



SECURITIES AND EXCHANGE COMMISSION

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The following document has been received:

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Company Information

SEC Registration No.: 0000004409

Company Name: 2GO GROUP, INC. Doing business under the names and styles of "2GO Travel", "2GO Freight", "2GO Suply Chain", "2GO Distribution", "ATS", "2GO", "2GO Together", "Superferry", "Superferry Travel and Leisure" and "Cebu Ferries"

Industry Classification: I61000

Company Type: Stock Corporation

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended September 30, 2025
2. Commission identification number 4409 3. BIR Tax Identification No. 000-313-401-000
4. Exact name of issuer as specified in its charter 2GO Group, Inc.
5. Philippines
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)
7. 8th Floor, Tower 1, DoubleDragon Plaza, Macapagal Blvd. corner EDSA Extension, Pasay City
Address of issuer's principal office Postal Code 1302
8. (02) 8528-7171
Issuer's telephone number, including area code

N/A

9. Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Stock	2,462,146,316 shares

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

Yes [] No [X]

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

N/A

12. Indicate by check mark whether the registrant:

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

Yes [X] No []

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

Yes [] No []

DOCUMENTS INCORPORATED BY REFERENCE

13. The following documents are incorporated in the report and referenced as follows:

- (i) 2GO Group, Inc.'s Unaudited Interim Condensed Consolidated Financial Statements as of September 30, 2025 and December 31, 2024 and for the Nine Months Ended September 30, 2025 and 2024; and
- (ii) Management's Discussion and Analysis of Financial Condition and Results of Operations.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to attached.

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

Please refer to attached.

PART II OTHER INFORMATION

None.

2GO Group, Inc. and Subsidiaries

**Unaudited Interim Condensed Consolidated Financial Statements
As of September 30, 2025 and December 31, 2024
and For the Nine Months Ended September 30, 2025 and 2024**

2GO GROUP, INC. AND SUBSIDIARIES**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2025 AND DECEMBER 31, 2024**

(Amounts in Thousands)

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	7	₱817,715	₱622,202
Trade and other receivables	8,17,20	2,983,193	2,708,755
Inventories	9	199,659	215,093
Other current assets	10	1,828,647	1,918,265
Total Current Assets		5,829,214	5,464,315
Noncurrent Assets			
Property and equipment	11,17,18	7,810,323	7,663,146
Investments in associates and joint ventures	12	416,453	416,453
Goodwill	13	686,896	686,896
Deferred income tax assets	27	144,743	146,198
Other noncurrent assets	14	1,308,973	1,326,458
Total Noncurrent Assets		10,367,388	10,239,151
TOTAL ASSETS		₱16,196,602	₱15,703,466

LIABILITIES AND EQUITY**Current Liabilities**

Short-term notes payable	15	₱1,946,000	₱2,539,000
Trade and other payables	16,19,20	5,072,054	4,913,647
Obligations under lease - current portion	11,18	496,351	368,777
Long-term debt - current portion	11,17	839,434	333,970
Total Current Liabilities		8,353,839	8,155,394

Noncurrent Liabilities

Noncurrent portion of:

Long-term debt	17	2,390,983	3,208,978
Obligations under lease	11,18	1,297,801	1,167,491
Accrued retirement benefits	26	437,078	425,621
Total Noncurrent Liabilities		4,125,862	4,802,090

Total Liabilities		₱12,479,701	₱12,957,484
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(Forward)

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Equity	21		
Share capital		₱2,500,663	₱2,500,663
Additional paid-in capital		2,498,621	2,498,621
Other equity reserve		712,245	712,245
Other comprehensive losses - net		(81,939)	(82,027)
Deficit		(1,938,944)	(2,908,230)
Treasury shares		(58,715)	(58,715)
Equity Attributable to Equity Holders of the Parent Company		3,631,931	2,662,557
Non-controlling Interests		84,970	83,425
Total Equity		3,716,901	2,745,982
TOTAL LIABILITIES AND EQUITY		₱16,196,602	₱15,703,446

See accompanying Notes to the Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

(Amounts in Thousands, Except for Earnings Per Common Share)

		Nine Months Ended September 30	
	<i>Note</i>	2025	2024
REVENUES FROM CONTRACTS WITH CUSTOMERS	5,20		
Shipping			
Freight		₱5,813,955	₱5,615,830
Travel		2,197,225	2,156,931
Nonshipping:			
Logistics and other services		6,317,127	5,695,696
		14,328,307	13,468,457
COST OF SERVICES AND GOODS SOLD	22	11,894,617	11,608,890
GROSS PROFIT		2,433,690	1,859,567
GENERAL AND ADMINISTRATIVE EXPENSES	23	889,728	775,010
OPERATING INCOME		1,543,962	1,084,557
OTHER INCOME (CHARGES)			
Financing charges	24	(364,534)	(417,016)
Others – net	24	601	4,612
		(363,933)	(412,404)
INCOME BEFORE INCOME TAX		1,180,029	672,153
PROVISION FOR INCOME TAX	27		
Current		296,703	80,714
Deferred		(91,412)	(11,620)
		205,291	69,094
NET INCOME FROM CONTINUING OPERATIONS		974,738	603,059
NET LOSS FROM DISCONTINUED OPERATIONS, net of income tax		(1,200)	(5,125)
NET INCOME		₱973,538	₱597,934
Net income attributable to:			
Equity holders of the Parent Company		₱969,286	₱587,837
Non-controlling interests		4,252	10,097
		₱973,538	₱597,934
Basic/Diluted Income Per Share	28	₱0.3937	₱0.2387

See accompanying Notes to the Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Amounts in Thousands)

		Nine Months Ended September 30	
	<i>Note</i>	2025	2024
NET INCOME		₱973,538	₱597,934
OTHER COMPREHENSIVE INCOME (LOSS) - Net of tax			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement losses on net defined benefit liability	26	-	(729)
Income tax effect		-	146
		-	(583)
TOTAL COMPREHENSIVE INCOME		₱973,538	₱597,351
Attributable to:			
Equity holders of the Parent Company		₱969,286	₱587,254
Non-controlling interests		4,252	10,097
		₱973,538	₱597,351

See accompanying Notes to the Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES

**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

(Amounts in Thousands)

	Attributable to Equity Holders of Parent Company											
	Share Capital (Note 21)	Additional Paid-in Capital	Other Equity Reserve	Share in Cumulative Translation Adjustment of Associates	Other Comprehensive Income (Losses)			Subtotal	Deficit	Treasury Shares (Note 21)	Total	Non- controlling Interests
Remeasurement Losses on Accrued Retirement Benefits - Net of tax (Note 26)					Share in Remeasurement Gains on Accrued Retirement Benefits of Associates and Joint Ventures (Note 12)							
BALANCES AT DECEMBER 31, 2024	₱2,500,663	₱2,498,621	₱712,245	₱-	(₱86,363)	₱4,424	(₱81,939)	(₱2,908,230)	(₱58,715)	₱2,662,645	₱83,425	₱2,746,070
Dividends paid	-	-	-	-	-	-	-	-	-	-	(2,707)	(2,707)
Net income for the period	-	-	-	-	-	-	-	969,286	-	969,286	4,252	973,538
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	969,286	-	969,286	4,252	973,538
BALANCES AT SEPTEMBER 30, 2025 (Unaudited)	₱2,500,663	₱2,498,621	₱712,245	₱-	(₱86,363)	₱4,424	(₱81,939)	(₱1,938,944)	(₱58,715)	₱3,631,931	₱84,970	₱3,716,901
BALANCES AT DECEMBER 31, 2023	₱2,500,663	₱2,498,621	₱712,245	₱5,294	(₱124,819)	₱11,494	(₱108,031)	(₱3,722,803)	(₱58,715)	₱1,821,980	₱75,177	₱1,897,157
Net income for the period	-	-	-	-	-	-	-	587,837	-	587,837	10,097	597,934
Other comprehensive loss for the period	-	-	-	-	(583)	-	(583)	-	-	(583)	-	(583)
Total comprehensive income for the period	-	-	-	-	(583)	-	(583)	587,837	-	587,254	10,097	597,351
BALANCES AT SEPTEMBER 30, 2024 (Unaudited)	₱2,500,663	₱2,498,621	₱712,245	₱5,294	(₱125,402)	₱11,494	(₱108,614)	(₱3,134,966)	(₱58,715)	₱2,409,234	₱85,274	₱2,494,508

See Notes to the Unaudited Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Amounts in Thousands)

		Nine Months Ended September 30	
	<i>Note</i>	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax from continuing operations		₱1,180,029	₱672,153
Loss before tax from discontinued operations		(1,200)	(5,125)
Adjustments for:			
Depreciation and amortization of property and equipment and software	<i>11, 14, 22,23</i>	945,381	1,075,778
Financing charges	<i>24</i>	364,774	417,016
Retirement benefit cost	<i>26</i>	61,217	71,664
Loss (Gain) on disposal of property and equipment	<i>24</i>	1,029	(867)
Unrealized foreign exchange losses (gain)		1,464	2,303
Gain on lease pretermination		–	(1,335)
Interest income	<i>24</i>	(1,528)	(597)
Operating income before working capital changes		2,551,166	2,230,990
Decrease (increase) in:			
Trade and other receivables		(274,438)	(126,227)
Inventories		15,434	(4,723)
Other current assets		(34,563)	86,385
Other non - current assets		2,168	5,263
Increase in trade and other payables		203,633	66,603
Cash generated from operations		2,463,400	2,258,291
Contribution for retirement fund and benefits paid from book reserve	<i>26</i>	(49,760)	(79,899)
Interest received		1,528	597
Income taxes paid, including creditable withholding taxes		(82,177)	(259,727)
Net cash flows provided by operating activities		2,332,991	1,919,262
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment	<i>11</i>	(479,953)	(1,892,049)
Software		(8,118)	(11,937)
Proceeds from disposal of property and equipment:	<i>11</i>	6,986	233,232
Decrease in other noncurrent assets		(22,767)	(11,534)
Net cash flows used investing activities		(503,852)	(1,682,288)

(Forward)

		Nine Months Ended September 30	
	<i>Note</i>	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES	32		
Proceeds from availments of:			
Short-term notes payable	<i>15</i>	₱540,000	₱1,590,000
Long-term debt		22,500	-
Payments of:			
Short-term notes payable	<i>15</i>	(1,133,000)	(817,000)
Long-term debt		(340,000)	(340,000)
Obligations under finance lease	<i>18</i>	(428,335)	(394,009)
Dividends Paid		(2,707)	-
Interest and financing charges	<i>24</i>	(290,620)	(334,481)
Net cash flows used in financing activities		(1,632,162)	(295,490)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(1,464)	(3,205)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		195,513	(61,721)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<i>7</i>	622,202	762,035
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<i>7</i>	₱817,715	₱700,314

See Notes to the Unaudited Interim Condensed Consolidated Financial Statements

2GO GROUP, INC. AND SUBSIDIARIES

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, Except Number of Shares, Earnings per Share, Exchange Rate Data and When Otherwise Indicated)

1. Corporate Information and Approval of the Unaudited Interim Condensed Consolidated Financial Statements

2GO Group, Inc. (2GO or the Company) was incorporated in the Philippines on May 26, 1949. Its corporate life was renewed on May 12, 1995 and will expire on May 25, 2049. However, under the Revised Corporation Code of the Philippines, 2GO shall have a perpetual corporate life. The Company's registered office address is 8th Floor Tower 1, Double Dragon Plaza, EDSA Extension corner Macapagal Avenue, Pasay City, Metro Manila. 2GO's shares of stock are publicly traded on the Philippine Stock Exchange (PSE).

2GO and its subsidiaries (collectively referred to as the Group) provide shipping and logistics services to small and medium enterprises, large corporations, and government agencies throughout the Philippines. The shipping group operates interisland roll-on/roll-off freight and passenger vessels and interisland freighters. The logistics group offers transportation, warehousing and distribution, cold chain solutions, domestic and international ocean and air forwarding services, customs brokerage, project logistics, and express, mid-mile and last mile package and e-commerce delivery.

As of December 31, 2021, 2GO is a subsidiary of SM Investments Corporation (SMIC), which owns 52.85% of 2GO. Trident Investments Holdings Pte. Ltd. (Trident) owns 31.73%. Public shareholders own 15.42%.

On February 28, 2023, the Board of Directors of 2GO approved the voluntary delisting of 2GO shares from the PSE, subject to the successful completion of the intended tender offer by SMIC, compliance with other requirements of the PSE for voluntary delisting, and applicable regulations of the Securities and Exchange Commission. In the Annual Stockholders' Meeting of 2GO held on April 18, 2023, stockholders owning 2,409,564,081 shares or 97.86% of the outstanding capital stock of 2GO approved the voluntary delisting. The PSE approved the delisting effective July 17, 2023.

As of June 30, 2023, with the completion of the tender offer, 2GO's outstanding capital stock is owned by: SMIC (1,654,861,652 common shares or 67.21%); Trident (781,122,265 common shares or 31.73%); and public shareholders own 1.06%.

The accompanying unaudited interim condensed consolidated financial statements as at and for the nine months ended September 30, 2025, with comparative figures as at December 31, 2024 and for the nine months ended September 30, 2024, were approved and authorized for issue by the BOD on November 4, 2025.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis. The unaudited interim condensed consolidated financial statements are presented in Philippine peso (Peso), which is the Group's functional and presentation currency. All values are presented to the nearest thousands, except when otherwise indicated.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures that are normally required in presenting the annual audited financial statements and as such should be read in conjunction with the Group's available audited annual consolidated financial statements as at and for the year ended December 31, 2024.

Statement of Compliance

The unaudited interim condensed consolidated financial statements of the Group are prepared in accordance with PAS 34, *Interim Financial Reporting*.

3. Material Accounting Policy Information

Accounting policies have been applied consistently to all periods presented in the unaudited interim condensed consolidated financial statements, except for the changes in accounting policies explained below.

Adoption of New or Revised Standards, Amendments to Standards and Interpretations

The Group adopted the following amendments to standards starting January 1, 2024. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Group's unaudited interim condensed consolidated financial statements.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates, Lack of exchangeability*

Standards Issued But Not Yet Adopted

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards - Volume 11
 - Amendments to PFRS 1, *First-time Adoption of International Financial Reporting Standards, 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*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

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

The material accounting policy information policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are summarized below.

Basis of Consolidation

The unaudited interim condensed consolidated financial statements include the accounts of 2GO and the subsidiaries listed below.

	Nature of Business	Percentage of Ownership	
		September 30, 2025	December 31, 2024
Special Container and Value Added Services, Inc. (SCVASI) ⁽¹⁾	Transportation/logistics	100.0	100.0
2GO Express, Inc. (2GO Express)	Transportation/logistics	100.0	100.0
2GO Logistics, Inc. (2GO Logistics)	Transportation/logistics	100.0	100.0
Scanasia Overseas, Inc. (SOI) ⁽¹⁾	Sales of goods	100.0	100.0
2GO Land Transport, Inc.	Transportation	100.0	100.0
	Holdings and logistics		
NN-ATS Logistics Management and Holdings Co., Inc. ⁽²⁾	management	100.0	100.0
Astir Engineering Works, Inc. ⁽²⁾⁽³⁾	Engineering services	100.0	100.0
WG&A Supercommerce, Incorporated ⁽³⁾	Vessels' hotel management	100.0	100.0
North Harbor Tugs Corporation	Tugboat assistance	58.9	58.9
2GO Rush Delivery, Inc. (RUSH) ⁽⁴⁾	Transportation/logistics	100.0	100.0

¹ On August 9, 2023, the BOD approved the cessation of business operations of SOI. On June 2, 2025, the BOD approved the merger between SOI and SCVASI. The merger is yet to be approved by the SEC.

² In September 2020, the BOD approved the merger of these companies. The SEC approved the merger on March 13, 2025.

³ Ended commercial operations in 2018 or prior

⁴ Wound down due to non-operation

The unaudited interim condensed consolidated financial statements are prepared using the uniform accounting policies for like transactions and other events in similar circumstances. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized in assets, liabilities and equities are eliminated in full on consolidation.

4. **Significant Judgments, Accounting Estimates and Assumptions**

The preparation of the unaudited interim condensed consolidated financial statements in compliance with PFRSs requires management to make judgments, accounting estimates and assumptions that affect the amounts reported in the unaudited interim condensed consolidated financial statements and accompanying notes. These judgments, estimates and assumptions are based on management's evaluation of relevant facts and circumstances as at the date of the unaudited interim condensed consolidated financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Judgments

In the process of applying the Group's accounting policies, management has made the following

judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the unaudited interim condensed consolidated financial statements:

Determining the timing of satisfaction of performance obligation shipping and logistics and other services

The Group assessed that performance obligation for shipping and logistics and other services are rendered to the customers over time. As a result, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement. The measurement of progress used the estimated period travelled (measured in days) of the cargoes or goods delivered over the period of the date of cargo acceptance of the Group up to the date of delivery to the customers.

Estimates and Assumptions

The following are the key assumptions concerning the future and other key sources of estimation uncertainty, at the end of reporting period that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

Provision for ECL of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

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. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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 Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Refer to Note 8.

Estimation of useful lives of property and equipment

The useful life of each of the Group's items of property and equipment is estimated based on the period over which the asset is expected to be available for use until it is derecognized. Such estimation is based on a collective assessment of similar businesses, internal technical evaluation and experience with similar assets. Specifically, in evaluating the useful lives of the vessels and related assets, management takes into account the intended life of the vessel fleet being operated, the estimate of the economic life from the date purchased or built, development in the domestic shipping regulations, the fleet deployment plans including the timing of fleet replacements, the changes in technology, as well as the repairs and maintenance program, among others.

The estimated useful life of each asset is reviewed periodically and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded depreciation expenses and decrease the carrying value of property and equipment. Refer to Note 11.

Assessment of impairment and estimation of recoverable amount of property and equipment

The Group assesses at the end of each reporting period whether there is any indication that the nonfinancial assets listed on the next page may be impaired. If such indication exists, the entity follows the accounting policy discussed in section 3, Material Accounting Policy Information (Impairment of Nonfinancial Assets).

The preparation of estimated future cash flows involves significant judgment and estimations. While the Group believes that its assumptions are appropriate and reasonable, significant changes in these assumptions may materially affect its assessment of recoverable values and may lead to future additional impairment charges under PFRSs.

Assets that are subject to impairment testing when impairment indicators are present (such as obsolescence, physical damage, significant changes to the manner in which the asset is used, worse than expected economic performance, a drop in revenues or other external indicators) are the property and equipment of the Group amounting to ₱5.6 billion and ₱5.5 billion as of September 30, 2025 and December 31, 2024, respectively (see Note 11).

As at September 30, 2025 and December 31, 2024, management evaluated the recoverable amount of the property and equipment based on its value in use. No impairment loss was recognized on the Group's property and equipment as the recoverable amount of the assets is higher than their carrying values.

Impairment of goodwill

The Group performs impairment testing on goodwill at least on an annual basis or more frequently, if events or changes in circumstances indicate that these may be impaired.

The recoverable amounts of the cash-generating units have been determined based on a value-in-use calculation using cash flow projections based on financial budgets as approved by management covering seven-year and five-year projections for shipping and nonshipping business, respectively. The value-in-use calculation is based on a discounted cash flows (DCF) model. The cash flows are derived from the budget for the next five to seven years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The key assumptions used to determine the recoverable amount for the CGUs of the shipping and nonshipping businesses are disclosed in Note 13.

Estimation of retirement benefits costs and obligation

The determination of the obligation and cost for pension and other retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions were described in Note 26 and include, among others, discount rate and future salary increase. While it is believed that the Group's assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions may materially affect the Group's pension and other retirement obligations.

The discount is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. Refer to Note 26.

Recognition of deferred income tax assets

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and

reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Group's assessment on the recognition of deferred income tax assets on deductible temporary differences and carryforward benefits of excess MCIT and NOLCO is based on the projected taxable income in future periods. Based on the projection, not all deductible temporary differences and carryforward benefits of excess MCIT and NOLCO will be realized. Consequently, only a portion of the Group's deferred income tax assets was recognized. Refer to Note 27.

Estimation of provisions for contingencies

The Group is involved in certain legal and administrative proceedings arising from the ordinary course of business. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimates. These estimates are based on consultations with independent outside parties, historical experience and other available data. The Group does not believe that these proceedings will have a material adverse effect on its financial position and performance. It is possible, however, that significant differences in actual experience or assumption may materially affect the recorded provision. The inherent uncertainty over the outcome of these legal proceedings and other claims is brought about by the difference in the interpretation and implementation of the relevant laws and regulations. Refer to Note 19.

5. Revenue from Contracts with Customers

Disaggregated revenue information

The disaggregation of the Group's revenue from contracts with customers is presented in the unaudited interim condensed consolidated statement of profit or loss and disclosed in the operating segment information. The Group's disaggregation of revenue from contracts with customers based on categories that depict the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Performance obligations and timing of revenue recognition

The Group's performance obligations are summarized below.

- Shipping and logistics and other services: performance obligations are generally satisfied over time once the delivery services are completed.
- Sale of goods: performance obligation is generally satisfied upon delivery of the goods to the customers which is the point in time where the control has been transferred to the customer.

6. Operating Segment Information

The Group has identified two reportable operating segments as follows:

- The shipping segment provides ocean-going transportation of passengers, rolling cargo, and freight cargo.
- The nonshipping segment provides logistics, sale of goods, supply chain management and other services.

The BOD monitors the operating results of its two operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with the operating profit or loss in the unaudited interim condensed consolidated financial statements.

Segment revenue includes revenue from services between operating segments. Such revenue and related costs are fully eliminated in the consolidation. Further, there were no revenue transactions with a single customer that accounts for 10.0% or more of total revenues.

Revenues, expenses, results of operations, assets, liabilities and other information about the business segments are as follows:

For the Nine Months Ended September 30, 2025 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
<i>(In Thousands)</i>				
External customers	₱8,011,180	₱6,317,127	₱-	₱14,328,307
Intersegment revenue	1,484,199	308,787	(1,792,986)	-
Revenues from contracts with customers	₱9,495,379	₱6,625,914	(₱1,792,986)	₱14,328,307
Income before income tax from continuing operations	₱715,867	₱464,162	₱-	₱1,180,029
Provision for income tax	(15,752)	(189,539)	-	(205,291)
Segment income from continuing operations	₱700,115	₱274,623	₱-	₱974,738
Other Information:				
Capital expenditures	₱325,983	₱735,510	₱-	₱1,061,493
Depreciation and amortization	700,042	245,338	-	945,380
Provision (Reversal) for ECL - net	(2,428)	13,763	-	11,335
As of September 30, 2025 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
Segment assets	₱14,016,590	₱5,707,571	(₱3,527,559)	₱16,196,602
Segment liabilities	₱9,114,298	₱7,362,419	(₱3,997,016)	₱12,479,701
For the Nine Months Ended September 30, 2024 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
<i>(In Thousands)</i>				
External customers	₱7,772,761	₱5,695,696	₱-	₱13,468,457
Intersegment revenue	1,376,245	394,617	(1,770,862)	-
Revenues from contracts with customers	₱9,149,006	₱6,090,313	(₱1,770,862)	₱13,468,457
Income before income tax from continuing operations	₱481,609	₱190,544	₱-	₱672,153
Provision for income tax	(10,318)	(58,776)	-	(69,094)
Segment income from continuing operations	₱471,291	₱131,768	₱-	₱603,059
Other Information:				
Capital expenditures	₱1,271,966	₱849,026	₱-	₱2,120,992
Depreciation and amortization	831,855	243,924	-	1,075,779
Provision for ECL - net	-	10,476	-	10,476
Dividend income	1,774	-	(1,774)	-
As of September 30, 2024 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
Segment assets	₱14,383,037	₱4,754,796	(₱3,388,795)	₱15,749,038
Segment liabilities	₱10,164,978	₱6,861,939	(₱3,769,162)	₱13,257,755

7. Cash and Cash Equivalents

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Cash on hand and in banks	₱787,409	₱585,796
Cash equivalents	30,306	36,406
	₱817,715	₱622,202

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are placements for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at prevailing market rates.

Interest income earned by the Group from cash in banks and cash equivalents amounted to ₱1.06 million and ₱0.4 million for the nine months ended September 30, 2025 and 2024 (see Note 24).

8. Trade and Other Receivables

This account consists of:

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		<i>(In Thousands)</i>	
Trade		₱2,309,676	₱2,296,729
Contract assets	20	916,910	682,901
Nontrade		274,325	276,307
Advances to officers and employees		17,605	13,853
		3,518,516	3,269,790
Less allowance for ECL		(535,323)	(561,035)
		₱2,983,193	₱2,708,755

- a. Trade receivables are noninterest-bearing and are generally on 30 to 60 days terms.
- b. Contract assets relate to revenue earned from unbilled receivables which represent amounts recognized as revenue for which the invoices have not yet been issued to the customers. As such, the balance of this account varies and depend on the timing of issuance of billing invoice to customers. The outstanding balance of these accounts increased as of September 30, 2025 due to the increase in issued billings within the nine-month period.
- c. Nontrade receivables include advances to principals, passage bonds, receivable from trustee fund and insurance from other claims. These receivables are noninterest-bearing and collectible on demand.
- d. The following tables set out the rollforward of the allowance for ECL as of September 30, 2025 and December 31, 2024:

September 30, 2025 (Unaudited)				
	<i>Note</i>	Trade and Contract Assets	Nontrade	Total
			<i>(In Thousands)</i>	
Beginning		₱487,461	₱73,574	₱561,035
Provision/Recovery	23	12,719	(1,384)	11,335
Reversal/Other adjustments		(28,117)	(8,930)	(37,047)
Ending		₱472,063	₱63,260	₱535,323

December 31, 2024 (Audited)				
	<i>Note</i>	Trade and Contract Assets	Nontrade	Total
			<i>(In Thousands)</i>	
Beginning		₱476,894	₱58,545	₱535,439
Provision	23	18,292	16,337	34,629
Write-off/other adjustments		(7,725)	(1,308)	(9,033)
Ending		₱487,461	₱73,574	₱561,035

9. Inventories

This account consists of:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		<i>(In Thousands)</i>
At lower of cost and net realizable value:		
Trading goods	₱12,412	₱27,056
Materials, parts and supplies	35,406	27,356
At cost:		
Fuel, oil and lubricants	151,841	160,681
	₱199,659	₱215,093

The cost of trading goods carried at net realizable value amounted to ₱12.4 million and ₱27.1 million as of September 30, 2025 and December 31, 2024 while the cost of materials, parts and supplies carried at net realizable value amounted to ₱37.8 million and ₱29.8 million, respectively. The allowance for inventory obsolescence amounted to ₱2.4 million as at September 30, 2025 and December 31, 2024, respectively.

Costs of inventories were recognized and presented in the following accounts in the unaudited interim condensed consolidated statements of profit or loss (see Notes 22 and 23):

	Nine Months Ended September 30	
<i>Note</i>	2025	2024
		<i>(In Thousands)</i>
Cost of services	₱3,223,404	₱3,449,150
General and administrative expense	4,418	3,028
	₱3,227,822	₱3,452,178

The cost of inventories used is presented as “Cost of services” and pertains mainly to fuel, oil and lubricants used in vessels’ operations, food and beverages sold by the shipping segment, and materials and supplies used. The cost of inventories expensed and presented as “Cost of goods sold” pertains to the trading goods sold by the nonshipping segment. The cost of inventories presented as “General and administrative expenses” pertains to office supplies.

10. **Other Current Assets**

This account consists of:

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		<i>(In Thousands)</i>	
CWTs		₱1,439,360	₱1,563,541
Prepaid expenses and others		141,931	89,229
Refundable deposits - current portion	<i>14</i>	110,969	104,121
Deferred Input VAT		100,380	96,168
Input VAT		47,300	59,983
Advances to suppliers and contractors		5,239	11,026
		1,845,179	1,924,068
Less: allowance for impairment losses		(16,532)	(5,803)
		₱1,828,647	₱1,918,265

- a. CWTs represent creditable tax certificates which can be applied against any related income tax liability of a company in the Group to which the CWTs relate.
- b. Prepaid expenses and others include prepaid rent, insurance and taxes.

11. Property and Equipment

September 30, 2025 (Unaudited)												
	Vessels in Operations	Containers and Reefer Vans	Terminal and Handling Equipment	Furniture and Other Equipment	Land and Improvements	Buildings and Warehouses	Transportation Equipment	Spare parts and Service Equipment	Leasehold Improvements	Construction-In-Progress	Right-of-Use Assets	Total
<i>(In Thousands)</i>												
Cost												
January 1, 2025	₱10,442,117	₱1,770,291	₱1,248,939	₱508,899	₱495,109	₱374,108	₱514,608	₱3,276	₱623,645	₱53	₱2,706,752	₱18,687,797
Additions	306,028	26,754	27,043	43,184	5,203	5,474	21,971	–	17,479	1,177	607,180	1,061,493
Retirements/Adjustments	(14,043)	(239,542)	(20,033)	(13,813)	(789)	–	(11,335)	–	(23,759)	–	(454,357)	(777,671)
Reclassification	2,395	–	–	(8,822)	(735)	196	(4,994)	–	(9,344)	(1,177)	–	(22,481)
September 30, 2025	10,736,497	1,557,503	1,255,949	529,448	498,788	379,778	520,250	3,276	608,021	53	2,859,575	18,949,138
Accumulated Depreciation and Amortization												
January 1, 2025	5,822,918	1,470,506	789,117	431,782	164,696	314,421	341,726	3,085	508,325	–	1,178,075	11,024,651
Depreciation and amortization	394,208	43,878	64,752	25,911	3,185	5,369	17,657	146	25,257	–	337,426	917,789
Retirements/Adjustments	(14,043)	(239,542)	(17,669)	(11,542)	(1,525)	–	(11,302)	–	(19,100)	–	(454,357)	(769,080)
Reclassification	–	–	–	(8,611)	737	–	(4,995)	–	(21,676)	–	–	(34,545)
September 30, 2025	6,203,083	1,274,842	836,200	437,540	167,093	319,790	343,086	3,231	492,806	–	1,061,144	11,138,815
Net carrying amounts	₱4,533,414	₱282,661	₱419,749	₱91,908	₱331,695	₱59,988	₱177,164	₱45	₱115,215	₱53	₱1,798,431	₱7,810,323
December 31, 2024 (Audited)												
	Vessels in Operations	Containers and Reefer Vans	Terminal and Handling Equipment	Furniture and Other Equipment	Land and Improvements	Buildings and Warehouses	Transportation Equipment	Spare Parts and Service Equipment	Leasehold Improvements	Construction-In-Progress	Right-of-Use Assets	Total
<i>(In Thousands)</i>												
Cost												
January 1, 2024	₱10,336,219	₱1,603,709	₱1,043,865	₱522,845	₱478,287	₱369,630	₱390,276	₱2,388	₱638,614	₱1,184,671	₱2,598,061	₱19,168,565
Additions	1,357,287	188,745	243,646	34,887	17,549	4,350	175,670	888	35,013	–	150,381	2,208,416
Disposals/retirements	(2,436,007)	(22,163)	(38,572)	(59,016)	–	–	(51,338)	–	(40,398)	–	(41,690)	(2,689,184)
Reclassification/Adjustment	1,184,618	–	–	10,183	(727)	128	–	–	(9,584)	(1,184,618)	–	–
December 31, 2024	10,442,117	1,770,291	1,248,939	508,899	495,109	374,108	514,608	3,276	623,645	53	2,706,752	18,687,797
Accumulated Depreciation and Amortization												
January 1, 2024	7,374,706	1,436,367	750,564	454,221	160,860	307,680	369,784	2,198	481,079	–	766,207	12,103,666
Depreciation and amortization	684,476	56,040	75,933	31,945	3,836	6,755	23,280	887	40,682	–	431,773	1,355,607
Disposals/retirements	(2,236,264)	(21,901)	(37,380)	(55,336)	–	–	(51,338)	–	(12,498)	–	(19,905)	(2,434,622)
Reclassification/Adjustment	–	–	–	952	–	(14)	–	–	(938)	–	–	–
December 31, 2024	5,822,918	1,470,506	789,117	431,782	164,696	314,421	341,726	3,085	508,325	–	1,178,075	11,024,651
Net carrying amounts	₱4,619,199	₱299,785	₱459,822	₱77,117	₱330,413	₱59,687	₱172,882	₱191	₱115,320	₱53	₱1,528,677	₱7,663,146

Property and Equipment under Lease

Containers, reefer vans, isotanks, cargo handling equipment and transportation equipment and office and operational spaces as of September 30, 2025 and December 31, 2024 include units acquired under lease arrangements (see Note 18).

Set out below are the carrying amount of right-of-use assets.

September 30, 2025 (Unaudited)					
	Container Yard	Office	Warehouse	Equipment	Total
<i>(In Thousands)</i>					
Cost					
January 1, 2025	₱800,977	₱352,745	₱1,131,059	₱421,971	₱2,706,752
Additions	–	19,198	556,126	31,856	607,180
Disposal	–	–	(454,357)	–	(454,357)
September 30, 2025	800,977	371,943	1,232,828	453,827	2,859,575
Accumulated depreciation					
January 1, 2025	217,000	227,255	583,636	150,184	1,178,075
Depreciation	74,167	26,602	195,316	41,341	337,426
Disposal	–	–	(454,357)	–	(454,357)
September 30, 2025	291,167	253,857	324,595	191,525	1,061,144
Net Carrying Amount	₱509,810	₱118,086	₱908,233	₱262,302	₱1,798,431
December 31, 2024 (Audited)					
	Container Yard	Office	Warehouse	Equipment	Total
<i>(In Thousands)</i>					
Cost					
January 1, 2024	₱800,977	₱352,745	₱1,146,401	₱297,938	₱2,598,061
Additions	–	–	5,461	144,920	150,381
Disposal	–	–	(20,803)	(20,887)	(41,690)
December 31, 2024	800,977	352,745	1,131,059	421,971	2,706,752
Accumulated Depreciation					
January 1, 2024	118,110	183,375	347,848	116,874	766,207
Depreciation	98,890	43,880	249,079	39,924	431,773
Disposal	–	–	(13,291)	(6,614)	(19,905)
December 31, 2024	217,000	227,255	583,636	150,184	1,178,075
Net Carrying Amount	₱583,977	₱125,490	₱547,423	₱271,787	₱1,528,677

Unpaid acquisition costs of property and equipment amounted to ₱157.9 million and ₱183.5 million as of September 30, 2025 and December 31, 2024, respectively.

Residual Value of Vessels

The Group reviews the residual value of the vessels periodically to ensure that the amount is consistent with the future economic benefits embodied in these vessels at the point of disposal. The residual value for vessels is reassessed by management based on the lightweight and the market price of scrap metals and history of vessel disposal.

Capitalization of Drydocking Costs

Vessels in operations also include capitalized drydocking costs incurred amounting to ₱120.0 million and ₱81.6 million for the nine months ended September 30, 2025 and 2024, respectively. The related depreciable life of drydocking costs ranges from two years to two-and-a-half years.

Sale and Disposal of Property and Equipment

The Group disposed certain property and equipment for consideration of ₱7.0 million and ₱291.3 million for the nine months ended September 30, 2025 and 2024, respectively.

Depreciation and Amortization

Depreciation and amortization were recognized and presented in the following accounts in the unaudited interim condensed consolidated statements of profit or loss:

	<i>Note</i>	Nine Months Ended September 30	
		2025	2024
		<i>(In Thousands)</i>	
Cost of services and goods sold	22	₱881,871	₱1,013,597
General and administrative expense	23	35,918	34,650
		₱917,789	₱1,048,247

Property and Equipment Held as Collateral

Property and equipment held or deemed as collateral for leases as at September 30, 2025 and December 31, 2024 amounted to ₱2,559.7 million and ₱2,333.3 million, respectively (see Note 18). One of the vessels in operations of the Group, with a carrying value of ₱761.3 million and ₱804.6 million as at September 30, 2025 and December 31, 2024, respectively, is subject to secure the ₱500.0 million term loan facility agreement with BDO (see Note 17).

12. Investments in Associates and Joint Ventures

Details of investments in associates and joint ventures are as follows:

	<i>Note</i>	September 30, 2025	December 31, 2024
		(Unaudited)	(Audited)
		<i>(In Thousands)</i>	
Acquisition - cost		₱29,634	₱29,634
Accumulated equity in net earnings:			
Balances at beginning of year		387,689	286,148
Equity in net earnings during the year		–	101,541
Balances at end of year		387,689	387,689
Share in remeasurement gain on retirement benefits of associates and joint ventures:			
Balances at beginning of year		(870)	₱11,494
Share in remeasurement gain during the year		–	(12,364)
Balances at end of year		(870)	(870)
		₱416,453	₱416,453

13. Goodwill

Impairment Testing of Goodwill

Goodwill is the result of a business combination in 2010 amounted to ₱848.5 million, and which has been attributed to each of 2GO's CGUs. The recoverable amounts of the CGUs were determined based on VIU calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. As of September 30, 2025 and December 31, 2024, the carrying value of the goodwill amounted to ₱686.9 million, net of impairment recognized in prior years for certain CGUs.

The Group reviews goodwill for impairment annually at December 31 or when indicators of impairment arise. The group determined there was no goodwill impairment at September 30, 2025 and December 31, 2024.

14. Other Noncurrent Assets

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
CWTs - net of current portion	₱1,097,720	₱1,095,812
Refundable deposits - net of current portion	136,522	136,331
Software	39,091	58,564
Deferred input VAT	3,177	5,344
Advances to suppliers and contractors	35,588	33,532
	1,312,098	1,329,583
Allowance for impairment	(3,125)	(3,125)
	₱1,308,973	₱1,326,458

- a. Refundable deposits consist of amounts paid for rental deposits which can be applied as rental payment at the end of the lease term or can be collected in cash upon termination of the lease.
- b. The movements in software are as follows:

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		<i>(In Thousands)</i>	
Cost			
Balances at beginning of year		₱381,488	₱378,032
Additions		8,118	15,671
Retirement		(20,518)	(12,215)
Balances at end of year		369,088	381,488
Accumulated Amortization			
Balances at beginning of year		322,924	297,735
Amortization	23	27,591	36,606
Retirement	23	(20,518)	(11,417)
Balances at end of year		329,997	322,924
Carrying Amount		₱39,091	₱58,564

Amortization was recognized and presented in the interim consolidated statements of profit or loss under “General and administrative expenses”.

- c. Deferred input VAT relates primarily to the major capital expenditures and drydocking of vessels incurred prior to January 1, 2022.

15. Short-term Notes Payable

Notes payable represent unsecured short-term peso-denominated notes payable obtained by the Group from local banks with annual interest rates ranging from 5.70% to 6.10% and 5.90% to 6.50% for nine months ended September 30 2025 and 2024 respectively.

Total interest expense incurred by the Group for the short-term notes payable amounted to ₱100.8 million and ₱122.2 million for the nine months ended September 30, 2025 and 2024, respectively (see Note 24).

16. Trade and Other Payables

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>(In Thousands)</i>			
Trade		₱742,627	₱1,109,689
Accruals:			
Expenses		2,952,487	2,391,080
Salaries and wages		207,396	140,719
Interest		51,172	61,027
Capital expenditure		157,884	183,524
Government payables		220,910	101,817
Nontrade		428,740	559,766
Contract liabilities		94,850	130,950
Other payables	19	215,988	235,075
		₱5,072,054	₱4,913,647

- a. Trade and other payables are noninterest-bearing and normally have 30 to 45 days terms. Trade payables from related parties are payable on demand.
- b. Accrued expenses pertain to various expenses which were already incurred but no invoice has been received at the end of the financial reporting period.
- c. Nontrade payables consist of customers' deposits, advances from principals and contractors, agencies and others.
- d. Contract liabilities include advance payments received for services to be rendered. The outstanding balances of these accounts decreased as at September 30, 2025 due to decrease in uncompleted service of freight cash transactions within the quarter.
- e. Other payables include provision for contingencies amounting to ₱84.8 million and ₱93.8 million as at September 30, 2025 and December 31, 2024 (see Note 19).

17. Long-term Debt

Long-term debt consists of:

	<i>Note</i>	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<i>(In Thousands)</i>			
Banco de Oro Unibank, Inc. (BDO)	20	₱3,220,000	₱3,560,000
Asia United Bank		22,500	-
Unamortized debt arrangement fees		(12,083)	(17,052)
		3,230,417	3,542,948
Current portion		839,434	333,970
Noncurrent portion		₱2,390,983	₱3,208,978

BDO Term Loan Facility Agreements

- a.) On April 10, 2018, 2GO entered into a five-year ₱3.5 billion term loan facility agreement with BDO to refinance the outstanding balance from its previous long-term loan with BDO and to fund various capital expenditures and other general requirements. Principal borrowings are due upon maturity at the end of five years in April 2023, while interest is payable quarterly. In April 2018 and April 2020, 2GO borrowed ₱2.5 billion and ₱1.0 billion, respectively, which is subject to fixed and floating interest rate, respectively.

On April 11 and 14, 2023, 2GO repaid ₱100 million of the term loan and refinanced ₱3.4 billion with a new term loan facility agreement for another five-year term. The new term loan facility requires annual repayment of 10% of the principal by the anniversary date each year and balloon payment of 50% on maturity date and is subject to a floating interest rate. On April 11, 2025 and 2024, 2GO repaid ₱340.0 million each.

The term loan facility agreements are secured by a cross suretyship among 2GO, 2GO Express, 2GO Logistics, SOI and SCVASI. In addition, 2GO is required to maintain a maximum debt-to-EBITDA ratio of 4.0 and a minimum debt service coverage ratio (DSCR) of 1.25 based on the amended facility agreement dated October 22, 2024.

Interest rate is floater at 3M BVAL plus 100 bps/.95 or floor of 7%. The floating interest rate is subject to periodic review and adjustment earlier than five banking days prior to each “Interest Setting Date” as long as the term loan remains unpaid.

- b.) On April 19, 2021, 2GO entered into another five-year ₱500.0 million term loan facility agreement with BDO to partially finance acquisition and landed cost of vessel. Principal borrowings are due upon maturity at the end of five years in April 2026, while interest is payable quarterly and is subject to fixed interest rate. The facility was fully drawn in April 2021.

The second term loan facility agreement is secured by the Chattel Mortgage over a passenger-cargo ship named M/V Masagana with a carrying value of ₱761.3 million and ₱804.6 million as of September 30, 2025 and December 31, 2024, respectively.

2GO is required to maintain a debt-to-equity ratio not exceeding 2.5:1 based on the latest audited annual consolidated financial statements of 2GO. On December 2, 2024, the Group obtained an approval from BDO to amend this requirement. Effective 2024, the Group is required to maintain a maximum debt-to-EBITDA ratio of 4.0 and a minimum DSCR of 1.25. The Group is no longer required to maintain the maximum debt-to-equity ratio.

Borrowing Costs and Debt Transaction Costs

Interests from long-term borrowings of the Group recognized as expense totaled ₱164.9 million and ₱191.8 million for the nine months ended September 30, 2025 and 2024, respectively (see Note 24).

The Group paid ₱25.5 million, ₱3.0 million, ₱7.5 million and ₱18.8 million debt transaction cost as a result of the loan availments under BDO facility in April of years 2023, 2021, 2020 and 2018, respectively. Amortization of debt transaction costs included under financing charges amounted to ₱5.0 million and ₱5.2 million for the nine months ended September 30, 2025 and 2024, respectively (see Note 24).

Compliance with debt covenants

At December 31, 2024, the Group was compliant with the debt-to-EBITDA and DSCR ratios.

18. Leases

The Group has various lease arrangements with third parties for the lease of containers, reefer vans, isotanks, cargo handling equipment, transportation equipment, warehouses, container yards and office space.

The future minimum lease payments on the obligations under lease together with the present value of the minimum lease payments are as follows:

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Future Minimum Lease Payments	Present Value of Minimum Lease payments	Future Minimum Lease Payments	Present Value of Minimum Lease payments
	<i>(In thousands)</i>			
Less than one year	₱592,191	₱496,351	₱452,233	₱368,777
Between one and five years	1,417,155	1,297,801	1,278,273	1,148,742
Between six and ten years	–	–	18,799	18,749
	2,009,346	1,794,152	1,749,305	1,536,268
Interest component	215,194	–	213,037	–
Present value	₱1,794,152	₱1,794,152	₱1,536,268	₱1,536,268

The interest expense recognized related to these leases amounted to ₱79.0 million and ₱80.8 million for the nine months ended September 30, 2025 and 2024, respectively, under “Financing charges” account in the unaudited interim condensed consolidated statements of profit or loss (see Note 24).

Set out below are the amounts recognized in the unaudited interim condensed consolidated statement of profit or loss for the nine months ended September 30, 2025 and 2024 in relation to the obligation under lease and the related right-of-use assets.

	Nine Months Ended September 30	
	2025	2024
	<i>(In Thousands)</i>	
Depreciation expense of right-of-use assets	₱337,466	₱322,506
Interest expense on obligation under lease	79,039	80,762
Rent expense - short-term leases	331,484	325,007
Rent expense - low value assets	4,077	4,036
Pre-termination gain	–	(1,335)
	₱752,066	₱730,976

The rollforward analysis of obligation under lease for the nine months ended September 30, 2025 is disclosed in Note 31.

Lease-related expenses are presented under “Cost of Services and Goods Sold”, “General and Administrative Expenses” and “Financing Charges” as follows:

	Nine Months Ended September 30	
	2025	2024
	<i>(In Thousands)</i>	
Cost of services and goods sold	₱641,471	₱619,943
General and administrative expenses	31,556	31,606
Financing charges	79,039	80,762
Pre-termination gain	–	(1,335)
	₱752,066	₱730,976

19. Provisions and Contingencies

There are certain legal cases filed against the Group in the normal course of business. Management and its legal counsel believe that the Group has substantial legal and factual bases for its position and are of the opinion that losses arising from these cases, if any, will not have a material adverse impact on the unaudited interim condensed consolidated financial statements. Disclosure of additional details beyond the present disclosures may seriously prejudice the Group's position. Thus, as allowed by PAS 37, only general descriptions were provided.

The Group's provision for probable losses arising from these legal cases as at September 30, 2025 and December 31, 2024 amounted to ₱84.8 million and ₱93.8 million, respectively, and are presented as part of "Other payables" under "Trade and other payables" in the interim unaudited condensed consolidated statements of financial position (see Note 16). No provision for probable losses was recognized in the interim unaudited consolidated statements of profit or loss for the nine months ended September 30, 2025 and 2024 (see Note 23).

20. Related Parties

In the normal course of business, the Group has transacted with the following related parties:

Relationship	Name
Stockholders of the Company	SM Investments Corporation (SMIC)
Subsidiaries	Trident Investments Holdings Pte. Ltd. 2GO Express, Inc. (2GO Express or EXP) 2GO Land Transport, Inc. (2GO Land) 2GO Logistics, Inc. (2GO Logistics or 2GOLI) Scanasia Overseas, Inc. (SOI) ⁽¹⁾ Special Container and Value Added Services, Inc. (SCVASI) ⁽¹⁾ NN-ATS Logistics Management and Holdings Corporation, Inc. (NALMHCI) Astir Engineering Works, Inc. (AEWI) North Harbor Tugs Corporation (NHTC) United South Dockhandlers, Inc. (USDI) WG & A Supercommerce, Inc. (WSI) ⁽²⁾ 2GO Rush, Inc. (Rush) ⁽²⁾
Associates	MCC Transport Philippines, Inc. (MCCP) Mober Technology PTE Inc. ⁽³⁾
Joint Ventures	Kerry Logistics (Phils.), Inc. (KLPI) KLN Logistics Holdings Philippines, Inc. (KLN)
Other Affiliated Companies ⁽⁴⁾	Airspeed International Corporation Alfamart Trading Philippines, Inc. ASP Airspeed Philippines, Inc. BDO Unibank, Inc. Brownies Unlimited, Inc. China Banking Corporation Coolblog Philippines, Inc. Costa Del Hamilo Inc. Digital Advantage Corp. Fast Retailing Philippines, Inc. Goldilocks Bakeshop, Inc. Homeworld Shopping Corporation International Toyworld, Inc. Kultura Store, Inc. Mindpro Retail Inc. <i>(forward)</i>

Relationship	Name
	Mini Depato Corp.
	Online Mall Incorporated
	Prime Metroestate, Inc.
	Sanford Marketing Corporation
	SM Development Corporation
	SM Mart, Inc.
	SM Prime Holdings Inc.
	SM Retail, Inc.
	Sports Central (Manila), Inc.
	Star Appliance Center, Inc.
	Super Shopping Market, Inc.
	Supervalu, Inc.
	Waltermart Supermarket, Inc.
	Warehouse Development Company, Inc.
	Watsons Personal Care Stores (Philippines), Inc.

- (1) On August 9, 2023, the BOD approved the cessation of business operations of SOI. On June 2, 2025, the BOD approved the merger between SOI and SCAVSI with SOI as the surviving entity. The merger is still for approval by the SEC.
- (2) Dormant companies.
- (3) Sold in August 2022. Related party disclosure relates to the transactions until the date of sale.
- (4) Other affiliated companies pertain to entities controlled and related to SMIC.

The following are the revenue and income (costs and expenses) included in the unaudited interim condensed consolidated statements of profit or loss with related parties:

	Nature	Nine Months Ended September 30	
		2025	2024
		<i>(In Thousands)</i>	
Stockholders of the Company	Outside services	(₱94,147)	(₱65,605)
	Computer charges	(16,134)	(13,818)
	Communication, light and water	-	(1,410)
Associates and joint venture	Freight expense	(11,671)	(25,714)
	Freight revenue	4,638	939
	Shared cost	3,006	3,006
Other Affiliated Companies	Freight revenue	309,638	336,961
	Rent income	5,932	-
	Sale of goods	193,639	163,281
	Food and beverage	(165,018)	(181,911)
	Rent	(101,828)	(100,379)
	Interest expense	(247,104)	(264,803)
	Interest income	199	177
	Service fee	(360)	(360)
	Others – net	(13,324)	(20,255)
Key Management Personnel	Short-term employee benefits	(52,946)	(46,377)

The unaudited interim condensed consolidated statements of financial position include the following amounts with respect to the balances with related parties:

Financial Statement		Terms and Conditions	September 30, 2025	December 31, 2024
Account			(Unaudited)	(Audited)
			<i>(In Thousands)</i>	
Stockholders of the Parent Company	Trade payable	30 to 60 days; noninterest-bearing	(₱1,493)	(₱6,046)
	Accrued expenses	30 to 60 days; noninterest-bearing	(20,144)	(15,442)
Associates and Joint Venture	Nontrade receivables	On demand; noninterest-bearing	62,118	61,837
	Trade payables	30 to 60 days; noninterest-bearing	(955)	(3,751)
	Accrued expenses	30 to 60 days; noninterest-bearing	-	(295)
	Due to related parties	30 to 60 days; noninterest-bearing	(9)	-
Other Affiliated Companies	Short-term loan	See Note 15	(2,007,934)	(1,324,000)
	Long-term debt	See Note 17	(3,207,917)	(3,542,948)
	Cash in bank	On demand; interest-bearing	638,695	398,621
	Nontrade receivables	On demand; interest-bearing	82,044	68,491

Financial Statement Account	Terms and Conditions	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
		<i>(In Thousands)</i>	
Accrued expenses	30 to 60 days; noninterest-bearing	(36,008)	(67,872)
Trade payables	30 to 60 days; noninterest-bearing	(18,550)	(22,124)

The outstanding related party balances are unsecured and settlement is expected to be in cash, unless otherwise indicated. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each reporting period through examining the financial position of the related parties and the market in which these related parties operate.

Transactions with Subsidiaries, Associates and Other Related Parties under Common Control

- Transactions with other associates and related companies consist of shipping and co-loading services, shared services, ship management services, agency fee for manpower services, purchase of steward supplies, availment of stevedoring, arrastre, trucking, and repair services and rental.
- The Company's transactions with SCVASI and 2GO Express include shipping and forwarding services, commission and trucking services.
- The Company provides shared services to 2GO Express, SCVASI and SOI at fees based on agreed rates. Shared services provided to SOI was up to end of its operations.
- 2GO Land provides trucking services to 2GO Express
- NALMHCI provides trucking services to 2GO Express up to July 2024.

Intercompany Balances Eliminated during Consolidation

The following are the intercompany balances among related parties which are eliminated in the unaudited interim condensed consolidated financial statements:

Amounts owed to:	Amounts owed by:	Terms and Conditions	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
			<i>(In Thousands)</i>	
2GO	SCVASI/EXP/2GOLI/SOI/HLP/ 2GO LAND/NLMHCI	30 to 60 days; noninterest-bearing	₱3,290,170	₱3,048,867
EXP	2GO/SCVASI/2GOLI/SOI/ 2GO LAND/NLMHCI	30 to 60 days; noninterest-bearing	375,910	332,956
SOI	2GO/SCVASI/EXP/2GOLI	30 to 60 days; noninterest-bearing	69,058	69,381
2GOLI	2GO/SCVASI/EXP/SOI/2GO LAND	30 to 60 days; noninterest-bearing	26,203	26,094
2GO Land	EXP/2GOLI/NLMHCI	30 to 60 days; noninterest-bearing	49,134	40,579
SCVASI	2GO	30 to 60 days; noninterest-bearing	11,455	101,812
NLMHCI	2GO/EXP/NHTC	30 to 60 days; noninterest-bearing	110,269	73,144
NHTC	2GO	30 to 60 days; noninterest-bearing	5,045	5,245
USDI	2GO/NHTC	30 to 60 days; noninterest-bearing	45,705	52,163
AEWI	2GO	30 to 60 days; noninterest-bearing	-	7,622

21. Equity

a. Share Capital

Details of share capital as at September 30, 2025 and December 31, 2024 are as follows:

	Number of Shares	Amount
		<i>(In Thousands)</i>
Authorized common shares at ₱1.00 par value each	4,070,343,670	4,070,343,670
Authorized preferred shares at ₱1.00 par value each	4,564,330	4,564,330
Issued and outstanding common shares as at September 30, 2025 and December 31, 2024	2,462,146,316	2,462,146,316

Movements in issued and outstanding capital stocks follow:

Date	Activity	Issue price	Number of shares
			Common shares
May 26, 1949	Issued capital stocks as of incorporation date	₱1,000.00	1,002
December 10, 1971 to October 26, 1998	Increase in issued capital stock	1,000.00	1,496,597,636
December 6, 2002	Reclassification of common shares to preferred shares	1.00	40,000,000
February 10, 2003	Issuance of preferred shares before redemption	1.00	–
November 18, 2003	Redemption of preferred shares	6.67	–
September 6, 2004	Issuance of common shares by way of stock dividends	1.00	393,246,555
November 22, 2004	Redemption of preferred shares	6.67	–
December 31, 2004	Issuance of common shares prior to reorganization	1.00	(756)
October 24, 2005	Issuance of common shares through share swap transactions	1.76	414,121,123
August 22 to October 13, 2006	Conversion of redeemable preferred shares to common shares	3.20	140,687,340
December 6 -31, 2012	Redemption of redeemable preference share	6.00	–
January 1, 2019	Issuance of common shares	1.00	16,009,916
			2,500,662,816
December 31, 2001	Treasury shares*	1.50	(38,516,500)
			2,462,146,316

* The carrying value of treasury shares is inclusive of ₱0.9 million transaction cost.

Issued and outstanding common shares are held by 5,369 and 5,366 equity holders as of September 30, 2025 and December 31, 2024, respectively.

On November 11, 2023, the BOD approved the amendment of the Articles of Incorporation to reclassify 330 redeemable preferred shares into common shares and to increase par value of common shares from ₱1.00 to ₱1,000.00 per share. As of November 04, 2025, the amended Articles of Incorporation is pending approval of the SEC.

- b. Retained earnings include undistributed earnings amounting to ₱1,151.4 million and ₱1,022.0 million as of September 30, 2025 and December 31, 2024, representing accumulated equity in net earnings of subsidiaries and associates, which are not available for dividend declaration until received in the form of dividends from such subsidiaries and associates. Retained earnings is further restricted to the extent of the cost of the shares held in treasury and deferred income tax assets recognized as of September 30, 2025 and December 31, 2024.

22. Cost of Services and Goods Sold

This account consists of the following:

	Note	Nine Months Ended September 30	
		2025	2024
		<i>(In Thousands)</i>	
Cost of Services			
Transportation and delivery		₱3,049,713	₱2,774,044
Fuel, oil and lubricants	20	2,813,649	3,017,062
Outside services		2,516,890	2,203,709
Depreciation and amortization	11, 14	881,871	1,013,596
Personnel costs	25, 26	724,907	642,048
Repairs and maintenance		414,288	393,678
Rent	29	329,047	322,439
Food and beverage	20	283,808	304,550
Arrastre and stevedoring		197,268	216,930
Insurance		195,757	193,599
Material and supplies used <i>(forward)</i>		125,947	127,538

	<i>Note</i>	Nine Months Ended September 30	
		2025	2024
<i>(In Thousands)</i>			
Communication, light and water		108,074	105,833
Taxes and licenses		72,534	89,887
Food and subsistence		64,163	60,578
Travel expenses		46,183	43,671
Concession expenses		44,858	31,751
Others		25,660	67,977
		₱11,894,617	₱11,608,890

23. General and Administrative Expenses

This account consists of the following:

	<i>Note</i>	Nine Months Ended September 30	
		2025	2024
<i>(In Thousands)</i>			
Personnel costs	25, 26	₱500,816	₱460,920
Outside services		81,620	83,313
Computer charges		77,608	70,276
Depreciation and amortization	11, 14	63,510	62,182
Transportation and travel		41,106	34,239
Advertising and promotion		35,369	40,777
Service fees		20,495	–
Provision for ECL	8	11,335	10,476
Communication, light and water		12,717	10,658
Rent	29	6,554	6,604
Entertainment, amusement and recreation		5,968	7,400
Taxes and licenses		5,445	3,939
Repairs and maintenance		2,020	2,411
Insurance		758	482
Others		24,407	(18,667)
		₱889,728	₱775,010

Others consist of various expenses that are individually immaterial such as input vat expense and other corporate expenses. The balance for the nine months ended September 30, 2025 and 2024 includes reversal of general provision amounting to ₱94.3 million and ₱74.4 million, respectively

24. Other Income (Charges)

Financing Charges

		Nine Months Ended September 30	
		2025	2024
<i>(In Thousands)</i>			
Interest expense on:			
Long-term debt	17	₱164,874	₱191,828
Short-term notes payable	15	100,785	122,191
Amortization of:			
Obligations under lease	18	79,039	80,762
Debt transaction costs	17	4,970	5,206
Other financing charges		14,866	17,029
		₱364,534	₱417,016

Other financing charges comprise of items that are individually immaterial. Accrued interest payable as of September 30, 2025 and December 31, 2024 amounted to ₱51.2 million and ₱61.0 million, respectively (see Note 16).

Others – net

	<i>Note</i>	Nine Months Ended September 30	
		2025	2024
		<i>(In Thousands)</i>	
Interest income	7	₱1,528	₱594
Gain (loss) on disposal of property and equipment	12	(1,029)	867
Foreign exchange losses		(2,246)	(1,172)
Gain on pre-termination		–	1,335
Others - net		2,348	2,988
		₱601	₱4,612

Others - net comprise of prompt payment discount and other items that are individually immaterial.

25. Personnel Costs

Details of personnel costs are as follows:

	<i>Note</i>	Nine Months Ended September 30	
		2025	2024
		<i>(In Thousands)</i>	
Salaries and wages		₱963,880	₱854,886
Retirement benefit cost	26	61,217	71,664
Other employee benefits		200,626	176,418
		₱1,225,723	₱1,102,968

Other employee benefits include medical allowances and hospitalization, Social Security System, PhilHealth, Pag-ibig premiums, directors' fee, and other items that are individually immaterial.

26. Retirement Benefits

The Group has funded defined benefit pension plans covering all regular and permanent employees. The benefits are based on employees' projected salaries and number of years of service. The Group's retirement plans meet the minimum requirement specified under Republic Act No. 7641, *Retirement Pay Law*.

The fund is administered by trustee banks under the supervision of the Board of Trustees who is also responsible for the investment strategy of the plan. The investment strategy of the Group's defined benefit plans is guided by the objective of achieving an investment return which, together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risks of the plans. The Group expects to contribute ₱38.0 million to the retirement fund in 2025. The Group's transaction with the plan pertains to contribution and benefit payments.

Total retirement benefit cost included in the interim unaudited condensed consolidated statements of profit or loss amounted to ₱61.2 million and ₱71.7 million for the nine months ended September 30, 2025 and 2024, respectively.

The following tables summarize the funded status and amounts recognized in the unaudited interim condensed consolidated statements of financial position:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Defined benefit obligation	₱595,857	₱534,640
Fair value of plan assets	(158,779)	(109,019)
	₱437,078	₱425,621

27. Income Taxes

a. The components of provision for income tax are as follows:

	Nine Months Ended September 30	
	2025	2024
	<i>(In Thousands)</i>	
Current:		
RCIT	₱251,871	₱41,946
MCIT	44,832	38,768
	296,703	80,714
Deferred	(91,412)	(11,620)
	₱205,291	₱69,094

The components of the Group's recognized net deferred tax assets and liabilities are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	<i>(In Thousands)</i>	
Directly recognized in profit or loss		
Deferred income tax assets on:		
Accrued retirement benefits	₱71,968	₱67,059
Unamortized past service cost	4,959	6,334
NOLCO	-	9,204
Obligations under lease, net of right-of-use assets	408,220	342,985
Accruals and others	30,557	29,939
	515,704	455,521
Deferred income tax liabilities on:		
Right-of-use assets	(394,934)	(328,926)
Unamortized debt arrangement fees and other taxable temporary differences	(3,024)	(4,758)
	117,746	121,837
Directly recognized in OCI		
Deferred income tax asset on remeasurement of retirement costs	26,997	24,361
	₱144,743	₱146,198

28. Earnings Per Share (EPS)

Basic and diluted earnings per share were computed as follows:

	Nine Months Ended September 30	
	2025	2024
	<i>(In Thousands)</i>	
Net income for the year attributable to equity holders of the Parent Company (from continuing operations)	₱969,286	₱587,837
Weighted average number of common shares outstanding for the year	2,462,146,316	2,462,146,316
Income per common share	₱0.3937	₱0.2387
Income per common share (from continuing operations)	₱0.3942	₱0.2408

There are no potentially dilutive common shares as at September 30, 2025 and 2024.

29. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, short-term notes payable, long-term debt and obligations under finance lease. The main purpose of these financial instruments is to raise financing for the Group's operations. The Group has other various financial assets and liabilities such as trade and other receivables and trade and other payables, which arise directly from operations.

The main risks arising from the Group's financial instruments are credit risk involving possible exposure to counter-party default, primarily, on its trade and other receivables; liquidity risk in terms of the proper matching of the type of financing required for specific investments and maturing obligations; foreign exchange risk in terms of foreign exchange fluctuations that may significantly affect its foreign currency denominated placements and borrowings; and interest rate risk resulting from movements in interest rates that may have an impact on interest bearing financial instruments.

There has been no change to the Group's exposure to credit, liquidity, foreign exchange, and interest rate risks on the manner in which it manages and measures the risks since prior years.

The Group uses derivative instruments to manage exposures to fuel price risks arising from the Group's operations and its sources of financing. The details of the Group's derivatives transaction, including the risk management objectives and the accounting results, are discussed in this note.

Credit Risk

To manage credit risk, the Group has policies in place to ensure that all customers that wish to trade on credit terms are subject to credit verification procedures and approval of the Credit Committee. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts. The Group has policies that limit the amount of credit exposure to any particular customer.

The Group's exposures to credit risks are primarily attributable to cash and collection of trade and other receivables with a maximum exposure equal to the carrying amount of these financial instruments. As of September 30, 2025 and December 31, 2024, the Group did not hold collateral from any counterparty.

High quality receivables pertain to receivables from related parties and customers with good favorable credit standing. Medium quality receivables pertain to receivables from customers that slide beyond the credit terms but pay a week after being past due. Low quality receivables are accounts that are deemed uncollectible and provided for with a provision. For new customers, the Group has no basis yet as far as payment habit is concerned.

The Group evaluated its cash in banks as high quality financial assets since these are placed in financial institutions of high credit standing. The Group also evaluated its advances to officers and employees as high grade since these are collected through salary deductions.

The aging per class of financial assets, contract assets and expected credit loss are as follows:

September 30, 2025 (Unaudited)	Current	Past Due					Expected Credit Loss	Total
		Less than 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days		
<i>(In Thousands)</i>								
Financial assets:								
Cash in banks	₱739,175	₱-	₱-	₱-	₱-	₱-	₱-	₱739,175
Cash equivalents	30,306	-	-	-	-	-	-	30,306
Trade receivables	1,340,271	220,486	13,362	71,889	40,086	623,581	(428,081)	1,881,594
Nontrade receivables ¹	30,096	1,653	1,566	13,512	3,403	224,094	(63,260)	211,064
Advances to officers ² and employees ¹	12,362	-	-	-	-	-	-	12,362
Refundable deposits	247,491	-	-	-	-	-	-	247,491
Contract assets	916,910	-	-	-	-	-	(43,982)	872,928
Total	₱3,316,611	₱222,139	₱14,928	₱85,401	₱43,489	₱847,675	(₱535,323)	₱3,994,920

⁽¹⁾ Excluding nonfinancial asset amounting to ₱93.5 million.

⁽²⁾ Excluding advances amounting to ₱5.2 million subject to liquidation.

December 31, 2024 (Audited)	Current	Past Due					Expected Credit Loss	Total
		Less than 30 Days	31 to 60 Days	61 to 90 Days	91 to 120 Days	Over 120 Days		
<i>(In Thousands)</i>								
Financial assets:								
Cash in banks	₱544,791	₱-	₱-	₱-	₱-	₱-	₱-	₱544,791
Cash equivalents	36,406	-	-	-	-	-	-	36,406
Trade receivables	1,064,936	383,809	137,664	49,280	12,405	648,635	(443,479)	1,853,250
Nontrade receivables ¹	12,487	40,132	8,797	15,077	10,207	98,956	(73,574)	112,082
Advances to officers and employees ²	5,858	-	-	-	-	-	-	5,858
Refundable deposits	240,452	-	-	-	-	-	-	240,452
Contract assets	682,901	-	-	-	-	-	(43,982)	638,919
Total	₱2,587,831	₱423,941	₱146,461	₱64,357	₱22,612	₱747,591	(₱561,035)	₱3,431,758

⁽¹⁾ Excluding nonfinancial asset amounting to ₱102.8 million.

⁽²⁾ Excluding advances amounting to ₱16.9 million subject to liquidation.

Liquidity Risk

The Group manages its liquidity profile to be able to finance its capital expenditures and service its maturing debt by maintaining sufficient cash during the peak season of the passage business. The Group regularly evaluates its projected and actual cash flows generated from operations.

The Group's existing credit facilities with various banks are covered by the Continuing Suretyship for the accounts of the Group.

The liability of the Surety is primary and solidary and is not contingent upon the pursuit by the bank of whatever remedies it may have against the debtor or collaterals/liens it may possess. If any of the secured obligations is not paid or performed on due date (at stated maturity or by acceleration), the

Surety shall, without need for any notice, demand or any other account or deed, immediately be liable therefore and the Surety shall pay and perform the same.

Foreign Exchange Risk

Foreign currency risk arises when the Group enters into transactions denominated in currencies other than their functional currency. Management closely monitors the fluctuations in exchange rates so as to anticipate the impact of foreign currency risks associated with the financial instruments. To mitigate the risk of incurring foreign exchange losses, the Group maintains cash in banks in foreign currency to match its financial liabilities.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings are subject to fixed interest rates ranging from 4.92% to 7.11% and from 4.9% to 7.25% for the nine months ended September 30, 2025 and 2024, respectively.

Capital Risk Management Objectives and Procedures

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and produce adequate and continuous opportunities to its employees; and to provide an adequate return to shareholders by pricing products/services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. It manages the capital structure and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group's overall strategy in managing its capital remains unchanged since the prior year.

The Group considers its total equity as its capital. The Group monitors capital on the basis of the carrying amount of equity as presented on the unaudited interim condensed consolidated statement of financial position. The capital ratios are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets financed by:		
Creditors	77%	83%
Stockholders	23%	17%

As of September 30, 2025 and December 31, 2024, the Group met its capital management objectives.

30. Fair Values of Financial Instruments and Nonfinancial Assets

The table below shows the carrying amounts and fair values of financial assets and liabilities. The fair values have been determined based on Level 3 fair value hierarchy. The table below does not include the fair value information for financial assets and liabilities not measured at fair value if the carrying amounts are the reasonable approximation of their fair values.

	September 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	<i>(In Thousands)</i>			
Financial Liabilities				
Long-term debts	₱3,230,417	₱3,402,982	₱3,542,948	₱3,688,657
Obligations under lease	1,794,152	1,834,420	1,536,268	1,563,895
	₱5,024,569	₱5,237,402	₱5,079,216	₱5,252,552

The following methods and assumptions are used to estimate the fair value of each class of financial instruments and nonfinancial asset:

Cash and cash equivalents, trade and other receivables, trade and other payables, refundable deposits included under "Other current assets"

The carrying amounts of these financial instruments approximate their respective fair values due to their relatively short-term maturities.

Refundable deposits included under "Other noncurrent assets"

The carrying amount of this financial instrument is carried at present value due to the long-term nature of this account. The fair value of refundable deposits was computed by discounting the expected cash flows ranging from 4.52% to 4.99% as the EIR. The computed fair value approximates the carrying amount of this account.

Short-term Notes Payable

The carrying value of short-term notes payable that reprice every three (3) months, approximates their fair value because of recent and regular repricing based on current market rate. For fixed rate loans, the carrying value approximates fair value due to its short-term maturities, ranging from three months to twelve months.

Long-term Debt

Discount rate of 7.5% and 7.9% was used in calculating the fair value of the long-term debt as of September 30, 2025 and December 31, 2024, respectively.

Obligations Under Lease

The fair values of obligations under lease are based on the discounted net present value of cash flows using the discount rate ranging from 6.7% to 7.9% and 7.7% to 7.9% as of September 30, 2025 and December 31, 2024, respectively.

Derivative assets

The fair value of derivatives is determined by the use of either present value methods or standard option valuation models. The valuation inputs on these derivatives are based on assumptions developed from observable information, including, but not limited to, the forward curve derived from published or future prices adjusted for factors such as seasonality considerations and the volatilities that take into account the impact of spot process and the long-term price outlook of the underlying commodity and currency.

31. Notes to Unaudited Interim Condensed Consolidated Statements of Cash Flows

Changes in liabilities arising from financing activities are as follows:

For the nine months ended September 30, 2025:

	January 1, 2025	Cash Flows		Net	Others	September 30, 2025
		Availments	Payments			
			(In thousands)			
Short-term notes payable	₱2,539,000	₱540,000	(₱1,133,000)	(₱593,000)	₱-	₱1,946,000
Current portion of long-term debt	333,970	-	(340,000)	(340,000)	845,464	839,434
Current portion of obligations under lease	368,777	-	(428,335)	(428,335)	555,909	496,351
Noncurrent portion of long-term debt	3,208,978	22,500	-	22,500	(840,495)	2,390,983
Noncurrent portion of obligations under lease	1,167,491	607,180	-	607,180	(476,870)	1,297,801
Total liabilities from financing activities	₱7,618,216	₱1,169,680	(₱1,901,335)	(₱731,655)	₱84,008	₱6,970,569

For the nine months ended September 30, 2024:

	January 1, 2024	Cash Flows		Net	Others	September 30, 2024
		Availments	Payments			
			(In thousands)			
Short-term notes payable	₱1,816,000	₱1,590,000	(₱817,000)	₱773,000	₱-	₱2,589,000
Current portion of long-term debt	333,698	-	(340,000)	(340,000)	340,237	333,935
Current portion of obligations under lease	415,000	-	(394,009)	(394,009)	363,020	384,011
Noncurrent portion of long-term debt	3,542,947	-	-	-	(335,030)	3,207,917
Noncurrent portion of obligations under lease	1,422,382	103,538	-	103,538	(305,377)	1,220,543
Total liabilities from financing activities	₱7,530,027	₱1,693,538	(₱1,551,009)	₱142,529	₱62,850	₱7,735,406

“Others” includes the effect of reclassification of non-current portion to current due to the passage of time and amortization of debt transaction costs capitalized.

32. Discontinued Operations

On August 9, 2023, the BOD approved the cessation of business operations of SOI as part of a plan to focus on improving core services and profitability of the Group.

The results of the discontinued operations are as follows:

	For the Nine Months Ended September 30	
	2025	2024
	(In thousands)	
General and administrative expenses	(₱35,311)	₱-
Other income	35,046	-
Financing charges	(234)	(5,125)
Loss before income tax	(499)	(5,125)
Provision for income tax	701	-
Net loss	(₱1,200)	(5,125)
Basic/Diluted Loss Per Share for discontinued operations	(₱0.000001)	(₱0.000001)

The net cash flows incurred by the discontinued operations are as follows:

	For the Nine Months Ended September 30	
	2025	2024
	(In thousands)	
Operating activities	₱63,964	(₱30,146)
Investing activities	-	(131)
Financing activities	(100,000)	(37,125)

2GO GROUP, INC.

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(Amounts in Thousands)

		Unappropriated Retained earnings (deficit), beginning of reporting period		(P1,209,138)
Add:	Category A:	Items that are directly credited to Unappropriated Retained Earnings		
		Reversal of Retained Earnings Appropriation/s	–	
		Effect of restatements or prior-year adjustments	–	
		Others (describe nature)	–	–
				<hr/>
Less:	Category B:	Items that are directly debited to Unappropriated Retained Earnings		
		Dividend declaration during the reporting period	–	
		Retained Earnings appropriated during the reporting period	–	
		Effect of restatements or prior-year adjustments	–	
		Others - deferred tax assets beginning	–	
		Others - treasury shares	–	–
				<hr/>
		Unappropriated Retained Earnings, as adjusted		(1,209,138)
		Add/Less: Net Income (Loss) for the current year		762,544
Less:	Category C.1:	Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
		Equity in net income of associate/joint venture, net of dividends declared	–	
		Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
		Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
		Unrealized fair value gain of Investment Property	–	
		Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	–
				<hr/>
		<i>Sub-total</i>		<i>–</i>
Add:	Category C.2:	Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
		Realized foreign exchange gain, except those attributable to cash and cash equivalents	–	
		Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
		Realized fair value gain of Investment Property	–	
		Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	–	–
				<hr/>
		<i>Sub-total</i>		<i>–</i>

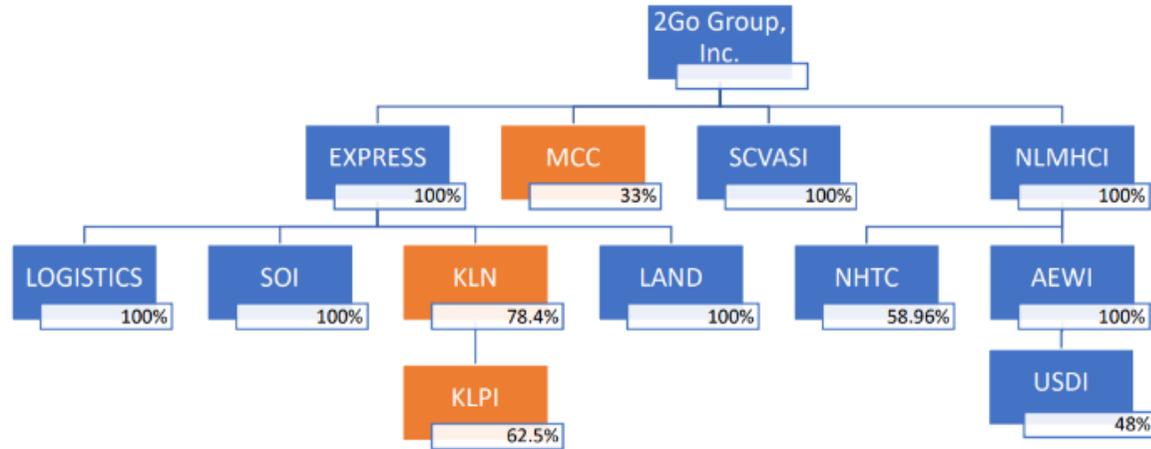
		Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)	
Add:	Category C.3:	Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
		Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
		Reversal of previously recorded fair value gain of Investment Property	-
		Reversal of previously recorded other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-
		<i>Sub-total</i>	<u>-</u>
		Adjusted Net Income (Loss)	762,544
Add:	Category D:	Non-actual losses recognized in profit or loss during the reporting period (net of tax)	
		Depreciation on revaluation increment (after tax)	-
		<i>Sub-total</i>	<u>-</u>
Add/ (Less)	Category E:	Adjustments related to relief granted by the SEC and BSP	
		Amortization of the effect of reporting relief	-
		Total amount of reporting relief granted during the year	-
		Others (describe nature)	-
		<i>Sub-total</i>	<u>-</u>
Add/ (Less)	Category F:	Other items that should be excluded from the determination of the amount of available for dividends distribution	
		Net movement of treasury shares (except for reacquisition of redeemable shares)	-
		Net movement of deferred tax asset not considered in the reconciling items under the previous categories	50,966
		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 (describe nature)	-
		<i>Sub-total</i>	<u>50,966</u>
		Total Retained Earnings, end of reporting period available for dividend	<u><u>(P395,599)</u></u>

2GO GROUP, INC. AND SUBSIDIARIES
8/F Tower 1 Double Dragon Plaza, Edsa Ext.
cor. Macapagal Ave., Pasay City
KEY PERFORMANCE INDICATORS
AS OF SEPTEMBER 30, 2025 AND DECEMBER 31, 2024
(Amounts in Thousands)

	September 30, 2025	December 31, 2024
Total Liabilities	₱12,479,701	₱12,957,484
Total Stockholders' Equity	3,716,901	2,745,982
Debt-to-Equity	3.36	4.72
Total Current Assets	₱5,829,214	₱5,464,316
Total Current Liabilities	8,353,839	8,155,394
Current Ratio	0.70	0.67
Total Quick Assets	₱3,800,908	₱3,330,957
Total Current Liabilities	8,353,839	8,155,394
Quick Ratio	0.45	0.41
Net Income from continuing operations After Tax	₱974,738	₱829,504
Depreciation & Amortization	945,381	1,318,654
Net Income before Dep'n & Amortization	1,920,119	2,148,158
Short Term & Long-Term Notes	5,307,828	6,234,738
Solvency Ratio	0.36	0.34
Total Liabilities	₱12,479,701	₱12,957,484
Total Assets	16,196,602	15,703,466
Debt-to-Asset Ratio	0.77	0.83
Total Assets	₱16,196,602	₱15,703,466
Total Stockholders' Equity	3,716,901	2,745,982
Equity-to-Asset Ratio	0.23	0.17
Net Income	₱974,738	₱829,504
Average Total Assets	15,950,078	15,750,269
Return on Assets	0.06	0.05
Net Income from continuing operations	₱974,738	₱829,504
Average Total Stockholders' Equity	3,231,441	2,206,493
Return on Equity	0.30	0.38

	September 30, 2025	December 31, 2024
Sales	₱14,328,307	₱17,921,039
Cost of Services and Goods Sold	11,894,617	15,531,275
Gross Profit	2,433,690	2,389,764
Gross Profit Margin	0.17	0.13
Net Income from continuing operations	₱974,738	₱829,504
Sales	14,328,307	17,921,039
Net Profit Margin	0.07	0.05
EBIT	₱1,543,035	₱1,456,134
Interest Expense	364,534	547,699
Interest Coverage Ratio	4.23	2.66

Corporate Structure
As of Sept 30, 2025



Legend:					
EXPRESS	2GO Express, Inc.	LAND	2Go Land Transport, Inc.	AEWI	Astir Engineering Works, Inc.
LOGISTICS	2GO Logistics, Inc.	MCC	MCC Transport Philippines, Inc.	USDI	United South Dockhandlers, Inc.
SOI	Scanasia Overseas, Inc.	SCVASI	Special Container and Value Added Services, Inc.		
KLN	KLN Logistics Holdings Philippines, Inc.	NLMHCI	NN-ATS Logistics Management & Holding Co., Inc.		
KLPI	Kerry Logistics (Phils.), Inc.	NHTC	North Harbor Tugs Corporation		

Subsidiary
Joint Venture and Associate

2GO GROUP, INC. AND SUBSIDIARIES
8/F Tower 1 Double Dragon Plaza, Edsa Ext.
cor. Macapagal Ave., Pasay City
Schedule of Financial Soundness
As of September 30, 2025
(Amounts in Thousands)

Ratio	Formula	September 30, 2025	December 31, 2024
Current ratio	Total Current Assets Divided by Total Current Liabilities	0.70	0.67
	Total Current Assets	5,829,214	
	Divided by: Total Current Liabilities	8,353,839	
	Current Ratio	0.70	
Acid test ratio	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	0.45	0.41
	Total Current Assets	5,829,214	
	Less: Inventories	199,659	
	Other current assets	1,828,647	
	Quick assets	3,800,908	
	Divided by: Total Current Liabilities	8,353,839	
Acid test ratio	0.45		
Solvency ratio	Net income before Depreciation & Amortization (Net income from operations plus depreciation and amortization) divided by Interest Bearing Debt	0.36	0.36
	Net income from continuing operations	974,738	
	Add: Depreciation & Amortization	945,381	
	Net income before depreciation & Amortization	1,920,119	
	Short Term Notes	1,946,000	
	Long Term Notes	3,230,417	
	Obligations under finance lease	166,658	
	Divided by: Interest Bearing Debt	5,343,075	
	Solvency Ratio	0.36	

Ratio	Formula	September 30, 2025	December 31, 2024	
Debt-to-equity ratio	Total Liabilities divided by Total Stockholders' Equity	3.36	4.72	
	Total Liabilities			12,479,701
	Divided by: Total Stockholders' Equity			3,716,901
	Debt-to-equity ratio			3.36
Asset-to-equity ratio	Total Assets divided by Total Stockholders' Equity	4.36	5.72	
	Total Assets			16,196,602
	Divided by: Total Stockholders' Equity			3,716,901
	Asset-to-equity ratio			4.36
Interest rate coverage ratio	Earnings from before interest & tax divided by interest expense	4.23	2.66	
	Earnings from operations before interest and income tax			1,543,035
	Divided by: Interest expense			364,534
	Interest rate coverage ratio			4.23
Return on equity	Net income from continuing operations divided by Average Total Stockholders' Equity	0.30	0.36	
	Net income from continuing operations			974,738
	Divided by: Average Total Stockholders' Equity			3,231,441
	Return on equity ratio			0.30
Return on assets	Net income from operations divided by Average Total Assets	0.06	0.05	
	Net income from continuing operations			974,738
	Divided by: Average Total Assets			15,950,034
	Return on assets			0.06
Net profit margin	Net income from continuing operations divided by Total Revenue	0.07	0.05	
	Net income from continuing operations			974,738
	Divided by: Total Revenue			14,328,307
	Net profit margin			0.07

2GO Group, Inc. and Subsidiaries
Management's Discussion and Analysis

Results of Operations for the Nine Months Ended September 30, 2025 and 2024

Amounts in millions		Sep 30, 2025	Sep 30, 2024	% Change
Revenue	P	14,328.3	P 13,468.5	6%
Costs of Services		11,894.6	11,608.9	(2%)
Gross Profit		2,433.7	1,859.6	31%
General and Administrative Expenses		889.7	775.0	(15%)
Operating Income		1,544.0	1,084.6	42%
Other Charges		364.0	412.4	12%
Provision for Income Tax		205.3	69.1	(197%)
Net Income (Loss) from Continuing Operations	P	974.7	P 603.1	62%
Net Income (Loss) from Discontinued Operations		(1.2)	(5.2)	77%
Net Income (Loss)	P	973.5	P 597.9	63%
<u>Add back:</u>				
Financing Charges (Interest)		364.8	422.1	14%
Provision for Income Tax		205.3	69.1	(197%)
Depreciation and Amortization		945.3	1,075.8	12%
EBITDA	P	2,488.9	P 2,164.9	15%

2GO Group, Inc. and subsidiaries (2GO or the Group) delivered Net Income of ₱974M for the Nine Months Ended September 30, 2025, ₱376M or 63% higher from the previous year. Revenue grew 6% year-over-year (YoY) while Operating Income increased 42% due to cost efficiencies and lower depreciation.

Total revenue increased 6% to ₱14.3B from ₱13.5B YoY. Shipping revenue, comprised of sea freight and passenger travel, increased 3%. Sea freight increased 4% or ₱198M, while passenger travel increased 2% or ₱40M. Logistics and other services revenue increased 11% or ₱621M. Shipping accounted for 56% and non-shipping 44% of total revenue compared to 58% and 42% respectively during 2024.

Cost of services and goods sold increased 2%. General and administrative expenses increased 15%.

Other charges decreased 12% to ₱364M for the first nine months of 2025 compared to ₱412M for the same period last year.

2GO delivered EBITDA of ₱2.5B at 17.4% margin in the first nine months of 2025, a 15% or ₱324M increase from ₱2.2B at 16.1% margin in 2024.

Financial Position as of September 30, 2025 and December 31, 2024

Amounts in millions	As of		% Change
	Sep 30, 2025	Dec 31, 2024	
Current Assets	₱ 5,829.2	₱ 5,464.3	7%
Noncurrent Assets	10,367.4	10,239.2	1%
Total Assets	₱ 16,196.6	₱ 15,703.5	3%
Current Liabilities	₱ 8,353.8	₱ 8,155.4	2%
Noncurrent Liabilities	4,125.9	4,802.1	(14%)
Total Liabilities	₱ 12,479.7	₱ 12,957.5	(4%)
Total Equity	3,716.9	2,746.1	35%
Total Liabilities and Equity	₱ 16,196.6	₱ 15,703.6	3%

Total Assets increased 3% from ₱15.7B to ₱16.2B, while Total Liabilities decreased 4% from ₱12.9B to ₱12.5B.

Assets

Current Assets increased 7% from ₱5.5B to ₱5.8B. Cash and Cash Equivalents increased 31% from ₱622M to ₱818M. Trade and Other Receivables, net of Allowance for Doubtful Accounts, increased 10% from ₱2.7B to ₱3.0B.

Noncurrent Assets increased 1% from ₱10.2B to ₱10.4B.

Liabilities

Current Liabilities increased 2% from ₱8.2B to ₱8.4B. Short-term Notes Payable decreased 23% from ₱2.5B to ₱1.9B.

Noncurrent Liabilities decreased 14% from ₱4.8B to ₱4.1B.

Equity

Total Equity increased 35% from ₱2.7B to ₱3.7B as 2GO delivered Net Income of ₱974M in the first nine months of 2025.

Key Performance Indicators

The following are the key financial ratios of the Group for the nine months ended September 30, 2025 and 2024 and as of September 30, 2025 and December 31, 2024.

	Sep 30, 2025	Sep 30, 2024
Revenue Growth	6.4%	14.3%
Net Income Margin	6.8%	4.4%
EBITDA (in Millions of Pesos)	₱ 2,488.9	₱ 2,164.9
EBITDA Margin	17.4%	16.1%
	As of	
	Sep 30, 2025	Dec 31, 2024
Current Ratio	0.7	0.7
Bank Debt to Total Equity Ratio	1.4	2.2
Total Liabilities to Total Equity	3.4	4.7

Net Income Margin increased to 6.8% in the first nine months of 2025 vs. 4.4% in 2024. EBITDA up 15% or ₱ 324M to ₱2.5B with 17.4% margin in the first nine months of 2025 compared to ₱2.2B with 16.1% margin in 2024.

Current Ratio is 0.7 as of September 30, 2025 and December 31, 2024. Bank Debt to Total Equity improved to 1.4 as of September 30, 2025, from 2.2 as of December 31, 2024, while Total Liabilities to Total Equity decreased to 3.4 from 4.7.

The Group calculates the key financial ratios as follows:

Revenue Growth	$(\text{Total Revenue current period} / \text{Total Revenue prior period}) - 1$
Net Income Margin	$\text{Net Income} / \text{Total Revenue}$
EBITDA	$\text{Net Income} + \text{Interest} + \text{Income Tax} + \text{Depreciation \& Amortization}$
EBITDA Margin	$\text{EBITDA} / \text{Total Revenue}$
Current Ratio	$\text{Current Assets} / \text{Current Liabilities}$
Bank Debt to Total Equity	$\text{Total Bank Debt} / \text{Total Equity}$
Total Liabilities to Total Equity	$\text{Total Liabilities} / \text{Total Equity}$

Company Outlook

2GO continues to serve its customers and stakeholders as the Philippines' largest end-to-end logistics solutions provider. The Group provides shipping and logistics services to small and medium enterprises, large corporations, and government agencies throughout the Philippines. The shipping group primarily operates roll-on/roll-off freight and passenger vessels. The logistics group offers transportation, warehousing and distribution, cold chain solutions, domestic and international ocean and air forwarding services, customs brokerage, project logistics, and express, mid-mile and last mile package and e-commerce delivery.

For 2025, 2GO continues its corporate governance initiatives, and aims to expand and further enhance its service offerings to its customers and stakeholders. 2GO plans to achieve this through more streamlined operations and collaboration within its business units, investment in vessels and equipment, warehousing and logistics information technology solutions for customers, and synergies and best practices. Management is confident that 2GO will further its growth and become an even stronger shipping and logistics solutions provider going forward.

SIGNATURE

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

Registrant	<u>2GO Group, Inc.</u>
Signature and Title	<u>William Charles Howell CFO</u>
Date	<u>13 NOVEMBER 2025</u>
