions. Like MACS, MacroAsia SATS Inflight Services Corporation (MSISC) and Cebu Pacific Catering Services (CPCS) likewise remain accredited by the respective airport authorities as concessionaires duly authorized to operate within airport premises.

Risks and Opportunities:

Historically, the Food group's operation was heavily concentrated in the aviation industry as most entities within the group provide inflight catering services to foreign and domestic airline clients, thus the group was heavily exposed to industry-specific risks. The effect of this risk concentration was felt significantly during the pandemic period when mobility restrictions were imposed by the government as a measure to contain COVID-19, and during geopolitical conflicts in the middle east and Europe when demand in the aviation sector were negatively affected and the availability and prices of raw materials become unstable. In response, the Group diversified its revenue sources by expanding into non-airline segments - focusing on institutional clients such as banks, schools, hospitals, and other companies to lessen the industry-specific risk. Further, the group also expanded into the Visayas region by entering a joint venture with Princess Jolliant Corporation to put up a commissary in Cebu that caters to institutional clients within the region. This move aims to capture more market share in the institutional food market, while mitigating location risks. As of March 31, 2026, non-airline meal sales accounted for 27% of the Food Group's total revenues.

The Group is exposed to market risks arising from inflationary pressures affecting the cost of food ingredients, packaging materials, utilities, and logistics. The continued volatility in foreign exchange rates, coupled with upward wage adjustments and heightened competition in both airline and institutional catering markets, may exert pressure on operating margins. The risks are managed through cost-containment measures, supply chain localization, menu reengineering, and productivity improvement initiatives aimed at sustaining profitability and service quality.

MacroAsia SATS Food Industries Corporation (MSFI), a joint venture between MacroAsia Corporation (67%) and SATS Ltd. of Singapore (33%), is expanding its existing commissary facility in Sucat, Muntinlupa City by approximately 11,000 square meters. The expansion will feature upgraded cold storage and commissary systems and is expected to double MSFI’s meal production capacity to 90,000 meals per day upon completion. The project is aligned with MSFI’s strategic objective of achieving operational scalability, enhanced food safety, and improved service efficiency. It is targeted for completion in the first quarter of 2027.

The Group’s airline catering units likewise anticipate growth opportunities arising from the planned capacity-expansion at NAIA under the private airport operator’s investment program. The modernization of NAIA is expected to strengthen its position as the country’s primary aviation hub, resulting in an expanded catering market and greater business potential for the Group’s airline food services.

2) Gateway Services (Groundhandling)

<i>Name of Company</i>	<i>Products and Services</i>	<i>Business Development (Last 3 years)</i>
<p>a. MacroAsia Airport Services Corporation (MASCORP): <i>(80% owned by MAC; 20% owned by Konoike, Japan)</i></p> <p>Incorporated on Sept 12, 1997.</p>	<p>Provides comprehensive ground handling and airport support services, including passenger, ramp, baggage, and cargo handling; ground support equipment (GSE) maintenance; and terminal-related services. The JV has the largest presence among ground handling companies in the Philippines, operating in 21 airports nationwide and servicing both local airline base clients (related parties) and foreign airlines operating at NAIA.</p>	<p>The business is dependent on the volume of flights handled at airports. MASCORP handled 52,892 flights as of March 2026, compared with 47,546 in 2025 and 48,085 in 2024. (3 months comparable period).</p> <p>As of March 2026, the company employed 9,557 total staff.</p>
<p>b. Aviations Product Corporation (APC). <i>(100% owned by MASCORP)</i></p> <p>A wholly owned subsidiary of MacroAsia Airport Services Corporation</p>	<p>Provides specialized repair, refurbishment, and assembly of Unit Load Devices (ULDs) and aircraft catering trolleys for airline and ground handling operations. Serves as the technical</p>	<p>Business volume is primarily dependent on the airlines outsourcing their ULD repair. APC continues to support MASCORP’s ground operations through efficient turnaround of</p>

<p>(MASCORP) acquired this 2025.</p>	<p>and equipment support arm of MASCORP, ensuring operational reliability and compliance with international standards.</p>	<p>ULDs and equipment refurbishment to maintain service quality and safety standards.</p>
<p>c. MacroAsia Air Taxi Services, Inc. (MAATS).</p> <p><i>(Wholly owned subsidiary of MacroAsia Corporation)</i></p> <p>Incorporated on June 4, 1996</p>	<p>Provides fixed-base operations and ground support services to the foreign airline clients of Lufthansa Technik Philippines (LTP), including coordination of government permits and clearances (CAAP, MIAA, BOC, Immigration, etc.).</p>	<p>Business performance depends on the number of LTP's heavy base maintenance clients requiring MAATS' services.</p> <p>As of March 2026, the company had 7 total staff.</p>
<p>d. Japan Airport Service Co., Ltd. (JASCO).</p> <p><i>(30% owned by MacroAsia Corporation; 70% owned by Konoike Transport Co., Ltd. of Japan)</i></p> <p>Incorporated on March 25, 1960</p>	<p>Operates ground handling and support services exclusively at Narita International Airport, Japan, including flight operations management, baggage handling, cabin cleaning, cargo/mail handling, and in-house GSE maintenance for both domestic and foreign airlines.</p>	<p>The business depends on flight volumes of airline clients at Narita Airport. JASCO handled 4,636 flights as of March 2026, compared with 5,319 in 2025 and 4,099 in 2024. (3 months comparable period).</p>

Sources and Availability of Raw Materials:

Ground handling services have no substantial requirements for raw materials, compared to catering.

Government Approval/Concessions:

Ground handling is a regulated airport activity, and operations require the lease of airport spaces (which are government-owned), as well as the acquisition of concession licenses and airport passes issued by the relevant airport authorities. These are secured by the Company's ground handling subsidiaries through formal agreements with airport authorities and the payment of concession fees and lease charges.

Risks and Opportunities:

Over the past three years, the ground handling business faced significant risks stemming from the suspension of regular airline operations due to the pandemic. During this period, airport activity was largely limited to government-arranged repatriation flights. However, by the end of 2024 and continuing into March 2026, flight volumes at major airports had rebounded, with domestic travel in particular reaching—or even surpassing—pre-pandemic levels.

In the last quarter of 2025, operating costs at NAIA—including airport passes, office leases, and other related expenses—increased following the implementation of revised rates by the Manila International Airport Authority (MIAA) and its private concessionaire-operator. These additional costs are currently being factored into ground handling rate negotiations with airline clients. According to official statements from airport authorities, planned infrastructure investments at NAIA are expected to support continued growth in flight and passenger volumes in the coming years. This anticipated expansion presents a significant opportunity for ground handling providers such as MacroAsia, as rising air traffic will drive increased demand for aviation support services.

Japan's aviation market is experiencing strong growth, driven by surging demand for travel to the country. JASCO is leveraging this favorable market environment to secure improved unit rates and attract new passenger flight contracts. Operational efficiency was further enhanced by strengthening and enabling more efficient manpower allocation that will contribute to profit growth.

3) Aircraft MRO (Aircraft Maintenance, Repair and Overhaul)

Lufthansa Technik Philippines, Inc. (LTP), an associate, was incorporated in December 1999 to engage in aircraft maintenance, repair, and overhaul (MRO) operations within the Ninoy Aquino International Airport (NAIA) complex. The company is a joint venture between MacroAsia Corporation (49%) and Lufthansa Technik AG of Germany (51%).

LTP provides a full range of MRO services to airline customers worldwide and is one of the thirty (30) affiliates and subsidiaries under the Lufthansa Technik Group, a global leader in aircraft maintenance and engineering. The company adheres to the Lufthansa Technik standard of quality, safety, and reliability, and competes with regional MRO providers located in Singapore and Hong Kong. Its strategic advantage lies in its access to the global Lufthansa network, supported by a skilled Filipino workforce.

LTP specializes in base maintenance checks for Airbus A320, A330, A340, A380, and Boeing 777 aircraft types, including major structural modifications, cabin reconfiguration or retrofit programs, and lease-return inspections. The facility is equipped with scalable docking systems capable of accommodating multiple aircraft types and can simultaneously service up to three (3) Airbus A380 aircraft.

The company's main base facility is located within an economic zone at NAIA, with additional line maintenance stations in Cebu, Clark, Davao, and Kalibo. The Philippines' strategic location in Southeast Asia—within a four-hour flight radius of major hubs such as Hong Kong and Singapore—enhances LTP's competitiveness in attracting regional customers.

LTP is approved/certificated by 20 Aviation Authorities worldwide as a provider of aircraft MRO services, including the Civil Aviation Authority of the Philippines (CAAP), the United States' Federal Aviation Administration (FAA), European Aviation Safety Agency (EASA)/Luftfahrt-Bundesamt (LBA), Korea MOLIT, Japan Civil Aviation Bureau (JCAB), Kingdom of Saudi Arabia GACA, India Directorate General of Civil Aviation (DGCA), and Kuwait Directorate General of Civil Aviation (DGCA), among others.

As of March 2026, LTP employed 3,125 personnel, composed of highly skilled English-speaking mechanics, engineers, and support staff. The company continues to invest in talent acquisition and training to sustain service excellence and meet rising demand.

Business Development

LTP's main service products are line maintenance and base maintenance. In March 2026, it serviced a fleet of 46 aircraft for line maintenance and booked 0.39 million engineering hours for base maintenance. In March 2025, base maintenance hours were at 0.39 million hours, while 0.31 million hours were recorded in 2025.

Sources and Availability of Raw Materials:

As a service provider, the aircraft parts are mostly the responsibility of the airline client. LTP has the ability to assist its clients to source for spare parts.

Government Approval/Concessions:

Maintenance, Repair, and Overhaul (MRO) is a highly regulated industry that requires certifications from aviation authorities and government agencies. Lufthansa Technik Philippines (LTP) operates its facilities on government-owned land within an ecozone managed by MacroAsia Properties Development Corporation (MAPDC).

MAPDC holds a lease agreement for the land, which is set for a 25-year term, beginning on September 1, 2000, with an option for renewal for another 25 years, subject to mutually agreed terms and conditions. In accordance with this arrangement, MAPDC has a sublease agreement with LTP that mirrors the lease terms with the government. As a PEZA locator, LTP is actively engaging with authorities to negotiate the renewal of the ecozone lease, ensuring the continued operational viability and competitiveness of its facilities.

Risks and Opportunities:

Over the past three years, Lufthansa Technik Philippines (LTP) has faced significant challenges due to global aviation industry constraints. During the pandemic, mobility restrictions and the temporary suspension of aircraft operations led to a decline in MRO (Maintenance, Repair, and Overhaul) activity, forcing LTP to reduce its workforce, including the release of skilled mechanics. However, as demand for aircraft maintenance rebounded in 2024, LTP ramped up its recruitment efforts to meet the growing workload in its hangar facilities. As of March 2026, LTP employed 3,125 personnel, compared to 3,438 employees in 2019, before the pandemic.

The Company has a sub-lease agreement with MAPDC for the lease of the land where it operates. The sublease agreement has an initial term of 25 years that expired in August 2025, which can be renewed for another period of 25 years at the option of the Company, subject to the renegotiation of the terms and conditions, including the lease rate. On May 15, 2025 through a letter of MAPDC, the Company exercised its option to renew the sublease agreement. Consequently, MAPDC formally notified The New NAIA Infra Corp. and Manila International Airport Authority through a letter dated May 30, 2025 its decision to renew the lease agreement for another 25 years. However, no extension has been finalized upon the sublease agreement's expiration in August 2025, accordingly, the Company derecognized the outstanding balance of the ROU asset amounting to \$34,726,104 and the corresponding lease liabilities

amounting to \$43,600,004. Gain on the recognition amounting to \$8,873,900 has been recognized as part of the Company's "Other income" account.

At the same time, with the growing demand for MRO services, LTP is exploring expansion opportunities in Clark, Pampanga. As the MacroAsia ecozone in Manila reaches full development and faces space constraints, this strategic move would enable LTP to address the increasing maintenance needs beyond NAIA.

4) Property and Ecozone Development

MacroAsia Properties Development Corporation (MAPDC) is a wholly-owned subsidiary of MacroAsia Corporation. It started commercial operations as a real estate developer in June 1996. After completion of its warehouse condominium project in Muntinlupa in 1997, the Company suspended its operation. Three years after, the Company re-started its commercial operations, this time as a developer and operator of the MacroAsia Special Economic Zone, the only special economic zone at Ninoy Aquino International Airport (NAIA). It houses Lufthansa Technik Philippines, Inc. for the period of 25 years.

In Mactan, Cebu, MAPDC also developed the MacroAsia Cebu Special Ecozone in 2018. This ecozone which is inside the airport, similar to Manila, is designated as a special ecozone for aviation-related services.

The Company is also operating a wastewater treatment and a water recycling facility for non-domestic water supply within the special economic zone in NAIA since 2011. With experience gained from this project, MAPDC has pursued water resources development projects in areas outside Metro Manila – Boracay Island, Nueva Vizcaya and Cavite.

The company owns a parcel of land in Muntinlupa City, a portion of which has been developed to house the central kitchen or commissary being run by MSFI. MAPDC leased the building and land to MSFI. MAPDC also owns other properties that it is leasing out to related parties like SNV Resources Devt Corporation (SNVRDC) and to Summa Water Resources, Inc. (SWRI).

The company is generally not dependent on raw materials availability in the pursuit of its business.

The prevailing ecozone that MAPDC administers is dependent on government leases for the land. Due to the nature of its business (leasing), MAPDC's business is relatively flat, as growth is dependent on increasing lease rates or making more properties available for lease. MAPDC is not in the business of developing properties and selling them; Rather, the company simply focuses on supporting the property requirements of related parties.

5) Pilot School

First Aviation Academy Inc. (FAA) was incorporated on December 5, 2017, and officially inaugurated its training facility in March 2019 at Subic Bay International Airport, serving as an aviation career and resource center. Established to address the global shortage of professional pilots, FAA operates as a joint venture flight school between MacroAsia Corporation (51%) and PTC Holdings Corporation (49%).

FAA is a Civil Aviation Authority of the Philippines (CAAP)–Approved Training Organization (ATO), specializes in ab initio pilot training, certification, and aviation-related career development courses. Its structured training pathway enables students to earn a Private Pilot License (PPL), Instrument Rating (IR), Multi-Engine Rating (MER), and Commercial Pilot License (CPL). In addition, all graduates undergo Jet Orientation Training and an introductory Airline Transport Pilot Training course (JOT–ATPT), designed to bridge the transition from flight training to airline operations. Outstanding graduates may also qualify for Flight Instructor (FI) positions, allowing them to build flight hours while further developing their instructional and airmanship skills

The academy maintains a modern and diverse training fleet comprising nine Cessna 172R aircraft—five equipped with Garmin G1000 glass cockpits and four with conventional analog instrumentation. FAA also operates a Tecnam P2006T twin-engine aircraft and a Tecnam P2010 single-engine aircraft, both fitted with Garmin G1000 avionics. Complementing its aircraft fleet are four CAAP-approved REDBIRD flight training devices, including two REDBIRD MCX units, one REDBIRD CE510 Citation Mustang simulator, and one REDBIRD SD simulator.

As of March 2026, FAA has 122 enrolled pilot trainees—comprising both Filipino and foreign nationals—and a workforce of 43 employees. During its August 2025 graduation ceremony, 25 trainees completed the requirements for their Commercial Pilot Licenses. Several graduates have since secured positions with local and international airlines, while others are progressing toward type-rating and airline-specific flight training

In 2026, the academy is set to introduce night flight training operations at Subic Bay International Airport, marking a significant milestone in its training capability. FAA is also set to implement the ICAO-led Competency-Based Training and Assessment (CBTA) framework across all flight training stages, further aligning its programs with global best practices in pilot education.

Water Concessions and Utilities

Name of Company	Products and Services	Business Development (Last 3 years)
<p>a. Boracay Tubi System, Inc. (BTSI) (67% owned by MAPDC)</p>	<p>The JV provides potable water to residents and commercial establishments, as well as manages the septage of commercial clients. It also provides raw and treated bulk water supply to some areas in Boracay Island.</p> <p>It extracts water through river sources near Caticlan, Aklan, and transfers this through submarine pipelines for treatment in Boracay Island.</p>	<p>BTSI has operated in Boracay for over 20 years as one of two island water service providers. It holds three (3) water rights and a Certificate of Public Convenience (CPC) from the National Water Resources Board (NWRB).</p> <p>It serves more than 40% of Boracay’s total water demand. BTSI owns 80% of Monad Water Sewerage Systems, Inc. (MONAD), serving Barangay Yapak, and 100% of New Earth Water System, Inc. (NEWS), which holds CPCs and water rights in Visayas and Mindanao.</p> <p>The KPI for this business is measured in terms of water sales in million of liters per day (MLD). These were 7.2 MLD in 2026, 7.1 MLD in 2025 and 6.7 MLD in 2024. (3 months comparable period).</p> <p>As of March 2026, BTSI had 102 staff.</p>

<p>b. Naic Water Supply Corp. (NWSC) <i>(100% owned by MAPDC)</i></p>	<p>The company provides treated potable water drawn through deep wells to residents and commercial establishments in Naic, Cavite and nearby subdivisions.</p>	<p>Incorporated on September 4, 2003, NWSC continues to expand service coverage in Naic and adjacent areas</p> <p>The KPI for this business is measured in terms of water sales in million of liters per day (MLD)., which stands at 12.7 MLD in March 2026, 11.8 MLD in 2025 and 11.3 MLD in 2024 (3 months comparable period).</p> <p>As of Mar 2026, this business unit had 110 total staff.</p>
<p>c. Summa Water Resources, Inc. (SWRI). <i>(60% owned by Allied Water Services, Inc., a wholly owned subsidiary of MAC)</i></p>	<p>Original Equipment Manufacturer (OEM) of standard and customized water and wastewater treatment systems; also provides treated bulk water supply to private and government clients nationwide.</p>	<p>SWRI supplies water treatment equipment and bulk water to entities in Bulacan, Iloilo, Albay, Cavite, Bataan, and Bacolod. Recent growth was driven mainly by equipment sales to government clients.</p> <p>For its bulk water supply business, it has supplied 8.6 MLD in March 2026, 3.3 MLD in 2025 and 3.4 MLD in 2024 (3 months comparable period).</p> <p>As of Mar. 2026, the company had 61 staff.</p>

<p>d. SNV Resources Devt Corporation (SNVRDC) <i>(100% owned by MAPDC)</i></p>	<p>Supply of potable water to households, commercial and government clients in Solano, using water extracted and treated from the Magat River.</p>	<p>Established as a greenfield project to develop a full waterworks system in Solano. From zero accounts in 2016, SNVRDC grew to 6,062 service connections as of March 2026.</p> <p>Business development is measured in terms of millions of liters per day of water sold, which stands at 3.3 MLD in March 2026, 2.9 MLD in 2025 and 2.7 MLD in 2024 (3 months comparable period).</p> <p>As of Mar. 2026, this business unit had 49 total staff.</p>
<p>e. Aqualink Resources Devt Inc. (ARDI) <i>(51% owned by NWSC)</i></p>	<p>Operates the water system for Lancaster New City in Cavite, serving General Trias, Imus, Carmona, Bacoor, Kawit, and Tanza; supplies potable water from deep well sources to households and commercial accounts.</p>	<p>ARDI reached 44,680 connections as of March 2026. Continuous service expansion driven by population growth within Lancaster New City.</p> <p>Business development is measured in terms of millions of liters per day of water sold, which stands at 28.3 MLD in March 2026, 27.3 MLD in 2025 and 27.5 MLD in 2024 (3 months comparable period).</p>

		As of Mar. 2026, this business unit had 103 total staff.
f. Cavite Business Resources, Inc. (CBRI) <i>(67% owned by NWSC, 33% by Watery Business Solutions, Inc. – wholly owned by MAPDC)</i>	Supplies bulk water from the Maragondon River through the Maragondon Bulk Water Treatment Plant.	The Maragondon Bulk Water Supply Agreement with Maragondon Water District commenced in August 2024, marking the start of operations of the bulk water facility.
g. Cavite AlliedKonsult Services Corp. (CAKSC) <i>(51% owned by Allied Konsult Eco-Solutions Corp. -- which is 100% owned by Allied Water Services, Inc., a wholly owned subsidiary of MAC; and 49% owned by Envirokonsult Equipment and Services, Inc.)</i>	Operates a septage treatment facility located in General Trias, Cavite – the largest in the province – servicing household and commercial establishments.	Septage treatment operations commenced in late 2024 following the execution of treatment agreements with water service providers, including ARDI. As of March 2026, this business unit had 17 total staffs.

Sources and Availability of Raw Materials:

The chemicals and supplies for water treatment are usually locally sourced. There were no supply disruptions noted in the last three years. As for equipment, no supply issues were also reported.

Government Approval/Concessions:

The supply of potable water, as well as treatment of septage, is highly regulated and should comply with government regulations. Our water business units have permits with the LGUs, National Water Resources Board (NWRB), Laguna Lake Devt Authority, Dept of Health, DENR, etc. as the case may be. Tarriff setting are set often with NWRB in line with investments made by the business unit.

Risks and Opportunities:

The Group’s water business has demonstrated resilience and steady growth even amid pandemic-related constraints in various regions. Growth prospects remain strong, supported by sustained population expansion and rising commercial activity in urbanizing areas outside Metro Manila. The structural shift toward remote work and increased migration to provincial communities has further stimulated demand for reliable and affordable water services.

As of the reporting period, the group further achieved important milestones with the construction of the biggest desalination plant in the Philippines located in Mactan Cebu, under CS Water Lapu-lapu. The plant in Punta Engaño has the capacity to produce 15 MLD of potable water, whereas the smaller plant in Olango can turn out 5 MLD. Also, the Poro point bulk water system in La Union that increases the group's presence in Northern Luzon was also substantially completed within the year. Whereas in October 2025, New Water Earth System – which is 100% owned by Boracay Tubi System Inc. – a subsidiary of MacroAsia, broke ground in Pototan Iloilo. The project is expected to commence the construction activities in 2026, and it seeks to augment Iloilo's potable water supply to address the rising requirements of the province's expanding communities and industries.

Finally, the group's established entities like Aqualink Resource Development Inc., Solano Nueva Viscaya Resources Development, Naic Water Supply Corporation, Boracay Tubi System Inc. are also continuously investing in equipment upgrades and additional pipelaying projects to better serve their respective markets and to further capture untapped markets.

7) Mining

Due to its history as a mining company in the 1970's, MAC had mining rights and permits as part of its assets. The Mineral Production Sharing Agreements (MPSAs) of MAC Parent were transferred to its wholly owned subsidiary, the MacroAsia Mining Corporation, a wholly owned subsidiary. This includes the Infanta Nickel Project in Palawan.

MacroAsia Mining Corporation (MMC) was incorporated on September 25, 2000 to serve as an institutional vehicle through and under which the business of a mining enterprise may be established, operated, and maintained.

MMC temporarily focused on providing consultancy and mining exploration services, particularly on nickel areas and projects, in the 2010s. This started in 2013, wherein MMC served the exploration and drilling requirements for the nickel laterite deposits of some of the major nickel producers in the country.

Bulawan Mining Corporation (BUMICO) and Management Development Corporation (MADECOR), former subsidiaries of Philippine National Bank (PNB), have been transferred to MMC. Bulawan Mining Corporation was officially purchased from PNB on November 15, 2018, and is now known as MMC BUMICO. Meanwhile Management Development Corporation was acquired on March 2, 2020, and is now called MMC MADECOR. The move is part of a bigger program in the spinning off of the mining segment of MacroAsia Corporation.

The acquisition of BUMICO included its right for their Exploration Permit Application (EXPA 103-VII) over a 506-hectare area in Basay, Negros Oriental. The area has a high

potential for copper-gold molybdenum–silver mineralization, attracting interest from several mining companies. In addition, MMC BUMICO also inherited the Operating Agreement with Philex Mining Corporation (PMC) in relation to the Bulawan Mining Project. Furthermore, MLC MRD 510 and EP 008-2010-VI, which are under an agreement with Philex Gold Philippines, Inc. (PGPI) are now likewise part of the MMC portfolio. MLC MRD 510 is currently under the implementation stage of the Final Mine Rehabilitation and Decommissioning Plan (FMRDP). On the other hand, the application for renewal of EP 08-2010-VI is still pending MGB. Philex has partially submitted the required documents and is in the process of completing the remaining requirements. MMC is also reviewing documents related to this tenement.

On the other hand, MMC MADECOR has acquired EXPA 000100-VI from PNB MADECOR. It is covered by an agreement with PGPI. The said application has been granted Clearance for issuance of the permit based on a July 4, 2019, memorandum from MGB Central Office but subject to several conditions. The First Letter Notice regarding the conditions to be met was communicated to PGPI on July 10, 2020 and forwarded to PNB Madecor on August 19, 2020. MMC MADECOR, which has acquired PNB MADECOR, then transmitted the required documents to PGPI in September 29, 2020. PGPI has since submitted the documents to MGB Regional Office No. VI on October 14, 2020. MGB Region VI informed PGPI through a May 6, 2022, dated Second Letter Notice of the deficiencies for compliance. The revised tenement map requested by MGB was already submitted on June 15, 2022. The EXPA was eventually approved and registered on December 4, 2024, covering a total area of 3,709.2835 hectares.

MMC has exploration permit applications (EXPAs) to mineralized areas in Carigara and Baybay City in Northern Leyte denominated as EXPA 000091-VII and 000092-VII. MGB Regional Office No. VIII has endorsed the Environmental Work Program (EWP) for both EXPAs to the Office of the Director (MGB Central Office) on August 10, 2022.

A joint validation by the MGB, the Department of Agriculture (DA), and MMC representatives was conducted from June 14 to 17, 2023, to assess the proposed exploration areas within the Strategic Agriculture and Fishery Development Zone (SAFDZ), a designated no-go zone. In a letter dated January 22, 2024, the DA recommended allowing MMC to proceed with its exploration permit applications, provided that the identified SAFDZ areas are designated for agricultural research and technology demonstrations.

On May 3, 2024, MMC received the final notice from MGB regarding the remaining mandatory requirements. MMC submitted its response on May 17, 2024.

On June 7, 2019, MAC executed Deeds of Assignment (DOAs) in favor of MMC, wherein MAC assigned to the latter, all its rights and interests under its Mineral Production Sharing Agreements (MPSA) in Palawan. These DOAs were submitted for approval by the DENR as required by law. The Mines and Geosciences Bureau (MGB-DENR) approved the transfer on February 1, 2021.

The MPSAs that were assigned to MMC are Mineral Production Sharing Agreement (MPSA) Nos. 220-2005-IVB and 221-2005-IVB covering the 1,113.98 and 410.00 hectares, respectively, situated in Brooke's Point, Palawan. With the DENR approval, these tenements are now recorded under MMC. The said MPSAs grant the company the exclusive right to explore, develop, and commercially utilize nickel, chromite, iron, and other associated mineral deposits within the contract area. MMC started discussions with other nickel mine operators to start the operations of at least the nickel mine due to the demand for this mineral for batteries, among others. In response to growing demand, particularly for battery-grade nickel, MMC has initiated discussions with other nickel mine operators to begin mining operations.

On July 29, 2021, MMC signed a memorandum of agreement with Calmia Nickel, Inc. (CNI) for the exploration and eventual mining operations of the Infanta Nickel Project (MPSA No. 220-2005-IVB). Confirmatory drilling activities commenced in early November 2021 as part of the due diligence work being conducted by CNI. In response to growing demand, particularly for battery-grade nickel, MMC has initiated discussions with other nickel mine operators to begin mining operations.

The Environmental Compliance Certificate (ECC) was issued on December 1, 2023, following DENR MIMAROPA's certification that the MPSA is outside the Mt. Mantalingahan Protected Landscape (MMPL). This certification was provided in lieu of the PAMB Clearance, along with the submission of the Negotiated Sustainability and Resilience Agreement (NSRA) to demonstrate MMC's environmental commitments.

Meanwhile, the Feasibility Study (FS), a critical component of the Declaration of Mining Project Feasibility (DMPF), was approved by the MGB Technical Committee on Mining Feasibility Studies through a February 7, 2025 memo. Environmental program-related documents specifically the Environmental Protection and Enhancement Program (EPEP) and the Final Mine Rehabilitation/Decommissioning Plan (FMR/DP) for the DMPF were approved during the May 30, 2025 deliberation by the Contingent Liability and Rehabilitation Fund Steering Committee (CLRFSC). Consequently, the Certificate of Approval for the EPEP and FMR/DP was issued on August 4, 2025. Furthermore, the revised 3-Year Development/Utilization Work Program (3YRDUWP) was submitted on April 30, 2025 and has also been approved. The DMPF was subsequently approved on January 19, 2026 by the DENR Assistant Secretary for Mining Concerns and concurrent MGB Director.

Regulatory approvals continue to progress. The National Commission on Indigenous Peoples (NCIP) Commission En Banc endorsed and recommended the issuance of the Certification Precondition for MPSA No. 220-2005-IVB on December 27, 2022. Additionally, the Palawan Council for Sustainable Development (PCSD) granted the SEP Clearance on June 24, 2022. The Technical Description of the SEP Clearance was approved on September 9, 2024, and was received by MMC on April 3, 2025. Timber inventory of the area covered by Year 1 of the application for a Special Tree Cutting and Earth-balling Permit (STCEP) was completed in December 16, 2025 and installation of the concrete markers on ground to mark the STCEP boundary is currently in progress

prior to final validation by the Community Environment & Natural Resources Office (CENRO).

A significant development occurred on February 29, 2024, when MGB MIMAROPA issued a resolution on the boundary dispute between MMC and Celestial Nickel Mining Exploration Corporation (CNMEC). MGB awarded 37.7 hectares of the disputed 44 hectares to MMC. In a letter dated May 20, 2024, MGB MIMAROPA forwarded the amended technical description of the MPSA's principal corners, requiring both companies to conduct a re-survey to delineate the adjusted boundaries. The re-survey was completed in early September 2024, followed by a joint site validation led by MGB MIMAROPA from October 21 to 24, 2024. The Approved Amended Mineral Survey Plan was officially granted on November 29, 2024.

Initial clearing and grubbing works for the Development and Construction Phase outside of the MPSA started on the second week of August 2025. These are located only within the proposed Pier Stockyard Area which are both acquired and leased lots. Tree cutting permit from the Philippine Coconut Authority was also obtained starting on the third week of August 2025 with the cutting of coconut trees commencing by the end of August 2025. Clearing work including levelling and backfilling continued and ground preparation for drainage work was initiated within the proposed Pier Stockyard Area this 1st quarter of 2026. Several portions of the Road Right-of-Way were also subjected to clearing activities.

CNI submitted its application and the corresponding requirements for a business permit with the Local Government Unit of Brooke's Point on February 10, 2026. Moreover, CNI processed other requirements in relation to this application.

MMC submitted the requirements for the Third Renewal of the Exploration Period under MPSA No. 221-2005-IVB on July 31, 2023. The company addressed the remaining deficiencies in its application on June 5, 2024. Additionally, on June 11, 2024, MMC filed a request for the Temporary Suspension of Obligations under the MPSA's Terms and Conditions. A follow-up letter regarding this request was received by the MGB Central Office on September 20, 2024. The request was approved on October 16, 2024.

As of March 31, 2026, MMC has seven (7) regular employees.

MMC's present operations do not require the intensive use of raw materials. Therefore, it does not have any major existing supply contracts.

MMC is not aware of any other existing or probable government regulations that may have any adverse effects on its business. MMC does not have any other significant agreements or patents, copyrights, licenses, franchises, concessions, or royalty agreements. It did not incur any research and development costs during the last three fiscal years.

Moreover, no exploration work was conducted during the First Quarter of 2026. Thus, there are no exploration results to be reported or disclosed for the said period.

8) IT Services, Connectivity and Radio Trunking

MacroAsia Shared Services Corporation *formerly* Tera Information and Connectivity Solutions, Inc. (TERA)

The corporate name change of **Tera Information and Connectivity Solutions, Inc. (TERA)** to **MacroAsia Shared Services Corporation (MSSC)** has been approved by SEC last April 23, 2026.

Building on the services of TERA that integrated information technology and connectivity solutions across the MacroAsia Group and its partner companies, the scope of services is expanding to include Finance, HR and Purchasing to form MacroAsia Shared Services Corporation (MSSC).

MSSC will consolidate enterprise support functions as a service to MacroAsia business units to leverage the group's scale, reduce cost, drive process efficiency and transparency. Its mission is to enable core business units across the MacroAsia group to focus on value creation.

Initially offering high-volume transactional processing services such as Vendor Payments, Customer Billing and Collection posting, General Ledger recording and Reporting, Payroll and Benefits Administration, MSSC is expected to evolve into the group's innovation platform to pilot digital tools and models aligned with MacroAsia's digital transformation.

Key Performance Indicators

The Group uses the following major performance measures. The analyses are based on comparisons and measurement on financial data of the current period against the same period of the previous year.

<i>PARTICULARS</i>	<i>March 31, 2026</i>	<i>March 31, 2025</i>
Return on Net Sales (RNS)	7.11%	15.41%
Return on Investment (ROI)	1.06%	3.63%
Return on Equity (ROE)	2.51%	5.87%
Direct Cost Ratio	78.21%	77.13%
Operating Expense Ratio	15.50%	14.76%
Current Ratio	1.45 : 1	1.64 : 1
Debt-to-Equity Ratio	37.25%	19.22%
Interest Coverage Ratio	11.23: 1	15:40: 1
Asset-to-Equity Ratio	1.83 : 1	1.89 : 1
Return on Asset (ROA)	1.09%	2.19%

- The **Return on Net Sales (RNS)** declined from **15.41%** in 2025 to **7.11%** as of March 31, 2026. Although the Group's operating subsidiaries generated higher revenues during the current year, the decline in consolidated RNS was mainly attributable to the significant decrease in the share in net income of associates, coupled with the increase in operating costs and expenses, which collectively offset the impact of revenue growth compared to the same period in the previous year.
- The **Return on Investment (ROI)** ratio declined from **3.63%** to **1.06%**, reflecting the movement in the Group's overall profitability, as detailed below.
- **Return on Equity (ROE)** stands at **2.51%** in March 31, 2026 lower than **5.87%** for the same period of 2025 mainly reflecting lower overall net income during the current period, partly attributable to a reduced share in net income of associates.
- The **direct cost ratio** increased from **77.13%** to **78.21%** for 2026, in line with higher activity levels across the business units with expanded operations.
- The **operating expense ratio** increased from **14.76%** to **15.50%** for 2026, aligned with business volume growth and the rise in operational costs.
- The Group maintained a **healthy current ratio** of **1.45:1** as of March 31, 2026, compared to **1.64:1** in the same period last year, demonstrating its continued ability to meet current liabilities, supported by an adequate level of current assets, including cash.
- **Debt-to-equity ratio** stands at **37.25%** for 2026 from **19.22%** the same period last year. The increase reflects higher outstanding loan balances at period end, primarily used to finance capital expenditures, partially offset by the growth in equity arising from net income generated during the current year.

- With continued positive operating results, the Group remains capable of comfortably servicing its interest obligations. The **interest coverage ratio** stood at **11.23:1** as of March 31, 2026, compared to **15.40:1** in the same period last year.
- The ratio between **total assets to total equity** indicates that the Group's assets are primarily supported by shareholders' capital rather than debt. The **asset-to-equity ratio** stands from **1.89:1** in 2025 to **1.83:1** for the same period in 2026.
- **Return on Assets (ROA)** stood at **1.09%** in 2026, compared to **2.19%** in 2025, reflecting the level of profitability generated from the Group's asset base during the period.

The indicators above are measured as follows:

1. Return on Net Sales	=	$\frac{\text{Total Net Income}}{\text{Total Net Revenues}}$
2. Return on Investment	=	$\frac{\text{NI attributable to Equity holder of Parent}}{\text{Total Interest-bearing Liabilities + Equity attributable to Equity holder of Parent}}$
3. Return on Equity	=	$\frac{\text{Total Net Income}}{\text{Total Equity}}$
4. Direct Cost Ratio	=	$\frac{\text{Total Direct Cost}}{\text{Total Net Revenues}}$
5. Operating Expense Ratio	=	$\frac{\text{Total Operating Expenses}}{\text{Total Net Revenues}}$
6. Current Ratio	=	$\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$
7. Debt-to-Equity Ratio	=	$\frac{\text{Total Interest-bearing Debts}}{\text{Total Equity}}$
8. Interest Coverage Ratio	=	$\frac{\text{Total Earnings before Interest and Taxes}}{\text{Interest Expense}}$
9. Asset-to-Equity Ratio	=	$\frac{\text{Total Assets}}{\text{Total Equity}}$
10. Return on Asset	=	$\frac{\text{Total Net Income}}{\text{Total Asset}}$

Management's Discussion and Analysis (MD&A)
March 31, 2026 and March 31, 2025
Results of Operations (amounts in ₱ millions)

	Interim Unaudited		Horizontal Analysis		Vertical Analysis	
	Q1 2026	Q1 2025	Changes	%	Q1 2026	Q1 2025
REVENUE						
In-flight and other catering	1,305.1	1,146.7	158.4	14%	50%	49%
Ground handling and aviation	1,132.0	1,020.6	111.4	11%	43%	43%
Water distribution	174.9	171.6	3.3	2%	7%	7%
Administrative fees	13.7	13.7	-0.0	0%	0%	0%
	2,625.6	2,352.6	273.1	12%	100%	100%
DIRECT COSTS AND EXPENSES						
In-flight and other catering	886.7	791.4	95.3	12%	34%	34%
Ground handling and aviation	1,050.1	908.5	141.6	16%	40%	39%
Water distribution	99.3	98.8	0.5	1%	4%	4%
Administrative fees	17.3	15.8	1.4	9%	1%	1%
	2,053.5	1,814.6	238.9	13%	78%	77%
GROSS PROFIT (LOSS)	572.2	538.0	34.2	6%	22%	23%
SHARE IN NET EARNINGS (LOSSES) OF ASSOCIATES	79.0	245.9	-166.9	-68%	3%	10%
	651.2	784.0	-132.7	-17%	25%	33%
OPERATING EXPENSES	407.1	347.2	59.9	17%	16%	15%
INCOME (LOSS) FROM OPERATIONS	244.1	436.8	-192.6	-44%	9%	19%
OTHER INCOME (CHARGES)						
Interest income	10.3	5.3	4.9	93%	0%	0%
Financing charges	-24.4	-29.2	4.8	-16%	-1%	-1%
Foreign exchange gain (loss) - net	8.2	-1.0	9.2	964%	0%	0%
Others - net	11.4	8.0	3.4	42%	0%	0%
	5.4	-16.8	22.2	-132%	0%	-1%
INCOME (LOSS) BEFORE INCOME TAX	249.6	420.0	-170.4	-41%	10%	18%
PROVISION FOR (BENEFIT FROM) INCOME TAX	62.9	57.5	5.4	9%	2%	2%
NET INCOME (LOSS)	186.6	362.4	-175.8	-49%	7%	15%
Net income (loss) attributable to:						
Equity holders of the Company	129.0	313.9	-184.9	-59%	5%	13%
Non-controlling interests	57.6	48.5	9.0	19%	2%	2%
	186.6	362.4	-175.8	-49%	7%	15%

Revenues

- **Food Services and In-flight Catering** contributed 50% of the total revenues, with segment revenue increasing by 14%, from ₱1,146.7 million in 2025 to ₱1,305.1 million in 2026. This growth was driven by a 45% increase in meal count, from 6.39 million to 9.26 million, reflecting sustained growth in meal volume.
- **Ground-handling & Aviation Services** posted revenues of ₱1,132.6 million, up from ₱1,020.6 million in 2025, marking a 11% improvement. The total number of flights handled this year was 52,892, up by 11% from 47,546 in 2025. This segment contributed 43% of the total revenues. Revenue from ground-handling and aviation services also includes **First Aviation Academy (FAA)**. FAA's revenue decreased slightly from ₱21.6 million in 2025 to ₱21.1 million in 2026, reflecting relatively stable operating levels during the period.
- **Water Operations** contributed 7% of the total revenues. Revenue increased by ₱3.3 million (2%), from ₱171.6 million in 2025 to ₱174.9 million in 2026. This growth was attributed to a 14% increase in commercial water sales, with billed water volume rising from 4.78 million cu.m. in 2025 to 5.46 million cu.m. in 2026.
- **Connectivity and Technology Services** did not present external revenue in 2026, as its activities are primarily focused on providing IT and connectivity support services within the Group. The segment continues to support the Group's internal IT requirements while expanding into a shared services function.
- **Administrative Revenues** from the ecozone remained flat as the rates charged remained unchanged, at ₱13.7 million. A portion of the revenue was derived from lease income from subleased property in Mactan, Cebu.

Total Direct Costs

Total direct costs for 2026 amounted to ₱2,053.5 million, reflecting an increase of ₱238.9 million (13%) compared to ₱1,814.6 million in 2025. This increase is primarily due to the expansion of business operations across all segments of the Group, with additional cost contributions from rate adjustments within the Project Land managed and controlled by the Airport Operator.

Operating Expenses

Consolidated operating expenses increased by ₱59.9 million (17%), from last year's ₱347.2 million to ₱407.1 million, aligned with the business volume growth and was partly driven by the lease rate adjustment for the use of the facilities, services, and properties within the Project Land under the management and control of the Airport Operator.

Share in Net Earnings (Losses) of Associates

The share in net income of associates amounted to ₱79.0 million, a decrease of ₱166.9 million compared to the same period in the previous year. This reflects MAC's share in the net operating results of its associated companies—LTP, JASCO, and CPCS.

One of the key contributors to the year-to-date net income for 2026 is the share in net income from Lufthansa Technik Philippines (LTP), amounting to ₱53.8 million, which is ₱155.1 million lower than the ₱209.0 million recorded in 2025. The decrease was mainly due to higher lease cost accruals arising from the anticipated rate adjustment under MIAA Administrative Order No. 1 for Project Land managed and controlled by the Airport Operator, pending finalization of the related lease arrangements.

CPCS, the catering associate in Cebu, contributed ₱14.6 million in net income, up significantly from ₱11.1 million in the same period last year. This increase is attributed to a 19% rise in meal count. MAC holds a 40% share in CPCS's net income.

JASCO, the Group's ground handling associate in Japan, contributed ₱8.2 million in net income, lower than the ₱25.9 million recorded in the prior year. MAC holds a 30% share in JASCO's net income. The decrease was mainly due to the absence of income tax benefits from net operating loss carryover recognized in the prior year.

MJFSC, the commissary associate in Cordova, Cebu which was incorporated on November 4, 2025, contributed ₱2.4 million in net income. MNVI, a wholly-owned subsidiary of MAC holds a 49% share in MJFSC's net income.

Other Income (Charges)

Interest Income of ₱10.3 million pertains to income earned from short-term investments.

Financing charges decreased from ₱29.2 million in 2025 to ₱24.4 million in 2026. The decline reflects lower interest expense on outstanding loans, as well as the capitalization of interest related to new borrowings used to finance capital expenditures.

The Group recorded a net foreign exchange gain of ₱8.2 million for the period, compared to a foreign exchange loss of ₱1.0 million in the same period last year, resulting in a ₱9.2 million favorable variance. The movement was primarily driven by foreign currency fluctuations during the period.

Income Tax

The Group's income tax expense increased by ₱5.4 million (9%), totaling ₱62.9 million. This increase is aligned with the increase in taxable income.

Net Income

The Group recorded a consolidated net income after tax of ₱186.6 million for the first quarter of 2026, reflecting a 49% decrease from the consolidated net income after tax of ₱362.4 million in the same period last year.

March 31, 2026 and December 31, 2025
Interim Unaudited Statement of Financial Position (amounts in ₱ millions)
(with comparison to Audited December 31, 2025 Statement of Financial Position)

	March 31, 2026	December 31, 2025	Horizontal Analysis		Vertical Analysis	
			Changes	%	2026	2025
ASSETS						
Current Assets						
Cash and cash equivalents	2,117.9	2,470.6	-352.7	-14%	12%	15%
Receivables and contract assets	2,690.6	2,435.9	254.8	10%	16%	15%
Inventories	192.5	180.2	12.3	7%	1%	1%
Other current assets	1,259.2	1,175.2	84.1	7%	7%	7%
Total Current Assets	6,260.3	6,261.8	-1.5	0%	37%	38%
Noncurrent Assets					0%	0%
Investments in associates	3,977.7	3,806.6	171.1	4%	23%	23%
Property, plant and equipment	3,868.8	3,589.7	279.1	8%	23%	22%
Net investment in lease	21.8	22.0	-0.2	-1%	0%	0%
Right-of-use assets	795.2	809.1	-13.9	-2%	5%	5%
Investment property	143.9	143.9	-0.0	0%	1%	1%
Service concession rights	440.4	438.3	2.0	0%	3%	3%
Intangible assets and goodwill	358.5	359.8	-1.3	0%	2%	2%
Deferred income tax assets - net	112.2	114.6	-2.4	-2%	1%	1%
Other noncurrent assets	1,170.1	1,028.3	141.8	14%	7%	6%
Total Noncurrent Assets	10,888.5	10,312.1	576.4	6%	63%	62%
TOTAL ASSETS	17,148.7	16,573.9	574.8	3%	100%	100%
LIABILITIES AND EQUITY						
Current Liabilities						
Notes payable	1,085.0	485.0	600.0	124%	6%	3%
Accounts payable and accrued liabilities	2,773.3	3,235.2	-461.9	-14%	16%	20%
Income tax payable	144.2	126.2	18.0	14%	1%	1%
Dividends payable	10.5	10.5	0.0	0%	0%	0%
Current portion of long-term debts	264.8	249.9	14.9	6%	2%	2%
Current portion of lease liabilities	46.5	46.5	0.0	0%	0%	0%
Total Current Liabilities	4,324.3	4,153.2	171.1	4%	25%	25%
Noncurrent Liabilities						
Long-term debts - net of current portion	2,132.9	2,048.4	84.4	4%	12%	12%
Lease liabilities - net of current portion	904.1	915.2	-11.1	-1%	5%	6%
Accrued retirement and other employee benefits payable	208.2	200.7	7.5	4%	1%	1%
Deferred income tax liabilities - net	93.4	94.7	-1.3	-1%	1%	1%
Other noncurrent liabilities	136.3	90.8	45.5	50%	1%	1%
Total Noncurrent Liabilities	3,474.8	3,349.8	125.0	4%	20%	20%
Total Liabilities	7,799.1	7,503.1	296.1	4%	45%	45%
Equity attributable to equity holders of the Company						
Capital stock - 1 par value	1,933.3	1,933.3	0.0	0%	11%	12%
Additional paid-in capital	281.4	281.4	0.0	0%	2%	2%
Retained earnings						
Appropriated	2,940.0	2,940.0	0.0	0%	17%	18%
Unappropriated	2,738.8	2,609.8	129.0	5%	16%	16%
Other comprehensive income	214.7	122.6	92.1	75%	1%	1%
Other reserves	1,003.0	1,003.0	0.0	0%	6%	6%
Treasury shares	-459.4	-459.4	0.0	0%	-3%	-3%
Non-controlling interests	697.7	640.1	57.6	9%	4%	4%
Total Equity	9,349.6	9,070.9	278.7	3%	55%	55%
TOTAL LIABILITIES AND EQUITY	17,148.7	16,573.9	574.8	3%	100%	100%

Assets

As of March 31, 2026, the Group's total assets amounted to ₱17,148.7 million, reflecting an increase of ₱574.8 million (3%) from ₱16,573.9 million as of December 31, 2025.

- **Cash and Cash Equivalents** totaled ₱2,117.9 million, reflecting a decrease of ₱352.7 million (14%) from ₱2,470.6 million. The movement is primarily due to the utilization of cash held by the Group's operating subsidiaries to settle current maturing obligations.
- **Receivables and Contract Assets** increased by ₱254.8 million (11%), from ₱2,435.9 million to ₱2,690.6 million same period last year. The increase was moderated by effective collection efforts, which will help manage the buildup of outstanding balances.
- **Inventories** amounted to ₱192.5 million, consistent with the forecasted inventory level requirements as of March 31, 2026.
- **Other Current Assets** of ₱1,259.2 million primarily consist of input taxes, creditable withholding taxes, prepaid taxes, unamortized prepayments for insurance, rent, utilities, and unconsumed supplies which increased by ₱84.1 million as of March 31, 2026.
- **Investments in Associates**, accounted for under the equity method, increased by ₱171.1 million (4%), from ₱3,806.6 million in 2025 to ₱3,977.7 million as of March 31, 2026. This increase is attributable to the share in translation adjustments (₱92.1 million), and the aggregate income contribution from associates.
- **Property and Equipment** increased from ₱3,589.7 million in 2025 to ₱3,868.8 million in 2026, reflecting new acquisitions by the Group's catering, ground handling, and water companies, offset by depreciation.
- **Net Investment in Lease** decreased by ₱0.2 million, from ₱22.0 million in 2025 to ₱21.8 million this year.
- **Right-of-Use (ROU) Assets** decreased by ₱13.9 million (2%), bringing the total to ₱795.2 million in 2026, primarily due to the regular amortization of the right-of-use asset over the lease term.
- **Deferred Income Tax Assets** amounted to ₱112.2 million as of March 31, 2026, related to taxes deemed recoverable in future periods. The decrease from the same period last year is attributed to temporary differences from leases.
- **Other Noncurrent Assets** increased by ₱141.8 million, from ₱1,028.3 million in 2025 to ₱1,170.1 million, mainly driven by the increase in advances to contractors and suppliers during the period.

Liabilities

As of March 31, 2026, the Group's total liabilities amounted to ₱7,799.1 million, reflecting an increase of ₱296.1 million (4%) from ₱7,503.1 million as of December 31, 2025.

- **Accounts Payable and Accrued Liabilities** decreased by ₱461.9 million (14%), from ₱3,235.2 million in 2025 to ₱2,773.3 million in 2026. This decrease is due to the settlements made to suppliers, service providers, and for government dues.
- **Notes Payable and Current Portion of Long-Term Debts** rose by ₱614.9 million (84%), from ₱734.9 million to ₱1,349.8 million. The increase is mainly due to the additional loans, which were availed from local banks by several business units within the Group for asset acquisition and business expansion.
- **Income Tax Payable** increased by ₱18.0 million (14%), from ₱126.2 million to ₱144.2 million, in line with the increase in taxable income for the period.
- **Long-Term Debts (net of current portion)** increased by ₱84.4 million (4%), from ₱2,048.4 million in 2025 to ₱2,132.9 million in 2026. The increase reflects new loan availments for ongoing projects and operations, net of settlements during the period.
- **Lease Liabilities (net of current portion)** decreased by ₱11.1 million, from ₱915.2 million in 2025 to ₱904.1 million same period this year.

Equity

As of March 31, 2026, the Group's total equity stood at **₱9,349.6 million**, marking an increase of **₱278.7 million (3%)** from **₱9,070.9 million** as of December 31, 2025.

- **Equity attributable to equity holders of the parent** increased by **₱221.2 million (3%)**, from **₱8,430.7 million** to **₱8,651.9 million**. This growth is primarily due to the **net income attributable to equity holders** amounting to **₱129.0 million**, which was recognized under retained earnings. This was also driven by:
 - A **₱92.1 million increase** in **other components of equity**, from **₱122.6 million** to **₱214.7 million**. The increase pertains to the Group's **share in foreign currency translation adjustments** of its associates (LTP and JASCO), reflecting movements in **USD and JPY exchange rates** during the period covered.
- **Non-controlling interests** amounted to **₱697.7 million**, an increase of **₱57.6 million (9%)** from **₱640.1 million** as of December 31, 2025. The increase reflects the proportionate share in the net earnings of subsidiaries with non-controlling interests.

NUMBER OF STOCKHOLDERS

There are 853 and 852 stockholders as of March 31, 2026, and December 31, 2025, respectively.

OTHER MATTERS

1. Impact of Airline Operations and NAIA Privatization

Passenger load and flight frequency remain the principal drivers of revenue for the Group's aviation services units. The privatization of the operations of Ninoy Aquino International Airport (NAIA) to a private concessionaire is expected to stimulate higher flight volumes and passenger traffic as terminal facilities expand and operational efficiencies improve under new management. A positive impact to the MAC Group is the acquisition by some of MAC's business units of two new airline clients in 2025, specifically airlines that were given slots to fly into the Philippines starting that year.

While an increase in airport fees and operating costs also happened arising from updated lease rates and fee structures that were implemented by the Manila International Airport Authority (MIAA) through its concessionaire, such incremental costs are typically recoverable from airline clients under existing contractual arrangements.

2. Growth Initiatives in the Food Group

The Food Group continues to execute its diversification strategy to expand beyond aviation catering, resulting in a growing portfolio of institutional and commercial clients. Expansion efforts are focused on increasing geographic reach outside Metro Manila and enhancing production capacity at the Muntinlupa commissary. Construction activities within the MacroAsia-owned property in Muntinlupa are currently ongoing, with foreseen completion date by end of 2026.

To strengthen its regional presence in the Visayas, the Group has an **associate investment in Cebu** between **MacroAsia New Ventures, Inc. (MNVI)**—a newly incorporated wholly owned subsidiary—and **Princess Joliant Corporation (PJC)**, a Cebu-based commissary servicing the quick service restaurant (QSR) sector and other institutional clients. The Cebu facility will capture new institutional clients in Cebu and Visayas and is expected to contribute highly to the performance of the food group.

3. Off-Balance Sheet Arrangements

There are **no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), or other relationships with unconsolidated entities or third parties** created during the reporting period.

4. Capital Commitments

The Group has no significant capital expenditure commitments during the period other than the following ongoing projects:

- **Seawater Desalination Plant – Lapu-Lapu City:**

Being undertaken by **CSWater Lapu-Lapu, Inc. (CSWLL)**, a wholly owned subsidiary of **Summa Water Resources, Inc.**, which is 60% owned by MacroAsia through its subsidiary Allied Water Services, Inc. Project financing will be sourced through a partner bank.

- **MacroAsia SATS Food Industries (MSFI) Expansion – Sucat, Muntinlupa:**

MSFI, a joint venture between **MacroAsia Corporation (67%)** and **SATS Ltd. of Singapore (33%)**, is expanding its existing facility by approximately **11,000 square meters** to include modern cold storage and commissary systems. Upon completion, meal production capacity is expected to **double to 90,000 meals per day**, enabling MSFI to serve a wider base of institutional clients and support its goals of operational scalability, food safety, and service efficiency.

- **MacroAsia Airport Services Corporation (MASCORP) – Parañaque City:**

MASCORP, established in 1997, is **80%** owned by **MacroAsia Corporation** and **20%** by **Konoike Transport Co., Ltd.** has commenced the construction of a new six-story headquarters building. The project is funded through bank financing with Security Bank. The planned headquarters is expected to be completed by March 2027. Once operational, the facility will support MASCORP's workforce and is also envisioned to serve as the shared services center for the **MacroAsia Group** and will also offer office spaces available for third-party leasing, providing potential long-term revenue opportunities.

5. **Renewal of MacroAsia Special Ecozone Lease with MIAA**

The Group, through MAPDC, previously held a lease contract for land within NAIA that is subleased to LTP. The lease contract provides that the period of lease shall be effective for a period of twenty-five (25) years commencing on September 1, 2000 and renewable for another twenty-five (25) years thereafter at the option of the lessee subject to such terms and conditions as maybe mutually agreed upon by both parties. MAPDC formally notified NNIC and Manila International Airport Authority through a letter dated May 30, 2025 its decision to renew the lease agreement for another 25 years. However, no extension has been finalized upon the sublease agreement's expiration in August 2025.

As of the reporting date, the Group and LTP are still in the process of finalizing their negotiation with respect to the final lease provisions that will be applied subsequent to the expiration of the initial term.

6. **Other Significant Income or Loss Elements**

There were no significant income or loss components arising outside the Group's continuing operations that have not been disclosed in the consolidated interim financial statements. Management is not aware of any subsequent events or conditions that would materially alter the vertical or horizontal analysis of material items. Furthermore, no substantial seasonal or cyclical factors were noted that materially affected performance during the period.

7. **Issuance or Repurchase of Securities**

The Group **did not issue, buy back, or retire any debt or equity securities** during the interim reporting period.

8. **Subsequent Events**

There were **no material subsequent events** after the reporting period that would require disclosure or adjustment in the interim consolidated financial statements.


SIGNATURES

Pursuant to the requirement of Section 17 of the Code and Section 177 of the Revised Corporation Code of the Philippines, this report has been reviewed and endorsed by the Audit Committee of MacroAsia Corporation on May 12, 2026, and subsequently approved by the Board of Directors of MacroAsia Corporation, and herein signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on May 12, 2026.

MACROASIA CORPORATION

Registrant

By:



EDUARDO LUIS T. LUY
President



AMADOR T. SENDIN
Chief Financial Officer

Annex 1

MACROASIA CORPORATION AND SUBSIDIARIES

Interim Unaudited Condensed Consolidated Financial Statements

March 31, 2026 and 2025 (Unaudited)

and

December 31, 2025 (Audited)

GENERAL INFORMATION

Board of Directors*

Name	Position	Committee Membership
Dr. Lucio C. Tan	Chairman of the Board and Chief Executive Officer	Chairman – Investment Committee
Carmen K. Tan	Director	Member – Investment Committee
Lucio C. Tan III	Director	Member – Compensation, Related Party Transactions, and Investment Committees
Eduardo Luis T. Luy	President and Chief Operating Officer	Member – Risk Management, Mining, and Investment Committees
Vivienne K. Tan	Director	Member – Audit Committee
Kyle Ellis C. Tan	Treasurer	Member – Mining and Investment Committees
Johnip G. Cua	Director	Chairman – Compensation, Mining, and Retirement Plan Committees Member – Corporate Governance, Audit, Related Party Transactions, Risk Management, and Investment Committees
Ramon P. D. Dizon	Lead Independent Director	Chairman – Audit Committee Member – Corporate Governance, Related Party Transactions, and Risk Management Committees
Diwa C. Guinigundo	Independent Director	Chairman – Corporate Governance and Related Party Transactions Committees Member – Audit, Compensation, Risk Management, Investment, and Retirement Plan Committees
Gregorio T. Yu	Independent Director	Chairman – Risk Management Committee Member – Corporate Governance, Compensation, Related Party Transactions, Mining, and Investment Committees
Christina C. Tan	Independent Director	Member – Corporate Governance, Audit, Compensation, Risk Management, and Mining Committees

*The Directors' term of office is one year. Election for the Board of Directors is conducted during the annual stockholders' meeting held every second Thursday of May.

Chief Financial Officer, Chief Risk Officer, Senior Vice President - Administration

Amador T. Sendin

Senior Vice President - Human Resources, Legal and External Relations

Atty. Marivic T. Moya

Vice-President - Business Development/ Data Protection Officer

Belgium S. Tandoc

Vice-President – Commercial / Chief Sustainability Officer / Chief Compliance Officer / Corporate Information Officer

Rhodel C. Esteban

Chief Audit Executive

Evelyn R. Cabug

Corporate Secretary

Atty. Florentino M. Herrera III

Assistant Corporate Secretary

Atty. Mary Rogelyn T. Cabrera

Stock and Transfer Agent

Trust Banking Group

Philippine National Bank (formerly Allied Banking Corporation)

3rd Floor, PNB Financial Center

Pres. Diosdado Macapagal Blvd., Pasay City

Banks

Philippine National Bank
(formerly Allied Banking Corporation)
6754 Ayala Avenue, Makati City

Unionbank of the Philippines
Tektite Building, Ortigas Center, Pasig City

Security Bank
Nieva Branch G1 & G2 Asian Mansion 2,
Dela Rosa cor. Nieva St., Legaspi Village
Makati City

Bank of China
Manila, 28/F The Finance Centre, 26th
Street cor. 9th Avenue, BGC, Taguig City

Asia United Bank
G/F Morning Star Center Building,
Gil Puyat Avenue, Makati City

Philippine National Bank
Makati Aguirre Branch, GF All Seasons Bldg.
112 Aguirre St. Legaspi Village, Makati City

Rizal Commercial Banking Corporation
G/F Sterling Center Ormaza cor
Dela Rosa Street, Legaspi Village, Makati City

Landbank of the Philippines
Virgilio corner Villapa Street
Poblacion, Brooke's Point, Palawan

Philippine National Bank
Tokyo Branch, Mita Kawasaki Building, 2/F,
2-11-15 Mita Minato-ku, Tokyo

CTBC Bank
Ground Floor, SEDCCO I Building,
Legaspi corner Rada Streets, Makati City

Auditors

SyCip Gorres Velayo & Co.

6760 Ayala Avenue, Makati City

MACROASIA CORPORATION AND SUBSIDIARIES
Interim Unaudited Consolidated Statement of Financial Position
(with comparison to Audited December 31, 2025 Statement of Financial Position)

	MARCH 31, 2026	DECEMBER 31, 2025
	(UNAUDITED)	(AUDITED)
ASSETS		
Current Assets		
Cash and cash equivalents	P 2,117,927,279	P 2,470,617,767
Receivables and contract asset	2,690,611,282	2,435,855,119
Inventories	192,477,611	180,165,931
Input taxes and other current assets (Note 5)	1,259,246,536	1,175,150,284
Total Current Assets	6,260,262,707	6,261,789,101
Noncurrent Assets		
Investments in associates	3,977,708,820	3,806,564,227
Property, plant and equipment	3,868,804,093	3,589,688,776
Investment property	143,852,303	143,852,303
Service concession right	440,380,911	438,336,998
Input taxes -net	53,602,187	50,542,187
Deferred income tax assets	112,189,177	114,550,269
Goodwill and intangible assets	358,470,141	359,809,552
Net Investment in the lease	21,778,561	21,954,151
Right of Use Asset	795,195,334	809,052,472
Other noncurrent assets	1,116,497,757	977,773,735
Total Noncurrent Assets	10,888,479,283	10,312,124,669
TOTAL ASSETS	P 17,148,741,990	P 16,573,913,770
LIABILITIES AND EQUITY		
Current Liabilities		
Current loans payable (Note 6)	P 1,349,785,091	P 734,855,488
Accounts payable and accrued liabilities	2,773,315,607	3,235,178,317
Income tax payable	144,173,451	126,169,179
Dividends payable	10,505,443	10,505,443
Lease Liabilities Right of use Asset	46,518,590	46,518,590
Total Current Liabilities	4,324,298,183	4,153,227,017
Noncurrent Liabilities		
Loans payable- net of current portion (Note 6)	2,132,852,748	2,048,421,029
Accrued retirement and other employee benefits payable	208,233,796	200,730,220
Deferred income tax liabilities	93,400,542	94,683,089
Lease Liabilities Right of use Asset - net of current portion	904,073,603	915,201,716
Other noncurrent liabilities	136,282,883	90,795,046
Total Noncurrent Liabilities	3,474,843,573	3,349,831,100
Total Liabilities	7,799,141,755	7,503,058,117

(Forward)

Equity

Capital stock - P 1 par value		
Authorized - 2,000,000,000 shares		
Issued and fully paid - 1,933,305,923 shares	1,933,305,923	1,933,305,923
Additional paid-in capital	281,437,118	281,437,118
Other Reserves	1,003,041,257	1,003,041,257
Other components of equity	214,675,275	122,565,567
Retained earnings		
Appropriated	2,940,000,000	2,940,000,000
Unappropriated	2,738,843,464	2,609,793,832
Treasury shares	(459,418,212)	(459,418,212)
Total equity attributable to equity holders of the parent company	8,651,884,825	8,430,725,485
Non-controlling interests	697,715,410	640,130,168
Total Equity	9,349,600,235	9,070,855,653
TOTAL LIABILITIES AND EQUITY	P 17,148,741,990	P 16,573,913,770

**The notes are integral part of the Interim Unaudited Consolidated Financial Statements*

MACROASIA CORPORATION AND SUBSIDIARIES
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
For the period ended March 31

	JAN-MAR	JAN-MAR
	2026	2025
NET SERVICE REVENUE		
In-flight and other catering	P 1,305,054,820	P 1,146,663,348
Ground handling and aviation	1,110,934,680	998,991,505
Rental and administrative	13,660,682	13,695,532
Aviation training fee	21,064,611	21,635,817
Water	174,914,616	171,592,681
Exploratory drilling fees	-	-
Connectivity and technology services	-	-
	2,625,629,409	2,352,578,883
DIRECT COSTS		
In-flight and other catering	886,724,610	791,384,180
Ground handling and aviation	1,030,172,039	884,486,485
Rental and administrative	17,251,187	15,841,187
Aviation training cost	19,970,587	24,040,419
Water related expenses	99,341,131	98,807,276
Exploratory drilling expense	-	-
Connectivity and technology services	-	-
	2,053,459,554	1,814,559,546
GROSS PROFIT	P 572,169,856	P 538,019,337
SHARE IN NET INCOME OF ASSOCIATES	79,034,865	245,935,116
	651,204,721	783,954,453
OPERATING EXPENSES	(407,095,129)	(347,201,510)
INTEREST INCOME	10,259,627	5,327,261
FINANCING CHARGES	(24,402,429)	(29,167,712)
OTHER INCOME - net	19,590,072	7,052,672
INCOME BEFORE INCOME TAX	P 249,556,861	P 419,965,164
PROVISION FOR INCOME TAX	62,921,988	57,518,775
NET INCOME	P 186,634,873	P 362,446,389
Attributable to:		
Equity holders of the parent	129,049,632	313,909,523
Non-controlling interests	57,585,241	48,536,866
	P 186,634,873	P 362,446,389
Basic Earnings Per Share	0.07	0.17

**The notes are integral part of the Interim Unaudited Consolidated Financial Statements*

MACROASIA CORPORATION AND SUBSIDIARIES
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		JAN - MAR 2026	JAN - MAR 2025
NET INCOME (LOSS)	P	186,634,873	P 362,446,389
OTHER COMPREHENSIVE INCOME (LOSS) - Net			
Net foreign currency translation adjustments		92,109,709	(16,924,928)
Remeasurements on defined benefit plan		-	-
		92,109,709	(16,924,928)
Total Comprehensive Income (Loss)		278,744,583	345,521,462
Attributable to:			
Equity holders of the parent	P	221,159,341	P 296,984,596
Non-controlling interests		57,585,242	48,536,866
	P	278,744,583	P 345,521,462

**The notes are integral part of the Interim Unaudited Consolidated Financial Statements*

MACROASIA CORPORATION AND SUBSIDIARIES
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the period ended March 31	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	P 249,556,861	P 419,965,163
Adjustments for:		
Equity in net (income) loss of associates	(79,034,865)	(245,935,116)
Depreciation and amortization	91,361,988	79,802,800
Depreciation and amortization - Right of Use Asset	14,641,342	13,633,055
Interest on Lease Liabilities on Right Of Use Asset	10,338,126	12,482,609
Interest income	(10,259,627)	(5,327,261)
Unrealized foreign exchange (gain) loss - net	8,219,097	950,983
Retirement benefit cost	7,503,573	7,805,860
Financing charges	14,064,303	16,685,103
Operating income before working capital changes	306,390,798	300,063,195
Decrease (increase) in:		
Receivables	(263,817,379)	189,812,879
Inventories	(12,311,680)	22,393,316
Other current assets	(80,488,600)	(414,304,839)
Increase (decrease) in:		
Accounts payable and accrued liabilities	(452,556,881)	202,369,484
Other noncurrent liabilities	45,487,837	(412,927)
Cash generated from (used in) operations	(457,295,905)	299,921,109
Interest received	4,804,891	5,471,088
Financing charges paid	(13,494,571)	(13,362,738)
Contributions to retirement fund	-	(15,000,000)
Income taxes paid , including creditable withholding taxes	(50,506,804)	(45,857,779)
Net cash from (used in) operating activities	P (516,492,389)	P 231,171,681
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	(366,299,644)	(91,164,655)
Acquisitions of intangible assets	-	(3,435,994)
Dividends received	-	280,329,000
Decrease (Increase) in refundable deposits and other noncurrent assets	(146,613,827)	(18,288,339)
Net cash from (used in) investing activities	P (512,913,471)	P 167,440,012
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of notes payable	770,000,000	660,000,000
Payments of notes payable	(70,638,678)	(83,569,787)
Payment of Lease Liabilities on Right Of Use Asset	(16,620,155)	(16,613,025)
Net cash from (used in) financing activities	P 682,741,167	P 559,817,188
EFFECT OF EXCHANGE RATE CHANGES		
ON CASH AND CASH EQUIVALENTS	(6,025,795)	(950,990)
NET INCREASE/DECREASE IN CASH		
AND CASH EQUIVALENTS	P (352,690,488)	P 957,477,892
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,470,617,767	1,369,282,600
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	P 2,117,927,279	P 2,326,760,491

*The notes are integral part of the Interim Unaudited Consolidated Financial Statements

MACROASIA CORPORATION AND SUBSIDIARIES
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousand Pesos)

(with comparison to Audited December 31, 2025 and 2024 Statement of Changes in Equity)

(In Thousand Pesos)

	Attributable to the Equity Holders of the Parent								Retained Earnings		Subtotal	Non-controlling Interest	Total	
	Capital Stock	Additional Paid-in Capital	Share in Foreign Currency Translation Adjustment of an Associate	Remeasurements on Defined Benefit Plan	Share in Remeasurements on Defined Benefit Plan of Associates	Other Reserves	Reserve for fair value changes of financial assets investments	Treasury Shares	Appropriated	Unappropriated				
BALANCES AT DECEMBER 31, 2024	1,933,306	281,437	137,529	(65,417)	(193,795)	1,003,041	116,470	(459,418)	960,000	3,356,833	7,069,987	493,759	7,563,745	
Dividend declaration	-	-	-	-	-	-	-	-	-	(208,005)	(208,005)	-	(189,096)	
Total comprehensive income (loss)	-	-	(16,925)	-	-	-	-	-	-	313,910	296,985	48,537	345,521	
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional investment of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reversal of appropriation of retain earnings	-	-	-	-	-	-	-	-	(850,000)	850,000	-	-	-	
Appropriation of retain earnings	-	-	-	-	-	-	-	-	2,830,000	(2,830,000)	-	-	-	
BALANCES AT														
MARCH 31, 2025	P	1,933,306	281,437	120,604	(65,417)	(193,795)	1,003,041	116,470	(459,418)	2,940,000	1,482,737	7,158,966	542,296 P	7,701,261
BALANCES AT DECEMBER 31, 2025	1,933,306	281,437	185,192	(65,435)	(134,912)	1,003,041	137,720	(459,418)	2,940,000	2,609,794	8,430,725	640,130	9,070,856	
Dividend declaration	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income (loss)	-	-	92,110	-	-	-	-	-	-	129,050	221,159	57,585	278,745	
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional investment of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	
BALANCES AT														
MARCH 31, 2026	P	1,933,306	281,437	277,302	(65,435)	(134,912)	1,003,041	137,720	(459,418)	2,940,000	2,738,843	8,651,885	697,715 P	9,349,600

*The notes are integral part of the Interim Unaudited Consolidated Financial Statements

NOTES TO INTERIM UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**1. Corporate Information and Business Operations****Corporate Information**

MacroAsia Corporation (the Company or MAC), a publicly-listed corporation, was incorporated in the Philippines on February 16, 1970 under the name Infanta Mineral & Industrial Corporation to engage in the business of geological exploration and development. On January 26, 1994, its Articles of Incorporation was amended to change its primary purpose from exploration and development to that of engaging in the business of a holding company, and changed its corporate name to Cobertson Holdings Corporation. On November 6, 1995, the Company's Articles of Incorporation was again amended to change its corporate name to its present name. Under the Revised Corporation Code of the Philippines (RCC), all corporations with certificate of incorporation issued prior to effectivity of RCC, for which MAC falls under, shall have perpetual existence. Its registered office address is at 7th Floor, Ricogen Building, 112 Aguirre Street Legazpi Village, Makati City.

Business Operations

The principal activities of the Parent Company and its subsidiaries (collectively referred to as the "MacroAsia Group", "the Group") are described in Note 4. The Parent Company, through its subsidiaries and associates, is presently engaged in aviation-support businesses at 21 airport locations in the Philippines. It provides in-flight catering services, ground handling services for passenger and cargo aircraft. It also operates/develops the sole economic zone within the NAIA.

Geopolitical Risk – Middle East Conflict

The Group continues to monitor developments relating to the ongoing conflict in the Middle East and assess its potential impact on its operations and financial position. As of March 31, 2026, management has determined that there is limited direct exposure to the Group. However, indirect impacts on certain business segments in the aviation industry may arise from rising fuel prices, which could lead to reduced flight activity and lower demand for aviation support services, including ground handling and airline catering.

Given the evolving nature of the situation, the Group will continue to closely monitor developments and implement appropriate measures, consistent with its risk management policies, to mitigate any potential significant adverse effects.

2. Summary of Material Accounting Policy Information**Basis of Preparation**

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for equity investments held at fair value through other comprehensive income (FVTOCI), which are carried at fair value. The interim condensed consolidated financial statements are presented in Philippine peso (₱), the Parent Company's functional and presentation currency. Amounts are rounded to the nearest thousands unless otherwise indicated.

Statement of Compliance

The interim condensed consolidated financial statements for the period ended March 31, 2026, have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. This does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2025.

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial years, except for the adoption of the following amendments to existing standards effective beginning January 1, 2026. Unless otherwise indicated, adoption of these new standards did not have any impact on the consolidated financial statements of the Group.

- *Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, Disclosures about Uncertainties in the Financial Statements*
- *Amendments to PFRS 9 and PFRS 7, Classification and Measurement of Financial Instruments*
- *Amendments to PFRS 9 and PFRS 7, Contracts Referencing Nature-dependent Electricity*
- *Annual Improvements to PFRS Accounting Standards - Volume 11*
 - Annual Improvements to PFRS Accounting Standards - Volume 11
 - Amendments to PFRS 1, Hedge Accounting by a First-time Adopter
 - Amendments to PFRS 7, Gain or Loss on Derecognition
 - Amendments to PFRS 9, Lessee Derecognition of Lease Liabilities and Transaction Price
 - Amendments to PFRS 10, Determination of a 'De Facto Agent'
 - Amendments to PAS 7, Cost Method
- Philippine Interpretations Committee (PIC) Q&A No. 2025-03 "Accounting for cash received/paid via electronic transfer as settlement for a financial asset/liability"

The PIC released PIC Q&A No. 2025-03 which provides further guidance on the application of amendments coming from the post implementation review of PFRS 9. Specifically, the PIC Q&A touched on when to recognize and derecognize financial assets and financial liabilities arising from electronic transfer as a form of settlement considering the laws and regulations applicable in the Philippines.

This PIC Q&A is effective for annual periods beginning on or after January 1, 2026. The Company is currently assessing any impact of this PIC Q&A to the financial statements.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have

a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2027

- Amendments to PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*

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

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

Management is in the process of assessing the effects of the new requirements on the presentation of and disclosures to the Group's consolidated financial statements.

- PFRS 19, *Subsidiaries without Public Accountability*
- PFRS 18, *Presentation and Disclosure in Financial Statements*

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

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

The Company is currently assessing the impact of adopting PFRS 18 in its financial reporting, including its data collection process.

Deferred effectivity

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

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group, its direct subsidiaries, the subsidiaries of MACS, MAPDC and its subsidiaries BTSI, NWSC, MASCORP, MMC, WBSI, AWSI and its subsidiaries AKESC and SWRI, which were all incorporated in the Philippines and are registered with the Philippine Securities and Exchange Commission (SEC) as of March 31, 2026 (unaudited) and December 31, 2025 (audited).

Entity	Nature of business	Percentage of Ownership by MAC				Percentage of Direct Ownership of Subsidiaries	
		2026		2025		2026	2025
		Direct	Indirect	Direct	Indirect		
MacroAsia Airport Services Corporation (MASCORP)	Ground handling aviation services	80	–	80	–	–	–
Aviation Product Corporation (APC) ⁽²⁾	Aircraft ULD repair services	–	80	–	80	100	100
MacroAsia Catering Services Corporation (MACS)	In-flight and other catering Services	67	–	67	–	–	–
MacroAsia SATS Food Industries (MSFI)	Meal production and food processing	67 ⁽³⁾	–	67	–	– ⁽³⁾	–
MacroAsia SATS Inflight Services Corporation (MSISC)	Meal production and food processing	67 ⁽⁴⁾	–	67	–	– ⁽⁴⁾	–
MacroAsia New Ventures, Inc. (MNVI) ⁽⁵⁾		100	–	100	–	–	–
MacroAsia Air Taxi Services Inc. (MAATS)	Fixed-based operation (FBO)	100	–	100	–	–	–
MacroAsia Properties Development Corporation (MAPDC)	Economic Zone (Ecozone) developer/operator and water supplier	100	–	100	–	–	–
SNV Resources Development Corporation (SNVRDC)	Water treatment and distribution	–	100	–	100	100	100
Boracay Tubi System, Inc. (BTSI)	Water treatment and distribution, and construction of sewage treatment plant	–	67	–	67	67	67
MONAD Water and Sewerage Systems, Inc. (MONAD)	Water sewerage treatment	–	53.6	–	53.6	80	80
New Earth Water System, Inc. (NEWS)	Water projects	–	67	–	67	100	100
Naic Water Supply Corporation (NAWASCOR)	Water distribution	–	100	–	100	100	100
Aqualink Resources Development, Inc. Mabini PangasinanResources Development Corporation (MPRDC)	Water projects	–	51	–	51	51	51
Panay Water Business Resources, Inc. (PWBRI)	Water projects	–	100	–	100	100	100
Watery Business Solutions, Inc. (WBSI)	Water projects	–	90	–	90	90	90
Cavite Business Resources Inc. (CBRI)	Water projects	–	100	–	100	100	100
First Aviation Academy, Inc. (FAA)	Aviation school	51	–	51	–	–	–
Allied Water Services, Inc. (AWSI)	Water projects	100	–	100	–	–	–
AlliedKonsult Eco Solutions Corporation (AKESC)	Water treatment	–	51	–	51	51	51
Cavite Alliedkonsult Services Corporation (CAKSC)	Water treatment	–	51	–	51	100	100
Summa Water Resources Inc. (SWRI)	Water treatment and equipment lease	–	60	–	60	60	60
CSW Lapu-Lapu Inc. (CSWLL)	Bulk potable water supply and water treatment	–	60	–	60	100	100
Poro Point Summa Water Inc. ⁽¹⁾	Water distribution	–	60	–	60	100	100
MacroAsia Mining Corporation (MMC)	Mine exploration, development and operation	100	–	100	–	–	–
MMC Management & Development Corporation	Mine exploration, development and operation	–	100	–	100	100	100
Bulawan Mining Corporation (BUMICO)	Mine operation, development and utilization	–	100	–	100	100	100
Tera Information and Connectivity Solutions, Inc. (TICS) ⁽⁶⁾	Information management and data connectivity	100	–	100	–	–	–

⁽¹⁾ Ownership interest effective January 6, 2025

⁽²⁾ Ownership interest effective February 18, 2025

⁽³⁾ Change in ownership interest starting June 4, 2025

⁽⁴⁾ Change in ownership interest starting June 4, 2025

⁽⁵⁾ Ownership interest effective September 2, 2025

⁽⁶⁾ Change in corporate name to MacroAsia Shared Services Corp. effective April 23, 2026

3. Significant Judgments and Accounting Estimates

The preparation of the consolidated financial statements in accordance with PFRSs requires the Group to exercise judgments, make estimates and use assumptions that affect the

amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on amounts recognized in the consolidated financial statements.

Determination of the Group's functional currency

Judgment is exercised in assessing various factors in determining the functional currency of each entity within the Group. These include the prices of goods and services, competition, cost and expenses, and other factors including the currency in which financing is primarily undertaken.

The Group, based on the relevant economic substance of the underlying circumstances, has determined its functional currency to be Peso. It is the currency of the primary economic environment in which the Group operates. The functional currencies of LTP and JASCO, the Group's associated companies, has been determined to be US\$ and JPY, respectively.

Assessment of control or significant influence over the investee

The Group makes an assessment whether or not it controls an investee by considering all relevant facts and circumstances which indicate that the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A reassessment is made if circumstances indicate that there are changes in these control elements. The Group has significant influence over an investee if it only has the power to participate in the financial and operating policy decisions, but not control or jointly control over the investee. As of March 31, 2026 and December 31, 2025, the Group still determined that it controls its subsidiaries and has significant influence over its associates.

Assessment of operators under Philippine Interpretation IFRIC 12

Management has assessed that memoranda of agreement with the Municipality of Solano, Nueva Vizcaya (Solano) to provide water distribution facilities and with the Municipality of Naic Cavite (Naic) to develop and operate water supply and distributions system are covered by the Philippine Interpretation IFRIC 12. The memoranda of agreement qualify under the intangible asset model with respect to the operation of the waterwork facilities as the Group has the right (license) to charge users of public service.

Classification of leases - the Group as a lessor

The Group has entered into short-term leases, which provide no transfer of ownership to the lessee. The Group has determined that, based on an evaluation of the terms and conditions of the arrangements, it retains all the significant risks and rewards of ownership of these

equipment and accounts for these as operating leases.

Determining the lease term of contracts with renewal and termination options - the Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group included the renewal period as part of the lease term for leases which are renewable at the option of the lessee. The Group typically exercises its option to renew for these leases because of significant permanent improvement introduced in the leased premises. The renewal periods for leases are not included as part of the lease term if option to renew is at lessor's discretion or leases which renewal depends on mutual consent of contracting parties as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Contingencies

The Group, in its normal course of business, is involved in various legal cases and claims. Based on management's assessment, the Group will be able to defend its position on these cases and that the ultimate outcome will not have a significant impact on the Group's consolidated financial statements. Accordingly, no provision has been recognized for these contingencies. LTP, the most significant associate of the Group also assesses the need to recognize the provisions based on the status of the claims.

Estimates and Assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects that period, or in the period of revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustment to the carrying amounts of the Group's assets and liabilities follow.

Allocation of purchase price for the acquired business

The Group accounts for the acquired businesses using the acquisition method which requires extensive use of accounting judgments and estimates to allocate the purchase price to the fair market values of the acquiree's identifiable assets and liabilities and contingent liabilities, if any, at the acquisition date. Any difference in the purchase price and the fair values of the net assets acquired is recorded as either goodwill, a separate account in the consolidated balance sheet, or gain on bargain purchase in profit or loss. Thus, the numerous judgments made in estimating the fair value to be assigned to the acquiree's assets and liabilities can materially affect the Company's financial position and performance. The Group's acquisition of a subsidiary in 2025 and 2023, respectively, has resulted in recognition of gain on bargain purchase amounting to ₱0.2 million and ₱69.7 million, respectively. There are no changes in the provisional fair value used in accounting for the acquisition in 2023 upon finalization of purchase price allocation in 2024.

Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The Group's lease liabilities amounted to ₱950.6 million and ₱961.7 million as of March 31, 2026 and December 31, 2025, respectively.

Provision for expected credit losses

The Group uses a provision matrix to calculate ECLs for financial assets at amortized cost. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analyzed. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

The assessment of the correlation between observed default rates, forecasted economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecasted economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of the customer's actual default in the future.

The Group has a segmentation of its credit risk exposures based on homogeneity of credit risk characteristics and credit risk management policies to identify defaulting customers using observable inputs such as historical loss rates, recoveries and write-offs. The Group has also applied forward-looking information for its overlay through statistical test and corroboration using publicly available information.

The Group's receivables, net of allowance for the expected credit losses of ₱83.2 million and ₱75.4, amounted to ₱2,690.6 million and ₱2,435.9 million as of March 31, 2026 and December 31, 2025, respectively.

Determination of NRV of inventories

The Group estimates the NRV of inventories based on the most reliable evidence available at the time the estimates are made. These estimates consider the fluctuations of prices or costs directly relating to events occurring after the reporting date to the extent that such events affect the value of inventories. Other factors include the age of the inventories and Company's experience on write-off and expirations.

The Group did not identify any factors which indicate inventory obsolescence based on the above discussions. Accordingly, no provision was recognized in 2026, and 2025.

The Group's inventories carried at cost as of March 31, 2026 and December 31, 2025 and amounted to ₱192.5 million and ₱180.2 million, respectively.

Estimating allowances for probable losses on input taxes

The Group estimates the level of provision for probable losses on input taxes based on the experience of the Group and assessment of counsels assisting certain subsidiaries of the Group in processing the claims and negotiating the monetization of input vat from zero-rated sales. As of March 31, 2026 and December 31, 2025, the carrying value of input taxes amounted to ₱625.5 million and ₱658.1 million, respectively. Allowance for probable losses amounted to ₱40.2 million and ₱53.2 million as of March 31, 2026 and December 31, 2025, respectively.

Estimation of useful lives of property and equipment

The Group estimates the useful lives of property, plant and equipment based on the internal technical evaluation and experience with similar assets. In cases where the use of property, plant and equipment is dependent on the grant of certain permits to conduct its business, management considers the probability of renewal of such permits based on past experience. In this situation, useful lives of property, plant and equipment are based on the economic useful lives rather than the currently effective period of the permits. Estimated useful lives are reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical and commercial obsolescence and other limits on the use of the assets. A reduction in the estimated useful lives of property and equipment, would increase depreciation and amortization expense and decrease noncurrent assets.

There was no change in the estimated useful lives of property, plant and equipment in 2026 and 2025.

The carrying value of property and equipment subject to depreciation as of March 31, 2026 and December 31, 2025 amounted to ₱3,027.5 million and ₱2,748.7 million, respectively.

Estimation of useful life of intangible assets acquired as part of business combination

The assigned useful lives of intangible assets acquired as part of business combination are estimated based on the period over which the asset is expected to be available for use. Such estimation is based on collective assessment of similar businesses, internal evaluation and experience with similar assets. Further, management considers the probability of renewal of certain permits and the cost and efforts in renewing such permits based on past experience. The useful life of each asset is reviewed at each financial year and updated if expectations differ from previous estimates due to technical or commercial obsolescence and legal or other limits on the use of the asset. There were no changes in the estimated useful lives of water service contract and customer contract and relationships, while water rights are assessed to have indefinite useful life considering that the water permits remain valid for as long as water is beneficially used.

The total carrying value of the customer contract and relationships, water service contract, and the right-to-use of water permits amounted to ₱230.6 million and ₱232.0 million as of March 31, 2026 and December 31, 2025.

Determination of impairment indicators and impairment testing of nonfinancial assets

A. Nonfinancial assets other than goodwill and intangible assets with indefinite life

The Group assesses at each reporting date whether there is any indication that its nonfinancial assets other than goodwill and intangible assets with indefinite life (i.e., investments in associates, property, plant and equipment, right-of-use assets, investment property, service concession right, intangible assets, deferred project costs, deferred mine exploration costs) may be impaired. Also, the Group assesses whether facts and circumstances suggest that carrying amount of deferred mine exploration costs may exceed its recoverable amount. The factors that the Group considers important which could trigger an impairment review included the following, among others:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the overall business strategy; and,
- significant negative industry or economic trends.

If such indication exists, the Group performs impairment testing to estimate the recoverable amount of the related asset.

The carrying values of the nonfinancial assets are as follows:

	2026	2025
Investments in associates	₱3,977,708,820	₱3,806,564,227
Property, plant and equipment	3,868,804,093	3,589,688,776
Right-of-use assets	795,195,334	809,052,471
Investment property	143,852,303	143,852,303
Service concession right	440,380,911	438,336,998
Water Rights	117,799,093	118,296,719

Water service contract	72,264,350	72,264,350
Customer contract and relationships	40,558,651	41,406,252
Deferred project costs	42,783,267	42,783,267
Deferred mine exploration costs	256,133,717	256,133,717

Service concession right

SNVRDC has been operating at a loss since the start of its commercial operation. This is an indicator that the service concession right may be impaired.

For the purpose of impairment testing of SNVRDC's service concession right, recoverable amount is determined based on the value-in-use using cash flow projections based on financial budgets as approved by management covering 17 years of projections, co-terminus to the term of the concession agreement with the Municipality of Solano. The projected cash flows are based on expectations of future outcomes considering past experience, adjusted for anticipated revenue growth based on management's future plans. The discount rate is a pre-tax measure based on the weighted average cost of capital (WACC), which is estimated using the capital asset pricing model (CAPM). The WACC is determined by reference to market data from listed entities with similar asset profiles or comparable risk characteristics.

Based on the latest impairment test, the recoverable amount of the service concession right exceeds its carrying value. Management believes that any reasonable possible change in any of the assumptions used would not cause the carrying value to exceed its recoverable amount.

The carrying value of the service concession right subjected to impairment testing amounted to ₱217.6 million and ₱221.4 million as of March 31, 2026 and December 31, 2025, respectively.

Impairment of deferred mine exploration costs

The recovery of deferred mine exploration costs depends upon the success of exploration activities and future development of the mining properties, as well as the discovery of recoverable reserves in quantities that can be commercially produced.

As of March 31, 2026, MMC has not started its mining activities. The mining operation was delayed from the original plan since Declaration of Mining Project Feasibility (DMPF) was only received from Mines and Geosciences Bureau (MGB) in January 2026. As a result, management performed the impairment analysis on its deferred mine exploration costs. For the purpose of impairment testing, recoverable amount is determined based on the value-in-use using cash flow projections based on financial budgets as approved by management. The projected cash flows are based on expectations of future outcomes based on management's plans. The discount rate is a pre-tax measure based on the weighted average cost of capital (WACC), which is estimated using the capital asset pricing model (CAPM). The WACC is determined by reference to market data from listed entities with similar asset profiles or comparable risk characteristics.

The carrying value of deferred mine exploration cost amounted to ₱256.1 million as of March 31, 2026 and December 31, 2025.

Impairment of water service contract not yet available for use

As of date, CSWLL has revised the timeline for the commencement of commercial operation for its bulk water supply and distribution activities, thus, management has performed the impairment analysis on the recoverability of the water service contract not yet available for use. For the purpose of impairment testing, recoverable amount is determined based on the value-in-use using cash flow projections based on financial budgets as approved by management. The projected cash flows are based on expectations of future outcomes based on management's future plans. The discount rate is a pre-tax measure based on the weighted average cost of capital (WACC) of listed entities with similar assets or similar in terms of potential risk.

The carrying value of water service contract amounted to ₱72.3 million as of March 31, 2026, and December 31, 2025.

Investment in LTP

The Group has yet to finalize, as of December 31, 2025, an extended lease agreement on the lease of the ecozone where LTP is located. As of March 26, 2026, the discussions of the key terms for the lease are still ongoing. The uncertainty surrounding the lease renewal and the impact of the significant increase in rental rates on LTP's financial performance are considered impairment indicators, thus, management performed an impairment analysis on the recoverability of the investment.

For the purpose of impairment testing, recoverable amount is determined based on the value-in-use using cash flow projections based on financial budgets based on forecasted revenue, forecasted workload and fleet count, operational costs, and operating expenses. Past experiences and current market conditions are also considered in this assessment. The discount rate is a pre-tax measure based on the weighted average cost of capital of listed entities with similar assets or similar in terms of potential risk.

Based on the impairment test, the recoverable amount of the investment in LTP exceeds its carrying value.

Goodwill and intangible assets with indefinite life

For goodwill and intangible assets with indefinite useful life, the Group performs impairment testing at least on an annual basis or more frequently, if events or changes in circumstances indicate that these may be impaired. For the purpose of impairment testing, goodwill has been allocated to BTSI group, NAWASCOR, SWRI and MACS in 2026 and 2025 as the cash generating units.

The recoverable amounts of the cash-generating units have been determined based on a value-in-use calculation using cash flow projections based on financial budgets as approved by management covering five years of projections. The projected cash flows are based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth based on management's future plans. Cash flows beyond the forecast period are extrapolated into perpetuity, assuming four percent (4%) growth rate for impairment test purposes. The discount rate is a pre-tax measure based on the WACC of listed entities with similar assets or similar in terms of potential risk.

The carrying value of goodwill subjected to impairment testing amounted to ₱127.8 million as of March 31, 2026 and December 31, 2025.

The carrying value of the right to use asset amounted to ₱117.8 million ₱118.3 million as of March 31, 2026 and December 31, 2025, respectively.

Management believes that no reasonably possible change in any of the assumptions used would cause the carrying values of the goodwill and right-to-use asset to exceed their recoverable amounts. Based on management's assessment, the recoverable amounts of these assets are higher than their carrying values, thus no impairment loss was recognized in 2026 and 2025.

Estimation of retirement benefits costs and obligation, and accumulating leave credits

The cost of defined benefit pension plans, as well as the present value of the pension obligation is, determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates and future salary increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All significant assumptions are reviewed at each reporting date. The calculation of accumulating leave credits follows the same assumptions as the defined benefit costs.

In determining the appropriate discount rate, management considers the interest rates of government bonds, adjusted to zero coupon rates, with term consistent with the obligation of the plan.

Accrued retirement and other employee benefits payable amounted to ₱208.2 million and ₱200.7 million as of March 31, 2026 and December 31, 2025, respectively. Pension asset amounted to ₱7.7 and ₱7.7 million as of March 31, 2026 and December 31, 2025, respectively, and is included under "Other noncurrent assets" account.

Recognition of deferred income tax assets

The Group reviews the carrying amounts of deferred income tax assets (gross of deferred income tax liabilities) at each reporting date and adjusts the balance of deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. The determination of future taxable income, which will establish the amount of deferred income tax assets that can be recognized, requires the estimation and use of assumptions about the Group's future income and timing of reversal of temporary differences, unused NOLCO and excess MCIT over RCIT.

Deferred income tax assets recognized, which relate primarily to operating subsidiaries, amounted to ₱169.4 million as of March 31, 2026 and December 31, 2025, respectively. The Group also has unrecognized deferred income taxes primarily on the non-operating subsidiaries' temporary differences, NOLCO and MCIT.

4. Segment Information

The Group's operating businesses are organized and managed separately according to the nature of the aviation-support services provided by the subsidiaries, mining-related activities, water-related projects, and ICT services which is the basis on which the Group reports its primary segment information. The Group also monitors its share in the results of operations of its associates (LTP, CPCS, JASCO and MJFSC) that are accounted for using the equity method.

The operations of Group's segments are described as follows:

- In-flight and other catering segment, which is operated by MACS and its subsidiaries, and through the Company's interest in CPCS, refers to servicing of meal requirements of certain foreign and domestic passenger airlines, as well as certain passenger terminal lounges at the NAIA and the MDA, and of certain non-airline institutional accounts. In 2025, the Company through a wholly-owned subsidiary, acquired 49% ownership in MJFSC, a commissary in Cebu serving institutional accounts.
- Ground handling and aviation segment, which is operated by MASCORP and MAATS, refers to both ramp and passenger handling and aviation services to foreign airlines and domestic carriers at NAIA, MClA, KIA, Davao International Airport, Tuguegarao Airport and Clark International Airport. In 2019, the Company acquired 30% ownership in JASCO, a ground handling and aviation service company operating in Japan.
- Maintenance, repairs and overhaul (MRO), which is operated through the Company's interest in LTP, pertains to rendering of MRO services of Airbus and Boeing aircraft for certain airlines.
- Water treatment and distribution segment, which is operated through SNVRDC, BTSI, NAWASCOR and SWRI. The Group has on-going water-related projects which pertain to the development (e.g., studies, surveys) and construction of water-treatment facilities activities, which are undertaken by MAPDC and its other subsidiaries. The Group, through BTSI, is also engaged in the construction, operation and maintenance of sewage treatment facilities.
- ICT segment or Information, Connectivity and Technology Solutions services, operated through TERA now MSSC, refers to service offerings which encompasses information management, data connectivity, radio trunking, shared and managed services.
- Administrative segment, which is primarily operated through MAPDC, refers to the sub-lease of the MacroAsia Ecozone at NAIA, which MAPDC leases from Manila International Airport Authority (MIAA) with LTP as the anchor locator.
- Mining segment, which is operated through MMC, refers to mining-related activities of the Group. This segment refers to revenues and expenditures for exploration activities and rendering of exploration-related services.

Segment assets include the operating assets used by a segment and consist principally of cash and cash equivalents, receivables, inventories, other current assets, and property, plant and equipment, net investment in the lease, and right-of-use assets, net of allowances, depreciation and amortization and any impairment in value. Segment liabilities include all operating liabilities and consist principally of notes payable, accounts payable and accrued liabilities and lease liabilities. Segment assets and liabilities do not include deferred income tax. Segment results pertain to operating income.

Financial information on the Group's business segments as of and for the period ended March 31, 2026 and 2025 are as follows:

(In Thousand Pesos)

	January to March	
	2026	2025
REVENUE – External		
In-flight and other catering	1,305,055	1,146,663
Ground handling and aviation	1,110,935	998,992
Rental and administrative	13,661	13,696
Aviation training fee	21,065	21,636
Water	174,915	171,593
Exploratory drilling fees	-	-
Connectivity and technology services	-	-
Total segment and consolidated revenue	2,625,629	2,352,579
RESULT – Segment result		
In-flight and other catering services	231,206	176,315
Ground handling and aviation	30,646	61,275
Rental and administrative services	(20,653)	(13,900)
Charter flights service	(421)	995
Aviation training	(3,821)	(6,492)
Water	13,065	9,350
Mining	(3,732)	(2,325)
Connectivity and technology services	(3,479)	(1,854)
Share in net income (loss) of associates	79,035	245,935
Total segment results	321,845	469,300
Unallocated corporate income (expenses) and eliminations	(72,289)	(49,335)
Provision for income tax	(62,922)	(57,519)
Consolidated net income (loss)	186,635	362,446

(In Thousand Pesos)

	Mar-26	Dec-25
OTHER INFORMATION		
Segment assets		
In-flight and other catering services	3,392,683	3,142,706
Ground handling and aviation	2,098,087	2,104,845
Rental and administrative services	1,682,339	1,971,214
Charter flights service	49,600	48,229
Investment in associates	3,977,709	3,806,564
Aviation training	196,144	208,971
Water	4,292,374	4,294,293
Mining	327,657	300,964
Total segment assets	16,016,592	15,877,786
Investment property	143,852	143,852
Deferred tax asset	112,189	114,550
Unallocated corporate assets and eliminations	876,109	437,725
Consolidated total assets	17,148,742	16,573,914

Segment liabilities

In-flight and other catering services	1,998,946	1,894,838
Ground handling and aviation	2,584,471	2,596,846
Rental and administrative services	1,890,263	2,163,438
Aviation training	421,854	430,898
Charter flights service	19,845	18,036
Water-related projects	3,416,404	3,434,660
Mining	159,038	128,612
Total segment liabilities	10,490,822	10,667,328
Deferred tax liabilities	93,401	94,683
Unallocated corporate liabilities and eliminations	(2,785,080)	(3,258,869)
Consolidated total liabilities	7,799,142	7,503,142

Capital expenditures

	January to March	
	2026	2025
In-flight catering services	57,305	11,481
Ground handling and aviation	8,008	29,251
Rental and administrative services	14	800
Charter flights service	101	2,194
Aviation training	814	193
Water	290,743	45,134
Mining	0	-
Unallocated corporate capital expenditures	10,019	5,547
Total	356,985	94,601

Depreciation & amortization

In-flight catering services	26,635	22,480
Ground handling and aviation	31,895	23,364
Rental and administrative services	6,225	5,649
Charter flights service	125	15
Aviation training	4,116	3,827
Water-related projects	26,832	26,213
Mining	31	13
Unallocated corporate depreciation and amortization	10,145	11,874
Total	106,003	93,436

Non cash expenses other than depreciation & amortization

In-flight catering services	887	430
Ground handling and aviation services	7,301	-2,362
	8,189	-1,932

5. Input taxes and other current assets

	2026	2025
Input taxes - net	₱571,933,860	₱607,593,769
Creditable withholding taxes	359,692,038	353,024,405
Prepayments	120,447,666	37,075,970
Supplies	75,500,572	64,179,097
Advances to suppliers	111,118,856	92,799,880
Other current assets	20,553,544	20,477,163
	₱1,259,246,536	₱ 1,175,150,284

Input taxes represent VAT paid on purchases of goods and services that can be recovered as tax refund/credit from the Bureau of Internal Revenue (BIR) or the Bureau of Customs.

Advances to suppliers pertains mainly to advances for acquisition of fixed assets.

Others mainly consist of prepaid insurance, rent and utilities that are individually immaterial.

6. Notes Payable and Long-Term Debts

		2026		2025
Notes payable	P	1,085,000,000	P	485,000,000
Current portion of loans payable		264,785,089		249,855,488
Current loans payable	P	1,349,785,089	P	734,855,488
Long Term Debts	P	2,134,698,757	P	2,050,267,035
Capitalisable transaction cost		(1,846,008)		(1,846,006)
Loans payable - net of current portion	P	2,132,852,749	P	2,048,421,029

The aforementioned notes payable and long-term debts are obtained from local banks.

In the current year, MSFI secured a nine-year term loan agreement amounting to ₱170.0 million to finance the expansion of its existing commissary. The loan principal is payable in equal quarterly installments following a 30-month grace period, while interest is payable quarterly at a rate of 6.70%, subject to re-pricing. In addition, MAC secured short-term loans amounting to ₱300.0 million and ₱300.0 million for general corporate requirements. The loan principal is payable upon maturity, while interest is payable quarterly and monthly, respectively at a rate of 6.0% subject to quarterly repricing and fixed rate of 5.75%, respectively.

7. Revenue

	2026	2025
Gross service revenue	₱2,682,775,729	₱2,376,374,784
Less discounts	(57,146,320)	(23,795,901)
	₱2,625,629,409	₱2,352,578,883

Disaggregated Revenue Information

The Group derives its revenue from transfer of goods and services over time and at a point in time, in different product types and within the Philippines.

Set out below are the disaggregation of the Group's revenue and the reconciliation of the revenue from contracts with customers with the amounts disclosed in segment information.

2026

	In-flight and Other Catering*	Ground Handling and Aviation	Rental and administrative*	Water Treatment and Distribution*	Mining	ICT Services	Total
<i>Services</i>							
Inflight and other catering	₱858,971,074	₱-	₱-	₱-	₱-	₱-	₱858,971,074
Passenger and ramp services	-	1,005,437,758	-	-	-	-	1,005,437,758
Cargo handling	-	90,612,451	-	-	-	-	90,612,451
Water distribution	-	-	-	171,825,194	-	-	171,825,194
Operation and maintenance of STP	-	-	-	3,089,422	-	-	3,089,422
Rental and administrative fees	-	-	13,660,682	-	-	-	13,660,682
Others	415,513,116	35,949,081	-	-	-	-	451,462,197
	1,274,484,189	1,131,999,291	13,660,682	174,914,616	-	-	2,595,058,779
<i>Goods</i>							
Beverages and dry goods	30,570,631	-	-	-	-	-	30,570,631
Total	₱1,305,054,820	₱1,131,999,291	₱13,660,682	₱174,914,616	₱-	₱-	₱2,625,629,409

2025

	In-flight and Other Catering*	Ground Handling and Aviation	Rental and administrative*	Water Treatment and Distribution*	Mining	ICT Services	Total
<i>Services</i>							
Inflight and other catering	₱745,590,318	₱-	₱-	₱-	₱-	₱-	₱745,590,318
Passenger and ramp services	-	900,053,787	-	-	-	-	900,053,787
Cargo handling	-	98,937,719	-	-	-	-	98,937,719
Water distribution	-	-	-	168,316,496	-	-	168,316,496
Operation and maintenance of STP	-	-	-	3,276,185	-	-	3,276,185
Rental and administrative fees	-	-	13,695,532	-	-	-	13,695,532
Others	376,926,225	21,635,817	-	-	-	-	398,562,042
	1,122,516,543	1,020,627,322	13,695,532	171,592,681	-	-	2,328,432,078
<i>Goods</i>							
Beverages and dry goods	24,146,804	-	-	-	-	-	24,146,804
Total	₱1,146,663,348	₱1,020,627,322	₱13,695,532	₱171,592,681	₱-	₱-	₱2,352,578,883

8. Basic/Diluted Earnings per Share

Basic/diluted earnings per share are computed as follows:

<i>(In thousand pesos except earnings per share)</i>	Mar-26	Dec-25	Mar-25
Net income attributable to equity holders of the parent	129,050	1,440,966	313,910
Divided by weighted average number of common shares	1,890,958	1,890,958	1,890,958
	0.068	0.762	0.166

9. Equity

a. Restriction on retained earnings of the Group

The retained earnings as of March 31 is restricted for dividend declaration for the portion equivalent to the following:

- Undistributed earnings of subsidiaries and equity in net earnings of associates amounting to ₱3,143.3 million and ₱2,799.0 million as of March 31, 2026 and December 31, 2025, respectively.
- Cost of treasury shares amounting to ₱459.4 million as of March 31, 2026 and December 31, 2025.

b. Appropriation of retained earnings

Appropriated retained earnings as of March 31, 2026 and December 31, 2025 amounted to ₱2,940.0 million.

On March 27, 2025, the Parent Company's BOD approved the reversal of outstanding appropriation amounting to ₱850.0 million. On the same date, the BOD approved the appropriation of retained earnings amounting to ₱2,830.0 million for ecozone development, commissary expansion and other acquisition-related projects ranging from two to three years from 2024.

As of December 31, 2024 and 2023, the Parent Company's retained earnings include appropriated amounts of ₱850.0 million for various projects. These were originally approved for appropriation in 2019.

On November 16, 2023, MSISC's BOD approved the appropriation from unrestricted retained earnings the amount of ₱110.0 million for the purpose of funding various capital expenditures.

c. Cash dividends declared by the Parent Company from the unappropriated retained earnings are as follows:

<u>Date Approved</u>	<u>Per share</u>	<u>Stockholder of Record Date</u>	<u>Date of Payment</u>
March 27, 2025	₱0.011	April 25, 2025	May 21, 2025
March 21, 2024	₱0.010	April 19, 2024	May 16, 2024
March 23, 2023	₱0.050	April 21, 2023	May 18, 2023

d. Treasury stock

On July 16, 2010, the BOD approved the Share Buyback Program (the Program) involving a total cash outlay of ₱50.0 million for the repurchase of the outstanding common shares of the Parent Company from the market, using the trading facilities of the Philippine Stock Exchange (PSE). The Program will not involve any active or widespread solicitation for stockholders to sell. Repurchase of shares of stock will be done during the period of the Program at such prices perceived by the Parent Company to be lower than the inherent value of the share. The Program will run until the ₱50.0 million authorized cash outlay is fully utilized or until such time that the BOD may direct, subject to appropriate disclosures to the PSE and the SEC.

On June 15 2017, the Board of Directors of MacroAsia Corporation approved to allot ₱210.0 million to buy back shares of MacroAsia Corporation at market price. The mechanics of which shall be similar to the ₱50.0 million buyback program implemented in 2010. The Program commenced on June 20, 2017 and will run until the ₱210.0 million authorized cash outlay is fully utilized, or until such time that the Board of Directors of MacroAsia may direct, subject to appropriate disclosures to the PSE and the SEC.

On March 14, 2019, the Board of Directors approved ₱200.0 million additional funding to the 2017 Share Buyback Program.

On March 6, 2020, the Board of Directors approved another ₱200.0 million additional funding to the 2017 Share Buyback Program.

As of March 31, 2026 and December 31, 2025, the Parent Company's cost and number of shares held in treasury are as follows:

	2026	2025
Cost	₱459,418,212	₱459,418,212
Number of shares held in treasury	42,347,600	42,347,600

Movement in the Parent Company's outstanding shares follows:

	Issued	Treasury	Outstanding
As of December 31, 2010	1,250,000,000	(2,985,000)	1,247,015,000
Acquisition of treasury shares in 2011	-	(7,486,000)	(7,486,000)
As of December 31, 2011	1,250,000,000	(10,471,000)	1,239,529,000
Acquisition of treasury shares in 2012	-	(6,125,000)	(6,125,000)
As of December 31, 2012	1,250,000,000	(16,596,000)	1,233,404,000
Acquisition of treasury shares in 2013	-	(6,249,600)	(6,249,600)
As of December 31, 2013, 2014, 2015, 2016 and 2017	1,250,000,000	(22,845,600)	1,227,154,400
Stock dividend declaration	368,146,293	-	368,146,293
Acquisition of treasury shares in 2018	-	(3,949,100)	(3,949,100)
As of December 31, 2018	1,618,146,293	(26,794,700)	1,591,351,593
Acquisition of treasury shares in 2019	-	(12,845,600)	(12,845,600)
As of December 31, 2019	1,618,146,293	(39,640,300)	1,578,505,993
Acquisition of treasury shares in 2020	-	(2,707,300)	(2,707,300)
Stock dividend declaration	315,159,630	-	315,159,630
As of March 31, 2026 and December 31, 2025, 2024, 2023, 2022, 2021 and 2020	1,933,305,923	(42,347,600)	1,890,958,323

e. Track record of registration of securities

On August 30, 1974, the SEC authorized the registration and licensing of the Parent Company's securities with total par value of ₱20.0 million divided into 2,000,000,000 shares with a par value of ₱0.01 per share.

On December 10, 1993, the Company amended its articles of incorporation, increasing the par value of its shares from ₱0.01 per share to ₱1.00 per share.

On March 22, 2000, the Philippine Stock Exchange, Inc. authorized to list the Parent Company's 750,000,000 shares, with a par value of ₱1.00 per share and 500,000,000 warrants divided into the following:

- i. 250,000,000 shares to cover the 1:4 stock rights offering to stockholders of record as of April 12, 2000 at an offer price of ₱2.00 per share;
- ii. 500,000,000 warrants to cover the 2:1 warrants offering attached to and detachable from the rights shares at a subscription price of ₱0.10 per warrant; and
- iii. 500,000,000 shares to cover the underlying shares of warrants at an exercise price of ₱6.00 per share. Actual listing of the underlying common shares of the warrants shall take effect upon the exercise of the warrants.
- iv. All warrants expired in 2005.

MAC's shares are listed and traded at the Philippine Stock Exchange, Inc. and it has approximately 853 holders of its common equity as of March 31, 2026, and 852 as of December 31, 2025.

f. Cash dividends received by non-controlling interest are as follows:

Entity	Date Declared	Amount	Per share	Dividends attributable to non-controlling interest (SATS)
MSIS	December 12, 2025	₱100,000,000	₱100.0	₱33,000,000
MACS	September 10, 2025	50,000,000	40.0	16,500,000
MACS	September 10, 2025	150,000,000	150.0	49,500,000
MACS	March 13, 2024	70,000,000	56.0	23,100,000
MACS	December 27, 2019	80,000,000	64.0	26,400,000
MACS	December 6, 2018	75,000,000	60.0	24,750,000
MACS	November 28, 2017	70,000,000	56.0	23,100,000
MACS	December 8, 2016	50,000,000	40.0	16,500,000

- g. On December 12, 2025, the MSIS BOD approved dividend declaration of ₱100.0 million. On September 10, 2025, the MACS and MSIS BOD approved dividend distribution amounting to ₱50.0 million and ₱150.0 million, respectively. On March 13, 2024, the MACS BOD approved the distribution of cash dividends totaling ₱70.0 million to MAC and SATS. These dividends were paid in installments on April 2, May 31, and August 9 of the same year. Additionally, during the regular MACS BOD meeting held on September 12, 2024, it was approved that MACS investments in subsidiaries, MSIS and MSFI, would be declared and distributed as property dividends. This declaration of property dividends is part of the restructuring of MAC's food business segment (the Food Group) wherein MSFI is planned to be the

Parent Company of the Food Group replacing the Company. MACS and MSISC will be fully owned subsidiaries of MSFI.

As of March 31, 2026 and December 31, 2025, ₱10.5 million, remained outstanding and presented as “Dividends payable” in the consolidated balance sheets.

h. Acquisition of non-controlling interest

The sale of 250,001 shares representing 20% of the total issued and outstanding capital stock of MASCORP to Konoike amounting to ₱1.1 billion (JPY 2.3 billion) was accounted for as a sale of share in subsidiary without loss of control, thus an equity transaction. The excess of consideration received over the carrying amount of the non-controlling interests amounted to ₱886.8 million, which is presented as part of “Other reserves” in the equity section of the consolidated balance sheets.

In December 2015, MAPDC entered into a share purchase agreement with a third party wherein WBSI shall be owned by MAPDC and the third party at 51% and 49%, respectively. The transaction was accounted for as a sale of share in subsidiary without loss of control; thus an equity transaction. The excess of consideration received over the Company amount of the non-controlling interests amounted to ₱24.3 million, which is presented as part of “Other reserves” in the equity section of the balance sheets.

In August 2020, a third party has entered into a deed of absolute sale of shares wherein WBSI shall now be fully owned by MAPDC. The transaction between parent and non-controlling interest is accounted for as an equity transaction. The excess of consideration paid over the Company amount of the non-controlling interests amounted to ₱27.0 million, which is presented as reduction to “Other reserves” in the equity section of the 2020 consolidated balance sheets.

In July 2015, the Company signed a Sale and Purchase Agreement with SATS to sell 162,500 shares representing 13% of the total issued and outstanding capital stock of MACS. After the sale, MACS is 33% owned by SATS. The excess of consideration received over the carrying amount of the non-controlling interests amounted to ₱119.0 million, which is presented as part of “Other reserves” in the equity section of the balance sheets.

10. Capital Management

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders and repurchase or issue new shares. The Group is not subject to externally imposed capital requirements as of March 31, 2026 and December 31, 2025. Further, no changes were made in the objectives, policies

or processes for the period ended December 31, 2025 and for the three-month period ended March 31, 2026.

The Group monitors capital vis-à-vis after-tax profit. The Group also monitors the equity ratio. Equity considered by the Group is total equity in the consolidated balance sheets, excluding items arising from other comprehensive income. The return on equity ratio is computed by dividing the after-tax profit by total capital.

The following summarizes the total capital considered by the Group and the computation of the return on equity:

	31-Mar-26	31-Dec-25	31-Mar-25
Capital stock	1,933,305,923	1,933,305,923	1,933,305,923
Additional paid in capital	281,437,118	281,437,118	281,437,118
Treasury shares	(459,418,212)	(459,418,212)	(459,418,212)
Retained earnings	5,678,843,464	5,549,793,832	4,422,737,159
	7,434,168,293	7,305,118,661	6,178,061,988
Net income/(loss) after tax	186,634,873	1,607,391,302	362,446,389
Return on equity	2.51%	22.00%	5.87%

11. Financial Risk Management Objectives and Policies

Risk Management Structure

Audit Committee

The Committee performs oversight role on financial management functions especially in the areas of managing credit, market, liquidity, operational, legal and other risks of the Group.

Risk Management Committee

The Committee assists the BOD in identifying and assessing the various risks to which the Group is exposed to. The Committee also ensures that the Group's management has implemented a process to identify, manage and report on the risks that might prevent the Group from achieving its strategic objectives.

Board of Directors

The BOD is responsible for the overall risk management approach and for approval of risk strategies and principles of the Group.

Financial Risk Management

The Group's principal financial instruments are comprised of cash and cash equivalents and some external liabilities which were availed of primarily to fund operations. The Group has other financial assets and financial liabilities such as trade receivables and payables which arise directly from operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk, interest rate risk and liquidity risk. The BOD reviews and approves policies for managing these risks and they are summarized as follows:

Foreign currency risk

The Group's transactional currency exposure arises from sales in currencies other than its functional currency and retaining its cash substantially in currency other than its functional currency. Approximately 65% of MACS' and 13% of MASCORP's revenue are denominated in US\$ as of March 31, 2026. In addition, the Group closely monitors the foreign exchange rates fluctuations and regularly assesses the impact of future foreign exchange movements on its operations.

The following table demonstrates the impact on the Group's income before income tax and equity of reasonably possible changes in the US\$, with all other variables held constant:

<i>(in millions)</i>	Movement in US\$	Increase (decrease) on Income/Loss before Income Tax US\$
2026	Increase of 5%	23.1
	Decrease of 5%	(23.1)
2025	Increase of 5%	22.4
	Decrease of 5%	(22.4)
2024	Increase of 5%	21.3
	Decrease of 5%	(21.3)

Credit and concentration risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties failed to discharge their contractual obligations under a financial instrument or customer contract, leading to a financial loss. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The Group trades only with related parties and duly evaluated and approved creditworthy third parties. It is the Group's policy that all customers and counterparties that wish to trade with the Group, particularly on credit terms, are subjected to credit verification procedures. In addition, receivable balances are monitored on a continuous basis. The Group has major concentration of credit risk given that the majority of the Group's cash and cash equivalents are deposited in the local affiliated bank and major customers of MASCORP and MSISC include PAL and APC. Management assessed and believes that the carrying amount of the trade receivable from related parties are collectible and that the Group is not exposed to any significant risk since these companies are related parties. Further, the local affiliated bank is one of the country's reputable banks.

With respect to credit risk arising from financial assets, the Group's exposure arises from default of the counterparty, with a maximum exposure equal to the carrying values of these instruments. The Group only deals with financial institutions that have been approved by the BOD of the Company and those of its subsidiaries. The Group does not require any collateral and other credit enhancements. Consequently, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses (ECL). The provision

rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance).

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- a. *Probability of default (PD)* is an estimate of the likelihood of default over a given time horizon.
- b. *Exposure at default (EAD)* is an estimate of the exposure at a future default date taking into account expected changes in the exposure after the reporting date.
- c. *Loss given default (LGD)* is an estimate of the loss arising in the case where a default occurs at a given time.

For cash in bank, the Group applies the low credit risk simplification where the Group measures the ECLs on a 12-month basis based on the probability of default and loss given default which are publicly available. The Group also evaluates the credit rating of the bank and other financial institutions to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

For trade and other receivables, an impairment analysis is performed at each reporting date using a provision matrix, however for customers with significant increase in risks of default general approach is used to measure ECLs. The provision rates are based on days past due for groupings of customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. On the other hand, for general approach, we determine the cash shortfall for the difference between the average monthly collection and the average current monthly service billing. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

In its ECL models, the Group relies on a broad range of forward-looking information as economic inputs, such as:

- Gross Domestic Product (GDP) growth rates
- Unemployment rates
- Inflation rates
- Interest rates
- Foreign currency exchange rates

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material. Based on the Group's credit risk experience, expected credit loss rate increases as the age of the receivables increase.

The tables below show the credit quality of the Group's financial assets and an aging analysis of past due but not impaired financial assets.

March 31, 2026	Neither Past Due Nor Impaired	Past Due but not Impaired				ECL	Total, net of ECL
		Les than 30 Days	30 to 60 Days	61 to 90 Days	Over 90 Days		
<i>Financial assets:</i>							
Cash in bank	2,113,436,970	-	-	-	-	-	2,113,436,970
Trade receivables	834,000,487	687,813,714	99,326,391	185,224,394	545,318,695	(83,230,471)	2,268,453,209
Advances to officers and employees	27,767,317	-	-	-	-	-	27,767,317
Interest receivable	4,254,449	-	-	-	-	-	4,254,449
Other receivables	374,110,666	-	-	-	-	-	374,110,666
Non-Trade	124,800,779	-	-	-	-	-	124,800,779
Deposits	91,212,892	-	-	-	-	-	91,212,892
Contract assets	29,535,718	-	-	-	-	-	29,535,718
Installment receivables	15,402,141	-	-	-	-	-	15,402,141
Finance lease receivable	10,137,079	-	-	-	-	-	10,137,079
	3,624,658,497	687,813,714	99,326,391	185,224,394	545,318,695	(83,230,471)	5,059,111,219

*Exclusive of cash on hand amounting to P4,490,310 as of March 31, 2026.

December 31, 2025	Neither Past Due Nor Impaired	Past Due but not Impaired				ECL	Total, net of ECL
		Les than 30 Days	30 to 60 Days	61 to 90 Days	Over 90 Days		
<i>Financial assets:</i>							
Cash in bank	2,465,210,107	-	-	-	-	-	2,465,210,107
Trade receivables	1,127,161,374	321,393,415	202,844,281	131,579,831	362,642,656	(75,360,333)	2,070,261,224
Advances to officers and employees	22,454,096	-	-	-	-	-	22,454,096
Interest receivable	4,254,449	-	-	-	-	-	4,254,449
Other receivables	202,602,496	-	-	-	-	-	202,602,496
Non-Trade	120,257,215	-	-	-	-	-	120,257,215
Deposits	76,341,191	-	-	-	-	-	76,341,191
Contract assets	33,089,872	-	-	-	-	-	33,089,872
Installment receivables	15,402,141	-	-	-	-	-	15,402,141
Finance lease receivable	10,912,585	-	-	-	-	-	10,912,585
	4,077,685,526	321,393,415	202,844,281	131,579,831	362,642,656	(75,360,333)	5,020,785,376

*Exclusive of cash on hand amounting to P5,407,660 as of December 31, 2025.

Impairment assessment

The main considerations for impairment assessment include whether any payments are overdue or if there are any known difficulties in the cash flows of the counterparties. The Group assesses impairment on an individual account basis for all stage 3 assets, regardless of the class of financial assets. Stage 1 and stage 2 assets are assessed on a collective basis.

Items considered when determining allowance amounts include the sustainability of the counterparty's business plan, its ability to improve performance once a financial difficulty has arisen, projected receipts and the expected dividend payout should bankruptcy ensue, the availability of other financial support and the realizable value of collateral, and the timing of the expected cash flows. The impairment losses are evaluated at each reporting date, unless unforeseen circumstances require more careful attention even at interim.

Credit quality per class of financial assets

The credit quality of financial assets is managed by the Group using internal credit ratings. The Group considers its cash and cash equivalents (including restricted cash investment) as high grade since these are placed in financial institutions of high credit standing. Accordingly,

ECLs relating to cash and cash equivalents rounds to zero. The Group considers its dividend receivables as high grade as these are due from an associate who has strong capacity to pay; thus, LGD is considered low and no ECL is recognized. The Group considers its advances to officers and employees as standard grade as collectability is assured through salary deduction. Accordingly, the LGD is considered low; thus, no ECLs are recognized on the advances to employees.

Interest rate risk

The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's notes payable with floating interest rates. The Group has a practice of keeping its interest-bearing liabilities to third parties within a threshold that can be serviced through operating cash flows.

Management closely monitors the behavior of interest rates to ensure that cash flow interest rate risk is kept within management's tolerable level. Finally, interest-bearing liabilities are ordinarily incurred on a short-term basis only.

The following table sets forth the estimated change in the Group's income before income tax (through the impact on the variable rate borrowings) due to parallel challenges in the interest rate curve in terms of basis points (bp) as of March 31, 2026, with all other variables held constant. There is no other impact on the Group's equity other than those already affecting the consolidated statements of income.

	Increase (decrease) in income before income tax	
	March 31, 2026	December 31, 2025
	(in millions)	(in millions)
100 bp rise	(P26.5)	(P27.5)
100 bp fall	26.5	27.5
50 bp rise	(13.3)	(13.8)
50 bp fall	13.3	13.8

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its obligations when they fall due under normal and stress circumstances. To limit this risk, management manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows which could be used to secure additional funding if required.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of operating cash flows and short-term bank loans.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual and undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately. The table also analyses the maturity profile of the Group's financial assets held for managing liquidity in order to provide complete view of the Group's contractual commitments and liquidity.

As of March 31, 2026	< 1 year	>1-2 years	>2-3 years	>5 years	Total
Loans and receivables:					
Cash and cash equivalents	2,117,927,279	-	-	-	2,117,927,279
Receivables:					
Trade	2,268,453,209	-	-	-	2,268,453,209
Dividends receivable	-	-	-	-	-
Interest receivable	4,254,449	-	-	-	4,254,449
Installment receivable	15,402,141	-	-	-	15,402,141
Finance lease receivable	623,398	648,048	673,673	8,191,960	10,137,079
Deposits	-	-	-	91,212,892	91,212,892
	4,406,660,476	648,048	673,673	99,404,852	4,507,387,050
Other financial liabilities:					
Accounts payable and					
accrued liabilities	2,773,315,607	-	-	-	2,773,315,607
Notes Payable	1,085,000,000	-	-	-	1,085,000,000
Long-term debts	264,785,090	350,505,055	374,561,977	1,407,785,716	2,397,637,839
Dividends payable	10,505,443	-	-	-	10,505,443
Deposit	-	-	-	101,015,695	101,015,695
	4,133,606,140	350,505,055	374,561,977	1,508,801,410	6,367,474,584
Liquidity position	273,054,336	(349,857,007)	(373,888,304)	(1,409,396,559)	(1,860,087,534)

December 31, 2025

	≤1 year	>1-2 years	>2-3 years	>3 years	Total
Loans and receivables:					
Cash and cash equivalents	₱2,470,617,767	₱-	₱-	₱-	₱2,470,617,767
Receivables:					
Trade	2,070,261,224	-	-	-	2,070,261,224
Interest receivable	4,254,449	-	-	-	4,254,449
Installment receivable*	15,402,141	-	-	-	15,402,141
Finance lease receivable**	305,699	629,471	710,046	9,267,369	10,912,585
Net investment in the lease	4,687,200	4,921,560	16,290,979	5,982,187	31,881,926
Other receivables	202,602,496	-	-	-	202,602,496
Deposits	-	-	-	76,341,191	76,341,191
	4,768,130,976	5,551,031	17,001,025	91,590,747	4,882,273,779
Other financial liabilities:					
Accounts payable and accrued					
liabilities***	2,845,115,476	-	-	-	2,845,115,476
Notes payable****	485,000,000	-	-	-	485,000,000
Long-term debts****	253,750,226	388,744,245	348,790,049	1,306,991,997	2,298,276,517
Lease liabilities	90,826,063	95,050,593	92,457,423	1,212,609,477	1,490,943,556
Dividends payable	10,505,443	-	-	-	10,505,443
Deposit	-	-	-	70,018,457	70,018,457
	3,685,197,208	483,794,838	441,247,472	2,589,619,931	7,199,859,449
Liquidity position	₱1,082,933,768	(₱478,243,807)	(₱424,246,447)	(₱2,498,029,184)	(₱2,317,585,670)

*Gross of unearned interest income of nil. The current portion amounting to ₱15,402,141 is presented under trade.

** Gross of unearned interest income of ₱3,168,815 exclusive of ₱617,383 included under trade.

***Exclusive of nonfinancial liabilities of ₱390,062,841

****Inclusive of future interest.

12. Fair Value of Financial Instruments

The following is a comparison by category of carrying amounts and fair values of the Group's financial instruments that are reflected in the consolidated financial statements as of March 31, 2026 and December 31, 2025:

As at 31 March 2026		Fair value measurements using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Date of valuation	Carrying value		
Assets measures at fair value:				
Equity instruments designated at FVTOCI	March 31, 2026	185,155,800		
			185,155,800	-
Assets for which fair value is disclosed:				
Installment receivables		15,402,141	-	15,402,141
Finance lease receivable		13,212,387	-	13,212,387
Investment property	March 31, 2026	143,852,303	-	143,852,303
Deposits		91,212,892	-	91,212,892
Liabilities for which fair value is disclosed				
Long term debts	March 31, 2026	2,398,349,581	-	-
Deposits		101,015,695	-	101,015,695

As at 31 December 2025		Fair value measurements using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Date of valuation	Carrying value		
Assets measures at fair value:				
Equity instruments designated at FVTOCI	December 31, 2025	185,155,800	-	
			185,155,800	-
Assets for which fair value is disclosed:				
Installment receivables		15,402,141	-	15,402,141
Finance lease receivable	December 31, 2025	13,469,974	-	13,469,974
Deposits		76,341,191	-	76,341,191
Liabilities for which fair value is disclosed				
Deposits	December 31, 2025	70,018,457	-	70,018,457
Long term debts		2,298,276,516	-	2,298,276,516

The Group determined that its investment in golf club shares is categorized at Level 2 in the fair value hierarchy. The Group assessed that, while there is a market for these securities, transactions are infrequent.

There have been no transfers between Level 1, 2, and 3 in 2026 and 2025.

Cash and cash equivalents, receivables, accounts payables, accrued liabilities and notes payable

The carrying values of cash and cash equivalents, receivables and accounts payable, accrued liabilities, dividend payables and notes payable approximate their fair value due to their short-term nature.

Installment receivables and deposits

The carrying values of installment receivables and deposits are determined based on the present value of expected cash flows discounted at the Group's borrowing rate.

Dividends payable

The carrying value of dividends payable approximates its fair value since they are expected to be settled within a short period of time after its declaration.

Long-term debts

The carrying value of long-term debts approximate its fair value due to the re-pricing feature of the interest it carries.

Equity instruments designated at FVTOCI

The Group's investments in golf club shares and other proprietary shares are carried at fair value based on published club share quotes that are publicly available from the local dailies and from the website of club share brokers.

INDEX TO SUPPLEMENTARY SCHEDULES

SUMMARIZED INCOME STATEMENT INFORMATION FOR UNCONSOLIDATED SUBSIDIARY
• LUFTHANSA TECHNIK PHILIPPINES, INC.
• CEBU PACIFIC CATERING SERVICES
• JAPAN AIRPORT SERVICE CO., LTD.
• MACROASIA JOLLIANT FOOD SERVICES CORP.

**SUMMARIZED INCOME STATEMENT INFORMATION FOR
UNCONSOLIDATED SUBSIDIARY**

LUFTHANSA TECHNIK PHILIPPINES, INC.
SUMMARIZED INTERIM STATEMENTS OF INCOME
in PHP

	January to March	
	<u>(UNAUDITED)</u>	<u>(UNAUDITED)</u>
	2026	2025
REVENUE		
Core Revenue	P 3,483,634,553	P 2,919,519,967
Subcon/Reimbursement	1,558,452,115	1,492,975,993
TOTAL REVENUE	5,042,086,668	4,412,495,960
LESS: COST OF SALES	2,616,711,084	2,067,634,302
GROSS PROFIT	2,425,375,584	2,344,861,658
LESS: OPERATING EXPENSES	2,254,106,258	1,729,849,078
INCOME FROM OPERATIONS	171,269,326	615,012,580
LESS/ (ADD): OTHER CHARGES/(INCOME)	6,764,805	137,155,387
INCOME BEFORE INCOME TAX	164,504,521	477,857,193
LESS: PROVISION FOR INCOME TAX	54,641,457	54,708,608
NET INCOME	P 109,863,065	P 423,148,585
EQUITY SHARE IN NET INCOME (49%)	P 53,832,902	P 207,342,807

**SUMMARIZED INCOME STATEMENT INFORMATION FOR
UNCONSOLIDATED SUBSIDIARY**

**CEBU PACIFIC CATERING SERVICES
SUMMARIZED STATEMENTS OF INCOME
In PHP**

		January to March	
		<u>UNAUDITED</u>	<u>UNAUDITED</u>
		2026	2025
REVENUE	P	85,768,654	P 74,010,108
LESS: COST OF SALES		45,081,300	39,642,881
GROSS PROFIT		40,687,354	34,367,227
LESS: OPERATING EXPENSES		3,417,844	4,330,756
INCOME FROM OPERATIONS		37,269,510	30,036,471
LESS/ (ADD): OTHER CHARGES/(INCOME)		(1,231,030)	582,176
INCOME BEFORE INCOME TAX		38,500,540	29,454,295
LESS: PROVISION FOR INCOME TAX		2,034,368	1,719,113
NET INCOME	P	36,466,172	P 27,735,182
EQUITY SHARE IN NET INCOME (40%)	P	14,586,469	P 11,094,073

**SUMMARIZED INCOME STATEMENT INFORMATION FOR
UNCONSOLIDATED SUBSIDIARY**

JAPAN AIRPORT SERVICE CO., LTD.
SUMMARIZED STATEMENTS OF INCOME
In PHP

	January to March	
	<u>UNAUDITED</u> 2026	<u>UNAUDITED</u> 2025
REVENUE	P 515,311,938	P 507,138,659
LESS: COST OF SALES	454,221,708	428,517,923
GROSS PROFIT	61,090,230	78,620,736
LESS: OPERATING EXPENSES	26,544,805	21,982,561
INCOME FROM OPERATIONS	34,545,425	56,638,175
LESS/ (ADD): OTHER CHARGES/(INCOME)	1,390,280	119,839
INCOME BEFORE INCOME TAX	35,935,705	56,758,014
LESS: PROVISION FOR INCOME TAX	8,586,289	(29,480,892)
NET INCOME	P 27,349,416	P 86,238,906
EQUITY SHARE IN NET INCOME (30%)	P 8,204,825	P 25,871,672

**SUMMARIZED INCOME STATEMENT INFORMATION FOR
UNCONSOLIDATED SUBSIDIARY**

**MACROASIA JOLLIANT FOOD SERVICES CORP.
SUMMARIZED STATEMENTS OF INCOME
In PHP**

		January to March <u>UNAUDITED</u> 2026
REVENUE	P	54,449,947
LESS: COST OF SALES		44,269,196
<hr/>		
GROSS PROFIT		10,180,752
LESS: OPERATING EXPENSES		3,624,328
<hr/>		
INCOME FROM OPERATIONS		6,556,424
LESS/ (ADD): OTHER CHARGES/(INCOME)		(3,222)
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INCOME BEFORE INCOME TAX		6,559,646
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LESS: PROVISION FOR INCOME TAX		1,639,911
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NET INCOME	P	4,919,734
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EQUITY SHARE IN NET INCOME (49%)	P	2,410,670
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