



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 **March 31, 2026**
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. **14th Floor, 15th Floor, and Roof Deck, South Tower, Four E-Com Center, Bayshore Ave., Mall of Asia (MOA) Complex, Pasay City**
Address of issuer's principal office Postal Code **1300**
8. **(02) 8528-7540**
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	2,460,578 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 [] 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 March 31, 2026 and December 31, 2025 and for the Three Months Ended March 31, 2026 and 2025; 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 March 31, 2026 and December 31, 2025
and For the Three Months Ended March 31, 2026 and 2025**

2GO GROUP, INC. AND SUBSIDIARIES**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MARCH 31, 2026 AND DECEMBER 31, 2025**

(Amounts in Thousands)

	<i>Note</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Current Assets			
Cash and cash equivalents	7	₱781,420	₱567,276
Trade and other receivables	8,17,20	3,159,033	3,692,612
Inventories	9	238,971	194,472
Other current assets	10	1,463,937	1,394,204
Total Current Assets		5,643,361	5,848,564
Noncurrent Assets			
Property and equipment	11,17,18	8,129,327	7,655,634
Investments in associates and joint ventures	12	327,220	327,220
Goodwill	13	686,896	686,896
Deferred income tax assets	27	262,081	261,349
Other noncurrent assets	14	1,807,379	1,812,453
Total Noncurrent Assets		11,212,903	10,743,552
TOTAL ASSETS		₱16,856,264	₱16,592,116

LIABILITIES AND EQUITY**Current Liabilities**

Short-term notes payable	15	₱1,816,000	₱2,297,000
Trade and other payables	16,19,20	5,274,765	5,152,435
Obligations under lease - current portion	11,18	506,985	484,222
Long-term debt - current portion	11,17	839,624	839,209
Total Current Liabilities		8,437,374	8,772,866

Noncurrent Liabilities

Noncurrent portion of:

Long-term debt	17	2,391,275	2,391,144
Obligations under lease	11,18	1,330,683	1,153,259
Accrued retirement benefits	26	510,220	494,131
Total Noncurrent Liabilities		4,232,178	4,038,534

Total Liabilities		₱12,669,552	₱12,811,400
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(Forward)

	<i>Note</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Equity	21		
Share capital		₱2,500,663	₱2,500,663
Additional paid-in capital		1,723,582	2,498,621
Other equity reserve		712,245	712,245
Other comprehensive losses - net		(95,248)	(95,248)
Deficit		(679,634)	(1,861,185)
Treasury shares		(58,715)	(58,715)
Equity Attributable to Equity Holders of the Parent Company		4,102,894	3,696,381
Non-controlling Interests		83,818	84,335
Total Equity		4,186,712	3,780,716
TOTAL LIABILITIES AND EQUITY		₱16,856,264	₱16,592,116

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 THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

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

		Three Months Ended March 31	
	Note	2026	2025
REVENUES FROM CONTRACTS WITH CUSTOMERS	5,20		
Shipping			
Freight		₱1,889,061	₱1,832,737
Travel		688,829	655,582
Nonshipping:			
Logistics and other services		2,254,908	2,069,737
		4,832,798	4,558,056
COST OF SERVICES AND GOODS SOLD	22	3,969,269	3,873,470
GROSS PROFIT		863,529	684,586
GENERAL AND ADMINISTRATIVE EXPENSES	23	373,680	284,340
OPERATING INCOME		489,849	400,246
OTHER INCOME (CHARGES)			
Financing charges	24	(105,305)	(127,088)
Others – net	24	125,645	(1,847)
		20,340	(128,935)
INCOME BEFORE INCOME TAX		510,189	271,311
PROVISION FOR INCOME TAX	27		
Current		115,381	62,651
Deferred		(5,691)	(20,936)
		109,690	41,715
NET INCOME FROM CONTINUING OPERATIONS		400,498	229,596
NET LOSS FROM DISCONTINUED OPERATIONS, net of income tax		–	(233)
NET INCOME		₱400,498	₱229,363
Net income attributable to:			
Equity holders of the Parent Company		₱401,015	₱227,641
Non-controlling interests		(517)	1,722
		₱400,498	₱229,363
Basic/Diluted Income Per Share	28	₱162.9759	₱92.4561

See accompanying Notes to the Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Thousands)

		Three Months Ended March 31	
	<i>Note</i>	2026	2025
NET INCOME		₱400,498	₱229,363
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	-	-
Income tax effect		-	-
		-	-
TOTAL COMPREHENSIVE INCOME		₱400,498	₱229,363
Attributable to:			
Equity holders of the Parent Company		₱401,015	₱227,641
Non-controlling interests		(517)	1,722
		₱400,498	₱229,363

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 THREE MONTHS ENDED MARCH 31, 2026 AND 2025

(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	Total Equity
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, 2025	₱2,500,663	₱2,498,621	₱712,245	₱-	(₱97,580)	₱2,332	(₱95,248)	(₱1,861,185)	(₱58,715)	₱3,696,381	₱84,335	₱3,780,716
Equity restructuring	-	(775,039)	-	-	-	-	-	775,039	-	-	-	-
Effect of merger	-	-	-	-	-	-	-	5,498	-	5,498	-	5,498
Net income for the period	-	-	-	-	-	-	-	401,015	-	401,015	(517)	400,498
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	401,015	-	401,015	(517)	400,498
BALANCES AT MARCH 31, 2026 (Unaudited)	₱2,500,663	₱1,723,582	₱712,245	₱-	(₱97,580)	₱2,332	(₱95,248)	(₱679,634)	(₱58,715)	₱4,102,893	₱83,818	₱4,186,711
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 declared	-	-	-	-	-	-	-	(2,707)	-	(2,707)	-	(2,707)
Net income for the period	-	-	-	-	-	-	-	227,641	-	227,641	1,722	229,363
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	227,641	-	227,641	1,722	229,363
BALANCES AT MARCH 31, 2025 (Unaudited)	₱2,500,663	₱2,498,621	₱712,245	₱-	(₱86,363)	₱4,424	(₱81,939)	(₱2,683,297)	(₱58,715)	₱2,887,578	₱85,147	₱2,972,725

See Notes to the Unaudited Interim Condensed Consolidated Financial Statements.

2GO GROUP, INC. AND SUBSIDIARIES**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Amounts in Thousands)

		Three Months Ended March 31	
	<i>Note</i>	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax from continuing operations		₱510,189	₱271,311
Loss before tax from discontinued operations		–	(233)
Adjustments for:			
Depreciation and amortization of property and equipment and software	<i>11, 14, 22,23</i>	285,796	311,484
Financing charges	<i>24</i>	105,312	127,327
Retirement benefit cost	<i>26</i>	24,616	19,268
Loss (Gain) on disposal of property and equipment	<i>24</i>	(120)	1,101
Unrealized foreign exchange losses (gain)		(1,986)	922
Interest income	<i>24</i>	(429)	(374)
Operating income before working capital changes		923,378	730,806
Decrease (increase) in:			
Trade and other receivables		533,579	(67,512)
Inventories		(44,499)	10,774
Other current assets		(81,526)	(80,197)
Increase in trade and other payables		34,067	144,316
Cash generated from operations		1,364,998	738,187
Contribution for retirement fund and benefits paid from book reserve	<i>26</i>	(8,528)	(6,061)
Interest received		429	374
Income taxes paid, including creditable withholding taxes		(98,630)	(61,858)
Net cash flows provided by operating activities		1,258,271	670,642
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment	<i>11</i>	(335,337)	(106,490)
Software		(3,360)	(3,154)
Proceeds from disposal of property and equipment:	<i>11</i>	766	(3,984)
Decrease in other noncurrent assets		5,153	(1,251)
Net cash flows used investing activities		(332,778)	(114,879)

(Forward)

		Three Months Ended March 31	
	<i>Note</i>	2026	2025
CASH FLOWS FROM FINANCING ACTIVITIES	<i>32</i>		
Proceeds from availments of:			
Short-term notes payable	<i>15</i>	₱-	₱100,000
Payments of:			
Short-term notes payable	<i>15</i>	(481,000)	(300,000)
Long-term debt		(1,125)	-
Obligations under finance lease	<i>18</i>	(153,272)	(141,644)
Dividends Paid		-	(2,707)
Interest and financing charges	<i>24</i>	(77,938)	(104,041)
Net cash flows used in financing activities		(713,335)	(448,392)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(1,986)	(922)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		214,144	106,449
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<i>7</i>	567,276	622,202
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<i>7</i>	₱781,420	₱728,651

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 14th Floor, 15th Floor and Roof Deck South Tower, Four E-com Center, Bayshore Ave., Mall of Asia (MOA) Complex, Barangay 76, 1300 Pasay City, Fourth District National Capital Region (NCR).

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, 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.

On February 28, 2023, the Board of Directors (BOD) 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 Philippine Stock Exchange (PSE) for voluntary delisting, and applicable regulations of the Philippine Securities and Exchange Commission (SEC). 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%.

On June 26, 2025, the BOD approved the decrease of the authorized capital stock and the increase in the par value of common shares. The amended Articles of Incorporation was approved by the Philippine SEC on January 22, 2026.

Accordingly, 2GO is no longer considered a public company under the Philippine SEC's definition of a public company. A Petition for Voluntary Revocation of the Order of Registration and Permit to Sell Securities to the Public, and for Exemption from Reportorial Requirements under Securities Regulation Code, was filed on January 29, 2026. The Petition is still pending approval by the Philippine SEC.

On February 5, 2026, the Philippine SEC approved the equity restructuring to eliminate in full the deficit of 2GO as of December 31, 2024 (see Note 21a).

On February 25, 2026, the Philippine SEC approved the creation of additional paid-in capital (APIC) of ScanAsia Overseas, Inc. (SOI), a subsidiary of 2GO. On the same date, the Philippine SEC approved the equity restructuring to eliminate in full the deficit of SOI as of May 31, 2025 against the APIC.

The accompanying unaudited interim condensed consolidated financial statements as at and for the three months ended March 31, 2026, with comparative figures as at December 31, 2025 and for the

three months ended March 31, 2025, were approved and authorized for issue by the BOD on April 30, 2026.

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, 2025.

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, 2025. Except as otherwise indicated, the adoption of these amendments to standards did not have any significant impact on the Group's 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 Illustrative Examples on PFRS 7, *Financial Instruments: Disclosures*, PFRS 18, *Presentation and Disclosure in Financial Statements*, PAS 1, *Presentation of Financial Statements*, PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, PAS 26 *Accounting and Reporting by Retirement Benefit Plans* and PAS 37, *Provisions, Contingent Liabilities and Contingent Assets - Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9, *Financial Instruments*, and PFRS 7, *Classification and Measurement of Financial Instruments*

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18
- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates, Translation to a Hyperinflationary Presentation Currency*

Deferred effectivity

- Amendments to PFRS 10 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	
		March 31, 2026	December 31, 2025
Special Container and Value Added Services, Inc. (SCVASI) ⁽¹⁾	Transportation/logistics	–	–
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, particularly the sales of goods, of SOI. On June 2, 2025, the BOD approved the merger between SOI and SCVASI, with SOI as the surviving entity. SEC approved the merger on December 16, 2025. SOI is 39%- owned by 2GO and 61%- owned by 2GO Express.

² In September 2020, the BOD approved the merger of these companies, with NN-ATS as the surviving entity. The SEC approved the merger on March 13, 2025.

³ Ended commercial operations in 2018 or prior

⁴ Wound down due to non-operation

⁵ On June 2, 2025, the BOD approved the amendment of SOI's Articles of Incorporation to update its primary purpose, secondary purpose and principal office address. The SEC approved the amendment on January 15, 2026. Accordingly, the nature of business of SOI has been updated to "Transportation/logistics".

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 ₱8.1 billion and ₱7.7 billion as of March 31, 2026 and December 31, 2025, respectively (see Note 11).

As at March 31, 2026 and December 31, 2025, 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 Three Months Ended March 31, 2026 (Unaudited)			
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
	<i>(In Thousands)</i>			
External customers	₱2,577,890	₱2,254,908	₱–	₱4,832,798
Intersegment revenue	502,153	89,763	(591,916)	–
Revenues from contracts with customers	₱3,080,043	₱2,344,671	(₱591,916)	₱4,832,798
Income before income tax from continuing operations	₱318,368	₱191,821	₱–	₱510,189
Provision for income tax	81,638	(191,329)	–	(109,691)
Segment income from continuing operations	₱400,006	₱492	₱–	₱400,498
Other Information:				
Capital expenditures	₱716,874	₱39,866	₱–	₱756,740
Depreciation and amortization	202,131	83,665	–	285,796
Provision for ECL - net	–	2,595	–	2,595

	As of March 31, 2026 (Unaudited)			
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
Segment assets	₱14,863,478	₱6,022,894	(₱4,030,108)	₱16,856,265
Segment liabilities	₱9,594,259	₱7,030,085	(₱3,954,792)	₱12,669,552

	For the Three Months Ended March 31, 2025 (Unaudited)			
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
	<i>(In Thousands)</i>			
External customers	₱2,488,319	₱2,069,737	₱–	₱4,558,056
Intersegment revenue	472,772	99,469	(572,241)	–
Revenues from contracts with customers	₱2,961,091	₱2,169,206	(₱572,241)	₱4,558,056

For the Three Months Ended March 31, 2025 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
<i>(In Thousands)</i>				
Income before income tax from continuing operations	₱113,730	₱157,581	₱-	₱271,311
Provision for income tax	(6,027)	(35,688)	-	(41,715)
Segment income from continuing operations	₱107,703	₱121,893	₱-	₱229,596
Other Information:				
Capital expenditures	₱58,271	₱392,168	₱-	₱450,439
Depreciation and amortization	232,013	79,471	-	311,484
Provision for ECL - net	-	4,553	-	4,553
As of March 31, 2025 (Unaudited)				
	Shipping	Non Shipping	Eliminations/ Adjustments	Consolidated Balance
Segment assets	₱14,077,523	₱5,333,030	(₱3,293,577)	₱16,116,976
Segment liabilities	₱9,681,009	₱7,226,275	(₱3,763,034)	₱13,144,250

7. Cash and Cash Equivalents

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<i>(In Thousands)</i>		
Cash on hand and in banks	₱758,224	₱541,844
Cash equivalents	23,196	25,432
	₱781,420	₱567,276

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 ₱0.3 million and ₱0.4 million for the three months ended March 31, 2026 and 2025 (see Note 24).

8. Trade and Other Receivables

This account consists of:

	Note	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<i>(In Thousands)</i>			
Trade		₱2,630,252	₱2,943,338
Contract assets	20	7m05,795	943,932
Nontrade		337,161	327,938
Advances to officers and employees		29,753	18,740
		3,702,961	4,233,948
Less allowance for ECL		(543,928)	(541,336)
		₱3,159,033	₱3,692,612

- 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 decreased as of March 31, 2026 due to the decrease in issued billings within the three-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 March 31, 2026 and December 31, 2025:

March 31, 2026 (Unaudited)				
	<i>Note</i>	Trade and Contract Assets	Nontrade	Total
			<i>(In Thousands)</i>	
Beginning		₱478,755	₱62,581	₱541,336
Provision/Recovery	23	2,779	(184)	2,595
Reversal/Other adjustments		2,425	(2,428)	(3)
Ending		₱483,959	₱59,969	₱543,928

December 31, 2025 (Audited)				
	<i>Note</i>	Trade and Contract Assets	Nontrade	Total
			<i>(In Thousands)</i>	
Beginning		₱487,461	₱73,574	₱561,035
Provision	23	20,994	1,303	22,297
Write-off/other adjustments		(29,700)	(12,296)	(41,996)
Ending		₱478,755	₱62,581	₱541,336

9. Inventories

This account consists of:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
		<i>(In Thousands)</i>
At lower of cost and net realizable value:		
Trading goods	₱15,036	₱13,154
Materials, parts and supplies	49,140	34,402
At cost:		
Fuel, oil and lubricants	174,795	146,916
	₱238,971	₱194,472

The cost of trading goods carried at net realizable value amounted to ₱15.0 million and ₱13.2 million as of March 31, 2026 and December 31, 2025 while the cost of materials, parts and supplies carried at net realizable value amounted to ₱51.5 million and ₱36.8 million, respectively. The allowance for

inventory obsolescence amounted to ₱2.4 million as at March 31, 2026 and December 31, 2025, 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):

<i>Note</i>	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands)</i>	
Cost of services	₱883,108	₱1,113,722
General and administrative expense	766	1,022
	₱883,874	₱1,114,744

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>	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
	<i>(In Thousands)</i>	
CWTs	₱1,020,762	₱1,032,553
Prepaid expenses and others	287,076	177,115
Refundable deposits - current portion	95,142	99,697
Input VAT	62,123	75,840
Advances to suppliers and contractors	14,991	25,156
	1,518,562	1,410,361
Less: allowance for impairment losses	(16,157)	(16,157)
	₱1,463,937	₱1,394,204

- 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

March 31, 2026 (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, 2026	P10,917,090	P1,557,998	P1,211,015	P562,808	P498,141	P381,642	P552,346	P3,276	P561,539	P53	P2,540,770	P18,786,678
Additions	219,193	–	15,544	12,503	97,607	2,509	16,840	–	65,067	–	327,478	756,740
Retirements/Adjustments	–	–	(5,085)	(1,439)	–	114	(3,451)	–	(145)	–	(13,374)	(23,380)
Reclassification	100	–	–	(100)	–	–	–	–	–	–	–	–
March 31, 2026	11,136,383	1,557,998	1,255,949	573,772	595,748	384,265	565,735	3,276	626,461	53	2,854,875	18,949,138
Accumulated Depreciation and Amortization												
January 1, 2026	6,368,894	1,288,996	840,378	447,684	168,141	321,629	347,965	3,276	457,876	–	886,205	11,131,044
Depreciation and amortization	108,227	13,767	22,445	10,497	1,131	1,711	7,592	–	5,826	–	111,320	282,516
Retirements/Adjustments	–	–	(5,098)	(992)	–	114	(3,451)	–	(47)	–	(13,374)	(22,849)
Reclassification	–	–	–	–	–	–	–	–	–	–	–	–
March 31, 2026	6,477,121	1,302,763	857,725	457,189	169,272	323,454	352,106	3,231	463,655	–	984,153	11,390,714
Net carrying amounts	P4,659,262	P255,235	P363,749	P116,583	P426,476	P60,810	P213,629	P45	P162,806	P53	P1,870,722	P8,129,326

December 31, 2025 (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, 2025	P10,442,117	P1,770,291	P1,248,939	P508,899	P495,109	P374,108	P514,608	P3,276	P623,645	P53	P2,706,752	P18,687,797
Additions	486,621	27,300	28,806	76,620	4,556	7,338	55,555	–	27,679	1,177	641,875	1,357,527
Disposals/retirements	(14,043)	(239,593)	(66,730)	(12,365)	(789)	–	(12,823)	–	(80,441)	–	(514,252)	(941,036)
Reclassification/Adjustment	2,395	–	–	(10,346)	(735)	196	(4,994)	–	(9,344)	(1,177)	(293,605)	(317,610)
December 31, 2025	10,917,090	1,557,998	1,211,015	562,808	498,141	381,642	552,346	3,276	561,539	53	2,540,770	18,786,678
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	553,618	58,082	87,447	36,131	4,234	7,208	24,024	190	33,750	–	447,401	1,252,085
Disposals/retirements	(14,043)	(239,592)	(36,186)	(11,405)	(789)	–	(12,790)	–	(62,523)	–	(514,252)	(891,580)
Reclassification/Adjustment	6,401	–	–	(8,824)	–	–	(4,995)	1	(21,676)	–	(225,019)	(254,112)
December 31, 2025	6,368,894	1,288,996	840,378	447,684	168,141	321,629	347,965	3,276	457,876	–	886,205	11,131,044
Net carrying amounts	P4,548,196	P269,002	P370,637	P115,124	P330,000	P60,013	P204,381	P–	P103,663	P53	P1,654,565	P7,655,634

Property and Equipment under Lease

Containers, reefer vans, isotanks, cargo handling equipment and transportation equipment and office and operational spaces as of March 31, 2026 and December 31, 2025 include units acquired under lease arrangements (see Note 18).

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

March 31, 2026 (Unaudited)					
	Container Yard	Office	Warehouse	Equipment	Total
<i>(In Thousands)</i>					
Cost					
January 1, 2026	₱800,977	₱78,338	₱1,232,828	₱428,627	₱2,540,770
Additions	–	310,959	16,519	–	327,478
Disposal	–	–	(13,374)	–	(13,374)
March 31, 2026	800,977	389,297	1,235,970	428,631	2,854,875
Accumulated depreciation					
January 1, 2026	315,890	42,611	391,872	135,832	886,205
Depreciation	24,722	8,457	66,962	11,178	111,320
Disposal	–	–	(13,374)	–	(13,374)
March 31, 2026	340,612	51,072	445,460	147,011	984,154
Net Carrying Amount	₱460,365	₱338,225	₱790,511	₱281,620	₱1,870,720

December 31, 2025 (Audited)					
	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	66,551	641,875
Expiration of lease term	–	–	(454,357)	(59,895)	(514,252)
Effect of lease reassessment	–	(293,605)	–	–	(293,605)
December 31, 2025	800,977	78,338	1,232,828	428,627	2,540,770
Accumulated Depreciation					
January 1, 2025	217,000	227,255	583,636	150,184	1,178,075
Depreciation	98,890	40,375	262,593	45,543	447,401
Expiration of lease term	–	–	(454,357)	(59,895)	(514,252)
Effect of lease reassessment	–	(225,019)	–	–	(225,019)
December 31, 2025	315,890	42,611	391,872	135,832	886,205
Net Carrying Amount	₱485,087	₱35,727	₱840,956	₱292,795	₱1,654,565

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 ₱115.0 million and ₱11.9 million for the three months ended March 31, 2026 and 2025, respectively. The related depreciable life of drydocking costs ranges from two years to two-and-a-half years.

Acquisition of property and equipment

Unpaid acquisition costs of property and equipment amounted to ₱326.6 million and ₱232.7 million as of March 31, 2026 and December 31, 2025, respectively.

Sale and Disposal of Property and Equipment

The Group disposed certain property and equipment for consideration of ₱0.8 million and ₱3.98 million for the three months ended March 31, 2026 and 2025, 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>	Three Months Ended March 31	
		2026	2025
		<i>(In Thousands)</i>	
Cost of services and goods sold	22	₱274,365	₱290,568
General and administrative expense	23	8,151	11,807
		₱282,516	₱302,375

Property and Equipment Held as Collateral

Property and equipment held or deemed as collateral for leases as at March 31, 2026 and December 31, 2025 amounted to ₱2,631.7 million and ₱2,424.9 million, respectively (see Note 18). These property and equipment include the carrying value of a passenger vessel and a tugboat with total carrying value of ₱761.0 million and ₱770.3 million as at March 31, 2026 and December 31, 2025, respectively, which are used to secure the ₱500.0 million and ₱30.0 million term loan facility agreement with Banco de Oro Unibank, Inc. (BDO) and Asia United Bank (AUB), respectively (see Note 17).

12. Investments in Associates and Joint Ventures

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

	<i>Note</i>	March 31, 2026	December 31, 2025
		(Unaudited)	(Audited)
		<i>(In Thousands)</i>	
Acquisition - cost		₱29,634	₱29,634
Accumulated equity in net earnings:			
Balances at beginning of year		300,548	387,689
Equity in net earnings during the year		-	(87,141)
Balances at end of year		300,548	300,548
Share in remeasurement gain on retirement benefits of associates and joint ventures:			
Balances at beginning of year		(2,962)	(870)
Share in remeasurement gain during the year		-	(2,092)
Balances at end of year		(2,962)	(2,962)
		₱327,220	₱327,220

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 March 31, 2026 and December 31, 2025, 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 March 31, 2026 and December 31, 2025.

14. Other Noncurrent Assets

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
	<i>(In Thousands)</i>	
CWTs - net of current portion	₱1,609,606	₱1,609,606
Refundable deposits - net of current portion	163,048	165,918
Software	36,335	36,254
Deferred input VAT	1,515	1,515
Advances to suppliers and contractors	-	2,285
	1,810,504	1,815,578
Allowance for impairment	(3,125)	(3,125)
	₱1,807,379	₱1,812,453

- a. The software is amortized on a straight-line basis over its estimated useful life of three to five years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The movements in software are as follows:

	<i>Note</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
		<i>(In Thousands)</i>	
Cost			
Balances at beginning of year		₱374,501	₱381,488
Additions		3,361	13,531
Disposals/Retirement		-	(20,518)
Balances at end of year		377,862	374,501
Accumulated Amortization			
Balances at beginning of year		338,247	322,924
Amortization	23	3,280	35,851
Disposals/Retirement	23	-	(20,518)
Balances at end of year		341,527	338,247
Carrying Amount		₱36,335	₱36,254

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

- b. 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. There is no provision for impairment recognized in the interim unaudited consolidated statement of profit or loss.
- 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 4.75% to 5.25% and 5.70% to 6.10% for the three months ended March 31, 2026 and 2025 respectively.

Total interest expense incurred by the Group for the short-term notes payable amounted to ₱25.2 million and ₱36.0 million for the three months ended March 31, 2026 and 2025, respectively (see Note 24).

16. Trade and Other Payables

	<i>Note</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<i>(In Thousands)</i>			
Trade		₱860,206	₱966,113
Accruals:			
Expenses		2,815,762	2,619,748
Salaries and wages		205,640	161,975
Interest		44,252	44,531
Capital expenditure		326,621	232,696
Others		58,039	211,632
Government payables		273,228	166,420
Nontrade		407,219	544,956
Contract liabilities		258,713	179,279
Other payables	19	25,085	25,085
		₱5,258,775	₱5,152,435

- 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 increased as at March 31, 2026 due to increase in uncompleted service of freight and travel transactions within the quarter.
- e. Other payables include provision for contingencies amounting to ₱25.1 million as at March 31, 2026 and December 31, 2025 (see Note 19).

17. Long-term Debt

Long-term debt consists of:

	<i>Note</i>	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<i>(In Thousands)</i>			
Banco de Oro Unibank, Inc. (BDO)	20	₱3,220,000	₱3,220,000
Asia United Bank (AUB)		20,250	21,375
Unamortized debt arrangement fees		(9,351)	(11,022)
		3,230,899	3,230,353
Current portion		839,624	839,209
Noncurrent portion		₱2,391,275	₱2,391,144

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, 2026 and 2025, 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. On April 17, 2026, the Company has renewed the loan 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 or fixed interest at comparable rates charged by the Bank for loans of similarly situated non-related party accounts as advised at the time of availment.

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 ₱722.4 million and ₱732.7 million as of March 31, 2026 and December 31, 2025, 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 ₱47.2 million and ₱59.6 million for the three months ended March 31, 2026 and 2025, 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 ₱1.7 million and ₱1.7 million for the three months ended March 31, 2026 and 2025, respectively (see Note 24).

Compliance with debt covenants

At December 31, 2025, the Group was compliant with the debt-to-EBITDA and DSCR ratios.

AUB Term Loan Facility Agreements

On September 9, 2025, NHTC entered into a five-year ₱30.0 million term loan facility agreement with AUB to partially finance the acquisition of a tugboat. On the same date, NHTC borrowed ₱22.5 million with an interest rate of 6.5%, subject to annual repricing. Principal borrowings are payable in five years in equal monthly installments from each drawdown date while interest is payable monthly in arrears after each drawdown based on diminishing balance.

The term loan facility agreement is secured by a Comprehensive Surety Agreement and chattel mortgage over the tugboat with a carrying value of ₱38.7 million and ₱37.6 million as of March 31, 2026 and December 31, 2025, respectively.

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:

	March 31, 2026 (Unaudited)		December 31, 2025 (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	₱605,076	₱506,985	₱570,830	₱484,222
Between one and five years	1,281,051	1,136,489	1,255,531	1,153,259
Between six and ten years	225,633	194,194	–	–
	2,111,761	1,837,668	1,826,361	1,637,481
Interest component	274,093	–	188,880	–
Present value	₱1,837,668	₱1,837,668	₱1,637,481	₱1,637,481

The interest expense recognized related to these leases amounted to ₱26.0 million and ₱25.0 million for the three months ended March 31, 2026 and 2025, 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 three months ended March 31, 2026 and 2025 in relation to the obligation under lease and the related right-of-use assets.

	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands)</i>	
Depreciation expense of right-of-use assets	₱111,320	₱110,490
Interest expense on obligation under lease	25,981	24,992
Rent expense - short-term leases	103,206	113,679
Rent expense - low value assets	1,282	1,246
	₱241,789	₱250,407

The rollforward analysis of obligation under lease for the three months ended March 31, 2026 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:

	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands)</i>	
Cost of services and goods sold	₱207,060	₱214,852
General and administrative expenses	8,748	10,563
Financing charges	25,981	24,992
	₱241,789	₱250,407

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 March 31, 2026 and December 31, 2025 amounted to ₱25.1 million, 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 three months ended March 31, 2026 and 2025 (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) Trident Investments Holdings Pte. Ltd.
Subsidiaries	2GO Express, Inc. (2GO Express or EXP) 2GO Logistics, Inc. (2GO Logistics or 2GOLI) Scanasia Overseas, Inc. (SOI) ⁽¹⁾ 2GO Land Transport, Inc. (2GO Land) Special Container and Value Added Services, Inc. (SCVASI) ⁽¹⁾ NN-ATS Logistics Management and Holdings Corporation, Inc. (NLMHCI) ⁽⁴⁾ North Harbor Tugs Corporation (NHTC) Astir Engineering Works, Inc. (AEWI) ⁽⁴⁾ United South Dockhandlers, Inc. (USDI)
Associate	WG & A Supercommerce, Inc. (WSI) ⁽³⁾
Joint Ventures	2GO Rush, Inc. (Rush) ⁽³⁾ MCC Transport Philippines, Inc. (MCCP) KLN Logistics Holdings Philippines, Inc. (KLN) KLN Freight (Phils.), Inc. (KLI) ⁽²⁾

(Forward)

Relationship	Name	
Other Affiliated Companies ⁽⁵⁾	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.	
	Other Affiliated Companies ⁽⁵⁾	Mindpro Retail Inc.
		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.		
Walmart 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 SCVASI, with SOI as the surviving entity. The merger was approved by the SEC on December 16, 2025.

(2) Formerly Kerry Logistics (Phils.), Inc.

(3) Dormant companies.

(4) In September 2020, the BOD approved the merger of these companies, with NLHMCI as the surviving entity. The SEC approved the merger on March 13, 2025.

(5) 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	Three Months Ended March 31	
		2026	2025
		<i>(In Thousands)</i>	
Stockholders of the Company	Outside services	(₱31,600)	(₱28,724)
	Computer charges	(6,487)	(6,287)
	Interest expense	(2,420)	-
Associate and Joint Venture	Freight revenue	2,663	-
	Shared cost	1,002	-
	Freight expense	(3,875)	(5,730)
Other Affiliated Companies	Sale of goods	98,374	60,368
	Freight revenue	92,474	76,893
	Interest expense	(71,453)	(87,102)
	Food and beverage	(45,128)	(52,576)

(Forward)

Nature	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands)</i>	
Outside services	(34,934)	(120)
Rent	(2,901)	(4,347)
Communication, light and water	–	(57)
Others – net	(4,830)	(5,251)
Key Management Personnel		
Short-term employee benefits	(18,340)	(17,020)

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

Financial Statement Account	Terms and Conditions	March 31, 2026	December 31,
		(Unaudited)	2025 (Audited)
		<i>(In Thousands)</i>	
Stockholders of the Company	Trade payable	(₱3,491)	(₱3,101)
	Accrued expenses	(18,191)	(8,561)
Associate and Joint Venture	Nontrade receivables	51,369	50,562
	Trade payables	(1,669)	(1,790)
	Accrued expenses	(150)	(414)
	Due to related parties	(9)	–
Other Affiliated Companies	Short-term loan	(1,147,000)	(1,524,000)
	Long-term debt	(3,210,649)	(3,208,978)
	Cash in bank	618,988	379,452
	Cash equivalents		3,877
	Nontrade receivables	151,032	108,682
	Accrued expenses	(38,949)	(46,429)
	Trade payables	(9,642)	(39,983)

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, avilment 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.
- In 2025, NHTC declared dividends amounting ₱6.7 million, of which ₱2.7 million was paid to a non-controlling shareholder.

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	March 31, 2026	December 31,
			(Unaudited)	2025
			<i>(In Thousands)</i>	<i>(Audited)</i>
2GO	SCVASI/EXP/2GOLI/SOI 2GO LAND/NLMHCI	30 to 60 days; noninterest-bearing	₱3,141,846	₱2,473,244
EXP	2GO/SCVASI/2GOLI/SOI/ 2GO LAND/NLMHCI	30 to 60 days; noninterest-bearing	389,326	380,446
SOI	2GO/SCVASI/EXP/2GOLI	30 to 60 days; noninterest-bearing	69,058	69,058
2GOLI	2GO/SCVASI/EXP/SOI/2GO LAND	30 to 60 days; noninterest-bearing	82,254	19,306
2GO Land	EXP/2GOLI/NLMHCI	30 to 60 days; noninterest-bearing	45,362	50,043
SOI	2GO	30 to 60 days; noninterest-bearing	49,138	44,777
NLMHCI	2GO/EXP/NHTC	30 to 60 days; noninterest-bearing	102,647	102,647
NHTC	2GO	30 to 60 days; noninterest-bearing	10,002	6,284
USDI	2GO/NHTC	30 to 60 days; noninterest-bearing	54,769	82,549

21. Equity

a. Share Capital

Details of share capital are as follows:

	March 31, 2026			December 31, 2025		
	Par value per share	Number of shares	Amount <i>(In Thousands)</i>	Par value per share	Number of shares	Amount <i>(In Thousands)</i>
Authorized capital stock						
Common shares	₱1,000.00	4,070,340	₱4,070,340	₱1.00	4,070,343,670	₱4,070,344
Preferred shares	—	—	—	1.00	4,564,330	4,564
Issued and outstanding common shares	1,000.00	2,460,578	2,460,578	1.00	2,462,146,316	2,460,578

Movements in issued and outstanding capital stocks follow:

Date	Activity	Number of shares	
		Issue price	Common shares
May 26, 1949	Issued capital stock 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
December 31, 2001	Treasury shares*	1.50	2,500,662,816 (38,516,500)
As of December 31, 2025			2,462,146,316
January 22, 2026	Decrease in number of shares due to increase in par value from P1.00 to P1,000.00 per share		2,462,146
	Redemption of fractional common shares resulting from the change in par value**		(1,568)
As of March 31, 2026			2,460,578

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

** Redemption is at par value

Issued and outstanding common shares are held by 2,288 and 5,369 equity holders as of March 31, 2026 and December 31, 2025, 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.

Decrease in authorized capital stock

On June 26, 2025, the BOD approved the following:

- i) Decrease of the authorized capital stock as shown below.

Authorized capital stock	From			To		
	Par value per share	Number of shares	Amount (In Thousands)	Par value per share	Number of shares	Amount (In Thousands)
Common shares	₱1.00	4,070,343,670	₱4,070,344	₱1,000.00	4,070,340	₱4,070,340
Preferred shares	1.00	4,564,330	4,564	-	-	-

- ii) Increase in the par value of common shares from ₱1.00 to ₱1,000.00 per share.

The decrease in authorized capital stock is due to the elimination of the preferred shares and the removal of fractional common shares resulting from the change in par value.

The amended Articles of Incorporation was approved by the Philippine SEC on January 22, 2026. The impact of these transactions in authorized capital stock and issued and outstanding common shares is shown below.

Authorized capital stock	From			To		
	Par value per share	Number of shares	Amount (In Thousands)	Par value per share	Number of shares	Amount (In Thousands)
Common shares	₱1.00	4,070,343,670	₱4,070,344	₱1,000.00	4,070,340	₱4,070,340
Preferred shares	1.00	4,564,330	4,564	-	-	-
Issued and outstanding common shares	1.00	2,462,146,316	2,460,578	1,000.00	2,460,578	2,460,578

Equity restructuring

On November 4, 2025, the BOD approved the corporate restructuring of 2GO Group, Inc.

On February 5, 2026, the SEC approved the equity restructuring to eliminate in full the deficit of 2GO as of December 31, 2024, based on its stand-alone financial statements, amounting to ₱775,039,000 against the APIC of ₱2,498,621,000, provided that the remaining of ₱1,723,582,000 cannot be applied for future losses that may be incurred by the Parent Company without prior approval of the Philippine SEC.

The impact of the equity restructuring on the APIC and consolidated deficit is shown below.

	As of December 31, 2025	Impact of restructuring (In Thousands)	After restructuring
APIC	₱2,498,621	(₱775,039)	₱1,723,582
Deficit	(1,861,185)	775,039	(1,086,146)

The restructuring has no effect on the total equity before and after the approval of the equity restructuring.

- b. Effective January 1, 2019, 2GO, as the surviving entity of the merger, issued a total of 2,176,151,907 shares with par value of One Peso (₱1.00) per share to the stockholders of Negros Navigation Co., Inc. (“NN”), former parent company and the absorbed company, in exchange for the net assets of NN. As a result, 2GO recognized the excess of the consolidated net assets of NN over the carrying value of additional shares issued by 2GO to NN stockholders as additional paid-in capital amounting to ₱1.6 billion and other equity reserves amounting to ₱712.2 million.
- c. Retained earnings include undistributed earnings amounting to ₱2,379.1 million and ₱1,189.7 million as of March 31, 2026 and December 31, 2025, 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 March 31, 2026 and December 31, 2025.

22. Cost of Services and Goods Sold

This account consists of the following:

	<i>Note</i>	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Cost of Services			
Transportation and delivery		₱1,175,557	₱994,055
Outside services		870,483	782,610
Fuel, oil and lubricants	20	755,048	982,392
Depreciation and amortization	11, 14	274,365	290,586
Personnel costs	25, 26	267,888	223,788
Repairs and maintenance		144,294	116,619
Rent	29	98,490	112,862
Food and beverage	20	90,780	87,849
Insurance		65,884	67,443
Arrastre and stevedoring		60,007	57,528
Material and supplies used		37,280	43,481
Communication, light and water		34,060	–
Taxes and licenses		25,125	–
Food and subsistence		23,025	21,498
Travel expenses		–	–
Concession expenses		8,869	11,217
Others		23,115	81,560
		₱3,969,269	₱3,873,470

23. General and Administrative Expenses

This account consists of the following:

	<i>Note</i>	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Personnel costs	25, 26	₱213,016	₱154,246
Outside services		53,154	20,454
Computer charges		31,323	36,585
Transportation and travel		13,942	12,468
<i>(Forward)</i>			

	<i>Note</i>	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Depreciation and amortization	11, 14	11,431	20,917
Service fees		9,403	6,597
Advertising and promotion		8,672	8,061
Rent	29	5,998	2,229
Communication, light and water		3,861	3,622
Taxes and licenses		3,268	1,991
Provision for ECL	8	2,595	4,553
Entertainment, amusement and recreation		1,790	1,902
Repairs and maintenance		744	684
Insurance		305	233
Others		14,179	9,798
		₱373,680	₱284,340

Others consist of various expenses that are individually immaterial such as input vat expense and other corporate expenses.

24. Other Income (Charges)

Financing Charges

	<i>Note</i>	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Interest expense on:			
Long-term debt	17	₱47,173	₱59,563
Short-term notes payable	15	25,231	36,001
Amortization of:			
Obligations under lease	18	25,981	24,992
Debt transaction costs	17	1,672	1,692
Other financing charges		5,248	4,840
		₱105,305	₱127,008

Other financing charges comprise of items that are individually immaterial. Accrued interest payable as of March 31, 2026 and December 31, 2025 amounted to ₱44.3 million and ₱44.5 million, respectively (see Note 16).

Others – net

	<i>Note</i>	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Interest income	7	₱429	₱374
Gain (loss) on disposal of property and equipment	12	120	(1,101)
Foreign exchange losses		1,523	(1,606)
Others - net		123,573	486
		₱125,645	(₱1,847)

Others - net comprise of prompt payment discount and other items that are individually immaterial. The balance for the three months ended March 31, 2026 includes reversal of general provision amounting to ₱121.3 million.

25. Personnel Costs

Details of personnel costs are as follows:

	Note	Three Months Ended March 31	
		2026	2025
<i>(In Thousands)</i>			
Salaries and wages		₱353,588	₱310,924
Retirement benefit cost	26	24,616	19,268
Other employee benefits		102,700	47,842
		₱480,904	₱378,034

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 ₱44.0 million to the retirement fund in 2026. The Group's transaction with the plan pertain to contribution and benefit payments.

Total retirement benefit cost included in the interim unaudited condensed consolidated statements of profit or loss amounted to ₱24.6 million and ₱19.3 million for the three months ended March 31, 2026 and 2025, respectively.

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

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
<i>(In Thousands)</i>		
Defined benefit obligation	₱671,731	₱647,115
Fair value of plan assets	(161,511)	(152,984)
	₱510,220	₱494,131

27. Income Taxes

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

	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands)</i>	
Current:		
RCIT	₱113,375	₱61,553
MCIT	2,006	1,098
	115,382	62,651
Deferred	(5,691)	(20,936)
	₱109,690	₱41,715

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

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
	<i>(In Thousands)</i>	
Directly recognized in profit or loss		
Deferred income tax assets on:		
Accrued retirement benefits	₱83,572	₱82,835
Unamortized past service cost	6,519	6,654
NOLCO	-	-
MCIT	6,625	4,627
Obligations under lease, net of right-of-use assets	309,479	305,251
Accruals and others	131,429	132,304
	537,624	531,671
Deferred income tax liabilities on:		
Right-of-use assets	(303,326)	(295,534)
Unamortized debt arrangement fees and other taxable temporary differences	(2,923)	(2,858)
	231,375	233,279
Directly recognized in OCI		
Deferred income tax asset on remeasurement of retirement costs	30,706	28,070
	₱262,081	₱261,349

28. Earnings Per Share (EPS)

Basic and diluted earnings per share were computed as follows:

	Three Months Ended March 31	
	2026	2025
	<i>(In Thousands, except weighted average number of common shares and loss per common shares)</i>	
Net income for the period attributable to equity holders of the Parent Company	₱401,015	₱227,874
Net income for the period attributable to equity holders of the Parent Company (from continuing operations)	₱401,015	₱227,641
Weighted average number of common shares outstanding for the year	2,460,578	2,460,578
Income per common share	₱162.9759	₱92.6099
Income per common share (from continuing operations)	₱162.9759	₱92.5153

The weighted average number of common shares outstanding in 2025 was retrospectively adjusted to consider the impact of the reverse stock split, which was approved by the Philippine SEC in January 2026 (see Note 21).

There are no potentially dilutive common shares as at March 31, 2026 and 2025.

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 March 31, 2026 and December 31, 2025, 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:

March 31, 2026

	Trade Receivables								
	Cash Refundable in banks deposits		Current	Days Past Due				Total	Contract assets
				0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days		
Expected credit loss rates	-%	-%	0.00%- 7.96%	0.01%- 28.14%	0.08%- 43.23%	0.23%- 50.93%	0.43%- 100.00%		0.05%- 1.50%
Estimated total gross carrying amount	₱710,488	₱258,173	₱1,551,849	₱368,235	₱92,059	₱26,303	₱591,807	₱2,630,252	₱705,795
Expected credit loss	₱-	₱-	₱67,657	₱19,721	₱8,010	₱2,807	₱379,593	₱477,789	₱6,170

December 31, 2025

	Trade Receivables								
	Cash Refundable in banks deposits		Current	Days Past Due				Total	Contract assets
				0 to 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days		
Expected credit loss rates	-%	-%	0.00%- 7.96%	0.01%- 28.14%	0.08%- 43.23%	0.23%- 50.93%	0.43%- 100.00%		0.05%- 1.50%
Estimated total gross carrying amount	₱519,809	₱265,615	₱1,725,525	₱443,185	₱260,474	₱41,877	₱472,277	₱2,943,338	₱943,932
Expected credit loss	₱-	₱-	₱67,871	₱20,867	₱9,810	₱967	₱369,933	₱469,448	₱9,307

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 6.11% and from 4.92% to 7.11% for the three months ended March 31, 2026 and 2025, 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:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Assets financed by:		
Creditors	75%	77%
Stockholders	25%	23%

As of March 31, 2026 and December 31, 2025, 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.

	March 31, 2026 (Unaudited)		December 31, 2025 (Audited)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	<i>(In Thousands)</i>			
Financial Liabilities				
Long-term debts	₱3,230,899	₱3,389,846	₱3,230,353	₱3,426,135
Obligations under lease	1,837,668	1,825,125	1,637,481	1,630,971
	₱5,068,567	₱5,214,970	₱4,867,834	₱5,057,106

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.

The results of the discontinued operations are as follows:

	For the Three Months Ended March 31	
	2026	2025
	<i>(In thousands)</i>	
Financing charges / Loss before income tax	–	(P233)
Provision for income tax	–	–
Net loss	P–	(233)
Basic/Diluted Loss Per Share for discontinued operations	P–	(P0.0001)

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

	For the Three Months Ended March 31	
	2026	2025
	<i>(In thousands)</i>	
Operating activities	P–	(P1,446)
Investing activities	–	–
Financing activities	–	–

2GO GROUP, INC.**RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
FOR THE THREE MONTHS ENDED MARCH 31, 2026**

(Amounts in Thousands)

		Unappropriated Retained earnings (deficit), beginning of reporting period		(P500,670)
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 (Equity Restructuring)	775,039	775,039
			<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		274,369
		Add/Less: Net Income (Loss) for the current year		283,006
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>

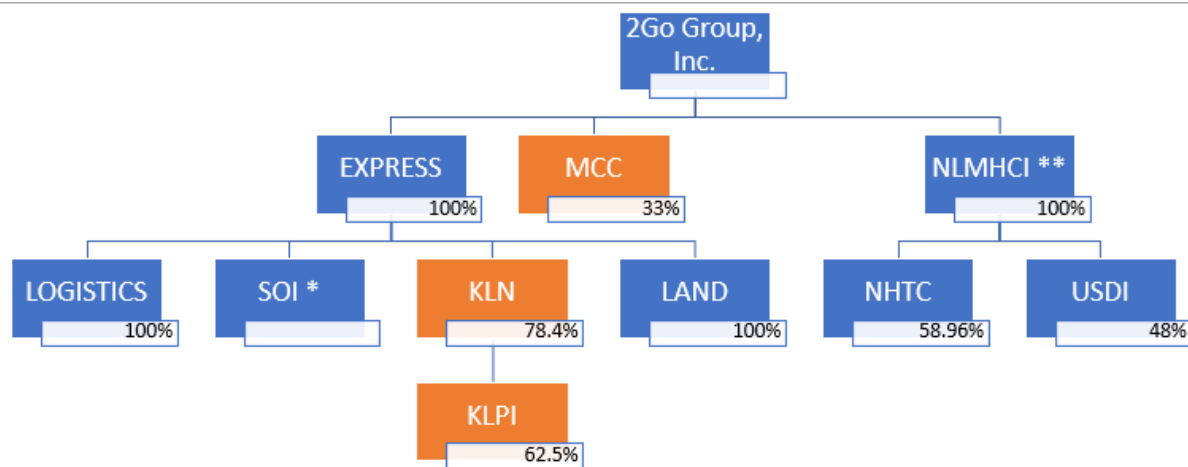
		Unrealized income recognized in the profit or loss in prior periods but reversed in the current reporting period (net of tax)	
Add:	Category C.3:	Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-
		Reversal of previously recorded fair value 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)	283,006
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)	1,569
		Net movement of deferred tax asset not considered in the reconciling items under the previous categories	
		Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g. set up of right of use asset and lease liability, set up of asset and asset retirement obligation, and set up of service concession asset and concession payable	(59,349)
		Adjustment due to deviation from PFRS/GAAP - gain (loss)	-
		Others (describe nature)	-
		<i>Sub-total</i>	<u>(57,780)</u>
		Total Retained Earnings, end of reporting period available for dividend	<u><u>₱499,595</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 MARCH 31, 2026 AND DECEMBER 31, 2025
(Amounts in Thousands)

	March 31, 2026	December 31, 2025
Total Liabilities	₱12,669,552	₱12,811,400
Total Stockholders' Equity	4,186,712	3,780,716
Debt-to-Equity	3.03	3.39
Total Current Assets	₱5,643,361	₱5,848,563
Total Current Liabilities	8,437,374	8,772,866
Current Ratio	0.67	0.67
Total Quick Assets	₱3,940,453	₱4,259,888
Total Current Liabilities	8,437,374	8,772,866
Quick Ratio	0.47	0.49
Net Income from continuing operations After Tax	₱400,498	₱1,053,001
Depreciation & Amortization	285,796	1,218,556
Net Income before Dep'n & Amortization	686,294	2,271,557
Short Term & Long-Term Notes	5,171,484	5,671,946
Solvency Ratio	0.13	0.40
Total Liabilities	₱12,669,552	₱12,811,400
Total Assets	16,856,264	16,592,115
Debt-to-Asset Ratio	0.75	0.77
Total Assets	₱16,856,264	₱16,592,115
Total Stockholders' Equity	4,186,712	3,780,716
Equity-to-Asset Ratio	0.25	0.23
Net Income	₱400,498	₱1,053,001
Average Total Assets	16,724,190	16,194,594
Return on Assets	0.02	0.07
Net Income from continuing operations	₱400,498	₱1,053,001
Average Total Stockholders' Equity	3,983,714	2,723,860
Return on Equity	0.10	0.39

	March 31, 2026	December 31, 2025
Sales	₱4,832,798	₱18,936,782
Cost of Services and Goods Sold	3,969,269	15,831,662
Gross Profit	863,529	3,105,120
Gross Profit Margin	0.18	0.16
Net Income from continuing operations	₱400,498	₱1,053,001
Sales	4,832,798	18,936,782
Net Profit Margin	0.08	0.06
EBIT	₱615,064	₱1,604,629
Interest Expense	105,305	476,064
Interest Coverage Ratio	5.84	3.37

Corporate Structure
As of March 31, 2026



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

Notes:

* On June 2, 2025, the BOD approved the merger between SOI and SCVASI, with SOI as the surviving entity. SEC approved the merger on December 16, 2025. SOI is 39%- owned by 2GO Group and 61%- owned by Express.

** In September 2020, the BOD approved the merger of NLMHCI and AEWI, with NLMHCI as the surviving entity. The SEC approved the merger on March 13, 2025

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 March 31, 2026
(Amounts in Thousands)

Ratio	Formula	March 31, 2026	December 31, 2025
Current ratio	Total Current Assets Divided by Total Current Liabilities	0.67	0.67
	Total Current Assets	5,643,361	
	Divided by: Total Current Liabilities	8,437,374	
	Current Ratio	0.67	
Acid test ratio	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	0.47	0.49
	Total Current Assets	5,643,361	
	Less: Inventories	238,971	
	Other current assets	1,463,937	
	Quick assets	3,940,453	
	Divided by: Total Current Liabilities	8,437,374	
Acid test ratio	0.47		
Solvency ratio	Net income before Depreciation & Amortization (Net income from operations plus depreciation and amortization) divided by Interest Bearing Debt	0.13	0.41
	Net income from continuing operations	400,498	
	Add: Depreciation & Amortization	285,796	
	Net income before depreciation & Amortization	686,294	
	Short Term Notes	1,816,000	
	Long Term Notes	3,230,900	
	Obligations under finance lease	170,525	
	Divided by: Interest Bearing Debt	5,217,424	
	Solvency Ratio	0.13	

Ratio	Formula	March 31, 2026	December 31, 2025	
Debt-to-equity ratio	Total Liabilities divided by Total Stockholders' Equity	3.03	3.39	
	Total Liabilities			12,669,552
	Divided by: Total Stockholders' Equity			4,186,712
	Debt-to-equity ratio			3.03
Asset-to-equity ratio	Total Assets divided by Total Stockholders' Equity	4.03	4.39	
	Total Assets			16,856,264
	Divided by: Total Stockholders' Equity			4,186,712
	Asset-to-equity ratio			4.03
Interest rate coverage ratio	Earnings from before interest & tax divided by interest expense	5.84	3.37	
	Earnings from operations before interest and income tax			615,064
	Divided by: Interest expense			105,305
	Interest rate coverage ratio			5.84
Return on equity	Net income from continuing operations divided by Average Total Stockholders' Equity	0.10	0.32	
	Net income from continuing operations			400,498
	Divided by: Average Total Stockholders' Equity			3,983,714
	Return on equity ratio			0.10
Return on assets	Net income from operations divided by Average Total Assets	0.02	0.07	
	Net income from continuing operations			400,498
	Divided by: Average Total Assets			16,724,190
	Return on assets			0.02
Net profit margin	Net income from continuing operations divided by Total Revenue	0.08	0.06	
	Net income from continuing operations			400,498
	Divided by: Total Revenue			4,832,798
	Net profit margin			0.08

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

Results of Operations for the Three Months Ended March 31, 2026 and 2025

Amounts in millions		Mar 31, 2026		Mar 31, 2025	% Change
Revenue	₱	4,832.8	₱	4,558.1	6%
Costs of Services		3,969.3		3,873.5	(2%)
Gross Profit		863.5		684.6	26%
General and Administrative Expenses		373.7		284.4	(31%)
Operating Income		489.8		400.2	22%
Other Charges		(20.4)		128.9	116%
Provision for Income Tax		109.7		41.7	(163%)
Net Income (Loss) from Continuing Operations	₱	400.5	₱	229.6	74%
Net Income (Loss) from Discontinued Operations		-		(0.2)	100%
Net Income (Loss)	₱	400.5	₱	229.4	75%
<u>Add back:</u>					
Financing Charges (Interest)		105.3		127.3	17%
Provision for Income Tax		109.7		41.7	(163%)
Depreciation and Amortization		285.8		311.5	8%
EBITDA	₱	901.3	₱	709.9	27%

2GO Group, Inc. and subsidiaries (2GO or the Group) delivered Net Income of ₱401M during the first quarter of 2026, ₱171M or 75% higher from the previous year. Revenue grew 6% year-over-year (YoY) while Operating Income increased 22% due to improved gross profit margin and depreciation.

Total revenue increased 6% to ₱4.8B from ₱4.6B YoY. Shipping revenue, comprised of sea freight and passenger travel, increased 4%. Sea freight increased 3% or ₱56M, while passenger travel increased 5% or ₱33M. Logistics and other services revenue increased 9% or ₱185M. Shipping accounted for 53% and non-shipping 47% of total revenue during Q1 2026, compared to 55% and 45% respectively during Q1 2025.

Cost of services and goods sold decreased 2%. General and administrative expenses increased 31%.

Other charges decreased 116% to -₱20M in Q1 2026 compared to ₱129M in Q1 2025. Finance charges decreased ₱22M or 17%, while other income increased ₱127M.

2GO delivered EBITDA of ₱901M at 18.6% margin in Q1 2026, a 27% or ₱191M increase from ₱710M at 15.6% margin in Q1 2025.

Financial Position as of March 31, 2026 and December 31, 2025

Amounts in millions	As of		% Change
	Mar 31, 2026	Dec 31, 2025	
Current Assets	₱ 5,643.4	₱ 5,848.6	(4%)
Noncurrent Assets	11,212.9	10,743.6	4%
Total Assets	₱ 16,856.3	₱ 16,592.1	2%
Current Liabilities	₱ 8,437.4	₱ 8,772.9	(4%)
Noncurrent Liabilities	4,232.2	4,038.5	5%
Total Liabilities	₱ 12,669.5	₱ 12,811.4	(1%)
Total Equity	4,186.7	3,780.7	11%
Total Liabilities and Equity	₱ 16,856.3	₱ 16,592.1	2%

Total Assets increased 2% from ₱16.6B to ₱16.9B, while Total Liabilities decreased 1% from ₱12.8B to ₱12.7B.

Assets

Current Assets decreased 4% from ₱5.8B to ₱5.6B. Cash and Cash Equivalents increased 38% from ₱567M to ₱781M. Trade and Other Receivables, net of Allowance for Doubtful Accounts, decreased 14% from ₱3.7B to ₱3.2B.

Noncurrent Assets increased 4% from ₱10.7B to ₱11.2B.

Liabilities

Current Liabilities decreased 4% from ₱8.8B to ₱8.4B. Short-term Notes Payable decreased 21% from ₱2.3B to ₱1.8B.

Noncurrent Liabilities increased 5% from ₱4.0B to ₱4.2B.

Equity

Total Equity increased 11% from ₱3.8B to ₱4.2B as 2GO delivered Net Income of ₱401M in Q1 2026.

Key Performance Indicators

The following are the key financial ratios of the Group for the years ended March 31, 2026 and 2025 and as of March 31, 2026 and December 31, 2025.

	Mar 31, 2026	Mar 31, 2025
Revenue Growth	6.0%	8.5%
Net Income Margin	8.3%	5.0%
EBITDA (in Millions of Pesos)	₱ 901.3	₱ 709.9
EBITDA Margin	18.6%	15.6%
	As of	
	Mar 31, 2026	Dec 31, 2025
Current Ratio	0.7	0.7
Bank Debt to Total Equity Ratio	1.2	1.5
Total Liabilities to Total Equity	3.0	3.4

Net Income Margin increased to 8.3% in Q1 2026 vs. 5.0% in Q1 2025. EBITDA up 27% or ₱191M to ₱901M with 18.6% margin in Q1 2026 vs. ₱710M with 15.6% margin in Q1 2025.

Current Ratio is 0.7 as of March 31, 2026 and December 31, 2025. Bank Debt to Total Equity improved to 1.2 as of March 31, 2026, from 1.5 as of December 31, 2025, while Total Liabilities to Total Equity decreased to 3.0 from 3.4.

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, 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 2026, 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

2GO Group, Inc.

Signature and Title



William Charles Howell **COO and CFO**

Date

May 4, 2026
