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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address : No. Street Company / Town / Province)

ATTY. RODOLFO G. CORVITE,JR.
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Contact Person

85286000
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Company Telephone Number

0	8
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Month

1	4
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Day

1	7	-	Q
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FORM TYPE

0	4
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Month  
2025 Annual  
Meeting

2	4
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Day

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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

8	2	1		
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As of July 31, 2025  
Total No. of Stockholders

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Domestic

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Foreign

Total Amount of Borrowings

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

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Cashier

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Remarks = pls. use black ink for scanning purposes.

SEC Number: 133653

File Number: \_\_\_\_\_

**ASIAN TERMINALS, INC.**

(Company's Full Name)

**A. Bonifacio Drive, Port Area Manila, Philippines**

(Company's Address)

**(632) 528-6000**

(Telephone Number)

**December 31**

**Calendar Year Ending**

(Month & Day)

**SEC Form 17-Q**

Form Type

\_\_\_\_\_  
Amendment Designation (if applicable)

**June 30, 2025**

Period Ended Date

\_\_\_\_\_  
(Secondary License Type and File Number)

cc: Philippine Stock Exchange

**ASIAN TERMINALS, INCORPORATED**  
**Securities and Exchange Commission**

**SEC FORM 17-Q**

*Quarterly Report Pursuant to Section 17 of the Securities Regulation Code and SRC Rule 17-2(b) thereunder*

1. For the quarter ended : **June 30, 2025**
2. Commission identification Number : **133653**
3. BIR Tax Identification No. : **330-000-132-413-V**
4. Exact name of issuer as specified in its charter : **ASIAN TERMINALS, INC.**
5. Province, country or other jurisdiction of incorporation or organization: **Manila, Philippines**
6. Industry Classification Code : \_\_\_\_\_ (SEC Use Only)
7. Address of issuer's principal office : **A. Bonifacio Drive South  
Harbor, Port Area, Manila**
8. Issuer's telephone number, including area code : **528-6000 (telephone number),  
1018 (area code)**
9. Former name, former address and former fiscal year, if changed since last report: **A. Bonifacio  
Drive, South Harbor Port Area, Manila**

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

<b>Title of Each Class</b>	<b>Number of shares of common stock outstanding and amount of debt outstanding</b>
Capital stock – common	1,995,666,500 shares

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

Yes [ ☒ ] No [ ☐ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder 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 [ ☒ ] No [ ☐ ]

(b) has been subject to such filing requirements for the past 90 days

Yes [ ☒ ] No [ ☐ ]

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**PART I - FINANCIAL INFORMATION**

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**Item 1. Financial Statements**

With reference to the attached interim financial statements:

- There were no common stock equivalents issued during the period. As such, basic and diluted earnings per share were the same. Earnings per share for the period is shown in the accompanying Consolidated Statements of Comprehensive Income.
- The Company applied Philippine Financial Reporting Standards (PFRS) in preparing the consolidated financial statements.
- The same accounting policies and methods of computations were followed in the interim financial statements as compared with the most recent annual financial statements.
- Information regarding the business segment is reported under item 1 of the attached Selected Explanatory Notes.
- There was no material event subsequent to the end of this interim that had not been reflected in the financial statements of this interim period.
- There had been no uncertainties known to management that would cause the financial information not to be indicative of future operating results and financial condition.

**Amended Standards Not Yet Adopted**

A number of new standards and amendments to standards are effective for annual periods beginning after January 1, 2024. However, the Group has not early adopted the following new standards and amendments to standards in preparing these consolidated financial statements. Unless otherwise stated, none of these are expected to have a significant impact on the Group's consolidated financial statements.

*Effective January 1, 2026*

- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to PFRS 9, Financial Instruments and PFRS 7, Financial Instruments: Disclosures).* The amendments relate to the date of recognition and derecognition, classification of financial assets, contractually linked instruments and non-recourse features, and disclosures on investments in equity instruments.

Date of recognition and derecognition. The amendments clarified that:

- a financial asset or financial liability is recognized on the date on which the entity becomes party to the contractual provisions of the instrument unless the regular way exemption applies;
- a financial asset is derecognized on the date on which the contractual rights to cash flows expire or the asset is transferred; and
- a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished because the obligation specified in the contract is discharged or cancelled or expires or the liability otherwise qualifies for derecognition.

However, the amendments provide an exception for the derecognition of financial liabilities

where an entity may choose to derecognize a financial liability that is settled using an electronic payment system before the settlement date if, and only if, the entity has initiated the payment instruction that resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction;
- the entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Entities may choose to apply the exception on a system-by-system basis.

*Classification of financial assets.* The amendments related to classification of financial assets introduce an additional test to assess whether the solely payments of principal and interest (SPPI) criterion is met for financial assets with contingent features that are not related directly to a change in basic lending risks or costs.

*Contractually linked instruments and non-recourse features.* The amendments clarify the key characteristics of contractually linked instruments (CLIs) and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test). For example, it clarifies that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets; that CLIs have non-recourse features, but not all financial assets with non-recourse features are CLIs; and that the underlying pool of instruments of CLIs may include financial assets outside the scope of IFRS 9.

*Disclosures on investments in equity instruments.* The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). The entity discloses for each class of investment the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. It also discloses any transfers of the cumulative gain or loss within equity during the reporting period related to investments derecognized during that reporting period.

The amendments apply for reporting periods beginning on or after January 1, 2026. Earlier application is permitted. Entities may choose to early-adopt the amendments for the recognition and derecognition of financial assets and financial liabilities separately from the other amendments.

- *Annual Improvements to PFRS Accounting Standards - Volume 11.* This cycle of improvements contains amendments to five standards, of which are applicable to the Group:
  - *Gain or Loss on Derecognition (Amendments to PFRS 7, Financial Instruments: Disclosure).* The amendments replaced the reference to 'inputs that were not based on observable market data' in the obsolete paragraph 27A of PFRS 7, with reference to 'unobservable inputs' in paragraphs 72-73 of PFRS 13, *Fair Value Measurement*.
  - *Introduction, Disclosure of Difference Between Fair Value and Transaction Price, and Credit Risk Disclosures (Amendments to Guidance on implementing PFRS 7, Financial Instruments: Disclosure).* The amendments:
    - clarified that the Guidance on implementing PFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7;
    - made the wordings on the disclosure of deferred difference between fair value and transaction price in paragraph IG14 of PFRS 7 consistent with the requirements in

- paragraph 28 of PFRS 7 and with the concepts in PFRS 9, *Financial Instruments* and PFRS 13, *Fair Value Measurement*; and
  - o simplified the wordings on credit risk disclosures in paragraph IG20B that the illustration does not include financial assets that are purchased or originated credit impaired.
- *Derecognition of Lease Liabilities and Transaction Price (Amendments to PFRS 9, Financial Instruments)*. The amendments:
  - o added a cross-reference to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee applies the requirement that the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in profit or loss; and
  - o replaced the term 'their transaction price (as defined in IFRS 15)' with 'the amount determined by applying IFRS 15' because a receivable might be initially measured at an amount that differs from the transaction price recognized as revenue, for example, when you recognize full amount for consideration that's unconditionally receivable but at the same time recognize expected refund liability with respect to retrospective rebates. Consequently, the definition of the transaction price has been deleted.
- *Determination of 'De Facto Agent' (Amendments to PFRS 10, Consolidated Financial Statements)*. The amendments revised the wording on whether a party is a de facto agent when directed by 'those that direct the activities of the investor' to be non-conclusive given this may require judgment.
- *Cost Method (Amendments to PAS 7, Statement of Cash Flows)*. The amendments replaced the term 'cost method' with 'at cost' given the definition of 'cost method' had previously been removed from PFRS Accounting Standards.

The amendments apply for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

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

### **Consolidated Results of Operations for the six months ended June 30, 2025**

Revenues for the first half of 2025 of P9,612.0 million increased by 28.8% from P7,462.7 million in the same period last year. Revenues from South Harbor (SH) international containerized cargo and Batangas Container Terminal (BCT) increased by 31.8% and 19.2%, respectively, compared to last year, due to higher container volumes that grew by 19.9% and 24.5%, respectively. Moreover, revenues from ATI Batangas were higher than the previous year by 9.7% on account of higher volumes for international Roro cargo and higher number of passengers.

The government's share of revenues for the first six months of 2025 was P1,818.3 million, increased by 38.4% from P1,313.9 million last year due to higher revenues subject to the port authorities' share.

Cost and expenses in the first six months of 2025 amounted to P3,907.8 million, 17.4% higher than P3,327.4 million in the same period last year. Depreciation and amortization in 2025 increased by

2.8% to P1,044.1 million from P1,016.0 million in 2024. Labor costs of P1,154.7 million this year went up by 2.8% compared to P962.6 million last year due to a salary rate increase and additional headcount related to higher volume. Equipment running costs went up by 19.2% to 465.5 million this year from P390.5 million last year due to higher fuel costs related to higher fuel prices and higher electricity resulting from higher consumption and an increase in rates. General transport of P220.6 million in 2025 rose by 43.5% from P153.7 million in 2024 on account of higher trucking costs from higher trucking volume. Security, health, environment and safety increased by 9.2% to P110.8 million in 2025 from P101.5 million in 2024 due to higher security costs related to higher volume and rate increase. Facilities-related expenses in 2025 increased by 16.3% to P214.5 million from P184.5 million in 2024. Taxes and licenses of P282.8 million in 2025 went up by 40.1% from P201.9 million in 2024. Insurance in 2025 of P146.3 million went up by 11.1% compared to P131.7 million in the same period last year due to higher premiums on renewal of dollar-denominated insurance, such as material damage and business interruption premiums. Professional fees increased by 96.2% to P14.4 million in 2025 from P7.3 million in 2024. Management fees of P171.2 million in 2025 went up by 66.2% from P103.0 million in 2024, following higher earnings before tax. Entertainment, amusement and recreation in 2025 of P6.9 million went up by 214.7% from P2.2 million last year. Other expenses in 2025 amounted to P71.7 million, 5.6% higher compared to P67.9 million last year due to higher travel and accommodation and advertising expenses.

Meanwhile, Rentals of P4.1 million in 2025 decreased by 9.7% compared to P4.6 million in the same period last year due to lower equipment rental.

Finance income in 2025 of P91.4 million was lower by 14.0% than P106.3 million last year due to lower interest rates on money market placements. Finance costs in 2025 of P226.2 million were lower by 4.7% against P237.5 million last year. Others-net was at P122.3 million in 2025 from negative P349.5 million in 2024 mainly due to higher unrealized foreign exchange gain on the fair value of concession liability and accrued interest following the appreciation of the Philippine Peso against the US Dollar.

Income before income tax in the first half of 2025 of P3,873.4 million increased by 65.5% from P2,340.6 million in the same period last year. Provision for income tax increased by 66.9% to P966.2 million in 2025 from P578.8 million in the same period last year due to higher results.

Net income of P2,907.2 million for the first half of 2025 was 65.0% higher than P1,761.8 million for the same period last year. Earnings per share this year were P1.46, and last year were P0.88.

The Company's businesses are affected by the local and global trade environment. Factors that could cause actual results of the Company to differ materially include, but are not limited to:

- material adverse change in the Philippine and the global economic and industry conditions;
- natural events (earthquake, typhoons and other major calamities);
- material changes in foreign exchange rates

In the first six months of 2025:

- There had been no known trend, demand, commitment, event or uncertainty that had or are reasonably expected to have a material favorable or unfavorable impact on the Company's liquidity or revenues from continuing operations, other than those discussed in this report.
- There had been no significant element of income that did not arise from the Company's continuing operations.
- There had been no seasonal factor that had a material effect on the financial condition and results of operations.
- There had been no event known to management that could trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

- There had been no material off-balance sheet transaction, arrangement, obligation (including contingent obligation), and other relationship of the Company with unconsolidated entity or other person created during the period that would address the past and would have a material impact on future operations.

### **Consolidated Financial Condition**

Total assets as of June 30, 2025 slightly decreased by 0.1% to P37,719.9 million from P37,747.5 million as of December 31, 2024. Current assets went down by 8.1% to P9,772.1 million as of June 30, 2025 from P10,629.8 million as of December 31, 2024. Cash and cash equivalents of P3,205.8 million as of June 30, 2025 decreased by 33.4% compared to P4,812.2 million as of December 31, 2024. Trade and other receivables-net of P1,556.9 million as of June 30, 2025 increased by 19.1% from P1,307.7 million as of December 31, 2024. Spare parts and supplies as of June 30, 2025, rose by 2.8% to P1,128.0 million from P1,097.6 million as of December 31, 2024. Prepaid expenses as of June 30, 2025 of P3,881.4 million were higher by 13.7% than P3,412.3 million as of December 31, 2024 on account of the unamortized portion of prepaid real property, business taxes and higher input taxes on PPA fees and capital expenditures.

Total noncurrent assets of P27,947.8 million as of June 30, 2025 were higher by 3.1% compared to P27,117.8 million as of December 31, 2024. Investment in an associate decreased by 14.5% to P50.9 million as of June 30, 2025 from P59.6 million as of December 31, 2024. Property and equipment - net amounted to P2,633.9 million, down by 2.9% from P2,712.8 million as of December 31, 2024. Intangible assets - net of P23,301.4 million were higher by 3.5% than P22,516.4 million as of December 31, 2024. The acquisitions of property and equipment and intangible assets, which amounted to P94.2 million and P1,544.1 million, respectively, were partially offset by the increase in depreciation and amortization. Right-of-use assets - net of P859.2 million as of June 30, 2025 were higher by 30.3% compared to P659.3 million as of December 31, 2024. Deferred tax assets – net amounted to P1,019.8 million as of June 30, 2025, was lower by 6.2% compared to P1,087.5 million as of December 31, 2024. Other noncurrent assets of P82.6 million as of June 30, 2025 were slightly higher by 0.5% compared to P82.2 million as of December 31, 2024.

Total liabilities increased by 0.9% to P11,834.2 million as of June 30, 2025 from P11,725.4 million as of December 31, 2024. Trade and other payables increased by 3.2% to P3,243.6 million as of June 30, 2025 from P3,141.7 million as of December 31, 2024. Trade and other payables are covered by agreed payment schedules. Provisions for claims of P66.4 million as of June 30, 2025 decreased by 1.2% from P67.2 million as of December 31, 2024. Concession rights payable (current and noncurrent) as of June 30, 2025 of P6,881.7 million decreased by 5.7% from P7,299.0 million as of December 31, 2024. Income and other taxes payable of P457.3 million as of June 30, 2025 were higher by 106.9% compared to P221.1 million as of December 31, 2024 due to income tax for the second quarter of 2025 and higher final tax of dividends payables. Pension liability of P286.6 million was down by 9.9% as of June 30, 2025 from P318.0 million as of December 31, 2024. Lease liabilities (current and noncurrent) of P898.6 million as of June 30, 2025 increased by 32.5% from P678.3 million as of December 31, 2024 due to additional leases for the first half of 2025.

### **Consolidated Cash Flows**

Net cash provided by operating activities in the first half of 2025 was P3,557.1 million, 28.7% higher than P2,763.5 million in the same period last year due to higher operating income and a decrease in trade receivables.



Net cash used in investing activities in the first half of 2025 of P1,611.7 million was higher by 8.1% versus the P1,490.3 million in the same period last year due to higher acquisition of intangible assets.

Net cash used in financing activities in the first half of 2025 was P3,531.3 million, 2.0% higher than P3,460.4 million in the same period last year, due to higher payments of lease liabilities and purchase of treasury shares.

### Key Performance Indicators (KPI)

KPIs discussed below were based on consolidated amounts as portions pertaining to the Company's subsidiary ATI Batangas, Inc. (ATIB) were not material. As of end June 2025:

- ATIB's total assets were only 9.5% of the consolidated total assets
- Income before other income and expense for ATIB was only 4.2% of consolidated income before other income and expenses<sup>1</sup>.

Consolidated KPI	Manner of Calculation	As of June 30		Discussion
		2025	2024	
Return on Capital Employed	Percentage of income before interest and tax over capital employed	22.7%	18.3%	Increased due to higher income before interest and taxes during the period.
Return on Equity attributable to equity holders of the parent	Percentage of annualized net income over equity attributable to equity holders of the parent	22.4%	14.7%	Increased due to higher net income growth.
Current ratio	Ratio of current assets over current liabilities	2.29 : 1.00	2.13 : 1.00	Increased due to lower current liabilities.
Asset to equity ratio	Ratio of total assets over equity attributable to equity holders of the parent	1.46 : 1.00	1.53 : 1.00	Decreased due to higher increase in equity.
Debt to equity ratio	Ratio of total liabilities over equity attributable to equity holders of the parent	0.46 : 1.00	0.53 : 1.00	Improved due to increase in stockholders' equity
Days Sales in Receivables (DSR)	Gross trade receivables over revenues multiplied by number of days	9 days	17 days	Decreased due to improved collection.
Net Income Margin	Net income over revenues less	37.3%	28.7%	Increased due to higher net income growth rate.

	government share in revenues			
Reportable Injury Frequency Rate (RIFR) <sup>2</sup>	Number of reportable injuries within a given accounting period relative to the total number of hours worked in the same accounting period.	0.21	0.24	Improved as a result of extensive safety campaign and strict implementation of HSES policies.

<sup>1</sup> Income before other income and expenses is defined as income before net financing costs, forex gains or losses and others.

<sup>2</sup> RIFR is the new KPI for injuries introduced in 2014 to replace LTIFR. RIFR is a more stringent KPI as it covers not only Lost Time Injuries (LTIs) but also Medical Treatment Injuries (MTIs) and Fatalities incidents.

## PART II. OTHER INFORMATION

On April 24, 2025, the Board of Directors of ATI approved a cash dividend of P1.505 per share to stockholders on record as of May 23, 2025 payable on June 17, 2025. As of date of this report, the Company has both ordinary and treasury shares.

### Submissions of SEC Form 17-C:

Date Filed	Reference	Particulars
January 6, 2025	SEC 17-C	Attendance of Directors in the 2024 Board Meetings
January 27, 2025	SEC 17-C	Share Buy Back Transaction (for January 24, 2025)
February 5,6,7,10,11,12,13,14, 17,21,24 ,25 and 28, 2025	SEC 17-C	Share Buy Back Transactions (for February 4,5,6,7,10, 11,12,13,14, 17,21,24,25 and 28, 2025)
March 3 and 4, 2025	SEC 17-C	Share Buy Back Transaction (for February 28 and March 3, 2025)
February 17, 2025	SEC 17-C	Notice of Guidelines for Nomination
February 20, 2025	SEC 17-C	Setting the date, time, agenda of the 2025 annual stockholders' meeting and for holding the same by remote communication, the record date and closing of stock and transfer book; approval of the audited financial statements; re-appointment of R.G. Manabat & Co. as independent auditors for 2025
April 24, 2025	SEC 17-C	Declaration of Cash Dividends, with record and payment dates; Results of the 2025 Annual Meeting and the organizational meeting

**ASIAN TERMINALS, INCORPORATED**  
**Securities and Exchange Commission Form 17-Q**

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**SIGNATURES**

Pursuant to the requirements of the Revised Securities Act, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**ASIAN TERMINALS, INCORPORATED**  
by:

**JOSE TRISTAN P. CARPIO**  
Vice President and Chief Financial Officer

Date: August 14, 2025

Principal Financial/Accounting Officer:

**MARISSA R. PINCA**  
Assistant Vice President for Accounting and Financial Planning

Date: August 14, 2025

**ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Amounts In Thousands)

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P3,205,847	P4,812,172
Trade and other receivables - net	1,556,880	1,307,654
Spare parts and supplies	1,128,047	1,097,633
Prepaid expenses	3,881,364	3,412,316
<b>Total Current Assets</b>	<b>9,772,138</b>	<b>10,629,775</b>
<b>Noncurrent Assets</b>		
Investment in an associate	50,930	59,567
Property and equipment - net	2,633,903	2,712,806
Intangible assets - net	23,301,399	22,516,355
Right-of-use assets - net	859,183	659,303
Deferred tax assets - net	1,019,785	1,087,536
Other noncurrent assets	82,568	82,201
<b>Total Noncurrent Assets</b>	<b>27,947,768</b>	<b>27,117,769</b>
<b>TOTAL ASSETS</b>	<b>P37,719,906</b>	<b>P37,747,544</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables	P3,243,641	P3,141,727
Provisions for claims	66,388	67,188
Port concession rights payable - current portion	405,332	469,627
Income and other taxes payable	457,279	221,061
Lease liabilities - current portion	100,062	14,193
<b>Total Current Liabilities</b>	<b>4,272,702</b>	<b>3,913,796</b>
<b>Noncurrent Liabilities</b>		
Port concession rights payable - net of current portion	6,476,351	6,829,421
Pension liability - net	286,588	318,043
Lease liabilities - net of current portion	798,531	664,149
<b>Total Noncurrent Liabilities</b>	<b>7,561,470</b>	<b>7,811,613</b>
<b>Total Liabilities</b>	<b>11,834,172</b>	<b>11,725,409</b>
<b>Equity</b>		
<b>Equity Attributable to Equity Holders of the Parent Company</b>		
Capital stock	2,000,000	2,000,000
Additional paid-in capital	264,300	264,300
Treasury Shares	(74,315)	(34,771)
Retained earnings	23,683,925	23,781,109
Fair value reserve	(5,820)	(5,820)
	25,868,090	26,004,818
<b>Non-controlling Interest</b>	<b>17,644</b>	<b>17,317</b>
<b>Total Equity</b>	<b>25,885,734</b>	<b>26,022,135</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P37,719,906</b>	<b>P37,747,544</b>

**ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF INCOME**

(Amounts In Thousands, Except Per Share Data)

	For the second quarter ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
<b>REVENUES FROM OPERATIONS</b>	<b>P4,873,562</b>	<b>P3,990,240</b>	<b>P9,611,981</b>	<b>P7,462,694</b>
<b>GOVERNMENT SHARE IN REVENUES</b>	<b>(909,969)</b>	<b>(710,877)</b>	<b>(1,818,308)</b>	<b>(1,313,925)</b>
	<b>3,963,593</b>	<b>3,279,363</b>	<b>7,793,673</b>	<b>6,148,769</b>
<b>COSTS AND EXPENSES EXCLUDING GOVERNMENT SHARE IN REVENUES</b>	<b>(1,970,375)</b>	<b>(1,656,303)</b>	<b>(3,907,811)</b>	<b>(3,327,423)</b>
<b>OTHER INCOME AND EXPENSES</b>				
Finance income	45,784	53,654	91,401	106,292
Finance cost	(112,233)	(117,902)	(226,243)	(237,517)
Others - net	75,226	(234,574)	122,331	(349,485)
	8,777	(298,822)	(12,511)	(480,710)
<b>CONSTRUCTION REVENUES</b>	<b>1,091,721</b>	<b>773,100</b>	<b>1,544,077</b>	<b>1,245,623</b>
<b>CONSTRUCTION COSTS</b>	<b>(1,091,721)</b>	<b>(773,100)</b>	<b>(1,544,077)</b>	<b>(1,245,623)</b>
	-	-	-	-
<b>INCOME BEFORE INCOME TAX</b>	<b>2,001,995</b>	<b>1,324,238</b>	<b>3,873,351</b>	<b>2,340,636</b>
<b>INCOME TAX EXPENSE</b>				
Current	472,010	382,692	898,399	654,213
Deferred	27,010	(67,523)	67,751	(75,368)
	499,020	315,169	966,150	578,845
<b>NET INCOME</b>	<b>P1,502,976</b>	<b>P1,009,069</b>	<b>P2,907,201</b>	<b>P1,761,791</b>
<b>Income Attributable to</b>				
Equity Holders of the Parent Company	P1,502,546	P1,008,944	P2,906,294	P1,761,137
Non - controlling interest	431	126	908	654
	P1,502,977	P1,009,070	P2,907,202	P1,761,791
<b>Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company</b>	<b>P0.75</b>	<b>P0.50</b>	<b>P1.46</b>	<b>P0.88</b>

**ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Amounts in Thousands, Except Per Share Data)

	Attributable to Equity Holders of the Parent Company						Fair Value Reserves	Non-controlling Total Interest	Total Equity
	Common Stock	Additional Paid-in Capital	Treasury Shares	Retained Earnings					
				Appropriated for Port Development	Unappropriated				
Balance at January 1, 2025	P2,000,000	P264,300	(P 34,771)	P20,300,000	P3,481,109	(P 5,820)	P26,004,818	P17,317	P26,022,135
Purchase of treasury shares	-	-	(39,544)	-	-	-	(39,544)	(580)	(40,124)
Cash dividends - P1.502 a share fo	-	-	-	-	-	-	(3,003,478)	-	(3,003,478)
Net income for the period	-	-	-	-	2,906,294	-	2,906,294	907	2,907,201
Balance at June 30, 2025	P2,000,000	P264,300	(P 74,315)	P20,300,000	P6,387,403	(P 5,820)	P25,868,090	P17,644	P25,885,734
Balance at January 1, 2024	P2,000,000	P264,300	-	P18,500,000	P3,776,607	(P 5,820)	P24,535,087	P16,315	P24,551,402
Cash dividends - P1.50 a share for	-	-	-	-	(3,000,000)	-	(3,000,000)	(580)	(3,000,580)
Net income for the period	-	-	-	-	1,761,137	-	1,761,137	654	1,761,791
Balance at June 30, 2024	P2,000,000	P264,300	P -	P18,500,000	P2,537,744	(P 5,820)	P23,296,224	P16,389	P23,312,613

**ASIAN TERMINALS, INC. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts In Thousands)

	For the second quarter ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	P 2,001,995	P1,324,238	P3,873,351	P2,340,636
Adjustments for:				
Depreciation and amortization	518,522	512,487	1,044,146	1,015,986
Finance cost	121,249	126,875	244,250	255,357
Finance income	(49,262)	(147,003)	(91,401)	(189,142)
Net unrealized foreign exchange losses	(108,793)	(156,999)	(193,999)	(63,555)
Equity in net earnings of an associate	(8,970)	(11,722)	(18,230)	(19,858)
Gain on disposals of:				
Intangible assets	-	-	-	371
Operating income before working capital changes	2,474,741	1,647,876	4,858,117	3,339,795
Decrease (increase) in:				
Trade and other receivables	(58,521)	(382,897)	(236,247)	(601,937)
Spare parts and supplies	(5,695)	4,529	(30,414)	(14,234)
Prepaid expenses	45,946	117,719	(469,048)	(342,545)
Increase (decrease) in:				
Trade and other payables	(77,342)	643,215	95,601	565,400
Provisions for claims	(800)	(130)	(800)	460
Income and other taxes payable	315,181	223,652	222,787	240,675
Cash generated from operations	2,693,510	2,253,964	4,439,996	3,187,614
Finance income received	34,206	144,926	78,422	189,142
Finance cost paid	(18,202)	(18,062)	(36,370)	(36,088)
Income tax paid	(884,968)	(600,442)	(884,968)	(600,442)
Contribution to retirement funds	12,543	11,630	(39,966)	23,256
Net cash provided by operating activities	1,837,089	1,792,016	3,557,114	2,763,482
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisitions of:				
Property and Equipment	(55,367)	(34,913)	(94,157)	(245,334)
Intangible assets	(1,091,721)	(772,733)	(1,544,076)	(1,245,623)
Decrease (increase) in:				
Other noncurrent assets	-	13,682	-	-
Deposits	-	(13,329)	(367)	638
Net cash used in investing activities	(1,120,221)	(807,293)	(1,611,733)	(1,490,319)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments of:				
Cash dividends	(3,003,478)	(3,000,000)	(3,003,478)	(3,000,000)
Cash dividend to non-controlling interest	(580)	(580)	(580)	(580)
Lease liabilities	(57,264)	(49,290)	(91,682)	(73,016)
Purchase of treasury shares	-	-	(39,544)	-
Port concession rights payable	(197,740)	(219,038)	(396,026)	(386,852)
Net cash used in financing activities	(3,259,062)	(3,268,908)	(3,531,310)	(3,460,448)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(2,542,194)	(2,284,185)	(1,585,929)	(2,187,285)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	(11,416)	40,377	(20,396)	56,099
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	5,759,457	5,537,560	4,812,172	5,424,938
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR</b>	P3,205,847	P3,293,752	P3,205,847	P3,293,752

**SELECTED  
EXPLANATORY NOTES  
June 30, 2025  
(Amounts in Thousands)**

**1. Segment Information**

Information concerning the Company's Port business segment is presented below:

	For the six months ended June 30	
	2025	2024
Revenue	P9,611,981	P7,462,694
Intangible Assets (excluding goodwill)	23,301,399	22,059,957
Property and equipment - net	2,633,903	2,618,359
Total assets	37,719,906	35,571,248
Total liabilities	11,834,172	12,258,635
Capital expenditures		
Intangible Assets	1,544,076	1,245,623
Property and equipment	94,157	245,334
Depreciation and amortization	1,044,146	1,015,986

**2. Trade and Other Receivables**

	June 30, 2025	As of December 31, 2024 (Audited)
Trade receivables	P822,167	P900,312
Due from related parties	593,386	266,060
Advances to officers and employees	31,167	40,865
Receivable from insurance	29,718	29,718
Accrued other income	11,957	9,015
Interest receivable	3,447	8,403
Other receivables	69,233	57,476
	1,561,075	1,311,849
Allowance for impairment losses	(4,195)	(4,195)
	P1,556,880	P1,307,654

Trade and other receivables are noninterest-bearing and generally have credit term of thirty (30) days.



### 3. Property and Equipment

A summary of property and equipment follows:

	Port Facilities and Leasehold Equipment improvements		Furniture and Furnitures and Equipment	Transportation and other Equipment	Construction In-progress	June 30, 2025	December 31, 2024 (Audited)
<b>Cost</b>							
Balance at beginning of year	P239,269	P2,912,629	P1,064,864	P456,925	P84,080	P4,757,767	P4,318,469
Additions	-	22,125	9,632	37,361	25,039	94,157	485,314
Disposals	-	-	(577)	(4,309)	-	(4,886)	(33,490)
Reclassifications	-	-	-	(38,849)	-	(38,849)	(12,526)
Balance at end of year	239,269	2,934,754	1,073,919	451,128	109,119	4,808,189	4,757,767
<b>Accumulated depreciation</b>							
Balance at beginning of year	168,111	753,721	853,260	269,869	-	2,044,961	1,806,720
Depreciation	5,352	60,293	43,146	25,420	-	134,211	273,361
Disposals	-	-	(577)	(4,309)	-	(4,886)	(32,938)
Reclassification	-	-	-	-	-	-	(2,182)
Balance at end of year	173,463	814,014	895,829	290,980	-	2,174,286	2,044,961
<b>Carrying Amount</b>	<b>P65,806</b>	<b>P2,120,740</b>	<b>P178,090</b>	<b>P160,149</b>	<b>P109,119</b>	<b>P2,633,903</b>	<b>P2,712,806</b>

### 4. Intangible Assets

As of June 30, 2025

	Port Concession Rights					
	Upfront Fees	Fixed Fees	Port Infrastructure	SubTotal	Goodwill	Total
<b>Cost</b>						
Balance at beginning of year	P882,000	P9,279,694	P30,050,034	P40,211,728	P42,060	P40,253,788
Additions	-	-	1,544,076	P1,544,076	-	1,544,076
Reclassifications	-	-	38,849	38,849	-	38,849
Balance at end of year	882,000	9,279,694	31,632,959	41,794,653	42,060	41,836,713
<b>Accumulated amortization</b>						
Balance at beginning of year	131,054	5,493,830	12,112,549	17,737,433	-	17,737,433
Amortization	5,640	198,938	593,303	P797,881	-	797,881
Balance at end of year	136,694	5,692,768	12,705,852	18,535,314	-	18,535,314
<b>Carrying Amount</b>	<b>P745,306</b>	<b>P3,586,926</b>	<b>P18,927,107</b>	<b>P23,259,339</b>	<b>P42,060</b>	<b>P23,301,399</b>

As of December 31, 2024 (Audited)

	Port Concession Rights					
	Upfront Fees	Fixed Fees	Port Infrastructure	SubTotal	Goodwill	Total
<b>Cost</b>						
Balance at beginning of year	P882,000	P9,279,694	P27,554,563	P37,716,257	P42,060	P37,758,317
Additions	-	-	2,498,548	2,498,548	-	2,498,548
Disposals	-	-	(1,824)	(1,824)	-	(1,824)
Reclassifications	-	-	(1,253)	(1,253)	-	(1,253)
Balance at end of year	882,000	9,279,694	30,050,034	40,211,728	42,060	40,253,788
<b>Accumulated amortization</b>						
Balance at beginning of year	119,774	5,107,234	10,936,179	16,163,187	-	16,163,187
Additions	11,280	386,596	1,176,012	1,573,888	-	1,573,888
Disposals	-	-	(1,824)	(1,824)	-	(1,824)
Reclassifications	-	-	2,182	2,182	-	2,182
Balance at end of year	131,054	5,493,830	12,112,549	17,737,433	-	17,737,433
<b>Carrying Amount</b>	<b>P 750,946</b>	<b>P 3,785,864</b>	<b>P 17,937,485</b>	<b>P 22,474,295</b>	<b>P 42,060</b>	<b>P22,516,355</b>

## 5. Trade and Other Payables

	June 30, 2025	December 31, 2024 (Audited)
Accrued expenses:		
Marketing, commercial, promotion and business development	P604,607	P460,651
Personnel costs	138,164	128,093
Repairs and maintenance	124,664	102,786
Finance costs	119,566	126,894
IT expenses	83,334	45,595
Security expenses	41,633	40,274
Trucking Expenses	33,604	39,795
Professional fees	32,908	36,128
Utilities	25,975	24,298
Rental	20,024	21,317
Corporate social responsibility	15,386	12,959
Safety and environment	3,992	5,531
Insurance	3,846	65,856
Miscellaneous accrued expenses	113,869	122,802
Due to government agencies	996,138	1,059,557
Trade	226,451	200,806
Equipment acquisitions	214,515	290,350
Shippers' and brokers' deposits	227,452	185,629
Provisions	80,364	80,364
Management fee payable	26,571	32,886
Other Payables	110,578	59,156
	<b>P3,243,641</b>	<b>P3,141,727</b>

## 6. Other Income and Expenses

Finance cost is broken down as follows:

	For the six months ended June 30	
	2025	2024
Interest on port concession rights payable	P199,368	P213,065
Interest on lease liability	18,185	18,044
Interest component of pension expense	8,507	6,205
Interest on bank loans/credit facilities	183	203
	<b>P226,243</b>	<b>P237,517</b>

Finance income is broken down as follows:

	For the six months ended June 30	
	2025	2024
Interest on cash in banks and short-term investments	P91,401	P106,292
	<b>P91,401</b>	<b>P106,292</b>

Others consisted of the following:

	For the six months ended June 30	
	2025	2024
Foreign exchange gains - port concession rights payable	P379,301	P 7,457
Equity in net earnings of an associate	18,230	19,858
Management income	3,988	4,083
Lease and other income - net	3,881	24,421
Gain on disposals of property and equipment and intangible assets	494	3,920
Foreign exchange (losses) - others	(283,563)	(409,224)
	<b>P122,331</b>	<b>(P 349,485)</b>

Foreign exchange (losses) – port concession rights payable resulted from revaluation of foreign currency denominated port concession rights payable.

## 7. Financial Risk and Capital Management Objectives and Policies

The Company has various financial assets and liabilities such as cash and cash equivalents, trade and other receivables, deposits, equity securities, trade and other payables, port concession rights payable and lease liabilities which arise directly from its operations. The main purpose of these financial instruments is to raise financing for the Company's capital expenditures and operations.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, credit risk and foreign currency risk. The BOD reviews and agrees on policies for managing each of these risks.

### Interest Rate Risk

The Company's interest rate risk management policy centers on reducing the Company's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Company's cash in banks and cash equivalents.

The interest rate profile of the Company's interest-bearing financial instrument is as follows:

	June 30, 2025	December 31, 2024 (Audited)
<b>Fixed Rate Instruments</b>		
Cash and cash equivalents	<b>P3,203,361</b>	<b>P4,808,127</b>

*Excluding cash on hand amounting to P2.5 million and P4 million as at June 30, 2025 and 2024, respectively.*

### Fair Value Sensitivity Analysis for Fixed Rate Instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore, a change in interest rates at the reporting date would not affect profit or loss.

### Liquidity Risk

The Company monitors its risk of shortage of funds using a liquidity planning tool. This tool considers the maturity of both the Company's financial investments and financial assets and projected cash flows from operations, among others. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As of June 30, 2025	Carrying Amount	Contractual Cash Flows					Total
		On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	
Trade and other payables*	P2,247,503	P110,765	P561,569	P1,371,792	P 203,377	P -	P2,247,503
Port concession rights payable	6,881,683	-	103,887	311,660	3,345,455	4,373,383	8,134,385
Lease liabilities	898,593	-	59,201	67,212	285,627	541,910	953,950
<b>Total</b>	<b>P 10,027,779</b>	<b>P 110,765</b>	<b>P 724,657</b>	<b>P 1,750,664</b>	<b>P 3,834,459</b>	<b>P 4,915,293</b>	<b>P 11,335,838</b>

\* excluding due to government agencies amounting to P996.1 million

As of December 31, 2024 (Audited)	Carrying Amount	Contractual Cash Flows					Total
		On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	
Trade and other payables*	P2,082,170	P104,257	P519,193	P1,311,872	P 146,848	P -	P 2,082,170
Port concession rights payable	7,299,048	-	194,023	582,070	3,345,455	4,373,383	8,494,931
Lease liabilities	678,342	-	9,087	27,524	212,361	855,840	1,104,812
<b>Total</b>	<b>P 10,059,560</b>	<b>P 104,257</b>	<b>P 722,303</b>	<b>P 1,921,466</b>	<b>P 3,704,664</b>	<b>P 5,229,223</b>	<b>P 11,681,913</b>

\* excluding due to government agencies amounting to P1,059.6 million

### Credit Risk

Credit risk on trade and other receivables represents the risk of loss the Company would incur if credit customers and counterparties failed to perform their contractual obligations.

The Company trades only with recognized and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. A regular/annual review and evaluation of accounts is being implemented to assess the credit standing of customers.

The Company does not require collateral in respect of trade and other receivables. The Company does not have trade and other receivables for which no loss allowance is recognized because of collateral. The carrying amounts of trade and other receivables represent the maximum credit exposure.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash in bank and cash equivalents, deposits and FVOCI - equity, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company trades only with reputable banks and recognized third parties.

Exposure to credit risk is monitored on an ongoing basis. Credit checks are being performed on all clients requesting credit over certain amounts. Credit is not extended beyond authorized limits, established where appropriate through consultation with a professional credit vetting organization. Credit granted is subject to regular review, to ensure it remains consistent with the clients' current credit worthiness and appropriate to the anticipated volume of business.

Financial information on the Company's maximum exposure to credit risk, without considering the effects of collaterals and other risk mitigation techniques, is presented below.

	June 30, 2025	As of December 31, 2024 (Audited)
Cash and cash equivalents*	<b>P3,203,361</b>	P4,808,127
Trade and other receivables - net	<b>1,556,880</b>	1,307,654
Deposits	<b>79,917</b>	79,549
Equity securities	<b>2,652</b>	2,652
	<b>P4,842,810</b>	P6,197,982

\* Excluding cash on hand amounting to P2.5 million and P4.0 million as at June 30, 2025 and 2024, respectively.

There are no significant concentrations of credit risk within the Company.

The table below shows the credit quality of the Company's financial assets based on their historical experience with the corresponding debtor.

	As at June 30, 2025			
	Grade A	Grade B	Grade C	Total
Cash in banks and cash equivalents	<b>P3,203,361</b>	P -	P -	<b>P3,203,361</b>
Trade and other receivables - net	<b>1,192,624</b>	<b>364,256</b>	-	<b>1,556,880</b>
Deposits	<b>79,917</b>	-	-	<b>79,917</b>
Equity securities	<b>2,652</b>	-	-	<b>2,652</b>
	<b>P4,478,554</b>	<b>P364,256</b>	<b>P -</b>	<b>P4,842,810</b>

	As at December 31, 2024			
	Grade A	Grade B	Grade C	Total
Cash in banks and cash equivalents	<b>P4,808,127</b>	P -	P -	<b>P4,808,127</b>
Trade and other receivables - net	<b>789,772</b>	<b>517,882</b>	-	<b>1,307,654</b>
Deposits	<b>79,549</b>	-	-	<b>79,549</b>
Equity securities	<b>2,652</b>	-	-	<b>2,652</b>
	<b>P5,680,100</b>	<b>P517,882</b>	<b>P -</b>	<b>P6,197,982</b>

Grade A receivables pertain to those receivables from customers that always pay on time or even before the maturity date. Grade B includes receivables that are collected on their due dates provided that they were reminded or followed up by the Company. Those receivables which are collected consistently beyond their due dates and require persistent effort from the Company are included under Grade C.

Cash in banks is considered good quality (Grade A) as this pertains to deposits in reputable banks.

#### *Expected Credit Loss Assessment as at June 30, 2025*

The Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying expected credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Exposures within each credit risk grade are segmented by industry classification and an ECL rate is calculated for each segment based on delinquency and actual credit loss experience.

The following table provides information about the exposure to credit risk for trade and other receivables as at June 30, 2025:

	<b>Gross Carrying Amount</b>	<b>Impairment Loss Allowance</b>	<b>Credit- impaired</b>
Current (not past due)	P1,336,151	P -	No
1 - 30 days past due	78,200	-	No
31 - 60 days past due	62,026	-	No
61- 90 days past due	67,578	-	No
More than 90 days past due	17,120	4,195	Yes
<b>Balance at June 30, 2025</b>	<b>P1,561,075</b>	<b>P4,195</b>	

Loss rates are based on actual credit loss experience over three years considering circumstances at the reporting date. Any adjustment to the loss rates for forecasts of future economic conditions are not expected to be material. The Company applies the simplified approach in providing for expected credit losses prescribed by PFRS 9, which permits the use of the lifetime expected loss provision and applies a provision matrix. The application of the expected loss rates to the receivables of the Company does not have a material impact on the financial statements.

The maturity of the Company's trade and other receivables is less than one year so the lifetime expected credit losses and the 12-month expected credit losses are similar.

#### Cash in Banks and Cash Equivalents

The Company held cash in banks and cash equivalents of P3.2 billion and P4.8 billion as at June 30, 2025 and December 31, 2024, respectively. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Grade A.

Impairment on cash in banks and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash in bank and cash equivalents have low credit risk based on the external credit ratings of the counterparties and any ECL is expected to be immaterial.

#### Foreign Currency Risk

The Company has foreign currency financial assets and liabilities arising from US dollar denominated revenues, lease payments, government share, and other foreign currency-denominated purchases by operating units.

The Company's policy is to manage its foreign currency risk by using a combination of natural hedges as well as buying and selling foreign currencies at spot rates where necessary to address short-term imbalances.

The Company's foreign currency-denominated accounts are as follows:

	As of June 30, 2025	As of December 31, 2024
<b>Assets</b>		
Cash and cash equivalents	USD8,660	USD8,920
<b>Liabilities</b>		
Trade and other payables	10,336	10,092
Port concession rights payable	112,172	115,061
	122,508	125,153
Net foreign currency-denominated liabilities	(USD113,848)	(USD116,233)
Peso equivalent	(P6,413,058)	(P6,718,267)

	Increase (Decrease) in USD Exchange Rate	Effect on Income before Income Tax	Effect on Equity
June 30, 2025			
	+5%	(P320,653)	(240,490)
	-5%	320,653	240,490
December 31, 2024			
	+5%	(P335,913)	(P251,935)
	-5%	335,913	251,935

The exchange rates applicable for US dollar as at June 30, 2025 and December 31, 2024 are P56.3 and P57.8, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Company's income before income tax and equity.

#### Capital Management

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

The Company considers capital to include capital stock, additional paid-in capital, retained earnings and fair value reserve. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the period ended June 30, 2025.

The Company is not subject to externally imposed capital requirements.

The table below shows the capital structure of the Company.

	June 30, 2025	December 31, 2024 (Audited)
Capital Stock	P2,000,000	P2,000,000
Additional paid-in capital	264,300	264,300
Retained Earnings	23,683,925	23,781,109
Treasury share	(74,315)	(34,771)
Fair value reserve	(5,820)	(5,820)
<b>Total</b>	<b>P25,868,090</b>	<b>P26,004,818</b>

## 8. Financial Instruments

	June 30, 2025		As of December 31, 2024 (Audited)	
	Carrying Amount	Fair Values	Carrying Amount	Fair Values
<b>Financial Assets</b>				
Cash and cash equivalents	P3,205,847	P3,205,847	P4,812,172	P4,812,172
Trade and other receivables - net	1,556,880	1,556,880	1,307,654	1,307,654
Deposits	79,917	83,085	79,549	82,717
	4,842,644	4,845,812	6,199,375	6,202,543
Equity securities	2,652	2,652	2,652	2,652
	P4,845,296	P4,848,464	P6,202,027	P6,205,195
<b>Financial Liabilities</b>				
Other financial liabilities:				
Trade and other payables*	P2,247,503	P2,247,503	P2,082,170	P2,082,170
Port concession rights payable	6,881,683	7,265,229	7,299,048	7,886,080
	P9,129,186	P9,512,732	P9,381,218	P9,968,250

\* excluding due to government agencies amounting to P996.1 million and P1,059.6 million as at June 30, 2025 and 2024, respectively.

The table below presents a comparison by category of carrying amounts and estimated fair values of all the Company's financial instruments.

### Fair Value of Financial Instruments

The fair values of cash and cash equivalents, trade and other receivables, and trade and other payables are approximately equal to their carrying amounts due to their relatively short-term nature.

### *Nonderivative Financial Instruments*

Quoted market prices have been used to determine the fair values of listed equity securities. The fair values of unquoted equity securities are not reliably determinable.

For noninterest-bearing deposits, the fair value is estimated as the present value of all future cash discounted using the prevailing market rate on interest for a similar instrument. The discount rates used are 5.6% in 2025 and 6.2% in 2024.

The fair value of port concession rights payable was estimated at the present value of all future cash flows discounted using the applicable rates for similar types of loans ranging from 5.69% to 6.61% in 2025 and 6.05% to 6.18% in 2024.



### Fair Value Hierarchy

The table below presents the fair value hierarchy of the Company's financial instruments:

#### Fair Value Hierarchy

<b>As of June 30, 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Equity securities	<b>P933</b>	<b>P -</b>	<b>P 1,719</b>
Port concession rights payable	<b>-</b>	<b>7,265,229</b>	<b>-</b>
	<b>P933</b>	<b>P7,265,229</b>	<b>P1,719</b>

  

<b>As of December 31, 2024 (Audited)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Equity securities	P933	P -	P 1,719
Port concession rights payable	-	7,886,080	-
	P933	P7,886,080	P1,719

There have been no transfers from one level to another in 2025 and 2024.