

COVER SHEET

SEC Registration Number

C	S	2	0	1	8	1	8	3	3	9
---	---	---	---	---	---	---	---	---	---	---

COMPANY NAMES

F	O	R	A		S	E	R	V	I	C	E	S	,		I	N	C	.		D	O	I	N	G		B	U	S	I
N	E	S	S		A	S		Q	U	E	S	T		H	O	T	E	L		T	A	G	A	Y	T	A	Y		

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

F	o	r	a		R	o	t	u	n	d	a		T	a	g	a	y	t	a	y	,		G	e	n	e	r	a	l
	E	m	i	l	i	o		A	g	u	i	n	a	l	d	o		H	i	g	h	w	a	y	,		S	i	l
a	n	g		J	u	n	c	t	i	o	n	,		B	a	r	a	n	g	a	y		S	i	l	a	n	g	
C	r	o	s	s	i	n	g		E	a	s	t	,		T	a	g	a	y	t	a	y	,		4	1	2	0	
C	a	v	i	t	e																								

Form Type

1	7	-	Q
---	---	---	---

Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
tagaytayhm@questhotelsandresorts.com	+6346-4198799	0976-196-9623
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
6	Last Friday of October	12/31

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
Nancy R. Rivera	nancy.rivera@filinvesthospitality.com	+6346-8460278	09989615762

CONTACT PERSON'S ADDRESS

Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway Silang Junction, Barangay Silang Crossing East Tagaytay, 4120 Cavite

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

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended **June 30, 2026**
2. SEC Identification Number **CS201818339**
3. BIR Tax Identification No. **010-114-986-000**
4. Exact name of issuer as specified in its charter
FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY
5. Province, Country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of issuer's principal office Postal Code
Fora Rotunda Tagaytay, General Emilio Aguinaldo **4120**
Highway Silang Junction, Barangay Silang Crossing
East Tagaytay
8. Issuer's telephone number, including area code **(46) 419-8799**
9. Former name, former address, and former fiscal year, if changed since last report **Not Applicable**
10. Securities registered pursuant to Section 8 and 12 of the SRC

Class	No. of Certificates Per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	Php187,700	Php 11,825,100
Studio 27	61	Php220,400	Php 13,444,400
Studio 29	18	Php236,700	Php 4,260,600
Suite 44	18	Php359,100	Php 6,463,800
Suite 54	4	Php440,700	Php 1,762,800
TOTAL	164		Php 37,756,700

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

Yes

☐

No

☒

12. Indicate by check mark whether the issuer:

(a) has filed reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(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

☒

No

☐

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

Yes

☒

No

☐

TABLE OF CONTENTS

	Page No.
PART 1	FINANCIAL INFORMATION
Item 1	Financial Statements
	Interim Statements of Financial Position as at June 30, 2026 and December 31, 2025 5
	Interim Statements of Comprehensive Income for the Six months ended June 30, 2026 and 2025 6
	Interim Statement of Changes in Equity for the Six months ended June 30, 2026 and 2025 7
	Interim Statements of Cash Flows for the Six months ended June 30, 2026 and 2025 8
	Notes to Consolidated Financial Statements 9-25
Item 2	Management Discussion and Analysis of Financial Condition and Results of Operations 26-29
	Aging of Receivables 30
Part II	OTHER INFORMATION
Item 3	Sale of Securities 31
Item 4	Index to Supplementary Schedules 32
	Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration 33-34
	Annex B - Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsiidiaries, Associates, Wherever Located or Registered 35
	Annex C - Supplementary Schedules Required by Annex 68-J 36-37
Item 5	Components of Financial Soundness Indicators 38-39
Item 6	Signature 40

PART 1 - FINANCIAL INFORMATION

**FOR A SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

Unaudited Interim Financial Statements

As at June 30, 2026 and December 31, 2025

and

For the Six months ended June 30, 2026 and 2025

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF FINANCIAL POSITION

	June 30	December 31
	2026	2025
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 12)	₱61,463,741	₱71,414,634
Receivables (Note 5)	4,084,158	11,633,801
Due from related parties (Note 12)	196,172	891,545
Inventories (Note 6)	2,301,349	1,567,392
Other currents assets (Note 7)	1,964,390	1,724,208
Total Current Assets	70,009,810	87,231,580
Noncurrent Assets		
Property and equipment (Note 8)	16,377,555	11,470,910
Software cost (Note 9)	1,290,022	1,142,315
Total Noncurrent Assets	17,667,577	12,613,225
	₱87,677,387	₱99,844,805
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 10 and 12)	₱31,737,082	₱40,266,848
Contract liabilities (Note 13)	1,278,977	2,331,511
Due to related parties (Note 12)	1,681,230	4,213,585
Income tax payable	311,460	837,953
Total Current Liabilities	35,008,749	47,649,897
Noncurrent Liabilities		
Participation liabilities (Notes 11 and 12)	37,756,700	37,756,700
Retirement liabilities	639,661	639,661
Total Noncurrent Liabilities	38,396,361	38,396,361
Total Liabilities	73,405,110	86,046,258
Equity		
Capital stock (Note 16)	400,000	400,000
Remeasurement loss on retirement plan - net	(153,832)	(153,832)
Retained earnings (Note 16)		
Appropriated	13,996,997	12,498,245
Unappropriated	29,112	1,054,134
Total Equity	14,272,277	13,798,547
	₱87,677,387	₱99,844,805

See accompanying Notes to Financial Statements

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF COMPREHENSIVE INCOME

	Six Months Ended June 30	
	2026	2025
REVENUE		
Revenue from services		
Rooms	₱52,389,850	₱53,477,023
Other operating departments	1,334,321	1,267,710
	53,724,171	54,744,733
COST OF SERVICES (Note 14)	22,158,016	20,596,254
GENERAL AND ADMINISTRATIVE EXPENSES (Note 15)	20,290,335	23,602,887
OTHER INCOME (EXPENSE)		
Interest expense (Notes 11 and 12)	(11,033,802)	(11,357,916)
Interest income (Note 4)	1,035,642	1,321,290
	(9,998,160)	(10,036,626)
INCOME BEFORE INCOME TAX	1,277,660	508,966
PROVISION FOR INCOME TAX (Note 17)	803,930	361,566
NET INCOME	₱473,730	₱147,400

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CHANGES IN EQUITY

	Six Months Ended June 30	
	2026	2025
CAPITAL STOCK (Note 16)		
Balances at beginning and end of period	₱400,000	₱400,000
RETAINED EARNINGS (Note 16)		
<i>Unappropriated retained earnings</i>		
Balances at beginning of period	1,054,134	1,473,394
Net income	473,730	147,400
Appropriation of retained earnings	(1,498,752)	(1,535,138)
Balances at end of period	29,112	85,656
<i>Appropriated retained earnings</i>		
Balances at beginning of period	12,498,245	10,207,973
Appropriation of retained earnings	1,498,752	1,535,138
Balances at end of period	13,996,997	11,743,111
Total retained earnings	14,026,109	11,828,767
REMEASUREMENT LOSS ON RETIREMENT PLAN		
Balances at beginning of period	(153,832)	(153,832)
Other comprehensive income during period	—	—
Balances at end of period	(153,832)	(153,832)
	₱14,272,277	₱12,074,935

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
STATEMENTS OF CASH FLOWS

	Six Months Ended June 30	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱1,277,660	₱508,966
Adjustments for:		
Depreciation and amortization (Notes 8, 9, 14 and 15)	1,924,198	2,734,191
Interest expense (Notes 11 and 12)	11,033,802	11,357,916
Interest income (Note 4)	(1,035,642)	(1,321,290)
Operating income before working capital changes	13,200,018	13,279,783
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Receivables	7,549,643	1,978,904
Due from related parties	695,373	2,650,040
Inventories	(733,957)	(566,432)
Other current assets	(240,182)	(932,189)
(Decrease) Increase in:		
Account and other payables	(28,739)	5,962,072
Contract liabilities	(1,052,534)	(421,529)
Due to related parties	(2,532,355)	1,138,835
Net cash generated from operations	16,857,267	23,089,484
Interest received	1,035,642	1,321,290
Income taxes paid	(1,330,422)	(679,318)
Net cash provided by operating activities	16,562,487	23,731,456
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property and equipment (Note 8)	(6,631,756)	(1,501,000)
Software cost (Note 9)	(346,794)	(921,395)
Net cash used in investing activities	(6,978,550)	(2,422,395)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid (Notes 10 and 11)	(19,534,830)	(15,490,118)
Net cash used in financing activities	(19,534,830)	(15,490,118)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(9,950,893)	5,818,943
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	₱71,414,634	₱60,373,063
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	₱61,463,741	₱66,192,006

See accompanying Notes to Financial Statements.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

Fora Services, Inc. doing business as Quest Hotel Tagaytay (the Company), a wholly owned subsidiary of Filinvest Hospitality Corporation, (FHC or Parent Company), was incorporated in the Philippines and was registered with Philippine Securities and Exchange Commissions (SEC) on August 24, 2018. Its primary purpose is to purchase and own real properties and personal property of all kinds to sell, lease, maintain and manage.

The Company also has secondary license to offer 164 Certificates of Participation to the public as approved by the SEC on May 17, 2023 (see Note 11).

The Company's registered address is Fora Rotunda Tagaytay, General Emilio Aguinaldo Highway, Silang Junction, Barangay Silang Crossing East, Tagaytay, 4120 Cavite.

The Parent Company is a subsidiary of Filinvest Development Corporation (FDC), a publicly listed corporation. FDC is a subsidiary of A.L. Gotianun, Inc. (ALGI). FHC, FDC and ALGI are incorporated and domiciled in the Philippines.

Approval of the Financial Statements

The financial statements of the Company as at June 30, 2026 and 2025 and for each of the six months in the period ended June 30, 2026 were approved and authorized for issue by the Board of Directors (BOD) on August 14, 2026.

2. Material Accounting Policy Information

Basis of Preparation

The financial statements of the Company have been prepared on a historical cost basis and are presented in Philippine Peso (₱), which is also the Company's functional currency. All amounts are rounded off to the nearest Peso, except when otherwise indicated.

Statement of Compliance

The financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Company's financial statements are consistent with those of the previous financial years, except for the adoption of the following which became effective beginning January 1, 2025. The adoption of the following pronouncements does not have significant impact to the Company's financial statements.

- Amendments to PAS 21, *Lack of exchangeability*

Standards, Amendments and Interpretations Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. The Company intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Company's financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2026

- 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*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*

The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:

- Required totals, subtotals and new categories in the statement of profit or loss
- Disclosure of management-defined performance measures
- Guidance on aggregation and disaggregation

The Company is currently assessing the impact of adopting PFRS 18 in its financial reporting, including its data collection process.

- Amendments to PAS 21, *Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policies

The following accounting policies were applied in preparation of the Company's financial statements:

Financial Instruments - initial recognition, subsequent measurement and impairment

As of June 30, 2026 and 2025, the financial assets of the Company are classified at initial recognition as subsequently measured at amortized cost. In order for a financial asset to be classified and measured at amortized cost, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.

As of June 30, 2026 and 2025, the Company's financial assets at amortized cost include cash and cash equivalents, receivables and due from related parties and security deposits (presented under other current assets).

The Company recognizes an allowance for expected credit loss (ECL) for all financial assets at amortized costs. The Company applies the following approach in estimating its allowance for ECL (a) low credit risk simplification approach for cash and cash equivalents; and (b) general approach for receivables and due from related parties.

The Company considers a financial asset in default when contractual payments are thirty (30) days past their due dates.

Financial liabilities - initial recognition and subsequent measurement

As of June 30, 2026 and 2025, the Company's financial liabilities pertain to loans and borrowings. These financial liabilities are recognized initially at fair value, net of directly attributable transaction costs and subsequently measured at amortized cost using effective interest method.

As of June 30, 2026 and 2025, the Company's financial liabilities include accounts and other payables, due to related parties, participation liabilities and other obligations that meet the above definition (other than liabilities covered by other accounting standards, such as, income tax payable, and other statutory liabilities).

Property and Equipment

Property and equipment consist of machineries, tools and computer equipment. Property and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Depreciation is calculated on a straight-line method over the estimated useful lives (EUL) of the assets. The Company assessed that the useful life of property and equipment is five (5) years.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the statement of comprehensive income when the asset is derecognized.

Software Costs

Software acquired separately is measured on initial recognition at cost. Following initial recognition, capitalized software is carried at cost less accumulated amortization and any accumulated impairment losses. The capitalized software is amortized on a straight-line basis over its estimated useful life of five (5) years.

Other Current Assets

Other assets are carried at costs and pertain to resources controlled by the Company as a result of past events and from which future economic benefits are expected to flow to the Company. These assets are regularly evaluated for any impairment in value. These comprise of input value-added tax (VAT), creditable withholding taxes, prepaid expenses and advances to suppliers and employees.

Impairment of Nonfinancial Assets

The Company assesses at each financial reporting date whether there is an indication that its nonfinancial (e.g., property and equipment and software costs) may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGUs) fair value less costs to sell and its value in use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment loss is charged to operations in the year in which it arises.

Retirement Liabilities

Retirement liabilities is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur. Pension costs include current service and interest. Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income (OCI) in the period in which they arise. Remeasurements are not reclassified to the statement of income in subsequent periods.

Equity

Capital stock

Capital stock is measured at par value for all shares issued.

Retained earnings

Retained earnings represents the accumulated net income (losses) of the Company and stock issuance costs.

Revenue Recognition

The Company primarily derives its revenue from room related services and other operating departments. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has generally concluded that it is acting as principal in all of its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized.

Revenues from rooms and other operating departments

Revenues from rooms and other departments are recognized over the time the related services are rendered and/or facilities and amenities are used.

Income from insurance claim

Income from insurance claim is recognized when receipt is virtually certain or upon acceptance of the settlement offer from insurance company.

Contract Balances

Contract receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs under the contract.

The contract liabilities also include payments received by the Company from the customers for which revenue recognition has not yet commenced. Accordingly, funds deposited by customers before event/service occurs (guest deposits) are recorded as contract liabilities until services are provided or goods are delivered.

Costs and Expenses Recognition

Direct costs and operating expenses are decreases in economic benefits during the accounting period in the form of outflows or depletion of assets or decrease of liabilities. These are measured at the amount paid or payable and are recognized when incurred.

Income Taxes

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws use to compute the amount are those that are enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is provided on all taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences and unused net operating loss carryover (NOLCO), to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences and NOLCO can be utilized.

Segment Reporting

The Company's operating businesses are organized and managed according to the nature of the products and services provided. The Company has determined that it is operating as one operating segment as of and for the years ended June 30, 2026 and 2025 (see Note 18).

3. Management's Accounting Judgments and Use of Estimates

The preparation of the Company's financial statements in compliance with PFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Use of Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and within the next financial year are discussed below:

Evaluation of impairment of receivables

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

As of June 30, 2026 and December 31, 2025, the carrying value of receivables amounted to ₱4.08 million and ₱11.63 million, respectively. There is no provision for ECL recognized in 2026 and 2025 (see Note 5).

4. Cash and Cash Equivalents

This account consists of

	2026	2025
Cash on hand	₱360,000	₱360,000
Cash in banks (Note 12)	14,219,918	28,935,950
Cash equivalents (Note 12)	46,883,823	42,118,684
	₱61,463,741	₱71,414,634

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods up to 3 months and earns interest at the prevailing short-term investment rate of 3.88% to 4.35% and 3.88% to 5.13% in 2026 and 2025, respectively.

Interest income earned from cash and cash equivalents amounted to ₱1.04 million and ₱1.32 million in 2026 and 2025, respectively (see Note 12).

There are no restrictions on the Company's cash and cash equivalents as of June 30, 2026 and December 31, 2025.

5. Receivables

This account consists of:

	2026	2025
Contract receivables:		
Corporate, travel agency and individuals	₱3,570,311	₱10,084,969
Credit cards	359,544	1,317,749
Guest ledger	15,181	—
Others	139,122	231,083
	₱4,084,158	₱11,633,801

Corporate, travel agency and individuals pertain to receivables classified by market segments and are due within 30 to 90 days from billing.

Credit cards pertain to receivables from banks for sales settled through credit cards and are usually collectible within three (3) to five (5) days from transaction date.

Guest ledger pertains to receivables from in-house guests and are collectible once the guest checks out from the hotel.

Others pertain to advances to employees, third party receivables related to utilities and other reimbursables subject to liquidation.

6. Inventories

This account consists of:

	2026	2025
Supplies	₱1,640,813	₱1,260,073
Fuel	660,536	307,319
	₱2,301,349	₱1,567,392

Supplies include guest, cleaning, engineering and other operating supplies used to assist in day-to-day operations of the Company.

Fuel pertains to fuel and oils used in the day-to-day operations.

The cost of inventories recognized as part of “Cost of services” in the statement of comprehensive income amounted to ₱1.76 million and ₱3.88 million in 2026 and 2025, respectively (see Note 14).

7. Other Current Assets

This account consists of:

	2026	2025
Prepaid expenses	₱1,147,568	₱940,852
Advances to suppliers	807,622	774,156
Security deposits	9,200	9,200
	₱1,964,390	₱1,724,208

Prepaid expenses pertain to the Company’s prepayments on insurance and subscriptions. These are recognized as expense over a period not exceeding 12 months.

Advances to suppliers are down payments made to the suppliers for operating equipment. These will be applied against billings upon the completion of services.

8. Property and Equipment

The rollforward analysis of this account follows:

	Machineries Tools and Equipment	Vehicles	Computer Equipment	Furniture, Fixtures & Equipment	Buildings & Buildings Improvements	Total
Cost						
At beginning of year	₱3,507,156	₱733,650	₱1,342,519	₱12,543,914	₱–	₱18,127,239
Additions	1,747,265	–	–	862,196	4,022,295	6,631,756
At end of year	5,254,421	733,650	1,342,519	13,406,110	4,022,295	24,758,995
Accumulated Depreciation						
At beginning of year	702,323	315,470	782,230	4,856,306	–	6,656,329
Depreciation (Note 15)	375,064	66,028	84,940	1,051,245	147,834	1,725,111
At end of year	1,077,387	381,498	867,170	5,907,551	147,834	8,381,440
	₱4,177,034	₱352,152	₱475,349	₱7,498,559	₱3,874,461	₱16,377,555
2025						
	Machineries, Tools and Equipment	Vehicles	Computer Equipment	Furniture, Fixtures & Equipment	Buildings & Buildings Improvements	Total
Cost						
At beginning of year	₱673,395	₱733,650	₱947,597	₱11,262,658	₱–	₱13,617,300
Additions	2,833,761	–	394,922	1,281,256	–	4,509,939
At end of year	3,507,156	733,650	1,342,519	12,543,914	–	18,127,239
Accumulated Depreciation						
At beginning of year	408,341	183,412	654,791	2,715,132	–	3,961,676
Depreciation (Note 15)	293,982	132,057	127,439	2,141,175	–	2,694,653
At end of year	702,323	315,469	782,230	4,856,307	–	6,656,329
Net Book Values	₱2,804,833	₱418,181	₱560,289	₱7,687,607	₱–	₱11,470,910

The Company's property and equipment are not pledged or used as collateral to secure any obligation as of June 30, 2026 and December 31, 2025.

9. Software Costs

The rollforward analysis of this account follows:

	2026	2025
Cost		
Balances at beginning of year	₱2,493,639	₱1,572,243
Additions	346,794	921,396
Balances at end of year	2,840,433	2,493,639
Accumulated Amortization		
Balances at beginning of year	1,351,324	1,030,104
Amortization (Note 15)	199,087	321,220
Balances at end of year	1,550,411	1,351,324
Net Book Value	₱1,290,022	₱1,142,315

10. Accounts and Other Payables

This account consists of:

	2026	2025
Accrued interest payables (Notes 11 and 12)	₱9,190,017	₱17,691,045
Trade payables	5,887,730	5,478,659
Accrued expenses	8,957,790	8,253,193
Regulatory payable	6,320,163	6,173,165
Wages and employee-related payables	1,381,382	2,670,786
	₱31,737,082	₱40,266,848

Accrued interest payables pertain to interest payable to certificate holders and FLI, excluding withholding taxes (see Notes 11 and 12). These are settled annually every last Friday of May following the calendar year in which the participation interest was earned.

Trade payable consists of payables to suppliers and service providers for various acquisitions of goods and services used in the operations of the Company. These are normally settled on a 30-day term.

Accrued expenses represent accruals on rent, telephone, light and water, security services and other expenses that are normally settled on a 30-day term upon receipt of billing.

Regulatory payable includes local taxes, deferred output VAT, expanded withholding taxes and taxes withheld on employee compensation and benefits.

Wages and employee-related payables include employees' share on the additional service fees charged to customers. These are normally settled within one month.

11. Participation Liabilities

The Company entered into Condotel Participation Agreements (the Agreements) with unit buyers (the Participants) of the Fora Condotel Tower 1 (Condotel Project) with a term of 25 years. Pursuant to the provisions of the Agreement, the Participant shall pay the Company the Joining Fee, which shall be returned without interest at the end of the term of the Condotel Project, and the Company shall manage and operate the Participants' contributed units.

The Company may terminate the Agreements upon reasonable determination that the operation of the Condotel Project can no longer be sustained due to operating losses. In such event, the Company shall return the amount of the Joining Fee, pro rata, received from the participants.

The Unit Buyers' participation interest in the Condotel Project shall be evidenced by Certificates. Each of the Certificate of Participation corresponds to the 164 units in the Condotel Project. The SEC through its SEC MSRD Order No. 25, Series of 2023 issued on May 17, 2023, approved the registration of said 164 Certificates of Participation. The SEC likewise issued the Certificate of Permit to Offer Securities for Sale for said 164 Certificates, on the same date.

Relative to the Agreement, the Certificate Holders shall be entitled to: (a) the payment of distributable participation interest on an annual basis, subject to the terms hereof and the Agreement; and, (b) maximum of 14 nights room use privilege in the Condotel Project per calendar year.

The distributable participation interest is based on the participation income accrued within one (1) payment cycle, less provision for corporate income tax, provision for repayment of borrowing, provision for working capital requirements, any uncollected revenue, prepaid taxes during the period, capital expenditure reserve, reserve for joining fee amortization, and adjusted for non-cash transactions and any room use privilege enjoyment.

Distributable participation interest is recognized as part of Accounts and other payables in the statement of financial position as of June 30, 2026 and December 31, 2025.

As of June 30, 2026 and December 31, 2025, the Company issued Certificate of Participation for 164 units in the Condotel Project, presented under Participation liabilities in the statement of financial position.

12. Related Party Transactions

The Company has entered into various transactions with related parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decision or the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. Affiliates are entities under common control of the Parent Company, FDC and ALGI.

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured, interest-free and require settlement in cash, unless otherwise stated. There have been no guarantees provided or received for any related party receivables or payables. As of June 30, 2026 and December 31, 2025, the Company has not made any provision for ECL relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

The amounts and balances from the significant related party transaction follows:

		2026		Terms	Conditions
		Amount/ Volume	Outstanding balance		
<i>Cash and cash equivalents</i>					
<i>Affiliate</i>					
a.	Cash and cash equivalents (Note 4)	(P6,878,795)	P57,551,834	Interest-bearing at prevailing market rate	Unrestricted
	Interest income	1,034,179			
<i>Due to related parties</i>					
b.	Parent Company	P547,598	(P66,886)	Noninterest-bearing; due and demandable	Unsecured
c.	Fora Restaurants, Inc. (FRI)	2,410,086	(156,580)	Noninterest-bearing; due and demandable	Unsecured
d.	Chroma Hospitality, Inc. (CHI)	2,652,009	(643,199)	Noninterest-bearing; due and demandable	Unsecured
e.	Mimosa Cityscapes, Inc. (MCI)	11,876	-	Noninterest-bearing; due and demandable	Unsecured
e.	Nature Specialists, Inc. (NSI)	54,107	-	Noninterest-bearing; due and demandable	Unsecured
e.	Entrata Hotel Services, Inc. (EHSI)	1,002,488	(777,359)	Noninterest-bearing; due and demandable	Unsecured
e.	Property Specialist Resources, Inc. (PSRI)	29,411	(29,411)	Noninterest-bearing; due and demandable	Unsecured
f.	Filinvest Business Services, Corp. (FBSC)	(7,795)	(7,795)	Noninterest-bearing; due and demandable	Unsecured
			(P1,681,230)		
<i>Due from related parties</i>					
g.	Hospitality Enterprise Resources Corp. (HERC)	(P891,545)	P-	Noninterest-bearing; due and demandable	Unsecured
i.	Filinvest Land, Inc. (FLI)	98,598	98,598	Noninterest-bearing; due and demandable	Unsecured
i.	Filinvest Development Corp. (FDC)	11,130	11,130	Noninterest-bearing; due and demandable	Unsecured

		2026			
		Amount/ Volume	Outstanding balance	Terms	Conditions
i.	Mactan Seascapes Services, Inc. (MSSI)	1,105	1,105	Noninterest-bearing; due and demandable	Unsecured
i.	Mimosa Cityscapes, Inc (MCI)	54,003	54,003	Noninterest-bearing; due and demandable	Unsecured
i.	Baguio Mountainscapes, Inc. (BMI)	17,236	17,236	Noninterest-bearing; due and demandable	Unsecured
i.	Nature Specialists, Inc. (NSI)	4,300	4,300	Noninterest-bearing; due and demandable	Unsecured
i.	Filinvest Alabang, Inc. (FAI)	9,800	9,800	Noninterest-bearing; due and demandable	Unsecured
		P196,172			
Accrued expenses					
j.	Interest expense	P7,419,203	(P6,912,226)	Due in May 2027	Unsecured
Participation liabilities					
j.	Joining fee	P816,200	(P23,653,300)	Noninterest-bearing due in 2048	Unsecured
		2025			
		Amount/ Volume	Outstanding balance	Terms	Conditions
Cash and cash equivalents					
Affiliate					
a.	Cash and cash equivalents (Note 4)	P8,187,350	P64,430,629	Interest-bearing at prevailing market rate	Unrestricted
	Interest income	2,277,263			
Due to related parties					
b.	Parent Company	(P1,147,552)	(P289,225)	Noninterest-bearing; due and demandable	Unsecured
c.	Fora Restaurants, Inc. (FRI)	(2,195,646)	(2,566,666)	Noninterest-bearing; due and demandable	Unsecured
d.	Chroma Hospitality, Inc. (CHI)	(5,415,688)	(1,097,248)	Noninterest-bearing; due and demandable	Unsecured
e.	Mimosa Cityscapes, Inc. (MCI)	(26,575)	(11,876)	Noninterest-bearing; due and demandable	Unsecured
e.	Nature Specialists, Inc. (NSI)	(54,107)	(54,107)	Noninterest-bearing; due and demandable	Unsecured
f.	Filinvest Business Services, Corp. (FBSC)	(2,056,972)	(194,463)	Noninterest-bearing; due and demandable	Unsecured
g.	Hospitality Enterprise Resources Corp. (HERC)	(5,647,464)	–	Noninterest-bearing; due and demandable	Unsecured
h.	Filinvest Land, Inc. (FLI)	(857,136)	–	Noninterest-bearing; due and demandable	Unsecured
		P4,213,585			
Due from related parties					
i.	Fora Restaurants, Inc. (FRI)	P1,726,860	P–	Noninterest-bearing; due and demandable	Unsecured
i.	Chroma Hospitality, Inc. (CHI)	5,415,688	–	Noninterest-bearing; due and demandable	Unsecured
i.	Hospitality Enterprise Resources Corp. (HERC)	5,647,464	891,545	Noninterest-bearing; due and demandable	Unsecured
		P891,545			
Accrued expenses					
j.	Interest expense	P4,757,652	(P14,331,429)	Due in May 2026	Unsecured
Participation liabilities					
j.	Joining fee	P408,100	(P24,469,500)	Noninterest-bearing; due in 2048	Unsecured

Significant transactions with related parties are as follows:

- a. The Company maintains cash and cash equivalents with East West Banking Corporation, an entity under common control with FDC.
- b. FHC advanced the Company's costs for incorporation, taxes and licenses and other costs incurred on its pre-opening period.

In 2022, the Company entered into an agreement with FHC, wherein the Company is annually charged with admin fee equivalent to one percent (1%) of the Company's gross operating revenue for receiving various administrative functions. The agreement has a term of one (1) year and automatically renewable every year for a similar term unless terminated by either party. As of June 30, 2026 and December 31, 2025, balance due to parent amounted to ₱0.07 million and ₱0.28 million, respectively.

- c. FRI, an affiliate, charges its revenue from food and beverage to the Company as part of the guest's bill upon bill-out.
- d. In July 2018, the Company entered into a management service agreement with CHI, an entity jointly controlled by FDC, whereby CHI provides technical services to the Company with regard to the operation of the Property, including all accounting, internal control, human resources, sales and marketing, engineering and administration records, data and information.
- e. MCI, NSI, EHSI, PSRI, affiliates, charge the Company for intercompany expenses.
- f. FBSC, formerly Corporate Technologies, Inc., an affiliate, charges the Company for telecommunication and IT solutions expenses.
- g. In 2023, the Company entered into an agreement wherein HERC is to provide services related to compensation and benefits and recruitment, accounting, revenue management and reservation, and supply chain.
- h. In 2023, due from FLI represents excess advances for fit-out paid by the Company. The excess was returned to FLI in 2024.
- i. The Company charges FRI, CHI, HERC, FLI, FDC, MSSSI, MCI, BMI, NSI, and FAI, for intercompany expenses.
- j. Participation liabilities pertain to joining fee received from FLI which is equivalent to the offer price paid for a certificate and will be repaid upon end of the term of the Condotel Participation Agreement. Each certificate is entitled to participation interest distributed annually (see Note 11).

Compensation of key management personnel

Compensation of key management personnel of the Company consists of employee salaries and benefits amounting to ₱0.27 million and ₱1.27 million in 2026 and 2025, respectively.

13. Revenue, Income and Contract Balances

Revenue from Contracts with Customers

The Company deals with guests who are required to pay hotel room charges which cover room services and use of other ancillary services.

Revenue from rooms and other operating department is recognized over the time the related services are rendered and/or facilities and amenities are used. Transaction price is determined to be the invoice amount, and each transaction is considered as a single performance obligation, therefore it is not necessary to allocate the transaction price. The hotel room rate is fixed and has no variable consideration. The service is capable of being distinct from the other services and the transaction price for each service is separately identifiable.

Guests usually pay in advance either in full or partially to guarantee reservation. Guests are required to settle all outstanding bills before check-out. Corporate accounts and travel agencies are required to pay 30 to 90 days from billing date.

Other income consists of smoking fees, forfeiture of unclaimed deposits and others. This is recognized over the time the related services are rendered and/or facilities and amenities are used.

Contract Liabilities

Contract liabilities pertain to advance or partial payments received from guests to guarantee reservations. This represents the obligation to provide services to the customer for which the Company has received consideration. These are guest deposits which are expected to be recognized as revenue when the event has taken place or refunded to the customers upon cancellation.

The following summarizes the activities related to contract liabilities with customers as of June 30, 2026 and December 31, 2025:

	2026	2025
Balances at beginning of year	₱2,331,511	₱1,363,886
Additions	8,323,951	23,469,340
Recognized as revenue	(9,376,485)	(22,501,715)
Balances at end of year	₱1,278,977	₱2,331,511

14. Cost of Services

This account consists of:

	2026	2025
Utilities	₱6,914,537	₱6,476,380
Salaries, wages, and benefits	3,852,966	3,995,756
Laundry and linens	2,250,313	2,793,896
Common area expenses	1,875,509	1,157,977
Operating supplies (Note 6)	1,762,285	1,667,822
Commission	1,500,990	1,296,918
E-Commerce fee	1,004,115	1,448,706
Spa services	613,435	608,541
Contract services	565,095	270,000
Depreciation (Note 8)	465,075	—
Dues & Subscriptions	442,150	12,242
Cable TV & Satellite	244,071	244,071
Guest transportation	219,016	126,000
Training	165,644	225,890
Guest complimentary	142,057	51,435
Corporate office reimbursable	56,103	104,167
Others	84,655	116,453
	₱22,158,016	₱20,596,254

Others include payment for equipment rental, printing, employee travel and transportation, and other miscellaneous expenses.

15. General and Administrative Expenses

This account consists of:

	2026	2025
Salaries, wages, and benefits	₱3,088,168	₱3,214,453
Common area expenses	2,843,898	3,698,504
Contract services	2,346,699	2,331,071
Management fees (Note 12)	2,162,332	2,145,464
Depreciation and amortization (Notes 8 and 9)	1,459,123	2,734,191
E-Commerce fee	1,455,348	1,920,999
Credit and collection	1,104,089	1,100,741
System costs (Note 12)	1,002,488	1,603,096
Corporate office reimbursable	791,732	576,367
Telecommunications	759,135	792,147
Legal, audit and professional fees	599,835	573,528
Security costs	592,898	459,490
Administrative fee (Note 12)	547,598	558,455
Sales office expenses	489,677	355,972
Insurance premium	433,020	528,161
Repairs and maintenance	263,001	319,675
Travel and transportation	58,982	224,349
Office and cleaning supplies	55,830	58,162
Representation and entertainment	44,487	85,547
Training	17,581	96,544
Taxes and licenses	3,221	2,706
Others	171,195	223,265
	₱20,290,337	₱23,602,887

16. Equity

As of June 30, 2026 and 2025, the capital stock of the Company consists of:

	No. of Shares	Amount
Authorized - ₱100 par value	16,000	₱1,600,000
Subscribed and issued shares	4,000	400,000

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes in 2026 and 2025.

The Company considers its capital stock and participation liabilities amounting to ₱38.16 million, as of June 30, 2026 and December 31, 2025, as its capital employed. The Company is not subject to externally imposed capital requirements.

Appropriation of Retained Earnings

On November 13, 2024, the BOD approved yearly appropriation from its accumulated retained earnings of the related amortization of the Joining Fee until it is repaid to the Certificate Holders pursuant to the Company's Registration Statement (see Note 11). Appropriated retained earnings related to Joining Fee amounted to ₱0.76 million and ₱1.51 million in June 2026 and December 2025, respectively.

On April 10, 2025 and November 13, 2024, the BOD approved the appropriation of the Company's retained earnings amounting to ₱0.78 million and ₱7.75 million for capital expenditures. The appropriation will be utilized in the next five (5) years from the year of appropriation.

On April 14, 2026, the BOD approved the appropriation of the Company's retained earnings amounting to ₱0.74 million for capital expenditures. The appropriation will be utilized in the next five (5) years.

17. Income Taxes

The provision for income tax consists of:

	2026	2025
Current	₱631,323	₱1,280,338
Final	172,607	379,799
	₱803,930	₱1,660,137

The Company did not recognize deferred tax asset on the following temporary differences and carryforward benefit of NOLCO and Minimum Corporate Income Tax (MCIT) because the management assessed that sufficient taxable income and income tax due may not be available against these can be utilized:

	2026	2025
MCIT	₱2,994,437	₱2,363,114
NOLCO	836,889	836,889
Retirement liabilities	639,661	639,661

The reconciliation of the income tax computed at statutory rate of 25% to provision for income tax follows:

	2026	2025
Income tax at statutory income tax rate	₱319,415	₱127,242
Tax effects of:		
Movement in unrecognized deferred tax assets	527,667	289,380
Interest income subjected to final tax	(43,152)	(55,055)
	₱803,930	₱361,567

18. Segment Reporting

The Company has determined that it is operating as one operating segment. Based on management's assessment, no part or component of the business of the Company meets the qualifications of an operating segment as defined by PFRS 8, *Operating Segments*.

The Company's hotel operation is its only income-generating activity and such is the measure used by the chief operating decision maker (CODM) in allocating resources. In 2026, and 2025, no single customer constitutes more than of the Company's operating revenue.

19. Financial Assets and Financial Liabilities

Fair Value Information

The carrying values of cash and cash equivalents, receivables, security deposits (presented under other current assets), accounts and other payables (except statutory payables) and due from and to related parties approximate their fair values as of June 30, 2026 and 2025 due to the short-term nature of the transactions.

As of June 30, 2026 and December 31, 2025, the Company's participation liabilities have a carrying value of ₱37.76 million. As of June 30, 2026 and December 31, 2025, the Company's participation liabilities have a fair value of ₱9.21 million. The estimated fair value of participation liabilities in 2026 and 2025 is determined by discounting the sum of future cash flows using the prevailing market rate of 6.41%.

Financial Risk Management Objectives and Policies

The Company's financial instruments include the Company's cash, due from related parties, security deposits (presented under other current assets), accounts and other payables (except statutory payables), and due from and to related parties.

The main purpose of these financial instruments is to finance the Company's operations. The main objectives of the Company's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and
- To provide a degree of certainty about costs.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. It is the Company's practice that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The table below shows the summary of maximum credit risk exposure on financial assets:

	2026	2025
Cash and cash equivalents*	₱61,103,741	₱71,054,634
Receivables	4,084,158	11,633,801
Due from related parties	196,172	891,545
Security deposits	9,200	9,200
	₱65,393,271	₱83,589,180

*Excludes cash on hand.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations when due. The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

Maturity profile of the Company's financial instruments as at June 30, 2026 and December 31, 2025 follow:

	2026				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	₱14,579,918	₱46,883,823	₱—	₱—	₱61,463,741
Receivables	3,342,630	741,528	—	—	4,084,158
Due from related parties	196,172	—	—	—	196,172
Security deposits	—	—	9,200	—	9,200
	₱18,118,720	₱47,625,351	₱9,200	₱—	₱65,753,271
Financial liabilities					
Accounts and other payables*	₱—	₱14,845,520	₱9,190,017	₱—	₱24,035,537
Due to related parties	1,681,230	—	—	—	1,681,230
Participation liabilities	—	—	—	37,756,700	37,756,700
	₱1,681,230	₱14,845,519	₱9,190,016	₱37,756,700	₱63,473,467

*Excludes statutory payables amounting to ₱7.70 million

	2025				Total
	On demand	Less than 3 months	3 to 12 months	More than 12 months	
Financial assets					
Cash and cash equivalents	₱29,295,950	₱42,118,684	₱—	₱—	₱71,414,634
Receivables	6,304,872	5,328,929	—	—	11,633,801
Due from related parties	891,545	—	—	—	891,545
Security deposits	—	—	—	9,200	9,200
	₱36,492,367	₱47,447,613	—	₱9,200	₱83,949,180
Financial liabilities					
Accounts and other payables*	₱—	₱13,731,852	₱17,691,045	₱—	₱31,422,897
Due to related parties	4,213,585	—	—	—	4,213,585
Participation liabilities	—	—	—	37,756,700	37,756,700
	₱4,213,585	₱13,731,852	₱17,691,045	₱37,756,700	₱73,393,182

*Excludes statutory payables amounting to ₱8.84 million

Interest Rate Risk

The Company is exposed to interest rate risk primarily through its participation liabilities. The effective rate applied to these liabilities is determined based on participation income, net of allowable deductions (see Note 11). Consequently, the effective interest rate increases when participation income rises and decreases when participation income declines.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Management's Discussion and Analysis of Financial Condition and Results of Operation

Six Months Ended June 30				
	2026	2025	Change	
	(Unaudited)	(Unaudited)	Increase (Decrease)	
			Php	%
REVENUE				
Revenue from services				
Rooms	₱52,389,850	₱53,477,023	(₱1,087,173)	-2%
Other operating departments	1,334,321	1,267,710	66,611	5%
	53,724,171	54,744,733	(1,020,562)	-2%
COST OF SERVICES	22,158,016	20,596,254	1,561,762	8%
GENERAL AND ADMINISTRATIVE EXPENSES	20,290,335	23,602,887	(3,312,552)	-14%
OTHER INCOME (EXPENSE)				
Interest income	1,035,642	1,321,290	(285,648)	-22%
Interest expense	(11,033,802)	(11,357,916)	324,114	-3%
	(9,998,160)	(10,036,626)	38,466	0%
INCOME BEFORE INCOME TAX	1,277,660	508,966	768,694	151%
PROVISION FOR INCOME TAX	803,930	361,566	442,364	122%
NET INCOME/ TOTAL COMPREHENSIVE INCOME	₱473,730	₱147,400	₱326,330	221%

As of June 30, 2026, the Company reported a Net Income of ₱0.47 million representing increase of ₱0.33 million or 221% compared to the previous period's net income of ₱0.15 million. This increase is primarily attributed to the decrease in interest expense.

Revenue

For the six months ended June 30, 2026, the Company revenue from services decreased by 2% from last year primarily due to lower rooms revenue offset by higher other operating department revenue. Despite lower occupancy of 61% from 68%, the Average Daily Rate improved from ₱2,642 to ₱2,870 in the same period last year. The decline was mainly attributable to a 13% decrease in branded website bookings and a 10% decline in Meetings, Incentives, Conferences, Exhibition (MICE) group revenue following the implementation of Memorandum Circular No. 114, which imposed stricter limitations on government-funded meetings, seminars, conferences, and official events amid the ongoing war, reducing demand from the government segment.

Cost of Services

Cost of Services increased by 8% or ₱1.56 million mainly due to higher utilities, common area expenses, contract services, and depreciation expense.

General and Administrative Expenses

The General and Admin Expenses is ₱20.29 million, which is 14% or ₱3.31 million lower than last year mainly due to lower depreciation, common area expenses, and system costs offset by the increase in corporate office reimbursable, and security costs.

Other Income (Expenses)

Interest Income pertains to interest earned from deposits and short-term investment. The decrease of ₱0.29 million or 22% in 2026 is due to lower short term investment placements during the period.

Interest Expense is attributed to accrued participation interest during the period.

Provision for Income tax

The provision for income tax increased by 122% from ₱0.36 million in 2025 to ₱0.80 million in 2026. It was computed using the minimum corporate income tax.

	June 30 2026 (Unaudited)	December 31 2025 (Audited)	Change Increase (Decrease) Php %	
ASSETS				
Current Assets				
Cash and cash equivalents	₱61,463,741	₱71,414,634	(₱9,950,893)	-14%
Receivables	4,084,158	11,633,801	(7,549,643)	-65%
Due from related parties	196,172	891,545	(695,373)	-78%
Inventories	2,301,349	1,567,392	733,957	47%
Other currents assets	1,964,390	1,724,208	240,182	14%
Total Current Assets	70,009,810	87,231,580	(17,221,770)	-20%
Noncurrent Assets				
Property and equipment	16,377,555	11,470,910	4,906,645	43%
Software costs	1,290,022	1,142,315	147,707	13%
Total Noncurrent Assets	17,667,577	12,613,225	5,054,352	40%
	₱87,677,387	₱99,844,805	(₱12,167,418)	-12%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	₱31,737,082	₱40,266,848	(₱8,529,766)	-21%
Contract liabilities	1,278,977	2,331,511	(1,052,534)	-45%
Due to related parties	1,681,230	4,213,585	(2,532,355)	-60%
Income tax payable	311,460	837,953	(526,493)	-63%
Total Current Liabilities	35,008,749	47,649,897	(12,641,148)	-27%
Non Current Liabilities				
Participation liabilities	37,756,700	37,756,700	—	0%
Retirement liabilities	639,661	639,661	—	0%
Total Non Current Liabilities	38,396,361	38,396,361	—	0%
Total Liabilities	73,405,110	86,046,258	(12,641,148)	-15%
Equity				
Capital stock	400,000	400,000	—	0%
Remeasurement loss on retirement plan - net	(153,832)	(153,832)	—	0%
Retained Earnings				
Appropriated	13,996,997	12,498,245	1,498,752	12%
Unappropriated	29,112	1,054,134	(1,025,022)	-97%
Total Equity	14,272,277	13,798,547	473,730	3%
	₱87,677,387	₱99,844,805	(₱12,167,418)	-12%

As of June 30, 2026, the company maintained a healthy financial position with total assets of ₱87.72 million. Total assets declined from the previous year, primarily due to lower current assets. Current assets stood at ₱70.05 million, mainly reflecting lower cash balances of ₱61.46 million, while non-current assets grew to ₱17.67 million, reflecting additions to fixed assets and software, net of depreciation and amortization expense.

Cash and Cash equivalents

This account includes cash on hand and in bank and short-term investment that earns interest at the prevailing rates from 3.88% to 4.35%. The cash and cash equivalents account decreased from ₱71.41 million in 2025 to ₱61.46 million in 2026, indicating decrease of ₱9.96 million or 14%. This decrease is attributed to various factors, including payment of participation interest to unit owners, netted by various collections of receivables.

Receivables

As of June 30, 2026, total accounts receivables amounted to ₱4.08 million. The 65% decrease is primarily due to improved collections.

Due from/to related parties

The Company has entered various transaction with related parties that are unsecured, interest-free and require settlement in cash. As of June 30, 2026, total due from/to related party amounted to ₱0.20 million and ₱1.68 million, respectively.

Inventories

This account consists of supplies, (including guest, engineering, fuel, cleaning, and other operating supplies used in day-to-day operations of the Company) and fuel. Inventories increased by 47% from ₱1.57 million in 2025 to ₱2.30 million in 2026.

Other Current Assets

Other Assets consist of advances to suppliers, taxes and prepaid expenses. Increased by 14% from ₱1.72 million in 2025 to ₱1.96 million in 2026. This increase is mainly driven by the increase in advances, deposits and additional prepayments offset by its amortization.

Property and Equipment

Increased by 43% from ₱11.47 million in 2025 to ₱16.38 million in 2026, mainly attributed to the acquisition of building improvements, furniture and fixtures, and machinery equipment netted by depreciation recognized during the period.

Software Costs

Increased by 13% from ₱1.14 million in 2025 to ₱1.29 million in 2026, reflecting the additional recognized software offset by amortization incurred during the period.

Accounts and Other Payables

Decreased by 53% from ₱40.27 million in 2025 to ₱31.74 million in 2026, mainly due to payment of participation interest and various employee-related payable netted by increase in regulatory payables, accrued expenses, and trade payables.

Contract Liabilities

Contract liabilities represent obligation to provide services to the customer for which the Company has received consideration. Decreased by 45% from ₱2.33 million in 2025 to ₱1.28 million in 2026, primarily due to usage of guest deposits from room reservation during the period.

Income Tax Payable

Increased in 2026, amounting to ₱0.31 million, reflecting tax obligations for the period.

Participation Liability

As of June 30, 2026, the Company issued Certificate of Participation for 164 units in the Condotel amounting to ₱37.76 million.

Equity

Overall increase of 3% mainly attributed to net income earned during the period.

ATTACHMENT-I

**FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY**

AGING OF ACCOUNTS RECEIVABLE
June 30, 2026

	Current	1-30 days	31-60 days	61-90 days	>120 days	Total
Trade Receivables	₱741,528	₱199,265	₱467,517	₱2,149,996	₱525,852	₱4,084,158
TOTAL	₱741,528	₱199,265	₱467,517	₱2,149,996	₱525,852	₱4,084,158

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

OTHER INFORMATION

SALE OF SECURITIES

Fora Services Inc. (FOSI) received from SEC the Certificate of Permit to Offer Securities dated 17 May 2023, relating to the following 164 Certificates of Participation (“Certificates”) in the Quest Hotel Tagaytay Project covered under SEC MSRD Order No. 25, Series of 2023, viz:

Class	No. of Certificates per Class	Offer Price per Certificate	Aggregate Offer Price per Class
Studio 23	63	187,700	11,825,100
Studio 27	61	220,400	13,444,400
Studio 29	18	236,700	4,260,600
Suite 44	18	359,100	6,463,800
Suite 54	4	440,700	1,762,800
TOTAL	164		37,756,700

The Certificates shall have a term of twenty-five year counted from the date of the SEC Permit to Sell for the Project, subject to renewal or extension for a similar or shorter period at the sole option of FOSI. The Certificates will be offered and sold by FOSI exclusively to Unit Owners of the Project. The Offer Price will be repaid to the Certificate Holders upon the end of the term of the Project.

The foregoing securities have been registered pursuant to the requirements of Sections 8 and 12 of the Securities Regulation Code and its amended Implementing Rules and Regulations.

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY
INDEX TO SUPPLEMENTARY SCHEDULES

- Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex C: Supplementary Schedules Required by Revised SRC Rule 68 (Annex 68-J)
- Schedule A. Financial Assets
 - Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
 - Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 - Schedule D. Long-term Debt
 - Schedule E. Indebtedness to related parties
 - Schedule F. Guarantees of securities of other issuers
 - Schedule G. Capital stock

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR
DIVIDEND DECLARATION
JUNE 30, 2026

Unappropriated Retained Earnings, beginning of reporting period		₱1,054,134
Add: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of retained earnings appropriation	—	
Effect of restatements	—	
Others	—	
Less: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period		
Retained earnings appropriated during the reporting period	1,498,752	
Effect of restatements	—	
Others	—	(1,498,752)
Unappropriated Retained Earnings, as adjusted		(444,618)
Add/Less: Net income (loss) for the current year		473,730
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and equivalents	—	
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of investment property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	—	
Sub-total		—
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	

Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—	
Sub-total		—
Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	—	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	—	
Sub-total		
Adjusted Net Income/Loss		473,730
Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	—	
Sub-total		—
Add/Less: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others	—	
Sub-total		—
Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	—	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	—	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	—	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others	—	
Sub-total		—
Total Retained Earnings, end of reporting period available for dividend		₱29,112

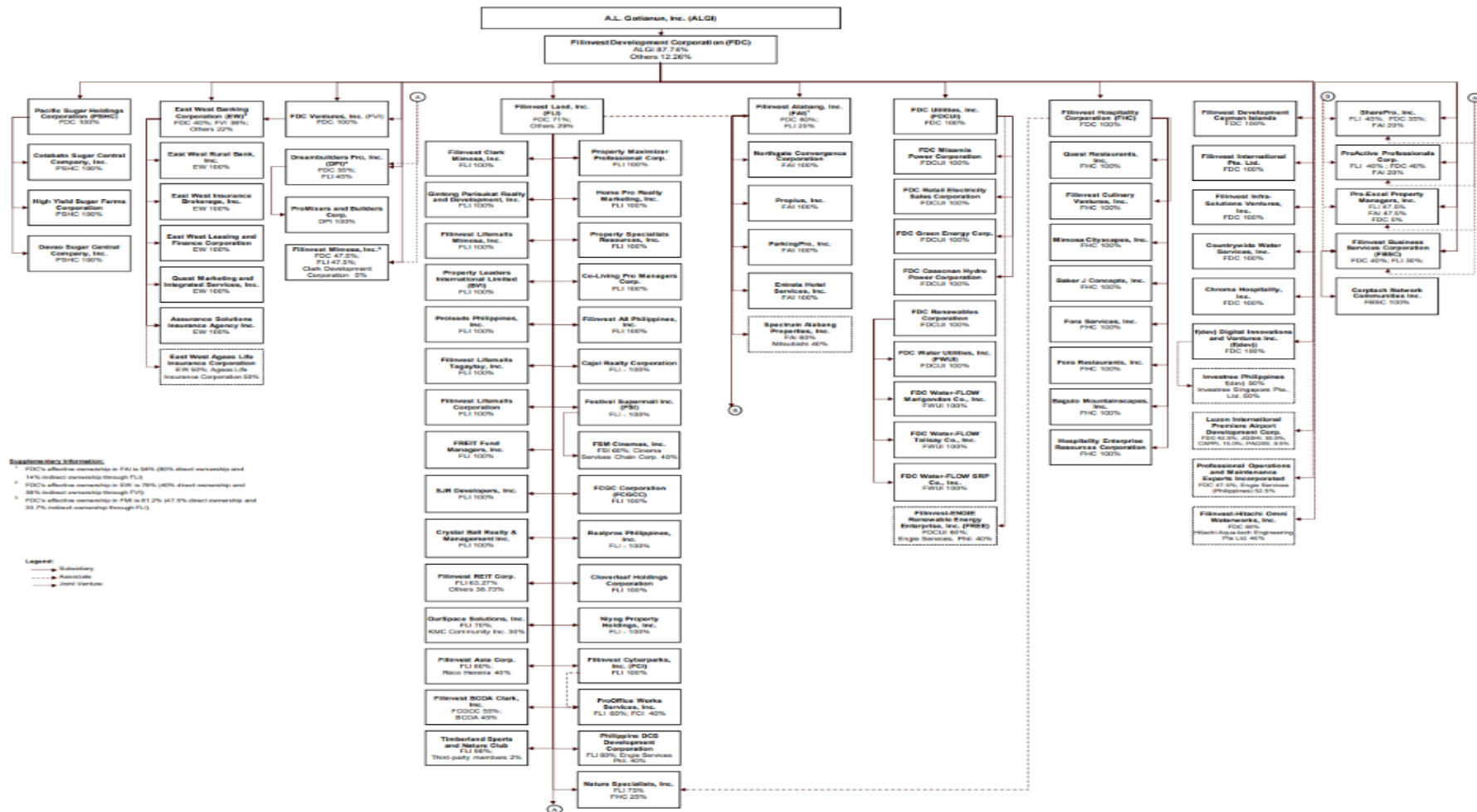
FORA SERVICES, INC.

DOING BUSINESS AS QUEST HOTEL TAGAYTAY

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANY AND ITS ULTIMATE PARENT COMPANY, MIDDLE PARENT, SUBSIDIARIES OR CO-SUBSIDIARIES, ASSOCIATES JUNE 30, 2026

A.L. GOTIANUN, INC.

MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES
(As of June 30, 2026)



FORA SERVICES, INC.**DOING BUSINESS AS QUEST HOTEL TAGAYTAY****SUPPLEMENTARY INFORMATION AND DISCLOSURES REQUIRED BY
REVISED SRC RULE 68 (ANNEX 68-J)
JUNE 30, 2026**

Philippine Securities and Exchange Commission (SEC) issued the amended Securities Regulation Code Rule SRC Rule 68 and 68.1 which consolidates the two separate rules and labeled in the amendment as “Part I” and “Part II”, respectively. It also prescribes the additional information and schedule requirements for issuers of securities to the public.

Below are the additional information and schedules required by Revised SRC Rule 68 and 68.1 as amended that are relevant to Fora Services, Inc. (“the Company”). This information is presented for purposes of filing with the SEC and is not required part of the basic financial statements.

Schedule A. Financial Assets

The entity’s Financial Assets comprises of cash and cash equivalents, receivables and security deposits. As stated in the regulation, before mentioned amount should be provided if the aggregate cost or the market value of FVTPL as of the end of the reporting period is % or more of the total current asset. As of June 30, 2026, the entity recorded the financial assets as financial assets at amortized cost, therefore it is deemed assumed that this schedule is not applicable to the Company.

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

As of June 30, 2026, all amounts receivable from employees and related parties pertain to items arising in the ordinary course of business and does not meet the minimum required balance as stated in the Revised SRC Rule to be presented in the report. This schedule is not applicable to the Company.

Schedule C. Amounts Receivable from Related Parties, which are eliminated during the consolidation of financial statements

This schedule is not applicable since the Company does not prepare consolidated financial statements.

Schedule D. Long-term Debt

This schedule is not applicable since the Company does not have any long-term debt as of June 30, 2026.

Schedule E. Indebtedness to Related Parties

As of June 30, 2026, due to a related party pertains to Participation liabilities.

Name of Related Party	Balance at beginning of the year	Movement	Balance at end of the year
Filinvest Land, Inc.	₱24,469,500	(₱816,200)	₱23,653,300

Schedule F. Guarantees of Securities of Other Issuers

This schedule is not applicable since the Company does not have guarantees of securities of other issuers as of June 30, 2026.

Schedule G. Capital Stock

Title of issue	Number of shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
Common Shares	16,000	4,000	—	3,995	6	None

FORA SERVICES, INC.
DOING BUSINESS AS QUEST HOTEL TAGAYTAY

SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

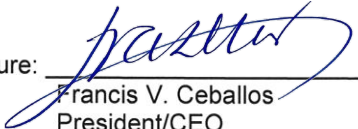
Ratio	Formula	2026	2025
Current Ratio	Total Current Assets divided by Total Current Liabilities	2.00	1.83
	Total Current Assets 70,009,810		
	Divide by: Total Current Liabilities 35,008,749		
	Current Ratio 2.00		
Debt Ratio	Total Liabilities divided by Total Assets	0.84	0.86
	Total Liabilities 73,405,110		
	Divide by: Total Assets 87,677,387		
	Debt Ratio 0.84		
Quick Asset Ratio	Quick Assets (<i>total current assets less inventories</i>) divided by Current Liabilities	1.93	1.80
	Total Current Assets 70,009,810		
	Less: Inventories 2,301,349		
	Quick Assets 67,708,461		
	Divide by: Total Current Liabilities 35,008,749		
	Quick Asset Ratio 1.93		
Solvency Ratio	Net Income before Depreciation (<i>net income plus depreciation</i>) divided by Total Liabilities	0.03	0.08
	Net Income 473,730		
	Add: Depreciation 1,924,198		
	Net Income before Depreciation 2,397,928		
	Divide by: Total Liabilities 73,405,110		
	Solvency Ratio 0.03		
Interest Coverage Ratio	Earnings before Interest and Other Charges and Income Tax (EBIT) divided by Interest Expense	1.02	1.06
	EBIT 11,275,820		
	Divide by: Interest Expense 11,033,802		
	Interest Coverage Ratio 1.02		
Net Profit Margin	Net Income divided by Revenue	0.01	0.02
	Net Income 473,730		
	Divide by: Revenue 53,724,171		
	Net Profit Margin 0.01		

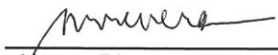
Return on Equity	Net Income divided by Total Equity	0.03	0.15
	Net Income 473,730		
	Divide by: Total Equity 14,272,277		
	Return on Equity 0.03		
Return on Assets	Net Income divided by Average Total Assets	0.005	0.020
	Net Income 473,730		
	Divide by: Average Total Assets 93,761,096		
	Return on Assets 0.005		
Asset-to-Equity Ratio	Total Assets divided by Total Equity	6.14	7.24
	Total Assets 87,677,387		
	Divide by: Total Equity 14,272,277		
	Asset-to-Equity Ratio 6.14		

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.

FORA SERVICES, INC. DOING BUSINESS AS QUEST HOTEL TAGAYTAY

Signature: 
Title: Francis V. Ceballos
President/CEO

Signature: 
Title: Nancy Rivera
Treasurer and Chief Financial Officer

August 14, 2026