COVER SHEET

SEC Registration Number

1 0 7 4 3 2

Company Name

I O N I C S , I N C . A N D S U B S I D I A R I E S

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

Circuit Street, Light Industry and Science Park of the Philippines I, Bo. Diezmo, Cabuyao City, Laguna

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

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
ronan.andrade@ionics-ems.com	(049) 508-1111	0917-869-5688

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
831	06/26	03/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
RONAN R. ANDRADE	ronan.andrade@ionics-ems.com	(049) 508-1111	0917-869-5688

Contact Person's Address

Block 2 & 3, Carmelray II, Industrial Park, Brgy. Milagrosa, Calamba City, Laguna

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

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 March 31, 2026

2. SEC Identification Number 107432

3. BIR Tax Identification No. 000-124-671-000

4. Exact name of issuer as specified in its charter **IONICS, INC.**

5. Province, country or other jurisdiction of incorporation or organization Philippines

6. Industry classification code: (SEC Use Only)

7. Address of principal office Circuit Street, Light Industry and Science Park of the Philippines I, Bo. Diezmo, Cabuyao City, Laguna
   Postal code 4025

8. Issuer's telephone number, including area code (049) 508-1111 and Fax Number (049) 508-111 loc. 309

9. In 1996, the Company changed its principal place of business from Makati, Metro Manila to Cabuyao, Laguna.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding
Common	₱1.00 par value issued 857,974,992 shares and outstanding, 837,130,992 shares (net of 20,844,000 shares of treasury stock).

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

    Yes [x] No [ ]

    If yes, state the name of such Stock Exchange and the classes of securities listed therein:
    Philippine Stock Exchange

12. Check whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the SRC and SRC 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 that 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. Unaudited Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements including notes thereto are filed as part of this report (pages 10-40).

These unaudited interim condensed consolidated financial statements include the accounts of the Parent Company and its wholly-owned subsidiaries, Ionics Properties, Inc. (IPI), Synertronix, Inc. (SI), Ionics Circuits Limited (ICL), Iomni Precision, Inc. (Iomni), Ionics Products Solutions, Inc. (IPSI) and the 97%-owned Ionics EMS, Inc. (EMS) and a Subsidiary (EMS-USA). All intercompany balances have been eliminated in the consolidation.

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

Below are the Consolidated Key Financial Ratios for the three months period ended March 31, 2026 and for the year ended December 31, 2025:

	March 31, 2026	December 31, 2025
Revenue Growth	**16.92%**	12.40%
Gross Profit Margin	**9.33%**	9.99%
Net Income Margin	**3.97%**	3.70%
Return on Equity	**1.75%**	6.37%
Current Ratio	**1.84:1**	1.95:1
Quick Asset Ratio	**0.72:1**	0.81:1
Leverage Ratio	**0.36:1**	0.31:1
Debt-to-Equity Ratio	**0.81:1**	0.74:1
Asset-to-Equity Ratio	**1.81:1**	1.74:1
Interest Rate Coverage Ratio	**7.73:1**	5.83:1

1. **Revenue Growth**
   Revenue growth is computed from current revenue less revenue of the prior period divided by revenue of the prior period. The result is expressed in percentage.

2. **Gross Profit Margin**
   Gross profit margin reflects the management's policies related to pricing and production efficiency. This is computed by dividing gross profit by the total revenue for the period. The result is expressed in percentage.

3. **Net Income Margin**
   Net income margin is the ratio of the Group's net income for a given period. This is computed by dividing net income by the total revenue for the period. The result is expressed in percentage.

4. **Return on Equity**
   Return on equity ratio is the ratio of the Group's net income to equity. This measures the management's ability to generate returns on their investments. This is computed by dividing net income by total equity. The result is expressed in percentage.

5. **Current Ratio**
   Current ratio is the ratio of the Group's current resources and its current obligation. This is computed by dividing current assets by current liabilities.

6. **Quick Asset Ratio**
   Quick asset ratio is the ratio of the Group's current assets to its current obligations. This is computed by dividing sum of cash and cash equivalents, marketable securities and receivables by current liabilities.

7. **Leverage Ratio**
   Leverage ratio determines the Group's cost mix and its effects on the operating income. This is computed by dividing net debt by the sum of total equity and net debt.

8. **Debt-to-Equity Ratio**
   The debt-to-equity ratio is used to measure the Group's financial standing and ability to repay its obligations. This is computed by dividing total liabilities by equity.

9. **Asset-to-Equity Ratio**
   The asset-to-equity ratio shows the relationship of the total assets of the Group to the portion owned by shareholders. This indicates the Group's leverage (debt) used to finance the Group. This is computed by dividing total assets by equity.

10. **Interest rate Coverage Ratio**
    Interest rate coverage ratio is the ratio of the Group's ability to meet its interest payment. This is computed by dividing the sum of income before income taxes and finance costs by the finance costs.

As of the filing date, the management of the Group is not aware of:

a) any known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity;
b) any events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation;
c) all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period;
d) any material commitments for capital expenditures, except for the approved capital expenditures for the following:
e) 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
f) any significant elements of income or loss that did not arise from the issuer's continuing operations; and,
g) any seasonal aspects that had a material effect on the financial condition or results of operations.

The causes for any material change from period to period, which shall include vertical and horizontal analyses of any material item, were disclosed in page number 5 to 7 of this report.

CONSOLIDATED FINANCIAL POSITION

As of March 31, 2026, the consolidated assets of the Group amounted to US$127.77 million which is US$6.69 million higher than the US$121.08 million as of December 31, 2025. The increase in the Group's total assets was mainly due to the increase in receivables, contract asset, inventories, and advances to suppliers.

Current ratio is 1.84:1 for the three months ended March 31, 2026 and 1.95:1 for the year ended December 31, 2025 while debt-to-equity ratio is 0.74:1 on December 31, 2025 and 0.81:1 in three months ended March 31, 2026.

Below is the summary of Statements of Financial Position accounts with 5% or more increase (decrease):

	Percentage increase (decrease)	
	March 31, 2026 vs. December 31, 2025	December 31, 2025 vs. December 31, 2024
ASSETS		
Cash and cash equivalents	**(26)**	(11)
Receivables	**12**	29
Contract assets	**17**	41
Inventories	**11**	(7)
Advances to suppliers	**37**	(18)
Prepayments and other current assets	**5**	21
Financial assets at FVOCI	**N/A**	(5)
Property, plant and equipment - net	**N/A**	(12)
Investment properties	**N/A**	12
Right-of-use assets	**(11)**	N/A
LIABILITIES		
Accounts payable and other liabilities	**28**	38
Contract liabilities	**(8)**	10
Bank loans and long-term debt	**N/A**	(29)
Lease liabilities	**(15)**	N/A
Income tax payable	**136**	(39)

As of March 31, 2026 (03.31.26 vs 12.31.25)

Cash decreased due to payment of bank loan amortization for the quarter, partial payment of intercompany advances and increase in working capital and payment for the progress billing for the ongoing construction of Standard Factory Building in LISP IV, Malvar Batangas. Receivables increased due to extension of payment terms to an existing customer and receivables for buyback materials. Inventories increased due to inventory build up due to increase in demand of an existing customer and material for a new customer. Contract assets increased due to higher level of work in process and finished goods. Inventory increased due to arrival of materials not yet build. The increase in advances to suppliers was due to advance payment made to suppliers for material ordering. The increase in prepayments and other current assets was due to prepayments made during the quarter. The increase in accounts payable and accrued expenses is attributable to the increase in purchases of raw materials. Contract liabilities decreased due to application against receivable. Lease liabilities decreased due to payment of amortization for the quarter. Income taxes increased due to provision of income tax during the quarter.

As of December 31, 2025 (12.31.25 vs 12.31.24)

Cash decreased due to payment of working capital loans. Receivables increased due to higher sales. Contract assets increased due to higher level of work in process and finished goods. Inventory decreased due to consumption and customer buyback of the aging inventories. The decrease in advances to suppliers was attributable to the delivery of materials covered by advanced payments and controlled material ordering for the year. The increased in prepayments and other current assets was due to the renewal of fire insurance and employees healthcare. Assets held for sale decrease due to sale of machinery and equipment of Iomni. Financial Assets at FVOCI decreased due to fair value loss recognized as of December 31, 2025. Property and equipment decreased due to depreciation during the year. Investment properties increased due to construction in progress. The increase in accounts payable and accrued expenses is attributable to the purchase of raw materials used and to be used in production. Contract liabilities increased due to additional advance payment for aging materials and advance payment by customer for material ordering. Bank loans and long-term debt decreased due to payments of working capital loans and payment of monthly amortization of long-term debt for the year. Income taxes decreased due to payment of income tax during the year. Net pension liability increased due to accrual of pension expense for the period.

CONSOLIDATED RESULTS OF OPERATIONS

The summarized revenues and net income (losses) of the Group for the three months ended March 31, 2026 and 2025 are presented as follows (amounts in US Dollars):

	March 31, 2026 (3 months)					March 31, 2025 (3 months)				
	REVENUE					REVENUE				
COMPANY	**Sales**	**Rent income**	**Total**	**Operating Expenses**	**NET INCOME (LOSS)***	Sales	Rental Income and Other Income	Total	Operating Expenses	NET INCOME (LOSS)*
Parent	–	**185,028**	**185,028**	**203,725**	**1,614**	–	176,210	176,210	154,161	1,481,900
EMS and a Subsidiary	**30,493,885**	–	**30,493,885**	**1,313,318**	**791,165**	25,965,588	–	25,965,588	1,086,169	478,590
IPI	–	**793,628**	**793,628**	**65,313**	**434,753**	–	811,726	811,726	44,310	448,091
ICL	–	–	–	**5,612**	**(5,872)**	–	–	–	2,031	(2,335)
Iomni	–	–	–	–	**26,627**	677,218	30,669	707,887	43,498	(11,301)
Synertronix	–	–	–	**-**	–	–	–	–	-	-
IPSI	–	–	–	**581**	**(1,686)**	–	–	–	492	(187)
TOTAL	**30,493,885**	**978,656**	**31,472,541**	**1,588,549**	**1,246,601**	26,642,806	1,018,605	27,661,411	1,330,661	2,394,758
Eliminations	–	**(358,849)**	**(358,849)**	**(69,366)**	**16,020**	(304,007)	(373,528)	(677,535)	(11,301)	(1,531,581)
Total	**30,493,885**	**619,807**	**31,113,692**	**1,519,183**	**1,262,621**	26,338,799	645,077	26,983,876	1,319,360	863,177
Continuing Operations	**30,493,885**	**619,807**	**31,113,692**	**1,519,183**	**1,235,994**	25,965,588	645,077	26,610,666	1,275,863	874,478
Discontinued Operations	–	–	–	–	**26,627**	373,211	–	373,210	43,497	(11,301)

**Net income attributable to equity holders of the Parent Company.*

The Group's sales increased by US$4.53 million from US$25.97 million for the three months ended March 31, 2025 to US$30.49 million for the three months ended March 31, 2026 due to higher demand from turnkey customers. The gross profit increased by US$0.19 million or 7% from US$2.72 million for the three months ended March 31, 2025 to US$2.91 million for the same period in 2026.

Operating expenses increased by US$0.24 million from US$1.28 million for the three months ended March 31, 2025 to US$1.52 million for the three months ended March 31, 2026 primarily due to increase in commission as a result of higher sales subject to commission. Interest expenses decreased by US$0.11 million from US$0.32 million for three months ended March 31, 2025 to US$0.21 million for the three months ended March 31, 2026 due to lower bank loan balance.

With the foregoing, the Group consolidated net income attributable to equity holders of the Parent Company increased to US$1.23 million or 39% from US$0.89 million in the three months ended March 31, 2026 and 2025, respectively.

INDIVIDUAL RESULT OF OPERATIONS

Ionics, Inc.

The Parent Company reported a net income of US$0.002 million three months ended March 31, 2026.

The individual performances of the subsidiaries for the three months ended March 31, 2026 and 2025 are as follows:

Ionics EMS, Inc. and a Subsidiary (IEMS)

IEMS revenue increased by 17% or US$4.53 million from US$25.97 million for the three months ended March 31, 2025 to US$30.49 million in the same period of 2026 due to higher demand from Turnkey customers. With the increase in sales, gross profit increased by 7% or US$0.14 million from US$2.05 million for the three months ended March 31, 2025 to US$2.19 million in the same period of 2026.

Operating expenses increased by US$0.23 million from US$1.09 million for the three months period ended March 31, 2025 to US$1.31 million in the same period of 2026 primarily due to increase in commission as a result of higher sales subject to commission. Interest expense decreased to US$0.13 million for the three months period ended March 31, 2026 from US$0.28 million in the same period of 2025 due to lower bank loan and lease liabilities balances and lower interest rate. IEMS reported net foreign exchange gain of US$0.208 million in the same period of 2026 from net foreign exchange loss US$0.08 million for the three months ended March 31, 2025 due to depreciation of Philippine Peso versus US$.

With the foregoing, IEMS reported an increase in net income of US$0.31 million or 65% from US$0.48 million for the three months ended March 31, 2025 to US$0.79 million for the three months as of March 31, 2026.

Ionics Properties, Inc. (IPI)

IPI contributed rent income of US$0.79 million and US$0.81 million for the three months ended March 31, 2026 and 2025, respectively. Net income decreased from US$0.45 million for the three months as of March 31, 2025 to US$0.44 million for the three months as of March 31, 2026.

Ionics Circuits, Limited (ICL)

ICL reported a net loss amounting to US$0.006 million and US$0.002 million for the three months ended March 31, 2026 and 2025, respectively. This is due to the higher share in net losses of investees.

Iomni Precision, Inc. (Iomni)

Iomni ceased its manufacturing activity effective May 15, 2025. As a result, Iomni reported a net income of US$0.03 million from net loss of US$0.01 million due to 50% recovery on receivable paid by one customer for the three months ended March 31, 2026 and 2025, respectively.

Ionics Products Solutions, Inc. (IPSI)

IPSI reported net loss of US$1,686 and net loss of US$186 for the three months ended March 31, 2026 and 2025, respectively.

Synertronix, Inc. (SI)
SI has no commercial operations.

ITEM 3. Additional Requirements

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Group for two comparative periods:

a. Liquidity Ratio

	March 31, 2026	December 31, 2025
Current ratio	**1.84:1**	1.95:1
Quick asset ratio	**0.72:1**	0.81:1
Debt-to-equity ratio	**0.81:1**	0.74:1
Asset-to-equity ratio	**1.81:1**	1.74:1

a. Profitability Ratio

	March 31, 2026	December 31, 2025
Interest rate coverage ratio	**7.73:1**	5.83:1
Profitability ratio		
Gross profit margin	**9.33%**	9.99%
Operating income margin	**4.53%**	5.13%
Net income margin	**3.97%**	3.70%
Revenue growth	**16.92%**	12.40%

PART II - OTHER INFORMATION

As of and for the three months period ended March 31, 2026, the Group:

a) has not experienced any suspension of its operations.
b) has no contract of merger, consolidation or joint venture, contract of management, licensing, marketing, distributorship or similar agreement was signed;
c) has no offering of right, granting of stock options and corresponding plans; and
d) has not done any transfer of assets during the quarter.

SIGNATURE

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

ISSUER : **IONICS, INC.**

RONAN R. ANDRADE
Chief Finance Officer

May 15, 2026
Date

RAYMOND MARIA C. QUA
President and Chief Executive Officer

May 15, 2026
Date

IONICS, INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in Thousands)

	Unaudited March 31, 2026	Audited December 31, 2025
ASSETS		
Current Assets		
Cash (Notes 3, 4, 5 and 23)	**US$6,307**	US$8,575
Receivables (Notes 3, 6 and 23)	**26,764**	23,898
Contract assets (Notes 3 and 7)	**12,926**	11,059
Inventories (Note 8)	**34,345**	31,047
Advances to suppliers	**3,321**	2,417
Prepayments and other current assets	**779**	740
Refundable deposits - current	**99**	127
Total Current Assets	**84,541**	77,863
Noncurrent Assets		
Financial assets at FVOCI (Notes 3, 9 and 23)	**2,610**	2,612
Investments in associates (Note 10)	**686**	667
Property, plant and equipment (Note 11)	**17,771**	18,407
Investment properties (Note 12)	**20,807**	20,068
Right-of-use assets (Note 20)	**884**	998
Deferred tax assets - net	**–**	1
Refundable deposits - noncurrent (Notes 4 and 23)	**470**	465
Total Noncurrent Assets	**43,228**	43,218
	US$127,769	US$121,081

LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and other liabilities (Notes 3, 4, 13 and 23)	**US$30,620**	US$23,944
Contract liabilities (Note 7)	**5,180**	5,652
Current portion of bank loans and long-term debt (Notes 3, 4, 14 and 23)	**9,170**	9,481
Current portion of lease liabilities (Notes 3, 4, 20 and 23)	**451**	478
Dividend payable (Note 24)	**261**	269
Income tax payable	**295**	125
Total Current Liabilities	**45,977**	39,949
Noncurrent Liabilities		
Bank loans and long-term debt - net of current portion (Notes 3, 4, 14 and 23)	**5,416**	5,773
Lease liabilities - net of current portion (Notes 3, 4, 20 and 23)	**466**	600
Net pension liabilities	**3,785**	3,911
Deferred tax liabilities - net	**235**	236
Other noncurrent liabilities (Notes 3, 4, 13 and 23)	**1,104**	1,091
Total Noncurrent Liabilities	**11,006**	11,611
Total Liabilities	**US$56,983**	US$51,560

	Unaudited March 31, 2026	Audited December 31, 2025
Equity (Note 4)		
Equity attributable to the equity holders of the Parent Company:		
Capital stock	**US$17,633**	US$17,633
Additional paid-in capital	**9,072**	9,072
Retained earnings	**47,198**	45,961
Other comprehensive income (loss):		
Unrealized losses on financial assets at FVOCI (Note 9)	**(1,429)**	(1,428)
Exchange differences	**934**	931
Other reserves	**(1,055)**	(1,055)
Adjustment to noncontrolling interests	**(943)**	(943)
Treasury shares	**(1,365)**	(1,365)
	70,045	68,806
Noncontrolling interests	**741**	715
Total Equity	**70,786**	69,521
	US$127,769	US$121,081

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

IONICS, INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands, Except Earnings (Loss) per Share)

	For the Period Ended March 31	
	2026 January to March (3 months)	2025 January to March (3 months)[1]
REVENUE (Note 22)		
Revenue from contracts with customers	**US$30,494**	US$25,966
Rental income	**620**	645
	31,114	26,611
COST OF SALES AND RENTAL SERVICES		
Cost of sales (Note 15)	**27,987**	23,632
Cost of rental services (Note 16)	**222**	258
	28,209	23,890
GROSS PROFIT	**2,905**	2,721
OPERATING EXPENSES (Note 17)	**1,519**	1,276
OTHER INCOME (EXPENSES)		
Share in net income (loss) of associate (Note 10)	**16**	(3)
Finance costs (Note 18)	**(209)**	(320)
Others - net (Note 19)	**216**	(66)
	23	(389)
INCOME BEFORE INCOME TAX	**1,409**	1,056
PROVISION FOR INCOME TAX	**173**	166
NET INCOME FROM CONTINUING OPERATIONS	**1,236**	890
NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS	**27**	(11)
NET INCOME	**1,263**	879
OTHER COMPREHENSIVE INCOME (LOSS)		
Items that may be reclassified to profit or loss:		
Exchange difference	**3**	9
Items that may not be reclassified to profit or loss:		
Share in other comprehensive income of associate (Note 10)	**–**	(8)
Fair value gain on financial assets at FVOCI (Note 9)	**(1)**	(3)
	2	(2)
TOTAL COMPREHENSIVE INCOME	**US$1,265**	US$877
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the Parent Company	**US$1,237**	US$863
Noncontrolling interests	**26**	16
	US$1,263	US$879
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Equity holders of the Parent Company	**US$1,239**	US$861
Noncontrolling interests	**26**	16
	US$1,265	US$877
BASIC/DILUTED EARNINGS PER SHARE (Note 21)		
For net income for the year attributable to ordinary equity holders of the Parent Company	**US$0.00150**	US$0.00105

[1]To be comparable with 2026, certain amounts for the period ended March 31, 2025 have been reclassified to reflect the discontinued operations of Iomni Precision, Inc. See Note 2 – Summary of Material Accounting Policies – Discontinued Operations for further discussion.

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statement

IONICS, INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands)

	Attributable to the Equity Holders of the Parent Company										
	Capital Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gains (Losses) on Financial Assets at FVOCI (Note 9)	Other Reserves	Adjustment to Non-Controlling Interest	Exchange Difference	Treasury Shares	Total	Non-Controlling Interest	Total
	For the period ended March 31, 2026										
Balances as of January 1, 2026	**US$17,633**	**US$9,072**	**US$45,961**	**(US$1,428)**	**(US$1,055)**	**(US$943)**	**US$931**	**(US$1,365)**	**US$68,806**	**US$715**	**US$69,521**
Net income	**–**	**–**	**1,237**	**–**	**–**	**–**	**–**	**–**	**1,237**	**26**	**1,263**
Other comprehensive income (loss)	**–**	**–**	**–**	**(1)**	**–**	**–**	**3**	**–**	**2**	**–**	**2**
Total comprehensive income (loss)	**–**	**–**	**1,237**	**(1)**	**–**	**–**	**3**	**–**	**1,239**	**26**	**1,265**
Dividends declared	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Balances as of March 31, 2026	**US$17,633**	**US$9,072**	**US$47,198**	**(US$1,429)**	**(US$1,055)**	**(US$943)**	**US$934**	**(US$1,365)**	**US$70,045**	**US$741**	**US$70,786**
	For the period ended March 31, 2025										
Balances as of January 1, 2025	US$17,633	US$9,072	US$43,483	(US$1,331)	(US$897)	(US$943)	US$913	(US$1,365)	US$66,565	US$620	US$67,185
Net income	–	–	863	–	–	–	–	–	863	16	879
Other comprehensive income (loss)	–	–	–	(3)	–	–	1	–	(2)	–	(2)
Total comprehensive income	–	–	863	(3)	–	–	1	–	861	16	877
Dividends declared	–	–	(1,463)	–	–	–	–	–	(1,463)	–	(1,463)
Balances as of March 31, 2025	US$17,633	US$9,072	US$42,883	(US$1,334)	(US$897)	(US$943)	US$914	(US$1,365)	US$65,963	US$636	US$66,599

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

IONICS, INC. AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	January to March 2026 (3 months)	January to March 2025 (3 months)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	**US$1,382**	US$1,056
Income before income tax from discontinued operations	**27**	(8)
Adjustments for:		
Depreciation and amortization (Notes 11, 12, 15, 16, 17 and 20)	**1,344**	1,531
Finance costs (Note 18)	**209**	325
Interest income (Note 19)	**(3)**	(2)
Share in net loss (income) of associates (Note 10)	**(16)**	3
Movement in net pension liabilities	**(126)**	116
Operating income before working capital changes	**2,817**	3,021
Changes in working capital:		
Decrease (increase) in:		
Receivables	**(2,866)**	(8,946)
Contract assets	**(1,867)**	(79)
Inventories	**(3,298)**	3,627
Prepayments and other current assets	**(57)**	(120)
Advances to suppliers	**(904)**	189
Other noncurrent assets	**23**	(7)
Increase (decrease) in:		
Accounts payable and other liabilities	**6,702**	2,271
Contract liabilities	**(472)**	1,630
Other noncurrent liabilities	**13**	14
Net cash generated from operations	**91**	1,600
Interest received	**1**	2
Income taxes paid	**(1)**	–
Net cash provided by operating activities	**91**	1,602
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Property and equipment (Notes 11 and 14)	**(366)**	(173)
Investment properties	**(949)**	(528)
Net cash used in investing activities	**(1,315)**	(701)
CASH FLOWS FROM FINANCING ACTIVITIES		
Availments of commercial loans (Note 3)	**2,000**	5,000
Payments of (Note 3):		
Commercial loans	**(2,000)**	(7,000)
Long-term debt	**(394)**	(362)
Bank loans	**(274)**	(296)
Interests on bank loans, long-term debt and lease liabilities	**(215)**	(302)
Lease liabilities	**(161)**	(161)
Net cash used in financing activities	**(1,044)**	(3,121)
NET DECREASE IN CASH	**(2,268)**	(2,220)
CASH AT BEGINNING OF PERIOD	**8,575**	9,651
CASH AT END OF PERIOD (Note 5)	**US$6,307**	US$7,431

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

1. Corporate Information

Ionics, Inc. (the Parent Company) is a domestic corporation incorporated under the laws of the Philippines and registered with the Securities and Exchange Commission (SEC) in September 1982. The Parent Company started commercial operations in July 1987 and engaged in electronic manufacturing services business. In September 1999, the Parent Company transferred its primary manufacturing business to a majority owned subsidiary, Ionics EMS, Inc. (EMS), which was subsequently listed in the Singapore Exchange Securities Trading Limited (Singapore Exchange). However, on March 2, 2010, the Parent Company and EMS jointly announced the proposed voluntary delisting of EMS from the Singapore Exchange. Consequently, the Parent Company's primary purpose was amended from a manufacturing company to a holding company.

The Parent Company is listed in the Philippine Stock Exchange.

The principal place of business and registered office address of the Group is Circuit Street, Light Industry and Science Park of the Philippines, Bo. Diezmo, Cabuyao City, Laguna.

The unaudited interim condensed consolidated financial statements were approved and authorized for issue by the Board of Directors (BOD) on May 14, 2026.

2. Summary of Significant Accounting Policies

Basis of Preparation

The unaudited interim condensed consolidated financial statements of the Group have been prepared in accordance with Philippine Accounting Standards (PAS) 34, *Interim Financial Reporting*.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of December 31, 2025.

The unaudited interim condensed consolidated financial statements are presented in United States (US) Dollar, which is also the Group's functional currency. All amounts are rounded to the nearest thousand US$ (US$000), except earnings (loss) per share or unless otherwise indicated.

The following are the wholly and majority-owned subsidiaries of the Parent Company as of March 31, 2026 and December 31, 2025:

Subsidiaries	**Country of Incorporation**	**Principal Activity**	**Effective Percentage of Ownership**
ICL	Cayman Islands	Investing	**100%**
IPI	Philippines	Leasing	**100**
Iomni	Philippines	Manufacturing	**100**
SI	Philippines	Manufacturing	**100**
IPSI	Philippines	Retailing	**100**
EMS	Philippines	Manufacturing	**97**
USA	United States of America	Manufacturing	**97**

Discontinued operations

Discontinued operations are accounted for in accordance with PFRS 5. A discontinued operation represents a component of the Group that has been disposed of or classified as held for sale and constitutes a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of such operations.

The results of discontinued operations, including any gain or loss on disposal or remeasurement to fair value less costs to sell, are presented as a single post-tax amount separately from continuing operations in the statement of comprehensive income. Comparative figures are re-presented accordingly. Further discussions are disclosed in Note 25.

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Group's interim condensed consolidated financial statements are consistent with those of the previous financial year, except for the adoption of amendments effective in 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these amendments did not have an impact on the interim condensed consolidated financial statements of the Group.

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
    - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
    - Amendments to PFRS 7, *Gain or Loss on Derecognition*
    - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
    - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
    - Amendments to PAS 7, *Cost Method*

3. Financial Risk Management Objectives and Policies

Risk management structure

All policy directions, business strategies and management initiatives emanate from the BOD. The BOD convenes in quarterly meetings and in addition, is available to meet in the interim should the need arises.

The Group has adopted internal guidelines setting forth matters that require BOD approval. Under the guidelines, all new investments, any increase in investment in business and subsidiary and any divestments require BOD approval.

The normal course of the Group's business exposes it to a variety of financial risks such as credit risk, liquidity risk and market risks which include foreign currency risk exposures.

The Group has various financial assets such as cash, receivables (excluding advances to managers and employees), financial assets at fair value through other comprehensive income (FVOCI) and refundable deposits (included under "Other noncurrent assets"). The Group's principal financial liabilities consist of accounts payable and other liabilities (excluding nonfinancial liabilities), bank loans and long-term debt, lease liabilities, and security deposits (included under "Other noncurrent liabilities"). The main purpose of these financial liabilities is to raise funds for the Group's operations. The Group's policies on managing the risks arising from the Group's financial instruments follow:

Credit Risk
Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to perform its obligations during the life of the transaction. This includes the risk of non-payment by banks and customers, failed settlement of transactions and default on contracts. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. The Group's credit risk management involves entering into arrangements only with counterparties with acceptable credit standing and that are duly approved by the BOD. The Group does not hold any collateral from its customers thus, the carrying amounts of cash, receivables, financial assets at FVOCI and refundable deposits approximate the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Trade receivables, rent receivables, other receivables from customers and contract assets
The Group's trade receivables, rent receivables, other receivables from customers and contract assets are monitored on a regular basis. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due of the customer with loss pattern.

The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

Generally, trade receivables, rent receivables, other receivables from customers and contract asset are written-off when deemed unrecoverable and are not subject to enforcement activity. The maximum credit exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Other financial assets
Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty limits are reviewed and approved by the BOD and are updated when necessary.

Cash are placed in various banks. Amounts are held by banks that have good reputation and low probability of insolvency. These are considered to be low credit risk investments.

Risk concentration of the maximum exposure to credit risk
An industry sector analysis of the Group's maximum exposure to credit risk is as follows:

	March 31, 2026	December 31, 2025
Consumer electronics	**US$17,120**	US$15,514
Telecommunications (Telecom)	**15,408**	13,575
Banks and financial intermediaries*	**6,299**	8,567
Computer peripherals	**5,668**	4,595
Real estate	**441**	602
Others**	**1,478**	1,127
Total	**US$46,414**	US$43,980

**Excludes cash on hand amounting US$0.008 million as of March 31, 2026 and December 31, 2025.*
***Excludes nonfinancial assets amounting to US$0.14 million and US$0.10 million as of March 31, 2026 and December 31, 2025, respectively.*

The Group has concentration of credit risk due to sales to significant customers. The Group's financial instruments are broadly diversified along industry, product and geographic lines, and transactions are entered into with a range of counterparties, thereby mitigating any significant concentration of credit risk.

The tables below summarize the credit quality of the Group's financial assets (gross of allowance for impairment losses):

	March 31, 2026				
	Minimal Risk	**Average Risk**	**High Risk**	**Credit Impaired**	**Total**
Cash*	**US$6,299**	**US$–**	**US$–**	**US$–**	**US$6,299**
Receivables					
Trade receivables	**22,040**	–	–	**17**	**22,057**
Other receivables from customers	**3,558**	–	–	**1**	**3,559**
Rent receivables	**189**	–	–	**126**	**315**
Advances to managers	**58**	–	–	–	**58**
SSS claims receivables	**15**	–	–	–	**15**
Others	**760**	–	–	–	**760**
Contract assets	**12,926**	–	–	–	**12,926**
Other noncurrent assets					
Refundable deposits	**569**	–	–	–	**569**
	US$46,414	**US$–**	**US$–**	**US$144**	**US$46,558**

**Excludes cash on hand amounting to US$0.008 million.*

	December 31, 2025				
	Minimal Risk	Average Risk	High Risk	Credit-Impaired	Total
Cash*	US$8,567	US$–	US$–	US$–	US$8,567
Receivables					
Trade receivables	19,986	–	–	76	20,062
Other receivables from customers	2,764	–	–	1	2,765
Rent receivables	270	–	–	126	396
Advances to managers	67	–	–	–	67
SSS claims receivables	16	–	–	–	16
Others	659	–	–	–	659
Contract assets	11,059	–	–	–	11,059
Other noncurrent assets					
Refundable deposits	592	–	–	–	592
	US$43,980	US$–	US$–	US$203	US$44,183

**Excludes cash on hand amounting to US$0.008 million.*

The Group classifies credit quality risk as follows:

Minimal risk - accounts with a high degree of certainty in collection, where counterparties have consistently displayed prompt settlement practices, and have little to no instance of defaults or discrepancies in payment.

Average risk - active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues, but where the likelihood of collection is still moderate to high as the counterparties are generally responsive to credit actions initiated by the Group.

High risk - accounts with a low probability of collection and can be considered impaired based on historical experience, where counterparties exhibit a recurring tendency to default despite constant reminder and communication, or even extended payment terms.

The Group maintains cash with various financial institutions that management believes to be of high credit quality. The Group's policy is to invest with financial institutions from which it has outstanding loans and loan facilities.

The following tables below summarize the staging considerations (other than trade receivables, other receivables from customers and contract assets subject to provision matrix) of the Group's financial assets as at:

	March 31, 2026			
	Stage 1 (12-month ECL)	**Stage 2 (Lifetime ECL)**	**Stage 3 (Credit-impaired)**	**Total**
Cash*	**US$6,299**	**US$−**	**US$−**	**US$6,299**
Receivables				
Rent receivables	**189**	**−**	**126**	**315**
Advances to managers	**58**	**−**	**−**	**58**
SSS claims receivables	**15**	**−**	**−**	**15**
Others	**760**	**−**	**−**	**760**
Other noncurrent assets				
Refundable deposits	**569**	**−**	**−**	**569**
Total	**US$7,890**	**US$−**	**US$126**	**US$8,016**

**Excludes cash on hand amounting to US$0.008 million*

	December 31, 2025			
	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL)	Stage 3 (Credit-impaired)	Total
Cash*	US$8,567	US$−	US$−	US$8,567
Receivables				
Rent receivables	270	−	126	396
Advances to managers	67	−	−	67
SSS claims receivables	16	−	−	16
Others	659	−	−	659
Other noncurrent assets				
Refundable deposits	592	−	−	592
Total	US$10,171	US$−	US$126	US$10,297

**Excludes cash on hand amounting to US$0.008 million.*

Set out below is the information about the credit risk exposure on trade receivables, other receivables from customers and contract assets using a provision matrix as at:

March 31, 2026:

		Trade receivables							
			Days past due						
	Contract Assets	**Current**	**<30 days**	**30-60 days**	**61-90 days**	**91-120 days**	**121-150 days**	**>150 days**	**Total**
Expected credit loss rate	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	
Estimated total gross carrying amount at default	**US$12,926**	**US$16,929**	**US$3,768**	**US$505**	**US$670**	**US$–**	**US$–**	**US$185**	**US$22,057**
	–	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
		Other receivables from customers							
Expected credit loss rate		**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	
Estimated total gross carrying amount at default		**2,165**	**1,102**	**185**	**2**	**–**	**–**	**105**	**3,559**
		–	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total expected credit loss		**US$–**	**US$–**	**US$–**	**US$–**	**US$–**	**US$–**	**US$–**	**US$–**

December 31, 2025:

		Trade receivables							
			Days past due						
	Contract Assets	Current	<30 days	30-60 days	61-90 days	91-120 days	121-150 days	>150 days	Total
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%	0%	
Estimated total gross carrying amount at default	S$11,059	US$14,572	US$4,872	US$337	US$65	US$–	US$–	US$216	US$20,062
	–	–	–	–	–	–	–	–	–
		Other receivables from customers							
Expected credit loss rate		0%	0%	0%	0%	/0%	0%	0%	
Estimated total gross carrying amount at default		1,929	380	144	104	104	104	–	2,765
		–	–	–	–	–	–	–	–
Total expected credit loss		US$–	US$–	US$–	US$–	US$–	US$–	US$–	US$–

Liquidity Risk

Liquidity risk is the risk of not being able to meet funding obligations such as the repayment of liabilities or payment of asset purchases. Short-term funding is obtained to finance cash requirements for operations and capital expenditures. Amount of credit lines are obtained from designated banks duly approved by the BOD. Surplus funds are placed with reputable banks to which the Group has outstanding loans and loan facilities. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and highly liquid marketable securities and adequate committed lines of funding from major financial institutions to meet the short and longer-term liquidity requirements of the Group.

The tables below show the maturity profile of the financial assets and liabilities, based on its internal methodology that manages liquidity based on remaining contractual maturities as at:

	March 31, 2026					
	On demand	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Financial assets						
Cash	**US$6,225**	**US$82**	**US$–**	**US$–**	**US$–**	**US$6,307**
Receivables[1]	**7,427**	**19,193**	**–**	**–**	**–**	**26,620**
Refundable deposits[2]	**98**	**–**	**–**	**471**	**–**	**569**
	13,750	**19,275**	**–**	**471**	**–**	**33,496**
Financial liabilities						
Accounts payable and other liabilities[3]	**9,784**	**20,459**	**–**	**–**	**–**	**30,243**
Bank loans and long-term debt[4]	**–**	**8,077**	**154**	**6,474**	**–**	**14,705**
Lease liabilities[5]	**–**	**123**	**383**	**488**	**–**	**994**
Security deposits[6]	**–**	**–**	**–**	**373**	**–**	**373**
	9,784	**28,659**	**537**	**7,335**	**–**	**46,315**
Liquidity gap	**US$3,966**	**(US$9,384)**	**(US$537)**	**(US$6,864)**	**US$–**	**(US$12,819)**

[1]*Excludes nonfinancial assets amounting to US$0.14 million*
[2]*Included under noncurrent assets*
[3]*Excludes nonfinancial liabilities amounting to US$0.38 million*
[4]*Including future interest payable amounting to US$0.12 million*
[5]*Including future interest payable amounting to US$0.08 million*
[6]*Included under other noncurrent liabilities*

	December 31, 2025					
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Financial assets						
Cash	US$8,490	US$85	US$–	US$–	US$–	US$8,575
Receivables[1]	7,123	16,639	–	–	–	23,762
Refundable deposits	–	127	–	465	–	592
	15,613	16,851	–	465	–	32,929
Financial liabilities						
Accounts payable and other liabilities[2]	23,491	–	–	–	–	23,491
Bank loans and long-term debt[3]	–	553	9,578	5,330	–	15,461
Lease liabilities[4]	–	150	387	640	–	1,177
Security deposits[5]	–	–	–	361	–	361
	23,491	703	9,965	6,331	–	40,490
Liquidity gap	(US$7,878)	US$16,148	(US$9,965)	(US$5,866)	US$–	(US$7,561)

[1]*Excludes nonfinancial assets amounting to US$0.136 million*
[2]*Excludes nonfinancial liabilities amounting to US$0.453 million*
[3]*Including future interest payable amounting to US$0.207 million*
[4]*Including future interest payable amounting to US$0.99 million*
[5]*Included under other noncurrent liabilities*

In order to manage the liquidity gap, the Group has various sources of financing, either through support of related parties or availment of bank credit lines. The Group finances its cash requirements by obtaining advances from the Ultimate Parent Company and its affiliates.

The Group will apply for additional credit lines as the need arises.

Market Risk
Market risk is the risk of loss to future earnings, to fair value or future cash flows of a financial instrument as a result of changes in its price, caused by changes in interest rates, equity prices and foreign currency exchange rates and other market factors.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk primarily through purchases that are denominated in a currency other than the functional currency of the Group. The currency giving rise to this risk is primarily the Philippine Peso (₱). It is the Group's policy not to trade in derivative contracts. In addition, the Group believes that its profile of foreign currency exposure on its assets and liabilities is within conservative limits in the type of business in which the Group is engaged.

The table below details the Group's exposure at the reporting date to currency risk arising from forecasted transactions or recognized assets or liabilities denominated in a currency other than the functional currency of the Group.

Philippine Peso

	March 31, 2026		December 31, 2025	
	In US Dollar	**In Philippine Peso**	In US Dollar	In Philippine Peso
Cash	**US$954**	**₱57,961**	US$1,078	₱63,363
Receivables	**838**	**50,937**	534	31,395
Financial assets at FVOCI	**1,899**	**115,199**	1,900	111,711
Refundable deposits	**359**	**21,808**	539	31,689
	4,050	**245,905**	4,051	238,158
Less accounts payable and other liabilities	**4,464**	**271,174**	4,205	247,224
Pension Liability	**3,795**	**230,289**	3,911	229,939
	8,259	**501,463**	8,116	477,163
Net exposure arising from recognized assets and liabilities	**(US$4,209)**	**(₱255,558)**	(US$4,065)	(₱239,005)

The exchange rates used to restate the Group's foreign currency-denominated assets and liabilities follow:

Currency	**Source**	**March 31, 2026**	December 31, 2025
Philippine Peso	Bankers Association of the Philippines (BAP) closing rate	**US$0.016461**	US$0.017010

Sensitivity analysis
The following table indicates the approximate change in the Group's income before income tax in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the reporting date:

Increase (decrease) from year-end exchange rates	**2026**		2025	
Changes in foreign currency exchange rates	**3.22%**	**(3.22%)**	1.61%	(1.61%)
Effect on income (loss) before tax	**(US$135.46)**	**US$135.46**	(US$65.45)	US$65.45

Other than the potential impact on income (loss) before income tax, there is no significant effect on equity.

The sensitivity analysis has been determined assuming that the change in foreign currency exchange rates has occurred at the reporting date and has been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The Group does not expect the impact of the volatility on other currencies to be material.

The stated changes represent management's assessment of reasonably possible changes in foreign currency exchange rates over the period until the next annual reporting date. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the entities' income before tax measured in the respective functional currencies, translated into US Dollars at the exchange rate ruling at the reporting date for presentation purposes.

Changes in liabilities arising from financing activities:

	March 31, 2026						
	Long-term Debt (Note 14)	**Bank Loan** (Note 14)	**Commercial Loan** (Note 14)	**Lease Liabilities** (Note 20)	**Accrued Interest** (Note 13)	**Dividends Payable**	**Total**
Balances at beginning of year	**US$394**	**US$5,360**	**US$9,500**	**US$1,078**	**US$30**	**US$269**	**US$16,631**
Non-cash flows activities:							
Accretion of interest (Note 20)	**–**	**–**	**–**	**19**	**190**	**–**	**209**
Cash flows activities:							
Availments	**–**	**–**	**2,000**	**–**	**–**	**–**	**2,000**
Payments of principal	**(394)**	**(274)**	**(2,000)**	**(161)**	**–**	**–**	**(2,829)**
Payment of interest	**–**	**–**	**–**	**(19)**	**(196)**	**–**	**(215)**
Dividend revaluation	**–**	**–**	**–**	**–**	**–**	**(8)**	**(8)**
Balances at end of year:	**US$–**	**US$5,086**	**US$9,500**	**US$917**	**US$24**	**US$261**	**US$15,788**

	December 31, 2025						
	Long-term Debt (Note 14)	Bank Loan (Note 14)	Commercial Loan (Note 14)	Lease Liabilities (Note 20)	Accrued Interest (Note 13)	Dividends Payable	Total
Balances at beginning of year	US$1,890	US$6,490	US$13,000	US$1,107	US$53	US$121	US$22,661
Non-cash flows activities:							
Availments	–	–	–	700	–	–	700
Accretion of interest (Note 20)	–	–	–	132	927	–	1,059
Dividends declared	–	–	–	–	–	1,463	1,463
Cash flows activities:							
Availments	–	--	24,500	–	–	–	24,500
Payments of principal	(1,496)	(1,130)	(28,000)	(729)	–	–	(31,355)
Payment of interest	–	–	–	(132)	(950)	–	(1,082)
Dividend paid	–	–	–	–	–	(1,315)	(1,315)
Balances at end of year:	US$394	US$5,360	US$9,500	US$1,078	US$30	US$269	US$16,631

4. Capital Management

The Group's primary objective in managing capital is to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group monitors capital using a leverage ratio, which is net debt divided by the sum of total equity and net debt. Net debt includes bank loans and lease liabilities and accounts payable and other liabilities less cash. The Group's policy is for its leverage ratio not to exceed 75%. The management continues to monitor and improve on areas of customers' terms to adhere with the policy of leverage ratio.

The leverage ratio as of March 31, 2026 and December 31, 2025:

	March 31, 2026	December 31, 2025
Current liabilities		
Accounts payable and other liabilities*	**US$30,243**	US$23,491
Current portion of bank loans and long-term debt	**9,170**	9,481
Current portion of lease liabilities	**451**	478
Dividend payable	**261**	269
	40,125	33,719
Noncurrent liabilities		
Security deposits**	**373**	361
Bank loans and long-term debt - net of current portion	**5,416**	5,773
Lease liabilities - net of current portion	**466**	600
	6,255	6,734
Total debt	**US$46,380**	US$40,453
Less cash	**6,307**	8,575
Net debt	**40,073**	31,878
Equity	**70,786**	69,521
Total equity and net debt	**US$110,859**	US$101,399
Leverage ratio	**36.15:1**	31.44:1

**Excluding nonfinancial liabilities amounting to US$0.38 million and US$0.45 million as of March 31, 2026 and December 31, 2025, respectively.*
*** Included under other noncurrent liabilities.*

5. Cash and Cash Equivalents

This account consists of:

	March 31, 2026	December 31, 2025
Cash on hand	**US$8**	US$8
Cash in banks	**6,217**	8,482
Cash equivalent	**82**	85
	US$6,307	US$8,575

6. **Receivables**

This account consists of:

	March 31, 2026	December 31, 2025
Trade receivables	**US$22,057**	US$20,062
Other receivables from customers	**3,559**	2,765
Rent receivables	**315**	396
Advances to employees	**144**	136
Advances to managers	**58**	67
SSS claims receivables	**15**	16
Others	**760**	659
	26,908	24,101
Less allowance for impairment losses	**144**	203
	US$26,764	US$23,898

Trade receivables, other receivables from customers and others are noninterest-bearing and normally collected within 30-180 days credit term.

Below is the movement of the allowance for impairment losses as of March 31, 2026 and December 31, 2025 based on individual impairment (nil for collective impairment):

	Lifetime-ECL credit impaired			
	March 31, 2026			
	Trade receivables	**Other receivables from customers**	**Rent Receivables**	**Total**
Balances at beginning of period	**US$76**	**US$1**	**US$126**	**US$203**
Discontinued operations:				
Recovery of impairment losses (Note 25)	**(29)**	–	–	**(29)**
Receivables written off	**(30)**	–	–	**(30)**
Balances at end of period	**US$17**	**US$1**	**US$126**	**US$144**

	December 31, 2025				
	Trade receivables	Other receivables from customers	Rent Receivables	SSS claims receivables (Discontinued Operations)	Total
Balances at beginning of period	US$17	US$1	US$–	US$2	US$20
Impairment loss on receivables:					
Continuing	–	–	126	–	126
Discontinued	59	–	–	–	59
Recovery	–	–	–	(2)	(2)
Balances at end of period	US$76	US$1	US$126	US$–	US$203

7. Contract Balances

This account consists of:

	March 31, 2026	December 31, 2025
Contract assets	**US$12,926**	US$11,059
Contract liabilities	**5,180**	5,652

Contract assets are initially recognized for revenue earned from manufacturing of goods as receipt of consideration is conditional on successful completion of the services. When goods are shipped or goods are received by the customer, depending on the corresponding agreement with the customers, the amounts recognized as contract assets are reclassified to trade receivables. Payments are normally received from customers depending on the credit terms.

For the three months period ended March 31, 2026 and for the year ended December 31, 2025, the Group assessed that there are no expected credit losses on contract assets.

Contract liabilities include short-term advances received for advance ordering of materials and customer advances for aging inventories as part of the buy-back agreement.

The Group applied the practical expedient under PFRS 15 on the disclosure of information about the transaction price allocated to remaining performance obligations given the customer contracts have original expected duration of one (1) year or less.

8. Inventories

This account consists of:

	March 31, 2026	December 31, 2025
At Cost:		
Raw materials	**US$33,205**	US$30,005
Spare parts and supplies	**1,140**	1,042
	US$34,345	US$31,047

The Group recognizes a write-down whenever the NRV of inventories is lower than its cost. In 2025, the Group recognized the write-off of its allowance for inventory obsolescence relating to obsolete and damaged raw material inventories associated with discontinued operations, amounting to US$0.02 million.

The raw materials and supplies used in the operations amounted to US$20.87 million and US$17.22 million for the three months period ended March 31, 2026 and 2025, respectively (see Note 15).

9. Financial Assets at FVOCI

This account consists of:

	March 31, 2026	December 31, 2025
Quoted	**US$19**	US$19
Unquoted		
Beginning balance	**2,592**	2,733
Fair value loss	**(1)**	(140)
Ending balance	**2,591**	2,593
	US$2,610	US$2,612

The Group's investments at FVOCI include investment listed in US NASDAQ stock market, investments in golf/club shares and other non-listed companies which are not held for trading and which the Group has irrevocably designated at FVOCI.

The movements in net unrealized losses on financial assets at FVOCI (net of tax) follows:

	March 31, 2026	December 31, 2025
Beginning balance	**(US$1,428)**	(US$1,331)
Fair value loss	**(1)**	(97)
Ending balance	**(US$1,429)**	(US$1,428)

10. Investments in Associates

The composition of and movements in this account follow:

	March 31, 2026	December 31, 2025
Acquisition cost		
Balance at beginning and end of period	**US$518**	US$518
Accumulated equity in net earnings		
Balance at beginning of period	**278**	268
Share in net income	**16**	12
Share in other comprehensive income	**–**	(2)
Balance at end of period	**294**	278
Equity in cumulative translation adjustment		
Balance at the beginning of period	**(129)**	(126)
Exchange differences	**3**	(3)
Balance at end of period	**(126)**	(129)
Net book value	**US$686**	US$667

11. **Property, Plant and Equipment**

The composition of and movements in this account follow:

	March 31, 2026								
	Land	**Machinery and Equipment**	**Building, Building Improvements and Leasehold Improvements**	**Tools and Other Equipment**	**Plant Water and Airconditioning Systems**	**Furniture, Fixtures and Equipment**	**Transportation Equipment**	**Construction in Progress**	**Total**
Cost									
Balances at January 1	**US$2,546**	**US$50,110**	**US$8,587**	**US$11,625**	**US$2,433**	**US$128**	**US$563**	**US$878**	**US$76,870**
Additions	**–**	**49**	**9**	**142**	**1**	**1**	**3**	**161**	**366**
Disposals/retirements	**–**	**(1,332)**	**–**	**(249)**	**–**	**–**	**–**	**–**	**(1,581)**
Balances at March 31	**2,546**	**48,827**	**8,596**	**11,518**	**2,434**	**129**	**566**	**1,039**	**75,655**
Accumulated Depreciation and Amortization and Impairment Loss									
Balances at January 1	**–**	**38,080**	**7,714**	**10,009**	**2,193**	**125**	**342**	**–**	**58,463**
Depreciation and amortization (Notes 15 and 17)	**–**	**747**	**46**	**176**	**33**	**–**	**18**	**–**	**1,020**
Disposals/retirements	**–**	**(1,332)**	**(27)**	**(240)**	**–**	**–**	**–**	**–**	**(1,599)**
Balances at March 31	**–**	**37,495**	**7,733**	**9,945**	**2,226**	**125**	**360**	**–**	**57,884**
Net Book Values	**US$2,546**	**US$11,332**	**US$863**	**US$1,573**	**US$208**	**US$4**	**US$206**	**US$1,039**	**US$17,771**

	December 31, 2025								
	Land	Machineries and Equipment	Building, Building Improvements and Leasehold Improvements	Tools and Other Equipment	Air-conditioning Systems	Furniture, Fixtures and Equipment	Transportation Equipment	Construction In Progress	Total
Cost									
Balances at beginning of year	US$2,546	US$50,025	US$8,489	US$11,201	US$2,392	US$126	US$429	US$–	US$75,208
Additions	–	221	99	504	41	2	124	878	1,869
Retirement	–	(136)	(1)	(70)	–	–	–	–	(207)
Transfer	–	–	–	(10)	–	–	10	–	–
Balances at end of year	2,546	50,110	8,587	11,625	2,433	128	563	878	76,870
Accumulated depreciation and amortization									
Balances at beginning of year	–	35,001	7,434	9,317	2,038	123	291	–	54,204
Depreciation and amortization	–	3,204	281	761	155	2	49	–	4,452
Retirement	–	(132)	(1)	(67)	–	–	–	–	(200)
Transfer	–	7	–	(2)	–	–	2	–	7
Balances at end of year	–	38,080	7,714	10,009	2,193	125	342	–	58,463
Net book values	US$2,546	US$12,030	US$873	US$1,616	US$240	US$3	US$221	US$878	US$18,407

The Group has no unpaid acquisition of property, plant and equipment as of March 31, 2026 and December 31, 2025.

Depreciation charges of the Group's property, plant and equipment are broken down as follows:

	March 31, 2026	March 31, 2025
Continuing operations:		
Cost of sales (Note 15)	**US$990**	US$1,096
General and administrative expenses (Note 17)	**25**	20
Selling expenses (Note 17)	**5**	3
	1,020	1,119
Discontinued operations:		
Cost of sales (Note 15)	**–**	39
General and administrative expenses (Note 17)	**–**	6
	–	45
	US$1,020	US$1,164

12. Investment Properties

The composition of and movements in this account follow:

	March 31, 2026				
	Land	**Building**	**Building Improvements**	**Construction in Progress**	**Total**
Cost					
Balances at January 1	**US$7,336**	**US$14,978**	**US$5,817**	**US$1,879**	**US$30,010**
Additions	**–**	**–**	**39**	**910**	**949**
Balances at March 31	**7,336**	**14,978**	**5,856**	**2,789**	**30,959**
Accumulated Depreciation and Amortization					
Balances at January 1	**–**	**5,323**	**4,613**	**–**	**9,936**
Depreciation and amortization (Note 16)	**–**	**129**	**81**	**–**	**210**
Balances at March 31	**–**	**5,452**	**4,694**	**–**	**10,146**
Exchange Reserves	**(6)**	**–**	**–**	**–**	**(6)**
Net Book Values	**US$7,330**	**US$9,526**	**US$1,162**	**US$2,789**	**US$20,807**

	December 31, 2025				
	Land	Building	Building Improvements	Construction in Progress	Total
Cost					
Balances at beginning of year	US$7,336	US$14,978	US$4,788	US$–	US$27,102
Additions	–	–	1,029	1,879	2,908
Balances at end of year	7,336	14,978	5,817	1,879	30,010
Accumulated Depreciation and Amortization					
Balances at beginning of year	–	4,805	4,311	–	9,116
Depreciation and amortization	–	518	302	–	820
Balances at end of year	–	5,323	4,613	–	9,936
Exchange Reserves	(6)	–	–	–	(6)
Net Book Values	US$7,330	US$9,655	US$1,204	US$1,879	US$20,068

13. **Accounts Payable and Other Liabilities**

This account consists of:

	March 31, 2026	December 31, 2025
Trade payables	**US$24,154**	US$18,244
Accrued expenses	**3,798**	3,639
Non-trade payables	**2,272**	1,590
Unearned rent income	**730**	730
Security deposit	**373**	361
Others	**397**	471
	31,724	25,035
Less noncurrent portion of unearned rent and security deposits*	**1,104**	1,091
	US$30,620	US$23,944

**Included under other noncurrent liabilities.*

Accrued expenses consist of:

	March 31, 2026	December 31, 2025
Accrued salaries, wages and other benefits	**US$903**	US$625
Accrued sales commission	**1,033**	937
Accrued handling charges	**556**	507
Accrued professional fees	**519**	516
Accrued utilities	**307**	358
Accrued contract labor	**254**	402
Accrued interest expense	**24**	30
Accrued taxes	**13**	13
Others	**189**	251
	US$3,798	US$3,639

Other payables mainly include withholding taxes and statutory payables to government which are normally settled within a year.

14. **Bank Loans and Long-term Debt**

This account consists of:

	March 31, 2026	December 31, 2025
Bank loans		
Commercial loans		
Current	**US$8,094**	US$8,000
Noncurrent	**1,406**	1,500
Other bank loans		
Current	**1,076**	1,087
Noncurrent	**4,010**	4,273
Long-term debt		
Current	**–**	394
	US$14,586	US$15,254

	March 31, 2026	December 31, 2025
Current	**US$9,170**	US$9,481
Noncurrent	**5,416**	5,773
	US$14,586	US$15,254

The Group entered into short-term and long-term loan arrangements with domestic and foreign financial institutions for its various working capital and capital expenditure requirements.

Bank Loan:

Commercial loans

- IEMS made a drawdown for a four (4)-month short term loan with interest rates of 5.66% amounting to US$2.00 million on March 12, 2026 and will mature on July 10, 2026.

- On December 5, 2025, the IEMS made a drawdown for a five (5)-year long term loan with interest rate of 5.77% (rates may vary quarterly) amounting to US$1.50 million which will mature on December 5, 2030.

- The IEMS made a drawdown for a four (4)-month short term loan with interest rates ranging from 5.71% to 6.32% amounting to US$3.00 million on February 14, 2025, US$2.00 million each on March 7, 2025, June 23, 2025, July 18, 2025, December 4, 2025 and December 16, 2025. Out of US$13.00 million drawdowns, the Parent Company already paid US$11.00 million. The remaining outstanding balance of US$2.00 million will mature on April 15, 2026.

- The IEMS made a drawdown for a six (6)-month short term loan with interest rates ranging from 6.28% to 6.59% amounting to US$2.00 million each on April 28, 2025, May 15, 2025, June 24, 2025, October 29, 2025 and November 21, 2025. Out of US$10.00 million drawdowns, the IEMS already paid US$6.00 million. The remaining outstanding balance of US$4.00 million will mature on April 27, 2026 and May 20, 2026.

There are no debt covenants related to these loans.

Other bank loans

- In 2024, the IEMS entered into credit loan agreements with local banks for the bank loan fleet financing of certain employees with payment terms ranging from three (3) to five (5) years amounting to US$0.03 million. These loans are subject to monthly interest rates ranging from 0.67% to 0.79% in 2024. As of March 31, 2026 and December 31, 2025, the outstanding balance of these bank loans amounted to US$0.05 million and US$0.02 million, respectively..

- In 2020, IPI entered into a secured term loan agreement aggregating to US$8.00 million with a term of 10 years (inclusive of the two (2)-year grace period on the principal payment) for the construction of a two (2)-storey build-to-suit production facility to be leased out to its existing third-party lessee (see Note 12). This loan is subject to 3.75% interest for the first five (5) years and for the next five (5) years, interest shall be repriced annually at 12-month SOFR plus 2.75% spread inclusive of the 10% FCDU withholding tax. The term loan is secured by a real estate mortgage over the land which said build-to-suit production facility is being constructed.

IPI made its first drawdown on December 29, 2020, amounting to US$1.53 million, net of transaction costs amounting to US$0.07 million. On June 2 and March 8, 2021, IPI made additional drawdowns amounting to US$1.60 million and US$2.00 million, respectively. On May 20, 2022, IPI made final drawdown amounting US$0.80 million. These are subject to amortization, payable monthly.

Long-term debt:

- In February 2023, IEMS entered into three (3)-year financing agreements with a supplier with contract prices amounting to US$4.70 million, accounted as property and equipment, which are subject to 2.11% quarterly interest and will mature on January 31, 2026, respectively. As of March 31, 2026, this financing agreement is fully paid.

15. Cost of Sales

This account consists of:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Raw materials and supplies used (Note 8)	**US$20,869**	US$17,222
Salaries, wages, and benefits	**4,538**	3,829
Occupancy cost and utilities	**1,132**	765
Depreciation and amortization (Notes 11 and 20)	**1,020**	1,197
Handling and freight charges	**345**	415
Other expenses	**83**	204
	US$27,987	US$23,632

16. Cost of Rental Services

This account consists of:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Depreciation (Notes 12 and 20)	**US$210**	US$245
Taxes and licenses	**8**	9
Other expenses	**4**	4
	US$222	US$258

17. **Operating Expenses**

This account consists of:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
General and administrative expenses	**US$672**	US$613
Selling expenses	**847**	663
	US$1,519	US$1,276

General and administrative expenses consist of the following:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Salaries and benefits	**US$360**	US$317
Professional fees	**73**	75
Occupancy cost and utilities	**73**	91
Management bonus	**58**	47
Depreciation (Notes 11 and 20)	**25**	20
Insurance	**18**	17
Repairs & Maintenance	**12**	–
Taxes and licenses	**9**	9
Security guard services	**8**	–
Membership fees/dues	**8**	10
Representation & entertainment	**5**	–
Other expense	**23**	27
	US$672	US$613

Selling expenses consist of the following:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Sales commission and agent’s professional fee	**US$696**	US$539
Salaries and benefits	**114**	81
Occupancy cost and utilities	**15**	–
Depreciation and amortization (Notes 11 and 20)	**6**	6
IT SH/WH Maintenance	**6**	5
Other expenses	**10**	32
	US$847	US$663

18. **Finance Costs**

This account consists of

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Interest on:		
Bank loans (Note 14)	**US$187**	US$268
Lease liabilities (Notes 20)	**19**	20
Long-term debt (Note 14)	**3**	35
Other interests	**–**	(3)
	US$209	US$320

19. **Others - Net**

This account consists of:

	March 31, 2026 (3 months)	March 31, 2025 (3 months) Restated
Foreign currency exchange gain (loss) - net	**US$209**	(US$79)
Sale of scrap	**26**	29
Interest income (expense) - net	**2**	2
Bank charges	**(23)**	(20)
Miscellaneous	**2**	2
	US$216	(US$66)

20. **Leases**

The movements in right-of-use assets follow:

	March 31, 2026	December 31, 2025
Cost		
Balances as at beginning of period	**US$4,728**	US$4,028
Additions	**–**	700
Balances as at end of period	**4,728**	4,728
Accumulated Depreciation		
Balances as at beginning of period	**3,730**	3,022
Depreciation (Notes 15, 16, and 17)	**114**	708
Balances as at end of period	**3,844**	3,730
Net Book Values	**US$884**	US$998

The rollforward analysis of lease liabilities follow:

	March 31, 2026	December 31, 2025
Balance at beginning of period	**US$1,078**	US$1,107
Availment	**–**	700
Accretion of interests (Note 18)	**19**	132
Payment of principal	**(161)**	(729)
Payment of interests	**(19)**	(132)
Balance at end of period	**US$917**	US$1,078
Current	**US$451**	US$478
Noncurrent	**466**	600
	US$917	US$1,078

In 2021, the Group entered into a lease agreement with a third-party lessor covering office, factory and warehouse building for a period of five (5) years commencing May 1, 2021 and ending April 30, 2026 at a rate subject to 5% annual escalation. The lease agreement terminated on June 30, 2024.

In 2022, EMS entered into another three (3) years lease agreement for office factory warehouse from another third-party starting September 01, 2022 to August 31, 2025.

In 2022, EMS entered into another five (5) year lease agreement for 5,331.36 sqm. office factory warehouse starting September 15, 2022 and will expire on September 14, 2027, and may be extended or renewed upon mutual agreement of the parties.

21. Earnings Per Share

The basis of income per share calculations attributable to the equity holders of the Parent Company follows (amounts in thousands, except earnings per share):

	March 31, 2026 (3 months)	March 31, 2025 (3 months)
a. Net income attributable to equity holders of the Parent Company	**US$1,237**	US$863
b. Weighted average number of outstanding common shares	**823,072**	823,072
c. Basic earnings per share (a/b)	**US$0.00150**	US$0.00105

There were no potential dilutive shares in 2026 and 2025.

22. Segment Information

The primary segment reporting format of the Group is by business segments as the Group's risks and rates of return are affected predominantly by differences in the goods produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The revenues from major customer under the telecom sector amounted to US$6.19 million and US$7.62 million for the three months period ended March 31, 2026 and 2025, respectively. Total revenues from these customers are exceeding approximately at 20% of the Group's total revenue from contracts with customers for the three months period ended March 31, 2026 and 2025, respectively

The analysis of the Group's segments by product line follows:

	March 31, 2026 (3 months)							
	Computer Peripherals	Telecom	Automotive	Consumer Electronics	Real Estate	Others	Adjustments and Eliminations	Total
Sales (external customers)	**US$5,417**	**US$9,959**	**US$–**	**US$14,989**	**US$–**	**US$129**	**US$–**	**US$30,494**
Rental income	**US$–**	**US$–**	**US$–**	**US$–**	**US$794**	**US$185**	**(US$359)**	**US$620**
Income (loss) from operations	**US$492**	**(US$96)**	**–**	**US$559**	**US$506**	**(US$88)**	**US$13**	**US$1,386**
Foreign exchange gain - net	**86**	**55**	**–**	**67**	**19**	**–**	**(18)**	**209**
Income tax	**(59)**	**(31)**	**–**	**(56)**	**(24)**	**(3)**	**–**	**(173)**
Dividend income	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Share in net earnings of associates - net	**–**	**–**	**–**	**–**	**–**	**–**	**16**	**16**
Interest - net	**(7)**	**(53)**	**–**	**(90)**	**(58)**	**(1)**	**–**	**(209)**
Noncontrolling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(26)**	**(26)**
Miscellaneous - net	**(5)**	**(9)**	**–**	**(8)**	**–**	**55**	**–**	**33**
Net income (loss)	**US$507**	**(US$134)**	**US$–**	**US$472**	**US$443**	**(US$37)**	**(US$15)**	**US$1,236**
Identifiable assets	**US$13,444**	**US$33,015**	**US$–**	**US$38,914**	**US$28,754**	**US$42,159**	**(US$38,745)**	**US$117,541**
Unallocated assets	**–**	**–**	**–**	**–**	**–**	**10,228**	**–**	**10,228**
Total assets	**US$13,444**	**US$33,015**	**US$–**	**US$38,914**	**US$28,754**	**US$52,387**	**(US$38,745)**	**US$127,769**
Identifiable liabilities	**US$665**	**US$7,818**	**US$–**	**US$6,872**	**US$6,805**	**US$31,295**	**(US$28,290)**	**US$25,165**
Unallocated liabilities	**–**	**–**	**–**	**–**	**–**	**51,905**	**(20,087)**	**31,818**
Total liabilities	**US$665**	**US$7,818**	**US$–**	**US$6,872**	**US$6,805**	**US$83,200**	**(US$48,377)**	**US$56,983**
Capital expenditures	**US$39**	**US$61**	**US$–**	**US$103**	**US$949**	**US$160**	**US$–**	**US$1,312**
Depreciation and amortization	**US$635**	**US$260**	**US$–**	**US$186**	**US$210**	**US$53**	**US$–**	**US$1,344**

	March 31, 2025 (3 months)							
	Computer Peripherals	Telecom	Automotive	Consumer Electronics	Real Estate	Others	Adjustments and Eliminations	Total
Sales (external customers)	US$9,078	US$4,998	US$12,139	US$268	US$–	US$80	(US$597)	US$25,966
Rental income	US$–	US$–	US$31	US$–	US$812	US$176	(US$374)	US$645
Income (loss) from operations	US$375	US$646	(US$58)	(US$57)	US$508	US$36	(US$5)	US$1,445
Foreign exchange gain - net	(21)	(30)	(29)	(1)	–	1	1	(79)
Income tax	(35)	(68)	(30)	(3)	(26)	(7)	3	(166)
Dividend income	–	–	–	–	25	1,500	(1,525)	–
Share in net earnings of associates - net	–	–	–	–	–	–	(3)	(3)
Interest - net	(97)	(53)	(134)	(2)	(59)	–	25	(320)
Noncontrolling interests	–	–	–	–	–	–	(16)	(16)
Miscellaneous – net	(6)	(3)	(9)	1	–	26	20	29
Net income (loss)	US$216	US$492	(US$260)	(US$62)	US$448	US$1,556	(US$1,500)	US$890
Identifiable assets	US$35,223	US$15,674	US$30,478	US$–	US$29,730	US$45,550	(US$47,127)	US$109,528
Unallocated assets	–	–	–	–	12	10,231	–	10,243
Total assets	US$35,223	US$15,674	US$30,478	US$–	US$29,742	US$55,781	(US$47,127)	US$119,771
Identifiable liabilities	US$2,241	US$642	US$5,201	US$–	US$9,411	US$32,716	(US$36,698)	US$13,513
Unallocated liabilities	–	–	–	–	–	59,746	(20,087)	39,659
Total liabilities	US$2,241	US$642	US$5,201	US$–	US$9,411	US$92,462	(US$56,785)	US$53,172
Capital expenditures	US$31	US$74	US$45	US$–	US$528	US$14	US$–	US$692
Depreciation and amortization	US$182	US$766	US$357	US$$–	US$251	US$100	(US$126)	US$1,530

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in the geographical segments are based on the geographical location of its customers.

The following tables represent the Group's total revenue and certain assets based on the Group's geographical segment:

Segment Revenue

	March 31, 2026	March 31, 2025
Asia	**US$28,563**	US$24,859
Europe	**1,078**	171
North America	**853**	936
	US$30,494	US$25,966

Segment Assets

	March 31, 2026	March 31, 2025
Asia	**US$124,035**	US$116,010
North America	**3,734**	3,529
Europe	**–**	232
	US$127,769	US$119,771

Revenue from Contracts with Customers

Revenues from contracts with customers are further disaggregated by type, product type and timing of revenue recognition, as management believes it best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

The Group's revenue from manufacturing of goods recognized over time amounted to US$30.49 million and US$25.97 million for the period ended March 31, 2026 and 2025, respectively.

23. Fair Value Measurement

The Group's financial instruments consist of cash, receivables (excluding advances to managers and employees), refundable deposits (included under other noncurrent assets), financial assets at FVOCI, accounts payable and other liabilities (excluding nonfinancial liabilities), bank loans, long-term debt, lease liabilities, and security deposits (included under other noncurrent liabilities).

The following table sets forth the fair value hierarchy of the Group's assets and liabilities:

March 31, 2026

			Fair value measurement using		
	Carrying value	**Total**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Asset measured at fair value:					
Financial assets at FVOCI	**US$2,610**	**US$2,610**	**US$19**	**US$486**	**US$2,105**
Asset for which fair values are disclosed:					
Other noncurrent assets					
Refundable deposits	**569**	**569**	**–**	**–**	**569**
Nonfinancial assets					
Investment properties	**20,807**	**33,086**	**–**	**–**	**33,086**
Liabilities for which fair values are disclosed:					
Bank loans	**5,086**	**4,915**	**–**	**–**	**4,915**
Other liabilities					
Security deposits	**373**	**476**	**–**	**–**	**476**

December 31, 2025

			Fair value measurement using		
	Carrying value	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset measured at fair value:					
Financial assets at FVOCI	US$2,612	US$2,612	US$19	US$487	US$2,106
Asset for which fair value are disclosed:					
Other noncurrent assets					
Refundable deposits	592	592	–	–	592
Nonfinancial assets					
Investment properties	20,068	33,086	–	–	33,086
Liabilities for which fair values are disclosed:					
Long-term debt	394	401	–	–	401
Bank loans	5,360	5,232	–	–	5,232
Other liabilities					
Security deposits	361	457	–	–	457

The fair values of cash, receivables, accounts payable and other liabilities and commercial loans (included under "Bank loans and lease liabilities") approximate their respective carrying values due to the short-term maturities of these instruments.

The estimated fair values of refundable deposits, bank loans and long-term debt, and security deposits represents the present value of the amount of estimated future cash flows expected to be collected or paid derived using the incremental borrowing rate of the Group for a similar loan.

For quoted equity investments, the fair value of financial assets is determined using the market prices of the listed shares and the price of the most recent transaction for non-listed shares. Unquoted investments are measured using market approach on its comparable underlying investments with significant unobservable inputs within Level 3 category.

Financial assets at FVOCI measured at fair value based on the quoted market bid prices are included within the Level 1 of the fair value hierarchy.

The fair values of proprietary golf/club shares measured at FVOCI is determined by using the market price of the proprietary golf /club shares and is included in Level 2 of the hierarchy.

The fair values of the non-listed equity investments categorized within Level 3 of the fair value hierarchy have been estimated using the comparable company valuation multiples technique. The market approach is applied using significant unobservable inputs such as quoted prices of the comparable companies under the real estate industries and lack of marketability discount ranging from 10% to 30%. Factors such as revenue growth and earnings before interest, taxes, depreciation and amortization depreciation are considered on the selection of comparable companies. Increase in quoted prices and decrease in lack of marketability discount increase the value of the investments and vice versa.

As of March 31, 2026 and December 31, 2025, there were no transfer between Level 1 and Level 2 of the fair value hierarchy, and no transfer into and out of the Level 3 category.

24. Dividends Declaration

On March 14, 2025, the Board of Directors approved the declaration of ₱0.10 per share cash dividend amounting to US$1.46 million to all stockholders of record as of March 28, 2025 with payment not later than April 25, 2025.

25. Discontinued Operations

The results of discontinued for the period until disposal have been included as Net Income (loss) from discontinued operations in the statement of income of the Group, after eliminating entries.

	March 31, 2026	March 31, 2025
REVENUE		
Revenue from contracts with customers	**US$–**	US$373
	–	373
COST OF SALES AND RENTAL SERVICES		
Cost of sales	–	333
Cost of rental services	–	–
	–	333
GROSS INCOME (LOSS)	–	40
OPERATING EXPENSES	–	43
OTHER INCOME (EXPENSES)	**27**	(5)
INCOME BEFORE INCOME TAX	**27**	(8)
PROVISION FOR INCOME TAX	–	3
TOTAL COMPREHENSIVE INCOME (LOSS)	**US$27**	(US$11)

In 2025, other income includes recovery from receivable that had previously been impaired amounting to US$0.029 million.

26. Other Matters

Ongoing geopolitical tensions, including the conflict in the Middle East, have contributed to global economic uncertainty, fuel and commodity price volatility, and inflationary pressures, increased costs for raw materials, logistics, and longer lead times for critical materials. While there are uncertainties that could impact the Group's liquidity and overall cost structure, the Group assessed that it has no significant effect to its operations at this moment. The Group is closely monitoring the development and will provide appropriate guidance as needed.