GENERAL ANNOUNCEMENT::ANNOUNCEMENT BY SUBSIDIARY COMPANY, GRAND PLAZA HOTEL CORPORATION

Issuer & Securities

Issuer/ Manager

CITY DEVELOPMENTS LIMITED

Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

Date &Time of Broadcast

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Announcement Sub Title

Announcement by Subsidiary Company, Grand Plaza Hotel Corporation

Announcement Reference

SG260807OTHRUTLZ

Submitted By (Co./ Ind. Name)

Soo Lai Sun

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the Quarterly Report for Second Quarter and Six Months Ended 30 June 2026 submitted by Grand Plaza Hotel Corporation to the Securities and Exchange Commission of the Philippines on 6 August 2026.

Attachments

08.07.2026-GPHC_Q2FS.pdf

Total size =3714K MB

COVER SHEET

166878
S.E.C. Registration Number

GRAND PLAZA HOTEL CORPORATION
(Company's Full Name)

10TH FLOOR. THE HERITAGE HOTEL MANILA
EDSA CORNER ROXAS BOULEVARD, PASAY CITY
1300
(Business Address: No. Street City / Town / Province)

CECILLE G. BERNARDO
Contact Person

02-8854 8838
Company Telephone Number

12/31
Month Day
Fiscal Year

17-Q
FORM TYPE

05 15
Month Day
Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1 For the quarterly period ended **June 30, 2026**

2. Commission identification number ____________ 3. BIR Tax Identification No. **000-460-602-000**

GRAND PLAZA HOTEL CORPORATION
4. Exact name of issuer as specified in its charter

PHILIPPINES
5. Province, country or other jurisdiction of incorporation or organization ______________

6. Industry Classification Code: ____________ (SEC Use Only)

10F, The Heritage Hotel Manila, Roxas Blvd. cor. EDSA, Pasay City 1300
7. Address of issuer's principal office

Tel. No. (632) 8854-8838 **Fax No. (632) 8854-8825**
8. Issuer's telephone number, including area code

N.A.
9. Former name, former address and formal fiscal year if changed since last report

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

Title of each Class	Number of shares of common Stock outstanding and amount Of debt outstanding
COMMON SHARES	**87,318,270***
*includes 33,600,901 treasury shares	

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

Yes [X] No [ ]

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

PHILIPPINE STOCK EXCHANGE, INC. **COMMON**

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 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**

Financial Statements and, if applicable, Pro-forma Financial Statements meeting the requirements of SRC Rule 68, Form and Content of Financial Statements, shall be furnished as specified therein.

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

Furnish the information required by Part III, Paragraph (A)(2)(b) of "Annex C"

PART II – OTHER INFORMATION

The issuer may, at its option, report under this item any information not previously reported in a report in SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

SIGNATURES

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

Issuer: **YAM KIT SUNG**
Signature and Title: **General Manager & Chief Financial Officer**
Date : August 6, 2026

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements Required Under SRC Rule 68.1

- Please see attached financial statements for interim Balance Sheets, Statements of Income, Statements of Changes in Equity and Statements of Cash flows.

Notes to Financial Statements

Summary of significant accounting policies
The financial statements of the Company have been prepared in accordance with Philippine generally accepted accounting principles (GAAP) and are denominated in Philippine pesos. The preparation of financial statements in accordance with Philippine GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies.

The same accounting policies and methods of computation are followed in the interim financial statements for the year 2023 as compared with the most recent annual financial statements.

Seasonality or Cyclicality of Interim Operations
All segments of the business are in its normal trading pattern.

Material Items
There are no material items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidents.

Estimates
There are no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current interim period.

Issuances of Debts and Equity
There are no issuances, repurchases and repayments of debts and equity securities.

Dividends
There were no dividends declared in the current interim period.

Segment Revenue and Results
Statement of Financial Accounting Standard No. 31, "Segment Reporting", which becomes effective for financial statements covering periods beginning on or after January 1, 2001, requires that a public business enterprise report financial and descriptive information about its reportable segments. Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker in deciding how to allocate resources and in assessing performance.

The Company organized its business into 3 main segments:
- Room Division – Business derived from the sale of guestrooms.
- Food and Beverage Division – Business derived from the sale of food and beverage at various restaurants.
- Other Operated Departments and rental – Business derived from telephone department, business center, car parking, laundry and rental of space.

The segment revenues and results are as follows:

	YTD 2nd Quarter Revenue – Peso '000	YTD 2nd Department Profit – Peso '000
Room	126,139	90,415
Food and Beverage	63,130	16,322
Other Operated Departments and rental	8,494	7,998

Subsequent Events
None

Composition of Company
There are no changes in the composition of the Company during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

Contingent assets or liabilities
There are no changes in contingent assets or liabilities since the last annual balance sheet date.

Contingencies
There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

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

The top 5 Key Performance Indicators of the Company are as follows:

	30 June 2026	30 June 2025
Current liquidity ratios	**1.80**	2.01
Solvency (Debt to equity)	**0.51**	0.59
Assets to equity ratios	**1.51**	1.59
Profitability ratios Profit/(Loss) before tax margin ratio	**(20.2%)**	(14.8%)
EBITDA (Earnings before interest, tax, depreciation and amortization) - Peso	**(24.4 million)**	(12.5 million)

Note: The Company has no loans due to third party or related parties.

Current liquidity ratio is derived by dividing the current assets with the current liabilities. This indicator measures the liquidity of the Company in the short-term. The current ratio decreased by 0.11 during the period of review compared to the same period of last year due to increase in current liabilities mainly from higher accounts payable and Due to Associated/Related companies.

Debt to equity ratio measures a company financial leverage. It is derived by dividing total liabilities over equity. The increase in this ratio is due to higher liabilities.

Assets/Equity ratio measures the proportion of equity used to finance assets of the company and it is derived by dividing total assets to equity. This ration increased marginally by 2.5%.

Profit before tax margin ratio is computed by dividing the profit before tax against the total revenue. This ratio measures whether the Company is able to contain its expenses in relation to the revenue. This ratio showed a negative ratio due to lower revenue as the main tenant has pre-terminated the lease contract.

EBITDA represents earnings before interest, tax, depreciation and amortization. This indicator measures the operating cash flow of a company. For the period under review, EBITDA fell into negative due to lower revenue.

Balance Sheets Analysis:

- **Cash and investments in short-term notes:** This balance consists mainly of cash and fixed deposits with banks. Compared with the same period last year, the balance decreased by PhP96.5 million, or 26.3%, mainly due to payments made to contractors for the renovation of guestrooms on the 8th and 9th floors. Compared with the end of the last fiscal year, the balance decreased by PhP18.0 million, or 6.0%, as most of the renovation works had been paid.

- **Accounts receivable – trade:** Compared with 31 December 2025, trade receivables decreased by PhP29.6 million, or 50.5%, as the Company collected several major outstanding accounts during the period under review. Compared with the same period last year, the balance decreased by PhP9.1 million, or 23.8%, mainly due to lower revenue.

- **Advances to associated/related companies:** Compared with the same period last year, the balance decreased by PhP2.5 million, or 56.3%, following repayment of outstanding amounts by associated/related companies.

- **Prepaid expenses:** Compared with the end of the last fiscal year, the balance increased from PhP69.7 million to PhP83.7 million, representing an increase of PhP14.0 million, or 20.1%. The increase was mainly due to the recognition of prepaid insurance and other prepaid expenses.

- **Property and equipment:** Compared with the end of the last fiscal year, the balance decreased by PhP55.2 million, or 8.9%, mainly due to depreciation and disposal of assets during the renovation. Compared with the same period last year, the balance increased by PhP206.7 million, or 58.2%, due to additions arising from the renovation works.

- **Accounts payable:** Compared with the same period last year, the balance decreased by PhP12.7 million, or 12.5%, mainly due to lower purchases amid weaker trading activity.

- **Rental payable:** This represents rental due to an associated company for the lease of the hotel land. Compared with both the same period last year and the end of the last fiscal year, the balance increased because the Company had not paid the outstanding rent.

- **Refundable deposit:** Compared with the same period last year, the balance decreased by PhP73.2 million, or 72.3%. The decrease was due to the forfeiture of deposits after the tenant was unable to pay rent and vacated the premises.

Income Statement Analysis for the 6 Months Ended 30 June 2026

Revenue:
Revenue Overview: Total revenue for 1H2026 decreased by PhP3.2 million, or 1.6%, compared with 1H2025. Rooms revenue was broadly in line with the prior year, while F&B revenue decreased by 7.6%. Other operated departments and other income improved by PhP2.2 million, or 35.6%.

Rooms Performance:
Occupancy decreased to 45.0% from 55.6% in the prior year. This was partly due to the partial closure of rooms on the 8th and 9th floors for renovation, which reduced the total number of available rooms.
Following the room renovations, the hotel's Average Room Rate improved from PhP3,257 to PhP3,444, representing an increase of 5.8%. However, RevPAR declined by 14.4% as the benefit from the higher Average Room Rate was more than offset by the lower occupancy.

Food & Beverage (F&B):
F&B revenue declined by PhP5.2 million, or 7.6%, compared with the prior year. The decrease was mainly attributable to weaker performance from Riviera and Banquet. Riviera revenue decreased from PhP36.1 million to PhP33.3 million, representing a decline of PhP2.8 million, or 7.8%, primarily due to lower dinner revenue, which fell by PhP2.0 million, or 24.1%. Banquet revenue also declined by PhP3.5 million, or 14.4%, mainly due to weaker revenue performance in 2Q2026.

Rental Income/Others:
The increase in rental income is mainly due to the former casino tenant temporarily renting storage space for the period June 2025 to April 2026.

Cost of Sales:
Consistent with the decrease in F&B revenue, F&B cost of sales also decreased by PhP2.3 million or 10.2%.

Operating Expenses:
Operating expenses increased by PhP20.4 million, or 9.6%, compared with the prior year. The increase was mainly driven by higher payroll costs, utilities and depreciation. Payroll and related expenses rose from PhP68.2 million to PhP72.9 million, representing an increase of PhP4.7 million, or 6.9%, mainly due to annual wage increases. Utilities also increased, with electricity and gas costs rising by 19.0% and 23.0%, respectively, due to higher energy costs arising from the Middle East crisis. The electricity tariff rate increased from PhP5.64/KWH to PhP6.76/KWH, or 19.8%. Depreciation increased by PhP9.5 million, or 44.5%, following the completion of newly renovated rooms.

Non-operating Income:
Interest income decreased by PhP3.3 million, or 38.4%, mainly due to lower cash balances and lower interest rates. However, the strengthening of the US dollar against the

Philippine peso resulted in an exchange gain of PhP9.1 million from the translation of US dollar time deposits, compared with an exchange loss of PhP5.2 million in the prior year.

Net Income Before Tax:
Due to lower revenue and higher operating expenses, the Company recorded a loss before tax of PhP40.0 million, compared with a loss before tax of PhP29.6 million in the prior year.

<u>Income Statement Analysis for the 2nd Quarter 2026</u>

Revenue:
Total revenue for 2Q2026 decreased from PhP98.5 million to PhP88.1 million, representing a decline of PhP10.4 million, or 10.5%. The decrease was mainly attributable to weaker trading conditions following the onset of the Middle East crisis in March 2026, which created uncertainty, increased costs and led companies to defer non-essential travel and discretionary spending.

Rooms and F&B:
Both Rooms and F&B revenue fell by 9.6% and 16.9%, respectively, due to the uncertainty created by the Middle East crisis.

Cost of Sales:
With lower F&B revenue, F&B cost of sales also decreased by PhP1.6 million or 15.0%.

Operating Expenses:
Operating expenses comprise payroll costs, other operating expenses, utilities and depreciation. The balance increased by PhP1.6 million, or 2.7%, mainly due to higher payroll costs, depreciation and energy costs.

Non-operating Income:
Interest income decreased by PhP1.3 million, or 32.5%, mainly due to lower cash balances and lower interest rates. The Company also recorded an exchange gain of PhP3.8 million during the quarter, compared with an exchange loss of PhP3.2 million in the prior year.

Net Income Before Tax:
Due to lower revenue, the Company recorded a loss before tax of PhP24.7 million, compared with a loss before tax of PhP18.8 million in the prior year.

Management is not aware of any material events or uncertainties that occurred during the period or that are expected to have a material impact on the Company's future operations in respect of the following:

- Any known trends, demands, commitments, events or uncertainties that will have a material impact on the Company's liquidity.

- Any material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.
- Any significant elements of income or loss that did not arise from the Company's continuing operations.
- The causes for any material change(s) (5% or more) from period to period in one or more line items (vertical and horizontal) of the Company's financial statements.
- Any seasonal aspects that had a material effect on the financial condition or results of operations.

Management is not aware of any event that may trigger direct or contingent financial obligations material to the Company, including any default or acceleration of an obligation. Management is also not aware of any material off-balance sheet transaction, arrangement, obligation, including contingent obligations, or other relationship with unconsolidated entities or other persons created during the first six months of 2026.

PART II – OTHER INFORMATION

Other major information about the Company are disclosed in the appropriate notes in the previously filed Audited Financial Statements for 31 December 2025 or in the SEC 17A, SEC17Q and SEC17C reports for 2025.

Financial Risk Exposure:
In the context of the current global financial condition, the Securities and Exchange Commission sent us a memorandum to companies on 29 October 2008, which requires companies to make a self-assessment or evaluation to determine whether any of the items below are applicable. If applicable, these items must be disclosed in the interim financial report on SEC Form 17-Q ("Quarterly Report"):

1. The qualitative and quantitative impact of any changes in the financial risk exposures of GPHC, particularly on currency, interest, credit, market and liquidity risks, that would materially affect its financial condition and results of operation, and a description of any enhancement in the Company's risk management policies to address the same.

2. A description of the financial instruments of the Company and the classification and measurements applied for each. If material in amount, provide detailed explanation or complex securities particularly on derivatives and their impact on the financial condition of the Company.

3. The amount and description of the Company's investments in foreign securities.

4. The significant judgments made in classifying a particular financial instrument in the fair value hierarchy.

5. An explanation of how risk is incorporated and considered in the valuation of assets or liabilities.

6. A comparison of the fair values as of date of the recent interim financial report and as date of the preceding interim period, and the amount of gain or loss recognized for each of the said periods.

7. The criteria used to determine whether the market for a financial instrument is active or inactive, as defined under Philippine Accounting Standard 39 – Financial Instruments.

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework. The BOD has established the Executive Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee identifies all issues affecting the operations of the Company and reports regularly to the BOD on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. All risks faced by the Company are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the risks that inevitably occur so as not to affect the Company's operations and detriment forecasted results. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee directly interfaces with the internal audit function, which undertakes reviews of risk management controls and procedures and ensures the integrity of internal control activities which affect the financial management system of the Company. The results of procedures performed by Internal Audit are reported to the Audit Committee.

Credit Risk

Credit risk represents the risk of loss the Company would incur if credit customers and counterparties fail to perform their contractual obligations. The Company's credit risk arises principally from the Company's trade receivables.

Exposure to credit risk is monitored on an ongoing basis, credit checks 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.

The investment of the Company's cash resources is managed so as to minimize risk while seeking to enhance yield. The Company's holding of cash and money market placements expose the Company's to credit risk of the counterparty if the counterparty is unwilling or unable to fulfill its obligations and the Company consequently suffers financial loss. Credit risk management involves entering into financial transactions only with counterparties with acceptable credit rating. The treasury policy sets aggregate credit limits of any one counterparty and annually reviews the exposure limits and credit ratings of the counterparties.

Receivables balance is being monitored on a regular basis to ensure timely execution of necessary intervention efforts. As of balance sheet date, there were no significant concentrations of credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other market prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company is subject to various market risks, including risks from changes in room rates, interest rates and currency exchange rates.

Room Rates

The risk from room rate changes relates to the Company's ability to recover higher operating costs through price increases to customers, which may be limited due to the competitive pricing environment that exists in the Philippine hotel industry and the willingness of customers to avail of hotel rooms at higher prices.

The Company minimizes its exposure to risks in changes in room rates by signing contracts with short period of expiry so this gives the Company the flexibility to adjust its room rates in accordance to market conditions.

Interest Rate Risk

The Company has no interest-bearing debt obligations to third parties. As such, the Company has minimal interest rate risk.

Foreign Currency Risk

Foreign assets and financing facilities extended to the Company were mainly denominated in Philippine Peso. As such, the Company's foreign currency risk is minimal.

The Company functional currency is Philippines peso. As at 30 June 2026, it holds bulk of its cash and cash equivalent in Philippines peso. The United States dollars are used to settle foreign obligations.

The Company does not have any third-party loans so it has no interest rate risk. The Company in the ordinary course of business extends credit to its customers. Exposure to credit risk is monitored on an ongoing basis, credit review being performed for clients requesting credit limit. The total exposure to trade receivables as at 30 June 2026 is Peso14.7 million.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility. As at 30 June 2026, the Company has Peso574.2 million current assets and Peso319.3 million current liabilities so the current assets are able to cover its current liabilities.

The Company does not invest in any other financial instruments. Any surplus funds are placed in short-term fixed deposits with local bank like Metropolitan Bank and Trust Co. and foreign bank like DBS Singapore, MUFG and United Overseas Bank Singapore

The Company also does not invest in foreign securities.

The fair values together with the carrying amounts of the financial assets and liabilities shown in the balance sheet date are as follows:

	30 June 2026	**30 June 2026**	31 December 2025	31 December 2025
	Carrying amount	**Fair value**	Carrying amount	Fair value
Cash and cash equivalents	**270,617,226**	**270,617,226**	288,627,463	288,627,463
Receivables net	**33,642,034**	**33,642,034**	98,479,763	98,479,763
Due from/(to)	**(98,278,397)**	**(98,278,397)**	(80,714,131)	(80,714,131)

related party net				
Loan receivable	**15,500,000**	**15,500,000**	15,500,000	15,500,000
Lease deposit	**78,000,000**	**78,000,000**	78,000,000	78,000,000
Accounts payable & accrued expenses	**119,577,71**	**119,577,71**	122,262,586	112,262,586

The following summarizes the methods and assumptions used in estimating the fair values of financial instruments reflected in the above table:

Cash and cash equivalent – the carrying amount approximates the fair value due to its short maturity.

Receivables/ due from related party/ loan receivable/ lease deposit/ accounts payable and accrued expenses/ due to related party – current receivables are reported at their net realizable values, at total amount less allowances for uncollectible amounts. Current liabilities are stated at amounts reasonably expected to be paid within the next 12 months or operating cycle. Due from/to related party and loan receivable are payable on demand. In the case of lease deposit, the fair value approximates the carrying amount.

GRAND PLAZA HOTEL CORPORATION
Balance Sheets
June 30, 2026
(with comparative figures for the year ended December 31, 2025)
(In Philippine Pesos)

ASSETS	Unaudited June 30, 2026	Unaudited June 30, 2025	Audited Dec. 31, 2025
Current Assets			
Cash on hand and in bank			
Cash and investments in short term notes	270,617,226	367,089,092	288,627,463
Accrued interest receivable	826,040	1,913,740	374,581
Accounts receivable - trade	29,065,259	38,146,735	58,706,789
Accounts receivable - others	4,862,983	3,919,395	53,809,721
Provision for bad debts	(1,112,247)	(1,112,247)	(14,036,747)
Loans Receivable	15,500,000	15,500,000	15,500,000
Input tax	943,738	2,159,831	-
Advances to associated/related companies	2,478,559	5,027,353	2,419,472
Advances to immediate holding company	11,972,117	10,364,148	10,947,444
Inventories	9,265,466	7,617,581	7,957,556
Prepaid expenses	83,726,161	61,381,837	69,698,314
Creditable withholding tax	17,024,579	21,276,855	17,513,250
Other current assets	129,062,013	334,536,936	33,614,598
Advances to/from THHM			
Total Current Assets	*574,231,894*	*867,821,255*	*545,132,441*
Property and Equipment	*562,093,582*	*355,359,599*	*617,265,366*
Right-of-use Assets	*178,571,220*	*178,571,220*	*178,571,220*
Other Noncurrent assets - CIP	-	-	*12,404,619*
Organization and Pre-operating Expenses			
Investment in Stock of Associated Company	*51,180,636*	*50,895,051*	*50,440,343*
Deposit on Lease Contract	*78,000,000*	*78,000,000*	*78,000,000*
Deferred tax assets/(liabilities)	*19,026,214*	*20,931,700*	*19,927,041*
Other Assets			
Miscellaneous investments and deposits	8,582,719	8,582,719	8,582,719
Others	1,010,000	1,010,000	1,010,000
Total Other Assets	*9,592,719*	*9,592,719*	*9,592,719*
Total Assets	***1,472,696,265***	***1,561,171,543***	***1,511,333,748***

GRAND PLAZA HOTEL CORPORATION
Balance Sheets
June 30, 2026
(with comparative figures for the year ended December 31, 2025)
(In Philippine Pesos)

LIABILITIES AND STOCKHOLDERS' EQUITY	**Unaudited June 30, 2026**	**Unaudited June 30, 2025**	**Audited Dec. 31, 2025**
Current Liabilities			
Accounts payable	88,610,027	101,301,930	87,384,357
Accrued liabilities	30,967,344	76,627,755	34,878,229
Rental payable	19,888,046	12,163,527	12,366,326
Due to associated/related companies	112,729,073	104,783,941	94,081,047
Refundable deposit	28,081,255	101,243,374	27,927,343
Hotel Lease Liability	6,134,565	5,650,373	5,887,493
Income tax payable			
Other current liabilities	31,639,660	33,849,079	54,368,551
Reserves	1,268,435	(2,014,023)	1,268,435
Total Current Liabilities	*319,318,405*	*433,605,956*	*318,161,781*
Long - Term Liabilities			
Retirement Benefit Liability	40,040,904		39,272,448
Deferred rental - Pagcor		-	-
Hotel Lease Liability	139,488,714	145,623,279	142,619,034
Total Long - Term Liabilities	*179,529,618*	*145,623,279*	*181,891,482*
Stockholders' Equity			
Authorized - 115,000,000 shares with PhP10 par			
Paid - in Capital	873,182,699	873,182,699	873,182,699
Premium on capital stock	11,965,904	11,965,904	11,965,904
Paid-in capital in excess of par - Warrants	2,691,614	2,691,614	2,691,614
Treasury stock	(1,680,020,370)	(1,680,020,370)	(1,680,020,370)
Retained earnings - beginning	1,797,004,988	1,786,239,124	1,782,392,691
Net income for the period	(43,280,824)	(27,613,011)	8,763,717
Reserves / net Actuarial Loss	12,304,230	15,496,348	12,304,230
Total Stockholders' Equity	*973,848,241*	*981,942,308*	*1,011,280,485*
Total Liabilities and Stockholders' Equity	***1,472,696,264***	***1,561,171,543***	***1,511,333,748***

GRAND PLAZA HOTEL CORPORATION
Income Statements
For Half Year Ended 30 June 2026
(In Philippine Pesos)

	Unaudited June 30, 2026	Unaudited June 30, 2025
Revenue		
Rooms	126,139,491	126,395,716
Food & Beverage	63,130,565	68,333,234
Other Operated Depts.	628,901	683,865
Rental Income/Others	7,865,712	5,581,052
Total Revenue	197,764,668	200,993,867
Cost of Sales		
Food & Beverage	20,339,518	22,648,829
Other Operated Depts.	18,942	17,071
Total Cost of Sales	20,358,460	22,665,900
Gross Profit	177,406,208	178,327,967
Operating Expenses	232,583,094	212,147,293
Net Operating Income	(55,176,886)	(33,819,326)
Non-operating Income		
Interest Income	5,330,498	8,655,674
Exchange Gain/(Loss)	9,063,079	(5,160,950)
Share in Net Income/(Loss) of Associated Co.	740,293	671,570
Other Income	4,500	-
Total Non-Operating Income	15,138,370	4,166,295
Net Income/(Loss) Before Tax	(40,038,516)	(29,653,032)
Provision for Income Tax	3,242,308	(2,040,021)
Net Income/(Loss) After Tax	**(43,280,824)**	**(27,613,011)**
Basic earnings per share	***(0.81)***	***(0.51)***
Diluted earnings per share	***(0.81)***	***(0.51)***

Notes:

In June 30, 2026 and 2025 total shares outstanding is 53,717,369 net of 33,600,901 treasury shares

GRAND PLAZA HOTEL CORPORATION
Income Statements
For the quarters ended June 30, 2026 and 2025
(In Philippine Pesos)

	Unaudited June 30, 2026	Unaudited June 30, 2025
Revenue		
Rooms	56,092,571	62,015,219
Food & Beverage	27,300,736	32,866,225
Other Operated Depts.	251,686	314,268
Rental Income/Others	4,480,551	3,275,124
Total Revenue	88,125,544	98,470,837
Cost of Sales		
Food & Beverage	9,022,724	10,614,216
Other Operated Depts.	8,118	8,370
Total Cost of Sales	9,030,842	10,622,585
Gross Profit	79,094,702	87,848,252
Operating Expenses	110,672,438	107,755,324
Net Operating Income	(31,577,736)	(19,907,072)
Non-operating Income		
Interest Income	2,704,651	4,004,086
Dividend Income	-	-
Gain/(Loss) on Disposal of Fixed Assets	-	-
Exchange Gain/(Loss)	3,770,827	(3,185,291)
Share in Net Income/(Loss) of Associated Co.	412,434	286,507
Other Income	4,500	-
Total Non-Operating Income	6,892,411	1,105,301
Net Income/(Loss) Before Tax	(24,685,324)	(18,801,770)
Provision for Income Tax	1,733,495	217,169
Net Income/(Loss) After Tax	**(26,418,819)**	**(19,018,940)**
Basic earnings per share	***(0.49)***	***(0.35)***
Dilluted earnings per share	***(0.49)***	***(0.35)***

Notes:

In June 30, 2019 and 2018 total shares outstanding is 53,717,369 net of 33,600,901 treasury shares

GRAND PLAZA HOTEL CORPORATION
Statements of Changes in Equity
As of periods ended June 30, 2026 and 2025
(In Philippine Pesos)

	Unaudited June 30, 2026	Unaudited June 30, 2025
Balance - beginning	1,017,129,065	1,009,555,319
Net income for the period	(43,280,824)	(27,613,011)
Balance - end	***973,848,241***	***981,942,308***

GRAND PLAZA HOTEL CORPORATION
Cash Flow Statements
Year to Date 30 June 2025
(In Philippine Pesos)

	Unaudited June 30, 2026	Unaudited June 30, 2025	Audited Dec. 31, 2025
Cash flows from operating activities			
Net income	(43,280,824)	(27,613,011)	8,763,717
Adjustments to reconcile net income to net cash			
provided by operating activities			
Net Adjustments for 2024/2025 Audited not carried in 1Q2025/1Q2026			
Interest Expense on Lease Liability			-
Other Adjustments (Actuarial Loss/RE/Investment in Stock)	5,848,580	7,125,991	90,340
Other Comprehensive Income(loss)	-	-	-
Depreciation and amortization	30,728,153	21,261,711	55,339,190
Equity in net income of associated company	(740,293)	(671,570)	(1,419,761)
Provision for bad debts	1,112,247	1,112,247	14,036,747
Changes in operating assets and liabilities			
(Increase) decrease in			
Accrued interest receivable	(451,459)	(873,134)	666,025
Accounts receivable - trade	15,604,783	15,753,898	(4,806,156)
Accounts receivable - others	48,946,738	16,039,509	(33,850,818)
Deferred income tax	900,827	(4,058,745)	(3,054,087)
Input tax	(943,738)	(2,159,831)	-
Advances to associated/related companies	(59,087)	(3,607,339)	(999,458)
Advances to immediate holding company	(1,024,673)	(74,424)	(657,719)
Inventories	(1,307,910)	186,490	(153,485)
Prepaid expenses	(14,027,847)	(6,862,768)	(15,179,245)
Creditable withholding tax	488,671	(1,680,476)	2,083,129
Other current assets	(95,447,415)	(189,464,566)	111,457,773
Advances to/from THHM	-	-	-
Increase (decrease) in			
Accounts payable	1,225,670	15,518,525	1,600,951
Accrued liabilities	(3,910,885)	41,751,568	2,042
Notes payable	-	-	-
Rental payable	7,521,720	6,520,994	6,723,793
Due to associated companies	18,648,026	18,052,866	7,349,973
Advances from immediate holding company - net	-	-	-
Advances from intermediate holding company	-	-	-
Refundable deposit	153,911	(1,848,925)	(75,164,956)
Deferred rental - Pagcor	-	-	-
Dividend Payable	-	-	-
Hotel Lease Liability	247,072	227,571	464,691
Income tax payable	-	-	-
Other current liabilities	(22,728,891)	(61,099,677)	(40,580,205)
Reserves	(0)	(3,382,458)	(100,000)
	(52,496,623)	(159,845,554)	32,612,480
Cash flows from investing activities			
Acquisition of property and equipment - net	41,116,884	81,617,414	(222,535,695)
Right-of-use Assets - net	(4,268,635)	(4,268,635)	(8,503,391)
Dividend (declared)/**received**	-	-	1,200,000
	36,848,249	77,348,779	(229,839,086)
Cash flows from financing activities			
Interest Paid on Lease Liability			
Increase/(Decrease) in Hotel Lease Liability	(2,361,864)	(2,883,248)	33,384,955
	(2,361,864)	(2,883,248)	33,384,955
Net increase in cash and short-term notes	(18,010,238)	(85,380,023)	(163,841,651)
Cash and short-term notes, Beginning	288,627,463	452,469,114	452,469,114
Cash and short-term notes, Ending	**270,617,225**	**367,089,091**	**288,627,463**

GRAND PLAZA HOTEL CORPORATION
Cash Flow Statements
As of periods ended June 30, 2026 and 2025
(In Philippine Pesos)

	Unaudited June 30, 2026	Unaudited June 30, 2025
Cash flows from operating activities		
Net income	(26,418,819)	(19,018,940)
Adjustments to reconcile net income to net cash		
provided by operating activities		
Other Comprehensive Income(loss)		
Other Adjustments (Actuarial Loss/RE/Investment in Stock)	(415,260)	-
Depreciation and amortization	15,586,697	10,692,553
Equity in net income of associated company	(412,434)	(286,507)
Provision for bad debts	1,112,247	1,112,247
Changes in operating assets and liabilities		
(Increase) decrease in		
Accrued interest receivable	(471,027)	(750,360)
Accounts receivable - trade	15,922,262	10,699,190
Accounts receivable - others	776,689	12,352,248
Deferred income tax	724,960	(945,512)
Input tax	(943,738)	(2,159,831)
Advances to associated/related companies	(1,168,750)	(2,215,834)
Advances to immediate holding company	(404,363)	-
Inventories	(163,844)	(772,217)
Prepaid expenses	(5,987,106)	(3,570,148)
Creditable withholding tax	1,222,861	870,642
Other current assets	(4,541,637)	(71,077,139)
Advances to/from THHM	-	-
Other Assets	-	-
Increase (decrease) in		
Accounts payable	(13,481,142)	10,654,721
Accrued liabilities	(2,208,078)	3,611,094
Notes payable	-	-
Rental payable	2,760,860	2,260,134
Due to associated companies	5,837,038	5,759,608
Advances from immediate holding company - net	-	-
Advances from intermediate holding company	-	-
Refundable deposit	(628,414)	(5,543,849)
Deferred rental - Pagcor	-	-
Dividend Payable	-	-
Hotel Lease Liability	124,806	114,954
Income tax payable	-	-
Other current liabilities	1,687,717	(398,681)
Reserves	(591,958)	(100,000)
	(12,080,432)	(48,711,629)
Cash flows from investing activities		
Acquisition of property and equipment - net	946,817	(6,687,109)
Right-of-use Assets - net	(2,134,317)	(2,134,317)
Dividend (declared)/**received**	-	-
(Receipts)/Refund of deposit on lease contract	-	-
(Receipts)/Payments relating to other assets	-	-
Retirement of treasury stocks	-	-
Buyback of shares - net	-	-
	(1,187,500)	(8,821,426)
Cash flows from financing activities		
Increase/(Decrease) in Hotel Lease Liability/Long Term Liab	(1,191,935)	(1,456,439)
	(1,191,935)	(1,456,439)
Net increase in cash and short-term notes	(14,459,867)	(58,989,494)
Cash and short-term notes, Beginning	285,077,093	426,078,586
Cash and short-term notes, Ending	**270,617,226**	**367,089,092**

Grand Plaza Hotel Corporation
Aging Report As At 30 June 2026

Customer Type	0 to 8 days	9 to 30 days	31 to 60 days	61 to 90 days	91 to 120 days	Over 120 days	Total	%
Airlines	705,500	1,388,515	1,367,500	2,520,900	233,785	740,286	6,956,486	47.37%
Credit card	3,691,159						3,691,159	25.14%
Company - local	22,000	298,160	229,497	20,643	22,000	123,122	715,422	4.87%
Permanent accounts	16,080					26,119	42,199	0.29%
Embassy & government			35,916				35,916	0.24%
Travel Agent - Local	60,000	5,200	339,600				404,800	2.76%
Temporary credit	23,100	616,460	86,775			177,702	904,037	6.16%
Travel Agent - Foreign		982,733	951,885				1,934,618	13.17%
TOTAL	4,517,839	3,291,068	3,011,173	2,541,543	255,785	1,067,229	14,684,636	100.00%
%	30.77%	22.41%	20.51%	17.31%	1.74%	7.27%	100.00%	