Arvin G. Aquino

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Sent: Thursday, August 14, 2025 1:35 PM
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Greetings!

SEC Registration No: PW00000937
Company Name: EEI CORPORATION
Document Code: SEC_Form_17-Q

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1. General Information Sheet (GIS-Stock)
2. General Information Sheet (GIS-Non-stock)
3. General Information Sheet (GIS- Foreign stock & non-stock)
4. Broker Dealer Financial Statements (BDFS)
5. Financing Company Financial Statements (FCFS)
6. Investment Houses Financial Statements (IHFS)
7. Publicly – Held Company Financial Statement
8. General Form for Financial Statements
9. Financing Companies Interim Financial Statements (FCIF)
10. Lending Companies Interim Financial Statements (LCIF)

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SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue,

Salcedo Village, Barangay Bel-Air, Makati City,
1209, Metro Manila, Philippines

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COVER SHEET

SEC Registration Number

P	W	-	9	3	7						

Company Name

EEI CORPORATION AND SUBSIDIARIES

Principal Office (No./Street/Barangay/City/Town/Province)

No. 12 Manggahan Street, Bagumbayan, Quezon City

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-Q		

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
eeicenter@eei.com.ph	8-334-2677	+63966-896-4342

No. of Stockholders	Annual Meeting (Month/Day)	Fiscal Year (Month/Day)
3,088	Every Third Friday of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Atty. Iannoel V. Mondragon	ivmondragon@eei.com.ph	8-334-2677	N/A

Contact Person's Address

No. 12 Manggahan St., Bagumbayan, Quezon City, Metro Manila, Philippines

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

SEC FORM 17-Q

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

1. For the quarterly period ended **June 30, 2025**

2. Commission identification number **937**

3. BIR tax identification number **000-391-438-000**

4. Exact name of issuer as specified in its charter - **EEI Corporation**

5. Province, country or other jurisdiction of incorporation or organization - **Quezon City, Philippines**

6. Industry Classification Code (SEC use only)

7. Address of issuer's principal office/Postal code
No. 12 Manggahan St., Bagumbayan, Quezon City 1110

8. Issuer's telephone number, including area code
(02) 8334-26-77

9. Former name, former address and former fiscal year, if changed since last report
Not Applicable

10. Securities Registered pursuant to Sections 4 and 8 of the RSA

<u>**Title of each class**</u> <u>**Number of shares outstanding**</u>

	No. of Shares	Amount
Common shares ₱1.00 par value		
Authorized	2,000,000,000	2,000,000,000
Issued and outstanding	1,036,281,485	1,036,281,485
Preferred Shares ₱0.50 par value		
Authorized	240,000,000	120,000,000
Issued and outstanding		
Series B	45,000,000	22,500,000
Series C	20,000,000	10,000,000
Series D	60,000,000	30,000,000

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

Yes[x] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:
<u>Philippine Stock Exchange, Inc.</u> <u>Common and Preferred Shares</u>

12. Indicate by check mark whether the registrant:

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

Yes[x] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.
Yes[x] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

The Interim Condensed Consolidated Financial Statements of EEI Corporation and Subsidiaries (collectively, "the Group") as of June 30, 2025 with comparative figures for the period ended June 30, 2024 and as of December 31, 2024, Supplementary Information and Disclosures Required under Revised SRC Rule No. 68 and Schedule of Aging of Accounts Receivable are presented as **Exhibit 1.**

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*A. **Results of Operations***

In the second quarter of 2025, EEI completed three projects and acquired eight new ones in addition to its 57 current projects.

For the period in review, the Group's consolidated revenues reached ₱7.58 billion which was 7% lower compared to the same period last year. This resulted in an overall gross profit of ₱1.10 billion, down 3% from last year's ₱1.13 billion. Revenues from domestic construction contracts increased by ₱176.19 million (3%), primarily driven by production from newly awarded projects. This segment generated a gross profit of ₱1.01 billion for the first half, compared to ₱911.79 million in the same period last year. Meanwhile, revenues from services declined by ₱746.27 million (53%), largely due to reduced trading and service activities of EEI Energy Solutions Corporation, a wholly owned subsidiary of EEI Power Corporation, following the conclusion of contracts with various customers. Correspondingly, gross profit from services dropped from ₱191.29 million to ₱74.76 million. Revenue from merchandise sales decreased by ₱24.23 million (19%), attributed to lower output from EEI Business Solutions, Inc. (EBSI), which is currently realigning its product line to better support the construction sector and exploring opportunities outside the Group. Gross profit from merchandise sales declined from ₱16.87 million to ₱9.89 million. Additionally, gross profit from real estate sales decreased from ₱6.19 million to ₱1.96 million.

For the period in review, EEI registered a ₱47.62 million equity in net earnings of associates and joint ventures, compared to ₱91.88 million equity share in losses during the first half of last year.

Meanwhile, the Company's selling and administrative expenses remained relatively stable at ₱672.37 million from ₱676.98 in the same period last year.

Financing costs were 4% higher in the first half of 2025 compared to the same period in 2024 due to increase in outstanding loan balances and higher interest rates.

Other income for the first half of 2025 was significantly lower at ₱33.61 million, compared to ₱255.01 million in the same period last year, which had included gains from asset and property disposals.

The Group registered a consolidated net income of ₱23.28 million for the period ended June 30 2025.

At the end of the second quarter of 2025, the Company's unworked portion of existing contracts remains strong at ₱24.20 billion. In addition, the Company has been preparing for a robust inflow of additional projects that it expects to secure within the next quarters of 2025.

B. ***Financial Position***

The Group's consolidated assets increased to ₱39.71 billion, compared to ₱36.65 billion as of December 31, 2024.

The Group's cash balance declined by ₱2.99 billion or 49%, ending at ₱3.06 billion. This is after the proceeds from preferred shares issuance in December 2024 were used for various investing and working capital requirements.

Inventory levels rose by ₱172.84 million or 16%, driven mainly by increased procurement of construction materials for key projects.

Other current assets increased by ₱1.32 billion or 97%, driven by advances to suppliers and subcontractors, refundable deposits for various activities and prepaid expenses related to consultancy, insurance, and software services.

Investments in associates and joint ventures decreased from ₱914.8 million as of December 31, 2024 to ₱234.7 million as of June 30, 2025 after EEI Ltd. sold 30% of its stake in ARCC. With the remaining 19%, EEI Ltd. lost its significant influence, thereby warranting the reclassification of the balance to equity investments at fair value through other comprehensive income (FVOCI).

The Group recorded a right-of-use asset amounting to ₱352 million and a corresponding lease liability of the same amount for the new office space leased in RCBC Plaza.

Total contract assets decreased by ₱1.48 billion, reflecting progress billings on ongoing and completed projects. Total contract liabilities also declined by ₱765.4 million, due to the recoupment of downpayments against actual production.

Noncurrent assets increased by ₱5.46 billion, mainly attributable to deposits for future investments. Upon fulfillment of conditions precedent, these deposits will be reclassified to appropriate investment accounts.

Total loans increased by ₱4.49 billion, reaching ₱17.38 billion, driven by new short-term borrowings from multiple banks, partially offset by repayments of long-term loans.

Capital stock and additional paid-in capital decreased by ₱1.5 billion, reflecting the redemption of Series A preferred shares.

Retained earnings declined from a deficit of ₱106.8 million in December 2024 to ₱576.8 million in June 2025, primarily due to dividend declarations of ₱491.9 million. Despite the negative consolidated retained earnings, EEI Corporation maintains ₱1.5 billion in retained earnings available for future dividend declarations.

The Group concluded the second quarter of 2025 with total consolidated equity of ₱15.45 billion and a book value per share of ₱2.86.

C. ***Operating Highlights***

Newly Awarded Projects

Infrastructure

- SCRP CPS-07 Underpass Work Package
- SCRP7 Earthworks
- MMSP PRI Ancillary Building

Steel Fabrication

- Seatrium Subic Shipyard, Inc. Various Packages Project

Ongoing Projects

Buildings

- The Estate Makati
- Megaworld's Arcovia Palazzo 3 Towers Residential
- Megaworld's 18th Avenue de Triomphe
- Megaworld's Manhattan Plaza Tower 3 (Laurent Park)
- Federal Land's Four Seasons Riviera
- Federal Land's Seasons Residences
- Federal Land's Grand Midori Ortigas
- Cyberzone Properties' Cebu Cyberzone
- Cebu Landmasters' The Masters Tower Project
- San Lorenzo Luis Investment and Holdings, Inc. - The Yuchengco Centre Phase 1, Phase 2A and Phase 2B (Architectural Works)
- SMDC's Glam Residences
- SMDC's Light Residences Phase 1, Phase 2 and Architectural
- SMDC's Ice Tower Residential
- SMDC's Sands Residences
- SMDC's Jade Residences
- Filinvest Alabang Inc. – Two Botanika Nature Residences
- Megaworld's Manhattan Plaza Tower 3 (Laurent Park)
- Mapua Malayan Colleges Laguna – Da Vinci Building
- Torre Lorenzo Loyola Tower 2 (West Tower) & Tower 3 (Gallery)

Infrastructure

- Metro Manila Subway Project - Temporary Yard Development & Piling Work for Depot LS
- Metro Manila Subway Project – Demolition Works for North Avenue Station, Quirino Highway Station, Tandang Sora and Depot
- Metro Manila Subway Project Phase 1 Contract Package 101 – Tunnel Boring Machine Manpower Supply (TBM 1 & 2)
- MMSP Tunnel Boring Machine (TBM 3 and 4) Manpower Supply
- MMSP: Construction of ESB and GEB with STP for PRI Building
- SFTE JV – MMSP CP101 – Construction of Light Repair Shop at Depot
- MCRP CPN 04 - RC Works Viaduct (Area 1) and Underground Structures
- MCRP CPN-05: Construction of the GRS Retaining/Perimeter Wall, Integral Bridge Structural
- MCRP CP N-04 Viaduct Works Area 2
- Malolos-Clark Railway Project CP N-02 Combined Offer for San Fernando (Concreting and Structural Steel Works)
- Malolos Clark Railway Project CPN 04 (JV Portion with ACCIONA)
- Malolos-Clark Railway Project (MCPR) CP N-05 (Site Clearing and Earthworks Package #1)

- Malolos Clark Railway Project CPN 04 (EEI-JV – Anchor Bolts and Steel Structure Platform at CIA Station)
- Construction of CAVITEX-CALAX Link (Segment 4 Extension Project)
- NIA - Lebak Integrated Irrigation Project
- NIA - UPI Irrigation Project
- NIA - Ambal River Irrigation Project
- NIA – Design and Build of Lopez Project
- MMSP CP 101 Depot Valenzuela

Electromechanical
- Capitol Steel Corp - Rolling Mill
- 3x425MW Batangas Combined Cycle Power Plant
- Silangan Copper and Gold Mining Project
- Nabas 2 Wind Power Project – Remaining 3 WTGs
- JTI Renovation Project – Diet Plant
- Dyson's Project Alkaline
- Analog Devices Gen Trias, Inc. – Building 4 Extension Project: Package 1

D. Outlook

Domestically, EEI expects revenue growth in its construction segment to be largely driven by infrastructure projects under the Philippine Government's Build Better More program. The company also expects to substantially grow its domestic backlog in this year.

To strengthen systems and processes in preparation for the anticipated increase in projects in 2025, the Company has embarked on the implementation of a new Enterprise Resource Planning (ERP) system tailored to meet the evolving demands of construction operations. The system will embed best practices around project controls, integrate the data and processes of all departments, digitize workflows, improve project health visibility, and most importantly, provide teams with data driven decision making capabilities that are critical to running projects successfully. The ERP implementation program which began in the last quarter of 2024 will be completed this 2025.

Internationally, Al Rushaid Construction Company (ARCC) welcomed a new strategic partner which reduced EEI Limited's interest in the Saudi Arabian joint venture company. EEI Limited, a wholly owned subsidiary of EEI, is a limited liability company registered under the laws of the British Virgin Islands. It holds interests in various other subsidiaries including ARCC.

Additionally, EEI's executive team is committed to advancing its portfolio of non-construction ventures, with a particular focus on real estate and energy. The team anticipates gaining significant momentum in launching these new initiatives this 2025.

E. Key Performance Indicators

The most significant key indicators of future performance of the Group are the following:

1. **Construction contracts and orders** – denote the value of construction projects won by the Group. Work to be done on these projects determines its revenue potential. In our domestic market, contracts and orders increase during an expansionary period when private business is on an investment mode, with significant capital expenditures allotted for new capacity and expansion and upgrading, and when government is spending for physical infrastructure.

In our overseas markets, orders tend to rise when investors (quasi private/government entities) and corporations invest on new upstream and downstream petroleum facilities and new power and mining facilities. This usually happens during a period of prolonged high price of oil or basic metals/minerals which encourages capacity expansion projects and spurs new infrastructure projects in the host countries. The regime of high petroleum and metal prices in the past has spurred increased construction activities in the Middle East, East Asia and Africa. But when the price of oil and precious metals go down, projects for expansion are sometimes put on hold.

2. **Production** – represents the value of construction work accomplished by the Group during the period in review. It is synonymous to sales revenue since these are recognized at the value corresponding to the percentage of completion of the projects and orders. Production is determined through the Group's efforts or inputs towards satisfying the performance obligation relative to the total expected efforts or inputs to complete the performance obligation. Wherein, total inputs correspond to costs incurred as of to date. These translate to better financial performance.

3. **Orders backlog** – corresponds to the value of unfinished portions of projects; thus providing a measure of the near-term future source of production and revenues of the Group. Backlog has a tendency to increase during times when private companies (both local and foreign) are on an expansionary cycle, as they undertake capital expansion and/or modernization of their respective factories and plants. It also occurs when national and local government is on a pump priming mode of investing on infrastructure. Bigger backlog means a probability of higher profit in the future.

4. **Liquidity** – refers to existing cash and cash resources and the capability of the Group to quickly draw financial resources (such as working capital and other credit lines) to fund operations and construction activities. This ability to deploy financial resources is critical in fulfilling its contract obligations and ensuring the operational and financial viability of the Group.

F. Market Information

Quarterly high, low and closing prices of the Parent Company shares are as follows:

1st Quarter 2025	High	Low	Close
Common Shares	**4.45**	**2.98**	**3.47**
Preferred Shares – Series A	**99.00**	**90.60**	**97.00**
Preferred Shares – Series B	**99.00**	**90.00**	**95.50**
2nd Quarter 2025			
Common Shares	**3.50**	**2.90**	**2.90**
Preferred Shares – Series B	**97.00**	**84.00**	**94.50**

2024	High	Low	Close
Common Shares			
Jan-Mar	6.59	5.20	5.39
Apr-Jun	5.86	4.80	5.05
Jul-Sep	5.20	4.08	4.32
Oct-Dec	4.35	3.18	3.60
Preferred Shares – Series A			
Jan-Mar	100.00	80.00	90.00
Apr-Jun	97.95	86.10	88.20
Jul-Sep	98.95	88.30	94.85
Oct-Dec	99.00	90.10	99.00
Preferred Shares – Series B			
Jan-Mar	99.00	95.00	98.75
Apr-Jun	98.75	85.00	96.00
Jul-Sep	98.50	93.00	97.90
Oct-Dec	98.90	95.00	98.45

G. ***Commitments and Contingencies***

Surety Arrangement and Guarantees

The Group is contingently liable for guarantees arising in the ordinary course of business, including performance, surety and warranty bonds for various construction projects amounting to ₱8.0 billion as at June 30, 2025 and December 31, 2024, respectively.

Standby Letters of Credit

The Group has outstanding irrevocable domestic standby letters of credit amounting to ₱4.4 billion and ₱4.7 billion as at June 30, 2025 and December 31, 2024, respectively, from local banks which are used for bidding and guarantees for down payments received, performance, retention and warranty for its ongoing construction projects. The Group also has outstanding irrevocable foreign standby letters of credit amounting to USD 1.8 million, JPY756.6 million, SGD1.0 million, EU0.2 million and USD 1.8 million, JPY 756.6 million, SGD 1.1 million EU 0.2 million as at June 30, 2025 and December 31, 2024, respectively.

Contingencies

There are pending legal cases against the Group that are being contested by the Group and its legal counsels. The information required by PAS 37, Provisions, Contingent Liabilities and Contingent Assets, is not disclosed until final settlement, on the ground that it might prejudice the Group's position. Management and its legal counsels believe that the final resolutions of these cases will not have a material effect on the consolidated financial position and operating results of the Group.

PART II – OTHER INFORMATION

None

SIGNATURES

Pursuant to the requirements of Section 17 of the SRC, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant – EEI CORPORATION

VIOLY R. ACEVEDO
Chief Financial Officer

JONAS RAPHAEL R. REDUBLO
Financial Controller

Date: August 13, 2025

Exhibit 1

EEI CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2025 (with comparative audited figures as of December 31, 2024)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Cash and cash equivalents (Note 5)	**₱3,056,894,764**	₱6,043,701,729
Receivables - net (Note 6)	**2,697,720,939**	2,645,784,962
Contract assets - net (Note 7)	**9,530,490,821**	9,915,947,297
Inventories (Note 8)	**1,251,185,692**	1,078,343,640
Due from related parties (Note 20)	**171,831,352**	169,263,066
Assets held-for-sale	**36,520,332**	36,520,332
Other current assets (Note 9)	**2,682,630,245**	1,359,020,747
Total Current Assets	**19,427,274,145**	21,248,581,773
Noncurrent Assets		
Contract assets - net of current portion (Note 7)	**3,099,893,782**	4,206,427,698
Investments in associates and joint ventures (Note 10)	**234,722,719**	914,823,910
Equity investments at fair value through other comprehensive income (FVOCI) (Note 11)	**1,502,590,909**	659,890,054
Investment properties	**1,214,295,711**	1,214,295,711
Property and equipment (Note 12)	**4,275,918,476**	4,253,729,153
Right-of-use assets	**665,582,268**	307,898,732
Deferred tax assets – net (Note 19)	**1,245,913,957**	1,252,481,080
Retirement asset	**1,041,845,622**	1,056,661,858
Other noncurrent assets (Note 13)	**7,000,894,590**	1,544,114,285
Total Noncurrent Assets	**20,281,658,034**	15,410,322,481
	₱39,708,932,179	₱ 36,658,904,254
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other current liabilities (Note 14)	**₱4,720,506,172**	₱3,949,076,500
Bank loans (Note 15)	**10,099,700,000**	3,940,000,000
Current portion of long-term debt (Note 16)	**2,630,640,646**	3,364,469,155
Current portion of lease liabilities	**59,726,735**	55,328,263
Current portion of contract liabilities (Note 7)	**1,378,821,989**	2,156,537,356
Income tax payable	**4,878,668**	271,336
Due to related parties (Note 20)	**1,892,479**	1,935,133
Total Current Liabilities	**18,896,166,689**	13,467,617,743
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 16)	**4,649,459,041**	5,582,792,375
Lease liabilities - net of current portion	**513,891,024**	184,710,844
Contract liabilities- net of current portion (Note 7)	**70,870,256**	58,516,232
Other noncurrent liabilities (Note 14)	**127,724,472**	132,035,700
Total Noncurrent Liabilities	**5,361,944,793**	5,958,055,151
Total Liabilities	**24,258,111,482**	19,425,672,894
Equity		
Capital stock (Note 21)	**1,098,901,386**	1,106,401,386
Additional paid-in capital	**12,869,546,998**	14,362,046,998
Treasury stock	**(3,720,790)**	(3,720,790)
Other comprehensive income – net	**2,028,980,301**	1,842,805,366
Retained earnings (Note 22)	**(575,238,946)**	(106,774,680)
	15,418,468,949	17,200,758,280
Non-controlling interests	**32,351,748**	32,473,080
Total Equity	**15,450,820,697**	17,233,231,360
	₱39,708,932,179	₱36,658,904,254

See accompanying Notes to Interim Condensed Financial Statements.

EEI CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME

For the six months ended June 30, 2025 and 2024

	2025		2024	
	Quarter	Six months	Quarter	Six months
REVENUES				
Construction contracts	**₱3,612,484,954**	**₱6,828,255,759**	₱3,341,695,383	₱6,652,064,857
Services	**377,069,755**	**648,834,286**	751,793,831	1,395,106,505
Merchandise sales	**42,112,404**	**100,248,431**	38,109,146	124,475,201
Real estate sales	**-**	**2,878,571**	10,117,785	12,341,714
	4,031,667,113	**7,580,217,047**	4,141,716,145	8,183,988,277
COSTS (Note 17)				
Construction contracts	**2,994,029,238**	**5,819,012,096**	2,863,210,248	5,740,274,784
Services	**325,603,437**	**574,074,108**	645,865,539	1,203,812,095
Merchandise sales	**45,880,279**	**90,355,328**	34,435,031	107,606,103
Real estate sales	**-**	**915,829**	5,045,312	6,145,673
	3,365,512,954	**6,484,357,361**	3,548,556,130	7,057,838,655
GROSS PROFIT	**666,154,159**	**1,095,859,686**	593,160,015	1,126,149,622
EQUITY IN NET EARNINGS (LOSS) OF ASSOCIATES AND JOINT VENTURES (Note 10)	**25,445,833**	**47,623,048**	(122,310,822)	(91,879,323)
SELLING AND ADMINISTRATIVE EXPENSES (Note 18)	**(370,566,245)**	**(672,367,414)**	(361,292,262)	(676,977,473)
FINANCE COST AND OTHER EXPENSES – Net				
Interest expense (Notes 15 and 16)	**(283,929,219)**	**(507,022,542)**	(267,854,938)	(485,501,143)
Foreign exchange gains – net	**1,597,674**	**2,859,775**	6,211,712	758,775
	(282,331,545)	**(504,162,767)**	(261,643,226)	(484,742,368)
INTEREST INCOME	**14,540,073**	**43,197,106**	20,044,430	38,682,560
OTHER INCOME (EXPENSE) – Net	**(19,119,989)**	**33,607,656**	251,613,351	255,014,093
INCOME (LOSS) BEFORE INCOME TAX	**34,122,286**	**43,757,315**	119,571,486	166,247,111
(PROVISION FOR) BENEFIT FROM INCOME TAX (Note 19)				
Current	**45,087,948**	**(13,947,542)**	(75,534,529)	(103,498,028)
Deferred	**(61,897,711)**	**(6,528,12)**	22,644,289	32,431,889
	(16,809,763)	**(20,475,664)**	(52,890,240)	(71,066,139)
CONSOLIDATED NET INCOME (LOSS)	**₱17,312,523**	**₱23,281,651**	₱66,681,246	**₱95,180,972**
Net income (loss) attributable to:				
Equity holders of the Parent Company	**₱18,341,504**	**₱23,402,983**	₱59,766,622	**₱88,419,753**
Noncontrolling interests	**(1,028,981)**	**(121,332)**	6,914,624	6,761,219
	₱17,312,523	**₱23,281,651**	₱66,681,246	**₱95,180,972**
Earnings (Loss) Per Share – Basic and Diluted (Note 24)	**(₱0.1603)**	**(₱0.3340)**	(₱0.0145)	**(₱0.0590)**

See accompanying Notes to Interim Condensed Financial Statements.

EEI CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the six months ended June 30, 2025 and 2024

	2025		2024	
	Quarter	**Six months**	Quarter	Six months
CONSOLIDATED NET INCOME (LOSS)	**₱17,312,523**	**₱23,281,651**	₱66,681,246	₱95,180,972
OTHER COMPREHENSIVE INCOME (LOSS)				
Items not to be reclassified to profit or loss in subsequent periods:				
Fair value change on equity investments at FVOCI (Note 11)	**(982,796)**	**(93,484)**	4,543,504	4,963,196
Remeasurement losses on retirement liability			-	-
Item to be reclassified to profit or loss in subsequent periods:				
Cumulative translation adjustments	**150,137,127**	**186,268,419**	150,502,958	183,813,309
TOTAL COMPREHENSIVE INCOME (LOSS)	**₱166,466,854**	**₱209,456,586**	₱221,727,708	₱283,957,477
Total comprehensive income (loss) attributable to:				
Equity holders of the Parent Company	**₱167,495,835**	**₱209,577,918**	₱220,075,092	₱277,196,258
Non-controlling interests	**(1,028,981)**	**(121,332)**	1,652,616	6,761,219
	₱166,466,854	**₱209,456,586**	₱221,727,708	₱283,957,477

See accompanying Notes to Interim Condensed Financial Statements.

EEI CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended June 30, 2025 and 2024

	Attributable to Equity Holders of the Parent Company										
				Other Comprehensive Income - Net of Deferred Tax Effect							
	Capital Stock (Note 22)	Additional Paid-In Capital	Treasury Stock	Remeasurement Losses on Retirement Liability	Cumulative Translation Adjustments (Note 10)	Fair Value Reserve of Equity Investments at FVOCI (Note 11)	Subtotal	Retained Earnings (Note 23)	Subtotal	Non-controlling Interests	Total
Balances at January 1, 2025	**₱1,106,401,386**	**₱14,362,046,998**	**(₱3,720,790)**	**₱834,578,890**	**₱545,757,350**	**₱462,469,126**	**₱1,842,805,366**	**(₱106,774,679)**	**₱17,200,758,281**	**₱32,473,080**	**₱17,233,231,361**
Redemption of preferred shares A	**(7,500,000)**	**(1,492,500,000)**	–	–	–	–	–	–	**(1,500,000,000)**	–	**(1,500,000,000)**
Net income	–	–	–	–	–	–	–	**23,402,983**	**23,402,983**	**(121,332)**	**23,281,651**
Other comprehensive income	–	–	–	–	**186,268,419**	**(93,484)**	**186,174,935**	–	**186,174,935**	–	**186,174,935**
Total comprehensive income	–	–	–	-	**186,268,419**	**(93,484)**	**186,174,935**	**23,402,983**	**209,577,918**	**(121,332)**	**209,456,586**
Dividends paid	–	–	–	–	–	–	–	**(491,867,250)**	**(491,867,250)**	–	**(491,867,250)**
Balances at June 30, 2025	**₱1,098,901,386**	**₱12,869,546,998**	**(₱3,720,790)**	**₱834,578,890**	**₱732,025,769**	**₱ 462,375,642**	**₱2,028,980,301**	**(₱575,238,946)**	**₱15,418,468,949**	**₱32,351,748**	**₱15,450,820,697**

	Attributable to Equity Holders of the Parent Company										
				Other Comprehensive Income - Net of Deferred Tax Effect							
	Capital Stock (Note 22)	Additional Paid-In Capital	Treasury Stock	Remeasurement Losses on Retirement Liability	Cumulative Translation Adjustments (Note 10)	Fair Value Reserve of Equity Investments at FVOCI (Note 11)	Subtotal	Retained Earnings (Note 23)	Subtotal	Non-controlling Interests	Total
Balances at January 1, 2024	₱1,066,401,386	₱6,402,046,998	(₱3,720,790)	(₱232,831,197)	₱ 580,575,461	₱362,848,998	₱710,593,262	₱4,696,225,201	₱12,871,546,057	₱44,573,560	₱12,916,119,617
Net income	–	–	–	–	–	–	–	88,419,753	88,419,753	6,761,219	95,180,972
Other comprehensive income	–	–	–	-	183,813,309	4,963,196	188,776,505		188,776,505	–	188,776,505
Total comprehensive income	–	–	–	-	183,813,309	4,963,196	188,776,505	88,419,753	277,196,258	6,761,219	283,957,477
Dividends paid	–	–	–	–	–	–	–	(199,367,250)	(199,367,250)	–	(199,367,250)
Balances at June 30, 2024	₱1,066,401,386	₱6,402,046,998	(₱3,720,790)	(₱232,831,197)	₱764,388,770	₱367,812,194	₱899,369,767	₱4,585,277,704	₱12,949,375,065	₱51,334,779	₱13,000,709,844

EEI CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended June 30, 2025 and 2024

	June 30, 2025	June 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (Loss) before income tax	₱43,757,315	₱166,247,111
Adjustments for:		
Interest expense	507,022,542	485,501,143
Depreciation and amortization	207,589,901	233,530,663
Movement in retirement assets and liabilities	14,855,237	54,099,071
Gain on sale of property and equipment	(177,027)	(240,552,872)
Loss on sale of investment	12,600,414	-
Interest income	(43,197,106)	(38,682,560)
Unrealized foreign exchange gains – net	471,465	(732,361)
Withholding tax on share in income from JV	1,654,507	-
Equity in net (earnings) loss of associates	(47,623,048)	91,879,323
Operating income before changes in working capital	696,954,200	751,289,518
Decrease (increase) in:		
Receivables	(51,935,978)	71,855,560
Contract assets	1,491,990,392	(1,188,426,505)
Due from related parties	(2,568,286)	(48,790,621)
Inventories	(172,842,052)	72,679,559
Other current assets	(823,609,498)	(211,774)
Other noncurrent assets	(411,052,400)	(69,141,491)
Increase (decrease) in:		
Due to related parties	(42,653)	113,074
Accounts payable and other current liabilities	760,153,202	(89,826,865)
Contract liabilities	(765,361,343)	101,746,563
Net cash provided by operations	721,685,584	(398,712,982)
Interest received	43,197,106	38,682,560
Interest paid	(500,057,305)	(505,121,185)
Income tax paid	(9,340,210)	(62,898,830)
Net cash flows provided by operating activities	255,485,175	(928,050,437)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property and equipment (Note 12)	179,415,091	14,470,995
Acquisition of property and equipment (Note 12)	(399,572,740)	(196,372,268)
Proceeds from disposal of investment in associates	9,977,864	-
Additional investment in associates and joint ventures	(1,284,233,834)	(1,466,981,965)
Deposits for future investment	(4,215,000,000)	-
Net cash flows used in investing activities	(5,709,413,619)	(1,648,883,238)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availment of:		
Bank loans (Note 15)	9,045,700,000	6,150,000,000
Long-term debt (Note 16)	-	3,510,269,600
Payments of:		
Bank loans (Note 15)	(2,886,000,000)	(4,729,000,000)
Long-term debt (Note 16)	(1,667,161,842)	(1,947,753,407)
Principal portion of lease liabilities	(33,549,428)	(59,709,101)
Redemption of preferred shares	(1,500,000,000)	-
Cash dividends paid	(491,867,250)	(199,367,250)
Net cash flows provided by financing activities	2,467,121,480	2,724,439,842
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,986,806,965)	147,506,167
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	6,043,701,729	2,216,974,593
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 5)	₱3,056,894,764	₱2,364,480,760

EEI CORPORATION AND SUBSIDIARIES
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Authorization for Issuance of Consolidated Financial Statements

EEI Corporation (the Parent Company) is a stock corporation incorporated on April 22, 1931 under the laws of the Philippines. On July 15, 1980, the Parent Company's corporate life was extended for another fifty years starting April 17, 1981. Pursuant to Section 11 of the Revised Corporate Code, the Parent Company now has perpetual existence. Its registered office address is No. 12 Manggahan Street, Bagumbayan, Quezon City.

The Parent Company's shares of stock are publicly traded at the Philippine Stock Exchange (PSE). The principal shareholders holding substantial interests in the Parent Company are HDA Holdings, Inc. (20%), House of Investments (15%), Industry Holdings and Development Corporation (14.346%) and Shenton Resources Pte Ltd (6%).

The Parent Company is engaged in general contracting and construction equipment rental. The Parent Company's subsidiaries, associates and joint ventures are mainly involved in the provision of manpower services, construction, trading of construction equipment and parts, energy retail, steel fabrication, scaffoldings rental, and real estate.

The unaudited interim condensed consolidated financial statements were approved and authorized for issue on August 13, 2025.

2. Basis of Preparation and Statement of Compliance

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for equity investments at FVOCI which have been measured at fair value. The accompanying interim condensed consolidated financial statements are presented in Philippine Peso (₱), which is also the Parent Company's functional currency. Except as indicated, all amounts are rounded off to the nearest Peso.

<u>Statement of Compliance</u>
The interim condensed consolidated financial statements have been prepared in compliance with Philippine Accounting Standards (PAS 34), *Interim Financial Reporting.*

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's audited consolidated financial statements as at December 31, 2024.

The interim condensed consolidated financial statements of the Group have been prepared for filing with the SEC.

<u>Basis of Consolidation</u>

The interim condensed consolidated financial statements as of June 30, 2025 and December 31, 2024 and the period then ended include the Parent Company and the following companies (collectively, the Group) that it controls:

				Percentage of Ownership			
			Functional	June 2025		December 2024	
	Place of Incorporation	Nature of Business	Currency	Direct	Indirect	Direct	Indirect
EEI Limited (formerly EEI BVI Ltd.)	British Virgin Islands	Holding company	US Dollar	100	–	100	–
Clear Jewel Investments, Ltd. (CJIL)	British Virgin Islands	Holding company	US Dollar	–	100	–	100
Nimaridge Investments, Limited	British Virgin Isla ds	Holding company	US Dollar	–	100	–	100
EEI (PNG), Ltd	Papua New Guinea	Holding company	US Dollar	–	100	–	100
EEI Corporation (Guam), Inc.	United States of America	Construction	US Dollar	100	–	100	–
EEI Construction and Marine, Inc.	Philippines	Construction	Philippine Peso	100	–	100	–
EEI Realty Corporation (EEI Realty)	Philippines	Real estate	Philippine Peso	100	–	100	–
EEI Subic Corporation	Philippines	Construction	Philippine Peso	100	–	100	–
EEI Business Solutions, Inc. (EBSI) (formerly Equipment Engineers, Inc)	Philippines	Trading	Philippine Peso	100	–	100	–
JP Systems Asia Inc. (JPSAI) ***	Philippines	Rental of scaffolding and formworks	Philippine Peso	–	80	–	80
BiotechJP Corp.*	Philippines	Manufacturing food and therapeutic food	Philippine Peso	–	–	–	–
Learn JP Corp.	Philippines	Service for improvement in language proficiency	Philippine Peso	-	60	-	60
EEI Power Corporation (EPC)	Philippines	Power generation	Philippine Peso	89	11	89	11
Gulf Asia International Corporation (GAIC)	Philippines	Manpower services	Philippine Peso	100	–	100	–
GAIC Professional Services Inc. (GAPSI)	Philippines	Manpower services	Philippine Peso	–	100	–	100
GAIC Manpower Services, Inc. (GAMSI)	Philippines	Manpower services	Philippine Peso	–	100	–	100
GAMSI Health Services Inc.**	Philippines	Diagnostic services	Philippine Peso	–	100	–	100
Bagumbayan Equipment & Industrial Products, Inc.	Philippines	Consultancy services	Philippine Peso	100	–	100	–
Philmark, Inc	Philippines	Construction	Philippine Peso	100	–	100	–
Philrock Construction and Services, Inc.	Philippines	Manpower services	Philippine Peso	100	–	100	–
EEI Energy Solutions Corporaton (ESSC)	Philippines	Power generation	Philippine Peso	-	100	-	100
EEI Carga Digital Logistic Corporation	Philippines	Operate digital logistic platform	Philippine Peso	-	100	-	100
EEI Ventures, Inc. (EVI)****	Philippines	Investing	Philippine Peso	100	-	100	-

**On November 7, 2023, the Parent Company sold all its interest in BiotechJP Corp.*
***On August 29, 2024, GAMSI Health Services Inc. was incorporated as a wholly owned subsidiary of GAMSI. GAMSI Health's primary purpose is to establish, maintain, operate, own, develop, and manage hospitals, medical and other related healthcare facilities. GAMSI Health's financial year end is December 31.*
****On February 29, 2024, the Board of Directors of JP Systems Asia Inc. (JPSAI) approved the issuance of the remaining Five Million unsubscribed shares. EEI Business Solutions Inc. agreed to subscribe to the Five Million common shares in JPSAI at a subscription price equivalent to the par value or a total subscription price of Fifty Million Pesos (₱50,000,000.00).*
*****EEI Ventures Inc. is a domestic corporation incorporated under the laws of the Philippines and registered with the Securities and Exchange Commission (SEC) on April 30, 2024. The Company is a wholly owned subsidiary of EEI Corporation, also a domestic corporation. The Company is engaged primarily in investing through joint venture agreements.*

The Group operation is not affected by seasonality and cyclicality.

3. Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new accounting pronouncements starting January 1, 2025. Adoption of these pronouncements did not have any significant impact on the Group's consolidated financial statements.

The Group did not early adopt any other standard, interpretation or amendment that has been issued but is not yet effective.

- PFRS 17, *Insurance Contracts*
  PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace

PFRS 4, *Insurance Contracts.* This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

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

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

On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the IASB.

PFRS 17 is effective for reporting periods beginning on or after January 1, 2025, with comparative figures required. Early application is permitted.

- Amendments to PAS 21, *Lack of exchangeability*
  The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issued But Not Yet Effective
Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. The adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2026

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

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

- Annual Improvements to PFRS Accounting Standards—Volume 11
  The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.

  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.

  - Amendments to PFRS 9
    - Lessee Derecognition of Lease Liabilities
      The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.

    - Transaction Price
      The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*' with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.

  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
    The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

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

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
  The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:
  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

- PFRS 19, *Subsidiaries without Public Accountability*
  The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities.

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
  The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

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

4. Significant Accounting Judgments and Estimates

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures.

Except as otherwise stated, the significant accounting policies, judgments, estimates and assumptions used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements as at and for the year ended December 31, 2024.

Judgments

Provisions and contingencies

The Group is involved in various claims in the ordinary course of business. Management and its legal counsels believe that the Group has substantial legal and factual bases for its position. The Group's management believes that the outcome of these claims will not have a material adverse effect on the Group's financial position or operating results. It is possible, however, that future results of operations could be materially affected by changes in estimates or in the effectiveness of the strategies relating to these claims.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Estimating variable considerations arising from change orders and claims
The Group frequently agrees to change orders that modify the scope of its work previously agreed with customers and regularly submits claims to customers when unanticipated additional costs are incurred because of delays or changes in scope caused by the customers. PFRS 15 requires the Group to recognize, as part of its revenue from construction contracts, the estimated amounts the Group expects to be entitled to and to be received from customers due to these change orders and claims (otherwise known as variable considerations), provided that it is highly probable that a significant reversal of the revenue recognized in connection with these variable considerations will not occur in the future. For these unpriced change orders and claims, the Group uses the "most likely amount" method to predict the amount to which it will be entitled and expected to be received from the customers. The Group also updates its estimate of the transaction price to reflect any changes in circumstances that would result to changes in amount of variable considerations and corresponding increase or decrease in the contract assets.

The aggregate carrying values of receivables and contract assets arising from construction contracts amounted to ₱15.3 billion and ₱16.8 billion as of June 30, 2025 and December 31,2024, respectively (Notes 6 and 7).

Fair value measurement of unquoted equity investments at FVOCI
The Group uses valuation techniques such as discounted cash flow approach and adjusted net asset method to estimate the fair value of investment in Hermosa Ecozone Development Corporation (HEDC). These valuation techniques require significant unobservable inputs to calculate the fair value of the Group's unquoted equity investments at FVOCI. These inputs include forecast cash flows assumptions, discount rates, appraised value of real properties, among others. Changes in assumptions relating to these factors could affect the reported fair value of these unquoted equity financial instruments. For the investment in HEDC, the valuation made by the appraisers was based on sales comparison approach.

The fair value of unquoted equity investments amounted to ₱1.4 billion and ₱589.9 million as of June 30, 2025 and December 31, 2024, respectively. (Note 11).

Realizability of deferred tax assets
The Group reviews the carrying amounts of deferred taxes of each entity in the Group at each reporting date and reduces deferred tax assets 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 assets to be utilized.

Classification of creditable withholding tax
The Group classifies its creditable withholding tax (CWT) as current when it is expected to be realized (e.g., will be used as tax credit against income taxes due) within twelve months after the reporting period. The portion of CWT that is expected to be realized more than twelve months after the reporting period is classified as noncurrent. (Note 9 and 13)

5. Cash and Cash Equivalents

This account consists of:

	June 30, 2025 (Unaudited)	December 31,2024 (Audited)
Cash on hand	**₱ 7,513,685**	₱6,187,609
Cash in banks	**3,018,125,709**	5,465,268,930
Cash equivalents	**31,255,370**	572,245,190
	₱3,056,894,764	₱6,043,701,729

Cash in banks earns interest at the respective bank deposit rates. Cash equivalents have maturities of varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn annual interest at the respective short-term investment rates.

6. Receivables - net

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivable		
Non-interest bearing		
Billed receivables	**₱2,341,356,808**	₱2,348,152,213
Unbilled receivables	**213,452,032**	214,518,054
Interest-bearing	**15,598,035**	21,170,650
Loans receivable	**72,000,000**	72,000,000
Dividend receivable from AE	**51,300,173**	51,300,173
Receivable from sale of investment properties	**12,380,546**	13,573,112
Other receivables	**163,837,526**	98,142,821
	2,869,925,120	2,818,857,023
Less: Allowance for expected credit losses	**172,204,181**	173,072,061
	₱2,697,720,939	₱2,645,784,962

Movements in the allowance for expected credit losses follow:

	June 30, 2025 (Unaudited)			
	Non-interest bearing trade receivables	**Interest-bearing trade receivables**	**Other receivables**	**Total**
Balances at beginning of period	**₱161,120,662**	**₱200,000**	**₱11,751,399**	**₱173,072,061**
Provision (reversal)	**(867,880)**	**–**	**–**	**(867,880)**
Balances at end of period	**₱160,252,782**	**₱200,000**	**₱11,751,399**	**₱172,204,181**

	December 31, 2024 (Audited)			
	Non-interest bearing trade receivables	Interest-bearing trade receivables	Other receivables	Total
Balances at beginning of period	₱143,703,526	₱200,000	₱12,124,811	₱156,028,337
Provision	17,417,136	–	(373,412)	17,043,724
Balances at end of period	₱161,120,662	₱200,000	₱11,751,399	₱173,072,061

Trade receivables mainly pertain to amounts arising from construction contracts and are generally on a 30-day credit term.

7. Contract Assets and Liabilities

Contract Assets

The Group presents contract receivable and retentions withheld by customers as contract assets. The Group's contract receivable pertains to accomplishments completed as of reporting period but not yet billed to customers and not yet due for payment. Retention pertains to amounts withheld by customers and is conditioned on the lapse of the defect liability period and the receipt of customer certification that the constructed asset is completed and accepted. Contract assets are reclassified as account receivables upon billing to the customer.

Details of the Group's contract assets as of June 30, 2025 and December 31, 2024 are shown below:

	June 30, 2025 (Unaudited)		
	Current	**Noncurrent**	**Total**
Contract asset	**₱9,942,436,672**	**₱3,425,308,514**	**₱13,367,745,186**
Less: Allowance for expected credit losses	**411,945,851**	**325,414,732**	**737,360,583**
	₱9,530,490,821	**₱3,099,893,782**	**₱12,630,384,603**

	December 31, 2024 (Audited)		
	Current	Noncurrent	Total
Contract asset	₱10,327,893,148	₱4,531,842,430	₱14,859,735,578
Less: Allowance for expected credit losses	411,945,851	325,414,732	737,360,583
	₱9,915,947,297	₱4,206,427,698	₱14,122,374,995

Movement in the allowance for expected credit losses as of June 30, 2025 and December 31, 2024 follows:

	June 30, 2025 (Unaudited)		
	Current	**Noncurrent**	**Total**
Balances as at January 1	**₱411,945,851**	**₱325,414,732**	**₱737,360,583**
Provision	–	–	–
Balances as at June 30	**₱411,945,851**	**₱325,414,732**	**₱737,360,583**

	December 31, 2024 (Audited)		
	Current	Noncurrent	Total
Balances as at January 1	₱473,071	₱255,913,200	₱256,386,271
Provision	411,472,780	69,501,532	480,974,312
Balances as at December 31	₱411,945,851	₱325,414,732	₱737,360,583

Contract Liabilities

Contract liabilities mainly consist of down payments received in relation to construction contracts that will be recognized as revenue in the future as the Group satisfies the performance obligations. The Group's contract liabilities amounted to ₱1.50 billion and ₱2.2 billion as of June 30, 2025 and December 31, 2024, respectively, after offsetting with related contract assets.

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Total contract liabilities	**₱1,449,692,245**	₱2,215,053,588
Less current portion	**1,378,821,989**	2,156,537,356
	₱70,870,256	₱58,516,232

8. Inventories

This account consists of:

	June 30, 2025 (Unaudited)	December 31,2024 (Audited)
Construction materials	**₱917,022,432**	₱732,478,308
Real estate:		
Land and land development	**140,356,808**	145,073,029
Subdivision lots and condominium units for sale	**34,032,442**	34,032,442
Raw land	**39,789,038**	40,037,038
Merchandise	**63,733,692**	67,082,457
Spare parts and supplies	**69,732,699**	73,891,163
	1,264,667,111	1,092,594,437
Less: Allowance for inventory obsolescence		
Merchandise	**2,046,404**	2,815,782
Spare parts and supplies	**11,435,015**	11,435,015
	13,481,419	14,250,797
	₱1,251,185,692	₱1,078,343,640

The movement in allowance for inventory obsolescence for merchandise is due to the sale of the related items.

9. Other Current Assets

This account consists of:

	June 30, 2025 (Unaudited)	December 31,2024 (Audited)
Advances to suppliers and subcontractors	**₱1,320,053,420**	₱740,751,368
Miscellaneous deposits	**671,409,718**	144,763,437
Creditable withholding taxes (CWTs)	**307,654,766**	297,462,331
Prepaid expenses	**275,155,424**	32,711,998
Advances to officers and employees	**70,191,633**	89,578,905
Deferred input tax	**68,002,458**	71,862,641
Others	**27,355,653**	39,082,894
	2,739,823,072	1,416,213,574
Less: Allowance for impairment	**57,192,827**	57,192,827
	₱2,682,630,245	₱1,359,020,747

Advances to suppliers and subcontractors represent advance payment for the purchase of various construction materials and down payment to subcontractors for the contract work to be performed.

Miscellaneous deposits mainly represent the Group's refundable rental, utilities and guarantee deposits on various properties, machinery and equipment items. The provision for impairment was derived from the probable uncollectible amount of security deposits on various utilities and rentals from project sites.

CWTs pertain to unutilized creditable withholding taxes which will be used as tax credit against income taxes due. The Group determines that taxes withheld can be recovered in future periods.

Prepaid expenses primarily consist of advance payments for services, as well as bond and insurance premiums, which are amortized over their respective coverage periods.

	June 30, 2025 (Unaudited)			
	Advances to suppliers and subcontractors	**Miscellaneous deposits**	**Advances to officers and employees**	**Total**
Balances as at January 1	**₱22,504,810**	**₱32,811,773**	**₱1,876,244**	**₱57,192,827**
Provisions for ECL (Note 18)	**—**	**—**	**—**	**—**
Balances as at June 30	**₱22,504,810**	**₱32,811,773**	**₱1,876,244**	**₱57,192,827**

	December 31, 2024 (Audited)			
	Advances to suppliers and subcontractors	Miscellaneous deposits	Advances to officers and employees	Total
Balances as at January 1	₱20,133,033	₱41,265,425	₱1,876,244	₱63,274,702
Provisions(recoveries) for ECL (Note 18)	2,371,777	(8,453,652)	-	(6,081,875)
Balances as at December 31	₱22,504,810	₱32,811,773	₱1,876,244	₱57,192,827

10. Investments in Associates and Joint Ventures

The investments relate to the following investee companies:

			Percentage of ownership	
	Place of incorporation	Nature of business	**June 30, 2025 (Unaudited)**	December 31, 2024 (Audited)
Associates				
Al-Rushaid Construction Company Limited (ARCC)	Kingdom of Saudi Arabia	Construction	**-**	49
Rice Integrated Commercial Enterprise, Inc. (RICEI)	Philippines	Support activities to agriculture and post-harvest crop activities	**39**	39
Joint ventures				
Shinbayanihan Heavy Equipment Corporation (SHEC)	Philippines	Equipment rental	**-**	40
Shimizu-Fujita-Takenaka-EEI Joint Venture (SFTE)	Philippines	Construction	**5**	5
Acciona-EEI Joint Venture (AE)	Philippines	Construction	**30**	30
Lotte-Gulermak-EEI Joint Venture (LGE)	Philippines	Construction	**25**	25

Details of the Group's material investments in associates and joint ventures follow:

	June 30, 2025						
	ARCC	RICEI	SHEC	LGE	SFTE	AE	Total
Acquisition cost:							
Balances as at January 1	5,407,212,413	10,777,300	20,800,000	–	–	–	5,438,789,713
Additional investment	1,284,233,834	–	–	–	–	–	1,284,233,834
Balances as at June 30	6,691,446,247	10,777,300	20,800,000	–	–	–	6,723,023,547
Accumulated equity in net earnings (losses):							
Balances as at January 1	(4,926,945,688)		1,891,646		82,745,117	104,858,586	(4,737,450,339)
Equity in net earnings (losses)	–	–	(113,369)		17,731,062	30,005,355	47,623,048
Balances as at June 30	(4,926,945,688)		1,778,277		100,476,179	134,863,941	(4,689,827,291)
Accumulated share in other comprehensive income (loss):							
Balances as at January 1	(96,112,996)	–	–	–	–	–	(96,112,996)
Additions	–	–	–	–	–	–	–
Balances as at June 30	(96,112,996)	–	–	–	–	–	(96,112,996)
Disposals	(1,330,727,904)		(22,578,277)	–	–	–	(1,353,306,181)
Reclassification	(842,794,339)			–	–	–	(842,794,339)
Tax withheld on earnings	–	–	–	–	–	(1,654,507)	(1,654,507)
Allowance for impairment	–	(9,740,194)	–	–	–	–	(9,740,194)
Equity in cumulative translation adjustments	505,134,680	–	–	–	–	–	505,134,680
	₱–	₱1,037,106	₱–	₱–	₱100,476,179	₱133,209,434	234,722,719

	December 31 2024						
	ARCC	RICEI	SHEC	LGE	SFTE	AE	Total
Acquisition cost:							
Balances as at January 1	₱2,624,991,802	₱10,777,300	₱20,800,000	₱–	₱–	₱–	₱2,656,569,102
Additional investment	2,782,220,611	–	–	–	–		2,782,220,611
Balances as at December 31	5,407,212,413	10,777,300	20,800,000	–	–	–	5,438,789,713
Accumulated equity in net earnings (losses):							
Balances as at January 1	(1,053,995,987)	–	2,069,877	–	41,390,473	104,858,263	(905,677,374)
Equity in net earnings (losses)	(3,872,949,702)	–	(178,231)	–	41,354,645	60,353,469	(3,771,419,819)
Dividends						(60,353,146)	(60,353,146)
Balances as at December 31	(4,926,945,689)	–	1,891,646	–	82,745,118	104,858,586	(4,737,450,339)
Accumulated share in other comprehensive income (loss):							
Balances as at January 1	(104,668,114)	–	–	–	–	–	(104,668,114)
Additions	8,555,118	–	–	–	–	–	8,555,118
Balances as at December 31	(96,112,996)	–	–	–	–	–	(96,112,996)
Allowance for impairment	–	(9,740,194)		–	–	–	(9,740,194)
Equity in cumulative translation adjustments	355,260,201	–	–	–	–	–	355,260,201
	₱703,491,454	₱1,037,106	₱22,691,646	₱–	₱82,745,118	₱104,858,586	₱914,823,910

In 2024, the Group recognized impairment loss amounting to ₱9.7 million representing the excess of the carrying amount over the recoverable amount of the investment in RICEI.

On March 3, 2025, the Group sold its investment in Shinbayanihan Heavy Equipment Corporation, consisting of 20,800 shares. The transaction resulted in a loss on sale of investment amounting to ₱10.8 million.

In May 2025, the Group sold 30% of its equity interest in ARCC, reducing its ownership from 49% to 19%. As a result, the remaining investment amounting to ₱842.8 million was reclassified as an equity investment at fair value through other comprehensive income (FVOCI) (Note 11).

11. Equity Investments at FVOCI

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Quoted equity investments	**₱69,889,389**	₱69,982,873
Unquoted equity investments	**1,432,701,520**	589,907,181
	₱1,502,590,909	₱659,890,054

The rollforward analyses of equity investments at FVOCI as of June 30, 2025 and December 31, 2024 follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Beginning of period	**₱659,890,054**	₱542,691,668
Additions	**842,794,339**	–
Fair value changes	**(93,484)**	117,198,386
End of period	**₱1,502,590,909**	₱659,890,054

The additional investment pertains to the remaining 19% stake in ARCC (Note 10).

The unquoted equity investments consist of shares of the following companies:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Al Rushaid Construction Co. Ltd.	**₱842,794,339**	₱-
Hermosa Ecozone Development Corporation	**586,053,259**	586,053,259
Others	**3,853,922**	3,853,922
At end of period	**₱1,432,701,520**	₱589,907,181

The Group elected to present the fair value changes of all its equity investments in other comprehensive income because it does not intend to hold these investments for trading.

12. Property and Equipment

This account consists of the following:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
At Cost		
Land, Buildings and Improvements	**₱2,966,992,077**	₱2,687,234,532
Machinery, Tools and Construction Equipment	**4,857,030,504**	4,823,740,070
Transportation and Service Equipment	**1,048,951,715**	1,008,674,548
Furniture, Fixtures and Office Equipment	**700,500,600**	672,005,609
	9,573,474,896	9,191,654,759
Less: Accumulated Depreciation	**(5,365,310,023)**	(5,155,329,448)
	4,208,164,873	4,036,325,311
Construction in Progress	**67,753,603**	217,403,842
	₱4,275,918,476	₱4,253,729,153

Machinery, tools and construction equipment are directly used in various construction projects of the Group.

In 2025, the EEI training facility was completed and reclassified from Construction in Progress to Leasehold Improvements amounting to ₱164.0 million. The outstanding balance mainly pertains to ongoing improvement projects at the Parent Company's head office and leasehold in Tanza, Cavite.

As at June 30, 2025 and December 31, 2024, no property and equipment items were pledged as security.

13. Other Noncurrent Assets

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Deposits for future investments	**₱ 3,715,000,000**	–
Receivable from sale of shares	**1,360,019,621**	29,778,272
Creditable withholding taxes	**1,016,730,003**	₱817,080,402
Loans receivable	**648,000,000**	648,000,000
Deposit for future subscription	**20,000,000**	20,000,000
Deferred input VAT	**3,872,114**	3,966,520
Others	**253,694,131**	41,710,370
	7,017,315,869	1,560,535,564
Allowance for expected credit loss	**(16,421,279)**	(16,421,279)
	₱7,000,894,590	₱1,544,114,285

In December 2022, the Parent Company entered into an agreement with EEI-RFI granting a loan amounting to ₱1.2 billion to the latter. In 2024, ₱480.0 million of the loan was settled. The remaining balance of the loan is to be received in 10 annual installments commencing in 2025 with annual interest rate of 5%. The portion of the loan expected to be settled in 2025 amounting to ₱72.0 million is presented under the "Receivables - net" (Note 6).

In 2025, the Group sold 30% of its equity interest in ARCC, resulting in the recognition of a long-term receivable amounting to ₱1.3 billion. Additionally, the Group made various deposits totaling ₱3.7 billion for future investments as part of its diversification efforts.

14. Accounts Payable and Other Liabilities

This account consists of:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accounts payable	**₱3,470,084,699**	₱2,882,145,054
Accrued expenses	**450,413,616**	377,761,485
Retention payable	**435,456,334**	441,767,513
Output tax payable	**178,311,577**	13,962,021
Withholding taxes and other statutory liabilities	**73,273,239**	94,538,869
Advances from joint venture partners	**32,381,854**	32,381,854
Others	**80,584,853**	106,519,704
	₱4,720,506,172	₱3,949,076,500

Accounts payable are non-interest bearing and generally settled on 30 to 90-day terms.

Accrued expenses mainly consist of accrual for salaries and wages, interest, provisions, accrual for professional fees, outside services, utilities and other expenses that are expected to be settled within one year. Provisions were provided for claims by third parties in the ordinary course of business. As allowed by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, only a general description is provided as the disclosure of additional details may prejudice the Group's position and negotiation strategies with respect to these matters.

Retention payable are amounts that the Group deducts from its subcontractors' billings and are usually paid within 12 months from completion of the related project.

In 2024, the Ease of Paying Taxes Act (EOPT) came into effect, introducing uniform invoicing requirements for sellers of both goods and services. Under the new rules, the VAT invoice serves as the basis for imposing the 12% output VAT, which becomes immediately payable upon issuance of the invoice, irrespective of actual collection. The corresponding liability is recognized under Output Tax Payable. Deferred output taxes, which were recognized prior to the implementation of EOPT, pertain to VAT on sale of services on credit that becomes payable after actual collection. This is also included in the balance of Output Tax Payable.

Other noncurrent liabilities pertain to noncurrent portion of retention payables that are expected to be settled beyond one year from the end of reporting period. As of June 30, 2025 and December 31, 2024, other noncurrent liabilities amounted to ₱127.7 million and ₱132.04 million, respectively.

15. Bank Loans

The Group availed of several unsecured short-term bank loans with a number of local banks. These loans will mature within one year with annual interest rates ranging from 6.10% - 8.48% and 4.63% - 7.65% as at June 30, 2025 and December 31, 2024, respectively.

Movements in this account follow:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balances at the beginning of period	**₱3,940,000,000**	₱4,329,000,000
Availment	**9,045,700,000**	11,762,000,000
Payments	**(2,886,000,000)**	(12,151,000,000)
Balances at end of period	**₱10,099,700,000**	₱3,940,000,000

16. Long-term Debt

This account consists of:

	June 30,2025 (Unaudited)	December 31,2024 (Audited)
Corporate promissory notes	**₱7,269,724,487**	₱8,936,886,330
Term loan	**10,375,200**	10,375,200
	7,280,099,687	8,947,261,530
Less current portion	**2,630,640,646**	3,364,469,155
	₱4,649,459,041	₱5,582,792,375

17. Costs of Sales and Services

This account consists of the following balances for the 6-month periods ended June 30:

	2025 (Unaudited)	2024 (Unaudited)
Cost of services	**₱6,393,086,204**	₱6,944,086,879
Cost of sales	**91,271,157**	113,751,776
	₱6,484,357,361	₱7,057,838,655

Cost of Services

	2025 (Unaudited)	2024 (Unaudited)
Personnel expenses	**₱3,161,892,207**	₱3,529,603,793
Materials	**1,884,233,349**	1,342,032,751
Equipment costs and others	**1,137,296,979**	1,200,986,874
Depreciation and amortization	**147,853,032**	155,225,082
Power sales	**51,800,862**	707,807,956
Others	**10,009,775**	8,430,423
	₱6,393,086,204	₱6,944,086,879

Cost of Sales

	2025 (Unaudited)	2024 (Unaudited)
Merchandise sales	**₱90,355,328**	₱107,606,103
Real estate sales	**915,829**	6,145,673
	₱91,271,157	₱113,751,776

18. Selling and Administrative Expenses

This account consists of the following balances for the 6-month periods ending June 30:

	2025 (Unaudited)	2024 (Unaudited)
Personnel expenses	**₱323,269,534**	₱316,842,788
Depreciation and amortization	**59,738,316**	78,305,581
Repairs and maintenance	**41,074,458**	30,945,985
Food, meals and others	**29,404,135**	16,338,549
Taxes and licenses	**27,040,797**	28,026,083
Training	**26,918,460**	36,557,551
Outside services	**26,673,039**	24,710,366
Travel and transportation	**24,968,573**	32,453,638
Utilities	**22,665,244**	17,717,630
Professional fees	**20,564,317**	22,467,189
Advertising	**3,613,171**	3,499,392
Rent	**2,164,830**	1,679,984
Insurance	**2,136,326**	2,275,791
Supplies	**1,827,474**	2,262,134
Donations	**1,593,835**	10,000
Provision (recovery) of allowance for expected credit loss – net (Notes 6 and 7)	**(867,880)**	(361,238)
Others	**59,582,785**	63,246,050
	₱672,367,414	₱676,977,473

Others pertain to the various administrative expenses that the Group incurs in support of its day-to-day operations including subscriptions, postage and other charges.

The distribution of the depreciation and amortization expense for the 6-month periods ending June 30 follows:

	2025 (Unaudited)	2024 (Unaudited)
Property and equipment (Note 12)	**₱50,293,771**	₱43,751,862
Right-of-use asset	**9,444,545**	34,553,719
	₱59,738,316	₱78,305,581

19. Income Taxes

The components of tax expense (benefit) as reported in the consolidated statements of income for the 6-month periods ending June 30 are as follows:

	2025 (Unaudited)	2024 (Unaudited)
Current	**₱13,947,542**	₱103,498,028
Deferred	**6,528,122**	(32,431,779)
	₱20,475,664	₱71,066,249

Reconciliation of net deferred tax assets follow:

	2025 (Unaudited)	2024 (Unaudited)
Balance at beginning of year	**₱1,252,481,080**	₱1,335,752,774
Tax income (expense) recognized in:		
Profit and loss	**(6,528,122)**	32,431,779
Other comprehensive income	**(39,001)**	(406,836)
Balance at end of year	**₱1,245,913,957**	₱1,367,777,717

Deferred tax assets – net amounted to ₱1.2 billion and ₱1.3 billion as at June 30, 2025 and December 31, 2024, respectively.

20. Related Party Transactions

The outstanding balances and transactions with related parties as of June 30, 2025 and December 31, 2024 consist of the following:

(In Thousands of Philippine Peso)

Related party	Transaction		Amount / Volume	Outstanding Receivable/ (Payable)	Terms	Conditions
Due from Related Party						
Associate	**Rendering of services**	**Jun 2025**	**₱2,600**	**₱171,117**	**Non-interest**	**Unsecured,**
		Dec 2024	₱17,888	₱168,518	**bearing**	**no impairment**
Entities under the common	**Rendering of janitorial**	**Jun 2025**	**684**	**559**	**Non-interest**	**Unsecured,**
control	**services**	Dec 2024	–	591	**bearing**	**no impairment**
Other related parties	**Extension of advances**	**Jun 2025**	**–**	**155**	**Non-interest**	**Unsecured,**
		Dec 2024	–	155	**bearing**	**no impairment**
Total Due from Related Party		**Jun 2025**		**₱171,831**		
		Dec 2024		₱169,264		
Due to Related Party						
Associate	**Availment of advances**	**Jun 2025**	**–**	**(₱1,892)**	**Non-interest**	**Unsecured,**
		Dec 2024	–	(₱1,935)	**bearing**	**no impairment**
Total Due to Related Party		**Jun 2025**		**(₱1,892)**		
		Dec 2024		(₱1,935)		

(In Thousands of Philippine Peso)						
Related party	**Transaction**		**Amount / Volume**	**Outstanding Receivable/ (Payable)**	**Terms**	**Conditions**
Others						
Loans Receivable (Notes 9 and 13)		**Jun 2025**	**₱18,000**	**₱738,000**		
		Dec 2024	(₱540,000)	₱720,000		
Lease Liability		**Jun 2025**	**₱26,552**	**(₱202,777)**		
		Dec 2024	₱296,571	(₱229,329)		
Right of Use Asset		**Jun 2025**	**(₱8,694)**	**₱204,629**		
		Dec 2024	(₱89,690)	₱213,323		

a) In January 2007, the Parent Company and EEI-RFI entered into lease agreements for land and improvements located in Bagumbayan, Quezon City. The lease terms are for one year and renewable every year with 5% increase effective January 1, 2014. The lease was terminated in 2024.

b) On December 21, 2022, the Parent Company and EEI-RFI made and entered into a loan agreement to finance the latter's purchase of twenty-four (24) parcels of land in Barrios Sta. Maria and Bolo, Municipality of Bauan, Province of Batangas with an aggregate area of 113,942 sqm, where the Steel Fabrication Division (SFD) is located. Loan is at ₱1.2 billion with a principal payment term of 10 years starting 2023 at 5% interest per annum. In 2024, the ₱480.0 million of the loan was settled. The remaining balance of the loan is to be received in 10 annual installments commencing in 2025 with annual interest rate of 5%. (see Notes 9 and 13). Interest income from the loan amounted to ₱18.3 million and ₱30.0 million as of the period ended June 30, 2025 and 2024, respectively.

   In 2022, the Parent Company executed an absolute sale of the Bauan Property EEI RFI at ₱1.2 billion. A leaseback agreement commencing upon execution of sale is also entered by EEI for the same property at ₱3.75 million monthly rental cost with 5% annual escalation beginning 2023 for a term of five (5) years subject to renewal under terms and conditions as mutually agreed by both parties.

   EEI recognized right-of-use asset and lease liability on the lease of property to EEI-RFI amounting to ₱28.4 million and ₱119.7 million as of June 30, 2025, respectively and ₱34.0 million and ₱139.7 million, as of December 31, 2024, respectively. Interest expense from lease of property to EEIRFI amounted to ₱4.8 million and ₱6.2 million for the period ended June 30, 2025 and 2024.

c) Under sale and lease back arrangement, the Group sold parcels of lands to EEI-RFI for ₱1.8 billion on December 24, 2024 and leased the same from ERFI for the equipment yard and motor pool of the Company. The Company recognized ROU Asset and lease liability amounting ₱89.65 million.

Outstanding balances as at balance sheet date are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. These mainly consist of advances and reimbursement of expenses. The Group has not recognized any impairment on amounts due from related parties for the 6-month period ended June 30, 2025 and the year ended December 31, 2024.

This assessment is undertaken each balance sheet date through a review of the financial position of the related party and the market in which the related party operates.

Identification, review and approval of related party transactions

Material related party transactions (MRPT) refers to any related party transactions, either individually, or in aggregate over a twelve (12)–month period with the same related party, amounting to ten percent (10%) or higher of the Group's total consolidated assets based on its latest audited financial statements.

All material related party transactions shall be reviewed by the Group's Corporate Governance Committee and approved by the BOD with at least 2/3 votes of BOD, with at least a majority vote of the independent directors. In case that the vote of a majority of the independent directors is not secured, the material related party transactions may be ratified by the vote of the stockholders representing at least 2/3 of the outstanding capital stock.

21. Capital Stock

The Group's capital stock as at June 30, 2025 and December 31, 2024 consists of the following:

		Preferred		
	Common	**Series B**	**Series C**	**Series D**
Par value	**₱1**	**₱0.5**	**₱0.5**	**₱0.5**
Authorized	**2,000,000,000**			
Issued	**1,036,401,386**	**45,000,000**	**20,000,000**	**60,000,000**

Common Shares
The Group's common shares were registered with the Securities and Exchange Commission (SEC) on August 28, 1997. The total number of shares registered with SEC at that time was 2 billion with an original issue price amounting to ₱1.0 per share. As of June 30, 2025, and December 31, 2024, the Group had 3,088 and 3,096 shareholders on record, respectively.

Preferred shares
On July 15, 2021, the BOD of the Parent Company approved the following:

a) Offer of up to four billion pesos of preferred shares of EEI, with over-subscription option of up to two billion pesos of preferred shares, at an offer price of up to Php100 per share.
b) Amendment in 2nd paragraph of Article 7 of the Articles of Incorporation to reflect that all stockholders shall have no pre-emptive rights with respect to any shares of any other class or series of the present capital or on future or subsequent increases in capital.
c) Amendment in 4th paragraph of Article 7 of the Articles of Incorporation changing the characteristic of preferred shares of the Company from non-cumulative to cumulative.
d) Amendment in Article 6 of the Articles of Incorporation increasing the number of board of directors to eleven (11).

The above were approved by the shareholders through written assent on August 26, 2021.

On December 23, 2021, the Group issued and listed in PSE the non-convertible preferred shares generating net proceeds of ₱5.95 billion.

In 2024, the Group issued preferred shares with total net proceeds amounting to ₱8.00 billion. The shares are cumulative, non-voting, non-participating, non-convertible, redeemable and non-reissue able.

On June 20, 2025, the Board of Directors approves the exercise of the Company's Optional Redemption of the outstanding Series A Preferred Shares issued by the Company and listed on the Philippine Stock Exchange.

As per the terms and conditions of the Prospectus dated December 3, 2021, the Optional Redemption in respect of the cumulative, non-voting, non-participating, non-convertible, redeemable, non-reissuable Perpetual Series A Preferred Shares ("Series A Preferred Shares" or "EEIPA") is 3.5 years from the Listing Date (December 23, 2021) or on June 23, 2025.

The terms of the offer provide that the redemption price for Series A Preferred Shares shall be equal to the Issue Price (PhP100.00) of the Preferred Shares plus all dividends due them as well as all dividends in arrears after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "Redemption Price").

The Redemption Price was paid on 23 June 2025 to shareholders of record as of 09 June 2025. The redeemed shares shall be considered retired and can no longer be re-issued.

Cumulative dividends in arrears on preferred shares as at June 30, 2025 and December 31, 2024 amounted to ₱34.3 million and ₱38.3 million, respectively.

Capital Management

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes as at June 30, 2025 and December 31, 2024.

The Group considers total equity as its capital.

The Group monitors capital using a debt-to-equity ratio, which is total liabilities divided by total equity attributable to equity holders of Parent Company. The Group's policy is to maintain a debt-to-equity ratio lower than 4:1 as at June 30, 2025 and December 31, 2024.

	June 30,2025 (Unaudited)	December 31, 2024 (Audited)
Current liabilities	**18,896,166,689**	₱13,467,617,743
Noncurrent liabilities	**5,361,944,793**	5,958,055,151
Total liabilities (a)	**24,258,111,482**	19,425,672,894
Equity attributable to equity holders of Parent Company (b)	**15,418,468,949**	17,200,758,280
Debt to Equity Ratio (a/b)	**1.57:1**	1.13:1

22. Retained Earnings

Under the Tax Code of the Philippines, publicly listed companies are allowed to accumulate retained earnings in excess of capital stock and are exempt from improperly accumulated earnings tax (IAET).

The accumulated earnings of subsidiaries, associates and joint venture which are included in the Group's retained earnings (deficit) amounting to (₱3.8) billion and (₱4.1) billion as of June 30, 2025 and as of December 31, 2024, respectively, are not available for dividend declaration. Retained earnings are further restricted for payment of dividends to the extent of cost of treasury shares and deferred tax assets amounting to ₱1,567.5 million and ₱1,692.9 million as of June 30, 2025 and as of December 2024, respectively.

On February 6, 2025, the Board of Directors declared the quarterly cash dividends to be paid out of the unrestricted retained earnings of the Parent Company to all holders of record of Series A, B, C and D preferred shares as of March 3, 2025. The cash dividends for Series A and Series B preferred shares were paid on March 24, 2025. On February 21 and March 19, 2025, Parent Company paid preferred shares to all holders of Series C and D, respectively.

On May 20, 2025, the Board of Directors declared the quarterly cash dividends to be paid out of the unrestricted retained earnings of the Parent Company to all holders of record of Series A, B, and D preferred shares as of June 6, 2025. The cash dividends for Series A and Series B preferred shares were paid on June 23, 2025 while Series D preferred shares were paid on June 19, 2025.

On April 30, 2025, the Board of Directors declared the quarterly cash dividends to be paid out of the unrestricted retained earnings of the Parent Company to all holders of record of Series C preferred shares as of May 19, 2025. The cash dividends for Series C preferred shares were paid on May 21, 2025.

Retained earnings available for dividend declaration amounted to ₱1.5 billion and ₱1.9 billion as of June 30, 2025 and December 31, 2024, respectively.

The Group takes into consideration the financing requirements of its construction projects when deciding the amount to be declared as dividends.

23. Segment Information

For management purposes, the Group is organized into business units based on geographical location, which comprises of two main groupings as follows:

1. Domestic - all transactions and contracts entered in the Philippines
2. Foreign - all transactions and contracts entered outside the Philippines
   - EEI Limited - incorporated in British Virgin Islands
   - Clear Jewel Investments, Ltd. - incorporated in British Virgin Islands
   - Nimaridge Investments, Limited - incorporated in British Virgin Islands
   - EEI Corporation (Guam) - incorporated in the United States of America

Management monitors segment revenue and net income for the purpose of making decision about resources allocation.

Segment reporting is consistent in all periods presented as there are no changes in the structure of the Group's internal organization that will cause the composition of its reportable segment to change.

(In Thousands of Philippine Peso)	As of June 30, 2025 (Unaudited)				
	Domestic	**Foreign**	**Combined**	**Elimination**	**Consolidated**
Assets					
Current assets	**₱20,332,365**	**₱18,594**	**₱20,350,959**	**(₱923,685)**	**₱19,427,274**
Noncurrent assets	**26,511,035**	**2,395,414**	**28,906,449**	**(8,624,791)**	**20,281,658**
Total Assets	**₱46,843,400**	**₱2,414,008**	**₱49,257,408**	**(₱9,548,476)**	**₱39,708,932**
Liabilities					
Current liabilities	**₱19,387,743**	**₱6,362,841**	**₱25,750,583**	**(₱6,854,417)**	**₱18,896,167**
Noncurrent liabilities	**5,321,110**	–	**5,321,110**	**40,834**	**5,361,945**
Total Liabilities	**₱24,708,853**	**₱6,362,841**	**₱31,071,694**	**(₱6,813,583)**	**₱24,258,111**
Revenue	**₱7,748,039**	**₱–**	**₱7,748,039**	**(₱167,822)**	**₱7,580,217**
Direct cost	**(6,650,739)**	–	**(6,650,739)**	**166,382**	**(6,484,357)**
Selling and administrative expense	**(709,162)**	**(3,571)**	**(712,733)**	**40,366**	**(672,367)**
Interest expense	**(517,980)**	–	**(517,980)**	**10,957**	**(507,023)**
Foreign exchange gain (loss)	**2,860**	–	**2,860**	–	**2,860**
Share in equity in net earnings (losses) of associates and joint ventures	**47,623**	–	**47,623**	–	**47,623**
Interest and other income – net	**131,496**	–	**131,496**	**(54,691)**	**76,805**
Income before tax	**52,137**	**(3,571)**	**48,566**	**(4,808)**	**43,758**
Provision for income tax	**(20,476)**	–	**(20,476)**	–	**(20,476)**
Net income (loss)	**₱31,661**	**(₱3,571)**	**₱28,090**	**(₱4,808)**	**₱23,282**
Other disclosures:					
Depreciation and amortization	**₱207,738**	**₱–**	**₱207,738**	**₱–**	**₱207,738**
Capital expenditure	**135,029**	–	**135,029**	–	**135,029**
Interest income	**75,134**	–	**75,134**	**(31,937)**	**43,197**
Investments in associates and joint ventures	**234,723**	–	**234,723**	–	**234,723**

	December 31, 2024 (Audited)				
	Domestic	Foreign	Combined	Elimination	Consolidated
Assets					
Current assets	₱23,625,298	₱19,118	₱23,644,416	(₱2,395,834	₱21,248,582
Noncurrent assets	22,571,308	703,491	23,274,799	(7,864,477)	15,410,322
Total Assets	₱46,196,606	₱722,609	₱46,919,215	(₱10,260,311)	₱36,658,904
Liabilities					
Current liabilities	₱16,173,513	₱4,854,139	₱21,027,652	(₱7,560,034)	₱13,467,618
Noncurrent liabilities	6,131,374	-	6,131,374	(173,319)	5,958,055
Total Liabilities	₱22,304,887	₱4,854,139	₱27,159,026	(₱7,733,353)	₱19,425,673
Revenue	₱14,172,471	₱-	₱14,172,471	(₱543,707)	₱3,628,764
Direct cost	(13,867,446)	-	(13,867,446)	543,319	(13,324,127)
Selling and administrative expense	(2,090,650)	(7,240)	(2,097,890)	101,893	(1,995,997)
Interest expense	(1,101,985)	-	(1,101,985)	10,731	(1,091,254)
Foreign exchange gain	(612)	(4,726)	(5,338)	2	(5,336)
Share in equity in net earnings (losses) of associates and joint ventures	101,530	(3,872,950)	(3,771,420)	-	(3,771,420)
Interest and other income – net	2,307,231	1	2,307,232	(342,882)	1,964,350
Income (loss) before tax	(479,461)	(3,884,915)	(4,364,376)	(230,646)	(4,595,020)
(Provision for) benefit from income tax	178,654	-	178,654	-	178,654
Net income (loss)	(₱300,807)	(₱3,884,915)	(₱4,185,722)	(₱230,646)	(₱4,416,366)
Other disclosures:					
Depreciation and amortization	₱529,248	₱-	₱529,248	(₱25,342)	₱503,906
Capital expenditure	2,757,786		2,757,786		2,757,786
Interest income	147,329	1	147,330	(71,311)	76,019
Investments in associates and joint ventures	7,409,691	(6,494,867)	914,824	-	914,824

24. Earnings (Loss) per Share

The following table presents information necessary to calculate earnings (loss) per share:

	June 30, 2025	June 30, 2024
Net income (loss) attributable to equity holders of the Parent Company	**₱23,402,983**	₱88,419,753
Dividends on preferred shares, net of tax	**(368,900,437)**	(149,525,437)
Net income (loss) attributable to common equity holders of the Parent Company	**(345,497,454)**	(61,105,684)
Weighted average number of common shares	**1,036,281,485**	1,036,281,485
Earnings (loss) per share - basic/diluted	**(₱0.3334)**	(₱0.0590)

The exercise price of unexercised stock options is still higher than the average market price during the year making the options anti-dilutive, hence, no diluted earnings (loss) per share is calculated.

The weighted average number of common shares is computed as follows:

	June 30, 2025	June 30, 2024
Number of common shares issued and outstanding	**1,036,401,386**	1,036,401,386
Less: treasury shares	**119,901**	119,901
	1,036,281,485	1,036,281,485

EEI CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY REVISED SRC RULE NO. 68
JUNE 30, 2025

Philippine Securities and Exchange Commission (SEC) issued the Revised Securities Regulation Code Rule No. 68 (Revised SRC Rule No. 68) which consolidates the two separate rules and labeled in the amendment as "Part I" and "Part II", respectively. It also prescribed the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by Revised SRC Rule No. 68, that are relevant to the Group. This information is presented for purposes of filing with the SEC and is not required part of the basic financial statements.

Schedule A. Financial Assets

The following is the detailed schedule of equity in investments at FVOCI as at June 30, 2025:

	Number of Shares	Amount Shown in the Statement of Financial Position	Movement Valuation
Name of Issuing Entities			
Quoted:			
Sta. Elena Golf Club Inc.	2	₱48,000,000	₱-
Philippine Long Distance Telephone Co.	38,867	5,489,389	(493,484)
Manila Southwood Golf & Country Club	1	5,700,000	(300,000)
Valle Verde Country Club	2	1,900,000	–
The Orchard Golf and Country Club	1	3,200,000	700,000
Canyon Woods	1	50,000	–
Royale Tagaytay Country Club	1	100,000	–
The Orchard Golf	1	2,500,000	–
Sherwoods Hills Golf Club	1	400,000	–
Fairways & Blue Water Resort Golf	1	350,000	–
Club Filipino	1	600,000	–
Forest Hill golf share	1	1,000,000	–
Royale NorthWoods	1	121,855	–
Eagle Ridge Golf & Country Club	1	600,000	–
Unquoted:			
Hermosa Ecozone Development Corp (HEDC)	1,000,000	586,053,259	–
Brightnote Assets Corporation	11,000,000	378,945	–
Tower Club (Philam Properties Corp.)	1		–
Architectural Center Club, Inc. (ACCI)	1	32,000	–
Philippine Contractors Association	10,000	10,000	–
Philippine Exporters Trading Corp.	5,000	5,000	–
Pilipino Telephone Company	150	675	–
YGC Corporate Services, Inc.	13,389	3,305,447	–
Al Rushaid Construction Co. Ltd.	950	842,794,339	842,794,339
Total	**12,068,373**	**₱1,502,590,909**	**₱842,700,855**

No dividend income was earned and accrued from the financial assets as of June 2025.

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)

Below is the schedule of advances to employees of the Group with balances above ₱1,000,000 as at June 30, 2025:

Name and designation	Balance at beginning of year	Additions	Collections/ Liquidations	Balance at end of year
Manalad, Janine Ann Bernadette Capistrano	₱1,844,169	₱–	(₱108,450)	₱1,735,719
Villasenor, Glenn Fajardo	2,902,321	–	(2,902,321)	–
	₱4,746,490	**₱–**	**(₱3,010,771)**	**₱1,735,719**

Schedule C. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements

The following is the schedule of receivables from related parties, which are eliminated in the consolidated financial statements as at June 30, 2025:

Name and Designation of Debtor	Balance at beginning of year	Additions	Amounts Collected	Balance at end of June 30, 2025
EEI Realty Corp	₱392,009	₱740,844	₱–	₱1,132,853
EEI Power Corp.	2,133,826	3,196,253	–	5,330,079
Gulf Asia International Corp.	12,374	931,082	(599,442)	344,014
GAIC Manpower Services Inc.	531,918	2,710,636	(2,404,796)	837,758
GAIC Professional Services, Inc.	931,350	50,319	(51,232)	930,437
Philrock Construction & Services, Inc.	41,882,537	20,000	–	41,902,537
Philmark, Inc.	33,704,595	–	–	33,704,595
EEI Business Solutions, Inc.	93,916,206	49,248,525	(40,731,927)	102,432,804
EEI Construction & Marine, Inc.	1,292,371	4,292,958	(2,396,842)	3,188,487
Learn JP	5,960,156	134,767	–	6,094,923
JPSAI	170,689,110	1,923,462	(20,948,644)	151,663,928
EEI Energy	1,214,088	492,436	–	1,706,524
EEI Carga	4,918,367	1,217,802	–	6,136,169
Bagumbayan Equipment Industrial Products, Inc.	18,182	20,000	–	38,182
EEI Limited	15,819,682	1,801,499	–	17,621,181
EEI Ventures	–	14,987,339	–	14,987,339
House of Juan	–	10,101,290	–	10,101,290
EEI Training Academy	–	550,000	–	550,000
	₱373,416,771	**₱92,419,212**	**(₱67,132,883)**	**₱398,703,100**

There were no amounts written off during the year.

The following is the schedule of payable to related parties, which are eliminated in the interim condensed consolidated financial statements as at June 30, 2025:

Name and Designation of Creditor	Balance at beginning of year	Additions	Amounts Paid	Balance at end of June 30, 2025
EEI Construction & Marine, Inc.	₱6,365,932	₱21,983,421	(₱26,376,633)	₱1,972,720
EEI Business Solutions, Inc.	1,098,806	28,398,735	(21,412,130)	8,085,411
EEI Subic Corporation	89,079,662	–	–	89,079,662
GAIC Manpower Services Inc.	–	4,446,182	(3,673,676)	772,506
GAIC Professional Services, Inc.	8,334,806	–	(8,334,806)	–
Bagumbayan Equipment Industrial Products, Inc.	1,643,054	–	–	1,643,054
Learn JP	117,058	–	–	117,058
JP Asia	17,990,168	63,333,152	(72,608,568)	8,714,752
EEI Realty Corp.	46,459,636	8,339,026	(6,203,690)	48,594,972
EEI Carga	634,053	4,456,554	(4,103,884)	986,723
EEI Power Corp	12,851,625	69,513,404	(33,423,240)	48,941,789
	₱184,574,800	₱200,470,474	(₱176,136,627)	₱208,908,647

There were no amounts written off during the year.

Schedule D. Long-term Debt

Below is the schedule of long-term debt of the Group as at June 30, 2025:

Type of Obligation	Amount	Current	Noncurrent	Collateral
Parent Company				
Floating-rate corporate promissory notes with effective interest of 6.9000% per annum for three (3) years.	₱660,312,946	₱332,040,564	₱328,272,382	Clean/No Collateral
Floating-rate corporate promissory notes with effective interest of 6.25000% per annum for three (3) years.	1,504,551,595	1,004,551,595	500,000,000	Clean/No Collateral
Floating-rate corporate promissory notes with effective interest of 6.25000% per annum for three (3) years.	2,087,788,689	421,122,022	1,666,666,667	Clean/No Collateral
Floating-rate corporate promissory notes with effective interest of 6.73000% per annum for three (5) years.	2,608,535,154	703,874,526	1,904,660,628	Clean/No Collateral
Floating-rate corporate promissory notes with effective interest of 7.58000% per annum for five (3) years.	408,536,103	169,051,939	239,484,164	Clean/No Collateral
Learn JP				
Yen-denominated two (2) year term loan, with interest of 0.25% per annum.	10,375,200	–	10,375,200	No Collateral
	₱7,280,099,687	₱2,630,640,646	₱4,649,459,041	

Schedule E. Indebtedness to Related Parties (Long Term Loans from Related Companies)

As at June 30, 2025, the Group has no long-term loans from its associates and entities under common control.

Schedule F. Guarantees of Securities of Other Issuers

The Group did not guarantee any securities of other issuing entities by the Group as at June 30, 2025.

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under 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	2,000,000,000	1,036,281,485	35,000,000	573,543,346	11,028	462,727,111
Preferred Shares	240,000,000	45,000,000	–	–	–	–

EEI CORPORATION

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

As of June 30, 2025

Unappropriated Retained Earnings, January 1, 2025 available for dividend	₱1,978,561,424
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings	
Reversal of retained earnings appropriation	–
Effect of restatements or prior-period adjustments	–
Others	–
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	(491,867,250)
Retained Earnings appropriated during the reporting period	–
Effects of restatements or prior-period adjustments	–
Others	–
Unappropriated Retained Earnings, January 1, 2025 as adjusted	1,486,694,174
Add/Less: Net income (loss) for the current year	27,741,177
Less: Category C.1: 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	(47,623,048)
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	32,882
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 a result of certain transactions accounted for under the PFRS	–
Sub-total	(₱47,590,166)
Add: Category C.2: 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	₱861,631
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–

(Forward)

EEI CORPORATION

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

FOR THE YEAR ENDED JUNE 30, 2025

	Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (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	861,631
Add:	Category C.3: 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 instruments at fair value through profit or loss (FVTPL)	–
	Reversal of previously recorded 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	–
Adjusted Net Income/(Loss)		(₱18,987,358)
Add:	**Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)**	
	Depreciation on revaluation increment (after tax)	₱–
	Others	–
	Sub-total	–
Add/Less:	**Category E: 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	–

(Forward)

EEI CORPORATION

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
FOR THE YEAR ENDED JUNE 30, 2025

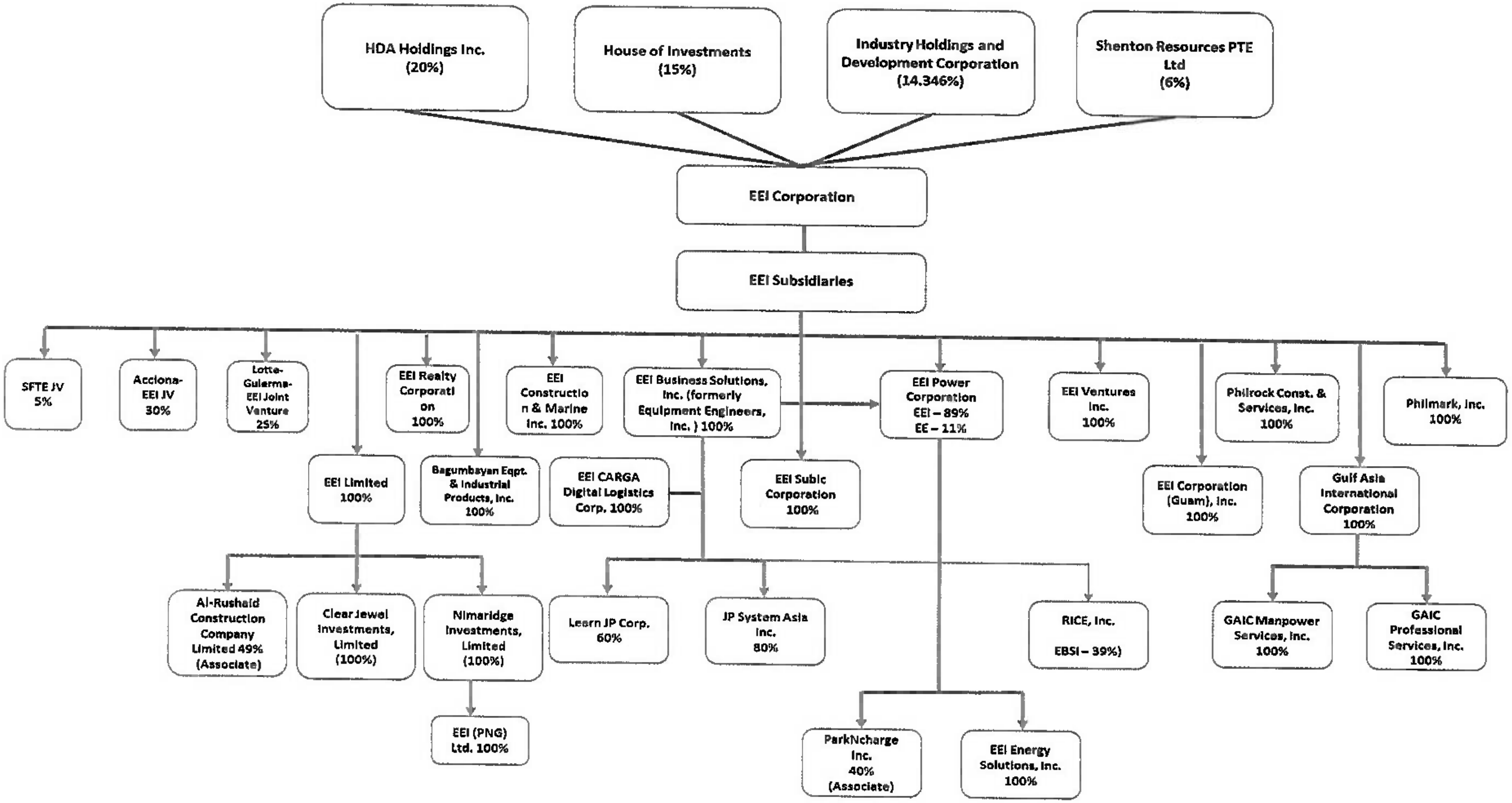
Less:	**Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution**	
	Net movement of treasury shares (except for reacquisition of redeemable shares)	–
	Net movement of deferred tax asset not considered in the reconciling items under the previous categories	16,600,625
	Net movement in deferred tax asset and deferred tax liabilities related to same transaction, i.e., 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	16,600,625
Unappropriated Retained Earnings Available for Dividend Distribution, June 30, 2025		**₱1,484,307,441**

EEI CORPORATION AND SUBSIDIARIES

MAP OF RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP

Group Structure

Below is a map showing the relationship between and among the Group and its ultimate parent company, subsidiaries, and associates as at June 30, 2025:



EEI CORPORATION AND SUBSIDIARIES

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
As at June 30, 2025 and December 31, 2024

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Group as at June 30, 2025 and December 31, 2024 and for the periods then ended.

Ratios	**Formula**	**2025**	2024
Current ratio	Current assets / Current liabilities	**1.03:1**	1.58:1
Solvency ratio	Net income plus depreciation / Total liabilities	**0.01:1**	-0.20:1
Debt - equity ratio	Total liabilities / Total equity	**1.57:1**	1.13:1
Asset-to-equity ratio	Total assets / Total equity	**2.58:1**	2.13:1
Interest rate coverage ratio	EBIT* / Interest expense	**1.09:1**	-5.21:1
Return on assets	Net income / Average total assets	**0.06%**	-13%
Return on equity	Net income / Average total equity	**0.13%**	-29%

EEI CORPORATION AND SUBSIDIARIES

AGING OF TRADE RECEIVABLES

As at June 30, 2025

(In Thousand Pesos)

	Current	**30 Days**	**60 Days**	**90 Days**	**120 Days/ Over**	**Total**
EEI Corporation	632,199	146,875	92,853	11,739	910,085	1,793,751
Gulf Asia International Corporation	59,333	22,075	9,489	7,940	55,633	154,470
EEI Construction and Marine, Inc.	53,813	21,426	-	6,667	29,321	111,227
EEI Business Solutions, Inc.	13,278	6,562	10,416	2,602	70,790	103,648
EEI Power Corporation	9,703	13,661	4,268	2,302	81,055	110,989
EEI Realty Corporation	2,563	31	31	30	562	3,217
EEI Energy Solutions Corporation	15,893	2,384	-	-	36,199	54,476
Others	-	-	-	-	9,578	9,578
Total	**786,782**	**213,014**	**117,057**	**31,280**	**1,193,223**	**2,341,356**