

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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Business Address: No. Street City/Town/Province

Atty. Malu Sia-Bernas

Contact Person

811-0668/810-1814

Company/Telephone Number

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Month

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Day

SEC Form - 201S

Definitive Information Statement

FORM TYPE

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Month

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Day

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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Cashier

STAMPS

Remarks - pls. use black ink for scanning purposes



7 October 2025

Dear Stockholder,

Please take notice that an annual meeting of the stockholders of BERJAYA PHILIPPINES INC. will be held this year on 28 November 2025 at 9:00 a.m. by zoom.

To join the meeting, please submit your name and email address to us at the address below, not later than 10 November 2025.

BCOR Corporate Secretary <corpsec@bernaslaw.com>

Once the office has validated your identity, a notice will be sent to your email for confirmation of your attendance and for guidelines on joining the meeting.

If you are attending by proxy, please send us your proxies or Secretary's Certificates at the same e-mail address by 10 November 2025. Scanned copy of the forms should be sent to the above-mentioned email address.

Please download the zoom app on your computers, iPad and mobile phones to be able to access the meeting.

The Agenda for the meeting is as follows:

1. Call to Order
2. Certification of Notice and Quorum
3. Ratification of the Minutes of the Annual Stockholders' Meeting held on 21 November 2024
4. Ratification of Corporate Acts of the Board of Directors for the year ended 30 June 2025
5. Report of the President
6. Election of the Board of Directors of the Corporation
7. Appointment of External Auditors
8. Other Matters



JOSE A. BERNAS
Corporate Secretary

PROXY and BALLOT

Name _____

Email address _____

Mobile number _____ (optional)

Date _____

Attendance

- ☐ I will be able to attend the meeting and will accomplish and submit the Ballot.
- ☐ I will not be able to attend the meeting and hereby appoint _____ as my proxy to represent me and vote at the Annual Stockholders' Meeting of Berjaya Philippines Inc. on 28 November 2025 or at any adjournment or postponement thereof, as fully as to all Intents as I might do if I was present and acting in person, including the accomplishment and submission of the ballot.

In case of the non-attendance of my above named proxy, I hereby authorize the Chairman of the Meeting to exercise and act as my proxy in the meeting.

This proxy revokes and supersedes all previously executed proxy or proxies, if applicable, and shall be valid for a period of one year from execution unless specifically revoked by me in writing and addressed to the Corporate Secretary or Assistant Corporate Secretary of Berjaya Philippines Inc.

Instructions

By affixing your signature on the space provided below, you as stockholder are voting on the matters to be taken up at the Annual Stockholders' Meeting. In the alternative, you are authorizing or directing your above-written proxy to vote on the matters listed in the Agenda on your behalf. Please note that your failure to indicate your vote on the items specified shall serve as an authorization for your proxy to exercise full discretion on voting.

In addition to the proxy, corporate stockholders are required to submit a Secretary's Certificate indicating the authority of its representative to attend the meeting, and/or accomplish the Ballot, or appoint a proxy.

Please note that proxies are validated by the Corporation's Corporate Secretary based on its records. The record date for the stockholders entitled to attend and vote at the Annual Stockholders' Meeting is 28 October 2025.

Method of Counting Votes

The election of the Board of Directors, as well as the appointment of the external auditors shall be decided by the plurality vote of stockholders present in person and entitled to vote thereat by cumulative voting, provided that quorum is present.

The top seven (7) nominees with the most number of votes will be elected as directors. If the number of nominees does not exceed the number of directors to be elected, all the shares present or represented in the meeting will be cast in favor of the nominees. If the number of nominees exceeds the number of directors to be elected, voting will be done by ballots. On the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate such shares and give on candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal or he may distribute them on the same principle among as many candidates as he sees fit. The total number of your votes cast by yourself shall not exceed the number of shares owned by yourself as stockholder multiplied by the total number of directors to be elected.

Please accomplish the Ballot below.

Particulars	Please place a check (✓) mark		
	For	Against	Abstain
1. Approval of the Minutes of the Annual Meeting of The Stockholders held on 21 November 2024.			
2. Ratification of the Acts of the Board for the Fiscal year ended 30 June 2025.			
3. Election of Directors			
“Nerine” Tan Sheik Ping			
Tan Eng Hwa			
Dr. George T. Yang			
Atty. Derek Chin Chee Seng			
Atty. Casey M. Barleta, CPA (independent director)			
Dean Poncevic M. Ceballos (independent director)			
Atty. Susana C. Fong (independent director)			
4. Appointment of Punongbayan & Araullo as External Auditors			

Signature of Stockholder _____

Printed name of stockholder _____

Date _____

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**Information Statement Pursuant to Section 20
of the Securities Regulation Code**

1. Check the appropriate box:

☐ Preliminary Information Statement
☒ Definitive Information Statement

2. Name of Registrant as specified in its charter – BERJAYA PHILIPPINES INC.
3. Province, country or other jurisdiction of incorporation or organization - Manila, Philippines
4. SEC Identification Number – pre war 476
5. BIR Tax Identification Code - 001-289-374
6. Address of principal office - 9/F Rufino Pacific Tower, 6784 Ayala Avenue corner
V.A. Rufino (formerly Herrera) Street,
Makati City, Metro Manila 1229
7. Registrant's telephone number, including area code - (632) 811-0668
8. Date, time and place of meeting of security holders -
The Annual Meeting of the Stockholders of Berjaya Philippines, Inc. (the Corporation) will
be held on 28 November 2025, at 9:00 a.m. by remote communication through zoom. The
presiding officer and the Corporate Secretary shall be in the City of Makati, where the
principal office of the Corporation is located. Directors may attend by remote
communication.

To join the meeting, shareholders are instructed to submit their name and email address
at the address below, not later than 10 November 2025 for identity validation and sending
of guidelines on joining the meeting:

BCOR Corporate Secretary <corpsec@bernaslaw.com>

Approximate date on which the Information Statement is first to be sent or given to security
holders : 7 November 2025, or 15 business days prior to the date of the meeting.

Notice of the meeting date will be sent by electronic mail and published on the website of the
Issuer on 7 November 2025, or 21 calendar days prior to the meeting date of 28 November
2025, in compliance with MC No. 3, Series of 2020 and Section 49 of the Revised Corporation
Code.

9. *In case of Proxy Solicitations:* *Not applicable*

Name of Person Filing the
Statement/Solicitor: _____
Address and Telephone No.: _____

10. Securities registered pursuant to Code or Sections 4 and 8 of the RSA (Information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
COMMON	4,427,009,132

Amount of Debt Outstanding as of 30 June 2025 : Php 19,684,951,029.00

11. Are any or all of registrant's securities listed on the Philippine Stock Exchange?

Yes ☒ No ☐

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

The shares are listed in the Philippine Stock Exchange and are classified either as common or treasury shares.

GENERAL INFORMATION

Date, time and place of meeting of security holders

The Annual Meeting of the Stockholders of Berjaya Philippines, Inc. (the Corporation) shall be held on 28 November 2025, at 9:00 a.m. by remote communication or video-conference. The presiding officer and the Corporate Secretary shall be in the City of Makati where the principal office of the Corporation is located.

Consistent with what is stated in the Notice, to join the meeting, shareholders are instructed to submit their name and email address at the address below, not later than 10 November 2025 for identity validation and sending of guidelines on joining the meeting:

BCOR Corporate Secretary <corpsec@bernaslaw.com>

The Notice of Meeting was published on November 5 and 6, 2025 in print and online format at the business section of two newspapers in general circulation, where the last publication of said Notice shall be not later than twenty one (21) days prior to the scheduled Annual Meeting. The publication was made at the Manila Times and Philippine Daily Inquirer

The complete mailing address of the principal office of the registrant is 9/F Rufino Pacific Tower, 6784 Ayala Avenue corner V. A. Rufino (formerly Herrera) Street, Makati City, Metro Manila.

The Information Statement will approximately be sent or given first to stockholders of record on 7 November 2025 or at least fifteen (15) business days before the meeting date by mail, e-mail if stockholder shall have furnished his email to the corporate secretary, by publication, and shall be uploaded in the Issuer's website.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.
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Dissenters' Right of Appraisal

Pursuant to Section 81 of the Corporation Code of the Philippines (the Corporation Code), any stockholder of the Corporation shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

1. In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; and
3. In case of merger or consolidation.

The Agenda for the Annual Stockholders' Meeting on 28 November 2025 does not include any of the foregoing instances.

Interest of Certain Persons in or Opposition to Matters to be Acted Upon

No current director or officer of the Corporation, or nominee for election as directors of the Corporation, or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon.

No director has informed the Corporation in writing that he intends to oppose any action to be taken by the registrant at the meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

There are four billion four hundred twenty seven million nine thousand one hundred thirty two (4,427,009,132) issued and outstanding common shares of stock of the Corporation entitled to vote at the Annual Stockholders' Meeting, each of which is entitled to one (1) vote.

Foreign ownership amounts to 3,834,139,425 shares equivalent to 88.31 % broken down per nationality as follows:

CITIZENSHIP	SUBSCRIBED/ OUTSTANDING	AMOUNT	PAID-UP	PERCENTAGE HOLDINGS	NUMBER OF STOCKHOLDERS
SPANISH	1,834,960	1,834,960.00	1,834,960.00	00.04%	18
MALAYSIAN	610,205,232	610,205,232.00	610,205,232.00	14.06%	4
OTHER ALIEN	49,273	49,273.00	49,273.00	00.00%	7
FILIPINO	507,141,268	507,141,268.00	507,141,268.00	11.67%	106
NORWEGIAN	174,160	174,160.00	174,160.00	00.00%	1
BRITISH	229,920	229,920.00	229,920.00	00.01%	2
AMERICAN	276,000	276,000.00	276,000.00	00.01%	5
CHINESE	3,221,369,880	3,221,369,880.00	3,221,369,880.00	74.20%	3
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TOTALS	4,341,280,693 =====	4,341,280,693.00 =====	4,341,280,693.00 =====	100% =====	146 =====

The cut-off date presented as information in this Statement is 22 October 2025. The cut off date on the Definitive Information Statement to be filed on 7 November 2025 will be as of the record date of 28 October 2025.

The record date for closing the stock and transfer book of the Corporation in order to determine the stockholders entitled to vote at the Annual Stockholders' Meeting is 28 October 2025.

For purposes of the election of directors, all stockholders of record are entitled to cumulative voting rights as provided by the Revised Corporation Code, and there are no conditions precedent to the exercise thereof. Further, no discretionary authority to cumulate votes is being solicited. A stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit.

In the previous Annual Stockholders' Meeting held on 21 November 2024, cumulative voting was practiced. A shareholder's one share was entitled to one vote. Stockholders were provided with paper where they wrote their votes and signed thereon. For every resolution, stockholders were asked by the director presiding whether there were any questions. Stockholders did stand up at the center aisle in front of the microphone and proceeded to ask questions. Motions were duly made and seconded for every matter. The list of directors who

attended the meeting, the directors elected, the appointment of the external auditor, and all the matters taken up, including the officers elected during the subsequent Organizational Meeting of the Board which followed the Annual Stockholders' Meeting were reported to the SEC and PSE in the Current Report under SEC Form 17-C.

Security Ownership of Certain Record and Beneficial Owners

Holders

As of 22 October 2025, there are four billion four hundred twenty seven million nine thousand and one hundred thirty two (4,427,009,132) issued and outstanding common shares of stock of the Corporation. Out of the issued and outstanding capital, eighty five million seven hundred twenty eight thousand four hundred thirty nine (85,728,439) shares or 1.94% is held by the Berjaya Philippines Inc.

The top twenty (20) stockholders of Berjaya Philippines Inc., including their shares and their percentage of total common shares outstanding held by each as of 22 October 2025 are as follows:

Name	Number of Shares Held	Percentage of Total Shares Held
Berjaya Lottery Management (H.K.)	3221,238,280	72.76%
Berjaya Sports Toto (Cayman)	610,205,150	13.78%
Abacus Securities Corporation	150,000,000	03.39%
Vista Holdings Corporation	150,000,000	03.39%
PCD Nominee Corporation (Filipino)	102,451,622	02.31%
Abacus Securities Corp.	92,000,000	02.08%
Berjaya Philippines Inc.	85,728,439	01.94%
Abacus Securities Corporation	8,000,000	00.18%
Far East Molasses Corporation	1,554,880	00.04%
Concepcion Teus Vda. De M. Vara De Rey	650,000	00.01%
Dolores Teus De M. Vara De Rey	552,000	00.01%
Steiner, Norma O.	300,320	00.01%
Corporacion Franciscana De La Provincia De San Gregorio Magno	293,920	00.01%
The Phil.-American Gen. Insurance Co. Inc.	226,400	00.01%
Phil. Remnants Co., Inc.	224,160	00.01%
Elizalde, Francisco J.	206,800	00.00%
Zernichow, Christian D.	174,160	00.00%
Elizalde, Joaquin M. Estate of (c/o)	168,800	00.00%
Ma. Dolores Vara De Rey y Teus	148,320	00.00%
Ma. Teresa Vara De Rey y Teus	148,320	00.00%

Treasury Shares

As of 22 October 2025 the Issuer holds in its name a total of eighty five million seven hundred twenty eight thousand four hundred thirty nine (85,728,439) treasury shares.

Dividends

(a) Dividends declared by Berjaya Philippines Inc.

On 28 October 2004 the Corporation declared cash dividends to all stockholders on record as of November 17, 2004 or a total of ₱87.14 million.

On 5 January 2012, the Corporation declared cash dividends amounting to ten centavos per share to all stockholders of record as of 19 January 2012.

On 5 October 2015, the Issuer declared stock dividends at a rate of 4 common shares for every common share held to taken from the increase in authorized capital stock. On the same date, the Issuer caused the reversal of previously allocated funds for capex and corporate expansion and appropriated ₱3.47 billion from the Issuer's retained earnings for the distribution of stock dividends.

On 28 April 2020, the Corporation set aside two billion pesos (₱2,000,000,000.00) from the Issuer's retained earnings for future corporate expansion for the next two years.

On 30 June 2025, the Corporation set aside two billion pesos (₱2,000,000,000.00) from the Issuer's retained earnings for the Corporation's capital expenditures (CAPEX) including but not limited to the purchase of additional assets, funding of future investments, corporate expansion, improvement of facilities, and repairs of corporate assets, properties and equipment, which is estimated to be concluded within a three (3) to five (5) year period from 30 June 2025.

(b) Dividends Declared by the Issuer's wholly owned subsidiary – PHPI

In April 2012, the Corporation declared cash dividends amounting to ten million pesos (₱10,000,000.00 million).

In August 2013, the Corporation declared cash dividends amounting to four million pesos (₱ 4,000,000.00).

Recent Sales of Unregistered Securities

There were no sales of unregistered securities over the last five (5) fiscal years.

Security Ownership of Holders of more than 5%

According to the records of the Issuer's stock and transfer agent, security ownership of holders of more than five percent (5%) of the Company's securities as of 22 October 2025 are as follows:

Title of Class	Name, Address of Record Owner and relationship with Issuer	Name of Beneficial Owner / Relationship with Record Owner	Citizen-ship	Number of Shares Held	Percent age Held
common	Berjaya Lottery Management (H.K.) Ltd. Level 54, Hopewell Centre, 183 Queen's Road East, HongKong / major stockholder	Berjaya Lottery Management (H.K.) Ltd. (same as record owner) persons entitled to vote is Mr. Tan Eng Hwa.	Chinese	3,221,238,280 (common shares)	72.76%
common	Berjaya Sports Toto (Cayman) Limited 190 Elgin Avenue, George Town, Grand Cayman KYI-9005 Cayman Islands / major stockholder	Berjaya Sports Toto (Cayman) Limited (same as record owner) person entitled to vote is Mr. Tan Eng Hwa	Caymanian	610,205,150 (common shares)	13.78%
common	Berjaya Philippines Inc. 9th Floor RufinoPacific Tower 6784 Ayala corner V.A. Rufino (Herrera) St. Makati City, M.M. / the Issuer	Berjaya Philippines Inc. (same as record owner) person entitled to vote is the President of the Corporation, Mr. Tan Eng Hwa	Filipino	85,728,439	1.94%

There has been no change in the control of the Corporation since the beginning of its last fiscal year. The transfer price of the Corporation's outstanding common listed shares decreased as can be seen from its posted prices at the Philippine Stock Exchange. The decrease may be due to the general or prevailing economic situation in the country.

Security Ownership of Management

Security ownership of the directors and officers of the Corporation as of 22 October 2025 are as follows:

Title of Class	Name of Beneficial Owner	Number and Nature of Beneficial Ownership	Citizenship	Percentage Held	Amount of Shares
Common	Nerine Tan Sheik Ping	1 share / direct	Malaysian	0.00%	₱ 7.80
Common	Tan Eng Hwa	80 shares / direct	Malaysian	0.00%	₱ 624.00
Common	Derek Chin Chee Seng	1 share / direct	Malaysian	0.00%	₱ 7.80
Common	Dr. George T. Yang	80 shares / direct	Filipino	0.00%	₱ 624.00
Common	* Atty. Casey M. Barleta	1 share / direct	Filipino	0.00%	₱ 7.80
Common	* Dean Poncevic M. Ceballos	1 share / direct	Filipino	0.00%	₱ 7.80
Common	* Atty. Susana C. Fong	1 share / direct	Filipino	0.00%	₱ 7.80
Common	Jose A. Bernas	80 shares / direct	Filipino	0.00%	₱ 624.00
Common	Marie Lourdes T. Sia-Bernas	500 shares / direct	Filipino	0.00%	₱ 3,900.00

* Independent directors

There are no voting trust holders of five percent (5%) or more of the Corporation's securities. The figures above are based on the last transaction or market price as of 22 October 2025 which is seven pesos and eighty centavos (₱ 7.80) per share.

There are no arrangements which may result in a change in control of the Corporation.

Directors and Executive Officers

The current directors and officers of the Corporation are listed below:

Directors / Officers	Designation	Citizenship
1. Nerine Tan Sheik Ping	Director / Chairman	Malaysian
2. Tan Eng Hwa	Director / President	Malaysian
3. George T. Yang	Director	Filipino
4. Derek Chin Chee Seng	Director	Malaysian
5. Casey M. Barleta	Independent Director	Filipino
6. Susana C. Fong	Independent Director	Filipino
7. Dean Poncevic M. Ceballos	Independent Director	Filipino
8. Jose A. Bernas	Corporate Secretary	Filipino
9. Marie Lourdes Bernas	Asst. Corporate Secretary	Filipino
10. Winnie R. Manansala	Treasurer	Filipino

None of the directors and officers work for or is connected with the government.

The independent directors, Atty. Casey M. Barleta, Dean Poncevic M. Ceballos and Atty. Susana C. Fong are independent minority stockholders who are not employees nor officers of the Corporation, and whose shareholdings are less than two percent (2%) of the Corporation's equity pursuant to Section 38 of the Securities Regulation Code.

Atty. Casey M. Barleta is the first independent director of the Issuer. Mr. Tan Eng Hwa, a stockholder and the Treasurer nominated Atty. Barleta in a meeting of the Board on 17 August 2020, to serve the unexpired term of Tan Sri Dato Dr. Seri Ibrahim Bin Saad. As of 2024, Mr. Tan Eng Hwa again nominated Atty. Barleta as independent director. Atty. Barleta and Mr. Tan are not related to each other nor do they have business dealings with one another. Atty. Barleta was re-elected on 21 November 2024.

Dean Poncevic M. Ceballos is the second independent director of the Issuer. Mr. Jose A. Bernas nominated Dean Ceballos as independent director in a meeting on 23 November 2021 and as of 2025. Mr. Bernas and Dean Ceballos are not related to each other, nor do they have business dealings with one another. Dean Ceballos was re-elected on 21 November 2024.

Atty. Susana C. Fong is the third independent director of the Issuer. Mr. Tan Eng Hwa nominated Atty. Fong as director on 25 November 2022 and as of 2025. Atty. Fong and Mr. Tan are not related to each other nor do they have business dealings with one another. Atty. Fong was re-elected on 21 November 2024.

The members of the Nomination Committee are Messrs. Tan Eng Hwa, Casey M. Barleta, and Dean Poncevic M. Ceballos, with Mr. Tan Eng Hwa sitting as Chairman.

Procedures of SRC Rule 38 have been followed in the nomination and qualification of independent directors.

The Corporation will observe the term limits for independent directors imposed by SEC Memorandum Circular No. 4, Series of 2017 which became effective on 31 March 2017, or 15 days after its publication in two newspapers of general circulation on 16 March 2017. Atty. Barleta may serve as independent director until the year 2029, Dean Ceballos may serve as independent director until the year 2030, while Atty. Susana C. Fong may serve as independent director until the year 2032 in compliance with the cumulative nine-year term.

In compliance with SEC Memorandum Circular No. 5, Series of 2017, the independent directors' *Certification of Independent Director* on their qualification are attached to this *Information Statement*.

The term of a Director is for one (1) year and Directors are elected annually during the annual stockholders meeting. The Independent Directors for re-nomination are Atty. Casey M. Barleta, Dean Poncevic M. Ceballos, and Atty. Susana C. Fong, with the three of them being Filipino citizens.

The current Board of Directors are as follows:

Name	Age	Positions/Offices/Directorships Held for the past Five (5) years
1. "Nerine" Tan Sheik Ping (Malaysian)	48	Chairperson: Berjaya Philippines Inc. Chief Executive Director: Berjaya Sports Toto Berhad, Malaysia Executive Director: Berjaya Corporation Berhad, Berjaya Group Berhad Berjaya Hotels & Resorts (Singapore) Pte. Ltd. STM Lottery Sdn. Bhd. (fka Sports Toto Malaysia Sdn. Bhd. Former Vice President - Marketing Berjaya Hotels & Resorts (M) Sdn. Bhd. Berjaya Resort Management Sdn. Bhd. Former Manager- Business Development Cosway (M) Sdn. Bhd. Degree in Management London School of Economics & Political Science
2. Tan Eng Hwa (Malaysian)	56	Director and President: Berjaya Philippines Inc. Pinoylotto Technologies Corp. Director, Chairman and President: Floridablanca Enviro Corporation Sanpiro Realty & Development Corporation Landphil Management and Development Corp. Berjaya Vacation Club (Philippines) Inc. B Infinite Asia Philippines Inc. Director and Chairman: Neptune Properties Inc. Perdana Hotel Philippines Inc. Perdana Land Philippines Inc. Philippine Gaming Management Corporation Berjaya Pizza (Philippines) Inc. Director and President: Pinoylotto Technologies Corp. Director and Treasurer: Bermaz Auto Philippines Inc. Bermaz Auto Asia Inc. Ssangyong Berjaya Motor Philippines Most Pretty Lady Holdings Inc. Save the Sea Philippines Inc. Director: Chailease Berjaya Finance Corporation

Beautiful Creation Holdings Inc.
Chartered Accountant and Member:
Malaysian Institute of Accountants
Masters Degree in Business Administration:
University of Chicago, USA
Masters Degree in Science in Professional Accountancy
University of London

3. Derek Chin Chee Seng 68
(Malaysian)

Director:
Berjaya Philippines Inc.
Executive Director
Sports Toto Berhad
Berjaya Group Berhad
Hartanah Berhad (formerly known as Berjaya
Golf Resort Berhad)
Prime Credit Leasing Berhad
Singer (Malaysia) Sdn. Bhad.
Chief Legal Officer
Berjaya Corporation Berhad until June 2021
Advocate and Solicitor of the High Court in Malaya
On 15 October 1983
Advocate and Solicitor
Allen & Gledhill, Kuala Lumpur (1983-1989)
Corporate & Commercial Law Practice (1990 to date)
Berjaya Corporation Group of Companies
Business Law Degree
London Guildhall University U.K. , 1981
Qualified as Barrister-at-Law in U.K., 1982

4. Dr. George T. Yang 86
(Filipino)

Independent Director:
Berjaya Philippines Inc.
Philippine Gaming Management Corporation
Founder:
Golden Arches Development Corporation
(McDonald's Philippines)
Chairman of the Board:
Ronald McDonald's House Charities
First Georgetown Ventures, Inc.
MDS Call Solutions Inc.
Advance Food Concepts Mfg. Inc.
Klassikal Music Foundation Inc.
Trojan Computer Forms, Inc.
Canyon Hills and Marina Inc.
Canyon Hills Real Estate and Development Inc.
GY Alliance Concepts Inc.
Northview Builder and Development Corporation
Chairman of the Board and President:
Golden Arches Realty Corporation

Chairman:

Paseo Premier Residences Inc.
Paseo Dormitories Inc.
Lead Logistics Innovations Inc.
Fast Serve Solutions Systems Inc.
Creative Gateway Inc.
Onzal Development Corporation

Vice Chairman:

Oceonfront Properties Inc.
TransAire Development Holdings Corporation

Director:

Berjaya Vacation Club (Philippines) Inc.

Member of the Board of Governors:

Ayala Center Estate Association

Doctor of Humanities Honoris Causa

De La Salle University (2017)

Doctor of Humanities, Honoris Causa

Jose Rizal Academy, 2014

Masters Degree in Business Administration

Wharton School, University of Pennsylvania

Former Member of the Asian Executive Board

Wharton School, University of Pennsylvania

Cum Laude, Bachelor of Science in Business

Administration

De La Salle University

Consul General *ad honorem*:

State of Eritrea

5. Casey M. Barleta
(Filipino)

67

Independent Director:

Berjaya Philippines, Inc.
Chailease Berjaya Finance Corporation

Chair, Audit Committee

Berjaya Philippines, Inc.

Member, Nominations Committee

Berjaya Philippines, Inc.

Director:

Prime Rivers, Inc.
MF Development Corporation
SCF Properties, Inc.
First Foremost Resources, Inc.
6Estella Corporation

Tax Counsel:

De La Salle - College of St. Benilde
Homemark, Inc.
iScale Solutions, Inc.
MultiSports, Inc.
Peakland Properties, Inc.
Sprint International, Inc.
Tann Philippines, Inc.

Tax Partner / Managing Partner
 CMB/P Law (Casey M. Barleta & Partners)
 Member:
 Integrated Bar of the Philippines

6. Dean Poncevic M. Ceballos 66 (Filipino)
 Independent Director:
 Berjaya Philippines Inc.
 Member of the Nomination and Audit Committees:
 Berjaya Philippines Inc.
 Dean:
 Liceo Law, Cagayan de Oro City (2010-2011)
 Associate Dean:
 Philippine Christian University (2015-2016)
 Director:
 Ceballos Bar (Publisher of Quick Quick Reviewers) (QQRs)
 Provider:
 Ceballos Mock Bar Exams (CMBE)
 MCLE Lecturer:
 Ateneo School of Law
 Office of the Government Corporate Counsel
 MORE Center for Legal Excellence, Inc.
 Alternative Group
 Integrated Bar of the Philippines (IBP)
 Professor:
 Manila Law College
 Ateneo de Manila School of Law, (1990-2023)
 Wesleyan University Philippine Law School
 Cor Jesu College of Law, Digos, Davao
 Liceo Law, Cagayan de Oro City (2010-2011)
 Philippine Christian University Law School, 2011-2014
 Legal Counsel and Corporate Secretary
 various corporations
 Guest Lecturer:
 University of Hongkong
 Recipient:
 Three professorial chairs, Ateneo School of Law
 University of the Philippines College of Law
 UP Law Center
 Member:
 Integrated Bar of the Philippines

7. Susana C. Fong 65 (Filipino)
 Independent Director:
 Berjaya Philippines Inc.
 Baguio Country Club Corporation
 Special Counsel:
 Romulo Buenaventura Law Office

Member of the Board of Trustees
Hands on Manila Foundation Inc.
Corporate Secretary
Young Musicians Development Organization
Consultant for Investment Management
Malayan Insurance Co. (2009 – 2023)
Private Education Retirement Annuity
Association (2011-2017)
Deputy Head, International Private Banking
ING Asia Private Bank Ltd. (2001-2008)
Head of Wealth Management /
Head of Trust and Investments
Rizal Commercial Banking Corp (1999-2001)
Director, Investment Banking
Credit Agricole Indosuez (1997-1999)
Treasurer, Chief Financial Officer
Asia Insurance Philippines Inc. (1981-1992)
Member
Integrated Bar of the Philippines

8. Jose A. Bernas
(Filipino)

65

Corporate Secretary:
Berjaya Philippines Inc.
Bermaz Auto Asia Inc.
Swift Foods, Inc.
Tadano Technology Philippine Inc.
Chailease Berjaya Finance Corporation
B Infinite Asia Philippines Inc.
Director and President:
Discovery Centre Condominium Corporation
Perdana Land Philippines Inc.
Perdana Hotel Philippines Inc.
Beautiful Creation Holdings Inc.
Neptune Properties Inc.
Chairman of the Board and Director:
Automation Specialists & Power Exponents Inc.
Chairman of the Board and President:
Kyparissos Inc.
Chairman of the Board and Treasurer:
Elato Inc.
Director and Corporate Secretary:
Philippine Gaming Management Corporation
Florida Enviro Corporation
Berjaya Pizza (Philippines) Inc.
Bermaz Auto Philippines Inc.
Ssangyong Berjaya Motor Philippines Inc.
Most Pretty Lady Holdings Inc.
Berjaya Vacation Club (Philippines) Inc.
Sanpiro Realty and Development Corporation
Landphil Management and Development Corp.

Director:
VSTECS Philippines Inc. (MSI-ECS Phils. Inc.)
Resident Agent:
Adex Medical Staffing LLC
Member:
Integrated Bar of the Philippines
New York Bar
Managing Partner:
Bernas Law Offices

9. Marie Lourdes Sia-Bernas 59
(Filipino)

Assistant Corporate Secretary:
Berjaya Philippines Inc.
Tadano Technology Philippines Inc.
Pinoylotto Technologies Corp.
VSTECS Philippines Inc. (MSI-ECS Phils. Inc.)
Berjaya Pizza (Philippines) Inc.
Bermaz Auto Philippines Inc.
Bermaz Auto Asia Inc.
B Infinite Asia Philippines Inc.
Berjaya Vacation Club (Philippines) Inc.
Go.Life International Holdings Inc.
GK International Holdings Inc.
Landphil Management and Development Corp.
Most Pretty Lady Holdings Inc.
Sanpiro Realty & Development Corporation
Ssangyong Berjaya Motor Philippines Inc.
Chailease Berjaya Finance Corporation
Swift Foods, Inc.

Corporate Secretary:
Berjaya Paris Baguette Philippines Inc.
Discovery Centre Condominium Corporation
Perdana Hotel Philippines Inc.
Perdana Land Philippines Inc.
Beautiful Creation Holdings Inc.
Upskills+ Foundation Inc.
Lala Group Inc.
Automation Specialists & Power Exponents Inc.
Lucky Panda Bear Trading Inc.
Neptune Holdings Inc.
Wohlhabend Holdings Inc.

Director and Corporate Secretary:
Duphilco Real Estate Inc.
Kyparissos Inc.
Neptune Properties Inc.

Chairman and President:
Roadster Car Imports, Inc.
Save the Sea Philippines Inc.

President:
Elato Inc.

Deux Mille Trading Corporation
 Silver Giggling Buddha Trading Inc.
 Director and Assistant Corporate Secretary:
 Philippine Gaming Management Corporation
 Floridablanca Enviro Corporation
 Member since October 2012:
 American Academy of Project Management
 Certified Compliance Officer since 27 July 2021
 Member:
 Integrated Bar of the Philippines
 Administrative Partner:
 Bernas Law Offices

There are no family relationships between and among the directors and officers of the Corporation, except for the Corporate Secretary Jose A. Bernas and the Assistant Corporate Secretary Marie Lourdes T. Sia-Bernas who are married to each other.

There is no person who is not an officer who is expected by the Corporation to make a significant contribution to the business. Neither is there an arrangement that may result in the change in control of the Corporation.

None of the current directors and officers work in government. A Certification to this effect is submitted by the Assistant Corporate Secretary under oath and is attached hereto, before the audited financial statements.

Involvement in legal proceedings of directors

None of the directors are involved in any bankruptcy petition, have been convicted by final judgment or are subject to any court order, judgment or decree, including the violation of a securities or commodities law during the past five (5) years up to the filing of this report.

The Corporation is not involved in any bankruptcy petition, or in any litigation during the past five (5) years up to the filing of this report.

Directors and Executive Officers as a Group

As of 22 October 2025 :

(1) Title of Class common shares	(2) Name of Record/ Beneficial Owner Directors and Executive Officers As a Group	(3) Amount and Nature of Record/ Beneficial Ownership	(4) Percentage Held
		745	0.001 %
	T o t a l :	745	0.001 %

Certain Relationships and Related Transactions

There has been no material related transactions during the past two years, nor is any material transaction presently proposed, to which any director, executive officer of the Corporation or security holder of more than five percent (5%) of the Corporation's voting securities, any relative or spouse of any director or executive officer or owner of more than five percent (5%) of the Corporation's voting securities had or is to have direct or indirect material interest.

Seventy Four point Twenty Percent (74.20%) of the equity of the Corporation is owned by Berjaya Lottery Management (H.K.) Limited. Berjaya Lottery Management (H.K.) Limited is one hundred percent (100%) owned by Berjaya Sports Toto (Cayman) Ltd. who is in turn one hundred percent (100%) owned by Magna Mahsuri Sdn Bhd.

No voting trusts or change in control arrangements are recorded in the books of the Corporation.

Compensation of Directors and Executive Officers

The members of the Board of Directors of the Corporation are entitled to reasonable per diem for actual attendance of any regular or special meeting of the Board of Directors. The directors as a group, in their capacity as directors, officers, and members of committees, were paid a total of Three Million Seven Hundred Thousand Pesos (P3,700,000.00) in financial year ended 30 June 2025.

"Nerine" Tan Sheik Ping
Tan Eng Hwa
Derek Chin Chee Seng
Dr. George T. Yang
Atty. Casey M. Barleta
Dean Poncevic M. Ceballos
Susana C. Fong
Jose A. Bernas
Marie Lourdes T. Sia-Bernas

Total Per diem as a group : P3,700,000.00

The directors as a group, in their capacity as directors, officers, and members of committees, were paid a total of Three Million Seven Hundred Thousand Pesos (P3,700,000.00) in financial year ended 30 June 2024. The same amount was paid in financial year ended 30 June 2023.

No salary, profit sharing, bonuses, pension or retirement plan, granting of an exemption or option, warrant or right to purchase any securities, or other compensation has been stipulated or paid to Executive officers for acting as such.

There is no need to disclose a summary compensation table because the Issuer does not have employees and does not pay out salaries. There are no standard agreements for the compensation of directors and the top executive officers as there are no salaries paid.

The officers are either directors who receive only their reasonable per diems issued to all directors or are engaged by the corporation on a professional basis like the law firm of the corporate secretary and assistant corporate secretary who are not employees of the Corporation.

There are no warrants or options re-pricing or employment contracts entered into by the Corporation, nor any termination of employment and change in the control arrangement between the Corporation and the executive officers.

Material Pending Legal Proceedings

There is no pending material litigation in which the directors are involved either directly or indirectly in the past five years. Neither has the Corporation filed a petition for bankruptcy, been subject to any order, judgment or decree or convicted by final judgment.

There is no material pending legal proceeding to which the Corporation is a party to up to the time of the preparation of this report that undersigned is aware of.

Violation of a Securities or Commodities Law

To its knowledge, the Corporation is not in violation of a Securities or Commodities Law.

Independent Public Accountants

For professional services rendered on the audit of the financial statements of the Corporation and its subsidiaries, Punongbayan & Araullo was paid the amounts of Php250,000.00 for its audit on the Corporation, Php 215,000.00 for its audit on Perdana Hotel Philippines Inc. (PHPI), and Php 130,000.00 for Floridablanca Enviro Corporation (FEC) for the fiscal year ending 30 June 2025.

For financial year ended 30 June 2024, the amount of Php230,000.00 was paid for its audit on the Corporation, Php 205,000.00 for its audit on Perdana Hotel Philippines (PHPI) and Php 110,000.00 for Floridablanca Enviro Corporation (FEC).

For financial year ended 30 June 2023, the amount of Php220,000.00 was paid for its audit on the Corporation, Php202,000.00 for its audit on Perdana Hotel Philippines Inc. (PHPI), and Php90,000.00 for Floridablanca Enviro Corporation (FEC).

In summary, the following amounts were paid to Punongyaban and Araullo by the Issuer and all its subsidiaries and affiliates, as follows:

	In Pesos		
	2025	2024	2023
Audit fee	P 1,245,000	P 1,115,000	P 1,062,000
Tax services			
Other fees			
Total	P 1,245,000	P 1,115,000	P 1,062,000

There are no other services other than the audit and review of the Corporation's financial statements rendered by the external auditor for tax accounting, compliance, advice, planning and other form of tax services.

The election, approval or ratification of the registrant's public accountant shall be discussed during the Annual Meeting on 28 November 2025. Punongbayan & Araullo, which is the principal accountant for the previous fiscal year ending 30 June 2025, was selected during the Annual Meeting held on 21 November 2024 and will be recommended for re-appointment this 28 November 2025 during the annual stockholders' meeting.

Representatives of Punongbayan & Araullo are expected to be present at the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and they are expected to be available to respond to appropriate questions.

As a matter of procedure, Punongbayan & Araullo submits the corporation's Audited Financial Statements to the Audit Committee, which in turn submits the same Audited Financial Statements to the Board of Directors for approval.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no changes in or disagreements with accountants on accounting and financial disclosure.

The partner at Punongbayan & Araullo assigned to the Issuer is changed or rotated in compliance with SRC Rule 68 (3) (b) (iv).

Recent Sales of Unregistered or Exempt Securities

There is no sale of unregistered or exempt securities including recent issuance of securities constituting an exempt transaction.

Audit Committee

The members of the Audit Committee are as follows:

Chairman	-	Atty. Casey M. Barleta
Member	-	Dean Poncevic M. Ceballos
Member	-	Mr. Tan Eng Hwa

Nomination Committee

The members of the Nomination Committee are as follows:

Chairman	-	Mr. Tan Eng Hwa
Member	-	Atty. Casey M. Barleta
Member	-	Dean Poncevic M. Ceballos

Compensation Plans

There are no compensation plans.

Amendments of Charter, By-Laws and Other Documents

There are no proposed amendments in the Articles of Incorporation or By-Laws of the Corporation.

OTHER MATTERS

There are no material matters that need approval by the stockholders in the stockholders' meeting. There are no reports nor minutes to be submitted for stockholder approval.

Plans to Improve Corporate Governance of the Corporation

The Corporation will continue monitoring compliance with its *Manual on Corporate Governance* to ensure full compliance thereto.

The Corporation shall implement its corporate governance rules in accordance with the Revised Code of Corporate Governance under SEC Memorandum Circular No. 06-2009. The Revised Manual on Corporate Governance is available for inspection by and shareholder at reasonable hours on business days.

Previous Meeting held in 2024

All the directors attended the Annual Stockholders Meeting held on 21 November 2024 by zoom. Five out of the seven directors, including the President, who presided at the meeting, the Treasurer, Corporate Secretary, and Assistant Corporate Secretary were in the City of Makati, where the principal office of the Corporation is located.

The Agenda and voting last year is similar to the Agenda for this year. No amendments or ratifications for amendments were sought from stockholders.

Voting was by ballot. There were at least 88.26% of the stockholders in attendance. The presence of the representatives of the two major stockholders of the Corporation, namely Berjaya Lottery Management (H.K.) Ltd and Berjaya Sports Toto (Cayman) Limited are more than sufficient to constitute quorum, holding 74.20% and 14.06% percent equity of the Corporation respectively. There were twelve minority shareholders who attended and cast their votes, in addition to the directors who are also stockholders.

Last year's tabulation of votes is reproduced below, as follows:

Particulars	For	Against	Abstain or Absent
1. Approval of the Minutes of the Annual Meeting of The Stockholders held on 21 November 2024	3,441,497,648		475,680,900
2. Ratification of the Acts of the Board for the Fiscal year ended 30 June 2025	3,441,497,648		475,680,900
3. Election of Directors			
Nerine Tan Sheik Ping	3,441,497,648		475,680,900
Derek Chin Chee	3,441,497,648		475,680,900

Dr. George T. Yang	3,441,497,648		475,680,900
Tan Eng Hwa	3,441,497,648		475,680,900
Susana C. Fong	3,441,497,648		475,680,900
Casey M. Barleta	3,441,497,648		475,680,900
Dean Poncevic M. Ceballos	3,441,497,648		475,680,900
4. Appointment of Punongbayan & Araullo as External Auditors	3,441,497,528	106	475,680,914

Voting Procedures

The election of the Board of Directors, as well as the appointment of the external auditors shall be decided by the plurality vote of stockholders present in person and entitled to vote thereat by cumulative voting, provided that quorum is present.

The vote of at least two-thirds of the stockholders representing the outstanding capital stock of the Corporation will be required in order to amend the Corporation's Articles of Incorporation or By-Laws. However, neither the Articles of Incorporation nor By-Laws will be amended.

Voting shall be by ballot. Each ballot shall be signed by the stockholder voting, and shall be sent by email to : BCOR Corporate Secretary corpsec@bernaslaws.com when the stockholder signifies its intention to join or attend the meeting.

Voting shall be by ballot. Each ballot shall be signed by the stockholder voting, and shall state the number of shares voted by him. The votes will be counted manually and will be supervised by the transfer agent.

The Quarterly Report under SEC Form 17-Q for the quarter ended 31 March 2025, and the Annual Report under SEC Form 17-A for the year ended 30 June 2025 shall be available without charge to stockholders requesting for a copy.

SIGNATURE

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

BERJAYA PHILIPPINES INC.

By:  **MARIE LOURDES T. SIA-BERNAS**
Compliance Officer

7 November 2025



MANAGEMENT REPORT

Dear Stockholders,

Business

Berjaya Philippines, Inc. ("the Corporation") was incorporated on 12 November 1924 as Central Azucarera de Pilar mainly for the purpose of production of sugar. It subsequently changed its primary purpose to a holding corporation and changed its name to Prime Gaming Philippines, Inc. (PGPI) in 1998 and to Berjaya Philippines in 2010.

In 1998, the Corporation completed the acquisition of its subsidiary corporation, Philippine Gaming Management Corporation (PGMC), whose principal activity is the leasing of on-line lottery equipment and providing software support to the Philippine Charity Sweepstakes Office (PCSO). In July 2019, the Corporation disposed of 20% of its shareholdings, and subsequently did not subscribe to the issuance of additional shares from the unissued capital of PGMC. To date, the Corporation's equity in PGMC is at 39.99%. In June 2021, PGMC entered into a joint venture agreement with Pacific Online Systems Corporation (POSC) and International Lottery & Totalizator Systems, Inc. (ILTSI), which resulted in the incorporation of Pinoylotto Technologies Corp. (PTC). PTC became the provider of software support and online lottery equipment service for the whole Philippine territory. PTC started its commercial operations on October 2023.

In December 2009, the Corporation acquired a 232-room hotel, which operated as the Best Western Astor Hotel until 16 March 2010. The acquisition was made by the Corporation's subsidiary, Perdana Hotel Philippines Inc. (PHPI) under the business name Berjaya Makati Hotel. The Corporation also subscribed to forty percent (40%) of the shares of stock of Perdana Land Philippines Inc. (PLPI) which owns the land leased by PHPI.

In July 2010, the Corporation invested in Berjaya Pizza Philippines Inc. (BPPI), a company engaged in the manufacture, sale and distribution of food and beverages, and to operate, own, franchise, license or deal in restaurant related business operations. In 2017, the Corporation's equity interest in BPPI increased from forty one point forty three percent (41.43%) to forty eight point thirty eight percent (48.38%). In 2025, the franchisor agreement expired and was not renewed.

In August 2012, the Corporation invested in Bermaz Auto Philippines Inc. (BAPI), formerly Berjaya Auto Philippines Inc., a corporation engaged in the sale and distribution of all types of motor vehicles. On 12 September 2012, BAPI entered into a Distributorship Agreement with Mazda Motor Corporation of Japan for the distribution of vehicles bearing the Mazda brand within the territory of the Philippines. In 2017, the Corporation's equity interest in BAPI was diluted from thirty five percent (35%) to

twenty five point forty eight percent (25.48%) when the Corporation agreed to take in more investors. In 2018, the Corporation made additional investment in BAPI which resulted to the increase in its effective ownership interest over BAPI to twenty eight point twenty eight percent (28.28%).

In September 2012, the Corporation invested in Cosway Philippines Inc. (CPI), primarily to engage in the wholesale of various products. It's equity of interest in CPI is forty percent (40%). CPI did not commence commercial operations until its application for the shortening of its corporate term to January 31 , 2023 was approved by the Securities and Exchange Commission on November 10, 2021. In 2024, the Corporation wrote off its investment in CPI in full and the latter officially secured its closure certificate.

In 2014, the Corporation obtained control over H.R. Owen Plc (H.R. Owen), after a series of cash offers from HR Owen's existing stockholders. Incorporated in England, HR Owen operates a number of vehicle franchises in the prestige and specialist car market for both sales and after sales, predominantly in the London area. In 2015, HR Owen acquired 100% ownership over Bodytechnics in order to enhance its aftersales operations. In 2017, the Corporation acquired shares from Bentley Motor Limited to increase its stake in the profitable business of H.R. Owen. *In August 2018, the corporation acquired shares from minority shareholders which the Corporation's equity interest in HR Owen is equivalent to one hundred percent (100%).*

In July 2015, the Corporation invested in Ssangyong Berjaya Motor Philippines Inc. (SBMPI), a corporation engaged in the sale and distribution of all types of motor vehicles. On 01 May 2016, SBMPI entered into a Distributorship Agreement with Ssangyong Motor Company of Korea for the distribution of vehicles bearing the Ssangyong brand within the territory of the Philippines. At present, the Corporation's equity interest in SBMPI is equivalent to twenty one point sixty seven percent (21.67%). SBMPI's Distributor Agreement expired on December 31, 2022. SBMP continues to provide after-sales services and warranty services to existing SsangYong customers.

In May 2016, the Corporation acquired forty one point forty six percent (41.46%) of the outstanding capital of Neptune Properties Inc. ("NPI"), a corporation engaged in the real estate business. In May 2025, the Corporation disposed of its 100% equity interest in Sanpiro Realty Development Corporation (SRDC) through a sale to a third party.

In April 2017, the Corporation incorporated a wholly owned subsidiary under the name of Berjaya Enviro Philippines Inc., a corporation engaged in the service business of protecting, cleaning, and preserving the environment. In December 2017, the SEC approved the Corporation's application to amend its name to Floridablanca Enviro Corporation (FEC). FEC commenced soft launch operations in February 2023.

In April 2018, the Corporation acquired twenty five percent (25%) of the equity in Chailease Berjaya Finance Corporation (CBFC), a corporation engaged in the leasing and financing business.

In April 2018, the Corporation acquired 100% ownership to eDoc Holdings ("eDoc") from its subsidiary H.R. Owen with the assumption of the eDoc's outstanding liability.

eDoc Holdings was incorporated on July 25, 2017 and is registered to engaged as a holding company in London.

In July 2019, BPI acquired 30% ownership interest in Berjaya Auto Asia, Inc. (BAAI). BAAI was incorporated on November 20, 2017 and is primarily engaged in the business of dealing all types of new automobiles, trucks, and other motor vehicles and any parts, supplies or accessories used in connection therewith. BAAI started its commercial operations on May 2019. In February 2022, BPI decreased its ownership in BAAI to 19.98%.

As of 30 June 2025, the Corporation does not have employees. Its subsidiaries, PHPI, FEC and H.R. Owen have one hundred five (105), fifty nine (59), and five hundred seven (507) employees, respectively. The Corporation does not anticipate any substantial increase in the number of its employees within the ensuing twelve (12) months. There are no supplemental benefits or incentive arrangements the subsidiaries have or will have with its employees.

Financial Statements

The Audited Financial Statements of the Corporation as of 30 June 2025 is attached.

Disagreements with Accountants on Accounting and Financial Disclosures

There are no disagreements with the accountants on accounting and financial disclosures. There has been no resignation or dismissal of accountants over the past two year period.

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

The Corporation's principal activity is investment holding. Prior to divesting most of its shares in Philippine Gaming Management Corporation (PGMC), it had since 1998 and through PGMC, operated the business of leasing online lottery equipment and providing software support in the Luzon Region to the Philippine Charity Sweepstakes Office (PCSO), a Philippine government agency responsible for lotteries and sweepstakes; 100% equity interest in H.R. Owen Plc. (HR Owen), a luxury motor retailer, which operates a number of vehicle dealerships in the prestige and specialist car market for both sales and aftersales, predominantly in London, UK; and the wholly-owned Perdana Hotel Philippines Inc. (PHPI) which operates Berjaya Makati Hotel in Makati City, Metro Manila.

June 2025 Compared to June 2024

Results of Operations

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about P43.27 billion for the year ended 30 June 2025, an increase of P 3.34 billion (8.4%) over total revenues of P39.93 billion in the previous financial year. The increase was primarily due to a higher revenue contribution from H.R. Owen in the financial year under review upon conversion into Philippine Peso.

HR Owen recorded a revenue of P43.03 billion in the financial year under review compared to P39.78 billion in the previous financial year, the increase of P3.25 billion (11.4%), was mainly due to higher sales by strong used car market and new models as well.

PHPI which operates Berjaya Makati Hotel in Makati City recorded increased in revenue of P121.54 million compared to P117.76 million in the previous financial year. The increase of P3.77 million (3.2%) in revenue was mainly due to increase in room occupancy level compared to the previous financial year.

FEC reported a significant increase in revenue from tipping fees generated by its sanitary landfill, amounting to P111.86 million compared to P24.16 million in the previous year. The increase of P87.70 million (363.0%) was primarily driven by a higher volume of clients utilizing the sanitary landfill facility.

The Group's total cost and operating expenses for the year ended 30 June 2025 increased by P3.81 billion (9.6%), from P39.53 billion to P43.39 billion for the same period in 2024. The increase is attributed to the following: (1) cost of vehicles sold increased by P2.56 billion (7.8%), (2) salaries and employee benefits increased by P254.74 million (11.9%), (3) body shop repairs and parts increased by P218.59 million (13.7%), (4) advertising and promotions increased by P134.04 million (13.4%), (5) depreciation and amortization increased by P64.0 million (7.9%), (6) impairment losses on financial assets increased by P387.85 million (766.3%), (7) taxes and licenses increased by P37.64 million (15.7%), (8) communication, light and water increased by P7.55 million (6.4%), (9) transportation and travel expenses increased by P44.74 million (124.9%), (10) cost of food and beverages increased by P0.51 million (3.6%), (11) representation and entertainment increased by P2.32 million (166.2%) and (12) other operating expenses increased by P108.9 million (24.3%) These increases were offset by the following decrease of expenses: (1) professional fees decreased by P9.57 million (9.4%), and (2) rental decreased by P5.36 million (15.6%).

Other Income amounted to P154.62 million for the financial year 30 June 2025, an increase of P246.67 million (268.0%) from Other Charges of P92.05 million in the same period in 2024. The increase in income was mainly due to decrease of finance cost, increase in finance income and equity share in net income of associate during the year.

The Group incurred a net loss of P10.36 million, representing a decrease of P235.10 million (104.6%) from the previous net income of P224.74 million. This decline was primarily due to the recognition of a one-time impairment loss on investments and advances from an associated company.

Financial Position

Total assets of the Group increased by P1.94 billion (6.6%) to P31.53 billion as of 30 June 2025, from P29.60 billion as of 30 June 2024.

Trade and other receivables (net) increased by P1.38 billion (32.8%) to P5.61 billion in 2025 compared to P4.22 billion in 2024, mainly due to increase in deposit placement with accrued interest, due from a related party, payments for future acquisition of investment and manufacturer's bonuses.

Inventories (net) increased by P1.04 billion (16.8%) to P7.18 billion in 2025 compared to P6.15 billion in 2024 due to increase in vehicle stocking.

Advances to associates decreased by P1.65 billion (76.8%) to P498.19 million in 2025 compared to P2.14 billion in 2024 due to settlement of advances during the year.

Prepayments and other current assets decreased by P82.0 million (8.5%) to P887.7 million in 2025 compared to P969.70 million in 2024, mainly due to decrease in prepayments.

Financial assets at fair value through other comprehensive income increased by P40.27 million (5.0%) to P840.39 million in 2025 compared to P800.12 million in 2024 due to fair value gain (net) during the year.

Right of use assets (net) increased by P370.94 million (15.6%) to P2.75 billion in 2025 compared to P2.38 billion in 2024. This is due to addition and lease modification during the year.

Property and equipment (net) increased by P653.69 million (9.1%) to P7.84 billion in 2025 compared to P7.19 billion in 2024, mainly due to additions made during the year.

Investment property decreased by P4.29 million (1.9%) to P211.63 million in 2025 compared to P215.91 million in 2024, mainly due to translation adjustment of H.R. Owen property.

Investments in associates increased by P154.96 million (9.7%) to P1.76 billion in 2025 compared to P1.60 billion in 2024 mainly due to equity share in net income recognized during the year.

Intangible assets increased by P60.90 million (3.3%) to P1.93 billion in 2025 compared to P1.87 billion in 2024, primarily due to the forex translation adjustment of H.R. Owen's intangible assets.

Deferred tax assets increased by P1.59 million (1.5%) to P106.07 million in 2025 compared to P104.48 million in 2024.

Post-employment benefit Asset increased by P96.51 million (20.9%) to P559.17 million in 2025 compared to P462.65 million in 2024.

Meanwhile, other non-current assets increased by P1.49 million (204.9%) to P2.21 million in 2025 compared to P0.73 million in 2024 due to increase in refundable deposits.

Total liabilities of the Group increased by P1.61 billion (8.9%) to P19.68 billion as of 30 June 2025, from P18.08 billion as of 30 June 2024 mainly due to increase in loans payable and borrowings.

Trade and other payables (current) increased by P588.21 million (17.6%) to P3.93 billion in 2025 compared to P3.34 billion in 2024, mainly due to increase of withholding taxes payable and purchases during the year.

Loans payable and borrowings (current) increased by P1.41 billion (28.0%) to P6.44 billion in 2025 compared to P5.03 billion in 2024, mainly due to increase in vehicle stocking loans.

Lease Liabilities (current) decreased by P2.60 million (0.9%) to P304.17 million in 2025 compared to P306.77 million in 2024 mainly due to lease modification.

Contract Liabilities(current) decreased P557.63 million (15.1%) to P3.14 billion in 2025 compared to P3.70 billion in 2024 due to an decrease of advance payments received from customers.

Advances from related parties (current) decreased by P71.58 million (17.2%) to P345.54 million in 2025 compared to P417.12 million in 2024 due to payment of advances.

Trade and other payables (non-current) decreased by P52.83 million (100.0%) to nil in 2025 compared to P52.82 million in 2024, mainly due to an decrease in deferred consideration and provisions.

Lease Liabilities (non-current) increased by P191.13 million (8.5%) to P2.44 billion in 2025 compared to P2.24 billion in 2024 mainly due to addition and lease modification.

Loans payable and borrowings (non-current) increased by P136.43 million (7.0%) to P2.07 billion in 2025 compared to P1.94 billion in 2024.

Advances from related parties (non-current) decreased by P44.06 million (7.8%) to P522.81 million in 2025 compared to P566.87 million in 2024 due to payment of advances.

Deferred tax liabilities increased by P11.57 million (2.4%) to P493.66 million in 2025 compared to P482.09 million in 2024.

Post-employment benefit obligation increased by P0.19 million (4.3%) to P4.56 million in 2025 compared to P4.37 million in 2024.

The total stockholders' equity of the Group increased by P332.94 million (2.9%) to P11.85 billion as of 30 June 2025, from P11.52 billion as of 30 June 2024 under review. The net increase in total equity resulted increase in translation adjustment and revaluation reserve during the year.

Key Performance Indicators

The top five key performance indicators (KPIs) of the Group are: (1) to ensure the prompt collection of receivables from the customers, (2) review the annual budget to monitor and explain any material variances above 10% in the overall operating results,

(3) scrutinize and monitor all the controllable budgeted expenses and analyze any material variances above 10%, (4) review all capital expenditures in compliance with the approved budget, and (5) to manage the timely placements of surplus funds to ensure the highest possible bank interest income in view of the appropriate tolerable risks.

	<u>30 Jun 2025</u>	<u>30 Jun 2024</u>
Liquidity Ratio - Current ratio	1.10	1.17
Leverage Ratio - Debt to Equity	1:66	1:57
Asset to Equity Ratio	2.66	2.57
Profitability Ratios		
Return on Equity	-0.0009	0.0507
Return on Assets	-0.0003	0.0198

The Corporation uses the following computations in obtaining key indicators:

<u>Key Performance Indicator</u>	<u>Formula</u>
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Total Stockholders' Equity}}$
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Stockholders' Equity}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

June 2024 Compared to June 2023

Results of Operations

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱39.93 billion for the year ended 30 June 2024, an increase of ₱ 1.41 billion (3.7%) over total revenues of ₱38.51 billion in the previous financial year. The increase was primarily due to a higher revenue contribution from H.R. Owen in the financial year under review upon conversion into Philippine Peso.

PHPI which operates Berjaya Makati Hotel in Makati City recorded increased in revenue of ₱141.93 million compared to ₱104.10 million in the previous financial year. The increase of ₱37.82 million (36.3%) in revenue was mainly due to increase in room occupancy level compared to the previous financial year.

HR Owen recorded a revenue of ₱39.78 billion in the financial year under review compared to ₱38.41 billion in the previous financial year, the increase of ₱1.37 billion (3.6%), was mainly due to higher sales by strong used car market and new models as well.

The Group's total cost and operating expenses for the year ended 30 June 2024 increased by P1.61 billion (4.2%), from P37.92 billion to P39.53 billion for the same period in 2023. The increase is attributed to the following: (1) cost of vehicles sold increased by P1.47 billion (4.7%), (2) depreciation and amortization increased by P133.57 million (19.6%), (3) advertising and promotions increased by P84.71 million (9.2%), (4) other operating expenses increased by P82.85 million (22.7%), (5) salaries and employee benefits increased by P78.69 million (3.8%), (6) taxes and licenses increased by P50.08 million (26.3%), (7) impairment losses on financial assets increased by P20.46 million (67.8%), (8) professional fees increased by P17.50 million (20.6%), (9) rental increased by P14.2 million (70.3%), (10) cost of food and beverages increased by P2.28 million (19.45%), and (11) representation and entertainment increased by P0.09 million (7.4%). These increases were offset by the following decrease of expenses: (1) body shop repairs and parts decreased by P336.78 million (17.5%), (2) communication, light and water decreased by P5.39 million (4.4%) and (3) transportation and travel expenses decreased by P4.96 million (12.2%).

Other Charges amounted to P92.05 million for the financial year 30 June 2024, a decrease of P236.46 million (163.7%) from Other Income of P144.41 million in the same period in 2023. The decrease in income was mainly due to increase of finance cost and decrease in equity share in net income of associate during the year.

The Group's net income decreased by P392.43 million (63.6%) to P224.74 million in financial year 2024 from P617.16 million in financial year 2023 under review.

Financial Position

Total assets of the Group increased by ₱430.08 million (1.5%) to ₱29.60 billion as of 30 June 2024, from ₱29.16 billion as of 30 June 2023.

Trade and other receivables (net) decreased by ₱795.22 million (23.2%) to ₱4.22 billion in 2024 compared to ₱3.43 billion in 2023, mainly due to increase in deposit placement with accrued interest.

Inventories (net) decreased by ₱1.10 billion (15.1%) to ₱6.15 billion in 2024 compared to ₱7.24 billion in 2023 due to decrease in vehicle stocking.

Advances to associates increased by ₱28.73 million (1.4%) to ₱2.14 billion in 2024 compared to ₱2.11 billion in 2023 due to additional advances made and accrued interest during the year.

Prepayments and other current assets decreased by ₱117.04 million (10.8%) to ₱969.7 million in 2024 compared to ₱1.09 billion in 2023, mainly due to decrease in prepayments and prepaid taxes.

Financial assets at fair value through other comprehensive income decreased by ₱90.44 million (10.2%) to ₱800.12 million in 2024 compared to ₱ 890.57 million in 2023 due to fair value loss (net) during the year.

Right of use assets (net) increased by ₱159.9 million (7.2%) to ₱2.38 billion in 2024 compared to ₱2.22 billion in 2023. This is due to amortizations during the year.

Property and equipment (net) increased by ₱273.04 million (3.9%) to ₱7.19 billion in 2024 compared to ₱6.91 billion in 2023, mainly due to additions made during the year.

Investment property increased by ₱86.73 million (67.1%) to ₱215.91 million in 2024 compared to ₱129.18 million in 2023, mainly due to translation adjustment of H.R. Owen property.

Investments in associates increased by ₱153.62 million (10.6%) to ₱1.60 billion in 2024 compared to ₱1.45 billion in 2023 mainly due to equity share in net income recognized during the year.

Intangible assets increased by ₱96.81 million (5.5%) to ₱1.87 billion in 2024 compared to ₱1.77 billion in 2023, primarily due to the forex translation adjustment of H.R. Owen's intangible assets.

Deferred tax assets increased by ₱13.55 million (14.9%) to ₱104.48 million in 2024 compared to ₱90.92 million in 2023.

Post-employment benefit Asset increased by ₱12.68 million (2.8%) to ₱462.65 million in 2024 compared to ₱449.98 million in 2023.

Meanwhile, other non-current assets decreased by ₱1.22 million (62.7%) to ₱0.73 million in 2024 compared to ₱1.95 million in 2023 due to reclassification.

Total liabilities of the Group decreased by ₱170.92 million (0.9%) to ₱18.08 billion as of 30 June 2024, from ₱18.25 billion as of 30 June 2023 mainly due to decrease in loans payable and contract liabilities.

Trade and other payables (current) increased by ₱314.43 million (10.4%) to ₱3.33 billion in 2024 compared to ₱3.02 billion in 2023, mainly due to an increase in trade and other payables.

Loans payable and borrowings (current) decreased by ₱377.53 million (7.0%) to ₱5.03 billion in 2024 compared to ₱5.40 billion in 2023, mainly due to decrease in vehicle stocking loans.

Lease Liabilities (current) increased by ₱37.81 million (14.1%) to ₱306.77 million in 2024 compared to ₱268.96 million in 2023 mainly due to lease modification.

Contract Liabilities(current) decreased ₱502.08 million (11.9%) to ₱3.70 billion in 2024 compared to ₱4.20 billion in 2023 due to an decrease of advance payments received from customers.

Advances from related parties (current) increased by ₱134.23 million (47.4%) to ₱417.12 million in 2024 compared to ₱282.99 million in 2023 due to additional advances made.

Trade and other payables (non-current) decreased by ₱148.0 million (73.7%) to ₱52.82 million in 2024 compared to ₱200.82 million in 2023, mainly due to an decrease in deferred consideration and provisions.

Lease Liabilities (non-current) increased by P188.07 million (9.1%) to P2.24 billion in 2024 compared to P2.06 billion in 2023 mainly due to lease modification.

Loans payable and borrowings (non-current) decreased by ₱33.36 million (1.7%) to ₱1.94 billion in 2024 compared to ₱1.97 billion in 2023.

Advances from related parties (non-current) decreased by ₱0.5 million (0.1%) to ₱566.87 million in 2024 compared to ₱566.36 million in 2023 due to additional advances made.

Deferred tax liabilities increased by ₱215.92 million (81.1%) to ₱482.09 million in 2024 compared to ₱266.17 million in 2023.

Post-employment benefit obligation decreased by P0.82 million (15.8%) to P4.37 million in 2024 compared to P5.19 million in 2023.

The total stockholders' equity of the Group increased by ₱601.00 million (5.5%) to ₱11.52 billion as of 30 June 2024, from ₱10.92 billion as of 30 June 2023 under review. The net increase in total equity resulted net income and increase in translation adjustment during the year.

Key Performance Indicators

The top five key performance indicators (KPIs) of the Group are: (1) to ensure the prompt collection of receivables from the customers, (2) review the annual budget to monitor and explain any material variances above 10% in the overall operating results, (3) scrutinize and monitor all the controllable budgeted expenses and analyze any material variances above 10%, (4) review all capital expenditures in compliance with the approved budget, and (5) to manage the timely placements of surplus funds to

ensure the highest possible bank interest income in view of the appropriate tolerable risks.

	30 Jun 2024	30 Jun 2023
Liquidity Ratio - Current ratio	1.17	1.16
Leverage Ratio - Debt to Equity	1:57	1:67
Asset to Equity Ratio	2.569	2.672
Profitability Ratios		
Return on Equity	0.020	0.059
Return on Assets	0.008	0.023

The Corporation uses the following computations in obtaining key indicators:

Key Performance Indicator	Formula
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Total Stockholders Equity}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

June 2023 Compared to June 2022

Results of Operations

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱38.51 billion for the year ended 30 June 2023, an increase of ₱ 1.93 billion (5.3%) over total revenues of ₱36.58 billion in the previous financial year. The increase was primarily due to a higher revenue contribution from H.R. Owen in the financial year under review upon conversion into Philippine Peso.

PHPI which operates Berjaya Makati Hotel in Makati City recorded increased in revenue of ₱104.00 million compared to ₱93.56 million in the previous financial year. The increase of ₱10.44 million (11.2%) in revenue was mainly due to increase in room occupancy level compared to the previous financial year.

HROwen recorded a revenue of ₱38.41 billion in the financial year under review compared to ₱36.49 billion in the previous financial year, the increase of ₱1.92 billion

(5.3%), was mainly due to higher sales by strong used car market and new models as well.

The Group's total cost and operating expenses for the year ended 30 June 2023 increased by P2.42 billion (6.8%), from P35.53 billion to P37.95 billion for the same period in 2022. The increase is attributed to the following: (1) cost of vehicles sold increased by P3.48 billion (12.4%), (2) salaries and employee benefits increased by P239.92 million (13.2%), (3) taxes and licenses increased by P127.21 million (201.3%), (4) advertising and promotions increased by P32.14 million (3.6%), (5) communication, light and water increased by P27.24 million (28.5%), (6) rental increased by P13.82 million (216.5%), (7) impairment losses on financial assets P7.40 million (32.51%) and (8) cost of food and beverages increased by P3.16 million (36.9%). These increases were offset by the following decrease of expenses: (1) body shop repairs and parts decreased by P1.39 billion (41.9%), (2) transportation and travel expenses decreased by P17.32 million (29.8%) and (3) other expense decreased by P101.95 million (20.1%)

Other Income (Loss) – net of other charges amounted to P173.17 million for the financial year 30 June 2023, an increase of P20.52 million (13.4%) from Other Income of P152.65 million in the same period in 2022. This increase in income was mainly due to equity share in net income of associate during the year.

The Group's net income decreased by P323.71 million (34.4%) to P617.16 million in financial year 2023 from P940.88 million in financial year 2022 under review.

Financial Position

Total assets of the Group increased by P5.01 billion (20.7%) to P29.16 billion as of 30 June 2023, from P24.15 billion as of 30 June 2022.

Trade and other receivables (net) increased by P989.81 million (40.6%) to P3.43 billion in 2023 compared to P2.44 billion in 2022, mainly due to increase in deposit placement with accrued interest.

Financial assets at fair value through profit or loss decreased by P1.88 million (100.0%) to nil in 2023 compared to P1.88 million in 2022 due to disposal of share during the year.

Inventories (net) increased by P2.64 billion (57.4%) to P7.24 billion in 2023 compared to P4.60 billion in 2022.

Advances to associates increased by P23.38 million (1.1%) to P2.11 billion in 2023 compared to P2.09 billion in 2022 due to additional advances made and accrued interest during the year.

Prepayments and other current assets decreased by P215.38 million (16.5%) to P1.09 billion in 2023 compared to P1.30 billion in 2022, mainly due to decrease in prepayments and VAT recoverable from H.R. Owen.

Financial assets at fair value through other comprehensive income increased by ₱2.15 million (0.2%) to ₱890.57 million in 2023 compared to ₱ 888.42 million in 2022 due to fair value gain (net) during the year.

Right of use assets (net) decreased by ₱535.05 million (19.4%) to ₱2.22 billion in 2023 compared to ₱2.76 billion in 2022. This is due to amortizations during the year.

Property and equipment (net) increased by ₱1.87 billion (37.1%) to ₱6.91 billion in 2023 compared to ₱5.04 billion in 2022, mainly due to additions made during the year.

Investment property increased by ₱5.87 million (4.7%) to ₱129.18 million in 2023 compared to ₱123.40 million in 2022, mainly due to translation adjustment of H.R. Owen property.

Investments in associates increased by ₱188.32 million (14.9%) to ₱1.45 billion in 2023 compared to ₱1.26 billion in 2022 mainly due to equity share in net income recognized this year.

Intangible assets increased by ₱257.71 million (17.3%) to ₱1.77 billion in 2023 compared to ₱1.49 billion in 2022, primarily due to the translation adjustment of H.R. Owen's intangible assets.

Deferred tax assets increased by ₱18.30 million (25.2%) to ₱90.92 million in 2023 compared to ₱72.62 million in 2022.

Post-employment benefit Asset increased by ₱134.07 million (42.4%) to ₱449.98 million in 2023 compared to ₱315.91 million in 2022.

Meanwhile, other non-current assets decreased by ₱2.71 million (58.2%) to ₱1.95 million in 2023 compared to ₱4.66 million in 2022 due to reclassification.

Assets held for sale decreased by ₱87.25 million (100.0%) to nil in 2023 compared to ₱87.25 million in 2022 due to disposal.

Total liabilities of the Group increased by ₱4.02 billion (28.2%) to ₱18.25 billion as of 30 June 2023, from ₱14.23 billion as of 30 June 2022 mainly due to increase in loans payable and borrowings.

Trade and other payables (current) increased by ₱1.04 billion (52.7%) to ₱3.03 billion in 2023 compared to ₱1.98 billion in 2022, mainly due to an increase in trade and other payables.

Loans payable and borrowings (current) increased by ₱2.01 billion (59.1%) to ₱5.40 billion in 2023 compared to ₱3.40 billion in 2022, mainly due to increase in vehicle stocking loans and as well as bank loans.

Lease Liabilities (current) decreased by ₱119.36 million (30.7%) to ₱268.99 million in 2023 compared to ₱388.32 million in 2022 mainly due to translation adjustment.

Contract Liabilities(current) increased ₱715.78 million (20.5%) to ₱4.20 billion in 2023 compared to ₱3.49 billion in 2022 due to an increase of advance payments received from customers.

Advances from related parties (current) increased by ₱13.13 million (4.7%) to ₱290.99 million in 2023 compared to ₱277.85 million in 2022 due to additional advances made.

Lease Liabilities (non-current) decreased by ₱477.81 million (18.9%) to ₱2.06 billion in 2023 compared to ₱2.53 billion in 2022 mainly due to translation adjustment.

Loans payable and borrowings (non-current) increased by ₱605.50 million (44.3%) to ₱1.97 billion in 2023 compared to ₱1.37 billion in 2022.

Advances from related parties (non-current) increased by ₱116.36 million (25.9%) to ₱566.36 million in 2023 compared to ₱450.00 million in 2022 due to additional advances made.

Deferred tax liabilities increased by ₱72.00 million (51.9%) to ₱266.17 million in 2023 compared to ₱175.24 million in 2022.

Post-employment benefit obligation decreased by ₱0.50 million (8.8%) to ₱5.19 million in 2023 compared to ₱5.69 million in 2022.

The total stockholders' equity of the Group increased by ₱987.92 million (10.0%) to ₱10.91 billion as of 30 June 2023, from ₱9.92 billion as of 30 June 2022 under review. The net increase in total equity resulted from high net income as well as translation adjustment during the year.

Key Performance Indicators

The top five key performance indicators (KPIs) of the Group are: (1) to ensure the prompt collection of receivables from the customers, (2) review the annual budget to monitor and explain any material variances above 10% in the overall operating results, (3) scrutinize and monitor all the controllable budgeted expenses and analyze any material variances above 10%, (4) review all capital expenditures in compliance with the approved budget, and (5) to manage the timely placements of surplus funds to ensure the highest possible bank interest income in view of the appropriate tolerable risks.

	30 Jun 2023	30 Jun 2022
Liquidity Ratio - Current ratio	1.16 : 1.00	1.27 : 1.00
Leverage Ratio - Debt to Equity	1:67 : 1.00	1:43 : 1.00
Activity Ratio - Annualized PPE Turnover	13.73 times	16.26 times
Profitability Ratios		
Return on Equity	13.77%	21.25%
Return on Assets	5.15%	8.73%

The Corporation uses the following computations in obtaining key indicators:

Key Performance Indicator	Formula
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
PPE Turnover	$\frac{\text{Revenues}}{\text{Property, Plant \& Equipment (Net)}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

Key Variable and Other Qualitative and Quantitative Factors

There are no known events that will trigger direct or contingent financial obligations that are material to the Corporation, including default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Corporation with unsolicited entities or other persons related during the reporting period.

The Corporation has no material commitments for capital expenditures. Neither does it know of any trends, events, or uncertainties, or significant elements of income or loss.

The Corporation does not know of any cause for any material change from period to period of its financial statements which will include vertical and horizontal analysis of material items, it being understood that "material" in this section refers to changes or items amounting to at least five (5%) of the relevant accounts or such lower amount, which the registrant deems material on the basis of other factors.

There are no seasonal aspects that have a material effect on the financial statements.

Information on Independent Accountant

For professional services rendered on the audit of the financial statements of the Corporation and its subsidiaries, Punongbayan & Araullo was paid the amounts of Php250,000.00 for its audit on the Corporation, Php 215,000.00 for its audit on Perdana Hotel Philippines Inc. (PHPI), and Php 130,000.00 for Floridablanca Enviro Corporation (FEC) for the fiscal year ending 30 June 2025.

For professional services rendered on the audit of the financial statements of the Corporation and its subsidiaries for the fiscal year ended 30 June 2024, the amount of Php230,000.00 was paid for its audit on the Corporation, Php 205,000.00 for its audit on Perdana Hotel Philippines (PHPI) and Php 110,000.00 for Floridablanca Enviro Corporation (FEC).

For professional services rendered on the audit of the financial statements of the Corporation and its subsidiaries for the fiscal year ended 30 June 2023, Punongbayan & Araullo was paid the amounts of Php 220,000.00 for its audit on the Corporation, Php 202,000.00 for its audit on Perdana Hotel Philippines Inc. (PHPI), and Php 90,000.00 for Floridablanca Enviro Corporation (FEC).

In summary, the following amounts were paid to Punongyaban and Araullo by the Issuer and all its subsidiaries and affiliates, as follows:

	In Pesos		
	2025	2024	2023
Audit fee	P 1,245,000	P 1,115,000	P 1,062,000
Tax services			
Other fees			
Total	P 1,245,000	P 1,115,000	P 1,062,000

Punongbayan & Araullo (P&A), the independent auditors of Berjaya Philippines Inc., have affixed their signature on the financial statements of Berjaya Philippines Inc. P&A issued an unqualified opinion on the consolidated financial statements. The audits were conducted in accordance with the Philippine Standards on Auditing.

As part of the audit process, Punongbayan & Araullo made specific inquiries from the Management of the Corporation and its subsidiaries and requested Management's written confirmation concerning representations contained in the financial statements and the effectiveness of the internal control structure. The responses to the inquiries, the written representations, and the results of their audit tests comprised the evidential matter relied upon in forming an opinion on the financial statements.

The income tax return (ITR), other tax returns and the publicly held financial statements (PHFS) and the information contained therein were the responsibilities of the Corporation. Punongbayan & Araullo ascertained that the income and expenses agree with the Corporation's and its subsidiaries' books of accounts.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no changes in or disagreements with accountants on accounting and financial disclosure.

The partner at Punongbayan & Araullo assigned to the Issuer is changed or rotated in compliance with SRC Rule 68 (3) (b) (iv).

Dividends

Dividends

(a) Dividends declared by Berjaya Philippines Inc.

On 28 October 2004 the Corporation declared cash dividends to all stockholders on record as of November 17, 2004 or a total of ₱87.14 million.

On 5 January 2012, the Corporation declared cash dividends amounting to ten centavos per share to all stockholders of record as of 19 January 2012.

On 5 October 2015, the Issuer declared stock dividends at a rate of 4 common shares for every common share held to taken from the increase in authorized capital stock. On the same date, the Issuer caused the reversal of previously allocated funds for capex and corporate expansion and appropriated ₱3.47 billion from the Issuer's retained earnings for the distribution of stock dividends.

On 28 April 2020, the Corporation set aside two billion pesos (₱2,000,000,000.00) from the Issuer's retained earnings for future corporate expansion for the next two years.

On 30 June 2025, the Corporation set aside two billion pesos (₱2,000,000,000.00) from the Issuer's retained earnings for the Corporation's capital expenditures (CAPEX) including but not limited to the purchase of additional assets, funding of future investments, corporate expansion, improvement of facilities, and repairs of corporate assets, properties and equipment, which is estimated to be concluded within a three (3) to five (5) year period from 30 June 2025.

(b) Dividends Declared by the Issuer's wholly owned subsidiary – PHPI

In April 2012, the Corporation declared cash dividends amounting to ten million pesos (₱10,000,000.00 million).

In August 2013, the Corporation declared cash dividends amounting to four million pesos (₱ 4,000,000.00).

Discussion on Compliance with leading practice on Corporate Governance

The Corporation's evaluation system is headed by its President Mr. Tan Eng Hwa assisted by the Assistant Corporate Secretary Ms. Marie Lourdes Sia-Bernas in determining the level of compliance of the Board of Directors with its *Manual of Corporate Governance*.

The Corporation shall implement its Corporate Governance Rules in accordance with the Revised Code of Corporate Governance under SEC Memorandum Circular No. 06-2009. The Corporation submitted its Revised *Manual on Corporate Governance* on 31 July 2014, 18 January 2010, and 30 May 2017. The

Revised Manual is available for inspection by shareholders at reasonable hours on business days.

The Corporation submitted its Integrated Annual Corporate Governance Report on June 3, 2025. The Integrated Annual Corporate Governance Report is available for inspection by shareholders at reasonable hours on business days.

There is no deviation from the corporation's *Revised Manual on Corporate Governance*.

Market Price of the Company's Shares of Stock

The shares of stock of Berjaya Philippines Inc. are traded on the Philippine Stock Exchange (PSE). The high and low sales prices for certain dates commencing 2 January 2024 to 22 October 2025 are as follows:

<u>Date</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
02 Jan 2024	P 8.50	P 8.00	P 8.50
31 Jan 2024	P 7.84	P 7.84	P 7.84
08 Feb 2024	P 7.70	P 7.70	P 7.70
29 Feb 2024	P 7.80	P 7.74	P 7.80
15 Mar 2024	P 7.80	P 7.80	P 7.80
27 Mar 2024	P 7.72	P 7.72	P 7.72
01 Apr 2024	P 7.67	P 7.67	P 7.67
30 Apr 2024	P 7.61	P 7.61	P 7.61
02 May 2024	P 7.40	P 7.40	P 7.40
31 May 2024	P 8.00	P 7.66	P 8.00
05 Jun 2024	P 6.63	P 6.63	P 6.63
28 Jun 2024	P 7.89	P 7.89	P 7.89
05 Jul 2024	P 7.90	P 7.30	P 7.90
31 Jul 2024	P 8.00	P 8.00	P 8.00
05 Aug 2024	P 7.40	P 6.00	P 7.40
30 Aug 2024	P 7.80	P 7.22	P 7.80
04 Sept 2024	P 7.80	P 7.80	P 7.80
30 Sept 2024	P 8.00	P 7.80	P 8.00
11 Oct 2024	P 9.00	P 8.00	P 9.00
29 Oct 2024	P 7.10	P 7.01	P 7.01
12 Dec 2024	P 9.80	P 8.80	P 9.80
20 Dec 2024	P 9.50	P 9.02	P 9.28
01 Jan 2025	P 6.40	P 6.40	P 6.40
05 Feb 2025	P 6.77	P 6.40	P 6.40
21 Feb 2025	P 5.91	P 5.90	P 5.90
07 Mar 2025	P 6.10	P 6.00	P 6.10
31 Mar 2025	P 6.80	P 5.33	P 6.80
11 Apr 2025	P 6.50	P 5.11	P 6.50
30 Apr 2025	P 6.80	P 6.75	P 6.80
16 May 2025	P 5.99	P 5.80	P 5.80
27 May 2025	P 5.21	P 5.22	P 5.19
05 Jun 2025	P 5.29	P 5.29	P 5.29

30 Jun 2025	P 8.00	P 6.10	P 8.00
03 Jul 2025	P 7.77	P 7.77	P 7.77
14 Jul 2025	P 5.80	P 5.74	P 5.78
30 Jul 2025	P 7.66	P 7.20	P 7.20
05 Aug 2025	P 7.50	P 7.22	P 7.22
29 Aug 2025	P 7.96	P 7.96	P 7.96
03 Sep 2025	P 8.00	P 7.96	P 8.00
23 Sep 2025	P 6.80	P 6.61	P 6.80
06 Oct 2025	P 7.80	P 7.80	P 7.80
22 Oct 2025	P 7.80	P 7.80	P 7.80

The price as of the last trading date for this report is Seven Pesos (₱ 7.80) on 22 October 2025.

Separate Disclosures regarding the Financial Statements as required under SRC Rule 68.1

- 1) There are no items affecting the assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.
- 2) There is no change in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.
- 3) There is no issuance, repurchase or repayment of debts and equity securities.
- 4) There are no material events subsequent to the end of the fiscal year that have not been reflected in the financial statements for the interim period.
- 5) There are no business combinations, acquisition or disposals subsidiaries and long-term investments, restructurings and discontinuing operations for the interim period.
- 6) There are no contingent liabilities or contingent assets since the last annual balance sheet date.
- 7) There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

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

There are no material off-balance sheet transactions, arrangements, or obligations.

There are no restrictions or limitations on Berjaya Philippines Inc.'s ability to pay dividends on common equity. There are no such likely restrictions or limitations foreseen in the future.

Upon the written request of any stockholder, the Company will provide without charge to the requesting stockholder, a copy of the Company's annual report on SEC Form 17-A.

ALL REQUESTS MUST BE ADDRESSED TO:

JOSE A. BERNAS, Esq.
The Corporate Secretary
Berjaya Philippines Inc.
c/o Bernas Law Offices
6th Floor MGF Champaca Building
156 Amorsolo Street, Legaspi Village, Makati City
Metro Manila, 1229

BERJAYA PHILIPPINES INC.
For and on behalf of the Board:


TAN ENG HWA
President

COVER SHEET
for
AUDITED FINANCIAL FINANCIAL STATEMENTS

SEC Registration Number

P	R	E		W	A	R		4	7	6
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COMPANY NAME

B	E	R	J	A	Y	A		P	H	I	L	I	P	P	I	N	E	S		I	N	C	.							
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S															

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

9	T	H		F	L	O	O	R		R	U	F	I	N	O		P	A	C	I	F	I	C		T	O	W	E	R
6	7	8	4		A	Y	A	L	A		A	V	E	N	U	E		M	A	K	A	T	I		C	I	T	Y	

Form Type

1	7	-	A
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Department requiring the report

S	E	C	
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Secondary License Type, If Applicable

N/A

COMPANY INFORMATION

Company's Email Address

blaw@attglobal.net

Company's Telephone Number/s

811-0668

Mobile Number

--

No. of Stockholders

144

Annual Meeting
Month/Day

Any day in October

Fiscal Year
Month/Day

JUNE 30

CONTACT PERSON INFORMATION

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

Name of Contact Person

TAN ENG HWA

Email Address

tanenghwa@gmail.com

Telephone Number/s

--

Mobile Number

--

Contact Person's Address

9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City

Note 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

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



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Berjaya Philippines, Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended **June 30, 2025** in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the **Berjaya Philippines, Inc. and Subsidiaries** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the **Berjaya Philippines, Inc. and Subsidiaries** or to cease operations, or has no realistic alternative to do so.

The Board of Directors is responsible for overseeing the **Berjaya Philippines, Inc. and Subsidiaries** financial reporting process.

The Board of Directors reviews and approves the financial statements, including the schedules attached therein, and submits the same to the stockholders.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the **Berjaya Philippines, Inc. and Subsidiaries** in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



"Nerine" Tan Sheik Ping
Chairman



Tan Eng Hwa
President



Winnie R. Manansala
Treasurer

BERJAYA PHILIPPINES INC.

9/F Rufino Pacific Tower 6784 Ayala Ave., Cor. V.A. Rufino St., Makati City
Tel. No.: (632) 8811-0668 * Fax No.: (632) 8811-0538



AUG 19 2025

SUBSCRIBED AND SWORN TOBEFORE ME this _____ day of _____ 2025, by the following who exhibited to me their government issued identification cards during business hours.

Name	Tax Identification No.
"Nerine" Tan Sheik Ping	602-059-714
Tan Eng Hwa	204-172-228
Winnie R. Manansala	221-154-637

Doc No.
Page No.
Book No.
Series of

68
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52
2025

ATTY. GLADYS KAYE L. CHUA
Notary Public for Makati City
Until December 31, 2025
Appointment No. M-344 (2024-2025)
PTR No. MKT10526155; February 28, 2025, Makati City
Lifetime IBP No. 014902 July 29, 2016-Zambesulta Chapter
MCLE Compliance 7th - 0004418
Roll of Attorney's No. 66695
LG 25 Alfaro Place, 146 L.P. Leviste St., Makati City

BERJAYA PHILIPPINES INC.

9/F Rufino Pacific Tower 6784 Ayala Ave., Cor. V.A. Rufino St., Makati City
Tel. No.: (632) 8811-0668 * Fax No.: (632) 8811-0538



FOR SEC FILING

Consolidated Financial Statements and
Independent Auditors' Report

Berjaya Philippines Inc. and Subsidiaries

June 30, 2025, 2024 and 2023

Report of Independent Auditors

The Board of Directors and Stockholders
Berjaya Philippines Inc. and Subsidiaries
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
9th Floor, Rufino Pacific Tower
6784 Ayala Avenue, Makati City

Opinion

We have audited the consolidated financial statements of Berjaya Philippines Inc. and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at June 30, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended June 30, 2025, and the notes to consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended June 30, 2025 in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards).

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Revenue Recognition on Sale of Vehicles*Description of the Matter*

Revenue recognition relating to the sale of vehicles amounting to P39.0 billion was significant to our audit as it accounts for 90% of total revenues of the Group. The sale of vehicles involves significant amount of transactions, which directly impact the profitability of the Group. The Group recognizes revenue from sale of vehicles when the buyer has obtained control of the vehicles.

We considered revenue recognition as a key audit matter due to the inherent risk of material misstatement on revenue as it involves significant volume of transactions, requires proper observation of cut-off procedures, and directly impacts the Group's profitability.

The Group's accounting policy on revenue recognition and details of sale of vehicles are presented in Notes 2 and 20, respectively, to the consolidated financial statements.

How the Matter was Addressed in the Audit

Our audit procedures to address the risk of material misstatement relating to revenue recognition on sale of vehicles included, among others, the following:

- Evaluating the appropriateness of the Group's revenue recognition policy to determine whether it is consistent with the requirements of PFRS 15, *Revenue from Contracts with Customers*, and whether it adequately reflects the substance of the underlying transactions;
- Testing the recognition and measurement of revenue on a sample basis by examining supporting documents such as handover forms, sales invoices, proof of cash receipts, and bank statements, with the objective of verifying that revenue is recorded accurately and in the correct period;
- Assessing the appropriateness of revenue cut-off procedures to ensure that revenue transactions are recorded in the correct reporting period;
- Performing substantive analytical procedures over revenue by comparing current year sales data with prior year figures, disaggregated by location and brand of inventories sold, with the objective of identifying unusual trends, fluctuation, or variances that may indicate potential misstatements or inconsistencies in revenue recognition; and,
- Evaluating the sufficiency and adequacy of disclosures in the consolidated financial statements in accordance with PFRS 15.

(b) Existence and Valuation of Vehicle Inventories*Description of the Matter*

The Group holds vehicle inventories amounting to P7.2 billion, net of allowance for inventory writedown, which represents 23% of the consolidated total assets as of June 30, 2025. Under Philippine Accounting Standard (PAS) 2, *Inventories*, the Group is required to measure its inventories at the lower of cost or net realizable value. The net realizable value of vehicle inventories depends on certain factors such as brand, model and parts, among others. Due to the materiality of the amount of vehicle inventories and the complexity of the process of determining its net realizable value, we considered the existence and valuation of vehicle inventories as significant to our audit.

The Group's accounting policy and details of inventories are presented in Notes 2 and 9, respectively, to the consolidated financial statements.

How the Matter was Addressed in the Audit

Our audit procedures to address the risk of material misstatement relating to the existence and valuation of vehicle inventories included, among others, the following:

On existence of vehicle inventories:

- Observing the physical inventory count conducted by the Group, including verification of the count procedures and cut-off documents; and,
- Reconciling inventory quantities recorded in the count sheet to the final inventory listing on a sample basis and investigate any significant variances noted.

On valuation of vehicle inventories:

- Assessing the method of inventory costing and evaluating appropriateness and consistency of application on the valuation of inventories at lower of cost and net realizable value;
- Testing the recorded unit cost of selected inventory items by examining related supplier's invoices to ascertain the recorded price;
- Evaluating the reasonableness of the key assumptions used in estimating the net realizable values of inventories, including consideration of aging, obsolescence and market conditions; and,
- Reviewing the appropriateness and adequacy of the allowance for inventory write-down, including slow moving, obsolete or damaged inventory items.

(c) Impairment Assessment of Goodwill and Dealership Rights*Description of the Matter*

As at June 30, 2025, goodwill and dealership rights with indefinite useful life amounted to P1.8 billion, which are presented as part of the Intangible Assets account in the consolidated statement of financial position.

Under PAS 36, *Impairment of Assets*, the Group is required to annually test the amount of goodwill and intangible assets with indefinite useful life for impairment. This annual impairment testing of goodwill and dealership rights was significant to our audit because the management's impairment assessment process includes significant judgment and high estimation uncertainty, particularly in determining the value-in-use (which uses certain discount rate and cash flows projections) of the identified cash-generating units over which the carrying value of goodwill and dealership rights were allocated. The assumptions used by management are sensitive to changes to market and economic conditions.

The Group's accounting policy on impairment assessment of goodwill and dealership rights is more fully described in Note 2 to the consolidated financial statements while the disclosures of the carrying amount of goodwill and dealership rights and the value-in-use of the cash-generating units to which the intangible assets were allocated are presented in Note 14.

How the Matter was Addressed in the Audit

Our audit procedures to address the risk of material misstatement relating to goodwill and dealership rights with indefinite useful life included, among others, the following:

- Evaluating the appropriateness and reasonableness of methodology and assumptions used by the management in determining the value-in-use of cash-generating units attributable to goodwill and dealership rights, including discount rate, growth rate and cash flow projections, by comparing them to external and historical data;
- Testing the calculations produced by the valuation model for mathematical accuracy and for appropriateness and reliability of inputs and amounts used; and,
- Performing sensitivity analyses to assess the impact of reasonably possible changes in assumptions on the recoverable amount of the cash-generating units.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended June 30, 2025, but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended June 30, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audits resulting in this independent auditors' report is Ramilito L. Nañola.

PUNONGBAYAN & ARAULLO



By: Ramilito L. Nañola
Partner

CPA Reg. No. 0090741
TIN 109-228-427
PTR No. 10465911, January 2, 2025, Makati City
BIR AN 08-002511-019-2023 (until December 10, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-009 (until August 12, 2027)

October 15, 2025

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2025</u>	<u>2024</u>
<u>A S S E T S</u>			
CURRENT ASSETS			
Cash and cash equivalents	7	P 1,353,170,536	P 1,481,368,682
Trade and other receivables - net	8	5,609,483,183	4,224,498,520
Inventories - net	9	7,182,882,606	6,146,974,082
Advances to associates - net	13, 24	498,190,618	2,143,565,187
Prepayments and other current assets	10	887,707,480	969,707,637
Total Current Assets		15,531,434,423	14,966,114,108
NON-CURRENT ASSETS			
Financial asset at fair value through other comprehensive income	11	840,391,651	800,123,766
Right of use assets - net	16	2,754,906,431	2,383,970,243
Property and equipment - net	12	7,839,948,500	7,186,254,288
Investment property	15	211,626,800	215,912,221
Investments in associates - net	13	1,758,716,534	1,603,760,679
Intangible assets - net	14	1,930,948,236	1,870,049,191
Deferred tax assets - net	26	106,067,170	104,479,600
Post-employment benefit asset	22	559,168,159	462,653,958
Other non-current assets	10	2,214,668	726,455
Total Non-current Assets		16,003,988,149	14,627,930,401
TOTAL ASSETS		P 31,535,422,572	P 29,594,044,509
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Trade and other payables	18	P 3,926,360,348	P 3,337,436,408
Loans payable and borrowings	19	6,435,563,624	5,026,667,703
Lease liabilities	16	304,168,666	306,766,213
Contract liabilities	20	3,142,463,463	3,700,097,847
Advances from related parties	24	345,540,000	417,116,625
Total Current Liabilities		14,154,096,101	12,788,084,796
NON-CURRENT LIABILITIES			
Trade and other payables	18	-	52,823,230
Lease liabilities	16	2,435,528,810	2,244,403,343
Loans payable and borrowings	19	2,074,308,536	1,937,874,976
Advances from related parties	24	522,810,571	566,869,496
Deferred tax liabilities - net	26	493,661,075	482,088,731
Post-employment benefit obligation - net	22	4,557,044	4,369,380
Total Non-current Liabilities		5,530,866,036	5,288,429,156
Total Liabilities		19,684,962,137	18,076,513,952
EQUITY			
Attributable to owners of the Parent Company	25		
Capital stock		4,427,009,132	4,427,009,132
Treasury shares - at cost		(988,150,025)	(988,150,025)
Revaluation reserves		90,372,920	15,525,847
Translation adjustment		809,762,418	541,307,394
Other reserves		(748,815,536)	(748,815,536)
Retained earnings		8,243,434,393	8,258,072,603
		11,833,613,302	11,504,949,415
Attributable to non-controlling interest		16,847,133	12,581,142
Total Equity		11,850,460,435	11,517,530,557
TOTAL LIABILITIES AND EQUITY		P 31,535,422,572	P 29,594,044,509

See Notes to Consolidated Financial Statements.

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED JUNE 30, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024	2023
REVENUES				
Sale of vehicles	2, 20	P 39,016,317,617	P 35,867,940,263	P 34,526,742,891
Servicing and bodyshop	2, 20	4,018,345,092	3,917,131,324	3,882,384,015
Hotel operations	2, 20	121,541,270	117,765,809	104,001,016
Tipping fee	2, 20	111,855,987	24,157,479	104,292
		<u>43,268,059,966</u>	<u>39,926,994,875</u>	<u>38,513,232,214</u>
COSTS AND OPERATING EXPENSES				
Cost of vehicles sold	2, 9	35,501,283,966	32,935,322,566	31,467,214,143
Salaries and employee benefits	22, 24	2,397,046,125	2,142,306,938	2,063,613,847
Bodyshop repairs and parts		1,808,153,501	1,589,558,297	1,926,343,554
Advertising and promotions		1,134,366,824	1,000,322,512	915,616,519
Depreciation and amortization	12, 14, 16, 24	879,089,746	815,091,957	681,524,469
Impairment losses on financial assets	8, 24	438,462,505	50,613,840	30,153,789
Taxes and licenses		278,107,428	240,467,196	190,391,176
Communication, light and water		124,994,349	117,443,373	122,833,661
Professional fees	24	92,705,129	102,274,758	84,774,093
Transportation and travel		80,551,761	35,815,145	40,773,590
Rental	16	29,046,687	34,411,432	20,210,743
Food and beverages		14,492,209	13,985,316	11,708,439
Representation and entertainment		3,713,439	1,394,770	1,299,105
Others	21	556,047,557	447,136,876	364,287,580
		<u>43,338,061,226</u>	<u>39,526,144,976</u>	<u>37,920,744,708</u>
OPERATING PROFIT (LOSS)		(70,001,260)	400,849,899	592,487,506
OTHER INCOME (CHARGES)				
Finance costs and other charges	23	(603,196,420)	(623,680,967)	(434,441,327)
Finance income	23	416,326,477	293,288,073	201,709,904
Equity share in net income of associates	13	276,261,591	160,357,416	259,418,501
Fair value loss on financial assets at fair value through profit or loss		-	-	(1,876,575)
Others	21	65,230,168	77,984,200	119,596,033
		<u>154,621,816</u>	<u>(92,051,278)</u>	<u>144,406,536</u>
PROFIT BEFORE TAX		84,620,556	308,798,621	736,894,042
TAX EXPENSE	26	94,992,775	84,061,059	119,729,994
NET PROFIT (LOSS)		(10,372,219)	224,737,562	617,164,048
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Actuarial gain (loss) on remeasurement of post-employment benefit obligation - net of tax	22, 25, 26	39,479,528	(22,867,051)	77,465,893
Net unrealized fair value gains on financial assets at fair value through other comprehensive income - net of tax	11, 25	35,213,280	23,011,177	58,614,601
Share in other comprehensive income of associates - net of tax	13, 25, 26	154,265	1,264,196	900,971
		<u>74,847,073</u>	<u>1,408,322</u>	<u>136,981,465</u>
<i>Balance carried forward</i>		P 74,847,073	P 226,145,884	P 754,145,513

	Notes	2025	2024	2023
<i>Balance brought forward</i>		P 74,847,073	P 226,145,884	P 754,145,513
Item that will be reclassified subsequently to profit or loss				
Translation adjustment	2	268,455,024	374,851,570	243,253,317
TOTAL COMPREHENSIVE INCOME		P 332,929,878	P 600,997,454	P 997,398,830
Net profit (loss) attributable to:				
Parent Company's shareholders		(P 14,638,210)	P 219,623,440	P 614,967,297
Non-controlling interest		4,265,991	5,114,122	2,196,751
		(P 10,372,219)	P 224,737,562	P 617,164,048
Total comprehensive income attributable to:				
Parent Company's shareholders		P 328,663,887	P 595,883,332	P 995,202,079
Non-controlling interest		4,265,991	5,114,122	2,196,751
		P 332,929,878	P 600,997,454	P 997,398,830
Earnings (Loss) Per Share - Basic and Diluted	27	(P 0.003)	P 0.051	P 0.142

See Notes to Consolidated Financial Statements.

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED JUNE 30, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	Attributable to Owners of the Parent Company										Non-controlling Interests	Total Equity
		Capital Stock	Treasury Stock - at Cost	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total	Total Attributable to Parent Company			
							Appropriated	Unappropriated					
Balance at July 1, 2024		P 4,427,009,132	(P 988,150,025)	P 15,525,847	(P 748,815,536)	P 541,307,394	P 2,000,000,000	P 6,258,072,603	P 8,258,072,603	P 11,504,949,415	P 12,581,142	P 11,517,530,557	
Total comprehensive income													
Net loss for the year		-	-	-	-	-	-	(14,638,210)	(14,638,210)	(14,638,210)	4,265,991	(10,372,219)	
Actuarial gain on remeasurement of post-employment benefit obligation - net of tax	22, 25	-	-	39,479,528	-	-	-	-	-	39,479,528	-	39,479,528	
Share in other comprehensive income of associates - net of tax	13, 25	-	-	154,265	-	-	-	-	-	154,265	-	154,265	
Net unrealized fair value gains on financial assets at fair value through other comprehensive income (FVOCI)	11, 25	-	-	35,213,280	-	-	-	-	-	35,213,280	-	35,213,280	
Translation adjustment		-	-	-	-	268,455,024	-	-	-	268,455,024	-	268,455,024	
		-	-	74,847,073	-	268,455,024	-	(14,638,210)	(14,638,210)	328,663,887	4,265,991	332,929,878	
Balance at June 30, 2025	25	P 4,427,009,132	(P 988,150,025)	P 90,372,920	(P 748,815,536)	P 809,762,418	P 2,000,000,000	P 6,243,434,393	P 8,243,434,393	P 11,833,613,302	P 16,847,133	P 11,850,460,435	
Balance at July 1, 2023		P 4,427,009,132	(P 988,150,025)	P 2,270,702	(P 748,815,536)	P 166,455,824	P 2,000,000,000	P 6,050,295,978	P 8,050,295,978	P 10,909,066,075	P 7,467,020	P 10,916,533,095	
Total comprehensive income													
Net profit for the year		-	-	-	-	-	-	219,623,440	219,623,440	219,623,440	5,114,122	224,737,562	
Actuarial loss on remeasurement of post-employment benefit obligation - net of tax	22, 25	-	-	(22,867,051)	-	-	-	-	-	(22,867,051)	-	(22,867,051)	
Share in other comprehensive income of associates - net of tax	13, 25	-	-	1,264,204	-	-	-	-	-	1,264,204	-	1,264,204	
Net unrealized fair value gains on financial assets at FVOCI	11, 25	-	-	23,011,177	-	-	-	-	-	23,011,177	-	23,011,177	
Translation adjustment		-	-	-	-	374,851,570	-	-	-	374,851,570	-	374,851,570	
		-	-	1,408,330	-	374,851,570	-	219,623,440	219,623,440	595,883,340	5,114,122	600,997,462	
Realized fair value changes on disposals of equity securities classified as financial assets at FVOCI	11, 25	-	-	11,846,815	-	-	-	(11,846,815)	(11,846,815)	-	-	-	
Balance at June 30, 2025	25	P 4,427,009,132	(P 988,150,025)	P 15,525,847	(P 748,815,536)	P 541,307,394	P 2,000,000,000	P 6,258,072,603	P 8,258,072,603	P 11,504,949,415	P 12,581,142	P 11,517,530,557	
Balance at July 1, 2022		P 4,427,009,132	(P 988,150,025)	(P 139,925,614)	(P 748,815,536)	(P 76,797,493)	P 2,000,000,000	P 5,440,543,532	P 7,440,543,532	P 9,913,863,996	P 5,270,269	P 9,919,134,265	
Total comprehensive income													
Net profit for the year		-	-	-	-	-	-	614,967,297	614,967,297	614,967,297	2,196,751	617,164,048	
Actuarial gain on remeasurement of post-employment benefit obligation - net of tax	22, 25	-	-	77,465,893	-	-	-	-	-	77,465,893	-	77,465,893	
Share in other comprehensive income of associates - net of tax	13, 25	-	-	900,971	-	-	-	-	-	900,971	-	900,971	
Net unrealized fair value gains on financial assets at FVOCI	11, 25	-	-	58,614,601	-	-	-	-	-	58,614,601	-	58,614,601	
Translation adjustment		-	-	-	-	243,253,317	-	-	-	243,253,317	-	243,253,317	
		4,427,009,132	(988,150,025)	136,981,465	(748,815,536)	166,455,824	2,000,000,000	614,967,297	614,967,297	995,202,079	2,196,751	997,398,830	
Realized fair value changes on disposals of equity securities classified as financial assets at FVOCI	11, 25	-	-	5,214,851	-	-	-	(5,214,851)	(5,214,851)	-	-	-	
Balance at June 30, 2023	25	P 4,427,009,132	(P 988,150,025)	P 2,270,702	(P 748,815,536)	P 166,455,824	P 2,000,000,000	P 6,050,295,978	P 8,050,295,978	P 10,909,066,075	P 7,467,020	P 10,916,533,095	

See Notes to Consolidated Financial Statements.

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 84,620,556	P 308,798,621	P 736,894,042
Adjustments for:				
Depreciation and amortization	12, 14, 16, 24	879,089,746	815,091,957	681,524,469
Interest expense	23	603,139,810	587,307,871	374,420,994
Impairment losses on financial assets	8, 24	438,462,505	50,613,840	30,153,789
Impairment losses on inventories	9	424,559,279	519,394,658	451,923,751
Interest income	23	(365,699,196)	(275,461,638)	(189,152,905)
Equity share in net income of associates	13	(276,261,591)	(160,357,416)	(259,418,501)
Unrealized foreign currency losses (gains) - net	23	(42,306,588)	(6,763,393)	17,341,527
Dividend income	23	(8,320,693)	(11,063,042)	(12,556,999)
Net loss (gain) on disposal of property and equipment	12, 21	5,586,955	-	(6,435,707)
Gain on disposal of assets held for sale	17, 21	-	-	(6,229,071)
Operating income before working capital changes		1,742,870,783	1,827,561,458	1,818,465,389
Increase in trade and other receivables		(1,398,217,204)	(770,642,414)	(1,030,118,432)
Decrease in financial assets at fair value through profit or loss		-	-	1,876,575
Decrease (increase) in inventories		(1,460,467,803)	577,094,938	(3,004,742,748)
Decrease in prepayments and other current assets		82,000,157	117,045,479	215,381,380
Increase in post-employment benefit asset		(96,514,201)	(12,676,863)	(134,069,753)
Decrease (increase) in other non-current assets		(1,488,213)	1,220,218	2,711,978
Increase (decrease) in trade and other payables		1,668,508,484	(41,236,405)	3,031,563,067
Increase (decrease) in contract liabilities		(557,634,384)	(502,079,702)	715,780,137
Increase (decrease) in post-employment benefit obligation		39,667,192	(23,688,015)	76,968,030
Cash generated from (used in) operations		18,724,811	1,172,598,694	1,693,815,623
Cash paid for income taxes		(84,308,336)	(60,129,457)	(81,967,210)
Net Cash From (Used in) Operating Activities		(65,583,525)	1,112,469,237	1,611,848,413
CASH FLOWS FROM INVESTING ACTIVITIES				
Collections of advances to associates	24	1,297,509,163	12,500,000	25,200,000
Acquisitions of property and equipment	12	(902,796,209)	(357,778,703)	(2,026,220,598)
Interest received		295,276,480	188,616,796	127,923,078
Cash dividends received	11, 13	129,780,693	19,063,042	84,556,999
Additional advances granted to associates	24	(7,000,000)	(5,000,000)	(10,000,000)
Acquisitions of financial assets at fair value through other comprehensive income (FVOCI)	11	(5,054,605)	(2,126,778)	(3,371,970)
Proceeds from disposal of property and equipment	12	1,961,686	-	53,560,828
Proceeds from sale of FVOCI	11	-	115,581,881	59,839,488
Proceeds from disposal of assets held for sale	17	-	-	93,477,155
Acquisition of additional investments in subsidiaries and associates	1, 13	-	-	(53,418,497)
Net Cash From (Used in) Investing Activities		809,677,208	(29,143,762)	1,648,453,517
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from bank loans	19	662,525,500	50,000,000	698,281,000
Interest paid	16, 19, 24	(592,403,675)	(582,915,643)	(372,190,843)
Advances paid to related parties	24	(495,833,989)	(216,631,308)	(230,806,937)
Payment of lease liabilities	16	(424,302,432)	(478,896,447)	(538,772,003)
Advances received from related parties	24	394,700,000	325,262,624	324,350,000
Repayment of bank loans	19	(250,303,458)	(205,404,816)	(121,458,333)
Net Cash Used in Financing Activities		(705,618,054)	(1,108,585,590)	(240,597,116)
Effect of Exchange Rate Changes to Cash and Cash Equivalents		(166,673,775)	140,249,039	(22,301,694)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(128,198,146)	114,988,924	(299,503,914)
Balance carried forward		(P 128,198,146)	P 114,988,924	(P 299,503,914)

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Balance brought forward</i>	(P <u>128,198,146</u>)	P <u>114,988,924</u>	(P <u>299,503,914</u>)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,481,368,682</u>	<u>1,366,379,758</u>	<u>1,665,883,672</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>P 1,353,170,536</u>	<u>P 1,481,368,682</u>	<u>P 1,366,379,758</u>

Supplemental Information on Non-cash Financing and Investing Activities:

1 In 2023, the Group acquired 100% of the share capital of H.R.Owen Servicing and Repairs Ltd and JM Developments (UK) Ltd. The outstanding balance arising from this acquisition amounted to P55,691,582 and P103,469,477 as of June 30, 2025 and 2024, respectively, is presented as Deferred consideration under the Trade and Other Payable in the consolidated statements of financial position (see Notes 1 and 18).

2 In 2025 and 2024, the Group recognized additional right-of-use assets amounting to P695,185,444 and P136,004,483, respectively, and additional lease liabilities amounting to P419,893,695 and P71,896,289, respectively (see Note 16).

See Notes to Consolidated Financial Statements.

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1. Incorporation and Operations

Berjaya Philippines Inc. (BPI or the Parent Company) was incorporated in the Philippines on November 12, 1924. The Parent Company is organized as a holding company. The Parent Company's shares of stock were listed in the Philippine Stock Exchange (PSE) on November 29, 1948.

On June 2, 2010, the Parent Company's Board of Directors (BOD) approved the Parent Company's change in corporate name from Prime Gaming Philippines, Inc. to Berjaya Philippines Inc. The application for change in name was approved by the Philippine Securities and Exchange Commission (SEC) on June 11, 2010.

The Parent Company is 74.20% owned by Berjaya Lottery Management (HK) Limited (BLML) as at June 30, 2025 and 2024. The Parent Company's ultimate parent company is Berjaya Corporation Berhad of Malaysia, a publicly-listed company in the Main Market of Bursa Malaysia Securities Berhad.

The registered office of BPI is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City. BLML's registered address is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong and the ultimate parent company's registered office is at Lot13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi 55100 Kuala Lumpur, Malaysia.

1.2. Subsidiaries and Associates

The Parent Company holds ownership interests in the following entities as at June 30:

Subsidiaries/Associates	Short Name	Explanatory Notes	Effective % of Ownership	
			2025	2024
Subsidiaries:				
Services:				
Perdana Hotel Philippines Inc.	PHPI	(a)	100.00%	100.00%
Floridablanca Enviro Corporation	FEC	(b)	100.00%	100.00%
Holding Company –				
eDoc Holdings Limited	eDoc Holdings	(e)	100.00%	100.00%
Motor Vehicle Dealership:				
H.R. Owen Plc	H.R. Owen	(c)	100.00%	100.00%
Broughtons of Cheltenham Limited	Broughtons	(d)	100.00%	100.00%
H.R. Owen Dealership Limited	H.R.O Dealership	(d)	100.00%	100.00%
Jack Barclay Limited	Jack Barclay	(d)	100.00%	100.00%
Holland Park Limited	Holland Park	(d)	100.00%	100.00%
Bodytechnics Limited	Bodytechnics	(d)	100.00%	100.00%
Bradshaw Webb (Chelsea) Limited	Bradshaw Webb	(d)	100.00%	100.00%
Upbrook Mews Limited	Upbrook Mews	(d)	100.00%	100.00%
H.R. Owen Insurance Services Limited	H.R.O. Insurance	(d)	95.00%	95.00%
Pangbourne 6939 Limited	Pangbourne	(d)	100.00%	100.00%
Hatfield 6939 Limited	Hatfield	(d)	100.00%	100.00%
Hatfield (IO) 6939 Limited	Hatfield (IO)	(d)	100.00%	-
Wandsworth 6939 Limited	Wandsworth	(d)	100.00%	-
H.R. Owen Servicing and Repairs Ltd	H.R.O Servicing	(d)	100.00%	100.00%
JM Developments (UK) Ltd	JM Developments	(d)	100.00%	100.00%
Associates:				
Berjaya Pizza (Philippines) Inc.	BPPI	(g)	48.38%	48.38%
Neptune Properties Incorporated	NPI	(b)	41.46%	41.46%
Sanpiro Realty and Development Corporation	SRDC	(b)	-	41.46%
Philippine Gaming Management Corporation	PGMC	(f)	40.00%	40.00%
Perdana Land Philippines Inc.	PLPI	(i)	40.00%	40.00%
Bermaz Auto Asia Inc.	BAAI	(j)	19.98%	19.98%
Bermaz Auto Philippines Inc.	BAPI	(k)	29.77%	29.77%
Chailease Berjaya Finance Corporation	CBFC	(l)	25.00%	25.00%
Ssangyong Berjaya Motor Philippines Inc.	SBMPI	(m)	21.67%	21.67%

- (a) PHPI was incorporated in the Philippines on December 11, 2009, primarily to manage and/or operate hotels or other buildings, and to sell, lease or otherwise dispose of the same; to own, lease, and operate one or more hotels, and all adjuncts and accessories thereto. PHPI started its commercial operations on May 1, 2010. PHPI's registered office is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City while its principal place of business is located at 7835 Makati Avenue corner Eduque Street, Makati City.

- (b) In April 2017, the Parent Company made a 100% investment in FEC amounting to P249,993. FEC was incorporated on April 7, 2017 and is registered to engage in the business of protecting and cleaning the environment. In March 2019, the SEC approved the increase in authorized capital stock of FEC to P160,000,000. Subsequently, the Parent Company acquired 120,000,000 and 39,750,000 additional shares in 2020 and 2019, respectively, at P1 per share. In 2020, the Parent Company made equity advances amounting to P125,000,000 for the future subscription in the shares of FEC. Further, in 2021, the Parent Company made subscription to the shares of FEC and applied the equity advances. FEC started its soft launch operations in February 2023. As of both June 30, 2025 and 2024, total investment in FEC amounted to P284,999,993. The registered office address and principal place of business of FEC is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City.
- (c) H.R. Owen operates a number of vehicle franchises in the prestige and specialist car market for both sales and aftersales, predominantly in the London area. H.R. Owen is an investment holding company that provides group services to its trading subsidiaries that operate H.R. Owen's motor vehicle dealerships and other allied subsidiaries as discussed under (d). On January 11, 2017 and February 14, 2018, the Parent Company purchased H.R. Owen shares from certain stockholders, which amounted to P956,231,975 and P28,737,634, respectively. The acquisitions resulted in the increase in ownership interest in H.R. Owen. On August 14, 2018, the Parent Company acquired the remaining shares of H.R. Owen amounting to P20,264,039 resulting in 100% ownership interest. The effects of changes in equity are included in Other Reserves under equity attributable to owners of the Parent Company. As of both June 30, 2025 and 2024, total investment in H.R. Owen amounted to P3,007,325,437. The registered address of H.R. Owen is Melton Court, Old Brompton Road, London SW7 3TD.
- (d) These are subsidiaries of H.R. Owen, which were incorporated and are currently operating in England and Wales. The subsidiaries of H.R. Owen that are engaged in luxury motor vehicle retail are Broughtons of Cheltenham Limited, H.R. Owen Dealership Limited and Jack Barclay Limited. Bodytechnics and H.R.O Servicing provide aftersales services. Upbrook Mews is engaged in operating leased properties. H.R.O. Insurance operates as an insurance broker. Pangbourne, and Hatfield are primarily engaged in property holding.

On July 30, 2021, the Group acquired additional share capital of H.R.O. Insurance from another stockholder for a total consideration of P95,369,349, which resulted in an increase in ownership interest to 95%.

On July 13, 2022, the Group acquired 100% of the share capital of H.R.O Servicing and JM Developments, which were incorporated and are currently operating in England and Wales, to expand its operations and a good opportunity for the Group's business. The acquisition resulted in the recognition of goodwill, which is computed in the succeeding page.

(Amounts in PHP)

Total consideration:	
Cash consideration	53,418,497
Fair value of deferred consideration	142,691,278
	<u>196,109,775</u>
Less fair value of net assets:	
Tangible fixed assets	4,978,674
Intangible assets	146,150,213
Non-current liabilities	(37,094,851)
	<u>114,034,036</u>
Goodwill	<u>82,075,739</u>

The deferred consideration will be paid annually in three instalments commencing in September 2023. The fair value of the deferred consideration is measured as the present value of all future cash payments discounted using the prevailing market rate of interest. The first installment was made on September 11, 2023. The outstanding balance arising from this acquisition amounted to P55,691,582 and P103,469,477 as of June 30, 2025 and 2024, respectively, and is presented as Deferred consideration under the Trade and Other Payables account in the consolidated statements of financial position (see Note 18).

The goodwill comprises the fair value of growth expectations arising from operational efficiencies and synergies from acquisition.

In 2023, H.R.O Servicing and JM Developments reported revenues and net profit amounting to P9,499,884 and P1,508,319, respectively, which were recognized from acquisition date. No pre-acquisition gain or loss was recognized since the acquisition was made at the beginning of fiscal year.

There was no contingent consideration arising from the foregoing transaction. Also, acquisition-related costs were deemed immaterial on this transaction.

In 2025, the Group has additional wholly owned subsidiaries that were newly incorporated during the year, namely Wandsworth and Hatfield (IO), which are both primarily engaged in property investment. Both entities have commenced their operations in the same year.

- (e) eDoc Holdings was incorporated on July 25, 2017 and is registered to engage as a holding company. The registered address of eDoc Holdings is Melton Court, Old Brompton Road, London, SW7 3TD.
- (f) PGMC is involved principally in the business of leasing on-line lottery equipment and providing software support related to on-line lottery operation. PGMC was organized in April 1993 in the Philippines and started commercial operations in February 1995. The registered office and principal place of business of PGMC is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City.

On June 26, 2019, the BOD of PGMC announced a proposal to issue the remaining 5,000,000 common shares from the unsubscribed capital of PGMC. The BOD of the Parent Company expressed its intention not to exercise its preemptive rights on the issuance of new shares of PGMC and executed a waiver to that effect. Consequently, PGMC issued the remaining 5,000,000 unsubscribed shares to other stockholders on July 3, 2019.

The foregoing transactions reduced BPI's interest ownership over PGMC to 40%. Hence, the fair value of the remaining ownership shares in PGMC is presented as part of Investments in Associates - Net account in the consolidated statements of financial position (see Note 13).

- (g) BPPI was organized as part of BPI's strategy to acquire an interest in a chain of restaurants. BPPI was incorporated on July 12, 2010 in the Philippines and started commercial operations on December 10, 2010. In 2016, BPI reclassified advances to BPPI to Investments in Associates account resulting to an increase in ownership over BPPI to 41.40%. In 2017, the Group made additional investment in BPPI amounting to P63,000,000, which resulted in an increase in its effective ownership interest over BPPI from 41.40% to 48.38%. BPPI's registered office, which is also its principal place of business, is located at Unit E2902D PSE Center, Exchange Road, Ortigas Complex, Pasig City.

As of June 30, 2025, the carrying amount of the investment in BPPI accounted for under the equity method is already nil due to share in net losses recognized in previous years. Further in 2025, BPPI's agreement with the franchisor, a corporation organized and existing under the laws of United States of America, has expired and was not renewed. Accordingly, the Group has assessed that the advances to BPPI were no longer recoverable due to the expiration of BPPI's franchise agreement and continued operating losses. Hence in 2025, the Group recognized the full impairment of its advances to BPPI amounting to P425,288,122. The impairment loss attributable to the advances is presented as part of Impairment Losses on Financial Assets under Costs and Operating Expenses section in the 2025 consolidated statement of comprehensive income (see Notes 13 and 24.1).

- (h) NPI was incorporated on March 8, 1996. NPI has a wholly owned subsidiary, SRDC, which was incorporated in the Philippines and is currently engaged in holding real properties for lease. The registered office of NPI, which is also its principal place of business, is at 9th Floor Rufino Pacific Tower, 6784 Ayala Avenue, Makati City. SRDC's registered address, which is also its principal place of business, is located at Units 209-210, Atrium of Makati, Makati Avenue, Makati City.

In May 2025, NPI disposed of its 100% equity interest in SRDC through sale to a third party, resulting in a gain on sale of investment amounting to P824,420,530. The Group's share in the gain on sale of this investment amounting to P341,804,752 is included as part of Equity share in net income of associates under Other Income in the 2025 consolidated statement of comprehensive income (see Note 13).

The Group assessed that NPI will continue as a going concern entity as it has been undertaking measures to improve its operations by looking for other business opportunities following the disposal of SRDC.

- (i) PLPI was incorporated in the Philippines and started its commercial operations on May 1, 2010 engaging in leasing real properties. BPI made additional investment amounting to P32,000,000, which maintained the 40% percentage ownership in March 2019. The registered office of PLPI, which is also its principal place of business, is located at 9th Floor, Rufino Pacific Tower, 6784, Ayala Avenue, Makati City.
- (j) In July 2019, BPI acquired 30% ownership interest in BAAI. BAAI was incorporated on November 20, 2017 and is primarily engaged in the business of dealing all types of new automobiles, trucks, and other motor vehicles and any parts, supplies or accessories used in connection therewith. BAAI started its commercial operations in May 2019. In 2021, the Group made additional investment in BAAI amounting to P3,030,000. In 2022, the Group made additional investment amounting to P34,829,989 (see Note 13). Total ownership decreased from 30.00% to 19.98% due to dilution of shares. The registered office and principal place of business of BAAI is at 9th Floor, Rufino Pacific Tower, 6784 Ayala Ave. corner V. A. Rufino St., Makati City.
- (k) BAPI was incorporated on August 10, 2012 and started commercial operations on January 1, 2013. BAPI is currently engaged in distribution of motor vehicles. In 2017, the Group's effective ownership interest over BAPI decreased to 25.48% due to issuance of capital stock of BAPI to other stockholders. In 2018, the Group made additional investment in BAPI amounting to P25,516,453, which resulted in the increase in its effective ownership interest over BAPI to 28.28%. In 2024, BAPI has bought back shares from a certain shareholder. This resulted in the increase in effective ownership held by BPI from 28.28% to 29.77%. BAPI's registered office and principal place of business is at the 9th Floor Rufino Pacific Tower, 6784 Ayala Avenue, Makati City.
- (l) In April 2018, BPI acquired 25% ownership interest in CBFC amounting to P62,500,000. CBFC was incorporated in September 2017 to engage in offering of leasing, installment, factoring, corporate direct loan and other financing services. CBFC started commercial operations in November 2017. In May 2019 and 2021, CBFC increased its authorized capital stock from P250,000,000 to P450,000,000, and from P450,000,000 to P650,000,000, respectively.

Consequently, BPI subscribed to 50,000,000 shares at P1 per share to retain its 25% ownership interest over CBFC as at June 30, 2025 and 2024 (see Note 13). CBFC's registered office and principal place of business is located at 5/F 45 San Miguel Building, San Miguel Avenue, Ortigas Center, Pasig City, Metro Manila.

- (m) SBMPI was incorporated on July 3, 2015 and started commercial operations on April 1, 2016. SBMPI is currently engaged in distribution of motor vehicles. In 2019, BPI subscribed to additional 10,000,000 shares at P1 per share, which resulted in the increase in its effective ownership interest from 20.00% to 21.67%. In 2020, SBMPI proposed to issue 50,000,000 common shares from its unsubscribed capital. BPI exercised its preemptive rights and paid for 10,835,000 shares of SBMPI at P1 per share, to retain its 21.67% interest over SBMPI as at June 30, 2025 and 2024. SBMPI's registered office and principal place of business is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City.

1.3. Approval of Consolidated Financial Statements

The consolidated financial statements of the Group as at and for the year ended June 30, 2025 (including the comparative consolidated financial statements as at June 30, 2025 and for the years ended June 30, 2024 and 2023) were authorized for issue by the BOD on October 15, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board, and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Consolidated Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents all items of income and expenses and other comprehensive income or loss in a single consolidated statement of comprehensive income.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the preceding period. The related notes to the third consolidated statement of financial position are not required to be disclosed.

(c) Functional and Presentation Currency

These consolidated financial statements are presented in Philippine pesos (PHP), the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using its functional currency (see Note 2.15). Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of Amended PFRS Accounting Standards

(a) Effective in Fiscal Year 2025 that are Relevant to the Group

The Group adopted for the first time the following amendments to PFRS Accounting Standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024, for its annual reporting period beginning July 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flows, and Financial Instruments: Disclosures – Supplier Finance Arrangements

The relevant information about these pronouncements are discussed below and in the succeeding page.

- (i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*. The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no impact on the Group's financial statements.
- (ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants*. The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purposes of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no impact on the Group's financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no impact on the Group's financial statements.

(b) *Effective in Fiscal Year 2025 that are not Relevant to the Group*

Among the amendments to leases, PFRS Accounting Standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024, amendments to PFRS 16 – *Lease Liability in a Sale and Leaseback*, is not relevant to the Group's financial statements.

(c) *Effective Subsequent to Fiscal Year 2025 but not Adopted Early*

There are pronouncements effective for annual periods subsequent to fiscal year 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have impact on the Group's consolidated financial statements:

- (i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)
- (ii) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (iii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (iv) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries (see Note 1.2), after the elimination of intercompany transactions.

The financial statements of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles.

The Parent Company accounts for its investments in subsidiaries and associates as presented below.

(a) Investments in Subsidiaries

The acquisition method is applied to account for acquired subsidiaries.

In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

Gains and losses on the disposal of an interest in a subsidiary include the carrying amount of the related goodwill (see Note 2.9).

(b) Investments in Associates

Investments in associates are initially recognized at cost and subsequently accounted for using the equity method. Acquired investment in associate is subject to the purchase method of accounting.

(c) Transactions with Non-controlling Interests

The Group transactions with non-controlling interests that do not result to loss of control are accounted for as equity transaction – that is, as transaction with the owners of the Group with their capacity as owners. The difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recognized in equity. Disposals of equity investments to non-controlling interests result in gains and losses that are also recognized in equity.

2.4 Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

(a) Financial Assets

For purposes of classifying financial assets, an instrument is considered as an equity instrument if it is non-derivative and meets the definition of equity for the issuer in accordance with the criteria of PAS 32, *Financial Instruments: Presentation*. All other non-derivative financial instruments are treated as debt instruments.

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Company commits to purchase or sell the asset).

(i) *Classification, Measurement and Reclassification of Financial Assets*

The classification and measurement of financial assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The classification and measurement of financial assets are described as follows:

a. *Financial Assets at Amortized Cost*

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Trade and Other Receivables, Advances to Associates and Refundable deposits under Prepayments and Other Current Assets and Other Non-current Assets account, which are included in current assets, except for those with maturities greater than 12 months after the end of each reporting period, which are classified as non-current assets.

b. *Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)*

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Group for trading or as mandatorily required to be classified as fair value through profit or loss (FVTPL). The Group has designated certain equity instruments as at FVOCI on initial recognition.

(ii) *Impairment of Financial Assets*

The Group recognizes lifetime expected credit losses (ECL) for trade and other receivables. The ECL on these assets are estimated by applying the simplified approach using a provision matrix developed based on the Group's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

To calculate the ECL of related parties, the Group determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Group's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties.

For the other financial assets measured at amortized cost, the Group applies the low credit risk simplification and measures the ECL on the financial assets based on the credit losses expected to result from default events that are possible within the next 12 months (12-month ECL) until there is a significant increase in credit risk since origination, at which point, the loss allowance will be based on lifetime ECL. When there has been a significant increase in credit risk on a financial asset since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL).

(b) Financial Liabilities

Financial liabilities, which pertain to Trade and Other Payables (except for tax-related liabilities), Loans Payable and Borrowings and Advances from Related Parties, Lease Liabilities, are recognized when the Group becomes a party to the contractual terms of the instrument. All interest-related charges incurred on a financial liability are recognized as an expense in profit or loss under the Finance Costs and Other Charges account in the consolidated statement of comprehensive income.

2.5 Inventories

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is determined using specific identification for vehicles, first-in, first-out method for spare parts and accessories, and all other inventories.

Vehicles on consignment from manufacturers are included in inventories when substantially all of the principal benefits and inherent risks rest with the Group. The corresponding consignment liability after deducting any deposits is included under Loans Payable and Borrowings, as manufacturers' vehicle stocking loans.

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value.

Leasehold improvements are amortized over the shorter of the lease term or estimated useful lives of the improvements.

Depreciation on all other classes of property and equipment, except for land which is not subject to depreciation, is computed using the straight-line basis over the estimated useful lives of the assets as follows:

Buildings	50 years
Sanitary landfill plant area	25 years
Office building	20 years
Workshop equipment	5 to 10 years
Office furniture, fixtures and equipment	5 years
Communication equipment	5 years
Hotel and kitchen equipment and utensils	5 years
Transportation equipment	3 to 5 years

Sanitary landfill cell area is depreciated based on unit of production method.

2.7 Investment Property

Investment property is carried at fair value determined with sufficient regularity by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any differences in the nature, location or condition of the specific asset. Changes in fair value are recognised in the consolidated statement of comprehensive income.

2.8 Intangible Assets

Intangible assets include goodwill, dealership rights and customer relationship which are accounted for under the cost model. The costs of dealership rights and customer relationship were determined using a valuation approach based on estimated economic benefits of these assets over multiple time periods.

Goodwill and dealership rights have indefinite useful lives; hence, these are not amortized, but are reviewed for impairment at least annually (see Notes 2.9 and 2.14). Customer relationship is amortized over the estimated useful life of 10 years.

2.9 Business Combination

Business acquisitions are accounted for using the acquisition method of accounting.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed (see Note 2.14).

2.10 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Group's products and service lines as disclosed in Note 5, which represent the main products and services provided by the Group.

Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

2.11 Equity

Revaluation reserves represent unrealized fair value gains and losses on financial assets at FVOCI, accumulated actuarial gains and losses arising from remeasurement of post-employment benefit obligation, revaluation surplus arising from transfers of owner-occupied properties to investment property measured at fair value, and share in other comprehensive income or loss of associates, net of tax.

Other reserves represent the gain or loss on change in the percentage of ownership interest of the Parent Company over its subsidiaries without losing control over the said subsidiaries.

Translation adjustments represent the adjustments resulting from the translation of foreign-currency denominated financial statements of foreign subsidiaries into the Group's functional and presentation currency.

2.12 Revenue and Expense Recognition

Revenue comprises revenue from sales of goods and rendering of services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT).

The specific recognition criteria presented below must also be met before revenues are recognized.

- (a) *Revenue from motor distribution and dealership operations* – Revenue from distributions and dealership operations recognition is described below:
 - (i) *Sale of vehicles, parts and accessories* – The Group's performance obligation is to transfer ownership over the vehicles, parts and accessories. Revenue is recognized at a point in time upon transfer of control of the goods sold to customers.
 - (ii) *Servicing and bodyshop sales* – The Group's performance obligation is to render specific services on motor vehicles based on the requirements of manufacturers and customers. Revenue is recognized over time as services are performed on customer vehicles.
- (b) *Revenue from hotel operations* – Revenue from hotel operations is categorized below:
 - (i) *Hotel accommodation* – The Group's performance obligation is to keep open the use of hotel facilities during the duration of the stay of guests. Revenues are recognized over time during the occupancy of hotel guests and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer.
 - (ii) *Food, beverage and others* – The Group's performance obligation is to deliver consumer goods to customers. Revenues are recognized at point in time upon delivery to and receipt of consumer goods by the customer. Invoice for consumer goods transferred is due upon receipt by the customer.
- (c) *Revenue from landfill operations* – Revenue from landfill operations pertains to tipping and handling fees. The Group's performance obligation is to provide disposal services for the waste materials received. Revenue is recognized upon the acceptance of waste disposal. The amount of revenue is patterned by weighing the waste to dispose.

Any amount received from customers on which the Group has not yet satisfied its performance obligations are recognized as Contract Liabilities in the consolidated statement of financial position until the performance obligations are satisfied.

Income from government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.

2.13 Leases – Group as Lessee

Subsequent to initial recognition, the Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the consolidated statement of financial position, right-of-use assets and lease liabilities have been presented separately from property and equipment and other liabilities, respectively.

2.14 Impairment of Non-financial Assets

The Group's property and equipment, right-of-use assets, investments in associates, intangible assets with finite lives, and other non-financial assets are subject to impairment testing when there is an indication of impairment. Goodwill and dealership rights are tested for impairment at least annually. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.15 Foreign Currency Transactions and Translation

(a) Transactions and Balances

Except for H.R. Owen and eDoc Holdings, which use the British Pounds (GBP) as their functional currency, the accounting records of the Group are maintained in Philippine pesos. Foreign currency transactions during the year are translated into the functional currency at exchange rates which approximate those prevailing on transaction dates.

Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized under Other Income (Charges) section in the consolidated statements of comprehensive income.

(b) Translation of Financial Statements of Foreign Subsidiaries

The operating results and financial position of H.R. Owen and eDoc Holdings, which are measured in GBP, their functional currency, are translated to Philippine pesos.

On consolidation, exchange differences arising from the translation of the net investment in H.R. Owen and eDoc Holdings are recognized as Translation Adjustment in the consolidated statements of comprehensive income, which is allocated between the Parent Company's shareholders and non-controlling interest as necessary. When a foreign operation is partially disposed of or sold, such exchange differences are recognized in the consolidated statement of comprehensive income as part of gains or loss on sale.

Goodwill arising on the acquisition of a foreign entity is treated as asset of the foreign entity and translated at closing rate on each of the reporting date.

The translation of the financial statements into Philippine pesos should not be construed as a representation that the GBP amounts could be converted into Philippine peso amounts at the translation rates or at any other rates of exchange.

2.16 Related Party Transactions and Relationships

Transactions amounting to 10% or more of the total assets based on the latest audited consolidated financial statements that were entered into with related parties are considered material under SEC Memorandum Circular No. 10, Series of 2019, *Rules on Material Related Party Transactions for Publicly-listed Companies*.

All individual material related party transactions shall be approved by the BOD. For aggregate related party transactions within a 12-month period that breaches the materiality threshold, the same board approval would be required for the transaction(s) that meets and exceeds the materiality threshold covering the same related party.

Directors and officers with personal interest in the transaction should abstain from participating in discussions and voting on the same. In case they refuse to abstain, their attendance shall not be counted for the purposes of assessing the quorum and their votes shall not be counted for purposes of determining approval.

2.17 Employee Benefits

The Group provides post-employment benefits to employees through defined benefit plans, as well as various defined benefit contribution plans, and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees. H.R. Owen's pension plan operates on a pre-funded basis and is administered by a trustee. PHPI, on the other hand, has an unfunded and non-contributory post-employment plan.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately vary from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determination of Transaction Price and Amounts Allocated to Performance Obligations

The transaction price for a contract is allocated amongst the material right and other performance obligations identified in the contract based on their stand-alone selling prices, which are all observable. The transaction price for a contract excludes any amounts collected on behalf of third parties [e.g., VAT].

In the normal course of business, the Group receives advanced payments from customers for purchase of motor vehicles. The timing difference between when the Group receives payment and when the performance obligation is satisfied may extend beyond twelve months.

The Group evaluates if this indicates a significant financing component when determining the transaction price. In making its evaluation, the Group considers the intention of customers when making the advanced payment.

Based on the evaluation of the Group, customers pay in advance as a form of a security to ensure an allocation of limited motor vehicle models to be released in the future; hence, the transaction price does not contain a financing component.

The determination of the transaction price on other revenue sources is straightforward as contracts do not contain any variable consideration or significant financing components.

(b) Determination of the Timing of Satisfaction of Performance Obligation

The Group applies judgment in determining the timing of satisfaction of performance obligations in its contracts with customers. In making its evaluation, the Group considers the rights and obligations of the parties to the contracts.

The Group determined that it satisfies its performance obligations in relation to room accommodation over time as customers receive the benefits simultaneous as the Group performs. Further, servicing and bodyshop obligations are also satisfied over time as the services are performed on assets controlled by customers.

On the other hand, the Group determined that it satisfies its performance obligations in relation to sale of vehicles, parts, accessories, food and beverages at a point in time when the customers receive the goods.

(c) *Determination of ECL on Trade and Other Receivables and Advances to Associates*

The Group uses a provision matrix and liquidity analysis approach to calculate ECL for trade and other receivables and advances to associates, respectively. The provision rates are based on days past due (age buckets). The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's trade and other receivables and advances to associates are disclosed in Note 4.2.

(d) *Evaluation of Business Model Applied in Managing Financial Instruments*

The Group developed business models which reflect how it manages its portfolio of financial instruments. The Group's business models are applied at the level of a portfolio of financial instruments (i.e., group of financial instruments that are managed together by the Group) and not on an instrument-by-instrument basis (i.e., not based on intention or specific characteristics of individual financial instrument).

In determining the classification of a financial instrument, the Group evaluates in which business model a financial instrument or a portfolio of financial instruments belong to taking into consideration the objectives of each business model established by the Group (e.g., held-for-trading, generating accrual income, direct matching to a specific liability) as those relate to the Group's investment and trading strategies.

(e) *Testing the Cash Flow Characteristics of Financial Assets and Continuing Evaluation of the Business Model*

In determining the classification of financial assets, the Group assesses whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding, with interest representing time value of money and credit risk associated with the principal amount outstanding. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual term that changes the timing or amount of cash flows (unless it is a variable interest rate that represents time value of money and credit risk) does not meet the amortized cost criteria. In cases where the relationship between the passage of time and the interest rate of the financial instrument may be imperfect, known as modified time value of money, the Group assesses the modified time value of money feature to determine whether the financial instrument still meets the SPPI criterion.

The objective of the assessment is to determine how different the undiscounted contractual cash flows could be from the undiscounted cash flows that would arise if the time value of money element was not modified (the benchmark cash flows). If the resulting difference is significant, the SPPI criterion is not met. In view of this, the Group considers the effect of the modified time value of money element in each reporting period and cumulatively over the life of the financial instrument.

In addition, PFRS 9 emphasizes that if more than an infrequent sale is made out of a portfolio of financial assets carried at amortized cost, an entity should assess whether and how such sales are consistent with the objective of collecting contractual cash flows. In making this judgment, the Group considers certain circumstances documented in its business model manual to assess that an increase in the frequency or value of sales of financial instruments in a particular period is not necessary inconsistent with a held-to-collect business model if the Group can explain the reasons for those sales and why those sales do not reflect a change in the Group's objective for the business model.

(f) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For lease of land and building, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group included the renewal period as part of the lease term for leases of land and building due to the significance of these assets to its operations. These leases have non-cancellable lease period (i.e., one to 20 years).

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(g) Amortization of Leasehold Improvement

The Group constructed an improvement over the leased premises under an operating lease agreement with the lessor. Critical judgment was exercised by management in determining the amortization period of the improvement. The policy adopted by the Group is discussed in Note 2.6.

(h) Determining Control, Joint Control or Significant Influence

Judgment is exercised in determining whether the Group has control, joint control or significant influence over an entity. In assessing each interest over an entity, the Group considers voting rights, representation on the BOD or equivalent governing body of the investee, participation in policy-making process and all other facts and circumstances, including terms of any contractual arrangement.

(i) Distinction Between Investment Property and Owner-managed Property

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied property generates cash flows that are attributable not only to the property but also to other assets used in the production or supply process. The details of the Group's investment property are disclosed in Note 15.

(j) Recognition of Provisions and Contingencies

Judgment is exercised by management to distinguish between provisions and contingencies. Relevant disclosures of commitments and contingencies are presented in Note 30.

(k) Distinction Between Principal and Agent

The Group is acting as a principal when it controls the service before transfer to the customer while it acts as an agent when (a) another party is primarily responsible for fulfilling the contract, (b) the entity does not have discretion in establishing prices for the other party's services and, therefore, the benefit the entity can receive from those services is limited, and (c) the entity's consideration is in the form of a service income.

Management assessed that the Group is acting as an agent for the 100% of the service charge received from customers from its hotel operations as it is required under Article 96 of the Labor Code of the Philippines to distribute such amount to its employees.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Estimation of Allowance for ECL on Trade and Other Receivables and Advances to Associates

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 4.2.

The Group evaluates the amount of allowance for impairment based on available facts and circumstances affecting the collectability of the accounts, including, but not limited to, the length of the Group's relationship with the counterparties, the counterparties' current credit status, average age of accounts, collection experience and historical loss experience. The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

The carrying value of the Group's trade and other receivables and its analysis of allowance for impairment and the carrying value of advances to associates are shown in Notes 8, 13 and 24, respectively.

(b) *Fair Value Measurement of Financial Instruments*

The Group carries certain financial assets at fair value, which requires the extensive use of accounting estimates and judgment. In cases when active market quotes are not available, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net base of the instrument. The amount of changes in fair value would differ if the Group utilized different valuation methods and assumptions. Any change in fair value of these financial assets would affect comprehensive income. For investments where fair value is not reliably determinable either through reference of similar instruments or valuation techniques, these are carried at cost.

The carrying value of the Group's financial instruments and the amount of fair value changes therein are disclosed in Note 11.

(c) *Estimation of Useful Lives of Property and Equipment, Right-of-use Assets and Customer Relationship*

The Group estimates the useful lives of property and equipment, right-of-use assets and customer relationship based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment, right-of-use assets and customer relationship are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Based on management's assessment as at June 30, 2025 and 2024, there is no change in estimated useful lives of property and equipment, customer relationship and right-of-use assets during those years (see Notes 12, 14 and 16).

On the other hand, management assessed that the acquired dealership rights resulting from the acquisition of H.R. Owen have indefinite useful lives as management has the intention and capacity to renew the dealership agreements with manufacturers indefinitely and that the Group will benefit from the use of such dealership rights over the foreseeable future (see Note 14). Further, these agreements were in effect for a long period (i.e., 70 to 80 years ago for Bentley dealership agreements and prior to 1990 for Ferrari and Lamborghini dealership agreements) and that there has been no compelling challenge not to maintain the agreements historically.

The carrying amounts of property and equipment, customer relationship and right-of-use assets are analyzed in Notes 12, 14 and 16, respectively.

Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(d) *Determination of Appropriate Discount Rate in Measuring Lease Liabilities*

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate.

In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(e) *Fair Value Measurement of Investment Property*

The Group's investment property is carried at fair value at the end of the reporting period. The fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and seller in an arm's length transaction as at the valuation date. Such amount is influenced by different factors including the location and specific characteristics of the property (e.g., size, features, and capacity), quantity of comparable properties available in the market, and economic condition and behavior of the buying parties. A significant change in these elements may affect prices and the value of the assets.

The Group engages a valuation expert annually to assess the fair value of the investment properties (see Note 29.4). The details of the Group's investment property are disclosed in Note 15.

(f) *Determination of Net Realizable Value of Inventories*

In determining the NRV of inventories, management takes into account the most reliable evidence available at the dates the estimates are made. The Group's inventories are affected by certain factors which may cause inventory obsolescence. Moreover, future realization of the carrying amounts of inventories as presented in Note 9 is affected by price changes in the luxury vehicle market segment in which the Group operates. Both aspects are considered key sources of estimation uncertainty and may cause significant adjustments to the Group's inventories within the next reporting period.

The amount of allowance for inventory writedown made by management are based on, among others, age and status of inventories and the Group's past experience. The NRV of inventories and analysis of allowance for inventory writedown are presented in Note 9.

(g) *Estimation of Impairment of Non-financial Assets*

The Group follows the guidance of PAS 36, *Impairment of Assets*, on determining when non-financial assets, including goodwill and dealership rights with indefinite life, are impaired. In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2.14).

Though management believes that the assumptions used in the estimation of the recoverable amount are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Impairment losses recognized on investments in associates are disclosed in Note 13. For other non-financial assets, there were no impairment losses required to be recognized in 2025, 2024 and 2023 based on management's assessment.

(h) *Determination of Realizable Amount of Deferred Tax Assets*

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Management assessed that the deferred tax assets recognized as at June 30, 2025 and 2024 will be fully utilized in the coming years. The carrying amount of deferred tax assets as at those dates is disclosed in Note 26.

(i) *Valuation of Post-employment Defined Benefit Obligations*

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates, expected rate of return on plan assets, salary rate increase, and employee turnover. A significant change in any of these actuarial assumptions generally affect the recognized expense, other comprehensive income or losses and the carrying amount of post-employment defined benefit obligation.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit obligation are presented in Note 22.2.

4. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks in relation to financial instruments. The Group's financial assets and financial liabilities by category are summarized in Note 28. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is carried out in close cooperation with the BOD, and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most relevant financial risks to which the Group is exposed to are described below and in the succeeding pages.

4.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to interest rate risk, foreign currency risk and certain other price risk which result from both its operating, investing and financing activities.

(a) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on cash and long-term financing. As at June 30, 2025 and 2024, the Group is exposed to changes in market interest rates through short-term placements included as part of Cash and Cash Equivalents account and stocking loans of H.R. Owen presented as Loans Payable and Borrowings, which are subject to variable interest rates, in the consolidated statements of financial position (see Notes 7 and 19).

The Group keeps placements with fluctuating interest at a minimum while H.R. Owen's stocking loans are secured at any time by fixed and floating charges on stocks of new and demonstrator cars and commercial vehicles held. As such, management believes that its exposure to interest rate risk is immaterial.

(b) Foreign Currency Risk

Except for H.R. Owen and eDoc Holdings whose functional currency is GBP, most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Group's cash, receivables and advances from related parties, which are primarily denominated in United States Dollars (USD), GBP and Malaysian Ringgit (MYR).

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

Foreign currency denominated net financial assets (liabilities), translated into Philippine pesos at the closing rate are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Php – GBP	1,535,704,048	1,421,542,938
Php – MYR	3,130,127	262,949
Php – USD	743,360	(348,052,533)

The table presented below illustrates the sensitivity of the Group's profit before tax with respect to changes in Philippine peso against USD, MYR and GBP exchange rates. These percentages have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months, estimated at 95% level of confidence. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the end of each reporting period with effect estimated from the beginning of the year.

<i>(Amounts in PHP)</i>	<u>2025</u>		<u>2024</u>	
	Reasonably possible change in rate	Effect in profit before tax	Reasonably possible change in rate	Effect in profit before tax
Php – GBP	17.74%	272,433,898	15.05%	213,942,212
Php – MYR	13.85%	433,523	9.85%	25,900
Php – USD	11.05%	82,141	9.71%	(33,795,901)
		<u>272,949,562</u>		<u>180,172,211</u>

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

(c) *Other Price Risk*

The Group's market price risk arises from its investments carried at fair value. The Group manages exposure to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

The observed volatility rates of the fair values of the Group's financial assets held at fair value and their impact on the Group's other comprehensive income (loss) and equity as at June 30, 2025 and 2024 are summarized below.

<i>(Amounts in PHP)</i>	<u>Observed Volatility Rates</u>		<u>Impact of Increase on Equity</u>		<u>Impact of Decrease on Equity</u>	
			<u>Before tax</u>	<u>After tax</u>	<u>Before tax</u>	<u>After tax</u>
	<u>Increase</u>	<u>Decrease</u>				
June 30, 2025						
Equity securities –						
Listed in Malaysia	+71.53%	-71.53%	<u>213,545,602</u>	<u>160,159,203</u>	<u>(213,545,602)</u>	<u>(160,159,203)</u>
June 30, 2024						
Equity securities –						
Listed in Malaysia	+58.82%	-58.82%	<u>215,672,791</u>	<u>161,754,594</u>	<u>(215,672,791)</u>	<u>(161,754,594)</u>

These volatility rates have been determined based on the average volatility in quoted market price, using standard deviation, in the previous 12 months, estimated at 95.00% level of confidence.

4.2 Credit Risk

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments arising from selling goods and services to customers; granting advances to associates; and, placing deposits with banks, lessors and utility companies.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position or in the detailed analysis provided in the notes to the consolidated financial statements, as summarized below.

<i>(Amounts in PHP)</i>	Notes	2025	2024
Cash and cash equivalents	7	1,353,170,536	1,481,368,682
Trade and other receivables	8	5,636,347,874	4,241,327,778
Advances to associates - net	13, 24	498,190,618	2,143,565,187
Refundable deposits	10	8,215,232	4,810,672
		7,495,924,260	7,871,072,319

None of the Group's financial assets are secured by collateral or other credit enhancements, except for cash and cash equivalents as described below.

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in local banks which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1,000,000 for every depositor per banking institution, effective on March 15, 2025. In addition, H.R. Owen keeps all deposits with high street banks.

(b) Trade and Other Receivables

The Group's trade receivables as at June 30, 2025 and 2024 are due mainly from customers of H.R. Owen. The Group maintains policies that require appropriate credit checks to be completed on potential customers prior to delivery of goods and services. On-going credit checks are periodically performed on the Group's existing customers to ensure that the credit limits remain at appropriate levels.

The Group applies the simplified approach in measuring ECL, which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than trade receivables and have substantially the same risk characteristics as the trade receivables. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the other receivables.

In respect to trade receivables from the customers of H.R. Owen and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The trade receivables of H.R. Owen are mostly related to servicing and bodyshop operations as the sale of vehicles is mainly on a cash basis. The credit risk from servicing and bodyshop operations of H.R. Owen is minimal as H.R. Owen will not release the car without full payment. The Group's receivables are actively monitored to avoid significant concentrations of credit risk.

The loss allowance provided by the Group is summarized below as at June 30, 2025 and 2024 based on age is as follows:

<i>(Amounts in PHP)</i>	<u>Current</u>	<u>Not more than 30 days</u>	<u>More than 30 days but not more than 90 days</u>	<u>Total</u>
June 30, 2025				
Expected loss rate	-	8%	32%	
Gross carrying amount	5,464,364,133	116,054,069	55,929,672	5,636,347,874
Loss allowance	-	9,194,533	18,056,734	27,251,267
June 30, 2024				
Expected loss rate	-	5%	24%	
Gross carrying amount	4,173,897,097	36,617,986	30,812,695	4,241,327,778
Loss allowance	-	4,632,033	12,427,408	17,059,441

(c) *Advances to Associates*

The ECL for advances to associates are measured and recognized using the liquidity approach. Management determines possible impairment based on the counterparties' ability to repay the receivables upon demand at the reporting date taking into consideration the historical defaults from the counterparties and the existence of guarantee provided by another stockholder of the advances extended to an associate. The ability is determined by assessing the available liquid assets to settle the payables at the reporting date.

Based on historical information on payments of associates, management considers the credit quality of receivables that are not past due or impaired to be good. Further, the Group does not consider any credit risks, except for certain receivables wherein an allowance for ECL has been provided as of June 30, 2025 and 2024 (see Notes 13 and 24.1), since their respective stockholders have committed to financially support these related parties as part of their long-term corporate strategy.

(d) *Refundable Deposits*

The refundable deposits of the Group presented as part of Prepayments and Other Current Assets account and Other Non-current Assets account in the consolidated statements of financial position pertain to security deposits made to various lessors and utility companies which are reputable power and water distribution companies with sound financial condition; hence, management has assessed the credit risk in these deposits to be considered negligible.

4.3 *Liquidity Risk*

The ability of the Group to finance increases in assets and meet obligations as they become due is extremely important to the Group's operations. The Group's policy is to maintain liquidity at all times. This policy aims to honor all cash requirements on an on-going basis to avoid raising funds above market rates or through forced sale of assets.

Liquidity risk is also managed by borrowing with a spread of maturity periods. The Group has significant fluctuations in short-term borrowings due to industry-specific factors. The Group mitigates any potential liquidity risk through maintaining substantial unutilized banking and used vehicle stocking loan facilities. As at June 30, 2025 and 2024, the Group has undrawn floating rate borrowing facilities of P9,950,820,810 and P12,360,578,101, respectively, represented by revolving credit facility and used and demonstrator vehicle stocking loans, all of which would be repayable on demand. In addition, the Parent Company has undrawn loan facility of P150,000,000 and P100,000,000 from local commercial banks as at June 30, 2025 and 2024, respectively.

The table below summarizes (except for lease liabilities – see Note 16) the maturity profile of the Group's financial liabilities as at June 30 reflecting the gross cash flows, which may differ to the carrying values of the liabilities at the end of reporting periods.

		2025		
	Notes	Current	Non-current	
		Within One Year	More than 1 to 5 Years	More than 5 Years
<i>(Amounts in PHP)</i>				
Trade and other payables	18	4,572,278,282	-	-
Loans payable and borrowings	19	6,759,349,281	1,824,399,076	2,529,497,096
Advances from related parties	24.2	359,660,648	522,810,571	-
		<u>11,691,288,211</u>	<u>2,347,209,647</u>	<u>2,529,497,096</u>
2024				
	Notes	Current	Non-current	
		Within One Year	More than 1 to 5 Years	More than 5 Years
<i>(Amounts in PHP)</i>				
Trade and other payables	18	2,369,286,900	-	-
Loans payable and borrowings	19	5,511,332,819	1,858,288,342	2,239,427,985
Advances from related parties	24.2	431,944,155	562,069,496	-
		<u>8,312,563,874</u>	<u>2,420,357,838</u>	<u>2,239,427,985</u>

5. SEGMENT REPORTING

5.1 Business Segments

The Group is organized into different business units based on its products and services for purposes of management assessment of each unit. In identifying its operating segments, management generally follows the Group's three service lines. The Group is engaged in the business of Services, Investments and Motor Vehicle Dealership. Presented in the succeeding page is the basis of the Group in reporting its strategic decision-making activities.

- (a) The Services segment mainly pertains to the hotel operations of PHPI.
- (b) The Investments segment relates to investing activities particularly holding financial assets at FVTPL and FVOCI, and investments in subsidiaries and associates.
- (c) The Motor Vehicle Dealership segment mainly pertains to the luxury motor vehicle retailers and provision of aftersales services of H.R. Owen.

The segment results also include the equity share in net income and losses of associates operating in the same industry.

5.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment. Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, advances, inventories, right-of-use assets and property and equipment, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, lease, taxes currently payable and accrued liabilities.

5.3 Intersegment Transactions

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

The Group's operating businesses are organized and managed separately according to the nature of segment accounting policies which are the same as the policies described in Note 2.

5.4 Analysis of Segment Information

The tables below and in the succeeding page present revenue and profit information regarding business segments for the years ended June 30, 2025, 2024 and 2023, and certain assets and liabilities information regarding industry segments as at the end of each reporting period.

(Amounts in PHP)	2025			
	Services	Investments	Motor Vehicle Dealership	Total
Revenues and income:				
Revenue from externals				
customers	233,397,257	-	43,034,662,709	43,268,059,966
Finance income - net	(80,096)	115,758,455	292,621,485	408,299,844
Other income	2,402,232	8,320,693	62,827,935	73,550,860
Equity share in net income of associates	184,854,981	-	91,406,610	276,261,591
Inter-segment	-	121,460,000	-	121,460,000
Total revenues and income	<u>420,574,374</u>	<u>245,539,148</u>	<u>43,481,518,739</u>	<u>44,147,632,261</u>
Expenses:				
Costs and operating expenses				
before depreciation	187,566,670	14,317,121	41,813,038,229	42,014,922,020
Depreciation and amortization	42,946,128	24,000	836,119,618	879,089,746
Finance expense	18,043,209	16,331,601	569,115,669	603,490,479
Other expenses	-	828,430,375	18,761,338	847,191,713
Total expenses	<u>248,556,007</u>	<u>859,103,097</u>	<u>43,237,034,854</u>	<u>44,344,693,958</u>
Profit (loss) before tax	<u>172,018,367</u>	<u>(613,563,949)</u>	<u>244,483,885</u>	<u>(197,061,697)</u>
Net profit (loss)	<u>178,524,835</u>	<u>(633,598,707)</u>	<u>163,019,400</u>	<u>(292,054,472)</u>
Segment assets	<u>1,869,531,925</u>	<u>8,700,508,361</u>	<u>24,035,618,960</u>	<u>34,605,659,246</u>
Segment liabilities	<u>1,722,066,421</u>	<u>1,378,858,075</u>	<u>18,666,227,184</u>	<u>21,767,151,680</u>
Other segment item – Capital expenditures	<u>105,953,122</u>	<u>-</u>	<u>796,843,086</u>	<u>902,796,208</u>
(Amounts in PHP)	2024			
	Services	Investments	Motor Vehicle Dealership	Total
Revenues and income:				
Revenue from externals				
customers	141,923,288	-	39,785,071,587	39,926,994,875
Finance income	29,858	89,615,211	185,816,570	275,461,639
Other income	4,974,063	11,063,042	73,010,136	89,047,241
Equity share in net income of associates	3,717,569	-	156,639,847	160,357,416
Inter-segment	-	8,000,000	-	8,000,000
Total revenues and income	<u>150,644,778</u>	<u>108,678,253</u>	<u>40,200,538,140</u>	<u>40,459,861,171</u>
Expenses:				
Costs and operating expenses				
before depreciation	155,095,326	20,857,495	38,484,486,353	38,660,439,174
Depreciation and amortization	23,937,854	24,000	791,130,108	815,091,962
Finance expense	8,676,193	4,189,854	604,051,527	616,917,574
Other expenses	-	50,613,840	-	50,613,840
Total expenses	<u>187,709,373</u>	<u>75,685,189</u>	<u>39,879,667,988</u>	<u>40,143,062,550</u>
Profit (loss) before tax	<u>(37,064,595)</u>	<u>32,993,064</u>	<u>320,870,152</u>	<u>316,798,621</u>
Net profit (loss)	<u>(30,122,055)</u>	<u>26,705,947</u>	<u>236,153,671</u>	<u>232,737,563</u>
Segment assets	<u>1,643,347,804</u>	<u>9,280,145,340</u>	<u>21,972,098,393</u>	<u>32,895,591,537</u>
Segment liabilities	<u>1,489,957,508</u>	<u>1,350,781,017</u>	<u>16,936,508,894</u>	<u>19,777,247,419</u>
Other segment item – Capital expenditures	<u>127,609,302</u>	<u>-</u>	<u>230,169,401</u>	<u>357,778,703</u>

	2023			
(Amounts in PHP)	Services	Investments	Motor Vehicle Dealership	Total
Revenues and income:				
Revenue from external customers	104,105,308	-	38,409,126,906	38,513,232,214
Finance income	13,772	63,249,721	125,889,412	189,152,905
Other income	2,505,201	15,035,899	114,611,932	132,153,032
Equity share in net income of associates	174,395,784	-	85,022,717	259,418,501
Inter-segment	-	72,000,000	-	72,000,000
Total revenues and income	281,020,065	150,285,620	38,734,650,967	39,165,956,652
Expenses:				
Costs and operating expenses before depreciation	118,057,445	12,793,704	37,078,215,301	37,209,066,450
Depreciation and amortization	22,760,612	24,000	658,739,857	681,524,469
Finance expense	8,565,739	33,860,070	392,015,518	434,441,327
Other expenses	-	24,529,269	7,501,095	32,030,364
Total expenses	149,383,796	71,207,043	38,136,471,771	38,357,062,610
Profit before tax	131,636,269	79,078,577	598,179,196	808,894,042
Net profit (loss)	138,271,779	77,147,330	473,744,940	689,164,049
Segment assets	1,537,353,070	9,161,437,902	21,726,584,921	32,425,375,893
Segment liabilities	1,351,199,798	1,068,239,304	17,057,325,461	19,476,764,563
Other segment item – Capital expenditures	7,135,363	-	2,019,085,235	2,026,220,598

Currently, the Group's operation has two geographical segments: London, England for the motor vehicle dealership segment, except equity share in net income or loss of associates, and Philippines for all other segments.

5.5 Reconciliations

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

(Amounts in PHP)	2025	2024	2023
Revenues and income			
Total segment income	44,147,632,261	40,459,861,171	39,165,956,652
Elimination of intersegment income	(121,460,000)	(8,000,000)	(72,000,000)
Revenue and income as reported in profit or loss	44,026,172,261	40,451,861,171	39,093,956,652
Costs and Expenses			
Total segment expenses	44,344,693,958	40,143,062,550	38,357,062,610
Elimination of intersegment expense	(403,142,253)	-	-
Costs and expenses as reported in profit or loss	43,941,551,705	40,143,062,550	38,357,062,610
Profit or loss			
Segment profit before tax	(197,061,697)	316,798,621	808,894,042
Elimination of intersegment expense	403,142,253	-	-
Elimination of intersegment income	(121,460,000)	(8,000,000)	(72,000,000)
Profit before tax as reported in profit or loss	84,620,556	308,798,621	736,894,042

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Assets		
Segment assets	34,605,659,246	32,895,591,537
Elimination of intercompany accounts	<u>(3,070,236,674,6734)</u>	<u>(3,301,547,028)</u>
Total assets as reported in the consolidated statements of financial position	<u><u>31,535,422,572</u></u>	<u><u>29,594,044,509</u></u>
Liabilities		
Segment liabilities	21,767,151,680	19,777,247,419
Elimination of intercompany accounts	<u>(2,082,189,543)</u>	<u>(1,700,733,467)</u>
Total liabilities as reported in the consolidated statements of financial position	<u><u>19,684,962,137</u></u>	<u><u>18,076,513,952</u></u>

6. CONTRACTS WITH PHILIPPINE CHARITY SWEEPSTAKES OFFICE

PGMC is a party to the Equipment Lease Agreement (ELA) with Philippine Charity Sweepstakes Office (PCSO) covering the lease of PGMC's on-line lottery equipment to PCSO under certain conditions. Under the ELA, PGMC is entitled to fees equal to a certain percentage of the gross receipts from all PCSO on-line lottery operations (the ticket sales) within a specified territory subject to an annual minimum fee as prescribed in the ELA. PGMC's revenues are derived from the ELA with PCSO.

In addition, PGMC has an agreement with PCSO whereby PGMC agreed to provide maintenance and repair services on the equipment under the ELA. This agreement runs concurrently with the ELA. Any extension or termination of the ELA by PCSO will have a similar effect on this agreement.

On August 13, 2015, a Supplemental and Status Quo Agreement was signed by PGMC and PCSO, and thereby, the term of ELA is extended for another three years.

On August 7, 2018, the PCSO granted the extension of the ELA for one year effective until August 22, 2019.

In August 2019, the PCSO granted the extension of the ELA on a month-to-month basis until August 22, 2020, which was then extended until August 22, 2021. In July 2021, this contract was further extended for another year ending August 22, 2022 or until procurement, delivery and installation of the PCSO Lottery System (PLS) has been put in place.

On September 2, 2021, PCSO has given Notice of Award to Pinoylotto Technologies Corp. (PTC), a joint operation of PGMC and other third parties, for the procurement of the 2021 PLS Project for the total consideration of P5.80 billion (contract price). The said project pertains to a five-year lease of the customized lottery system that will operate across the entire Philippines. PTC started its commercial operations in October 2023.

In 2025, 2024 and 2023, the Group's equity share in net profit of PGMC amounted to P14,061,213, P4,019,374 and P141,351,061, respectively, and is presented as part of Equity Share in Net Income (Loss) of Associates under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 13).

7. CASH AND CASH EQUIVALENTS

This account is composed of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash on hand and in banks	1,252,108,036	1,481,368,682
Short-term placements	101,062,500	-
	<u>1,353,170,536</u>	<u>1,481,368,682</u>

Cash in banks generally earn interest based on daily bank deposit rates. Short-term placements have a maturity of 30 days and earn effective annual interest rate of 0.10% in 2025. No similar transaction in 2024. Interest income earned amounting to P1,737,846, P96,909 and P122,693 in 2025, 2024 and 2023, respectively, and are presented as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1).

8. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Deposits	24.9	3,332,564,224	2,936,201,937
Trade receivables		653,414,979	897,097,637
Due from a related party	24.1, 24.5	583,035,019	24,209,996
Advance payment for investment acquisition	24.3	453,213,835	343,152
Manufacturer's bonuses		330,645,579	167,216,999
Advances to officers and employees	24.8	386,576	230,183
Other receivables		283,474,238	216,258,057
		<u>5,636,734,450</u>	<u>4,241,557,961</u>
Allowance for impairment		<u>(27,251,267)</u>	<u>(17,059,441)</u>
		<u>5,609,483,183</u>	<u>4,224,498,520</u>

Deposits represent amounts provided to a foreign asset management firm engaged in the business of general trading and financing services, inclusive of accrued interest.

Trade receivables are usually due within 30 to 60 days and do not bear any interest.

Advance payment for future investment acquisition represent deposits made to foreign and domestic parties, which may be used to acquire investment securities. These include deposits made to Inter-Pacific Securities Sdn Berhad (IPSSB), a related party under common ownership who acts as stockbroker of the Company amounting P3,213,835 and P343,152, in 2025 and 2024, respectively (see Note 24.3). Interest income from these deposits amounting to P16,426, P17,394, and P17,268 in 2025, 2024 and 2023, respectively, and are presented as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1).

In 2025, the Parent Company made a deposit of P450,000,000 to a domestic counterparty in relation to the planned acquisition of high-value, high-dividend-yielding equity instruments. The transaction is intended to be a short-term investment, primarily undertaken to enhance liquidity and optimize returns on surplus cash.

Manufacturer's bonuses mainly pertain to incentives received by H.R. Owen from its car manufacturer for the sale of vehicles and related parts including meeting certain volume requirements.

In 2025, the Group recognized interest receivable amounting to P16,331,421 arising from the overpayment of corporate income taxes in prior periods. Pursuant to regulations issued by HM Revenue and Customs (HMRC), interest is payable at a statutory rate of 3% per annum on early or excess payments of corporation tax. The interest was received during the year and is presented as part of Finance Income under Other Income in the consolidated statement of comprehensive income (see Note 23.1).

Other receivables include outstanding warranty claims, finance commissions and interest income.

All of the Group's trade and other receivables have been assessed for impairment. Certain receivables were found to be impaired; hence, adequate amounts of allowance for impairment have been recognized accordingly.

A reconciliation of the allowance for impairment at the beginning and end of fiscal years 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	17,059,441	31,483,535
Impairment loss during the year	13,174,383	-
Reversal during the year	(5,417,483)	(15,845,413)
Translation adjustment	<u>2,434,926</u>	<u>1,421,319</u>
Balance at end of year	<u>27,251,267</u>	<u>17,059,441</u>

In 2025, the Group recognized impairment loss amounting to P13,174,383 and is presented as part of Impairment Losses on Financial Assets under Costs and Operating Expenses section in the 2025 consolidated statement of comprehensive income. No additional impairment losses recognized in 2024 and 2023.

9. INVENTORIES

The composition of this account is as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
At cost:		
Vehicles	5,061,384,110	3,823,837,427
Parts and components	413,987,365	313,915,915
Hotel supplies	3,806,438	4,236,637
	<u>5,479,177,913</u>	<u>4,141,989,979</u>
At net realizable value:		
Vehicles	1,961,560,289	2,289,360,756
Parts and components	51,901,436	64,134,448
	<u>2,013,461,725</u>	<u>2,353,495,204</u>
Allowance for inventory write-down	<u>(309,757,032)</u>	<u>(348,511,101)</u>
	<u>1,703,704,693</u>	<u>2,004,984,103</u>
	<u>7,182,882,606</u>	<u>6,146,974,082</u>

Certain vehicles and parts and components are carried at net realizable value, which is lower than their cost. An analysis of the movements in allowance for inventory writedown is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	348,511,101	246,854,344
Reversal of previous provisions	(476,387,632)	(455,368,785)
Additional allowance during the year	424,559,279	519,394,658
Translation adjustment - net	13,074,284	37,630,884
Balance at end of year	<u>309,757,032</u>	<u>348,511,101</u>

In 2025, 2024 and 2023, the Group are recognized reversal of provisions previously recognized due to improved customer demands and market conditions involving certain inventories. The additional allowance in 2025, 2024 and 2023 is presented as part of Cost of vehicles sold under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

10. PREPAYMENTS AND OTHER ASSETS

The details of this account are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current:		
VAT recoverable	274,049,178	303,754,601
Prepaid expenses	269,441,815	210,080,021
Advances for inventories	249,756,669	-
Input VAT	72,968,025	104,399,047
Creditable withholding tax	9,093,949	8,320,639
Refundable deposits	6,000,564	4,084,217
Advances to suppliers	5,288,708	20,299,282
Prepaid taxes	615,452	316,261,056
Deferred input VAT	493,120	2,508,774
	<u>887,707,480</u>	<u>969,707,637</u>
Non-current –		
Refundable deposits	<u>2,214,668</u>	<u>726,455</u>
	<u>889,922,148</u>	<u>970,434,092</u>

VAT recoverable pertains to the excess of input tax over output tax on sale of vehicles, which the Group can reclaim under the tax laws in the UK.

Prepaid expenses include subscriptions, refurbishment costs, maintenance expenses, license and support arrangements, insurance, and advertising which are expected to be realized in the next reporting period.

In 2025, the Group made non-refundable deposits for the purchase of new vehicle units and customized vehicles for special orders amounting to P117,154,874 and P132,601,795, respectively. These non-refundable deposits are presented as Advances for inventories under Prepayments Other Current Assets in the 2025 consolidated statement of financial position. There were no similar transaction in 2024.

Advances to suppliers pertain to advances for supplies on the hotel and service vehicle operations, which are expected to be realized in the next reporting period.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

This account consists of the following financial assets as at June 30:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Equity securities:		
Quoted	435,832,281	418,775,305
Unquoted	404,559,370	381,348,461
	<u>840,391,651</u>	<u>800,123,766</u>

The quoted and unquoted equity securities consist of listed foreign shares of stock and investments in shares of stock of foreign privately-held companies, respectively. The fair values of the quoted financial assets have been determined by reference to published prices in an active market. The fair value of unquoted securities have been determined using the discounted cash flow valuation (see Note 29.2).

In 2024 and 2023, the Group disposed of certain equity securities classified as FVOCI at a selling price of P115,581,881 and P59,839,488, respectively. Accordingly, cumulative fair value losses amounting to P11,846,815 and P5,214,851 in 2024 and 2023, respectively, were transferred directly to retained earnings. There was no similar transaction in 2025.

The movements of financial assets at FVOCI are as follows:

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Balance at beginning of year		800,123,766	890,567,692
Fair value gains - net	25.4	35,213,280	23,011,177
Additions during the year		5,054,605	2,126,778
Disposals during the year		<u>-</u>	<u>(115,581,881)</u>
Balance at end of year		<u>840,391,651</u>	<u>800,123,766</u>

Dividend income from these equity securities amounted to P8,320,693, P11,063,042 and P12,556,999 in 2025, 2024 and 2023, respectively, and are presented as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1).

12. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of fiscal years 2025, 2024 and 2023 are shown below.

<i>(Amounts in PHP)</i>	Buildings	Transportation Equipment	Workshop Equipment	Office Furniture, Fixtures and Equipment	Hotel and Kitchen Equipment and Utensils	Leasehold Improvements	Land	Sanitary Landfill Cell Area	Sanitary Landfill Plant Area	Construction in Progress	Total
June 30, 2025											
Cost	4,011,720,336	144,812,589	2,547,787,957	15,850,044	22,437,658	1,018,890,286	1,195,174,755	96,159,261	596,506,517	339,309,010	9,988,648,413
Accumulated depreciation and amortization	(335,586,903)	(49,356,472)	(895,466,458)	(12,696,850)	(16,026,536)	(829,640,699)	-	(3,960,930)	(5,965,065)	-	(2,148,699,913)
Net carrying amount	<u>3,676,133,433</u>	<u>95,456,117</u>	<u>1,652,321,499</u>	<u>3,153,194</u>	<u>6,411,122</u>	<u>189,249,587</u>	<u>1,195,174,755</u>	<u>92,198,331</u>	<u>590,541,452</u>	<u>339,309,010</u>	<u>7,839,948,500</u>
June 30, 2024											
Cost	3,715,830,780	49,185,445	2,450,831,605	14,223,837	20,374,633	1,033,606,529	742,342,855	96,159,261	-	775,519,880	8,898,074,825
Accumulated depreciation and amortization	(271,801,976)	(19,049,698)	(621,302,569)	(12,059,189)	(14,312,622)	(772,319,772)	-	(974,711)	-	-	(1,711,820,537)
Net carrying amount	<u>3,444,028,804</u>	<u>30,135,747</u>	<u>1,829,529,036</u>	<u>2,164,648</u>	<u>6,062,011</u>	<u>261,286,757</u>	<u>742,342,855</u>	<u>95,184,550</u>	<u>-</u>	<u>775,519,880</u>	<u>7,186,254,288</u>
June 30, 2023											
Cost	3,469,796,281	16,976,346	2,319,608,132	13,118,766	17,049,640	1,109,255,422	696,474,687	96,159,261	-	670,179,868	8,408,618,403
Accumulated depreciation and amortization	(213,569,677)	(14,216,514)	(479,695,375)	(11,492,419)	(13,115,756)	(763,368,336)	-	(147,001)	-	-	(1,495,405,078)
Net Carrying Amount	<u>3,256,426,604</u>	<u>2,759,832</u>	<u>1,839,912,757</u>	<u>1,626,347</u>	<u>3,933,884</u>	<u>345,887,086</u>	<u>696,474,687</u>	<u>96,012,260</u>	<u>-</u>	<u>670,179,868</u>	<u>6,913,213,325</u>

The movements in the carrying amounts of property and equipment at the beginning and end of fiscal years 2025, 2024 and 2023 are shown below.

<i>(Amounts in PHP)</i>	Buildings	Transportation Equipment	Workshop Equipment	Office, Furniture, Fixtures and Equipment	Equipment and Utensils	Leasehold Improvements	Land	Sanitary Landfill Cell Area	Sanitary Landfill Plant Area	Construction in Progress	Total
Balance at July 1, 2024											
net of accumulated											
depreciation and amortization	3,444,028,804	30,135,747	1,829,529,036	2,164,648	6,062,011	261,286,757	742,342,855	95,184,550	-	775,519,880	7,186,254,288
Additions	165,756,283	93,868,860	12,438,925	1,626,207	2,063,025	9,770,489	420,383,184	-	-	196,889,235	902,796,208
Disposals	-	-	(7,548,641)	-	-	-	-	-	-	-	(7,548,641)
Write-off	-	-	-	-	-	(6,571,686)	-	-	-	-	(6,571,686)
Depreciation and amortization											
charges for the year	(58,973,320)	(28,564,144)	(280,923,359)	(637,661)	(1,713,914)	(90,155,794)	-	(2,986,219)	(5,965,065)	-	(469,919,476)
Transfers	-	-	30,560,162	-	-	-	-	-	-	(30,560,162)	-
Reclassification	-	-	-	-	-	7,469,082	-	-	596,506,517	(603,975,599)	-
Translation adjustment	125,321,666	15,654	68,265,376	-	-	7,450,739	32,448,716	-	-	1,435,656	234,937,807
Balance at June 30, 2025											
net of accumulated											
Depreciation and amortization	3,676,133,433	95,456,117	1,652,321,499	3,153,194	6,411,122	189,249,587	1,195,174,755	92,198,331	590,541,452	339,309,010	7,839,948,500
Balance at July 1, 2023											
net of accumulated											
depreciation and amortization	3,256,426,604	2,760,832	1,839,912,757	1,626,347	3,933,884	345,887,086	696,474,687	96,012,260	-	670,179,868	6,913,214,325
Additions	57,853,287	31,225,461	135,220,482	1,105,072	3,324,993	4,911,380	-	-	-	124,138,028	357,778,703
Disposals	-	(1,000)	-	-	-	-	-	-	-	-	(1,000)
Write-off	-	-	(86,912)	-	-	-	-	-	-	-	(86,912)
Depreciation and amortization											
charges for the year	(55,118,051)	(3,877,618)	(268,669,563)	(566,771)	(1,196,866)	(107,577,476)	-	(827,710)	-	-	(437,834,055)
Transfers	8,320,098	-	13,036,560	-	-	-	-	-	-	(21,356,658)	-
Translation adjustment	176,546,866	28,072	110,115,712	-	-	18,065,767	45,868,168	-	-	2,558,642	353,183,227
Balance at June 30, 2024											
net of accumulated											
depreciation and amortization	3,444,028,804	30,135,747	1,829,529,036	2,164,648	6,062,011	261,286,757	742,342,855	95,184,550	-	775,519,880	7,186,254,288
Balance at July 1, 2022											
net of accumulated											
depreciation and amortization	1,298,575,391	4,540,309	251,519,160	1,198,210	1,740,629	458,479,386	665,294,553	-	-	2,359,886,111	5,041,233,749
Additions	603,694,698	-	292,088,638	886,339	2,811,197	37,441,345	-	-	-	1,089,298,381	2,026,220,598
Disposals	-	-	(7,295,011)	-	-	(39,829,110)	-	-	-	-	(47,124,121)
Depreciation and amortization											
charges for the year	(33,119,119)	(1,915,498)	(120,628,344)	(458,202)	(617,942)	(127,946,555)	-	(147,001)	-	-	(284,832,661)
Transfer	-	-	4,978,674	-	-	-	-	-	-	-	4,978,674
Reclassification	1,352,776,595	-	1,411,206,489	-	-	-	-	96,159,261	-	(2,860,142,345)	-
Translation adjustment	34,499,039	136,021	8,043,151	-	-	17,742,020	31,180,134	-	-	81,137,721	172,738,086
Balance at June 30, 2023											
net of accumulated											
depreciation and amortization	3,256,426,604	2,760,832	1,839,912,757	1,626,347	3,933,884	345,887,086	696,474,687	96,012,260	-	670,179,868	6,913,214,325

Workshop equipment includes fixtures and fittings utilized for bodyshop works.

In 2021, due to consummation of purchase transaction, the advance payment for land acquisition was applied for the development of multi-franchise site and head office in the UK (see Note 30.3).

In 2024 and 2023, additional construction in progress for the sanitary landfill project of FEC and franchised retail motor dealer operating sites of H.R. Owen were incurred (see Note 30.3). No borrowing cost was capitalized in 2025, 2024 and 2023. In 2025, the Company completed the construction of its sanitary landfill plant Phase 1 which resulted to the reclassification of the portion of the construction in progress to sanitary landfill plant area. There was no similar transaction in 2024.

The Group recognized P5,586,955 loss in 2025 and P6,435,707 gain in 2023 (nil in 2024) on the disposal of certain property and equipment, and are presented as part of Other Operating Expenses under Costs and Operating Expenses section in the consolidated statements of comprehensive income (see Notes 21.1 and 21.2).

The Group obtained loans from local banks, which are partly secured by the Group's hotel building, including all the improvements thereof (see Note 19.1).

13. INVESTMENTS IN AND ADVANCES TO ASSOCIATES

13.1 Breakdown of Carrying Values

The components of the carrying values (amounts in thousands of pesos) of investments in associates are shown in the succeeding page. These investments are accounted for under the equity method in the consolidated financial statements of the Group.

(Amounts in PHP)

	Notes	PLPI	BPPI	BAPI	PGMC	SBMPI	NPI	BAAI	CBFC	Total
June 30, 2025										
Investment:										
Acquisition costs:										
Beginning balance		40,000	180,400	203,896	454,880	43,335	82,283	37,890	162,500	1,205,184
Deduction of interest in associate in prior years		-	-	(149,987)	-	-	-	-	-	(149,987)
Dividends										
Dividends received in current year		-	-	-	(80,000)	-	(41,460)	-	-	(121,460)
Dividends received in prior years		-	-	(70,700)	(172,000)	-	-	-	-	(242,700)
		-	-	(70,700)	(252,000)	-	(41,460)	-	-	(364,160)
Accumulated equity share in comprehensive income (loss):										
Share in comprehensive income (losses) in prior years		157,127	(180,400)	686,248	283,927	(37,751)	(63,085)	(6,172)	(43,046)	796,848
Share in net profit (losses) during the year		(2,344)	-	100,510	14,061	-	177,912	(9,103)	(4,774)	276,262
Share in other comprehensive losses during the year		-	-	(215)	410	-	-	(41)	-	154
		154,783	(180,400)	786,543	298,399	(37,751)	114,827	(15,317)	(47,820)	1,073,264
Total investments in associates		194,783	-	769,752	501,279	5,584	155,650	22,573	114,680	1,764,301
Allowance for impairment		-	-	-	-	(5,584)	-	-	-	(5,584)
Total investments in associates - net		194,783	-	769,752	501,279	-	155,650	22,573	114,680	1,758,717
Advances	24.1	498,191	563,176	-	-	-	-	-	-	1,061,367
Allowance for impairment	24.1	-	(563,176)	-	-	-	-	-	-	(563,176)
Advances - net	24.1	498,191	-	-	-	-	-	-	-	498,191
		692,974	-	769,752	501,279	-	155,650	22,573	114,680	2,256,908

<i>(Amounts in PHP)</i>	Notes	PLPI	BPPI	BAPI	PGMC	SBMPI	NPI	BAAI	CBFC	Total
June 30, 2024										
Investment:										
Acquisition costs:										
Beginning balance		40,000	180,400	203,896	454,880	43,335	82,283	37,890	162,500	1,205,184
Deduction of interest in associate in prior years		-	-	(149,987)	-	-	-	-	-	(149,987)
Dividends										
Dividends received in current year		-	-	-	(8,000)	-	-	-	-	(8,000)
Dividends received in prior years		-	-	(70,700)	(164,000)	-	-	-	-	(234,700)
		-	-	(70,700)	(172,000)	-	-	-	-	(242,700)
Accumulated equity share in comprehensive income (loss):										
Share in comprehensive income (losses) in prior years		146,666	(180,400)	527,366	279,236	(37,751)	(53,715)	(4,046)	(42,130)	635,226
Share in net profit (losses) during the year		10,461	-	158,760	4,019	-	(9,847)	(2,120)	(916)	160,357
Share in other comprehensive losses during the year		-	-	122	672	-	477	(6)	-	1,265
		157,127	(180,400)	686,248	283,927	(37,751)	(63,085)	(6,172)	(43,046)	796,848
Total investments in associates		197,127	-	669,457	566,807	5,584	19,198	31,718	119,454	1,609,345
Allowance for impairment		-	-	-	-	(5,584)	-	-	-	(5,584)
Total investments in associates - net		197,127	-	669,457	566,807	-	19,198	31,718	119,454	1,603,761
Advances	24.1	479,138	563,141	-	-	-	1,239,174	-	-	2,281,453
Allowance for impairment	24.1	-	(137,887)	-	-	-	-	-	-	(137,887)
Advances - net	24.1	479,138	425,254	-	-	-	1,239,174	-	-	2,143,566
		676,265	425,254	669,457	566,807	-	1,258,372	31,718	119,454	3,747,327

In 2025, 2024 and 2023, the Group recognized impairment losses on its advances to BPPI with total amount of P425,288,122, P50,613,840 and P22,652,694, respectively. These are presented as part of Impairment Losses on Financial Assets under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

In 2014, the Group ceased to recognize further equity share in net losses of BPPI and carried the related investments at nil in the consolidated statements of financial position as a result of the accumulated share in net losses recognized to the extent of the original cost of the investments (see Note 2.3). The unrecognized share in net losses over BPPI amounted P40,617,424, P1,014,875 and P826,586 in 2025, 2024 and 2023, respectively. There was no additional investment in 2025, 2024 and 2023. The cumulative unrecognized share in net losses over BPPI amounted to P168,039,847 and P127,422,423 respectively, as of June 30, 2025 and 2024.

In 2020, the Group discontinued to recognize further losses of BAAI and carried the related investment at nil since its share of losses of BAAI exceeds the original cost of the investment [see Note 2.3(b)]. In 2021, the Group recognized additional investment in BAAI amounting to P3,030,000. Accordingly, the unrecognized share in net losses of P465,519 from prior year was applied to the carrying amount of investment. In 2022, the Group made additional investment amounting to P34,829,989 [see Note 1.2(k)].

The reconciliation of the Group's equity share in its significant associates to the carrying amount of the Group's investments in associates is presented below.

(Amounts in PHP)

	2025						
	PLPI	BPPI	BAAI	BAAI	PGMC	NPI	CBFC
Total Equity (Capital Deficiency)	486,609,889	(613,007,955)	2,505,665,692	116,668,674	817,988,727	261,877,830	420,016,744
Percentage of ownership	40.00%	48.38%	29.77%	20.00%	40.00%	41.46%	25.00%
Equity share	194,643,956	(296,573,249)	745,936,677	23,333,735	327,195,491	108,574,548	105,004,186
Deemed goodwill	-	-	67,883,993	-	27,438,898	65,430,532	-
Unrecognized share in losses	-	168,039,847	-	-	-	-	-
Other reconciling items	138,865	128,533,402	(44,069,096)	(760,307)	146,644,726	(18,354,857)	9,675,602
Carrying amount at June 30, 2025	194,782,821	-	769,751,574	22,573,428	501,279,115	155,650,223	114,679,788

(Amounts in PHP)

	2024						
	PLPI	BPPI	BAAI	BAAI	PGMC	NPI	CBFC
Total Equity (Capital Deficiency)	492,470,855	(529,052,966)	2,167,597,904	162,435,031	980,156,290	(67,590,235)	441,186,415
Percentage of ownership	40.00%	48.38%	29.77%	20.00%	40.00%	41.46%	25.00%
Equity share	196,988,342	(255,955,825)	645,293,896	32,487,006	392,062,516	(28,022,911)	110,296,604
Deemed goodwill	-	-	67,883,993	-	27,438,898	65,430,532	-
Unrecognized share in losses	-	127,422,423	-	-	-	-	-
Other reconciling items	138,865	128,533,402	(43,721,294)	(769,460)	147,305,726	(18,209,857)	9,157,772
Carrying amount at June 30, 2024	197,127,207	-	669,456,595	31,717,546	566,807,140	19,197,764	119,454,376

Other reconciling items include cumulative adjustments on equity share arising from changes in the percentage of ownership.

13.2 Summarized Financial Information

Significant financial information as at and for the years ended June 30 is presented below and in the succeeding page:

	2025								
(Amounts in PHP)	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity (Capital Deficiency)	Revenues	Net Profit (Loss)	Other Comprehensive Income (Loss)	Total Comprehensive Income (Losses)
BAAI	3,055,972,844	780,108,570	593,127,723	737,287,999	2,505,665,692	3,177,539,448	337,619,690	(721,780)	336,897,910
PGMC	401,382,439	1,038,547,384	408,991,372	212,949,724	817,988,727	509,764,857	36,777,556	1,026,470	37,804,026
NPI	408,500,330	-	146,622,500	-	261,877,830	1,114,075,678	711,356,895	-	711,356,895
CBFC	1,392,355,872	25,937,043	554,276,171	444,000,000	420,016,744	375,015,564	(19,096,028)	-	(19,096,028)
PLPI	36,233,479	1,162,457,524	547,892,720	164,188,394	486,609,889	16,952,040	(5,860,966)	-	(5,860,966)
BPPI	3,285,825	165,922	616,459,702	-	(613,007,955)	60,452,967	(85,757,041)	1,802,052	(83,954,989)
SBMPI	15,686,717	60,418,469	125,563,556	30,430,779	(79,889,150)	9,971,486	(1,245,307)	-	(1,245,307)
BAAI	107,275,804	47,341,808	36,625,562	1,323,376	116,668,674	87,806,634	(45,559,419)	(206,938)	(45,766,357)
	5,420,693,310	3,114,976,720	3,029,559,306	1,590,180,272	3,915,930,451	5,351,578,674	928,235,380	1,899,804	930,135,184

(Amounts in PHP)	2024								
	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity (Capital Deficiency)	Revenues	Net Profit (Loss)	Other Comprehensive Loss	Total Comprehensive Income (Losses)
BAPI	2,983,840,488	815,017,160	907,888,643	723,371,101	2,167,597,904	4,325,162,130	549,599,051	-	549,599,051
PGMC	541,894,131	1,127,955,557	330,045,056	359,648,342	980,156,290	672,053,955	8,866,808	1,679,212	10,546,020
NPI	73,790,788	1,270,210,298	1,251,365,435	160,225,886	(67,590,235)	42,644,661	(24,101,104)	1,150,000	(22,951,104)
CBFC	1,626,935,566	39,742,220	740,491,371	485,000,000	441,186,415	435,418,543	(3,662,478)	-	(3,662,478)
PLPI	29,414,113	1,144,178,908	528,502,126	152,620,040	492,470,855	12,468,090	26,152,082	-	26,152,082
BPPI	47,280,589	42,198,005	615,381,422	3,150,138	(529,052,966)	241,275,992	(2,275,098)	177,382	(2,097,716)
SBMPI	10,719,340	67,263,599	123,275,633	33,351,149	(78,643,843)	3,045,614	(11,872,664)	-	(11,872,664)
BAAI	152,071,696	29,749,218	18,531,753	854,130	162,435,031	28,298,523	(10,611,787)	(31,210)	(10,642,997)
CPI	257,985	-	3,028,496	-	(2,770,511)	-	-	-	-
	<u>5,466,204,696</u>	<u>4,536,314,965</u>	<u>4,518,509,935</u>	<u>1,918,220,786</u>	<u>3,565,788,940</u>	<u>5,760,367,508</u>	<u>532,094,810</u>	<u>2,975,384</u>	<u>535,070,194</u>

14. INTANGIBLE ASSETS

The compositions of this account as at June 30 are shown below.

(Amounts in PHP)	2025	2024
Goodwill - net	1,008,733,271	966,487,964
Dealership rights	803,790,019	770,126,699
Customer relationship - net	118,424,946	133,434,528
	<u>1,930,948,236</u>	<u>1,870,049,191</u>

The reconciliation of the carrying amounts of intangible assets at the beginning and end of fiscal years 2025, 2024 and 2023 is shown below.

(Amounts in PHP)	Goodwill	Dealership Rights	Customer Relationship	Total
Balance at July 1, 2024	966,487,964	770,126,699	133,434,528	1,870,049,191
Amortization	-	-	(20,008,360)	(20,008,360)
Translation adjustment	<u>42,245,307</u>	<u>33,663,320</u>	<u>4,998,778</u>	<u>80,907,405</u>
Balance at June 30, 2025	<u>1,008,733,271</u>	<u>803,790,019</u>	<u>118,424,946</u>	<u>1,930,948,236</u>
Balance at July 1, 2023	906,770,039	722,541,935	143,925,211	1,773,237,185
Amortization	-	-	(19,179,950)	(19,179,950)
Translation adjustment	<u>59,717,925</u>	<u>47,584,764</u>	<u>8,689,267</u>	<u>115,991,956</u>
Balance at June 30, 2024	<u>966,487,964</u>	<u>770,126,699</u>	<u>133,434,528</u>	<u>1,870,049,191</u>
Balance at July 1, 2022	787,773,698	690,194,809	13,444,255	1,491,412,762
Additions	82,075,739	-	146,150,213	228,225,952
Amortization	-	-	(15,808,601)	(15,808,601)
Translation adjustment	<u>36,920,602</u>	<u>32,347,126</u>	<u>139,344</u>	<u>69,407,072</u>
Balance at June 30, 2023	<u>906,770,039</u>	<u>722,541,935</u>	<u>143,925,211</u>	<u>1,773,237,185</u>

Goodwill primarily relates to growth expectations arising from operational efficiencies and synergies that will be achieved by combining the resources, skills and expertise of the components of HR Owen.

Dealership rights were determined as separately identifiable intangible assets acquired separately from the net assets of H.R. Owen. The dealership rights pertain to agreements with various luxury car manufacturers, which authorized H.R. Owen to sell new and used cars as well as provide after-sale services across England.

Goodwill and dealership rights have indefinite useful lives, thus, not subject to amortization but would require an annual test for impairment. Goodwill and dealership rights are subsequently carried at cost less accumulated impairment losses.

The Group monitors goodwill and dealership rights with indefinite useful lives on the cash-generating units to which these assets were allocated. An analysis of the value-in-use and the amount of intangible assets allocated to such groups of cash-generating units is presented below (amounts in millions of pesos).

(Amounts in PHP)	2025				2024			
	Allocated Intangible Assets	Value in Use	Terminal Growth Rate	Discount Rate	Allocated Intangible Assets	Value in Use	Terminal Growth Rate	Discount Rate
Goodwill:								
Bentley	724.1	1788	2.00%	9.50%	693.8	1,752.9	2.00%	10.50%
Bodytechnics	151.6	140.6	2.00%	9.50%	145.3	137.8	2.00%	10.50%
Aston Martin	66.3	220.4	2.00%	9.50%	63.5	216.1	2.00%	10.50%
Ferrari	44.6	1339.4	2.00%	9.50%	42.7	1,313.1	2.00%	10.50%
Lamborghini	22.1	3579.9	2.00%	9.50%	21.2	3,509.7	2.00%	10.50%
Dealership rights:								
Bentley	352.4	1788	2.00%	9.50%	337.6	1,752.9	2.00%	10.50%
Ferrari	293.9	1339.4	2.00%	9.50%	281.6	1,313.1	2.00%	10.50%
Lamborghini	157.5	3579.9	2.00%	9.50%	150.9	3,509.7	2.00%	10.50%

15. INVESTMENT PROPERTY

In 2017, the Group acquired certain residential property amounting to P132,720,106 (2,218,235GBP), which is classified by the Group as investment property. The fair value of investment property as of June 30, 2025 and 2024 amounted to P143,708,185 and P137,689,580, respectively, which is both equivalent to 1,850,000GBP. The fair value of investment property was assessed with reference to the current market conditions with the most recent valuation carried out by external independent qualified valuers as of August 29, 2023 (see Note 29.4). In 2025 and 2024, there was no significant change noted in the fair value of investment property. The only movement in investment property pertains to translation adjustment in 2025 and 2024; hence, no separate reconciliation was presented for the carrying amount.

In 2024, the Group sub-let to a third party leased properties under short-term lease. The carrying amount of investment in lease as of June 30, 2025 and 2024 amounted to P67,918,615 and P78,222,641, respectively. Rental income from these properties amounted to P18,084,315 and P45,017,451 in 2025 and 2024, respectively, and are presented as part of Rental Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 21.1).

16. LEASES

The Group has a lease for a certain land and building. The lease is reflected separately on the consolidated statements of financial position as Right-of-use Asset and Lease Liability. The amortization expense relating to right-of-use assets is presented as part of Depreciation and amortization under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

The table below describes the nature of the Group's leasing activities by type of right-of-use assets recognized in the consolidated statements of financial position

	Number of right-of-use assets leased	Range of remaining term	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
June 30, 2025					
Land	1	25 years	25 years	1	-
Building	15	1 to 14 years	6 years	-	6
Long leasehold	1	978 years	978 years	-	-
June 30, 2024					
Land	1	26 years	26 years	1	-
Building	15	1 to 14 years	6 years	-	6

The carrying amounts of the Group's right-of-use assets as at June 30, 2025 and 2024 and the movements during those periods are shown below.

<i>(Amounts in PHP)</i>	Land	Building	Total
Balance at July 1, 2024	84,520,244	2,299,449,999	2,383,970,243
Additions	104,124,088	591,061,356	695,185,444
Amortization	(8,612,211)	(380,549,699)	(389,161,910)
Translation adjustment	-	84,654,241	84,654,241
Remeasurement	8,827,522	(28,569,109)	(19,741,587)
Balance at June 30, 2025	188,859,643	2,566,046,788	2,754,906,431
Balance at July 1, 2023	86,878,950	2,137,190,250	2,224,069,200
Remeasurement	-	402,313,919	402,313,919
Amortization	(2,358,706)	(355,719,246)	(358,077,952)
Additions	-	136,004,483	136,004,483
Translation adjustment	-	126,111,250	126,111,250
Reclassification	-	(78,222,716)	(78,222,716)
Termination	-	(68,227,941)	(68,227,941)
Balance at June 30, 2024	84,520,244	2,299,449,999	2,383,970,243

In 2023, the Group acquired a property that was previously leased, which resulted in the termination of the related right-of-use assets and lease liabilities. The property is classified as part of Buildings under Property and Equipment in the consolidated statements of financial position (see Note 12). No gain or loss was recognized arising from this termination.

In 2023, the Group and its lessor have agreed for a certain lease modification that is not accounted for as a separate lease, which resulted in the remeasurement of both lease liability and corresponding right-of-use asset. No gain or loss was recognized arising from this lease modification.

Lease liabilities are presented in the consolidated statements of financial position as at June 30 as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	304,168,666	306,766,213
Non-current	2,435,528,810	2,244,403,343
	2,739,697,476	2,551,169,556

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at June 30, 2025 and 2024 is as follows:

<i>(Amounts in PHP)</i>	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
June 30, 2025							
Lease payments	430,157,583	404,506,681	378,855,780	353,204,879	294,652,338	1,861,725,219	3,723,102,480
Finance charges	<u>(125,988,934)</u>	<u>(113,131,799)</u>	<u>(100,262,732)</u>	<u>(87,380,848)</u>	<u>(88,165,210)</u>	<u>(468,475,481)</u>	<u>(983,405,004)</u>
Net present value	<u>304,168,649</u>	<u>291,374,882</u>	<u>278,593,048</u>	<u>265,824,031</u>	<u>206,487,128</u>	<u>1,393,249,738</u>	<u>2,739,697,476</u>
June 30, 2024							
Lease payments	398,717,553	374,962,528	883,991,007	8,404,361	8,404,361	1,527,793,592	3,202,273,402
Finance charges	<u>(91,951,340)</u>	<u>(79,684,740)</u>	<u>(166,040,958)</u>	<u>(7,986,045)</u>	<u>(7,943,486)</u>	<u>(297,497,277)</u>	<u>(651,103,846)</u>
Net present value	<u>306,766,213</u>	<u>295,277,788</u>	<u>717,950,049</u>	<u>418,316</u>	<u>460,875</u>	<u>1,230,296,315</u>	<u>2,551,169,556</u>

The movements in the lease liabilities recognized in the consolidated statements of financial position are as follows:

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	2,551,169,556	2,325,290,189
Repayment of lease liabilities	(424,302,432)	(478,896,447)
Additions	419,893,695	71,896,289
Translation adjustment	203,809,285	230,565,606
Interest paid	(116,908,196)	(91,773,088)
Interest expense	125,777,139	91,773,088
Remeasurement	<u>(19,741,571)</u>	<u>402,313,919</u>
Balance at end of year	<u>2,739,697,476</u>	<u>2,551,169,556</u>

Interest expense incurred on the lease liabilities amounting to P125,777,139, P91,773,088 and P91,662,409, and are presented as part of Interest expense under Finance Costs and Other Charges account under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.2).

The Group has elected not to recognize lease liabilities for short-term leases or for leases of low value assets; instead, expenses relating to these leases amounting to P29,046,687, P34,411,432 and P20,210,743 in 2025, 2024 and 2023, respectively, are presented as Rental under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

The future minimum rental payable of the Group arising from these leases amounted to P15,641,743 and P17,386,919 as of June 30, 2025 and 2024, respectively.

17. ASSETS HELD FOR SALE

In 2021, the Group's management authorized the sale of freehold land classified as part of Land under Property and Equipment (see Note 12). The carrying value of the asset as of June 30, 2022 amounted to P87,248,084, which is equivalent to 1,308,028GBP.

In 2023, the Group sold these assets for a total consideration of P93,477,155 and recognized gain on the disposal amounting to P6,229,071, which is presented as part of Others under Other Income (Charges) section in the 2023 consolidated statement of comprehensive income (see Note 21.1). There was no similar transaction in 2024 and 2025.

18. TRADE AND OTHER PAYABLES, AND PROVISIONS

This account consists of the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Current:			
Trade payables		2,265,514,960	2,069,094,531
Accrued expenses		585,838,438	799,850,343
Withholding taxes payable		459,750,071	89,705,727
Deferred consideration	1.2(d)	55,691,582	50,646,247
Provisions		50,899,963	-
Deferred output VAT		30,546,794	77,470,965
Due to a related party	24.4	14,120,648	9,956,530
Income tax payable		699,665	-
Other payables		463,298,227	240,712,065
		<u>3,926,360,348</u>	<u>3,337,436,408</u>
Non-current –			
Deferred consideration	1.2(d)	-	52,823,230

Accrued expenses include unpaid salaries and wages, commissions, utilities, supplies, interests, and other operating expenses of the Group.

Provisions pertain to the present value of dilapidation costs to be incurred by H.R. Owen for the restoration of the leased properties. The lease agreements require the Group to restore the leased properties to a specified condition at the end of lease term.

Other payables include dividend payable, service charge distributable, VAT payable, retention payables, and other non-trade payables.

19. LOANS PAYABLE AND BORROWINGS

This account consists of the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Current:			
Vehicle stocking loans	19.1	5,855,812,227	4,813,218,444
Bank loans		436,743,576	76,030,711
Manufacturer loans	19.2	143,007,821	137,018,548
Others		-	400,000
		<u>6,435,563,624</u>	<u>5,026,667,703</u>
Non-current:			
Manufacturer loans		1,886,808,536	1,936,274,976
Bank loans	19.1	187,500,000	-
Others		-	1,600,000
		<u>2,074,308,536</u>	<u>1,937,874,976</u>
		<u>8,509,872,160</u>	<u>6,964,542,679</u>

19.1 Bank Loans and Manufacturer Loans

In 2021 and 2020, the Parent Company obtained various secured loans totalling to P20,000,000 and P130,000,000, respectively, from local banks for its working capital requirements. The loans are interest-bearing and have original maturity of less than one year, with the option to renew. The loan is secured by a real estate mortgage over parcels of land owned by PLPI and a building owned by PHPI amounting to P978,944,000 and P561,921,588, respectively (see Note 12). The outstanding balance of these loans amounting to P40,000,000 was fully paid in 2024. The Parent Company obtained additional secured loans amounting to P26,000,000 in 2025 and P50,000,000 in 2024. The Parent Company made full settlement of these loans in 2025.

In 2025, the Parent Company obtained a secured five-year term loan amounting P250,000,000 from the same local bank to finance FEC's project. The loan is interest-bearing and is secured by a real estate mortgage over a land owned by PLPI, a building owned by PHPI, and a continuing surety agreement to be executed by FEC and PLPI. In addition, the long-term loan requires the Company to maintain good corporate standing, submit audited financial statements and quarterly interim reports, and ensure insurance coverage acceptable to cover the properties and assets. In 2025, the outstanding balance of this loan amounted to P235,843,076.

Unamortized origination fee amounted to P1,656,924 as at June 30, 2025. The related amortization of the origination fee is recorded as part of Interest Expense in the 2025 consolidated statement of comprehensive income. No similar transaction in 2024 and 2023.

In 2020, the Parent Company obtained various unsecured short-term loans totalling to P200,000,000 from local banks for its working capital requirements. In October 2021, the outstanding loans were converted into a three-year term loan. The loan is interest-bearing and with maturity of three years from June 30, 2022 and is secured by real estate mortgages over condominium units owned by SRDC. The loan was fully settled in 2025 and there is no outstanding balance as at June 30, 2025.

The interest rates on these local borrowings range from 5.76% to 6.00%. Interest expense on these loans amounted to P13,842,012, P8,243,643 and P13,564,085 in 2025, 2024 and 2023, respectively, and is presented as part of Finance Costs and Other Charges under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.2).

The manufacturer loans are secured by a legal charge against the property that they relate to and a guarantee between certain group companies. In 2025, 2024 and 2023, H.R. Owen obtained secured long-term loans from a financial institution amounting to P2,029,816,357, P2,073,293,524 and P2,041,794,453, respectively, payable in quarterly instalments for 20 years with an annual interest rate of 3%. The loans were secured by freehold land and building owned by Hatfield amounting to P3,306,375,000 and P3,756,469,450 as of June 30, 2025 and 2024, respectively.

Interest expense on these loans amounted to P71,032,409, P64,481,946 and P48,043,040 in 2025, 2024 and 2023, respectively, and is presented as part of Finance Costs and Other Charges under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.2).

19.2 Vehicle Stocking Loans

Manufacturers' vehicle stocking loans and other loans amounting to P2,270,827,448 and P4,813,218,414 as at June 30, 2025 and 2024, respectively, are all at variable, floating commercial rates of interest ranging from 5.75% to 8.11% in 2025 and 2024.

These are secured at any time by fixed and floating charges on stocks of new and demonstrator cars and commercial vehicles held amounting to P1,965,297,429 (25,299,883 GBP) and P1,372,187,561 (18,436,740GBP) as of June 30, 2025 and 2024, respectively. Other third party vehicle stocking loans amounting to P3,890,514,760 and P3,441,032,372 as of June 30, 2025 and 2024, respectively, are secured by fixed and floating charges on stocks of used cars. The loans were secured by the vehicle inventories amounting to P6,753,998,055 and P5,800,707,320 as of June 30, 2025 and 2024, respectively. The assets held as securities for the vehicle stocking loans are presented as part of Inventories in the consolidated statements of financial position (see Note 9).

Interest expense incurred related to H.R. Owen's vehicle stocking loans amounted to P389,604,494, P419,891,468 and P218,177,926 in 2025, 2024 and 2023, respectively, and are presented as part of Finance Costs and Other Charges under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.2).

19.3 Reconciliation of Liabilities Arising from Loans Payable

Presented below is the reconciliation of the Group's liabilities arising from bank loans, and manufacturer loans which include both cash and non-cash changes.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	2,149,324,235	2,170,336,120
Cash flows from financing activities:		
Additional borrowings	662,525,500	50,000,000
Repayment of borrowings	(250,303,458)	(205,404,816)
Non-cash financing activities:		
Translation adjustments	3,675,611,352	134,392,931
Interest expense	1,669,007	-
Amortization of discount	218,076	-
Balance at end of year	6,239,044,712	2,149,324,235

20. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue recognized from contracts with customers in 2025, 2024 and 2023 from each business segment is as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Motor vehicle dealership			
Sale of vehicle	39,016,317,617	35,867,940,263	34,526,742,891
Sale of spare parts and accessories	2,169,142,434	1,804,303,301	2,103,545,861
Services and bodyshop	1,849,202,658	2,112,828,023	1,778,838,154
	<u>43,034,662,709</u>	<u>39,785,071,587</u>	<u>38,409,126,906</u>
Hotel Operations			
Room accommodation	76,948,820	72,967,936	70,394,227
Food and beverages	39,592,662	40,949,140	30,614,523
Others	4,999,788	3,848,733	2,992,266
	<u>121,541,270</u>	<u>117,765,809</u>	<u>104,001,016</u>
Tipping fee	<u>111,855,987</u>	<u>24,157,479</u>	<u>104,292</u>
	<u>43,268,059,966</u>	<u>39,926,994,875</u>	<u>38,513,232,214</u>

The amount of contract liabilities recognized from advance payments received from customers as at June 30 is analyzed as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	3,700,097,847	4,202,177,549
Additions during the year	1,931,703,181	2,190,227,506
Amount recognized as revenue	(1,936,621,698)	(2,941,485,780)
Refund of customer deposits	(635,252,710)	-
Translation adjustments	<u>82,536,843</u>	<u>249,178,572</u>
Balance at end of year	<u>3,142,463,463</u>	<u>3,700,097,847</u>

The transaction price allocated to unsatisfied performance obligations recognized as contract liabilities as at June 30, 2025 and 2024, is expected to be recognized as revenue within one year from the end of the reporting period.

In 2025, the Group refunded customer deposits amounting to P635,252,710. There was no similar transaction in 2024.

21. OTHER INCOME AND EXPENSES

21.1 Other Income

Other income consists of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Manufacturer's support		44,743,620	28,076,270	44,021,705
Rent income	15	18,084,315	45,017,451	48,423,672
Government grant		-	-	8,465,713
Net gain on disposal of property and equipment	12	-	-	6,435,707
Gain on disposal of asset held for sale	17	-	-	6,229,071
Miscellaneous		2,402,233	4,890,479	6,020,165
		65,230,168	77,984,200	119,596,033

The Group and its manufacturer entered into an agreement wherein the latter will provide financial support designed to aid the Group's positioning of the new flagship showroom with the global window offered by London, Mayfair's unique location.

In 2025, 2024 and 2023, the Group entered into short-term operating lease agreements with no future commitments for certain vehicles.

As part of the UK government's response to the COVID-19 pandemic, the Group received financial aid in a form of a grant to support the salaries of its employees amounting to P8,465,713 in 2023 (nil in 2025 and 2024). There were no unfulfilled conditions and other contingencies attaching to the government assistance that have been recognized.

Miscellaneous income includes unutilized service charge income attributable to the management.

21.2 Other Operating Expenses

Other operating expenses account is composed of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Insurance		150,625,917	132,711,217	120,342,429
Repairs		105,567,857	21,879,777	11,881,338
Stationery and office supplies		94,874,729	106,971,392	116,657,742
Cleaning and maintenance		85,930,299	88,620,812	65,622,548
Outside services		30,027,058	21,879,496	11,326,362
Loss on disposal of property and equipment	12	5,586,955	-	-
Hotel supplies		5,149,544	7,300,584	4,705,068
Commissions		1,947,730	3,623,742	2,712,179
Security services		-	-	6,312,038
Laundry		-	-	916,100
Membership fees, dues and subscription		-	-	288,200
Miscellaneous expenses		76,337,468	64,149,856	23,523,576
		556,047,557	447,136,876	364,287,580

Miscellaneous expenses include gas and oil, store supplies consumable and vehicle storage.

22. EMPLOYEE BENEFITS

22.1 Salaries and Employee Benefits

Details of salaries and employee benefits are presented as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits:			
Salaries	2,062,534,939	1,843,710,383	1,772,714,811
Social security cost	264,330,638	229,535,635	235,093,528
Bonuses	3,270,488	2,698,533	2,292,555
Health benefits	874,775	569,113	456,086
Others	7,870,609	7,294,992	6,936,607
	<u>2,338,881,449</u>	<u>2,083,808,656</u>	<u>2,017,493,587</u>
Post-employment benefits:			
Defined contribution plan	57,730,604	57,948,578	45,443,945
Defined benefit plan	434,072	549,704	676,315
	<u>58,164,676</u>	<u>58,498,282</u>	<u>46,120,260</u>
	<u>2,397,046,125</u>	<u>2,142,306,938</u>	<u>2,063,613,847</u>

22.2 Post-employment Defined Benefit Obligation

(a) Characteristics of Defined Benefit Plan

PHPI has an unfunded, non-contributory post-employment defined benefit plan covering all regular full-time employees. On the other hand, H.R. Owen's retirement benefit plan administered by a trustee operates on a pre-funded basis.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made annually to update the post-employment benefit costs and the amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from independent actuaries in 2025 and 2024.

The amounts relating to the Group's post-employment benefit asset recognized in the consolidated statements of financial position are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Present value of the obligation	628,641,298	658,413,194
Fair value of plan assets	<u>(1,183,252,413)</u>	<u>(1,116,697,772)</u>
	<u>(554,611,115)</u>	<u>(458,284,578)</u>

<i>(Amounts in PHP)</i>	<u>H.R Owen</u>	<u>PHPI</u>	<u>Total</u>
June 30, 2025			
Present value of the obligation	624,084,254	4,557,044	628,641,298
Fair value of plan assets	<u>(1,183,252,413)</u>	<u>-</u>	<u>(1,183,252,413)</u>
Post-employment benefit obligation (asset)	<u>(559,168,159)</u>	<u>4,557,044</u>	<u>(554,611,115)</u>
June 30, 2024			
Present value of the obligation	654,043,814	4,369,380	658,413,194
Fair value of plan assets	<u>(1,116,697,772)</u>	<u>-</u>	<u>(1,116,697,772)</u>
Post-employment benefit obligation (asset)	<u>(462,653,958)</u>	<u>4,369,380</u>	<u>(458,284,578)</u>

These are presented in the consolidated statements of financial position at the net amounts for each defined benefit plan.

The movements in present value of the post-employment defined benefit obligation recognized in the consolidated financial statements are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	658,413,194	601,757,150
Current and interest costs	33,414,911	32,633,441
Benefits paid	(30,017,921)	(24,121,816)
Actuarial loss	(54,789,996)	7,549,052
Translation adjustment	29,951,213	40,595,367
Other	<u>(8,330,103)</u>	<u>-</u>
Balance at end of year	<u>628,641,298</u>	<u>658,413,194</u>

The movements in the fair value of plan assets are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	1,116,697,772	1,046,543,901
Interest income	56,119,163	55,916,497
Benefits paid by the plan	(30,017,921)	(34,303,998)
Actuarial loss	(2,150,651)	(22,940,349)
Employer's contribution	-	257,979
Administrative expenses paid by the plan	(8,204,936)	-
Translation adjustment	<u>50,808,986</u>	<u>71,223,742</u>
Balance at end of year	<u>1,183,252,413</u>	<u>1,116,697,772</u>

The plan assets consist of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash in banks	439,196,916	388,088,873
Debt Securities:		
Government Bonds	206,391,831	-
Index-linked bonds	537,663,666	540,830,083
Corporate bonds	<u>-</u>	<u>187,778,816</u>
	<u>1,183,252,413</u>	<u>1,116,697,772</u>

Cash in banks includes deposit to a trustees' bank. The fair values of the above plan assets are determined based on quoted market prices in active markets with the exception of the trustees' bank account balance and are classified as Level 1 of the fair value hierarchy (see Note 29).

The plan assets do not comprise any of the Group's own financial instruments or any of its assets occupied and/or used in its operations.

The components of amounts recognized in profit or loss and other comprehensive income or loss in respect of defined benefit post-employment plan are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in consolidated profit or loss:</i>			
Net interest income	(23,138,324)	(23,832,760)	(11,896,787)
Expenses	8,204,936	9,779,731	5,331,841
Current service costs	434,072	549,704	676,315
	<u>(14,499,316)</u>	<u>(13,503,325)</u>	<u>(5,888,631)</u>
<i>Reported in consolidated other comprehensive income or loss:</i>			
Remeasurement			
gains (losses) arising			
from changes in:			
Financial Assumptions	57,645,590	(14,649,889)	133,203,808
Experience adjustments	(2,855,594)	3,835,733	(49,324,531)
Demographic assumptions	1	3,265,105	6,771,649
Return on plan assets	(2,150,651)	(22,940,349)	12,637,420
Tax effect	(13,159,818)	7,622,349	(25,822,453)
	<u>39,479,528</u>	<u>(22,867,051)</u>	<u>77,465,893</u>

Current service cost including past service cost and settlement gain is allocated and presented as part of Salaries and Employee Benefits under Costs and Operating Expenses section in the consolidated statements of comprehensive income. The net interest income is included as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1).

Settlement gain on the exercise of enhance transfer value is presented as part of Salaries and Employee Benefits under Costs and Operating Expenses section in the consolidated statements of comprehensive income (see Note 22.1).

Amounts recognized in other comprehensive income or loss were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined post-employment benefit obligation, the discount rate used by the Group ranges from 5.7% to 6.29% in 2025, 5.10% to 6.22% in 2024, 5.30% to 6.22% in 2023.

(c) Risks Associated with the Retirement Plan

The plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, majority of the plan asset has been invested in equity and debt securities.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during their employment and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described below.

(i) *Sensitivity Analysis*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as at June 30:

	Maximum Impact on Post-employment Defined Benefit Obligation		
	Change in Assumption	Increase in Assumption	Decrease in Assumption
<i>(Amounts in PHP)</i>			
<u>2025</u>			
Salary rate	+/- 1.0%	583,687	(507,326)
Discount rate	+/- 1.0%	(494,025)	577,069
Turn-over rate	+/- 10.0%	(99,895)	99,895
<u>2024</u>			
Salary rate	+/- 1.00%	510,800	(457,710)
Discount rate	+/- 1.00%	(435,173)	496,047
Turn-over rate	+/-10.00%	(65,366)	65,366

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Asset-liability Matching Strategies*

There are no asset-liability matching strategies currently being used by H.R. Owen's retirement plan.

(iii) *Funding Arrangements and Expected Contributions*

The undiscounted expected benefit payment from the plan is mainly expected to be paid more than five years from the reporting date for PHPI amounting to P36,598,916 and to P25,086,645 in 2025 and 2024, respectively, and more than 15 years from the reporting date for H.R. Owen. The weighted average duration of the defined benefit obligation at the end of the reporting period is 15 years.

H.R. Owen is not expected to make any contributions to the plan for the fiscal year 2025.

22.3 Post-employment Defined Contribution Plan

H.R. Owen operates a small number of defined contribution pension schemes, which are administered by trustees. The contributions recognized in respect of defined contribution plans are expensed as they fall due.

In 2025, 2024 and 2023, post-employment benefit expense for the defined contribution plans amounted to P57,730,604, P57,948,578, P45,443,945, respectively, and is presented as part of Salaries and Employee Benefits under Costs and Operating Expenses section in the consolidated statements of comprehensive income (see Note 22.1).

23. FINANCE INCOME AND FINANCE COSTS

The components of this account follow:

23.1 Finance Income

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Interest income	7, 8, 22.2(b), 24.1, 24.9	365,699,196	275,461,638	189,152,905
Foreign currency gains - net		42,306,588	6,763,393	-
Dividend income	11	8,320,693	11,063,042	12,556,999
		416,326,477	293,288,073	201,709,904

23.2 Finance Costs and Other Charges

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Interest expense	16, 19.1, 19.2, 22.2(b), 24.2	603,139,582	587,307,871	374,420,994
Bank charges		56,838	36,373,096	42,678,806
Foreign currency losses - net		-	-	17,341,527
		603,196,420	623,680,967	434,441,327

24. RELATED PARTY TRANSACTIONS

The significant transactions of the Group with related parties are described below.

<i>(Amounts in PHP)</i>		Amount of Transactions			Outstanding Balance Receivable (Payable)	
Related Party Category	Notes	2025	2024	2023	2025	2024
Parent Company:						
Cash advances paid (obtained)	24.2	379,916,625	(132,927,646)	(14,688,041)	-	(379,916,625)
Cash advances granted	24.2	565,179,239	-	-	565,179,239	-
Associates:						
Cash advances granted (collected)	13.1, 24.1	(1,645,374,569)	28,731,002	23,377,133	498,190,618	2,143,565,187
Cash advances paid (obtained)	24.2	270,281,075	(4,293,945)	(106,812,049)	(868,350,571)	(604,069,496)
Related party under common ownership:						
Cash advances granted	24.5	(7,836,323)	10,430,580	771,785	4,032,995	11,869,318
Payments for future acquisition of investment securities	8, 24.3	2,870,683	6,127	141,494	3,213,835	343,152
Amortization of right-of-use asset	24.6	8,612,211	2,358,704	2,358,704	-	-
Share in allocated expenses	18, 24.4	4,164,118	1,959,103	918,399	(14,120,648)	(9,956,530)
Right-of-use asset	16, 24.6	(104,339,398)	(2,358,704)	(2,358,704)	188,859,643	84,520,244
Lease liabilities	16, 24.6	109,233,999	(283,914)	257,696	(192,550,246)	(83,316,247)
Directors, officers and employees:						
Key management compensation	24.7	193,205,562	192,598,513	190,750,251	-	-
Advances	8, 24.8	(156,393)	(140,140)	43,415	386,576	230,183
Sale of Vehicles	24.8	119,349,878	359,407,311	212,815,415	-	-
Deposits for future purchase	24.8	185,093,042	(4,396,702)	(42,948,339)	(196,582,233)	(11,489,191)
Payment to purchase a vehicle	24.8	(122,296,245)	(63,869,785)	(133,404,000)	-	-
Others –						
Deposits	24.9	(396,362,287)	(960,066,707)	(503,756,950)	3,332,564,224	2,936,201,937

Unless otherwise stated, advances granted to related parties are unsecured, noninterest-bearing and are payable in cash upon demand. These advances have been reviewed for impairment. Based on management's assessment, an impairment loss amounting to P425,288,122, P50,613,840 and P30,153,789 is required to be recognized in 2025, 2024 and 2023, respectively, which is presented as part of Impairment Losses on Financial Assets under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

24.1 Advances to Related Parties

The Group grants advances to its associates for working capital purposes. These advances are unsecured and due on demand. The loan granted to BPPI, NPI and PLPI are interest-bearing. The balances of these advances, presented as Advances to Associates account in the consolidated statements of financial position as at June 30, are shown in the succeeding page.

<i>(Amounts in PHP)</i>	Notes	2025	2024
<i>Parent:</i>			
BLM	8, 24.2	565,179,239	-
<i>Associates:</i>			
BPPI		563,175,501	563,140,601
PLPI		498,190,618	479,137,844
NPI		-	1,239,174,122
		<u>1,061,366,119</u>	<u>2,281,452,567</u>
<i>Allowance for impairment</i>		<u>(563,175,501)</u>	<u>(137,887,380)</u>
		<u>498,190,618</u>	<u>2,143,565,187</u>
		<u>1,063,369,857</u>	<u>2,143,565,187</u>

The Group recognized an impairment loss on its advances to BPPI with a total amount of P425,288,122, P50,613,840 and P22,652,694 in 2025, 2024 and 2023, respectively. The Group has assessed that the investment in BPPI, including the outstanding advances, were no longer recoverable due to BPPI's continued operating losses and capital deficiency. These losses are recorded as part of Impairment Losses on Financial Assets under Costs and Operating Expenses section in the consolidated statements of comprehensive income [see Note 1.2(g) and 13].

Since 2013, the Parent Company has an outstanding unsecured loan to NPI, an associate beginning in 2017, amounting to P790,677,694. The loan is payable in cash to the Parent Company on demand subject to interest based on current bank rate. In 2018, additional loan was advanced to NPI amounting to P86,980,200. In 2020, an additional loan of P125,000,000, which bears an annual interest rate of 6.00%, was granted by the Parent Company to NPI. In 2025, an additional loan of 7,000,000 was advanced to NPI. Further, the Company made collections of P1,286,209,163 and P6,000,000 in 2025 and 2024, respectively. Interest income amounting to P41,273,238, P49,706,386 and P35,134,032 in 2025, 2024 and 2023, respectively, is recognized as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1).

In 2018, cash advances, which bear an annual interest rate of 6.00%, were granted by the Group to PLPI amounting to P336,806,800 for the acquisitions of parcels of land. In 2021 and 2020, additional advances amounting to P14,000,000 and P4,000,000, respectively, were granted by the Parent Company to PLPI. In 2024 and 2023, the Parent Company granted additional advances to PLPI amounting to P5,000,000 and P10,000,000, respectively. Collections of P500,000, P6,000,000 and P1,000,000 were made from PLPI in 2025, 2024 and 2023, respectively.

Interest income on advances to PLPI amounting to P20,157,500, P20,210,000 and P13,658,333 in 2025, 2024 and 2023, respectively, is recorded as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.1). The total uncollected interest income net of withholding tax as of June 30, 2025 and 2024 is recorded as part of Advances to Associates in the consolidated statements of financial position (see Note 13.1).

In 2011, the Parent Company provided P100,000,000 loan to BPPI, bearing an annual interest rate of 7.00% payable in cash within two years from the borrowing date. The loan is secured by a guaranty from a major stockholder of BPPI. In 2013, the Parent Company extended the term of this loan for an additional three years. The loan was further extended for another three years in 2016 bearing the same terms with the original loan except that the Parent Company now has the discretion to recall the loan any time prior to maturity; hence, the loan is presented under current assets in the consolidated statements of financial position. The extended loan is secured by a guaranty from a major stockholder of BPPI. The loan remains outstanding as at June 30, 2025 and 2024.

Since 2017, the Parent Company has granted cash advances to BPPI with a total amount of P313,948,000, wherein P85,000,000 was granted in 2020. The advances bear an annual interest rate of 7.00% and are secured by a guaranty from the other stockholders of BPPI. Out of the total amount, P56,000,000 is payable in cash upon demand while the remaining advances are convertible into equity or payable in cash upon demand.

The Company made collections amounting to P10,800,000 in 2025 and P500,000 in 2024. Outstanding balance of such advances amounted to P563,175,501 and P563,140,601 as at June 30, 2025 and 2024, respectively. Interest income amounting to P11,170,000, P19,614,380 and P14,331,167 in 2025, 2024 and 2023, respectively, is recorded as part of Finance Income in the statements of comprehensive income.

The movements of Advances to Associates account recognized in the books are as follows:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Balance at beginning of year		2,143,565,187	2,114,834,185
Interest earned during the year	23.1	70,422,716	86,844,842
Additions during the year:			
NPI		7,000,000	-
PLPI		-	5,000,000
		2,220,987,903	2,206,679,027
Collections during the year		(1,297,509,163)	(12,500,000)
Impairment loss	13	(425,288,122)	(50,613,840)
Balance at end of year	13	498,190,618	2,143,565,187

24.2 Advances from Related Parties

The balance of this account as of June 30 is broken down as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
PGMC	558,810,571	604,069,496
NPI	309,540,000	-
BLM	-	379,916,625
	868,350,571	983,986,121

Advances from related parties are presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	345,540,000	417,116,625
Non-current	522,810,571	566,869,496
	<u>868,350,571</u>	<u>983,986,121</u>

The Parent Company obtained noninterest-bearing advances from PGMC amounting to P43,700,000, P205,165,773 and P324,350,000 in 2025, 2024 and 2023, respectively, for working capital requirements. In 2025, 2024 and 2023, total payments made amounted to P82,958,925, P203,459,719 and P217,537,951, respectively.

The Parent Company obtained advances from BLM, intermediate parent company, amounting to P179,098,500 and P55,000,000 in 2021 and 2020, respectively, for working capital requirements and other purposes. The advances bear an annual interest of 7.5% and payable upon demand. Interest expense amounting to P2,489,589, P2,917,726 and P2,973,534 in 2025, 2024 and 2023, respectively, is presented as part of Finance Costs and Other Charges under Other Income (Charges) section in the consolidated statements of comprehensive income (see Note 23.2). In 2025, the Parent Company provided cash advances to BLM amounting to P650,000,000, which fully paid the Parent Company's outstanding advances from BLM. The excess in the advances granted amounting to P565,179,239 is presented as part of Due from Related Parties under Trade and Other Receivables in the consolidated statement of financial position as at June 30, 2025 (see Notes 8 and 24.1).

The Parent Company obtained noninterest-bearing advances from NPI amounting to P351,000,000 in 2025 for working capital requirements. During the year, total payments made amounted to P41,460,000. The outstanding balance of these advances amounted to P309,540,000 as at June 30, 2025. No similar transaction in 2024 and 2023.

The current portion of the advances are unsecured and generally payable upon demand in cash or through offsetting arrangements. The non-current portion of the advances are likewise unsecured with maturity of two to five years. These advances are presented as Advances from Related Parties under Current and Non-current Liabilities sections in the consolidated statements of financial position.

The movements of advances from BLML, PGMC and NPI recognized in the statements of financial position are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	983,986,121	849,352,420
Repayment of borrowings	(495,833,989)	(216,631,308)
Additional borrowings	394,700,000	325,262,623
Foreign translation	(16,368,753)	23,814,092
Unpaid interest	1,867,192	2,188,294
Balance at end of year	<u>868,350,571</u>	<u>983,986,121</u>

24.3 Payments for Future Acquisition of Investments

The Group deposited funds to IPSSB on client trust basis for future acquisition of investment securities. IPSSB is principally engaged in the business of stock brokerage. Outstanding payments to IPSSB as at June 30, 2025 and 2024 amounted to P3,213,835 and P343,152, respectively, and are presented as part of Payments for future acquisition of investments under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 8).

24.4 Due to a Related Party

Berjaya Resorts Management Services Sdn Bhd (Berjaya Resorts), a related party under common ownership, allocates costs and expenses to the Group related to advertising and promotion, among others, and are presented under Cost and Operating Expenses in the consolidated statements of comprehensive income. The outstanding allocated expenses are presented as part of Due to a related party under Trade and Other Payables account in the consolidated statements of financial position (see Note 18). The payable arising from this transaction is unsecured, noninterest-bearing and payable in cash upon demand.

The details of the Group's transactions with Berjaya Resorts are presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	9,956,530	7,997,427
Expenses incurred during the year	4,190,718	2,716,441
Payments made during the year	(26,600)	(757,338)
	<u>14,120,648</u>	<u>9,956,530</u>

In 2024, FEC entered into unsecured, interest-bearing loan agreements totaling P8,000,000, consisting of P2,000,000 from local corporation with an annual interest rate of 10% and P6,000,000 from PGMIC, with an annual interest rate of 8%. Both loans were originally payable in equal quarterly installments. In 2025, FEC fully settled the loan, including accrued interest up to the date of settlement, thereby pre-terminating the obligation. The settlement included total interest charges of P394,167 which is presented as part of the Finance Cost under Other Income in the 2025 consolidated statement of comprehensive income (see Note 23.2).

24.5 Due from Other Related Parties

In 2023 and 2021, H.R. Owen granted cash advances to STM Lottery Sdn. Bhd. (formerly known as Sports Toto Malaysia Sdn. Bhd. or STMSB) amounting to 10,605GBP and 60,000GBP, respectively. In 2022 and 2021, STMSB paid 5,000GBP and 45,000GBP, respectively. The outstanding balance as of June 30, 2025 and 2024 amounted to P4,032,995 and P11,869,318, respectively. Further, H.R. Owen has a loan and accrued interest from Berjaya Vacation Club totalling P13,822,785 and P12,340,678 in 2025 and 2024, respectively, and are presented as part of Due from a related party under Trade and Other Receivables account in the consolidated statements of financial position (see Note 8). The interest accrued on this loan amounted to P979,512 and P1,085,144 in 2025 and 2024, respectively, and are presented as part of Finance Income under Other Income in the consolidated statements of financial position (see Note 23.1).

24.6 Lease Agreement with PLPI

In 2012, the Group and PLPI amended its existing lease agreement making the lease term good for one year for an annual rental of P6,000,000 but renewable annually, at the option of the lessee, for a maximum of 40 years. On July 1, 2018, the lease was amended, making the annual rental to P6,615,000, with all other terms being retained.

The outstanding advance rental to PLPI was reclassified as part of Right-of-use Assets account in the consolidated statements of financial position upon adoption of PFRS 16 (see Note 16).

The lease requires an annual rental of P7,640,328, renewable annually. In 2021, the Company and PLPI have agreed to increase the annual rental to P8,404,358. Such lease modification caused the remeasurement of the outstanding lease liability and right-of-use asset (see Note 16).

In 2024, the Group entered into another lease contract for the rent of land owned by PLPI. The lease requires an annual rental of P8.1 million renewable annually. The Parent Company made deposits to PLPI amounting to P5.0 million to be applied in monthly rental payments.

As at June 30, 2024, the outstanding balance of the deposit amounts to P0.7 million which is presented as part of Other Current Assets in the 2024 consolidated statement of financial position (see Note 10). These deposits are to be amortized over the duration of the lease contract. There were no outstanding balance as of June 30, 2025.

Amortization of the right-of-use asset amounting to P8,612,211 in 2025 and P2,358,704 both in 2024 and 2023, is presented as part of Depreciation and Amortization under Costs and Operating Expenses section in the consolidated statements of comprehensive income.

24.7 Key Management Personnel Compensation

The details of key management personnel compensation (from vice-president and up), which are presented as part of Salaries and Employee Benefits under Costs and Operating Expenses section in the consolidated statements of comprehensive income (see Note 22.1), are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term benefits	186,941,455	179,159,316	177,548,726
Post-employment benefits	6,264,107	13,439,197	13,201,525
	<u>193,205,562</u>	<u>192,598,513</u>	<u>190,750,251</u>

Director emoluments amounted to P3,700,000 in 2025, 2024 and 2023 and are presented as part of Professional Fees under Costs and Operating Expenses section in the consolidated statements of comprehensive income. There were no outstanding payable relating to this compensation as at June 30, 2025 and 2024.

24.8 Transactions with Officers and Employees

In the normal course of business, the Group grants interest-bearing advances to its officers and employees. The outstanding advances to officers and employees amounted to P386,576 and P230,183 as at June 30, 2025 and 2024, respectively, and are presented as Advances to officers and employees under Trade and Other Receivables account in the consolidated statements of financial position (see Note 8).

The Group sold vehicles on cash basis amounting to P119,349,878, P359,407,311 and P212,815,415 to directors in 2025, 2024 and 2023, respectively, and is presented as part of Sales of Vehicles under Revenue in the consolidated statement of comprehensive income. There was no outstanding balance arising from this transaction as at June 30, 2025 and 2024. Furthermore, total deposits of P196,582,233 and P11,489,191 as of June 30, 2025 and 2024, respectively, are held by the Group from the directors for future vehicle purchases and is included as part of Trade and Other Payables in the consolidated statements of financial position (see Note 18).

In 2025, the Group purchased vehicles totalling P122,296,245 from directors. No amounts remain outstanding at year end.

24.9 Deposits

In 2025, 2024 and 2023, H.R. Owen has placements amounting to P396,362,287, P960,066,707 and P503,756,950, respectively, with a foreign asset management firm of which its director has an interest. The deposit placements bear an interest of 6% per annum. The outstanding placements amounting to P3,332,564,224 and P2,936,201,937, inclusive of accrued interest, as of June 30, 2025 and 2024, respectively, is presented as Deposits under Trade and Other Receivables account in the consolidated statements of financial position (see Note 8). The interest income amounted to P251,874,441, P161,983,809 and P113,992,625 in 2025, 2024 and 2023, respectively, and is presented as part of Finance Income under Other Income in the consolidated statements of financial position (see Note 23.1).

24.10 Retirement Plan

The details of the contributions of the Group and benefits paid out by the plan are presented in Note 22.2.

The plan assets do not include the Group's own financial instruments, nor any financial instruments issued by its related parties. The retirement plan neither provides any guarantee or surety for any obligation of the Group nor its investments covered by any restrictions or liens.

25. EQUITY

25.1 Capital Management Objectives, Policies and Procedures

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group sets the amount of capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. Further, it is also the Group's goal to maintain a debt – equity structure of not higher than 2.50 : 1.00 (see Note 19.1).

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated statements of financial position and also evaluates its capital in terms of debt-to-equity ratio as shown below.

<i>(Amounts in PHP)</i>	2025	2024
Total liabilities	19,684,962,137	18,076,513,952
Total equity	11,850,460,435	11,517,530,557
Debt-to-equity ratio	1.66 : 1.00	1.57 : 1.00

25.2 Capital Stock

As at June 30, 2025 and 2024, the Parent Company has 6,000,000,000 authorized shares with P1 par value, of which 4,427,009,132 shares are issued and outstanding.

In November 1948, the Parent Company listed 953,984,448 shares in the PSE with an offer price of P1.00 per share. Additional 3,473,024,684 shares were listed in July 2016 with an offer price of P1.00 per share. The Parent Company's listed shares have a closing price of P8 per share and P7.89 per share as at June 30, 2025 and 2024, respectively. There are 146 holders of the Parent Company's total outstanding shares as at June 30, 2025 and 2024, respectively.

The Parent Company has 127 stockholders owning 100 or more shares each of the Parent Company's capital stock as at June 30, 2025 and 2024, respectively.

25.3 Treasury Shares

In October 2001, the Parent Company bought back 1,892,000 shares. Further, an additional 34,514,844 shares were bought back by the Parent Company prior to 2008. In 2008, the Parent Company bought back and reissued 43,500,010 shares and 39,906,844 shares, respectively. An additional 45,728,267 shares were bought back by the Parent Company prior to 2014.

In 2025 and 2024, the Parent Company's treasury shares represent the cost of 85,728,439 shares. The Parent Company's retained earnings is restricted for dividend declaration to the extent of the cost of treasury shares (see Note 25.5).

25.4 Revaluation Reserves

The movements of Revaluation Reserves follow:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
<i>Fair value changes on financial assets at FVOCI</i>				
Balance at beginning of year		(254,498,535)	(289,833,317)	(353,890,799)
Net unrealized fair value gains on financial assets at FVOCI	11	35,213,280	23,011,177	58,614,601
Share in OCI of associate	13	-	476,790	228,030
Transfer to retained earnings – recycling of accumulated fair value loss on disposed equity securities at FVOCI	11	-	11,846,815	5,214,851
Balance at end of year		(219,285,255)	(254,498,535)	(289,833,317)
<i>Measurement of post-employment benefits</i>				
Balance at beginning of year		270,024,382	292,104,019	213,965,185
Net actuarial gain (loss) on remeasurement of post-employment benefit obligation – net of tax	22.2	39,479,528	(22,867,051)	77,465,893
Share in OCI of associate	13	154,265	787,414	672,941
Balance at end of year		309,658,175	270,024,382	292,104,019
		90,372,920	15,525,847	2,270,702

25.5 Retained Earnings

In 2020, the BOD of the Parent Company approved the appropriation of retained earnings amounting to P2,000,000,000 for future investments, expansion and various expenditures which are expected to be carried out within the next two to five years in line with the Group's growth plans. In 2025, the BOD reaffirmed and approved the continued appropriation of these retained earnings

There was no cash dividend declaration in 2025, 2024 and 2023.

26. CURRENT AND DEFERRED TAXES

The components of tax expense relating to profit or loss and other comprehensive income or loss follow:

<i>(Amounts in PHP)</i>	2025	2024	2023
<i>Reported in profit or loss:</i>			
Current tax expense:			
Regular corporate income tax (RCIT) at 25% and 19%	116,919,932	(100,645,264)	118,123,150
Minimum corporate income tax (MCIT) at 1%	1,103,958	388,198	165,573
Final tax on passive income at 20%, 15% and 7.5%	274,571	15,088	19,337
	118,298,461	(100,241,978)	118,308,060
Deferred tax expense relating to the origination, reversal of temporary differences and unused tax losses	(23,305,686)	184,303,037	1,421,934
	94,992,775	84,061,059	119,729,994

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in other comprehensive income or loss:</i>			
Deferred tax expense			
relating to origination and reversal of temporary differences	<u>13,159,817</u>	<u>(7,622,350)</u>	<u>25,822,453</u>

The reconciliation of tax on pretax income computed at the applicable statutory rates to tax expense reported in profit or loss follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pretax income at 25%	21,155,139	77,199,655	184,223,511
Adjustments for:			
Income subjected to lower income tax rates	(159,321)	(7,651)	(30,800,711)
Tax effects of:			
Unrecognized DTA on Impairment Loss	106,322,031	-	-
Remeasurement of deferred tax asset	(69,065,398)	(40,089,354)	(54,648,362)
Non-deductible expenses	37,440,286	10,024,272	30,344,111
Fixed-asset differences	31,697,797	28,571,161	22,688,110
Income not subject to RCIT	(30,365,000)	-	-
Adjustments to current tax for prior years	9,493,179	7,367,468	(17,947,311)
Other timing differences	(7,616,838)	-	-
Unrecognized net operating loss carry over (NOLCO)	(4,131,924)	2,995,508	3,870,646
Expired MCIT	222,824	-	-
Non-taxable income	-	(2,000,000)	(18,000,000)
	<u>94,992,775</u>	<u>84,061,059</u>	<u>119,729,994</u>

The deferred tax assets and liabilities as at June 30 presented in the consolidated statements of financial position relate to the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Deferred tax assets – net:		
Impairment loss	106,249,275	106,249,275
NOLCO	22,560,122	16,436,486
Unrealized fair value gains on financial assets at FVTPL	(13,231,710)	(13,231,710)
Unrealized foreign currency gains	(11,500,496)	(5,616,786)
Post-employment benefit obligation	1,245,058	245,693
Capitalized direct cost	(925,992)	-
Leases	922,651	(300,999)
MCIT	718,062	697,641
Unrealized foreign currency losses	30,200	-
	<u>106,067,170</u>	<u>104,479,600</u>
Deferred tax liabilities – net:		
Depreciation in excess of capital allowance	(217,315,673)	229,457,824
Post-employment benefit obligation	(137,709,496)	114,733,146
Rolled-over and held over capital gains	(122,916,096)	151,160,831
Intangible asset differences	(29,623,151)	-
Other short-term timing differences	13,903,341	(14,215,519)
Capitalized direct cost	-	952,449
	<u>493,661,075</u>	<u>482,088,731</u>

The deferred tax income reported in the consolidated statements of comprehensive income is shown below.

(Amounts in PHP)	Consolidated Profit or Loss		
	2025	2024	2023
Deferred tax expense (income):			
Rolled-over and held-over capital gains	(21,582,999)	198,217,863	20,114,533
NOLCO	(6,123,636)	(6,256,787)	(5,809,998)
Unrealized foreign currency loss (gains) - net	5,853,511	6,067,955	(5,768,503)
Leases	(1,223,651)	(518,697)	(525,252)
Post-employment benefit obligation	(182,033)	(218,136)	(264,498)
Capitalized direct cost	(26,457)	(26,457)	(26,457)
MCIT	(20,421)	(309,244)	(165,573)
Impairment losses	-	(12,653,460)	(5,663,174)
Unrealized fair value gains on financial assets at FVTPL	-	-	(469,144)
	(23,305,686)	184,303,037	1,421,934
Consolidated Other Comprehensive Income			
(Amounts in PHP)	2025	2024	2023
Deferred tax expense – Post-employment benefit obligation	(13,159,817)	(7,622,350)	25,822,453

The details of the Group's NOLCO, which can be applied against future taxable income within three years or five years from the year the tax loss was incurred, is shown below. Specifically, the NOLCO incurred in 2022 and 2021 can be claimed as a deduction from future taxable income within five years immediately following the year of such loss, pursuant to Republic Act (R.A.) No. 11494, *Bayanihan to Recover as One Act*.

(Amounts in PHP)	Year Incurred	Amount	Applied		Expired	Balance	Expiry Date
			Prior Year	Current Year			
	2025	24,494,544	-	-	-	24,494,544	2028
	2024	36,582,082	-	-	-	36,582,082	2027
	2023	38,503,555	-	-	-	38,503,555	2026
	2022	22,396,430	-	(4,400,624)	-	17,995,806	2027
	2021	15,569,923	-	(15,569,923)	-	-	2026
		137,546,534	-	(19,970,547)	-	117,575,987	

The details of the Group's excess MCIT, which can be applied against RCIT, are as follows:

(Amounts in PHP)	Year Incurred	Amount	Applied		Expired	Balance	Expiry Date
			Prior Year	Current Year			
	2025	1,103,958	-	-	-	1,103,958	2028
	2024	388,198	-	-	-	388,198	2027
	2023	165,573	-	-	-	165,573	2026
	2022	222,824	-	-	(222,824)	-	2025
		1,880,553	-	-	(222,824)	1,657,729	

The Group's NOLCO and MCIT pertain to PHPI and FEC. In 2025 and 2024, the management has taken a conservative position for FEC of not recognizing additional deferred tax assets arising from NOLCO and MCIT since their recoverability and utilization are unlikely at this time based on the assessment of management.

In 2025, the FEC utilized a portion of the NOLCO incurred during 2021 and 2022 amounting to P15,569,923 and P4,400,624, respectively, against the taxable income.

In 2025, 2024 and 2023, PHPI and FEC opted to claim itemized deductions. In 2025, 2024 and 2023, the Parent Company claimed itemized deductions in computing its income tax due.

Taxation of H.R. Owen is in accordance with the tax laws of UK. The UK corporation tax rate was 25% both for the years ended June 30, 2025 and 2024, and this rate has been used for the purposes of preparing the tax disclosures. Increases in the UK corporation tax rate from 19% to 25% (effective from April 1, 2023) have been substantively enacted. Consequently, deferred tax assets and liabilities arising from transactions of H.R. Owen have been calculated using the applicable rate when the liabilities are expected to be realized.

27. EARNINGS PER SHARE

The earnings per share of the Group is presented below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Net profit (loss) attributable to owners of the Parent Company	(14,638,210)	219,623,440	614,967,297
Divided by weighted average number of outstanding shares	<u>4,341,280,693</u>	<u>4,341,280,693</u>	<u>4,341,280,693</u>
Earnings (Loss) per share	<u>(0.003)</u>	<u>0.051</u>	<u>0.142</u>

The Group has no potentially dilutive instruments; thus, basic and dilutive earnings per share are the same.

28. CATEGORIES, FAIR VALUES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

28.1 Carrying Amounts and Fair Values by Category

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

(Amounts in PHP)	Notes	2025		2024	
		Carrying Amounts	Fair Values	Carrying Amounts	Fair Values
Financial Assets					
At amortized cost:					
Cash and cash equivalents	7	1,353,170,536	1,353,170,536	1,481,368,682	1,481,368,682
Trade and other receivables - net	8	5,609,096,662	5,609,096,662	4,224,268,337	4,224,268,337
Advances to associates – net	24.1	498,190,618	498,190,618	2,143,565,187	2,143,565,187
Refundable deposits	10	8,215,232	8,215,232	4,810,672	4,810,672
		7,468,673,048	7,468,673,048	7,854,012,878	7,854,012,878
Financial Assets at FVOCI	11	840,391,651	840,391,651	800,123,766	890,567,692
Financial Liabilities					
At amortized cost:					
Trade and other payables	18	3,789,684,342	3,789,684,342	2,369,286,900	2,369,286,900
Lease liability		281,389,254	281,389,254	-	-
Loans payable and borrowings	19	8,509,872,160	8,306,068,044	6,964,542,679	6,815,635,569
Advances from related parties	24.2	868,350,571	851,102,585	983,986,121	935,830,909
		13,449,296,327	13,228,244,225	10,317,815,700	10,120,753,378

See Note 2.4 for a description of the accounting policies for each category of financial instruments. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 4.

28.2 Offsetting of Financial Assets and Financial Liabilities

Currently, financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis through approval by both parties' BOD and stockholders or upon instruction by the Parent Company.

29. FAIR VALUE MEASUREMENT AND DISCLOSURES

29.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

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

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

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

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

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

29.2 Financial Instruments Measured at Fair Value

Quoted equity securities classified as financial assets at FVOCI included in Level 1 as their prices are derived from quoted prices in active market that the entity can access at the measurement date except for certain securities measured at cost.

Moreover, equity securities held in certain investee companies are included in Level 3 since its market value is not quoted in an active market; hence, determined through discounted cash flow valuation technique. The Group uses assumption that are mainly based on market conditions and historical performance of the entity such as discount rate and expected growth rate of 8% and 2%, respectively, in both 2025 and 2024 (see Note 11.2).

The reconciliation of the unquoted equity securities is presented below

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	381,348,461	367,847,277
Additions during the year	5,054,605	2,126,778
Fair value gains - net	18,156,304	11,374,406
Balance at end of year	404,559,370	381,348,461

The Group has no financial liabilities measured at fair value as at June 30, 2025 and 2024. There were no transfers across the levels of the fair value hierarchy in both years.

29.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

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

<i>(Amounts in PHP)</i>	2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and cash equivalents	1,353,170,536	-	-	1,353,170,536
Trade and other receivables	-	-	5,609,096,662	5,609,096,662
Advances to associates – net	-	-	498,190,618	498,190,618
Refundable deposits	-	-	8,215,232	8,215,232
	1,353,170,536	-	6,115,502,512	7,468,673,048
Financial liabilities:				
Trade and other payables	-	-	3,789,684,342	3,789,684,342
Lease liabilities	-	-	281,389,254	281,389,254
Loans payable and borrowings	-	-	8,306,068,044	8,306,068,044
Advances from related parties	-	-	851,102,585	851,102,585
	-	-	13,228,244,225	13,228,244,225

	2024			
(Amounts in PHP)	Level 1	Level 2	Level 3	Total
<i>Financial assets:</i>				
Cash and cash equivalents	1,481,368,682	-	-	1,481,368,682
Trade and other receivables	-	-	4,224,268,337	4,224,268,337
Advances to associates – net	-	-	2,143,565,187	2,143,565,187
Refundable deposits	-	-	4,810,672	4,810,672
	<u>1,481,368,682</u>	<u>-</u>	<u>6,372,644,196</u>	<u>7,854,012,878</u>
<i>Financial liabilities:</i>				
Trade and other payables	-	-	2,620,384,431	2,620,384,431
Loans payable and borrowings	-	-	6,815,635,569	6,815,635,569
Advances from related parties	-	-	935,830,909	935,830,909
	<u>-</u>	<u>-</u>	<u>10,371,850,909</u>	<u>10,371,850,909</u>

29.4 Investment Property Measured at Fair Value

The fair value of the Group's investment property (see Note 15) are determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications. In estimating the fair value of the land, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management's assessment, the best use of the Group's non-financial assets indicated above is their commercial utility.

In 2025 and 2024, there was no significant change noted in the fair value of investment property as determined by an external appraiser engaged by the Group (see Note 15). The only movement in investment property pertains to translation adjustment in 2025 and 2024; hence, no separate reconciliation was presented for the carrying amount of the property included in Level 3.

The Level 3 fair value of land was derived using the market comparable approach that reflects the recent transaction prices for similar properties in nearby locations adjusted for differences in key attributes. Under this approach, when sales prices of comparable land in close proximity are used in the valuation of the subject property with no adjustment on the price, fair value is included in Level 2. On the other hand, if the observable recent prices of the reference properties were adjusted for differences in key attributes such as property size, zoning, and accessibility, the fair value is included in Level 3. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value. There were no transfers into or out of Level 3 fair value hierarchy in both years.

30. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the Group:

30.1 Operating Lease Commitments – PHPI and H.R. Owen as Lessees

H.R. Owen leases its dealership spaces under lease agreements from certain lessors, which will expire at various dates from 2017 to 2021. Other lease agreements by H.R. Owen are due until 2027. The lease agreements also provide for renewal options upon mutual consent of both parties.

In 2012, PHPI and PLPI amended its existing lease agreement making the lease term good for one year but renewable annually for a maximum of 25 years at the option of the lessee. The Group made refundable deposits for its operating leases (see Note 10).

30.2 Bank Guarantees

H.R. Owen Dealerships Limited and Broughtons of Cheltenham Limited, both wholly owned subsidiaries of H.R. Owen, have provided bank guarantees to certain manufacturers and other parties, which totalled 2,847,000 GBP (or equivalent to P211,155,245) and totalled 2,844,280GBP (or equivalent to P211,690,659) as at June 30, 2025 and 2024, respectively.

30.3 Capital Commitment

In 2020, the Group contracted to develop a new multi-franchise site and head office in UK. Total capital commitment not yet incurred amounted to P1,129,865,178 as of June 30, 2022. The construction was completed, and the commitment was settled as of June 30, 2023.

In 2023, the Group contracted to acquire a freehold property. Total commitment not yet incurred amounted to P43,991,703 as of June 30, 2023. The purchase was completed in 2024.

In relation to the construction of the sanitary landfill project, FEC has capital commitments amounting to P3,000,000 and P100,510,740 as of June 30, 2025 and 2024, respectively. No provision for probable losses arising from these commitments and contingencies, if any, was recognized in the Company's financial statements as at June 30, 2025 and 2024.

30.4 Others

There are other commitments, guarantees, litigations and contingent liabilities that arise in the normal course of the Group's operations, which are not reflected in the consolidated financial statements. The Group has received an assessment from HMRC in relation to VAT and duty excise in relation to the export and import of certain vehicles totaling P163,128,210 (2,100,000 GBP). The Group is challenging this assessment and has engaged with third party legal advisors to support their position. At this time, it is uncertain whether this assessment will be successful.

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

Punongbayan & Araullo

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

**The Board of Directors and the Stockholders
Berjaya Philippines Inc. and Subsidiaries**
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
9th Floor, Rufino Pacific Tower
6784 Ayala Avenue, Makati City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Berjaya Philippines Inc. and Subsidiaries (the Group) for the year ended June 30, 2025, on which we have rendered our report dated October 15, 2025. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68, and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: Ramilito L. Nañola
Partner

CPA Reg. No. 0090741
TIN 109-228-427
PTR No. 10465911, January 2, 2025, Makati City
BIR AN 08-002511-019-2023 (until December 10, 2026)
BOA/PRC Cert. of Reg. No. 0002/P-009 (until August 12, 2027)

October 15, 2025

Berjaya Philippines Inc. and Subsidiaries
List of Supplementary Information
June 30, 2025

Schedule	Content	Page No.
A.	Statement of Management's Responsibility for the Consolidated Financial Statements	
B.	Independent Auditors' Report on the SEC Supplementary Schedules Filed Separately from the Basic Consolidated Financial Statements	
C	List of Supplementary Information	
	Schedules Required under Annex 68-J of the Revised Securities Regulation Code Rule 68	
A	Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	2
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	3
D	Long-term Debt	4
E	Indebtedness to Related Parties (Long-term Loans from Related Companies)	5
F	Guarantees of Securities of Other Issuers	6
G	Capital Stock	7
	Other Required Information	
	Map Showing the Relationship Between the Company and its Related Entities	8
	Reconciliation of Retained Earnings Available for Dividend Declaration (Parent Company only)	9
	Financial Indicators	10

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule A - Financial Assets
June 30, 2025

Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Statement of Financial Position	Income Received and Accrued
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Equity securities	<u>54,958,700</u>	<u>P 840,391,651</u>	<u>P 8,320,693</u>

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
June 30, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions			Other Changes - Additions (Deductions)	Balance at End of Period
			Amounts Collected	Amounts Reclassified	Amounts Written off		
Related Parties:							
Berjaya Pizza Philippines Inc.	P 563,140,601	P 10,834,900	(P 10,800,000)	P -	P -	P -	P 563,175,501
Inter-Pacific Securities Sdn Berhad	343,152	8,337,119	(5,385,014)	-	-	(81,421)	3,213,835
STM Lottery Sdn. Bhd.	11,869,318	-	(7,836,323)	-	-	-	4,032,995
Berjaya Lottery Management (HK) Limited	-	650,000,000	(88,367,564)	-	-	3,546,803	565,179,239
Perdana Land Philippines Inc.	479,137,844	19,552,775	(500,000)	-	-	-	498,190,619
Neptune Properties, Incorporated	<u>1,239,174,122</u>	<u>47,035,041</u>	<u>(1,286,209,163)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>P 2,293,665,037</u>	<u>P 735,759,835</u>	<u>(P 1,399,098,064)</u>	<u>P -</u>	<u>-</u>	<u>P 3,465,382</u>	<u>P 1,633,792,189</u>

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
June 30, 2025

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Deductions			Ending Balance		Balance at End of Period
			Amounts Collected	Amounts Written off	Other Charges	Current	Non-current	
Perdana Hotel Philippines Inc.	P 583,020,377	P 13,500,000	P -	P -	P -	P 596,520,377	P -	P 596,520,377
Floridablanca Enviro Corporation	738,504,835	79,500,000	-	-	-	818,004,835	-	818,004,835
H.R. Owen Plc.	165,794,612	265,363,710	-	-	13,763,755	444,922,077	-	444,922,077
eDoc Holdings Limited	<u>213,413,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,328,610</u>	<u>222,742,253</u>	<u>-</u>	<u>222,742,253</u>
Total	<u>P 1,700,733,467</u>	<u>P 358,363,710</u>	<u>-</u>	<u>P -</u>	<u>P 23,092,365</u>	<u>P 2,082,189,542</u>	<u>P -</u>	<u>P 2,082,189,542</u>

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule D - Long-term Debt
June 30, 2025

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown under Caption "Current Portion of Long-term Debt" in Relation to Statement of Financial Position	Amount Shown under Caption "Long-term Debt" in Relation to Statement of Financial Position
Loans Payable and borrowings	P <u>8,509,872,160</u>	P <u>6,435,563,624</u>	P <u>2,074,308,536</u>

Loans payable includes the following:

- 1.) *Various secured short-term loans obtained by the Parent Company from local banks with interest rates ranging from 5.76% to 6.00% in 2025 and 2024.*
- 2.) *H.R. Owen Plc obtained bank loans, which are secured by a charge over certain cash deposited as collateral from a related company. Interest rate are fixed between 2.8% and 4.96%.*
- 2.) *H.R. Owen Plc obtained manufacturer and other third party vehicle stocking loans, which relate to the funding of vehicles in inventory.*

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule E - Indebtedness to Related Parties (Long-term Loans from Related Companies)
June 30, 2025

Name of Related Party	Amount Authorized by Indenture	Balance at Beginning of Period	Balance at End of Period
-----------------------	-----------------------------------	-----------------------------------	-----------------------------

NOT APPLICABLE

The Group has no long-term indebtedness to related parties as at June 30, 2025.

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule F - Guarantees of Securities of Other Issuers
June 30, 2025

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which this Statement is Filed
--	---	---	--

NOT APPLICABLE

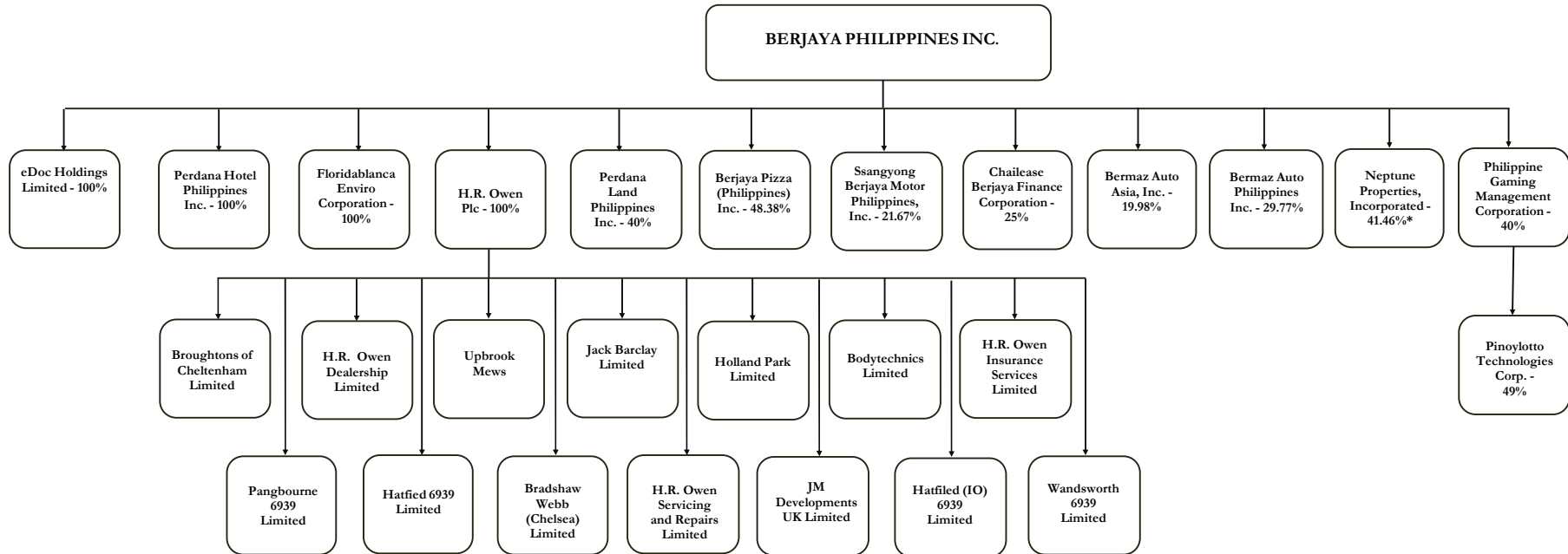
The Group has no guarantees of securities of other issuers as at June 30, 2025.

Berjaya Philippines Inc. and Subsidiaries
SEC Released Amended SRC Rule 68
Annex 68-J
Schedule G - Capital Stock
June 30, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under the Related Balance Sheet Caption	Number of Shares Reserved for Options, Warrants, Conversion and Other Rights	Number of Shares Held by		
				Related Parties	Directors, Officers and Employees	Others
Common shares - P1 par value	<u>6,000,000,000</u>	<u>4,341,280,693</u>	<u>-</u>	<u>3,831,443,430</u>	<u>750</u>	<u>509,836,513</u>

BERJAYA PHILIPPINES INC.
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City
 (Amounts in Philippine Pesos)

Map Showing the Relationship Between and Among the Company and its Related Parties
 June 30, 2025



* In May 2025, NPI completed the divestment of its 100% equity interest in Sanpiro Realty and Development Corporation (SRDC), effectively ending its ownership in the subsidiary.

BERJAYA PHILIPPINES INC.
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City
(Amounts in Philippine Pesos)

Reconciliation of Retained Earnings Available for Dividend Declaration
For the Year Ended June 30, 2025

Unappropriated Retained Earnings at Beginning of Year	P	2,987,051,851
Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earning Appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
		-
Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
		-
Unappropriated Retained Earnings at Beginning of Year, as adjusted		2,987,051,851
Add/Less: Net Income (Loss) for the Current Year	(	10,372,219)
Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	32,138,630	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-	
Sub-total	P	32,138,630
Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	5,228,636	
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-	
Realized fair value gain of investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	
Sub-total		5,228,636
Add: <u>Category C.3:</u> Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
Sub-total		-
Adjusted Net Income/Loss	P	2,949,769,638
Add: <u>Category D:</u> Non-actual lossess recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		-
Add/ Less: <u>Category E:</u> Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others	-	
Sub-total		-
Add/ Less: <u>Category F:</u> Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total		-
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year	P	2,949,769,638

Supplemental Information –

- a. The Company plans to appropriate portions of available retained earnings for business expansions within three to five years.
- b. In 2025, the Board of Directors reaffirmed and approved the continued appropriation of these retained earnings.

Annex 68-E

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
As of June 30, 2025

Ratio	Formula	2025	2024	2025	2024
Current ratio	<u>Current resources</u>	15,531,434,423	14,966,114,108	109.7%	117.0%
	Current liabilities	14,154,096,101	12,788,084,796		
Acid test ratio	Cash & cash equivalents + <u>Marketable securities + Current receivables</u>	6,962,653,719	5,705,867,202	49.2%	44.6%
	Current liabilities	14,154,096,101	12,788,084,796		
Solvency ratio	<u>EBITDA</u>	1,566,906,722	1,747,571,545	8.0%	9.7%
	Total liabilities	19,684,962,137	18,076,513,952		
Debt-to-equity ratio	<u>Total liabilities</u>	19,684,962,137	18,076,513,952	166.1%	156.9%
	Total equity	11,850,460,435	11,517,530,557		
Asset-to-equity ratio	<u>Total assets</u>	31,535,422,572	29,594,044,509	266.1%	256.9%
	Total equity	11,850,460,435	11,517,530,557		
Interest rate coverage ratio	<u>Earnings before interest and taxes (EBIT)</u>	687,816,976	932,479,588	114.0%	149.5%
	Interest expense	603,196,420	623,680,967		
Return on equity	<u>Net profit</u>	(10,372,219)	224,737,562	-0.1%	2.0%
	Average total equity	11,683,995,496	11,217,031,826		
Return on investment of equity owners	<u>Net profit attributable to owners of the Parent Company</u>	14,638,209	219,623,440	0.1%	2.0%
	Equity attributable to the owners of the Parent Company	11,683,995,496	11,217,031,826		
Return on assets	<u>Net profit</u>	(10,372,219)	224,737,562	-0.03%	0.8%
	Average total assets	30,564,733,541	29,379,004,873		
Net profit margin	<u>Net profit</u>	(10,372,219)	224,737,562	-0.02%	0.6%
	Revenues	43,268,059,966	39,926,994,875		

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **CASEY M. BARLETA**, Filipino, of legal age, with address at The Bellagio Tower I, 1st Avenue corner Burgos Circle, Bonifacio Global City 1634, Taguig City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **BERJAYA PHILIPPINES INC.** and have been its independent director since 17 August 2020.
2. I am affiliated with the following companies or organizations :

COMPANY / ORGANIZATION	POSITION / RELATIONSHIP	PERIOD
Berjaya Philippines Inc.	Independent Director, Chairman of the Audit Committee, and Member of the Nomination Committee	August 17, 2020 to date
CMBP Law (Casey M. Barleta & Partners)	Tax Partner / Managing Partner	2010 to date
Chailease Berjaya Finance Corporation	Independent Director Chairman, Audit Committee	Aug. 2020 to date
De La Salle College – College of St. Benilde	Tax Counsel	2010 to date
Homemark, Inc.	Tax Counsel	2010 to date
iScale Solutions Inc.	Tax Counsel	2016 to date
Multisports, Inc.	Tax Counsel	2015 to date
Peakland Properties, Inc.	Tax Counsel	2012 to date
Sprint International, Inc.	Tax Counsel	2015 to date
Tann Philippines, Inc.	Tax Counsel	2010 to date
Prime Rivers, Inc.	Member, Board of Directors	2013 to date
MF Development Corporation	Member, Board of Directors	2015 to date
SCF Properties, Inc.	Member, Board of Directors	2014 to date
First Foremost Resources, Inc.	Member, Board of Directors	2015 to date
Synechron Technologies Philippines, Inc.	Director and Treasurer	2016 to Oct 30, 2024
6Estella Corporation	Member, Board of Directors	2014-2019
Integrated Bar of the Philippines	Member	1987 to date

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **BERJAYA PHILIPPINES INC.** as provided for in Section 38s of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any director, officer or substantial shareholder of **BERJAYA PHILIPPINES INC.** other than the relationship provided under Rule 38 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding involving Berjaya Philippines Inc. or its subsidiaries.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of **BERJAYA PHILIPPINES INC.** of any changes in the abovementioned information within five days from its occurrence.

Executed this 21st day of October 2025 at Makati City, Metro Manila.



CASEY M. BARLETA
Affiant

SUBSCRIBED AND SWORN to before me this 21st day of October 2025 at the City of Makati, Metro Manila, affiant personally appeared before me and exhibited to me his Passport with number P7572446B issued at Manila on 12 September 2021.

Doc. No. 1518
Page No. 96
Book No. 11
Series of 2025.



MESSIAH M. GUIZON

Commission No. M-285
Notary Public - City of Makati
Valid until 31 December 2025
Bernas Law Offices

6th Floor MGF Champaca Bldg., 156 Amoroso St.,
Legaspi Village, Makati City
IBP Membership No. 436036 / 03 January 2025 / Makati City
PTR No. 10468598 / 03 January 2025 / Makati City
Roll of Attorneys No. 85234
MCLE Compliance No. VII-0011837 - 15 August 2024

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) §

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SUSANA C. FONG**, Filipino, of legal age, with address at 3 Molave Street, Forbes Park, Makati City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **BERJAYA PHILIPPINES INC.**
2. I am / was affiliated with the following companies or organizations :

COMPANY / ORGANIZATION	POSITION / RELATIONSHIP	PERIOD
Berjaya Philippines Inc.	Director	November 25, 2022- November 28, 2023
	Independent Director	November 28, 2023 – present
Baguio Country Club Corporation	Independent Director	2019-present
Romulo Buenaventura Law Office	Special Counsel	2024-present
Hands on Manila Foundation Inc.	Member, Board of Trustees	2020-present
Young Musicians Development Organization	Corporate Secretary	2012-present
Malayan Insurance Co.	Consultant for Investment Management	2009-2023
Private Education Retirement Annuity Association	Consultant for Investment Management	2011-2017
ING Asia Private Bank Ltd.	Deputy Head – International Private Banking	2001-2008
Rizal Commercial Banking Corp	Head of Wealth Management, Head of Trust and Investments	1999-2001

Credit Agricole Indosuez	Director- Investment Banking	1997-1999
Asia Insurance Philippines Inc.	Treasurer / Chief Financial Officer	1981-1992
Integrated Bar of the Philippines	Member	Since 1986

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **BERJAYA PHILIPPINES INC.** as provided for in Section 38s of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director, officer or substantial shareholder of **BERJAYA PHILIPPINES INC.** other than the relationship provided under Rule 38 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of **BERJAYA PHILIPPINES INC.** of any changes in the abovementioned information within five days from its occurrence.

Executed this 13th day of October 2025 at Makati City, Metro Manila.


SUSANA C. FONG
Affiant

SUBSCRIBED AND SWORN to before me this 13th day of October 2025 at the City of Makati, Metro Manila, affiant personally appeared before me and exhibited to me her issued ID as follows:

ID Type

Card Number

Senior Citizen's ID issued by
the Office for Senior Citizens Affairs (OSCA), Makati City

122875

Doc. No. 241;
Page No. 50;
Book No. 1;
Series of 2025.




PATRICIA JOY A. CANAPI

Commission No. M-436
Notary Public - City of Makati
Until 31 December 2026
Bernas Law Offices

6th Floor MGF Champaca Bldg., 156 Amorsolo St.,
Legaspi Village, Makati City
IBP Membership No. 496317 / 03 January 2025 / Makati City
PTR No. 10468599 / 03 January 2025 / Makati City
Roll of Attorneys No. 90415
MCLE Compliance No. VIII - 0011884 - 15 August 2024

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY) §

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **PONCEVIC M. CEBALLOS**, Filipino, of legal age, with address at 7 Laurel Street, Xavierville 3, Loyola Heights, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **BERJAYA PHILIPPINES INC.** and have been its independent director since 23 November 2021.
2. I am affiliated with the following companies or organizations :

COMPANY / ORGANIZATION	POSITION / RELATIONSHIP	SINCE
Berjaya Philippines Inc.	Director Member of the Audit Committee	Oct. 15, 2020 - present
Ateneo de Manila School of Law	MCLE Lecturer	
Office of the Government Corporate Counsel	MCLE Lecturer	
MORE Center for Legal Excellence Inc.	MCLE Lecturer	
Alternative Group	MCLE Lecturer	
Integrated Bar of the Philippines	MCLE Lecturer	
Manila Law College	Professor	2022-present
Ateneo de Manila School of Law	Professor	1990-2023
Wesleyan University Philippine Law School	Professor	
Cor Jesu College of Law	Professor	
Liceo Law, Cagayan de Oro	Dean, Professor	2010-2011
Philippine Christian University Law School	Associate Dean, Professor	2011 to 2014
Letran College, Doctorate in Business Administration	Professor	2016-2017
University of Hongkong	Guest Lecturer	
Ceballos Bar (Publisher of Quick Quick Reviewers (QQRs)	Author and Director (publisher of law books	
Ceballos Mock Bar Exams (CMBE)	Director	
Recipient Three (3) Professorial Chairs at the Ateneo School of Law	Recipient	
Association of Ice Plant Operators of the Philippines, Inc.	President	

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **BERJAYA PHILIPPINES INC.** as provided for in Section 38s of the Securities Regulation Code, its Implementing Rules and Regulations and other SEC issuances.
4. I am not related to any director, officer or substantial shareholder of **BERJAYA PHILIPPINES INC.** other than the relationship provided under Rule 38 of the Securities Regulation Code.
5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.
7. I shall inform the Corporate Secretary of **BERJAYA PHILIPPINES INC.** of any changes in the abovementioned information within five days from its occurrence.

Executed this 4th day of November 2025 at Makati City, Metro Manila.


PONCEVIC M. CEBALLOS
 Affiant

SUBSCRIBED AND SWORN to before me this 4th day of November 2025 at the City of Makati, Metro Manila, affiant personally appeared before me and exhibited to me his LTO driver's license bearing number N05-77-015305 with expiry date on 6 September 2032.

Doc. No. 1550;
 Page No. 102;
 Book No. 10;
 Series of 2025




MESSrs JANE M. CUIZON
 Commission No. M-285
 Notary Public - City of Makati
 Until 31 December 2025
 Bernas Law Offices
 6th Floor MGF Champaca Bldg., 156 Amoroso St.,
 Legaspi Village, Makati City
 BP Membership No. 498036 / 03 January 2025 / Makati C.
 PTR No. 10468598 / 03 January 2025 / Makati City
 Roll of Attorneys No. 85234
 MCLE Compliance No. VIII - 0011907 - 15 August 2021



SECURITIES AND EXCHANGE COMMISSION

THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph



The following document has been received:

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Company Information

SEC Registration No.: PW00000476

Company Name: BERJAYA PHILIPPINES INC.

Industry Classification: J66940

Company Type: Stock Corporation

Document Information

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Document Type: Quarterly Report

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Period Covered: March 31, 2025

Submission Type: Original Filing

Remarks: None

Acceptance of this document is subject to review of forms and contents

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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Business Address: No. Street City/Town/Province

Atty. Malu Sia-Bernas Contact Person																							
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811-0668/810-1814 Company/Telephone Number																							
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Secondary License Type, If Applicable

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Cashier

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BERJAYA PHILIPPINES, INC.

(Company's Full Name)

9/F Rufino Pacific Tower, 6784 Ayala Avenue corner V.A. Rufino
(formerly Herrera) Street, Makati City

(Company's Address)

811-0668 / 810-1814

(Telephone Number)

JUNE 30

any day in the month of November

(Fiscal Year Ending)
(month and day)

(Annual Meeting)

November 2024

(Term Expiring On)

SEC Form 17-Q for the quarter ended 31 March 2025

(Form Type)

N.A.

(Amendment Designation, if applicable)

(Period Ended Date)

N.A.

(Secondary License Type and File Number)

Cashier

LCU

DTU

Pre War 476
S.E.C Registration Number

Central Receiving Unit

File Number

Document I.D.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **31 March 2025**
2. SEC Identification Number **476**
3. BIR Tax Identification No. **001-289-374**
4. Exact name of registrant as specified in its charter **BERJAYA PHILIPPINES, INC.**
5. Province, Country or other jurisdiction of incorporation or organization **Manila, Philippines**
6. Industry Classification Code: (SEC Use Only)
7. Address of Issuer's principal office
9/F Rufino Pacific Tower, 6784 Ayala Avenue, corner V.A. Rufino Street (formerly Herera Street), Makati City, M.M.
8. Issuer's telephone number, including area code
(632) 811-0540
9. Former name, former address, and former fiscal year, if changed since last report **N.A.**

Former Name:
Former Address:
Former Fiscal Year

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

Title of Each Class	Number of Shares of Stock Issued and Outstanding
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COMMON	4,427,009,132
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11. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes [☒] No [☐]

12. Indicate by check mark whether the registrant:

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

Yes [☒] No [☐]

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

Yes [☒] No [☐]

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

See Interim Consolidated Statement of Financial Position as of 31 March 2025, attached hereto as Annex “A”, and Aging Schedule of Accounts Receivables as of 31 March 2025 attached hereto as Annex “B”. For the basic earnings per share, the “weighted average number of shares outstanding” is added to the face of the Interim Consolidated Statement of Comprehensive Income.

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

The Corporation’s principal activity is investment holding. Since 1998, it has one hundred percent (100%) equity ownership of Philippine Gaming Management Corporation (PGMC) whose principal activity is leasing of on-line lottery equipment and providing software support to the Philippine Charity Sweepstakes Office (PCSO) in Luzon. In July 2019, the Corporation disposed of twenty percent (20%) of its shareholdings, and subsequently did not subscribe to the issuance of additional shares from the unissued capital of PGMC. To date, the Corporation’s equity in PGMC is at thirty nine point ninety nine percent (39.99%). In June 2021, PGMC acquired a forty nine percent (49%) interest in Pinoylotto Technologies Corp. (PTC), became the provider of software support and online lottery equipment service to the PCSO for the entire Philippine territory. PTC commenced commercial operations on 01 October 2023, with PGMC’s interest in PTC accounted for as a joint operation.

In December 2009, the Corporation acquired a 232-room hotel, which operated as the Best Western Astor Hotel until 16 March 2010. The acquisition was made by the Corporation’s subsidiary, Perdana Hotel Philippines Inc. (“PHPI”) under the business name Berjaya Makati Hotel. The Corporation also subscribed to forty percent (40%) of the shares of stock of Perdana Land Philippines Inc. (“PLPI”) which owns the land leased by PHPI.

In July 2010, the Corporation invested in Berjaya Pizza Philippines Inc. (“BPPI”), a company engaged in the manufacture, sale and distribution of food and beverages, and to operate, own, franchise, license or deal in restaurant related business operations. In 2017, the Corporation’s equity interest in BPPI increased from forty one point forty three percent (41.43%) to forty eight point thirty eight percent (48.38%).

In August 2012, the Corporation invested in Bermaz Auto Philippines Inc. (“BAPI”), formerly Berjaya Auto Philippines Inc., a corporation engaged in the sale and distribution of all types of motor vehicles. On 12 September 2012, BAPI entered into a Distributorship Agreement with Mazda Motor Corporation of Japan for the distribution of vehicles bearing the Mazda brand within the territory of the Philippines. The Corporation’s equity or interest in BAPI is equivalent to twenty nine point seventy seven percent (29.77%).

In September 2012, the Corporation invested in Cosway Philippines Inc. (“CPI”), primarily to engage in the wholesale of various products. CPI has not yet started its commercial operations. The Corporation’s equity or interest in CPI is equivalent to forty percent (40%). On 16 November 2021, the SEC approved CPI’s application for dissolution by shortening its corporate existence to 31 January 2023. CPI officially obtained its closure certificate on 11 October 2023.

In 2014, the Corporation obtained control over H.R. Owen Plc (“H.R. Owen”), after a series of cash offers from HR Owen’s existing stockholders. Incorporated in England, HR Owen operates a number of vehicle franchises in the prestige and specialist car market for both sales and after sales, predominantly in the London area. In 2015, HR Owen acquired 100% ownership over Bodytechnics in order to enhance its aftersales operations. In 2017, the Corporation acquired shares from Bentley Motor Limited to increase its stake in the profitable business of H.R. Owen. In August 2018, the corporation acquired shares from minority

shareholders which the Corporation's equity interest in HR Owen is equivalent to one hundred percent (100%).

In July 2015, the Corporation invested in Ssangyong Berjaya Motor Philippines Inc. ("SBMPI"), a corporation engaged in the sale and distribution of all types of motor vehicles. At present, the Corporation's equity interest in SBMPI is equivalent to twenty one point sixty seven percent (21.67%).

In April 2017, the Corporation incorporated a wholly owned subsidiary under the name of Berjaya Enviro Philippines Inc., a corporation engaged in the service business of protecting, cleaning, and preserving the environment. In December 2017, the Securities and Exchange Commission approved the Corporation's application to amend its name to Floridablanca Enviro Corporation.

In April 2018, the Corporation acquired twenty five percent (25%) of the equity in Chailease Berjaya Finance Corporation, a corporation engaged in the leasing and financing business.

In April 2018, the Corporation acquired 100% ownership to eDoc Holdings ("eDoc") from its subsidiary H.R. Owen with the assumption of the eDoc's outstanding liability. eDoc Holdings was incorporated on July 25, 2017 and is registered to engaged as a holding company in London.

In July 2019, BPI acquired 30% ownership interest in Berjaya Auto Asia, Inc. (BAAI). BAAI was incorporated on November 20, 2017 and is primarily engaged in the business of dealing all types of motor vehicles. In February 2022, BPI decreased its ownership in BAAI to 19.98%. In 25 May 2023, the Securities and Exchange Commission approved the Corporation's application to amend its name to Bermaz Auto Asia, Inc.

Comparable Discussion on Material Changes in Results of Operations for the Nine Months' Period Ended 31 March 2025 vs. 31 March 2024

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱31.45 billion for the nine months ended 31 March 2025, an increase of ₱3.37 billion (12.00%) over total revenues of ₱28.08 billion during the same period in 2024. The increase was primarily due to a higher revenue contribution from its subsidiary, H.R. Owen.

The Group's total cost and operating expenses for the nine months ended 31 March 2025 increased by ₱3.39 billion (12.15%) to ₱31.27 billion from ₱27.89 billion for the same period in 2024. The increase is attributed to the following: (1) cost of vehicles sold and body shop repairs and parts increased by ₱2.96 billion (12.21%) (2) salaries and employee benefits increased by ₱201.56 million (12.51%), (3) marketing and selling increased by ₱116.76 million (18.12%), (4) repairs and maintenance increased by ₱49.69 (395.40%), (5) depreciation and amortization increased by ₱48.74 million (8.13%), (6) transportation and travel increased by ₱23.59 million (98.03%), (7) taxes and licenses increased by ₱17.84 (9.79%), (8) insurance expense increased by ₱11.13 million (11.53%), (9) communication, light and water increased by ₱3.04 (3.10%), and (10) cost of food and beverages increased by ₱1.73 million (16.68%). These increases were offset by the following decreases of expenses: (1) miscellaneous expense decreased by ₱28.41 million (18.85%) (2) stationery and office supplies decreased by ₱10.27 million (10.25%), (3) professional fees decreased by ₱2.37 million (3.43%) and (4) cleaning and maintenance decreased by ₱2.13 million (3.30%)

Other Income (Charges) amounted to ₱(180.00) million for the nine months ended 31 March 2025, a decrease of ₱77.22 million (75.13%) from ₱(102.78) million in the same period in 2024, mainly due to recognition of impairment loss on advances to associate and decrease in equity share in net income from associated companies during the period.

Net loss from operations decreased by ₱94.15 million (115.00%) to ₱(12.26) million for the nine months ended 31 March 2025 from net income of ₱81.89 million in the same period in 2024

due to higher operating expenses mainly the cost of vehicle sold and distribution costs and impairment loss recognized for the year.

Comparable Discussion on Material Changes in Financial Condition as of 31 March 2025 vs. 30 June 2024

Total assets of the Group increased by P717.65 million (2.42%) to P30.31 billion as of 31 March 2025, from P29.59 billion as of 30 June 2024.

Trade and other receivables (net) decreased by P440.38 million (10.42%) to P3.78 billion in 31 March 2025 compared to P4.22 billion in 30 June 2024, mainly due to decrease in deposits, trade receivables, manufacturers bonuses and other receivables.

Inventories (net) increased by ₱901.23 million (14.66%) to ₱7.05 billion in 31 March 2025 compared to ₱6.15 billion in 30 June 2024, mainly due to the increase in sales of vehicles.

Advances to associates decreased by ₱46.79 million (2.18%) to ₱2.10 billion in 31 March 2025 compared to ₱2.14 billion in 30 June 2024.

Prepayments and other current assets (net) increased by ₱159.12 million (16.41%) to ₱1.13 billion in 31 March 2025 compared to ₱969.71 million in 30 June 2024, mainly due to increase in the movement of prepaid expenses.

Financial assets at fair value through other comprehensive income decreased by ₱.70 million (0.09%) to ₱799.42 million in 31 March 2025 compared to ₱800.12 million in 30 June 2024 due to change in fair value.

Right of use asset-net decreased by ₱19.85 million (0.83%) to ₱2.36 billion in 31 March 2025 compared to ₱2.38 billion in 30 June 2024 due to lease modification during the year.

Property and equipment (net) increased by ₱312.10 million (4.34%) to ₱7.50 billion in 31 March 2025 compared to ₱7.19 billion in 30 June 2024 is mainly due to acquisition during the year.

Investment property decreased by P10.42 million (4.83%) to P205.49 million in 31 March 2025 compared to ₱215.91 million in 30 June 2024 due to translation adjustment during the year.

Investments in associates decreased by ₱.06 million (0.00%) to ₱1.60 billion in 31 March 2025 compared to ₱1.60 billion in 30 June 2024, mainly due to the decrease in equity share in associated companies during the year.

Intangible assets decreased by ₱20.04 million (1.07%) to ₱1.85 billion in 31 March 2025 compared to ₱1.87 billion in 30 June 2024, primarily due to translation adjustment.

Deferred tax assets remain unchanged at ₱104.48 million in 31 March 2025 and 30 June 2024.

Post-employment benefit asset decreased by ₱1.26 million (0.27%) to ₱461.39 million in 31 March 2025 compared to ₱462.65 million in 30 June 2024.

Meanwhile, other non-current assets increased by ₱.13 million (17.70%) at ₱.85 million in 31 March 2025 from ₱.73 million as of 30 June 2024.

Total liabilities of the Group increased by ₱752.27 million (4.16%) to ₱18.23 billion as of 31 March 2025, from ₱18.08 billion as of 30 June 2024.

Trade and other payables current decreased by ₱84.88 million (2.54%) to ₱3.25 billion in 31 March 2025 compared to ₱3.34 billion in 30 June 2024, mainly due to increase in trade and other payables during the year.

Current loans payable and borrowings increased by P1.30 billion (25.86%) to P6.33 billion in 31 March 2025 compared to P5.03 billion in 30 June 2024, mainly due to additional loans made during the year.

Lease liabilities- current decreased by ₱37.47 million (12.21%) to ₱269.30 million in 31 March 2025 compared to ₱306.77 in 30 June 2024.

Contract Liabilities (current) decreased by ₱708.59 million (19.15%) to ₱2.99 billion as of 31 March 2025, from ₱3.70 billion as of 30 June 2024 decrease in advance payments received from customers during the year.

Advances from associates-current decreased by ₱11.33 million (2.72%) to ₱405.79 million as of 31 March 2025, from ₱417.12 as of 30 June 2024 due to interest of advances made during the year.

Income tax payable is *nil* in 31 March 2025 and 30 June 2024.

Lease liabilities- non-current increased by ₱54.70 million (2.44%) to ₱2.30 billion in 31 March 2025 compared to ₱2.24 billion in 30 June 2024, mainly due to lease modification during the year.

Non-current loans payable and borrowings increased by P238.94 million (12.33%) to P2.18 billion in 31 March 2025 compared to P1.94 billion in 30 June 2024, mainly due to additional loans during the year.

Advances from associates- non-current decreased by P20.68 million (3.65%) to P546.19 million as of 31 March 2025, from P566.87 million as of 30 June 2024 due to payments made during the year.

Deferred tax liabilities decreased by ₱1.36 million (2.36%) to ₱480.73 million in 31 March 2025 compared to ₱482.09 million in 30 June 2024.

Provisions increased by ₱22.88 million (43.32%) to ₱75.71 million in 31 March 2025 compared to ₱52.82 million in 30 June 2024.

Post-employment benefit obligation of ₱4.61 million as of 31 March 2025 compared to ₱4.37 million in 30 June 2024.

Total stockholders' equity of the Group decreased by ₱34.62 million (0.30%) to ₱11.48 billion as of 31 March 2025, from ₱11.52 billion as of 30 June 2024 under review. The book value per share increased to ₱2.64 in 31 March 2025 from ₱2.60 in 30 June 2024.

Comparable Discussion on Material Changes in Cash Flows for the Nine Months Period Ended 31 March 2025 vs. 31 March 2024

The consolidated cash and cash equivalents for 31 March 2025 increased by P605.56 million (79.64%) to P1.36 billion as of 31 March 2025 from P760.38 million for the same period last year 31 March 2024. The increase is mainly attributable to higher revenue and additional loan received during the period.

Key Performance Indicators

The Corporation monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

	<u>31 March 2025</u>	<u>30 June 2024</u>
Liquidity Ratio - Current ratio	1.16 : 1.00	1.17 : 1.00
Leverage Ratio - Debt to Equity	1.64 : 1.00	1.57 : 1.00
Activity Ratio - Annualized PPE	10.88 times	14.45 times

	<u>31 March 2025</u>	<u>31 March 2024</u>
Profitability Ratios		
Return on Equity	0.28%	6.02%
Return on Assets	0.10%	2.38%

The Corporation uses the following computations in obtaining key indicators:

<u>Key Performance Indicator</u>	<u>Formula</u>
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
PPE Turnover	$\frac{\text{Revenues}}{\text{Property, Plant \& Equipment (Net)}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

Comparable Discussion on Material Changes in Results of Operations for the Three Months' Period Ended 31 March 2024 vs. 31 March 2023

The Corporation and its subsidiaries (the Group) generated total revenues from operating sources of about ₱28.08 billion for the nine months ended 31 March 2024, an increase of ₱764.21 million (2.80%) over total revenues of ₱27.32 billion during the same period in 2023. The increase was primarily due to a higher revenue contribution from its subsidiary, H.R. Owen.

The Group's total cost and operating expenses for the three months ended 31 March 2024 increased by ₱874.68 million (3.24%) to ₱27.89 billion from ₱27.01 billion for the same period

in 2023. The increase is attributed to the following: (1) cost of vehicles sold and body shop repairs and parts increased by ₱513.34 million (2.17%), (2) depreciation and amortization increased by P159.61 million (36.31%), (3) salaries and employee benefits increased by ₱104.00 million (6.90%), (4) taxes and licenses increased by P54.06 (42.17%), (5) professional fees increased by P25.81 million (59.34%), (6) cleaning and maintenance increased by P22.28 million (52.55%), (7) marketing and selling increased by P18.38 million (2.94%), (8) insurance increased by P11.29 million (13.24%), (9) communication, light and water increased by P6.30 million (6.88%), (10) stationary and office supplies increased by P5.56 million (5.87%), and (11) cost of food and beverages increased by P1.28 million (14.04%). These increases were offset by the following decreases of expenses: (1) repairs and maintenance decreased by P32.51 million (72.12%), (2) miscellaneous expenses decreased by P10.44 million (6.48%) and (3) transportation and travel decreased by P4.29 million (15.14%).

Other Income (Charges) amounted to ₱-102.78 million for the nine months ended 31 March 2024, a decrease of ₱146.92 million (332.88%) from ₱44.13 million in the same period in 2023, mainly due to loss on equity shares.

Net income from operations decreased by ₱216.23 million (72.53%) to ₱81.89 million for the nine months ended 31 March 2024 from net income of ₱298.12 million in the same period in 2023 due to higher operating expenses mainly the cost of vehicle sold and distribution costs.

Comparable Discussion on Material Changes in Financial Condition as of 31 March 2024 vs. 30 June 2023

Total assets of the Group decreased by ₱1.11 billion (3.81%) to P28.05 billion as of 31 March 2024, from P29.16 billion as of 30 June 2023.

Trade and other receivables (net) increased by P719.64 million (20.99%) to P4.15 billion in 31 March 2024 compared to P3.43 billion in 30 June 2023, mainly due to increase in deposits, other trade receivables and from related parties.

Inventories (net) decreased by ₱1.09 billion (15.07%) to ₱6.15 billion in 31 March 2024 compared to ₱7.24 billion in 30 June 2023, mainly due to the lower new cars deliveries for the quarter.

Advances to associates increased by ₱61.17 million (2.89%) to ₱2.18 billion in 31 March 2024 compared to ₱2.11 billion in 30 June 2023.

Prepayments and other current assets (net) decreased by ₱511.43 million (47.06%) to ₱575.32 million in 31 March 2024 compared to ₱1.09 billion in 30 June 2023, mainly due to decrease in the movement of prepaid expenses.

Financial assets at fair value through other comprehensive income decreased by ₱103.03 million (11.57%) to ₱787.54 million in 31 March 2024 compared to ₱890.57 million in 30 June 2023 due to change in fair value.

Right of use asset-net increased by ₱227.17 million (10.21%) to ₱2.45 billion in 31 March 2024 compared to ₱2.22 billion in 30 June 2023 due to adjustment made during the first quarter.

Property and equipment (net) increased by ₱50.80 million (.73%) to ₱6.96 billion in 31 March 2024 compared to ₱6.91 billion in 30 June 2023 is mainly due to amortization during the period.

Investment property increased by P2.35 million (1.82%) to P131.53 million in 31 March 2024 compared to ₱129.18 million in 30 June 2023 due to translation adjustment during the quarter.

Investments in associates increased by ₱113.69 million (7.84%) to ₱1.56 billion in 31 March 2024 compared to ₱1.45 billion in 30 June 2023, mainly due to equity share in net income during the period.

Intangible assets increased by ₱17.99 million (1.01%) to ₱1.79 billion in 31 March 2024 compared to ₱1.77 billion in 30 June 2023, primarily due to changes in translation.

Deferred tax assets remain unchanged at ₱90.92 million in 31 March 2024 and 30 June 2023.

Post-employment benefit asset increased by ₱8.19 million (1.82%) to ₱458.17 million in 31 March 2024 compared to ₱449.98 million in 30 June 2023.

Other non-current assets decreased by ₱45 thousand (2.31%) to ₱1.90 million in 31 March 2024 compared to ₱1.95 million in 30 June 2023.

Total liabilities of the Group decreased by ₱1.31 billion (7.16%) to ₱16.94 billion as of 31 March 2024, from ₱18.25 billion as of 30 June 2023.

Trade and other payables current decreased by ₱384.10 million (12.71%) to ₱2.64 million in 31 March 2024 compared to ₱3.02 billion in 30 June 2023, mainly due to payments made for trade payables during the period.

Current loans payable and borrowings decreased by ₱352.40 million (6.52%) to ₱5.05 billion in 31 March 2024 compared to ₱5.40 billion in 30 June 2023, mainly due to additional loans made during the period.

Lease liabilities- current increased by ₱27.26 million (10.14%) to ₱296.22 million in 31 March 2024 compared to ₱268.96 in 30 June 2023.

Contract Liabilities (current), which is recognized as advance payments received from customers, decreased by ₱705.13 million (16.78%) to ₱3.50 billion as of 31 March 2024, from ₱4.20 billion as of 30 June 2023.

Advances from associates-current increased by ₱119.15 million (42.11%) to ₱402.14 million as of 31 March 2024, from ₱282.99 as of 30 June 2023. Increased is due to additional advances made during the period.

Income tax payable of ₱1.01 million as of 31 March 2024 and *nil* in 30 June 2023.

Lease liabilities- non-current increased by ₱172.11 million (8.37%) to ₱2.23 billion in 31 March 2024 compared to ₱2.06 million in 30 June 2023, mainly due to reclassification of non-current into current lease liabilities.

Non-current loans payable and borrowings decreased by ₱38.30 million (1.94%) to ₱1.93 billion in 31 March 2024 compared to ₱1.97 billion in 30 June 2023, mainly due to payments made for the loans during the quarter.

Advances from associates- non-current decreased by ₱9.24 million (1.63%) to ₱557.13 million as of 31 March 2024, from ₱566.36 million as of 30 June 2023. Decreased is due to payment of advances made during the period.

Deferred tax liabilities increased by ₱4.85 million (1.82%) to ₱271.13 million in 31 March 2024 compared to ₱266.17 million in 30 June 2023.

Provisions decreased by ₱142.83 million (71.12%) to ₱57.99 million in 31 March 2024 compared to ₱200.82 million in 30 June 2023 due to payment made on dilapidation costs.

Post-employment benefit obligation increased by ₱450.00 million (8.67%) to ₱5.64 million in 31 March 2024 compared ₱5.19 million in 30 June 2023.

Total stockholders' equity of the Group increased by ₱195.78 million (.18%) to ₱11.11 billion as of 31 March 2024, from ₱10.92 billion as of 30 June 2023 under review. The book value per share decreased to ₱2.51 in 31 March 2024 from ₱2.47 in 30 June 2023.

Comparable Discussion on Material Changes in Cash Flows for the Nine Months Period Ended 31 March 2024 vs. 31 March 2023

The consolidated cash and cash equivalents for 31 March 2024 decreased by P449.62 million (37.16%) to P760.38 million as of 31 March 2024 from P1.21 billion for the same period last year 31 March 2023. The increase is mainly attributable to higher revenue made during the period

Key Performance Indicators

The Corporation monitors its performance and benchmarks itself to prior years' results in terms of the following indicators:

	<u>31 March 2024</u>	<u>30 June 2023</u>
Liquidity Ratio - Current ratio	1.16 : 1.00	1.16 : 1.00
Leverage Ratio - Debt to Equity	1.52 : 1.00	1.67 : 1.00
Activity Ratio - Annualized PPE	10.12 times	13.74 times

	<u>31 March 2024</u>	<u>31 March 2023</u>
Profitability Ratios		
Return on Equity	6.02%	11.49%
Return on Assets	2.38%	4.36%

The Corporation uses the following computations in obtaining key indicators:

<u>Key Performance Indicator</u>	<u>Formula</u>
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Debt to Equity Ratio	$\frac{\text{Total Long Term Liabilities}}{\text{Stockholders' Equity}}$
PPE Turnover	$\frac{\text{Revenues}}{\text{Property, Plant \& Equipment (Net)}}$
Return on Equity	$\frac{\text{Net Income}}{\text{Equity}}$
Return on Assets	$\frac{\text{Net Income}}{\text{Total Assets}}$

Barring any unforeseen circumstances, the Corporation's Board of Directors is confident that the operating financial performances of the Corporation and its subsidiaries are expected to be satisfactory in the coming period.

- i) There is no known trend, event or uncertainty that has or is reasonably likely to have an impact on the Corporation's short term or long-term liquidity.
- ii) The liquidity of the subsidiaries would continue to be generated from the collections of revenue from customers. There is no requirement for external funding for liquidity.
- iii) There is no known trend, event or uncertainty that has or that is reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.
- v) There is no significant element of income or loss that would arise from the Group's continuing operations.
- vi) There is no cause for any material change from period to period in one or more of the line items of the Corporation's financial statements.
- vii) There were no seasonal aspects that had a material impact effect on the financial conditions or results of operations.

Separate Disclosures regarding the Financial Statements as required under SRC Rule 68.1

- 1) There are no items affecting the assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidents.
- 2) There is no change in the estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.
- 3) There is no issuance, repurchase or repayment of debts and equity securities.
- 4) There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.
- 5) There are no business combinations, acquisition or disposals subsidiaries and long-term investments, restructurings and discontinuing operations for the interim period.
- 6) There are no contingent liabilities or contingent assets since the last annual balance sheet date.
- 7) There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has caused this report to be signed on its behalf by the undersigned, being duly authorized, in the City of Makati on 15 May 2025.

Issuer: **BERJAYA PHILIPPINES, INC.**

By:  **JOSE A. BERNAS**
Corporate Secretary

By:  **WINNIE R. MANANSALA**
Treasurer

ANNEX "A"

BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
March 31, 2025 and June 30, 2024
(Amounts in Philippine Pesos)

	<u>Note</u>	<u>March 31, 2025</u> Unaudited	<u>June 30, 2024</u> Audited
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents	5	1,365,943,793	P 1,481,368,682
Trade and other receivables-net	6	3,784,121,826	4,224,498,520
Inventories - net	7	7,048,205,138	6,146,974,082
Advances to associates	13	2,096,775,714	2,143,565,187
Prepayments and other current assets - net	8	<u>1,128,827,482</u>	<u>969,707,637</u>
Total Current Assets		<u>15,423,873,953</u>	<u>14,966,114,108</u>
NON-CURRENT ASSETS			
Financial asset at fair value through other comprehensive income	9	799,422,595	800,123,766
Right of use assets - net	12	2,364,120,979	2,383,970,243
Property and equipment - net	10	7,498,353,892	7,186,254,288
Investment property	11	205,488,305	215,912,221
Investments in associates	13	1,603,704,354	1,603,760,679
Intangible assets - net	14	1,850,007,479	1,870,049,191
Deferred tax assets - net		104,479,600	104,479,600
Post-employment benefit asset		461,390,821	462,653,958
Other non-current assets	8	<u>855,019</u>	<u>726,455</u>
Total Non-Current Assets		<u>14,887,823,044</u>	<u>14,627,930,401</u>
ASSETS HELD FOR SALE		0	0
TOTAL ASSETS		P <u>30,311,696,998</u>	P <u>29,594,044,509</u>
<u>LIABILITIES AND EQUITY</u>			
CURRENT LIABILITIES			
Trade and other payables	15	3,252,555,243	P 3,337,436,408
Loans payable and borrowings	16	6,326,478,797	5,026,667,703
Lease liabilities - current	12	269,298,050	306,766,213
Contract liabilities		2,991,504,827	3,700,097,847
Advances from associates		405,788,471	417,116,625
Income tax payable		<u>0</u>	<u>0</u>
Total Current Liabilities		13,245,625,388	12,788,084,796
NON-CURRENT LIABILITIES			
Lease liabilities - non current	12	2,299,102,867	2,244,403,343
Loans payable and borrowings	16	2,176,819,936	1,937,874,976
Advances from related parties		546,189,341	566,869,496
Deferred tax liabilities - net		480,731,635	482,088,731
Trade and Other Payables		75,708,072	52,823,230
Post-employment benefit obligation		<u>4,609,380</u>	<u>4,369,380</u>
Total Non-Current Liabilities		5,583,161,231	5,288,429,156
Total Liabilities		<u>18,828,786,619</u>	<u>18,076,513,952</u>
EQUITY			
Attributable to Owners of the Parent Company		11,467,762,375	11,504,949,415
Attributable to non-controlling interest		<u>15,148,007</u>	<u>12,581,142</u>
Total Equity		<u>11,482,910,382</u>	<u>11,517,530,557</u>
TOTAL LIABILITIES AND EQUITY		P <u>30,311,697,001</u>	P <u>29,594,044,509</u>

Check with CWP

See Notes to Financial Statements

BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the nine months ended MARCH 31, 2025 and MARCH 31, 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	3 Months Ended March 31, 2025	9 Months Ended March 31, 2025	3 Months Ended March 31, 2024	9 Months Ended March 31, 2024
REVENUES				
Sales of vehicles	12,377,448,233	31,292,179,166	10,521,231,523	27,978,256,598
Hotel Operations	70,730,383	162,448,569	37,411,127	106,917,894
	<u>12,448,178,616</u>	<u>31,454,627,735</u>	<u>10,558,642,650</u>	<u>28,085,174,492</u>
COSTS AND OTHER OPERATING EXPENSES				
Cost of vehicles sold and bodyshop repairs and parts	10,763,118,655	27,180,054,680	9,103,864,546	24,223,484,008
Salaries and employee benefits	598,974,501	1,813,231,535	560,895,665	1,611,668,381
Marketing & Selling	240,428,429	760,973,781	222,461,886	644,214,517
Repairs and maintenance	24,825,712	62,261,765	12,568,027	12,568,027
Depreciation and amortization	223,059,479	647,978,234	214,078,321	599,238,211
Transportation and travel	16,174,916	47,652,532	7,712,122	24,063,740
Taxes and licences	75,852,476	200,097,238	62,648,000	182,259,886
Insurance	35,769,443	107,704,362	25,889,417	96,573,085
Communication, light and water	39,056,571	101,007,927	36,821,602	97,971,081
Cost of food and beverages	2,642,350	12,115,303	3,111,759	10,383,448
Miscellaneous Expenses	43,536,515	122,346,256	19,217,225	150,760,089
Stationery and Office Supplies	29,512,763	89,943,971	30,411,670	100,216,825
Professional fees	7,309,716	66,919,488	26,395,932	69,295,025
Cleaning and Maintenance	20,446,981	62,560,250	21,801,011	64,695,647
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>12,120,708,507</u>	<u>31,274,847,322</u>	<u>10,347,877,183</u>	<u>27,887,391,970</u>
OPERATING PROFIT	<u>327,470,109</u>	<u>179,780,413</u>	<u>210,765,467</u>	<u>197,782,522</u>
OTHER INCOME (CHARGES)				
Finance Income	84,422,125	257,130,166	64,101,392	194,449,717
Equity share in net income (losses)	29,656,485	79,943,676	30,198,777	113,690,359
Finance Costs	(158,882,730)	(435,222,541)	(147,076,008)	(459,409,133)
Other Income (Charges)	(87,685,831)	(82,816,770)	13,589,977	48,525,031
Gain (Loss) on disposal of PPE	-	962,537	(158)	(38,882)
Fair value gain on financial assets at fair value through profit and loss	-	-	-	-
Loss on disposal of financial asset	-	-	-	-
	<u>(132,489,951)</u>	<u>(180,002,932)</u>	<u>(39,186,020)</u>	<u>(102,782,908)</u>
PROFIT BEFORE INCOME TAX	<u>194,980,158</u>	<u>(222,519)</u>	<u>171,579,447</u>	<u>94,999,614</u>
TAX EXPENSE	<u>3,512,784</u>	<u>12,040,827</u>	<u>4,366,414</u>	<u>13,112,624</u>
TOTAL NET PROFIT	<u>191,467,374</u>	<u>(12,263,346)</u>	<u>167,213,033</u>	<u>81,886,990</u>
<i>Check digit with CWP</i>		-		-
	ok	ok		ok
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will not be reclassified subsequently to profit or loss				
Net unrealized fair value losses on financial assets				
at fair value through other comprehensive income	(483,363)	(5,755,776)	20,486,316	(16,297,245)
	<u>(483,363)</u>	<u>(5,755,776)</u>	<u>20,486,316</u>	<u>(16,297,245)</u>
Items that will be reclassified subsequently to profit or loss				
Translation adjustment	119,792,395	(16,601,053)	28,206,599	102,347,105
Net unrealized fair value gains (losses) on AFS financial assets	-	-	-	-
	<u>119,792,395</u>	<u>(16,601,053)</u>	<u>28,206,599</u>	<u>102,347,105</u>
TOTAL COMPREHENSIVE INCOME	<u>310,776,406</u>	<u>(34,620,175)</u>	<u>215,905,948</u>	<u>167,936,850</u>
Net profit attributable to:				
Owners of the Parent Company	190,832,885	(14,830,211)	166,622,119	79,384,273
Non-controlling Interest	634,489	2,566,865	590,914	2,502,717
	<u>191,467,374</u>	<u>(12,263,346)</u>	<u>167,213,033</u>	<u>81,886,990</u>
Total comprehensive income attributable to:				
Owners of the Parent Company	310,141,917	(37,187,040)	215,315,034	(2,502,717)
Non-controlling Interest	634,489	2,566,865	590,914	2,502,717
	<u>310,776,406</u>	<u>(34,620,175)</u>	<u>215,905,948</u>	<u></u>
Weighted average number of shares outstanding	<u>4,341,280,693</u>	<u>4,341,280,693</u>	<u>4,341,280,855</u>	<u>4,341,280,855</u>
Basic earnings per share (annualized)	<u>0.18</u>	<u>(0.01)</u>	<u>0.15</u>	<u>0.08</u>

BERJAYA PHILIPPINE INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the nine months ended MARCH 31, 2025 and MARCH 31, 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	Attributable Owners of the Parent Company										Non-controlling Interest	Total
	Capital Stock	Treasury Shares	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total				
						Appropriated	Unappropriated					
Balance at July 1, 2024	P 4,427,009,132	P (988,150,025)	P 15,525,847	P (748,815,536)	P 541,307,394	P 2,000,000,000	P 6,258,072,603	P 11,504,949,415	P 12,581,142	P 11,517,530,557		
Effect of adoption of PFRS 9							-	P -		P -		
Capital issuance through stock dividends	-	-	-	-	-	-	-	-	-	-		
Profit or loss for the year	-	-	-	-	-	-	(14,830,211)	(14,830,211)	2,566,865	(12,263,346)		
Appropriation during the year	-	-	-	-	-	-	-	-	-	-		
Reversal of appropriations during the year							-	P -		-		
Realized fair value changes on disposals of financial assets at FVOCI	-	-		-	-	-	-	-	-	-		
Actuarial Gain on remeasurement of post-employment benefit obligation - net of tax	-	-		-	-	-	-	-	-	-		
Net unrealized fair value gains on disposals of financial assets at FVOCI	-	-	(5,755,776)	-	-	-	-	(5,755,776)	-	(5,755,776)		
Reduction in non-controlling interest								-		-		
Effect of change in percentage ownership									-	-		
Disposal of financial asset	-	-	-	-	-	-	-	-	-	-		
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-		
Translation adjustment	-	-	-	-	(16,601,053)	-	-	(16,601,053)	-	(16,601,053)		
Total equity at March 31, 2025 <i>Check digit</i>	P 4,427,009,132	P (988,150,025)	P 9,770,071	P (748,815,536)	P 524,706,341	P 2,000,000,000	P 6,243,242,392	P 11,467,762,375	P 15,148,007	P 11,482,910,382		

	Attributable Owners of the Parent Company										Non-controlling Interest	Total
	Capital Stock	Treasury Shares	Revaluation Reserves	Other Reserves	Translation Adjustment	Retained Earnings		Total				
						Appropriated	Unappropriated					
Balance at July 1, 2023	P 4,427,009,132	P (988,150,025)	P 2,270,702	P (748,815,536)	P 166,455,824	P 2,000,000,000	P 6,050,295,978	P 10,909,066,075	P 12,581,142	P 10,921,647,217		
Effect of adoption of PFRS 9							-	P -		P -		
Capital issuance through stock dividends	-	-	-	-	-	-	-	-	-	-		
Profit or loss for the year	-	-	-	-	-	-	219,623,440	219,623,440	-	219,623,440		
Appropriation during the year	-	-	-	-	-	-	-	-	-	-		
Reversal of appropriations during the year							-	P -		-		
Realized fair value changes on disposals of equity securities classified as financial assets at FVOCI	-	-	11,846,815	-	-	-	(11,846,815)	-	-	-		
Actuarial Gain on remeasurement of post-employment benefit obligation - net of tax	-	-	(22,867,051)	-	-	-	-	(22,867,051)	-	(22,867,051)		
Share in other comprehensive income of associates - net of tax			1,264,204					1,264,204		1,264,204		
Net unrealized fair value gains on financial assets at fair value through other comprehensive income (FVOCI)	-	-	23,011,177	-	-	-	-	23,011,177	-	23,011,177		
Reduction in non-controlling interest								-		-		
Effect of change in percentage ownership								-		-		
Disposal of financial asset	-	-	-	-	-	-	-	-	-	-		
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-		
Translation adjustment	-	-	-	-	374,851,570	-	-	374,851,570	-	374,851,569		
Total equity at June 30, 2024	P 4,427,009,132	P (988,150,025)	P 15,525,847	P (748,815,536)	P 541,307,394	P 2,000,000,000	P 6,258,072,603	P 11,504,949,415	P 12,581,142	P 11,517,530,557		

BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
INTERIM CONSOLIDATED STATEMENTS OF CASHFLOWS
For the nine months ended MARCH 31, 2025 and MARCH 31, 2024
(Amounts in Philippine Pesos)
(UNAUDITED)

	3 Months Ended March 31, 2025	6 Months Ended March 31, 2025	3 Months Ended March 31, 2024	6 Months Ended March 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	194,980,158	(222,519)	171,579,447	94,999,614
Adjustments for:				
Depreciation and amortization	223,059,479	647,978,234	214,078,321	599,238,211
Dividend Income	(5,521,240)	(5,521,240)	(8,406,465)	(8,406,465)
Interest Expense	158,882,730	435,222,541	147,076,008	459,409,133
Interest Income	(84,422,125)	(251,608,926)	64,101,392	(186,043,252)
Equity Share in net losses (income) of associates	(29,656,485)	(79,943,676)	(30,198,777)	(113,690,359)
Loss (gain) on sale of property and equipment	-	-	38,882	38,882
Unrealized foreign exchange losses (gain)	25,881,341	4,663,737	2,311,028	(1,781,071)
Operating income before working capital changes	483,203,858	750,568,151	560,579,836	843,764,693
Decrease / (Increase) in:				
Trade and other receivables	(44,470,136)	440,376,694	(41,720,882)	(719,642,660)
Inventories	2,034,518,809	(901,231,056)	588,975,775	1,091,887,211
Post employment benefit asset	(11,639,888)	1,263,137	(2,196,139)	(8,194,922)
Prepaid expenses and other current assets	(67,284,751)	(159,119,845)	494,351,539	511,426,395
Increase / (Decrease) in:				
Trade and other payables	(1,315,868,586)	(615,012,297)	181,538,739	(177,168,287)
Contract liabilities	(616,947,075)	(708,593,020)	(362,189,435)	(705,130,527)
Retirement Obligation	240,000	240,000	150,000	450,000
Cash paid for income taxes	(10,804,581)	(12,040,827)	(4,662,775)	(14,120,051)
Net cash provided (used in) operating activities	450,819,086	(1,203,677,627)	1,414,826,658	823,271,852
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of Property and equipment	(102,280,958)	(274,483,006)	(623,747,875)	(1,054,495,929)
Advances to (collection from) associate - net	(51,000,000)	(57,700,000)	(20,500,000)	(87,925,740)
Net cash provided (used in) by investing activities	(153,280,958)	(332,183,006)	(644,247,875)	(1,142,421,669)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from bank loans and borrowings	(221,010,540)	1,538,756,054	(536,863,295)	(390,695,822)
Payment of lease liabilities	(74,054,044)	17,231,361	334,777,920	199,373,635
Advances paid to related party	(28,799,255)	(41,280,155)	(3,111,400)	(197,472,769)
Advances received from related party	3,800,000	25,400,000	44,465,000	186,235,773
Repayment of bank loan and borrowings	(91,625,000)	(118,030,711)	(15,635,956)	(76,885,956)
Interest paid	(1,274,178)	(1,640,805)	(1,331,774)	(7,403,483)
Net cash provided (used in) by financing activities	(412,963,017)	1,420,435,744	(177,699,505)	(286,848,621)
EFFECT OF EXCHANGE RATE CHANGES TO CASH AND CASH EQUIVALENTS	-	-	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(115,424,889)	(115,424,889)	(605,998,438)	(605,998,438)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,481,368,682	1,481,368,682	1,366,379,758	1,366,379,758
CASH AND CASH EQUIVALENTS AT ENDING OF PERIOD	1,365,943,793	1,365,943,793	760,381,320	760,381,320

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BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
[A Subsidiary of Berjaya Lottery Management (HK) Limited]
NOTESTO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
As of March 31, 2025 and June 30, 2024
(Amounts in Philippine Pesos)

1. CORPORATE MATTERS

1.1 Incorporation and Operations

Berjaya Philippines Inc. (BPI or the Parent Company) was incorporated in the Philippines on October 31, 1924. The Parent Company is organized as a holding company. The Parent Company's shares of stock were listed in the Philippine Stock Exchange on November 29, 1948.

On June 2, 2010, the Parent Company's Board of Directors (BOD) approved the Parent Company's change in corporate name from Prime Gaming Philippines, Inc. to Berjaya Philippines Inc. The application for change in name was approved by the Securities and Exchange Commission (SEC) on June 11, 2010.

The Parent Company is 74.20% owned by Berjaya Lottery Management (HK) Limited of Hong Kong (BLML) as at March 31, 2025. The Parent Company's ultimate parent company is Berjaya Corporation Berhad of Malaysia, a publicly listed company in the Main Market of Bursa Malaysia Securities Berhad.

The registered office of BPI is located at 9th Floor, Rufino Pacific Tower, 6784 Ayala Avenue, Makati City. BLML's registered address is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong and the ultimate parent company's registered office is at Lot13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, JalanImbi 55100 Kuala Lumpur, Malaysia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these interim consolidated financial statements (ICFS) are consistent with those applied in the audited consolidated financial statements (ACFS) for the nine months ended March 31, 2025 and as of June 30, 2024.

2.1 Basis of Preparation of Interim Consolidated Financial Statements

These ICFS have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Philippine Financial Reporting Standards (PFRS), and should be read in conjunction with the Group's ACFS for the nine months ended March 31, 2025 and as of June 30, 2024.

The ICFS are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated. Items included in the ICFS of the Group are measured using the

Company's functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

The preparation of the Group's ICFS in accordance with PFRS requires management to make judgments and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

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

2.2 Adoption of Amended PFRS

(a) Effective in Fiscal Year 2024 that are Relevant to the Group

The Group adopted for the first time the following pronouncements, which are mandatorily effective for annual periods beginning on or after January 1, 2023, for its annual reporting period beginning July 1, 2023:

PAS 1 and PFRS Practice	
Statement 2 (Amendments):	Presentation of Financial Statements – Disclosure of Accounting Policies
PAS 37 (Amendments)	: Definition of Accounting Estimates
PFRS 9 (Amendments)	: Deferred Tax Related to Assets and Liabilities from a Single Transaction

Discussed below and in the succeeding page are the relevant information about these pronouncements.

- (i) PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies*. The amendments replaced the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.

The amendments clarify that accounting policy information may be material because of its nature, even if the related amounts are immaterial, that accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements and if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. The application of these amendments is reflected in the Group's consolidated financial statements under Notes 2 and 3.

- (ii) PAS 8 (Amendments), *Definition of Accounting Estimates*. The amendments introduced a new definition of accounting estimate which is a monetary amount in the financial statements that are subject to measurement uncertainty. It also clarifies that a change in accounting estimate that results from new information or new developments is not a correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. The application of these amendments had no impact on the Group's consolidated financial statements.
- (iii) PAS 12 (Amendments), *Deferred Tax Related to Assets and Liabilities from a Single Transaction*. The amendments narrow the scope of the initial recognition exception under PAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). Management assessed that the application of such amendments had no impact on the Group's consolidated financial statements.

(b) Effective in Fiscal Year 2024 that are not Relevant to the Group

Among the amendments to PFRS, which are mandatorily effective for annual periods beginning on or after January 1, 2023, the amendments to PAS 12, *International Tax Reform – Pillar Two Model Rules*, is not relevant to the Group's consolidated financial statements.

(c) Effective Subsequent to Fiscal Year 2024 but not Adopted Early

There are pronouncements effective for annual periods subsequent to fiscal year 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and, unless otherwise stated, none of these are expected to have impact on the Group's consolidated financial statements:

- (i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current* (effective from January 1, 2024)
- (ii) PAS 1 and PFRS Practice Statement 2 (Amendments), *Presentation of Financial Statements – Disclosure of Accounting Policies* (effective from January 1, 2024)

- (iii) PAS 7 (Amendments), *Cash Flow Statements*, and PFRS 7 (Amendments), *Financial Instruments: Disclosures – Supplier Finance Arrangements* (effective from January 1, 2024)
- (iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback* (effective from January 1, 2024)
- (v) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

Management is currently assessing the impact of these amendments on the Group's consolidated financial statements and it will conduct a comprehensive study of the potential impact of these pronouncements prior to their mandatory adoption date to assess the impact of all changes.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Group's risk management is carried out in close cooperation with the BOD, and focuses on actively securing the Group's short to medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most relevant financial risks to which the Group is exposed to are described below and in the succeeding pages.

3.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, interest rate risk and certain other price risk which result from both its operating, investing and financing activities.

(a) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on cash and cash equivalents. As at March 31, 2025 and June 30, 2024, the Group is exposed to changes in market interest rates through short-term placements included as part of Cash and Cash Equivalents account and stocking loans of H.R. Owen presented as Loans Payable and Borrowings, which are subject to variable interest rates, in the consolidated statements of financial position.

The Group keeps placements with fluctuating interest at a minimum while H.R. Owen's stocking loans are secured at any time by fixed and floating charges on stocks of new and demonstrator cars and commercial vehicles held. As such, management believes that its exposure to interest rate risk is immaterial.

(b) Foreign Currency Risk

Except for H.R. Owen and eDoc Holdings whose functional currency is GBP, most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise from the Group's overseas purchases,

which are primarily denominated in United States Dollars (USD). The Group also holds USD, GBP, Malaysian Ringgit (MYR) and European Union Euro (EUR) denominated cash and cash equivalents and receivables. Further, the Group has AFS financial assets denominated in MYR and GBP. There were no foreign currency denominated financial liabilities as at March 31, 2025 and June 30, 2024.

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

Foreign currency denominated financial assets, translated into Philippine pesos at the closing rate are as follows:

	<u>March 31, 2025</u>	<u>June 30, 2024</u>
Php – GBP	P 566,732,750	P 1,421,542,938
Php – USD	4,167,326	(348,052,533)
Php – MYR	-	262,949
Php - EUR	-	-

The following table illustrates the sensitivity of the Group's profit before tax with respect to changes in Philippine peso against USD, MYR, GBP and EUR exchange rates. These percentages have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months, estimated at 95.00% level of confidence. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the end of each reporting period with effect estimated from the beginning of the year.

	<u>March 31, 2025</u>		<u>June 30, 2024</u>	
	<u>Reasonably possible change in rate</u>	<u>Effect in profit before tax</u>	<u>Reasonably possible change in rate</u>	<u>Effect in profit before tax</u>
PhP - GBP	7.37%	P 298,432,502	27.54%	P 391,492,925
PhP - USD	1883.85%	1,490,061,826	12.03%	(41,870,720)
PhP - MYR	7.82%	-	12.75%	33,526
		<u>P 1,788,494,328</u>		<u>P 349,655,731</u>

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

(c) Other Price Risk

The Group's market price risk arises from its investments carried at fair value (financial assets classified as AFS financial assets). The Group manages exposure to price risk by monitoring the changes in the market price of the investments and at some extent, diversifying the investment portfolio in accordance with the limit set by management.

The sensitivity of equity with regard to the volatility of the Group's AFS financial assets assumes a +/-7.29% and a +/-1883.85% volatility in the market value of the investment for the nine months ended March 31, 2025. The expected change was based on the annual rate of return computed using the monthly closing market value of the investment in 2025.

3.2 Credit Risk

Credit risk is the risk that counterparty may fail to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments arising from granting loans and selling goods and services to customers; granting advances to associates; and, placing deposits with banks, lessors and utility companies.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. In addition, for a significant proportion of sales, advance payments are received to mitigate credit risk.

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position or in the detailed analysis provided in the notes to the consolidated financial statements, as summarized below.

	<u>Notes</u>	<u>March 31, 2025</u>	<u>June 30, 2024</u>
Cash and cash equivalents	5	P 1,365,943,793	P 1,481,368,682
Trade and other receivables – net	6	3,744,121,826	4,007,667,128
Advances to associates	13	2,096,775,714	2,143,565,187
Refundable deposits	8	<u>6,683,180</u>	<u>4,810,672</u>
		<u>P 7,213,524,513</u>	<u>P 7,637,411,669</u>

None of the Group's financial assets are secured by collateral or other credit enhancements, except for cash and cash equivalents as described below.

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements, which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P500,000 for every depositor per banking institution.

(b) Trade and Other Receivables – net and Advances to Associates

The Group's trade receivables as at March 31, 2025 and June 30, 2024 are due mainly from customers of H.R. Owen. The Group maintains policies that require appropriate credit checks to be completed on potential customers prior to delivery of goods and services. On-going credit checks are periodically performed on the Group's existing customers to ensure that the credit limits remain at appropriate levels. The Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables and other receivables.

ECL for advances to associates are measured and recognized using the net asset approach. The Group does not consider any risks in the amounts due from associates as it has enough net assets to cover the amount due. Moreover, based on historical information on payments of associates, management considers the credit quality of receivables that are not past due or impaired to be good.

In respect to trade receivables from the customers of H.R. Owen and other receivables and advances to associates, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The trade receivables of H.R. Owen are mostly related to servicing and bodyshop operations as the sale of vehicles is on a cash basis. The credit risk from servicing and bodyshop operations of H.R. Owen is minimal as H.R. Owen will not release the car without full payment. The Group's receivables are actively monitored to avoid significant concentrations of credit risk.

(c) Other Non-current Assets

The refundable deposits of the Group under Other Non-Current Assets account in the consolidated statements of financial position pertain to security deposits made to various lessors and utility companies which the Group is not exposed to significant credit risk.

3.3 Liquidity Risk

The ability of the Group to finance increases in assets and meet obligations as they become due is extremely important to the Group's operations. The Group's policy is to maintain liquidity at all times. This policy aims to honor all cash requirements on an on-going basis to avoid raising funds above market rates or through forced sale of assets.

Liquidity risk is also managed by borrowing with a spread of maturity periods. The Group has significant fluctuations in short-term borrowings due to industry specific factors. The Group mitigates any potential liquidity risk through maintaining substantial unutilized banking and used vehicle stocking loan facilities.

As at March 31, 2025 and June 30, 2024, the Group's financial liabilities pertain to Trade and Other Payables, except those tax-related liabilities, and Loans Payable and Borrowings inclusive of future interest. Trade and other payables and loans payable and borrowings are considered to be current which are expected to be settled within 12 months from the end of each reporting period.

4. SEGMENT REPORTING

4.1 Business Segments

The Group is organized into different business units based on its products and services for purposes of management assessment of each unit. In identifying its operating segments, the management generally follows the Group's four service lines. The Group is engaged in the business of Leasing, Services, Investments and Motor Vehicle Dealership. Presented below is the basis of the Group in reporting to its strategic steering committee for its strategic decision-making activities.

- (a)* The Leasing segment mainly pertains to the lease of on-line lottery equipment by the Group to PCSO.
- (b)* The Services segment mainly pertains to the hotel operations of PHPI.
- (c)* Investments segment relates to investing activities.

- (d) The Motor Vehicle Dealership segment mainly pertains to the luxury motor vehicle retailers and provision of aftersales services of H.R. Owen.

4.2 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment. Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, advances, inventories and property and equipment, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, taxes currently payable and accrued liabilities.

4.3 Intersegment Transactions

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

The Group's operating business are organized and managed separately according to the nature of segment accounting policies.

4.4 Analysis of Segment Information

The tables in the succeeding pages present revenue and profit information regarding business segments for the nine months ended March 31, 2025, March 31, 2024 and for the year ended June 30, 2024, and certain assets and liabilities information regarding industry segments as at March 31, 2025, March 31, 2024 and June 30, 2024.

	<u>March 31, 2025</u>			
	<u>Investments</u>	<u>Services</u>	<u>Motor Vehicle Dealership</u>	<u>Total</u>
Revenues and income:				
Revenue from externals				
Customers	-	162,448,570	31,292,179,166	31,454,627,736
Interest Income	63,662,698	10,296	187,935,932	251,608,926
Other Income	5,521,240	2,413,923	20,881,504	28,816,667
Equity share in net income from associates	-	21,000,554	86,026,922	107,027,476
Inter-segment income	=	=	=	=
Total revenues and income	<u>69,183,938</u>	<u>185,873,343</u>	<u>31,587,023,524</u>	<u>31,842,080,806</u>
Expenses:				
Costs and operating expenses before depreciation	13,861,194	151,403,100	30,461,604,792	30,626,869,087
Depreciation and amortization	18,000	22,276,433	625,683,802	647,978,235
Interest expense	2,245,194	6,490,607	421,823,003	430,558,803
Equity share in net loss from associates	-	20,035,221	9,813,398	27,083,800
Other income (loss) from other sources	100,000,000	-	-	109,813,398
Inter-segment cost and expenses	=	=	=	=
Total Expenses	<u>116,124,388</u>	<u>200,205,361</u>	<u>31,525,973,575</u>	<u>31,842,303,324</u>
Segment profit (loss) before tax	<u>(46,940,450)</u>	<u>(14,332,017)</u>	<u>61,049,950</u>	<u>(222,518)</u>

Net profit (loss)	<u>(58,979,688)</u>	<u>(14,333,607)</u>	<u>(61,049,951)</u>	<u>(12,264,441)</u>
Segment Assets	<u>9,499,579,342</u>	<u>1,715,919,177</u>	<u>22,549,904,757</u>	<u>33,765,403,276</u>
Segment Liabilities	<u>1,554,367,821</u>	<u>1,577,827,818</u>	<u>17,546,012,732</u>	<u>20,678,208,371</u>
Capital expenditures	<u>P 7,135,363</u>	<u>-----</u>	<u>P 985,692,679</u>	<u>P 992,828,042</u>

March 31, 2024

	<u>Investments</u>	<u>Services</u>	<u>Motor Vehicle Dealership</u>	<u>Total</u>
Revenues and income:				
Revenue from externals				
Customers	-	106,917,893	27,978,256,598	28,085,174,491
Interest Income	67,247,168	20,992	118,775,092	186,043,252
Other Income	8,406,465	3,649,910	43,094,050	55,150,425
Equity share in net income from associates	-	(3,013,799)	116,704,158	113,690,359
Inter-segment income	=	=	=	=
Total revenues and income	<u>75,653,633</u>	<u>107,574,996</u>	<u>28,256,829,898</u>	<u>28,440,058,527</u>
Expenses:				
Costs and operating expenses before depreciation	14,993,821	107,439,470	27,165,720,465	27,288,153,756
Depreciation and amortization	18,000	21,803,388	577,416,823	599,238,211
Interest expense	6,358,885	6,339,999	444,929,179	457,628,062
Loss on disposal of PPE	-	-	-	-
Other income (loss) from other sources	-	-	-	-
Inter-segment cost and expenses	=	=	<u>38,882</u>	<u>38,882</u>
Total Expenses	<u>21,370,705</u>	<u>135,582,857</u>	<u>28,188,105,349</u>	<u>28,345,058,911</u>
Segment profit (loss) before tax	<u>54,282,928</u>	<u>(28,007,861)</u>	<u>68,724,549</u>	<u>94,999,616</u>
Net profit (loss)	<u>41,173,126</u>	<u>(28,010,682)</u>	<u>68,724,550</u>	<u>81,886,993</u>
Segment Assets	<u>9,274,523,453</u>	<u>1,629,763,661</u>	<u>20,513,732,357</u>	<u>31,418,019,471</u>
Segment Liabilities	<u>1,332,674,063</u>	<u>1,468,607,278</u>	<u>15,807,770,755</u>	<u>18,609,052,096</u>
Capital expenditures	<u>P 7,135,363</u>	<u>-----</u>	<u>P 985,692,679</u>	<u>P 992,828,042</u>

June 30, 2024

	<u>Services</u>	<u>Investments</u>	<u>Motor Vehicle Dealership</u>	<u>Total</u>
Revenues and income:				
Revenue from externals				
Customers	P 141,923,288	P -	P 39,785,071,587	P 39,926,994,875
Interest income	29,858	89,615,211	185,816,570	275,461,639
Other income	4,974,063	11,063,042	73,010,136	89,047,241
Equity share in net income from associates	3,717,569	-	156,639,847	160,357,416
Inter-segment	<u>-</u>	<u>8,000,000</u>	<u>-</u>	<u>8,000,000</u>
Total revenues and income	<u>P 150,644,778</u>	<u>P 108,678,253</u>	<u>P40,200,538,140</u>	<u>P40,459,861,171</u>
Expenses:				
Costs and operating expenses before depreciation	P 155,095,326	P 20,857,495	P 38,484,486,353	P 38,660,439,174

Depreciation and amortization	23,937,854	24,000	791,130,108	815,091,962
Interest expense	8,676,193	4,189,854	604,051,527	616,917,574
Other expenses (income)	-	50,613,840	-	50,613,840
Inter-segment	-	-	-	-
Total expenses	<u>P 187,709,373</u>	<u>P 75,685,189</u>	<u>P 39,879,667,988</u>	<u>P 40,143,062,550</u>
Profit (loss) before tax	<u>(P 37,064,595)</u>	<u>P 32,993,064</u>	<u>P 320,870,152</u>	<u>P 316,798,621</u>
Net profit (loss)	<u>(P 30,122,055)</u>	<u>P 26,705,947</u>	<u>P 236,153,671</u>	<u>P 232,737,563</u>
Segment Assets	<u>P1,643,347,804</u>	<u>P 9,280,145,341</u>	<u>P 21,972,098,393</u>	<u>P32,895,591,537</u>
Segment Liabilities	<u>P1,489,957,508</u>	<u>P 1,350,781,017</u>	<u>P 16,936,508,894</u>	<u>P19,777,247,419</u>
Capital expenditures	<u>P 7,135,363</u>	<u>-</u>	<u>P 985,692,679</u>	<u>P 992,828,042</u>

Currently, the Group's operation has two geographical segments: London, England for the motor dealership segment and all other segments are in the Philippines.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Cash on hand and in banks	<u>P 1,365,943,793</u>	<u>P 1,481,368,682</u>
Short-term placement	<u>-</u>	<u>-</u>
	<u>P 1,365,943,793</u>	<u>P 1,481,368,682</u>

Cash in banks generally earn interest based on daily bank deposit rates.

6. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Deposits	<u>P 2,768,540,280</u>	<u>P 2,936,201,937</u>
Trade receivables	<u>972,399,876</u>	<u>897,097,637</u>
Manufacturer's bonuses	<u>183,708,491</u>	<u>167,216,999</u>
Payments for future acquisition of investments	<u>347,096</u>	<u>343,152</u>
Advances to officers and employees	<u>222,964</u>	<u>230,183</u>
Due from related party	<u>40,000,000</u>	<u>24,209,996</u>
Other receivables	<u>2,611,610</u>	<u>216,258,057</u>
	<u>3,967,830,317</u>	<u>4,241,557,961</u>
Allowance for impairment	<u>(14,865,071)</u>	<u>(17,059,441)</u>
	<u>P 3,952,965,246</u>	<u>P 4,224,498,520</u>

Trade receivables are usually due within 30 to 60 days and do not bear any interest. Deposits represent amounts provided to a foreign asset management firm engaged in the business of general trading and financing services.

Payments for future acquisition of investments represent deposits made to foreign parties for future acquisition of investment securities. These include deposits made to Inter-Pacific Securities Sdn Berhad (IPSSB), a related party under common ownership who acts as stockbroker of the Parent Company.

Other receivables include outstanding warranty claims, finance commissions and interest income.

7. INVENTORIES

The compositions of this account are shown below.

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
At cost:		
Vehicles	P 5,380,566,554	P 3,823,837,427
Parts and components	301,069,224	313,915,915
Hotel supplies	<u>3,938,623</u>	<u>4,236,637</u>
	<u>5,685,574,401</u>	<u>4,141,989,979</u>
At net realizable value:		
Vehicles	1,609,107,312	2,289,360,756
Parts and components	<u>60,970,823</u>	<u>64,134,448</u>
	1,670,078,135	2,353,495,204
Allowance for inventory write down	(<u>307,447,399</u>)	(<u>348,511,101</u>)
	<u>1,362,630,736</u>	<u>2,004,984,103</u>
	<u>P 7,048,205,138</u>	<u>P 6,146,974,082</u>

Certain vehicles are carried at net realizable value which is lower than their cost. An analysis of the movements in allowance for inventory write down is presented below.

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Balance at beginning of year	P 348,511,101	P 246,854,344
Write-off during the year	(369,978,648)	(455,368,785)
Additional provision during the year	329,952,619	519,394,658
Translation adjustment	<u>(1,037,673)</u>	<u>37,630,884</u>
Balance at end of year	<u>P 307,447,399</u>	<u>P 348,511,101</u>

8. PREPAYMENTS AND OTHER CURRENT ASSETS

The details of this account are as follows:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Current:		
Prepaid expenses	797,900,568	210,080,021
Prepaid taxes	1,074,577	316,261,056
Input VAT	106,091,597	104,399,047
Advances to suppliers	37,399,109	20,299,282
Creditable withholding tax	9,077,832	8,320,639
Refundable deposits	5,827,739	4,084,217
Vat Recoverable	2,612,624	303,754,601
Deferred input VAT	-	2,508,774
Other current assets	-	-
	<u>P 959,984,060</u>	<u>P 969,707,637</u>
Non-current:		
Refundable deposits	855,019	726,455
Deferred input VAT	-	-
	<u>855,019</u>	<u>726,455</u>
	<u>P 960,839,079</u>	<u>P 970,434,092</u>

VAT recoverable pertains to the excess of input tax over output tax on sale of vehicles which the Group can reclaim under the tax laws in the United Kingdom (UK).

Prepaid expenses include subscriptions, refurbishment costs, maintenance expenses, license and support arrangements, insurance, and advertising which are expected to be realized in the next reporting period.

Advances to suppliers pertain to advances for supplies on the hotel and service vehicle operations, which are expected to be realized in the next reporting period.

The advance payment for the land acquisition pertains to disbursements made to a third party agent for the acquisition of land for the development of multi-franchise site and head office in United Kingdom. As of March 31, 2025 and June 30, 2024, the Group and the third party agent have executed a contract conditional on planning permission.

9. INVESTMENT SECURITIES

This account consists of the following financial assets:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Equity securities:		
Quoted	P 413,919,639	P 418,775,305
Unquoted	<u>385,502,956</u>	<u>381,348,461</u>
	<u>P 799,422,595</u>	<u>P 800,123,766</u>

The quoted and unquoted equity securities consist of listed foreign shares of stock and investments in shares of stock of foreign privately-held companies, respectively. The fair values of the quoted financial assets have been determined by reference to published prices in an active market. The fair values of unquoted securities have been determined using the discounted cash flow valuation.

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of reporting periods March 31, 2025 and June 30, 2024 are shown below.

	Computers and On-line Lottery Equipment	Building	Building-Others	Transportation Equipment	Workshop Equipment	Office Furniture, Fixtures and Equipment	Hotel and Kitchen Equipment and Utensils/Linens	Leasehold Improvements	Construction in Progress	Land	TOTAL
Mar 31, 2025											
Cost	120,000	720,291,386	3,534,437,222	111,058,468	2,429,265,343	14,373,416	21,205,557	1,138,054,057	812,694,186	740,316,132	9,521,815,766
Accumulated depreciation and amortization	(80,000)	(212,562,049)	(103,007,523)	(35,216,163)	(802,192,040)	(12,427,550)	(15,394,099)	(842,582,391)	-	-	(2,023,461,815)
Net carrying amount	<u>40,000</u>	<u>507,729,337</u>	<u>3,431,429,698</u>	<u>75,842,305</u>	<u>1,627,073,303</u>	<u>1,945,866</u>	<u>5,811,459</u>	<u>295,471,666</u>	<u>812,694,186</u>	<u>740,316,132</u>	<u>7,498,353,951</u>

	Buildings	Transportation Equipment	Workshop Equipment	Office Furniture, Fixtures and Equipment	Hotel and Kitchen Equipment and Utensils	Leasehold Improvements	Land	Sanitary Landfill Cell Area	Construction in Progress	Total
June 30, 2024										
Cost	P 3,715,830,780	P 40,185,445	P 2,450,831,605	P 14,223,837	P 20,374,633	P 1,033,606,529	P 742,342,855	P 96,159,261	P 775,519,880	P 8,898,074,825
Accumulated depreciation and amortization	(271,801,976)	(19,049,698)	(621,302,569)	(12,659,189)	(14,312,622)	(772,519,772)	-	(974,711)	-	(1,711,820,537)
Net carrying amount	<u>P 3,444,028,804</u>	<u>P 30,135,747</u>	<u>P 1,829,529,036</u>	<u>P 2,164,648</u>	<u>P 6,062,011</u>	<u>P 261,286,757</u>	<u>P 742,342,855</u>	<u>P 95,184,550</u>	<u>P 775,519,880</u>	<u>P 7,186,254,288</u>

11. INVESTMENT PROPERTY

In 2017, the Group acquired certain residential property amounting to 2,218,235 GBP (about P132,720,106), which is classified by the Group as investment property.

In 2018, the Group ceased to occupy and leased out a property with a carrying amount of 3,581,690 GBP (about P256,346,568) that have been previously classified as Buildings under Property and Equipment account in the consolidated statements of financial position (see Note 10). The property was revalued to fair value of 4,125,000GBP (about P295,232,025) at the date of transfer and the Group recognized gain, net of related deferred tax, amounting to 450,948 GBP (about P32,274,979) which is presented under Other Comprehensive Income (Loss) in the April 30, 2018 consolidated statement of comprehensive income. In 2020, the Group sold the said reclassified property at a sales price of 5,800,000 GBP (around P366,007,260). The Group recognized gain amounting to 1,675,000 GBP (around P108,442,683), which is presented as Gain on Sale of Investment Property in the 2020 consolidated statement of comprehensive income. The revaluation reserve resulting from the reclassification of the property in 2018 from Property and Equipment account to Investment Property account was subsequently transferred to Retained Earnings.

The translated amount of investment property as at March 31, 2025 and June 30, 2024 amounted to P205,488,305 and P215,912,221, respectively.

12. LEASES

The Group has a lease for a certain land and building. The lease is reflected separately on the consolidated statement of financial position as Right-of-use Asset and Lease Liability. The depreciation expense relating to right-of-use assets is presented as part of Depreciation and amortization under costs and operating expenses in the 2024 consolidated statement of comprehensive income.

The table below describes the nature of the Group's leasing activities by type of right-of-use assets recognized in the consolidated statement of financial position.

	Number of right-of-use assets leased	Range of remaining term	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
Land	1	39 years	40 years	1	-
Building	21	1 to 20 years	7 years	-	6

The carrying amounts of the Group's right-of-use assets and the movements during the period March 31, 2025 and June 30, 2024 are shown below.

		<u>Land</u>		<u>Building</u>		<u>Total</u>
Balance at July 1, 2024	P	84,520,245	P	2,299,449,998	P	2,383,970,243
Effect of PFRS 16 adoption		-		-		-
Additions		-		301,780,873		301,780,873
Translation adjustment		-	(	34,191,646)	(	34,191,646)

Amortization	(<u>1,769,029</u>)	(<u>285,669,462</u>)	(<u>287,438,491</u>)
Balance at March 31, 2025	<u>P 82,751,216</u>	<u>P 2,281,369,763</u>	<u>P 2,364,120,979</u>

June 30, 2024

	<u>Land</u>	<u>Building</u>	<u>Total</u>
Balance at July 1, 2023	P 86,878,950	P 2,137,190,250	P 2,224,069,200
Remeasurement	-	402,313,919	402,313,919
Amortization	(2,358,704)	(355,719,246)	(358,077,952)
Additions	-	136,004,483	136,004,483
Translation adjustment	-	126,111,250	126,111,250
Reclassification	-	(78,222,716)	(78,222,716)
Termination	<u>-</u>	<u>(68,227,941)</u>	<u>(68,227,941)</u>
Net carrying amount	<u>P 84,520,244</u>	<u>P 2,299,449,999</u>	<u>P 2,383,970,243</u>

Lease liabilities are presented in the consolidated statement of financial position as at March 31, 2025 and June 30, 2024 as follows:

	<u>March 31, 2025</u> <u>(Unaudited)</u>	<u>June 30, 2024</u> <u>(Audited)</u>
Current	<u>P 269,298,050</u>	P 306,766,213
Non-current	<u>2,299,102,867</u>	<u>2,244,403,343</u>
	<u>P2,568,400,917</u>	<u>P 2,551,169,556</u>

13. INVESTMENTS IN AND ADVANCES TO ASSOCIATES AND NON-CONTROLLING INTEREST

These investments are accounted for under the equity method in the consolidated financial statements of the Group:

Mar. 31, 2025	PLPI	BPPI	BAPI	CPI	SBMPI	NPI	CBFC	PGMC	VideoDoc	BAAI	Total
Investment:											
Acquisition costs:											
Beginning balance	P 40,000	P 180,400	P 203,896	P 400	P 43,335	P 82,283	P 162,500	P 454,880	P 120,373	P 37,890	1,325,958
Reclassification	-	-	-	-	-	-	-	-	-	P -	-
Additional investment	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	-	-	-	-
	<u>40,000</u>	<u>180,400</u>	<u>203,896</u>	<u>400</u>	<u>43,335</u>	<u>82,283</u>	<u>162,500</u>	<u>454,880</u>	<u>120,373</u>	<u>37,890</u>	<u>1,325,958</u>
Deduction of interest in associate —											
Loss on deemed disposal	-	-	(149,988)	-	-	-	-	-	-	-	(149,988)
Dividend received in prior years	-	-	-	-	-	-	-	(8,000)	-	-	(8,000)
Dividend received in prior years	-	-	(70,700)	-	-	-	-	(164,000)	-	-	(234,700)
Dividend received during the year	-	-	-	-	-	-	-	(80,000)	-	-	(80,000)
Accumulated equity share in net profit (losses):											
Share in net profit	157,127	(180,400)	686,249	(400)	(37,751)	(63,085)	(43,046)	P 283,928	(58,058)	(6,173)	738,390
(losses) in prior years	-	-	-	-	-	-	-	-	-	-	-
Share in net profit	(2,786)	-	86,027	-	-	(13,512)	(3,737)	21,001	-	(7,049)	79,944
(losses) during the year	-	-	-	-	-	-	-	-	-	-	-
Share in other comprehensive income during the year	-	-	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	-	-	-	-
	<u>154,341</u>	<u>(180,400)</u>	<u>772,276</u>	<u>(400)</u>	<u>(37,751)</u>	<u>(76,597)</u>	<u>(46,783)</u>	<u>P 304,928</u>	<u>(58,058)</u>	<u>(13,221)</u>	<u>818,334</u>
Total investments in associates	194,341	-	755,484	-	5,584	5,686	115,717	507,808	62,315	24,669	1,671,604
Less: Impairment of Investment	-	-	-	-	(5,584)	-	-	-	(62,315)	-	(67,899)
	<u>194,341</u>	<u>-</u>	<u>755,484</u>	<u>-</u>	<u>(0)</u>	<u>5,686</u>	<u>115,717</u>	<u>507,808</u>	<u>-</u>	<u>24,669</u>	<u>1,603,704</u>
Advances to associates	493,804	563,176	-	-	-	1,277,683	-	-	-	-	2,334,663
Less: Impairment of Investment	-	(237,887)	-	-	-	-	-	-	-	-	(237,887)
	<u>493,804</u>	<u>325,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,277,683</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,096,776</u>
	P 688,145	P 325,288	P 755,484	-	(0)	P 1,283,369	P 115,717	P 507,808	-	P 24,669	P 3,700,480

Note	PLPI	BPPI	BAPI	PGMC	CPI	SBMPI	NPI	BAAI	CBFC	VideoDoc	Total
June 30, 2024											
Investment:											
Acquisition costs:											
Beginning balance	P 40,000	P 180,400	P 203,896	P 454,880	P 400	P 43,335	P 82,283	P 37,890	P 162,500	P 120,373	P 1,325,957
Deduction of interest in associate in prior years	-	-	(149,987)	-	-	-	-	-	-	-	(149,987)
Dividends:											
Dividends received in current year	-	-	-	(8,000)	-	-	-	-	-	-	(8,000)
Dividends received in prior years	-	-	(70,700)	(164,000)	-	-	-	-	-	-	(234,700)
	<u>-</u>	<u>-</u>	<u>(70,700)</u>	<u>(172,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(242,700)</u>
Accumulated equity share in comprehensive income (loss):											
Share in comprehensive income	146,666	(180,400)	527,366	279,236	(400)	(37,751)	(53,715)	(4,046)	(42,130)	(58,058)	576,769
(losses) in prior years	-	-	-	-	-	-	-	-	-	-	-
Share in net profit	10,461	-	158,760	4,019	-	-	(9,847)	(2,120)	(916)	-	160,357
(losses) during the year	-	-	-	-	-	-	-	-	-	-	-
Share in other comprehensive losses during the year	-	-	122	672	-	-	477	(6)	-	-	1,265
	<u>157,127</u>	<u>(180,400)</u>	<u>686,248</u>	<u>283,927</u>	<u>(400)</u>	<u>(37,751)</u>	<u>(63,085)</u>	<u>(6,172)</u>	<u>(43,046)</u>	<u>(58,058)</u>	<u>738,391</u>
Total investments in associates	197,127	-	669,457	566,807	-	5,584	19,198	31,718	119,454	62,315	1,671,661
Allowance for impairment	-	-	-	-	-	(5,584)	-	-	-	(62,315)	(67,899)
Total investments in associates - net	<u>197,127</u>	<u>-</u>	<u>669,457</u>	<u>566,807</u>	<u>-</u>	<u>-</u>	<u>19,198</u>	<u>31,718</u>	<u>119,454</u>	<u>-</u>	<u>1,603,762</u>
Advances	24.1 479,138	563,141	-	-	-	-	1,239,174	-	-	-	2,281,453
Allowance for impairment	24.1 -	(137,887)	-	-	-	-	-	-	-	-	(137,887)
Advances - net	24.1 <u>479,138</u>	<u>425,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,239,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,143,566</u>
	P 676,265	P 425,254	P 669,457	P 566,807	P -	P -	P 1,258,372	P 31,718	P 119,454	P -	P 3,747,328

14. INTANGIBLE ASSETS

The compositions of this account are shown below.

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Goodwill	P 963,849,247	P 966,487,964
Dealership rights	768,024,099	770,126,699
Customer relationship	<u>118,134,133</u>	<u>133,434,528</u>
	<u>P 1,850,007,479</u>	<u>P 1,870,049,19</u>

15. TRADE AND OTHER PAYABLES, AND PROVISIONS

This account consists of the following:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Current:		
Trade Payables	P 1,839,355,797	P 2,069,094,531
Accrued expenses	624,892,173	799,850,343
Deferred Output VAT	77,363,822	77,470,965
Due to a related party	13,025,805	9,956,621
Withholding taxes payable	602,503	89,705,727
Deferred consideration	55,667,700	50,646,247
Other payables	<u>641,647,443</u>	<u>240,711,974</u>
	<u>P 3,252,555,243</u>	<u>P 3,337,436,408</u>
Non-Current:		
Trade and Other Payables	<u>75,708,072</u>	<u>52,823,230</u>
	<u>P 75,708,072</u>	<u>P 52,823,230</u>

16. LOANS PAYABLE AND BORROWINGS

This account consists of the following:

	<u>March 31, 2025</u> (Unaudited)	<u>June 30, 2024</u> (Audited)
Current		
Vehicle stocking loans	P 6,238,978,797	P 4,813,218,444
Bank loans	87,500,000	213,049,259
Others	<u>-</u>	<u>400,000</u>
	<u>P 6,326,478,797</u>	<u>P 5,026,667,703</u>
Non-current		
Bank loans	2,176,819,936	1,936,274,976
Others	<u>-</u>	<u>1,600,000</u>
	<u>P 8,503,298,733</u>	<u>P 6,964,542,679</u>

17. CARRYING AMOUNTS AND FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

		<u>March 31, 2025</u>		<u>June 30, 2024</u>	
		<u>(Unaudited)</u>		<u>(Audited)</u>	
		<u>Carrying</u>	<u>Fair</u>	<u>Carrying</u>	<u>Fair</u>
		<u>Values</u>	<u>Values</u>	<u>Values</u>	<u>Values</u>
Financial Assets					
Loans and receivables:					
Cash and cash equivalents	5	P 1,365,943,793	P1,365,943,793	P 1,481,368,682	P 1,481,368,682
Trade and other receivables - net	6	3,744,121,826	3,744,121,826	4,007,667,128	4,007,667,128
Advances to associates - net	13	2,096,775,714	2,096,775,714	2,143,565,187	2,143,565,187
Refundable deposits- current	8	<u>6,683,180</u>	<u>6,683,180</u>	<u>4,810,672</u>	<u>4,810,672</u>
		<u>P7,213,524,513</u>	<u>P7,213,524,513</u>	<u>P 7,637,411,669</u>	<u>P7,637,411,669</u>
Financial assets at FVTPL	9	<u>P -</u>	<u>P -</u>	<u>P -</u>	<u>P -</u>
Financial assets at FVOCI	9	<u>P 799,422,595</u>	<u>P 799,422,595</u>	<u>P 800,123,766</u>	<u>P 800,123,766</u>
Financial Liabilities					
Financial liabilities at amortized cost:					
Loans payable and borrowings	16	P 8,503,298,733	P8,503,298,733	P 6,964,542,679	P6,815,635,569
Trade and other payables	15	2,627,663,070	2,627,663,070	2,369,286,900	2,369,286,900
Advances from related party	12	<u>13, 025,805</u>	<u>13, 025,805</u>	<u>983,986,121</u>	<u>935,830,909</u>
		<u>P 11,143,987,608</u>	<u>P 11,143,987,608</u>	<u>P10,317,815,700</u>	<u>P10,120,753,378</u>

ANNEX "B"

BERJAYA PHILIPPINES, INC. AND SUBSIDIARIES
(Formerly Prime Gaming Philippines, Inc. and Subsidiaries)
[A Subsidiary of Berjaya Lottery Management (HK) Limited]

1 Aging of Accounts Receivables as of 31 March 2025

Type of Accounts Receivables	Neither Past Due nor Impaired	Past Due not Impaired			Past Due Accts & Items in Litigation	Total
		61-90 days	91-120 days	Over 180 days		
	(Peso)		(Peso)	(Peso)	(Peso)	(Peso)
a <u>Trade Receivables</u>						
1) PCSO	-	-	-	-	-	-
2) Guest/City Ledger	1,775,839	155,386	110,990	177,584	-	2,219,798
3) Vehicle Debtor	517,938,982	94,170,724	141,256,086	188,341,448	-	941,707,241
3) Others	-	-	-	-	-	-
Subtotal	519,714,821	94,326,110	141,367,076	188,519,032	-	943,927,039
Less: Allow. For Doubtful Acct.	-	-	-	-	-	-
Net Trade receivable	519,714,821	94,326,110	141,367,076	188,519,032	-	943,927,039
b <u>Non - Trade Receivables</u>						
1) Deposits	2,768,540,281	-	-	-	-	2,768,540,281
2) Payment for future acquisition of inv	40,565,846	-	-	-	-	40,565,846
3) Other Receivables	31,088,660	-	-	-	-	31,088,660
	-	-	-	-	-	-
Subtotal	2,840,194,787	-	-	-	-	2,840,194,787
Less: Allow. For Doubtful Acct.	-	-	-	-	-	-
Net Non - trade receivable	2,840,194,787	-	-	-	-	2,840,194,787
Net Receivables (a + b)	3,359,909,608	94,326,110	141,367,076	188,519,032	-	3,784,121,826

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Notes:

OK

If the Company's collection period does not match with the above schedule, a revision is necessary to make the schedule not misleading.
The proposed collection period in this schedule may be changed to appropriately reflect the Company's actual collection period.

2 Accounts Receivable Description

Type of Receivables	Nature/Description	Collection/Liquidation Period
Trade Receivables		
1) PCSO	gross receipt from lottery ticket sales	30-60 days
2) Guest/City Ledger	rooms revenue and sale of food and beverages	30-60 days
3) Vehicle Debtor	sale of vehicles, parts and accessories and servicing and body shop sales	30-60 days
Notes:		
To indicate a brief description of the nature and collection period of each receivable accounts with major balances or separate receivable captions, both the trade and non - trade accounts.		

3 Normal Operating Cycle:

365 days

BERJAYA PHILIPPINES INC. AND SUBSIDIARIES
9th Floor, Rufino Pacific Tower
6784 Ayala Avenue, Makati City

Financial Indicators
March 31, 2025

Financial Indicators	Computation		Ratios		Computation	Ratios
	March 2025	March 2024	March 2025	March 2024	June 2024	June 2024
Quick ratio						
Cash and cash equivalents +	1,365,943,793	760,381,320			4,257,488,323	
Financial asset at fair value through profit or loss	-	-			-	
Trade and other receivables - net +	3,784,121,826	4,148,921,283			1,424,834,111	
Advances to associates	2,096,775,714	2,176,004,191	0.55	0.60	2,143,565,189	0.61
Total Current Liabilities	13,245,625,388	11,887,128,816			12,788,084,796	
Current/liquidity ratio						
Total Current Assets	15,423,873,953	13,812,209,982	1.16	1.16	14,966,114,109	1.17
Total Current Liabilities	13,245,625,388	11,887,128,816			12,788,084,796	
Debt-to-equity ratio						
Total Liabilities	18,828,786,619	16,940,269,859	1.64	1.52	18,076,513,952	1.57
Total Equity	11,482,910,382	11,112,314,531			11,517,530,557	
Debt-to-assets ratio						
Total Liabilities	18,828,786,619	16,940,269,859	0.62	0.60	18,076,513,952	0.61
Total Assets	30,311,696,998	28,052,584,390			29,594,044,510	
Equity-to-assets ratio						
Total Equity	11,482,910,382	11,112,314,531	0.38	0.40	11,517,530,557	0.39
Total Assets	30,311,696,998	28,052,584,390			29,594,044,510	
Annualized PPE Turnover						
Net Revenue	31,454,627,735	28,085,174,492	10.88	10.12	39,926,994,875	14.45
PPE	7,498,353,892	6,964,015,275			7,186,254,288	
Annualized Return on assets						
Net Profit	(12,263,346)	81,886,990	-0.10%	0.73%	224,737,562	1.98%
Total Assets	30,311,696,998	28,052,584,390			29,594,044,510	
Annualized Return on equity						
Net Profit	(12,263,346)	81,886,990	-0.28%	1.85%	224,737,562	5.08%
Total Equity	11,482,910,382	11,112,314,531			11,517,530,557	
Annualized	2.59	2.51			2.60	
Earnings per share						
Net Profit Attributable to Owners of the Parent Company	(14,830,211)	79,384,273	0.00	0.02	219,623,440	0.05
Weighted Average Number of Outstanding Common Shares	4,341,280,693	4,341,280,693			4,341,280,693	