

COVER SHEET

SEC Registration Number

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COMPANY NAME

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

7	9		E	D	S	A	,		B	r	g	y	.		H	i	g	h	w	a	y		H	i	l	l	s	,	
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Form Type

1	7	-	A	

Department requiring the report

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

Company's Telephone Number

7918-8188

Mobile Number

No. of Stockholders

5,556

Annual Meeting (Month / Day)

Every 2nd to the last Friday
of April Each Year

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestg
roup.com

Telephone Number/s

02-7918-8188

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATIONS CODE
AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

For the calendar year ended **December 31, 2024**

SEC Identification Number **170957**

BIR Tax ID **000-533-224**

Exact name of registrant as specified in its charter

FILINVEST LAND, INC.

Province, Country or other jurisdiction of incorporation or organization

Philippines

Filinvest Bldg., #79 EDSA, Highway Hills, Mandaluyong City, Metro Mla.

1550

Address of principal office

Postal Code

Registrant 's telephone number, including area code

02-7918-8188 / 02-7588-1678

N/A

Former name, former address, and former fiscal year, if changed since last report

Securities registered pursuant to Section 8 and 12 of the SRC

<u>Title of Each Class</u>	<u>Number of shares of Common Stock Outstanding</u>	<u>Amount of Interest-bearing Debt Outstanding</u> In Php thousands
Common Stock, P 1.00 par value	22,383,759,506	₱77,889,232

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

Yes

☒

No

☐

Check whether the issuer:

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

Yes

☒

No

☐

- has been subject to such filing requirements for the past 90 days.

Yes

☒

No

☐

State the aggregate market value of the voting stock held by non-affiliates. **₱4.32 Billion**

**APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION
OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEAR:**

Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court of the Commission.

Yes ☐ Not Applicable No ☐

If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-1 into which the document is incorporated.

- (a) Any annual report to security holders;
- (b) Any proxy or information statement filed pursuant to SRC Rule 20 and 17.1(b);
- (c) Any prospectus filed pursuant to SRC Rule 8.1-1

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Part 1 – BUSINESS AND GENERAL INFORMATION

Item 1. BUSINESS

1. 1. Brief Description and Recent Developments

Filinvest Land Inc. (“FLI” or “the Parent Company”) is one of the leading real estate developers in the country, providing a wide range of real estate products to residential and commercial customers. FLI (including its predecessor’s operations) has over 50 years of real estate expertise and has developed over 2,500 hectares of land, having provided home/home sites for over 200,000 families.

FLI is one of the largest nationwide residential developers in 55 cities and towns in 22 provinces in the Philippines. It is also one of the largest mid-rise buildings (MRB) developers in the country today and a market leader in the affordable and middle-income residential segments. It currently owns land bank of 1,629.5 hectares and has joint ventures arrangement for another 196.5 hectares, totaling 1,826 hectares under its control and management for sustainable future growth.

The Parent Company and its subsidiaries (collectively referred to as “the Group”) offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects and condominium buildings. The Group also leases out commercial and office spaces in Muntinlupa City, Makati City, Pasay City, Cebu City, Tagaytay City, Cavite, Dumaguete and Clark Mimosa. Upcoming locations are New Clark City (NCC), Ortigas, Manila, among others in the pipeline.

FLI now operates 38 office buildings totaling 694,077 square meters and 256,830 sq.m. Gross Leasable Area (GLA) in retail portfolio.

With a more diversified portfolio, FLI expects to generate stable recurring revenue from its retail and office investment properties. These recurring revenues can, in turn, be used to provide internally generated funding for other projects. FLI is not and has never been a subject of any bankruptcy, receivership, or similar proceedings.

19.2-hectare South Road Properties

In July 2015, FLI, Filinvest REIT Corp. (“FILRT”) and Filinvest Alabang, Inc. (“FAI”) (collectively referred to as “Filinvest Consortium”) won the bidding for a 19.20-hectare lot in Cebu’s South Road Properties (SRP). Thereafter, on August 7, 2015, the Filinvest Consortium entered into a Deed of Sale on Installment (DSI) with the Cebu City Government. In a letter dated January 6, 2017, the Cebu City Mayor questioned the validity of the sale and gave the buyers the option to withdraw from the sale at buyer’s discretion. In a letter to the Cebu City Mayor dated February 7, 2017 (the Letter), Filinvest Consortium expressed its intention to rescind the DSI. Under the DSI, Cebu City undertook to comply with several covenants, undertakings and obligations no later than February 7, 2016 (or 180 days from execution of the DSI). The Letter pointed out that as of February 7, 2017, the said covenants, undertakings and obligations have not been complied with and it does not appear that these will be complied with within a foreseeable reasonable period of time.

The rescission of the DSI shall only take effect upon return by Cebu City of the down payment and installment payments made to Cebu City by Filinvest Consortium, plus interests, within ninety (90) days from receipt of the Letter in accordance with Section 5.7 of the DSI. Pending receipt of such payments, the DSI shall remain valid and subsisting by and among the parties.

As of February 27, 2019, such payment has not been received, and no formal and definitive legal proceeding has been undertaken by the parties on this matter. Consequently, as of said date, the DSI remains valid and Filinvest Consortium has the sole and rightful claim over the property.

The 19.2-hectare property mentioned above is a separate property from the other two (2) properties within the SRP which were acquired from Cebu City: a) the 40-hectare property under a joint venture undertaking with Cebu City; and b) the 10-hectare property which was already paid in full by FLI to Cebu City.

On August 2, 2019, Filinvest Consortium informed Cebu City that the payments will be judicially consigned in accordance with law considering that to date, Cebu City has not yet returned the payments with interest, thus, the conditional rescission has already expired. In response, Cebu City issued a letter dated October 4, 2019 to FLI Consortium and insisted that the latter has no longer any debt to Filinvest Consortium as the DSI was effectively rescinded. Cebu City reiterates its willingness to restitute the Filinvest Consortium of the amount it has already paid prior the rescission.

The Cebu City Government and Filinvest Consortium came to a resolution on January 8, 2020 with the full payment and the signing of the Deed of Absolute Sale. The Filinvest Consortium paid on December 17, 2019 the full amount of the purchase price of the lot plus the accumulated interest for the unpaid installments since 2017. Accordingly, the matter has been resolved.

The carrying value of the property amounted to ₱1.47 billion as of December 31, 2024.

1.2. Form and Date of Organization

FLI was incorporated in the Philippines on November 24, 1989 as Citation Homes, Inc. and later changed its name to FLI on July 12, 1993. It started commercial operations in August 1993 after Filinvest Development Corporation (FDC), FLI's Parent Company, spun off its real estate operations and transferred all related assets and liabilities to FLI in exchange for shares of stock of FLI. FLI was listed on the Philippine Stock Exchange (PSE) on October 25, 1993.

As of December 31, 2024, FDC owns 71.43% of Common Stock and 100% of Preferred Stock of FLI. FDC is the holding company for real estate and other business activities of the Gotianun Family. FDC traces its origin to the consumer finance business established by Mr. Andrew Gotianun Sr. and his family in 1955. The shares of FDC and FLI are both listed in the Philippine Stock Exchange. The ultimate parent company of FLI is A. L. Gotianun, Inc.

1.3. Subsidiaries

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as at December 31, 2024, 2023 and 2022 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

Subsidiaries	Nature of Business	2024	2023	2022
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%	100%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%	55%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%	100%
SJR Developers, Inc. (SDI)	Real estate developer	100%	100%	100%
Niyog Property Holdings, Inc. (NPHI) ²	Real estate developer	100%	100%	—
Cajal Realty Corporation (CRC) ²	Real estate developer	100%	100%	—

(Forward)

Subsidiaries	Nature of Business	2024	2023	2022
Crystal Ball Realty & Management Inc. (CBRM)	Real estate developer	100%	100%	100%
Cloverleaf Holdings Corporation (CHC)	Real estate developer	100%	100%	100%
Filinvest REIT Corp. (FILRT) ³	Leasing	51%	63%	63%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%	100%
Filinvest Clark Mimosa, Inc. (FCMI)	Leasing	100%	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%	100%
ProOffice Works Services, Inc. (ProOffice)	Property management	100%	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%	100%
Co-Living Pro Managers Corp. (CPMC)	Property management	100%	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ⁴	Theater operator	60%	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	98%	98%	98%
Nature Specialists, Inc. (NSI)	Recreational and hospitality business operator	75%	75%	75%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing	100%	100%	100%
Property Leaders International Limited (PLIL)	Marketing	100%	100%	100%

(Forward)

Subsidiaries	Nature of Business	2024	2023	2022
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing	100%	100%	100%
FREIT Fund Managers, Inc. (FFMI)	Fund Manager	100%	100%	100%
OurSpace Solutions, Inc. (OSI) ⁵	Coworking spaces	70%	70%	100%

Notes:

1. FBCI is owned indirectly through FCGCC.
2. NPFI and CRC were acquired in 2023 (see Note 1).
3. On December 11, 2024, the settlement of the Voluntary Tender Offer of shares owned by FLI in FILRT at an exchange ratio of 0.32 FILRT shares for every 1.00 FLI share resulted to FLI's 51% ownership in FILRT (see Note 1)
4. FSM Cinemas is owned indirectly through FSI.
5. On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KMC Community, Inc. (KCI), resulting to FLI's 70% ownership in OSI (see Note 1).

Except PLIL which was incorporated in British Virgin Islands, all of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.

Detailed discussion of each subsidiary follows:

- FAPI was incorporated on September 25, 2006 to develop the TSNC and Phase 2 of Timberland Heights
- FCGCC was incorporated on February 11, 2016 to undertake the development of the Clark Green City (now New Clark City) Project under the Joint Venture Agreement with Bases Conversion and Development Authority (BCDA). On March 16, 2016, FBCI, a joint venture company with BCDA, was incorporated to handle the aforementioned development. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA. As of December 31, 2024, FCGCC and FBCI had started commercial operations.
- On January 19, 2018, FLI entered into a Share Sale and Purchase Agreement to purchase 100% of the total outstanding shares of GPRDI for a total consideration of ₱1.71 billion. The primary purpose of GPRDI is to hold, purchase, lease, contract otherwise acquire any and all real and personal properties. GPRDI has not started its commercial operations as of December 31, 2023.
- Homepro was incorporated on March 25, 1997 and started commercial operations on January 1, 2004.
- Filinvest REIT Corp. or FILRT (formerly Cyberzone Properties, Inc. or CPI)
 - CPI was incorporated on January 14, 2000 and began commercial operations on May 1, 2001. CPI is registered with the Philippine Economic Zone Authority (PEZA) as an Economic Zone Facilities Enterprise, which entitles CPI to certain tax benefits and non-fiscal incentives such as paying a 5% tax on its modified gross income in lieu of national and local taxes. CPI is also entitled to zero percent value-added tax on sales made to other PEZA-registered enterprises. CPI owns and operates the IT buildings in Northgate Cyberzone, located in a 10-hectare parcel of land within Filinvest City owned by the parent Company, FLI. CPI also leases a parcel of land measuring 2,831 sq.m. located in EDSA on which CPI built a 5-storey BPO building with a total GLA of 7,358 sq.m.
 - On January 20, 2021, FLI announced, through a Philippine Stock Exchange (PSE) disclosure, that its BOD has approved the transition of Cyberzone Properties, Inc. (CPI) into a Real Estate Investment Trust (REIT) company. CPI is intended to be listed on the PSE in compliance with the minimum public ownership requirements under Philippine securities regulations and the Real Estate Investment Trust Act of 2009 and its implementing rules and regulations and under such terms and conditions as FLI's BOD may subsequently approve.

- On June 25, 2021, the shareholders of CPI, approved the following amendments to its Articles of Incorporation: (i) change of name of the Company from “Cyberzone Properties, Inc.” to “Filinvest REIT Corp.”, (ii) reduction of the par value of its shares, and (iii) increase of the CPI’s authorized capital stock. The change in name of CPI, the reduction in the par value of its shares, and the increase in its authorized capital stock were approved by the Philippine SEC on July 2, 2021.
- On August 12, 2021, Filinvest REIT Corp. (“FILRT”) was listed and traded in the Philippine Stock Exchange under the PSE ticker symbol FILRT. As a result of the listing, FLI’s interest in FILRT decreased to 63.3%. The transaction was accounted for as an equity transaction since there was no change in control over FILRT. Net proceeds from the public offering amounted to ₱12.13 billion and resulted in additions to retained earnings and noncontrolling interest amounting to ₱10.47 billion and ₱1.66 billion, respectively as of December 31, 2021.
- On December 11, 2024, FLI settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. FLI has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tendered. As a result of the voluntary tender offer, FLI’s interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion. As of December 31, 2024, the noncontrolling interest in FILRT represents 48.9%.
- A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income tax-free entity.
- As of December 31, 2024 and 2023, FILRT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. FILRT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a “no-tax” regime. Accordingly, the Group has derecognized deferred taxes of FILRT as of December 31, 2022 and did not recognize any deferred taxes in 2024 and 2023.
- FAC was incorporated on January 22, 1997 and as at date of this report is 60%-owned by FLI and 40%-owned by Reco Herrra Pte.Ltd. (RHPL). RHPL is 100% beneficially owned by the Government of Singapore Investment Corporation Pte. Ltd (GIC). FAC owns 50% of the 52-storey PBCom Tower, which is strategically located at the corner of Ayala Avenue and V. A. Rufino Streets in the Makati City Central Business District. FAC owns 35,148 sq. m. of leasable office space. The remaining 50% of PBCom Tower is owned by the Philippine Bank of Communications.

The PBCom Tower is registered as an information technology building by PEZA. Consequently, tenants occupying space in PBCom Tower are entitled to avail of certain fiscal incentives, such as a 5% tax on modified gross income in lieu of the national and local taxes, income tax holidays and zero-rated vat in certain cases.

- FCI was incorporated on February 4, 2014. Its primary purpose is to acquire by purchase, lease, donate and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, hold for investment and deal with real estate of all kinds.
- FCMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation or and hold for investment or otherwise deal in real estate of all kinds, nature, purpose and/or any interest or right therein. FCMI started its commercial operations in May 2018. FCMI is registered with Clark Development Corporation (CDC) as a Clark Freeport Enterprise enjoying incentives similar to PEZA such as zero percent VAT on its revenues and 5% income tax on modified gross income, in lieu of local and national taxes.

- FSI is the property manager of Festival Supermall and other commercial centers of the Group. FSI also owns 60% equity interest in FSM Cinemas, Inc. which is engaged in theater operations. The transaction was accounted for using the pooling of interest method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts.
- FLC, formerly Whiluc Realty & Mgt., Inc., is organized to invest in, purchase, hold, use, develop, lease, sell, assign, transfer mortgage, enjoy or otherwise dispose of, as may be permitted by law, all properties of every kind, nature and description and wherever situated, of any corporation.
- FLMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation, or otherwise, and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds, nature and purpose and/or any interest or right therein. FLMI has not started its commercial operations as of December 31, 2024.
- FLTI was incorporated on November 20, 2017. Its primary purpose is to acquire by purchase, lease (except financial leasing), donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds in order to develop, conduct, operation, lease, and maintenance of retail and commercial space for rent, restaurants, function halls, amusement centers, movie or cinema theaters within the compound to premises of the shopping centers. FLTI started its commercial operations in March 2018.
- ProOffice was incorporated on March 18, 2019 to engage in the business of administration, maintenance and management of real estate developments and projects. ProOffice started commercial operations in August 2019.
- Prosper was incorporated on June 10, 2002 and started commercial operations on January 01, 2004. Prosper is engaged in the purchase, lease and management of hotel and resort properties, and is currently managing the condotel operations of a high-rise condominium (Grand Cenia) and hotel project (Quest Hotel) of the Parent Company. Prior to Prosper's condotel and hotel management business. Prosper was engaged in the business of real estate marketing.
- FSM Cinemas was incorporated on April 23, 1998 to engage in servicing, booking, and arranging of films, programs, shows, plays, and movies of all kinds, types, makes, and colors for movie houses, theaters, or cinemas and to exhibit, lease, rent, run or operate movie houses, theaters, cinemas, as well as, supply equipment, machines and accessories needed in cinemas, theaters or movie houses.
- On April 15, 2015, FLI and Engie Services Philippines (ENGIE) entered into a joint venture agreement to establish PDDC. On July 31, 2015, PDDC was registered with the SEC to engage in the business of building and operating a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City. PDDC is 60% owned by FLI and 40% owned by ENGIE.
- On July 18, 2018, the SEC approved TSNC's application on voluntary revocation of its secondary registration which allowed TSNC to proceed with the transition to its new business model. On November 15, 2018, the Board of Directors (BOD) approved the amendment to change the primary purpose of the Club from an exclusive recreational sports club to a for-profit commercial facility. On July 24, 2019, TSNC submitted its Amended Articles of Incorporation to SEC. The amendments include (a) change of the primary purpose of TSNC from that of an exclusive recreational sports club to a real estate development Company; (b) change of TSNC's principal address from No. 173 P. Gomez Street, San Juan, Metro Manila to Timberland Heights, Barangay Malanday, San Mateo Rizal; (c) converting of TSNC's capital stock from no par value club shares to par value shares; (d) removal of provisions which characterizes TSNC as an exclusive

nonprofit association; and (e) removal of paragraphs which relate to the operations of an exclusive recreational sports club. On August 1, 2019, the SEC approved TSNC's application for voluntary revocation of its secondary registration. On August 18, 2019, the SEC approved TSNC's Amended Articles of Incorporation.

- Leisurepro was incorporated on April 21, 2004 and started commercial operations on January 1, 2006. The company is inactive since 2010.
- PPI was incorporated on March 29, 2017 to provide management, organizational, and other administrative services and training. PPI started its commercial operations in November 2017.
- PLIL, a company limited by shares, was registered at the territory of the British Virgin Islands on February 7, 2017. PLIL has not started its commercial operations as of December 31, 2022
- Promax was incorporated on October 3, 1997. It is engaged in real estate marketing business and handles the marketing and sale of socialized, affordable, middle income, high-end and farm estate property development projects of FLI.
- RPI was incorporated on August 3, 2017 to provide administrative support services and skills training primarily through the use of information technology, licensed software, and systems. RPI has started its commercial operations in November 2017.
- NSI was incorporated on August 24, 2018 to conduct real estate activities primarily focusing on hotels, inns, resorts, lodging houses and all adjunct accessories thereto, including restaurants, cafes, bars, stores, offices, etc. NSI has opened on March 14, 2021.
- FFMI was incorporated on April 13, 2021 to engage in business of providing fund management services to REIT companies.
- CPMC was incorporated on August 2, 2021 in to engage in business of developing, operating, managing, and maintaining dormitels, lots and buildings whether owned or leased, to make such dormitels available for all clients for temporary stay as well as any and all services and facilities incidental thereto. CPMC has started commercial operations last November 2023.
- OSI was incorporated on May 26, 2022 to engage in developing, operating, managing and maintaining commercial buildings to be used as coworking spaces. On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI, for the development and management of flexible workspaces.
- On December 14, 2022, FLI entered into a Deed of Assignment to purchase 100% ownership in SDI. The primary purpose of SDI is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartment and other structures.

1.4. Equity Investments in Associates

Corporate Technologies, Inc. (CTI)

CTI was incorporated on September 11, 1998. CTI is primarily involved in information technology service management. Share in net earnings (loss) of CTI amounted to ₱1.77 million and ₱1.97 million for the years ended December 31, 2024 and 2023, respectively.

Pro Excel Property Managers, Inc. (Pro-Excel)

Pro-Excel was incorporated on November 28, 2001. Pro-Excel is engaged in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision project.

On December 26, 2019, FILRT and FCI, wholly owned subsidiaries of the Parent, entered into a Deed of Assignment to sell ownership in Pro-Excel to FAI. The sale resulted to a loss of control in Pro-Excel and deconsolidation by the Group. The remaining ownership of the Parent Company in Pro-Excel is 33%. Subsequently, on December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-excel to the Parent Company for a total consideration of ₱10.97 million. The resulting ownership interest of the Parent Company in Pro-excel after the transfer is 47.5%. Share in net earnings of Pro-Excel amounted to ₱13.46 million and ₱10.49 million for the years ended December 31, 2024 and 2023, respectively.

Filinvest Alabang, Inc. (FAI)

FAI was incorporated on August 25, 1993 and started commercial operations in October 1995. FAI has a 20% equity interest in FAI. FAI's current project is the master-planned development of Filinvest City, a 244-hectare premier satellite city development project which has been designed using modern and state of the art, ecological, urban planning with a mixed-use integrated development with office, retail, residential, institutional, leisure and hospitality projects in southern Metro Manila. Located at the southern end of Metro Manila and adjacent to the South Expressway, Filinvest City is approximately 16 kilometers south of Makati, the central business district in Manila and 10 kilometers from the Ninoy Aquino International Airport. Filinvest City is surrounded by over 2,800 hectares of developed high-end and middle-income residential subdivisions and commercial developments. The said project is under a joint venture agreement with the Government. For the years ended December 31, 2024 and 2023, share in net earnings of FAI amounted to ₱311.7 million and ₱213.7 million, respectively.

Filinvest Mimosa, Inc. (FMI)

FMI was incorporated on March 31, 2016 and started commercial operations in June 2016. FMI has a 47.5% equity interest in FMI. FMI entered into a long-term lease of the Mimosa Leisure Estate after it bagged the rights to lease, develop and operate the 202-hectare estate development. FMI subleases to FCMI the development of residential, office, retail and co-living leasing segments of the Estate while another affiliate MCI, sub-leases the leisure, hospitality segments of the estate. For the years ended December 31, 2024 and 2023, share in net earnings of FMI amounted to ₱2.60 million and ₱1.28 million, respectively.

Dreambuilders Pro Inc. (DPI)

DPI was incorporated on January 11, 2017 to engage in and carry on a general construction business. DPI started its commercial operations in February 2017. DPI was deconsolidated from the Group and became associate effective December 17, 2020. For the years ended December 31, 2024 and 2023, share in net earnings (loss) of DPI amounted to ₱1.17 million and (₱2.38 million), respectively.

SharePro Inc. (SPI)

SPI was incorporated and operating in the Philippines and handles the technical and project management services for the Group. In December 2021, the Parent Company subscribed for 45.0% of SPI's capital stock amounting to ₱11.25 million. Share in net earnings of SPI amounted to ₱28.38 million and ₱16.99 million for the years ended December 31, 2024 and 2023, respectively.

1.5. Business Groups, Product Categories, Target Markets and Revenue Contribution

FLI is now composed of two business segments with corresponding product categories, target markets and revenue contributions as follows:

The two main line of business are the (1) real estate sales and (2) recurring income business which covers the leasing of offices, retail malls, industrial spaces, and dormitel and hotel operations.

1.5.1 Real Estate Sales Segment

FLI's main real estate activity since it started operations has been the development and sale of residential property, primarily housing units and subdivision lots; in certain cases, provision of financing for unit sales.

Residential Projects

FLI is able to tap the entire residential market spectrum with the following range of housing units catering to various income segments:

Socialized housing: These developments are marketed and sold under FLI's Pabahay brand and consist of projects where lots typically sell for ₱160,000 or less per lot and housing units typically sell for ₱580,000 or less per unit. Buyers for these projects are eligible to obtain financing from the Government-mandated PAGIBIG Fund. Maximum sale prices for FLI's specialized housing products do not exceed the Government-mandated ceiling of ₱580,000 per unit. Any income realized from the development and improvement of socialized housing sites are exempt from taxation. In October 2023, the price limit for socialized housing was increased to ₱850,000.

Affordable housing: These developments are marketed and sold under FLI's Futura Homes brand and consist of projects where lots are typically sold at prices ranging from above ₱160,000 to ₱750,000 and housing units from above ₱850,000 to ₱2,500,000. FLI designs and constructs homes in this sector with the capacity and structural strength to give the owner the option to place an additional storey, which can double the available floor area. Affordable housing projects are typically located in provinces bordering Metro Manila, including Bulacan, Laguna, Batangas and Cavite, and in key regional cities and provinces such as Tarlac, Cebu, Davao, Palawan, Bacolod and Koronadal. Construction of a house in this sector is usually completed approximately six months from the completion of the required down payment.

Middle-income housing: These developments are marketed and sold under FLI's Aspire brand and consist of projects where lots are typically sold at prices ranging from above ₱750,000 to ₱1,200,000 and housing units from above ₱2,500,000 to ₱4,000,000. Middle-income projects are typically located within Metro Manila, nearby provinces such as Rizal, Cavite, Pampanga and Laguna, and major regional urban centers in Cebu, Davao, and Zamboanga.

High-end housing: Marketed under Filinvest Prestige brand, these developments consist of projects where lots are sold at prices above ₱1,200,000 and housing units for above ₱4,000,000. FLI's high-end projects are located both within Metro Manila and in areas immediately outside Metro Manila.

Other Real Estate Projects

In order to achieve product and revenue diversification, FLI has added the following projects so as to cater to other market niches:

a. Townships

Townships are master-planned communities to include areas reserved for the construction of anchor facilities and amenities. FLI believes that these facilities and amenities will help attract buyers to the project and will serve as the nexus for the township's community. Anchor developments could include schools, hospitals, churches, commercial centers, police stations, health centers and some other government offices.

Filinvest at New Clark City

This 288-hectare property will be transformed into a vibrant mixed-use master planned metropolis that is in harmony with its natural setting. The BCDA, FLI's partner in the development, has completed the construction of the SCTEX-NCC Road and is now completing the Airport-NCC Road that will directly connect the project to the Clark Freeport Zone. New Clark City will be built around four pillars: world center, multi-gen metropolis, eco-efficient capital and strategic base – the cohesive foundation of a globally-competitive city. It will be shaped around the existing terrain, with meandering waterways and a Loop Park to connect its various pedestrian-friendly districts. Green path walks, bike lanes, e-transport systems and other innovative features are expected to set the benchmark for this pioneering development in the Philippines. The development will have 100 hectares of industrial park area, over 100 hectares of mixed-use commercial office, retail and residential developments, all interspersed with over 80 hectares of greens and open spaces. Currently, site development is ongoing including construction of ready-built factory buildings.

Filinvest Mimosa+ Leisure City

As the winning bidder in the privatization of the Mimosa estate in Pampanga, Filinvest is currently developing the 201-hectare property under Filinvest Mimosa, Inc., a new company formed by the consortium of FLI and FDC. FLI will handle the retail, office and residential components through its subsidiary FCMI, while FDC will undertake the hospitality, leisure and gaming segments, through its subsidiary Mimosa Cityscapes, Inc. (MCI). Envisioned to be a top-of-mind, year-round business and leisure destination, the sprawling Filinvest Mimosa+ Leisure City is being transformed into a vibrant and green central township that is home to various industries such as BPO, hospitality, retail, real estate, golf and gaming. Its location in Clark Freeport Zone allows FLI to take advantage of the growing interest of tourists and investors in the progressing Clark City. In addition to the renowned golf course, its components include a lifestyle and retail strip, a pavilion and grounds for events and an office campus called Workplus. This business hub will be composed of eight mid-rise buildings with fiber-optic facilities, podium parking and ground retail area. Also part of the design is a lovely promenade that will connect all buildings and serve as a place for employees to enjoy the serene outdoor environment of Mimosa. To complement the business and commercial district, the Quest Hotel and Conference Center Clark will be joined by a residential area of mid- to high-rise buildings for investment or end-use and the co-living/dormitel component (The Crib). The existing green resort environment will be further enhanced with parks, walking paths and bike trails to encourage wellness through nature and outdoor activities.

Ciudad de Calamba

Ciudad de Calamba is a 350-hectare development located in Calamba, Laguna. This township project is anchored by the Filinvest Technology Park-Calamba which is a PEZA-registered special economic zone. Ciudad de Calamba provides both industrial-size lots and ready-built factories to domestic and foreign enterprises engaged in light to medium non-polluting industries. FLI also donated to the city government of Calamba a parcel of land located within the Ciudad de Calamba, which will be used for a city health center and police station. FLI also intends to develop the Ciudad de Calamba Commercial Center as part of this township project.

Havila

Havila, or formerly, Filinvest East County is a 335-hectare township along the eastern edge of Metro Manila, which traverses the municipalities of Taytay, Antipolo and Angono. It is anchored by two educational institutions: San Beda College – Rizal and the Rosehill School. The master plan for Havila provides for a mix of affordable, middle-income and high-end subdivisions on rolling terrain overlooking Metro Manila at an elevation of 200 meters above sea level.

Timberland Heights

Timberland Heights is a 677-hectare township project anchored by the Timberland Sports and Nature Club. It is located in the municipality of San Mateo, which is just across the Marikina River from Quezon City, and has been designed to provide residents with leisure facilities and resort amenities while being located near malls, hospitals and educational institutions located in Quezon City.

City di Mare

Inspired by the world's best-loved coastal cities, City di Mare, or "City by the Sea", spans across 50.6 hectares at Cebu's South Road Properties.

It is a master-planned development composed of different zones catering to a wide array of lifestyles and activities - Il Corso, the 10.6-hectare waterfront lifestyle strip; the 40-hectare residential clusters; and The Piazza, nestled at the heart of the residential enclaves puts lifestyle essentials such as school, church, shops, and restaurants within the neighborhood. City di Mare is envisioned to be a destination in itself, taking full advantage of the coastal ambience featuring seaside shopping, dining, beach and water sports and more, right by the water's edge.

The 10.6-hectare retail development known as Il Corso shall have a gross leasable area of approximately 32,000 square meters. City di Mare has four resort-themed residential enclaves inspired by world-class resorts, with each 10-hectare development flaunting a distinct architectural character. With over 65% of the property allocated for wide, open areas and landscaped greens, City di Mare provides the generous amenity of breathing space and a refreshing dose of nature throughout the site. Residences are spread out over the sprawling development, maximizing the abundant sunlight and allowing the invigorating sea air to circulate freely.

In July 2015, FLI, Filinvest REIT Corp. ("FILRT") and Filinvest Alabang, Inc. ("FAI") (collectively referred to as "Filinvest Consortium") won the bidding for a 19.20-hectare lot in Cebu's South Road Properties (SRP). This property is referred to as SRP 2.

Wood Estates

A 94-hectare township located in Trece Martires, Cavite with easy access to schools, shopping centers and transportation hubs.

Iloilo Centrale

Iloilo Centrale is an 11.4-hectare mixed-use development in Leganes, Iloilo City where the highly anticipated Panay-Guimaras bridge will be located. Blending modern urban living with Iloilo's timeless heritage and charm, Iloilo Centrale will be a vibrant community offering residential, commercial, retail, and recreational spaces, as well as a transport hub.

b. Leisure projects

FLI's leisure projects consist of its residential farm estate developments and residential resort development.

1. Residential farm estates

FLI's residential farm estate projects serve as alternative primary homes near Metro Manila to customers, such as retirees and farming enthusiasts. Customers can purchase lots (with a minimum lot size of 750 square meters) on which they are allowed to build a residential unit (using up to 25.0% of the total lot area). The remaining lot area can be used for small-scale farm development, such as fish farming or vegetable farming. Residential farm estates are sold on a lot-only basis, with buyers being responsible for the construction of residential units on their lots. To help attract buyers, FLI personnel are available on site to provide buyers with technical advice on farming as well as to maintain demonstration farms.

At present, FLI has three residential farm estates:

Nusa Dua Farm Estate (“Nusa Dua”) located in Cavite province just south of Metro Manila. The amenities at the Nusa Dua development include a two-storey clubhouse and a 370 square meter swimming pool.

Mandala Residential Farm Estate (“Mandala”) located in Rizal province as part of the FLI’s Timberland Heights township project. It offers hobby farmers generous lot cuts and Asian-inspired homes that complement the mountain lifestyle.

Forest Farms Residential Farm Estate (“Forest Farms”) located in Rizal province as part of Company’s Havila township project. It is an exclusive mountain retreat and nature park, nestled between the hills of Antipolo and forested area of Angono.

2. Residential resort development

Kembali Coast on Samal Island, Davao is a beachfront residential resort development. This 50-hectare Asian-Balinese inspired island getaway offers low-density exclusivity and comes with a 1.8 km beach line that offers unobstructed view of the sea.

Laeuna de Taal (“Laeuna”) is located in Talisay Batangas with a view of the Taal lake and a lakeside residential community, about a ten-minute drive from the popular tourist destination of Tagaytay. Laeuna is an Asian Tropical-inspired community which offers three (3) residential enclaves (Arista, Bahia and Orilla) with a range of property choices for every family. Located on the water front is the Lake Club, a lakeside amenity designed for wellness, recreation and celebration.

c. Medium Rise Buildings

Medium Rise Buildings (MRB) projects are five-storey to ten-storey buildings clustered around a central amenity area. The buildings occupy 30% to 35% of the land area, providing a lot of open spaces. FLI currently has the following MRB projects:

Project Name	Location	Project Name	Location
Metro Manila/ Luzon		Visayas	
Asiana Oasis	Paranaque City	Amalfi Oasis	City di Mare, Cebu
Bali Oasis	Pasig City	Marina Spatial	Dumaguete
Bali Oasis 2	Pasig City	One Oasis Cebu	Mabolo, Cebu City
Capri Oasis	Pasig City	One Spatial Iloilo	Iloilo
Fora	Tagaytay	San Remo Oasis	City di Mare, Cebu
Fortune Hill	San Juan City	Umi Garden	City di Mare, Cebu
Futura East	Cainta, Rizal	Mindanao	
Maui Oasis	Sta. Mesa, Manila	Centro Spatial	Davao City
One Oasis Ortigas	Pasig City	Eight Spatial	Maa, Davao
One Spatial	Pasig City	One Oasis Cagayan de Oro	Cagayan de Oro
Panglao Oasis	Taguig	One Oasis Davao	Davao City
Sorrento Oasis	Pasig City	Veranda Resort Condos	Davao
The Signature	Balintawak, Quezon City	Maldives Aspire	Davao
Verde Spatial	Quezon City	Futura Vinta	Zamboanga
Alta Spatial	Valenzuela City	Futura Bay	General Santos, South Cotabato
Centro Spatial	Manila		
Belize Oasis	Muntinlupa		
Futura Monte	Naga City		

d. High Rise Buildings

The Linear

The Linear, a master-planned residential and commercial hub in Makati City. Two-L-shaped towers, each 24-storeys high, comprise this dynamic condominium community that perfectly caters to the needs of young urban professionals.

Studio City

Studio City is a community composed of five-tower residential condominium complex within the Filinvest City to serve the demand for housing of the growing number of professionals working within Filinvest City and in the nearby Madrigal Business Park.

Since it is located within the Filinvest City, residents will enjoy proximity to Festival Supermall, Westgate Center, Northgate Cyberzone, Asian Hospital and Medical Center, and other commercial, educational and medical institutions. The development consists of 18-storeys per building with commercial units at the ground floor. All residential floors will have 25 studio units per floor .

The Levels

Located at one of the highest points of Filinvest City at around 23 meters above sea level, The Levels is a one-block, four-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with four towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The second tower has just been launched.

Vinia Residences

Vinia is a 25-storey condominium development located along EDSA in Quezon City, right across TriNoma and just steps away from the MRT-North Avenue station. With its coveted location, it offers a world of ease and convenience to yuppies and families looking for quality homes, as well as budding entrepreneurs who want to start a home-based business at the heart of the city.

Studio Zen

Studio Zen is a 21-storey condominium development located along Taft Avenue in Metro Manila. Student-oriented amenities, Zen-inspired features, and functional building facilities makes it an ideal residence for students living independently and a great investment opportunity for entrepreneurs who want to take advantage of the ready rental market in the area.

Studio A

Studio A is a single tower 34-storey hi-rise residential condominium located in Loyola Heights in Quezon City. A community conveniently situated near premier universities, the LRT 2 line and other commercial establishments.

100 West

100 West is a single tower 38-storey high-rise commercial and residential condominium with office spaces located in Gen. Gil Puyat Avenue corner Washington St. in Makati City. 100 West is in the Makati Business District and accessible to both north and south of Metro Manila.

Studio 7

Studio 7 is a mixed-use development that will have office and residential towers complemented with retail outlets, located in Quezon City along EDSA very close to the GMA-Kamuning MRT station. Studio 7 will have studios as well as one-bedroom residential units.

Activa

Activa is a mixed-use development with residential, office, retail and hotel components. It is entrenched in the heart of Quezon City's busiest and liveliest district, Cubao. Situated at the crossroads of two of the metro's most vital thoroughfares. Activa connects to the north and south via EDSA, and to the east and west via Aurora Boulevard. It also has direct access to the MRT and LRT lines, and accessible by various modes of transportation like buses and jeepneys.

Studio N

Studio N is a 25-Storey development and is the latest addition to the studio series portfolio of Filinvest. This is located at the main business hub of Filinvest City. This is currently under construction.

Analysis of Real Estate Sales

The table below shows a comparative breakdown of FLI's journalized real estate sales by product categories for the years ended December 31, 2024 and 2023 (in Thousands).

Category	Years ended December 31			
	2024		2023	
	Amount	% to total	Amount	% to total
Medium income	P11,336,019	73.6%	P9,835,600	67.9%
Low affordable and affordable	1,863,213	12.1%	3,367,527	23.2%
High-End and Others	1,524,605	9.9%	855,169	5.9%
Socialized	668,924	4.4%	428,210	3.0%
Total	P15,392,761	100.0%	P14,486,506	100.0%

Analysis of Cost of Sales

The table below shows a comparative breakdown of FLI's journalized cost of sales into various categories for the years ended December 31, 2024, 2023 and 2022 (in thousands):

	2024	2023	2022
Land acquisition cost	₱997,010	₱1,067,847	₱1,058,245
Land development and construction cost	6,357,888	7,033,638	6,296,444
	₱7,354,898	₱8,101,485	₱7,354,689

1.5.2. Recurring business segment

Leasing of properties

FLI's investment properties are mainly categorized as retail and office segments. The Group has also started investments in new leasing formats - dormitels (co-living) and industrial parks.

Commercial Retail Leasing Properties

Festival Mall Alabang

The landmark project, Festival Supermall, carries on its position as the prime destination for recreation and retail in southern Metro Manila. With more 'firsts' on its offerings and a better shopping ambience, the mall has elevated the retail experience in the south. It is one of the country's largest shopping malls with more than 1,000 shops.

Major improvements have been undertaken and continue to be undertaken for the existing mall and its facilities. New interiors give the mall a refreshed look and modern ambience, complementing the recently completed 46,000 sq.m. expansion wing. Decathlon, a French sporting goods retailer, opened a 5,000 sq.m. store in the original mall. New lifestyle and food tenants continue to open in the expansion wing.

The introduction of new and unique food establishments has made Festival a gastronomic destination ushering in new traffic and strengthening its appeal to its core target market. The Water Garden, a new distinctly refreshing outdoor amenity and convergence zone in the expansion wing, continues to be favorite among mall patrons. Uniqlo opened its first ever roadside store in the country in Westgate, Festival's affiliated lifestyle development in Filinvest City.

Fora Mall

Conveniently located right by Tagaytay Rotunda is Fora Mall, the first regional mall in the area. This prime retail destination provides about 26,000 sq. m of leasable space amidst nature, open spaces, and a beautifully-landscaped amphitheater. It primarily serves the local market and Tagaytay bound tourists. A number of local and popular food concepts, along with national brands, have opened in the mall. The mall also has four (4) digital cinemas which have become the go to place for Tagaytay City and surrounding towns for recreation.

Main Square

With a smaller format of over 18,000 sq. m leasable area, Main Square is the first and only mall along Bacoar Blvd, close to Bacoar City Hall and fronting Princeton Heights. Positioned as the reliable one-stop hub for neighboring gated villages of Bacoar, it provides basic shopping, wellness, service and convenience offerings from partner brands such as Anytime Fitness, Watson's, Ace Hardware and Japan Home. The mall's anchor for this development is Robinsons Supermarket, which has become the most convenient essentials shopping option in the area. The City of Bacoar has also opened its satellite offices in Main Square.

Il Corso

Il Corso is a retail development with an estimated 34,000 sq. m of leasable area in the City di Mare estate development of Filinvest in the South Reclamation Area of Cebu City. Its opened restaurants facing the sea have become destinations in the southern edge of Cebu City. The cinema has also opened. A 10,000 sq.m. portion of the mall is being reconfigured to accommodate Business Process Outsourcing companies.

- Marinatown Dumaguete is a mixed-use development with residential, office and retail components located in the Dumaguete Bay.

Mimosa Lifestyle Mall

Located within Clark Mimosa+ Leisure City in Pampanga, this mall is under construction and will include a dining area with tree canopies and retail pavilions. this will be F&B focused with outdoor dining areas.

Commercial Office Properties

As of December 31, 2024, the Company owns commercial office spaces for lease to several BPO and other office locators with total gross leasable space of 694,077 sq.m. Primarily, these are located in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa. Northgate is an 18.4-hectare IT-BPO campus-style hub accredited by the Philippine Economic Zone Authority (PEZA) that enjoys developer incentives. Among the Company's portfolio is the PBCom tower where FLI owns 60.0% through FAC, which owns 50.0% of the 52-storey PBCom Tower in the Makati CBD. PBCom Tower is a Grade A, PEZA-registered, IT/office building located along Ayala Avenue, Makati City with a GLA of 35,148 sq.m.

The Company also owns several completed office developments, in Bay City, Pasay, at EDSA, Mandaluyong near Ortigas MRT station, at Gil Puyat, Makati City, at Clark Mimosa and at Cyberzone Cebu IT Park. A summary of the GLA is set forth below:

Location	Number of Buildings	GLA (sq. m.)
Northgate Cyberzone, Filinvest City	20	368,423
Metro Manila outside of Filinvest City	10	210,396
Outside Metro Manila	8	115,258
Total	38	694,077

Overall occupancy rate of the office developments as of December 31, 2024 is at 58%.

The office buildings of Filinvest are mainly located in business parks or in mixed-used complexes highly accessible to public transport. The Company believes its business park model, wherein the Company builds on areas specifically suited for business and industrial establishments supported, in certain cases, by incentives from the Government, gives it a competitive advantage as business parks are the preferred site of major BPO tenants. Being located in a major business park allows the tenants assurance of expansion options within close proximity thereby giving the Company an advantage over stand-alone developments.

- Northgate Cyberzone, an 18.7-hectare, PEZA-registered IT park located in Filinvest City in Alabang. The office buildings of the Company sit within the ten (10) hectare parcel of land in the Northgate district owned by FLI.
- Mimosa Workplus, an office campus type environment that is comprised of eight (8) buildings set amidst the lush natural environment of the Filinvest Mimosa+ Leisure City.
- Cyberzone Cebu and Filinvest IT Park are two (2) distinct developments on two (2) separate BTO arrangements with the Cebu Province having land area of 1.2 hectares and 2.9 hectares respectively. The said properties are in close proximity to the city center located along Salinas Avenue and Banilad, in Cebu City. Together they comprise seven office towers, a mall and a hotel development. The office and mall portions are pre-certified LEED Gold rating.
- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have

the following: BPO office tower, a traditional office tower, residential tower, retail mall, and lease accommodation or WFH studios for lease. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating.

- Studio 7 is a two (2)-tower mixed-use complex comprising of residential and office buildings on a retail and parking podium. Located along major thoroughfare EDSA in Quezon City, it is strategically located close to the GMA Kamuning Metro Rail Transit 3 Station and is a pre-certified LEED Silver rating.
- Filinvest Cyberzone Bay City is a four (4)-tower office complex in the bustling section of the Bay Area. The complex is also certified LEED Silver rating.
- Filinvest Buendia, a prime office address at the heart of Makati City, is a 14-storey development that complements the vibrant and fast-paced lifestyle of urbanites by offering state-of-the-art leasable office and retail spaces. As of September 30, 2024, it is fully leased out by the Philippine Department of Trade and Industry (DTI).

Ongoing Construction

- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have the following: BPO office tower, a traditional office tower, residential tower, hotel and a retail mall. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating.
- Columna located in Manila City

New Leasing Formats

- Co-living units or Dormitels: The Crib Clark located in the Clark Mimosa Leisure estate serves as temporary living accommodations for employees within the Clark Economic Zone. Four buildings have been completed and fully leased out.
- Industrial Parks: Filinvest Innovation Parks in Filinvest New Clark City and Ciudad de Calamba targets industrial locators who will lease land or ready built factory buildings.
- Co-working spaces: Management of co-working spaces in a joint venture with KMC Community which will be located in Filinvest office buildings. One branch is currently operating and another will be launched in 2024.

The Group will continue to carry out an intensive marketing campaign so to maintain high occupancy rates in its investment properties to maximize leasing revenues.

The table below shows a breakdown of FLI's recorded gross leasing related revenues for the years ended December 31, 2024 and 2023 (amounts in Thousands of Pesos, except percentages).

	Years ended December 31			
	2024		2023	
	Amount	% to total	Amount	% to total
Office	4,809,721	61.3%	4,660,427	64.7%
Retail / Commercial	3,038,372	38.7%	2,540,523	35.3%
Total	7,848,093	100.0%	7,200,950	100.0%

Hospitality business operations

FLI created the ff projects which operate under the hospitality business. However, the totality of these operations is not significant to be classified as a separate segment. The results of operations of the following are just classified under the recurring or leasing business:

- Grand Cenia located within the Cebu Business District
- Fora located right beside the Fora Mall at the center of Tagaytay City
- Timberland located in Rizal

1.6. Marketing and Sales

1.6.1 Real Estate Sales Segment

FLI develops customer awareness through marketing and promotion efforts and referrals from satisfied customers. FLI has a real estate marketing team, a network of sales offices located in the Philippines and tie-ups with independent brokers/marketing partners in other countries such as Europe, Hongkong, the Middle East, Japan, and Singapore. FLI's marketing personnel, together with in-house sales agents and accredited agents, gather demographic and market information to help assess the feasibility of new developments and to assist in future marketing efforts for such developments.

FLI conducts advertising and promotional campaigns principally through print and broadcast media, including billboards, fliers, and brochures designed specifically for the target market. Advertising and promotional campaigns are conceptualized and conducted by FLI's marketing personnel and by third-party advertising companies. These campaigns are complemented with additional advertising efforts, including booths at shopping centers, such as Festival Supermall, and other high traffic areas, to promote open houses and other events.

FLI also believes that the OFW population, as well as expatriate Filipinos, constitute a significant portion of the demand for affordable and middle-income housing either directly or indirectly by remitting funds to family members in the Philippines to purchase property. To this end, FLI has appointed and accredited independent brokers in countries and regions with large concentrations of OFWs and expatriate Filipinos, such as Italy, Japan, Singapore, Hongkong, the United Kingdom and the Middle East. These brokers act as FLI's marketing and promotion agents in these territories to FLI and its products. FLI also sponsors road shows in countries to promote its projects, targeting potential buyers, especially the OFW and Filipino expatriate markets. FLI also markets its properties using the Internet or via Digital marketing platforms.

Sales for FLI's housing and land development projects are made through both in-house sales agents and independent brokers. Both FLI's in-house sales agents and independent brokers are compensated through commissions on sales. In-house sales agents also receive a monthly allowance and are provided administrative support by FLI, including office space and expense allowances.

In addition to in-house sales agents and independent brokers, FLI also employs representatives who staff its sales offices and provide customers with information about FLI's products, including financing and technical development characteristics. FLI also assigns each project a sales and operations coordinator who will provide customers with assistance from the moment they make their sales reservation, during the process of obtaining financing, and through the steps of establishing title on their new home. FLI also has personnel who can advise customers on financing options, collecting necessary documentation and applying for a loan. FLI also helps design down payment plans for its low-cost housing customers that are tailored to each customer's economic situation. Further, once a house is sold and delivered, FLI has customer service personnel who are available to respond to technical questions or problems that may occur after delivery of the property.

1.6.2 Leasing Segment

Various professional, multinational commercial real estate leasing agents (including, but not limited to Jones Lang LaSalle, Santos Knight Frank, Colliers, CB Richard Ellis and Leechiu Property Consultants) are accredited to find tenants for its office space. These brokers work on a non-exclusive basis and earn commissions based on the term of the lease except for the Filinvest Cebu Cyberzone buildings located in IT Park Metro Cebu City wherein Santos Knight Frank is the exclusive leasing agent but also earns commission base on the term of the lease.

FLI also maintains, through its subsidiaries, an in-house leasing team to do marketing and administration of its office & commercial spaces.

1.7. Customer Financing for Real Estate Projects

The ability of customers to obtain financing for purchases of subdivision lots or housing units is a critical element in the success of FLI's housing and land development business. Customer financing is particularly important in relation to sales of FLI's socialized housing projects, where most prospective buyers require financing for up to 100% of the purchase price. FLI therefore assists qualified homebuyers in obtaining mortgage financing from government-sponsored mortgage lenders, particularly for its socialized housing projects, and from commercial banks. FLI also provides a significant amount of in-house financing to qualified buyers.

In-house financing

FLI offers in-house financing to buyers who chose not to avail of Government or bank financing. FLI typically finances 80% of the total purchase price, which is secured primarily by a first mortgage over the property sold. The loans are then repaid through equal monthly installments over periods mostly from 5 to 10 years. The interest rates charged by FLI for in-house financing typically range from 11.5% per annum to 19.0% per annum, depending on the term of the loan.

PAG-IBIG Fund

A substantial number of buyers of the FLI's socialized housing units finance their purchases through the Home Development Mutual Fund, or PAGIBIG Fund. To provide a liquidity mechanism to private developers, the PAGIBIG Fund has instituted a take-out mechanism for conditional sales, installment contract receivables and mortgages and repurchases of receivables from housing loans of its members.

National Home Mortgage Finance Corporation (NHMFC)

This is the government's primary secondary mortgage institution. It also offers financing for homebuyers

Mortgage loans

Mortgage loans from commercial banks are usually available to individuals who meet the credit risk criteria set by each bank and who are able to comply with each bank's documentary requirements. In addition to taking security over the property, a bank may also seek repayment guarantees from the Philippine Guarantee Corporation (PhilGuarantee). To assist prospective buyers, obtain mortgage financing from commercial banks, FLI also has arrangements with several banks to assist qualified customers to obtain financing for housing unit purchases.

Deferred cash purchases

In addition to the aforementioned financing arrangements, FLI has offered so-called “deferred cash” purchases, particularly for its high-end and leisure developments. Under this arrangement, the entire purchase price is amortized in equal installments over a fixed period, which is typically 24 months. Title to the property passes to the buyer only when the contract price is paid in full or when the buyer executes a real estate mortgage in favor of FLI which can be annotated on the title to the property.

1.8. Real Estate Development

FLI’s real estate development activities principally include the purchase of undeveloped land or entering into joint venture agreements covering undeveloped land, the development of such land into residential subdivisions or other types of development projects, the sale of lots, the construction and sale of housing units and the provision of financing for some sales. Some projects are also developed through long-term land leases.

FLI plans to continue initiatives to further integrate its operations. FLI has established in 2017 a separate construction company (DREAMBUILDERS PRO, INC.) to undertake construction of specific projects and products, such as MRBs, to improve its cost competitiveness. Moreover, FLI has embarked on targeted digitalization processes, such as the use of building information modeling for design, as well as the acquisition and implementation of other software for bidding and project management, all in an effort to improve both cost and process efficiencies. Online platforms are continuously being developed and enhanced to ensure efficient touchpoints to its business partners such as customers, contractors, sellers and brokers. FLI also has separate property management teams with digital customer service applications to focus on monitoring and delivering the services to its clients.

Some development and construction work are contracted out to a number of qualified independent contractors on the basis of either competitive bidding or the experience FLI had with a contractor on prior project. FLI weighs each contractor’s experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments.

FLI maintains relationships with over 100 independent contractors and deals with them on an arm’s length basis.

FLI does not enter into long-term arrangements with contractors. Construction contracts typically cover the provision of contractor’s services in relation to a particular project or phase of a project. Progress payments are made to contractors during the course of a project development upon the accomplishment of pre-determined project performance milestones. Generally, FLI retains 10% of each progress payment in the form of a guarantee bond or cash retention for up to one year from the date the contracted work is completed and accepted by FLI to meet contingency costs.

FLI is not and does not expect to be dependent upon one or a limited number of suppliers or contractors. Its agreements with its contractors are in the nature of supply of labor and materials for the development and/or construction of its various real estate projects.

1.9. Competition

1.9.1. Real Estate Sales Segment

Real estate development and selling are very competitive. FLI believes it is strongly positioned in the affordable to middle-income residential market segments. Success in these market segments depends on acquiring well-located land at attractive prices often in anticipation of the direction of urban growth.

FLI believes that the name and reputation it has built in the Philippine property market contributes to its competitive edge over the other market players. On the basis of publicly available information and its own market knowledge, FLI's management believes that it is among the leading housing and land / project developers in the Philippines. FLI's management also believes that FLI is able to offer competitive commissions and incentives for brokers, and that FLI is able to compete on the basis of the pricing of its products, offering a wider range of product types for different market sectors. Its brand name and its track record of successfully completing quality projects also give credibility to our products.

FLI directly competes with other major real estate companies positioned either as a full range developer or with subsidiary companies focused on a specific market segment and geographic coverage. Its direct competitors include Ayala Land Inc., Vista Land, Robinsons Land, SMPHI and DMCI Homes.

FLI faces significant competition in the Philippine property development market including land acquisition. This is particularly true for land located in Metro Manila and its surrounding areas, as well as in urbanized areas throughout the Philippines.

FLI's continued growth also depends in large part on its ability either to acquire quality land at attractive prices or to enter into joint venture agreements with land-owning partners under terms that can yield reasonable returns. Based on FLI's current development plans, FLI believes that it has sufficient land reserves for property developments for the next several years. If the Philippine economy continues to grow and if demand for residential properties remains relatively strong, FLI expects that competition among developers for land reserves that are suitable for property development (whether through acquisitions or joint venture agreements) will intensify and that land acquisition costs, and its cost of sales, will increase as a result.

1.9.2. Leasing Segment

With regards to the Group's assets dedicated to office space leasing and shopping mall operations, the Group competes with property companies such as Ayala Land Inc., Robinsons Land Corp. and SM Prime Holdings in retail space leasing. In office space leasing, particularly to call centers and other BPO operators, the Group competes with companies such as Robinsons Land, Inc., Ayala Land, Inc., Eton Corporation, SM Prime, and Megaworld Corporation.

1.10. Related-Party Transactions

The Group is a member of the Filinvest Group. The FLI and its subsidiaries, in their ordinary course of business, engage in transactions with FDC and its subsidiaries. The Group's policy with respect to related-party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

Significant related party transactions for the year ended 31 December 2024 are as follows:

(a) Transactions with bank under common control of the ultimate parent (EWBC)

On 03 January 2012, the Group entered into a Receivable Purchase Agreement with EWBC, an entity under common control of the ultimate parent. The Group agreed to sell, assign, transfer and convey to EWBC all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EWBC will be serviced by the Group under an Accounts Servicing Agreement.

Under this agreement, the Group shall be responsible for the monitoring and collection of contracts

receivables sold to EWBC, including safekeeping of the collections in trust until these are remitted to EWBC, ten (10) days after the beginning of each month.

For the performance of the said services, the Group charges EWBC a service fee equivalent to a certain percentage of amounts actually received and collected. Although the Group retains the contractual rights to receive cash flows from the contract receivables sold to EWBC, this will be subsequently distributed to EWBC under a “pass-through arrangement”.

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EWBC and the Group has no liability to EWBC for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements.

The Group’s plan assets in the form of cash equivalents amounting to ₱196.60 million and ₱96.60 million as of December 31, 2024 and 2023, respectively, are maintained with EWBC. The Group also maintains cash and cash equivalents with EWBC.

(b) *Transactions with Ultimate Parent (ALG)*

Transactions with the Group’s ultimate parent company relates to sharing of common expenses.

(c) *Transactions with Parent Company (FDC)*

The Parent Company charged FDC certain common expenses paid by the Parent Company on its behalf.

On December 12, 2022, FILRT entered into a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sq.m. owned by FDC, located in Boracay, Aklan. The parties agreed to a total purchase price of ₱1,047.1 million, ₱314.1 million, representing 30% of purchase price, payable upon signing of the agreement and the remaining 70% amounting to ₱732.9 million payable in equal quarterly installment up to December 2024.

In 2009, Promax was appointed by FDC as the marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price.

(d) *Transactions with Associates*

FAI

Due from Associate’ include noninterest-bearing cash advances and various charges for management fees, marketing fees, share of expenses and commission charges.

On December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-excel to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-excel after the transfer is 47.5%.

Pro-excel

Transactions from Pro-Excel relate to sharing of common expenses and management fee for managing the buildings of FLI.

DPI

Transactions from DreamBuilders Pro, Inc. relate to sharing of common expenses and noninterest-bearing cash advances. DPI also provides project and construction management services for FLI projects.

FMI

Transactions with Filinvest Mimosa Inc. relates to sharing of common expenses. It is also the land sub-lessor of FCMI.

CTI

Transactions with Corporate Technologies, Inc. relate to sharing of common expenses and service fee for information and technology services.

SPI

Transactions with SharePro, Inc. relate to sharing of common expenses and service fees for technical and project management.

In 2022 and 2021, certain employees of FLI were transferred to SPI, an associate. The related retirement benefits of these employees were also transferred with a corresponding payable to SPI under "Other payables". As of December 31, 2024 and 2023, the outstanding balance of the transferred retirement benefits amounted to ₱144.27 million.

(e) *Transactions with Affiliates*

Transactions with affiliate relates to sharing of common expenses paid by the Parent Company on their behalf.

FILRT entered into a service agreement with FDC Retail Electricity Sales whereby FILRT shall engage and pay the services rendered by the latter to provide the electricity requirements of its facilities.

FILRT also entered into a service agreement with Professional Operations Maintenance Experts Incorporated. whereby FILRT shall engage and pay the services rendered by the latter to operate and maintain its equipment and premises.

FILRT and FLI also entered into a service agreement with its affiliate, Parking Pro, Inc., to operate and maintain FILRT's and FLI's parking facilities.

- (f) The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱63.37 million, ₱48.74 million, ₱28.40 million in 2024, 2023 and 2022, respectively. Post-employment benefits of key management personnel amounted to and ₱11.70 million, ₱8.26 million and ₱9.88 million in 2024, 2023 and 2022, respectively.

(g) *Leases with related parties – Group as lessor*

Chroma Hospitality, Inc. leases the office space from FILRT. The lease term is 10 years, renewable by another 5 years upon mutual agreement by the parties.

(h) *Leases with related parties - Group as lessee*

The Group has several land lease transactions with related parties:

(a) *Mall land lease with FAI*

The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.

(b) Land lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI for a portion of land area occupied by a third-party lessee. The lease term will expire on December 31, 2034.

(c) FCMI lease with FMI

FCMI, a wholly owned subsidiary of the Parent Company, subleases the Mimosa Leisure Estate from FMI, an associate of the Parent Company. The original lessor is Clark Development Corporation. The lease term is 50 years, renewable by another 25 years upon mutual agreement by parties.

(d) PDDC lease with FAI

PDDC, a 60% owned subsidiary of the Parent Company, leases Block 50 Lot 3-B-2, Northgate District from FAI. The lease term is twenty (20) years from the date on which the Chilled Water production plants start supplying chilled water.

As of December 31, 2024 and 2023, the amount included in lease liabilities payable to related parties is ₱6,260.0 million and ₱5,952.3 million, respectively.

1.11. Intellectual Property

The “Filinvest” trademarks, first of which was registered with the IPO on September 15, 2011, is the brand FLI uses for the names of certain real estate products and for trademarks relating to the “FLI” brand. Below are service marks owned by FLI and registered with the IPO:

TRADEMARK	DATE OF REGISTRATIO N	TRADEMARK	DATE OF REGISTRATIO N
One Oasis	10 Dec 2009	Tierra Vista	29 Dec 2016
One Oasis Ortigas	10 Dec 2009	Blue Isle	19 Jan 2017
We Build the Filipino Dream (Slogan)	10 Dec 2009	Palmridge	19 Jan 2017
The Linear Makati & Design	12 Aug 2010	Cyberzone Properties, Inc.	16 Feb 2017
Filinvest (New Logo)	15 Sept 2011	Spring Heights	27 Apr 2017
Studio A	20 Dec 2012	The Enclave at Filinvest Heights	27 Apr 2017
The Signature	17 Apr 2014	Filinvest International	04 May 2017
Fortune Hill	22 May 2014	The Filinvest IT Zone	11 May 2017
Fora Rotunda Tagaytay	14 Aug 2014	8 Spatial	22 June 2017
The Leaf	20 Nov 2014	Ciudad de Calamba	06 July 2017
Vinia	20 Nov 2014	Verde Spatial	06 July 2017
Citi di Mare	25 Dec 2014	One Filinvest	14 July 2017
One Binondo	12 Feb 2015	Marina Town	30 July 2017
I-Go	20 Feb 2015	The Levels	30 July 2017
Bali Oasis	26 Feb 2015	Studio City	29 Dec 2019
Bali Oasis 2	26 Feb 2015	Marina Spatial	10 Aug 2017
Citi di Mare (Logo and Tagline)	26 Feb 2015	Grand Cenia Residences	17 Aug 2017
Kembali	26 Feb 2015	Sanremo Oasis	17 Aug 2017
One Spatial	26 Feb 2015	East Spatial	24 Aug 2017
Serulyan Mactan	26 Feb 2015	Phuket Oasis	24 Aug 2017
Capri Oasis	05 Mar 2015	Sorrento Oasis	24 Aug 2017
Timberland Heights (Horizontal Orientation)	14 May 2015	Studio Zen	24 Aug 2017
Timberland Heights (Stacked Orientation)	14 May 2015	Austine Homes	14 Sept 2017

Kembali (Reversed Logo)	25 June 2015	Eastbay Palawan	07 Mar 2020
The Glades	09 July 2015	Palm Estates	14 Sept 2017
100 West	23 July 2015	Filinvest Futura	07 Dec 2017
Activa	13 Aug 2015	Filinvest Prestige	07 Dec 2017
The Veranda	27 Aug 2015	Futura by Filinvest	07 Dec 2017
Studio 7	12 Nov 2015	Prestige by Filinvest	07 Dec 2017
Umi Garden Suites	11 Feb 2016	Brentville International Community	17 Dec 2017
The Enclave Alabang	11 Feb 2016	New Leaf	04 Jan 2018
Filinvest (Reversed Logo)	24 Mar 2016	The Wood Estates	18 Jan 2018
Filinvest Premiere	24 Mar 2016	Asiana Oasis	15 Feb 2018
Futura	24 Mar 2016	Ventura Real	29 Mar 2018
The Ranch	12 May 2016	Nature Grove	19 Apr 2018
The Prominence	26 May 2016	Belize Aspire	19 Apr 2018
Aldea Real	07 July 2016	Southwind	12 July 2018
Filinvest Technology Park	07 July 2016	Centro Spatial	02 Sept 2018
La Brisa Townhomes	07 July 2016	Laeuna de Taal	14 Feb 2019
Montebello	07 July 2016	Amalfi	14 Feb 2019
Punta Altezza	07 July 2016	Futura East	02 Sept 2018
Springfield View	07 July 2016	Futura Tierra	02 Sept 2018
The Glens	07 July 2016	Manna East by Filinvest	04 Oct 2018
Vista Hills	07 July 2016	Futura Vinta	02 June 2019
Woodville	07 July 2016	Belize Oasis	02 June 2019
Panglao Oasis	14 July 2016	Futura Centro	16 May 2019
Amare Homes	04 Aug 2016	venti-lite	08 Feb 2020
Nusa Dua	04 Aug 2016	Filinvest Gaia New Clark City	13 Oct 2020
Pine View	04 Aug 2016	Columna	20 Nov 2020
Santoso Villas	04 Aug 2016	Studio N	11 Sept 2020
Blue Palm Estate	11 Aug 2016	Studio N (Tradename)	11 Sept 2020
Bluegrass County	11 Aug 2016	Futura One Fora Dagupan	10 Jan 2021
Pueblo Solana	11 Aug 2016	Brentville International Community	28 May 2021
Summerbreeze	11 Aug 2016	Perth Oasis City Di Mare	10 Jan 2021
Savannah Fields	01 Sept 2016	Sunrise Place	27 Aug 2021
Park Spring	02 Nov 2017	Futura Mira	18 Nov 2021
Aspire by Filinvest	07 Dec 2017	Futura Primo	07 Mar 2022
Filinvest Aspire	07 Dec 2017	Timberland Heights	26 May 2022
Meridian Place	08 Sept 2016	Filinvest Innovation Park	10 Feb 2022
Alta Spatial	30 Sept 2016	Futura Monte Naga	01 Sept 2022
Kembali Coast	30 Sept 2016	Futura Bay General Santos	17 Oct 2022
The Tropics	30 Sept 2016	Sydney Oasis	06 May 2023
Maui Oasis	20 Oct 2016	Stello Centrale	30 Sept 2023
Ashton Fields	03 Nov 2016	Futura Shores Dumaguete	25 Mar 2024
Sandia Homes	24 Nov 2016	Strides	15 Feb 2024
Valle Alegre	24 Nov 2016	Filinvest Land, Inc.	15 June 2024
Valle Dulce	24 Nov 2016	Filinvest Instahomes	19 Aug 2024
Havila	08 Dec 2016	Iloilo Centrale	05 October 2024
Princeton Heights	08 Dec 2016	Sydney Oasis Bacoar	28 Nov 2024
Asenso Village	29 Dec 2016	New Leaf 2	09 Dec 2024
Hampton Orchards	29 Dec 2016	Futura Rise	28 Nov 2024

FLI has pending applications with the IPO for the following trademarks:

Iloilo Centrale
Celestia at Timberland Heights

The Company has likewise filed an application with the World Intellectual Property Office (WIPO) for the international registration of the “Filinvest” trademark under the Madrid Protocol. Accordingly, “Filinvest” is now registered in the following countries:

COUNTRY	DATE REGISTERED
Malaysia	04 Mar 2015
United States of America	08 Mar 2016
Qatar	15 May 2016
Kuwait	04 Sept 2016
United Arab Emirates	22 Mar 2017
Thailand	22 May 2017
Singapore	24 Aug 2017
Japan	22 June 2018
Taiwan	01 July 2018
Cambodia	19 July 2018
Hong Kong	24 Aug 2018
China	21 Sept 2018 (Class 37);
Korea	19 Nov 2018

Statements of Certificate of Protection of the “Filinvest” trademark have also been issued by the following countries:

COUNTRY	DATE
United Kingdom	14 Apr 2015
Australia	01 July 2015
Denmark	14 Sept 2015
Norway	16 Sept 2015
Switzerland	11 Dec 2015
Austria	16 Aug 2018
Benelux	20 Aug 2018
Sweden	14 Nov 2018

1.12. Government and Environmental Regulations

The real estate business in the Philippines is subject to significant Government regulations over, among other things, land acquisition, development planning and design, construction and mortgage financing and refinancing.

After the project plan for subdivision is prepared, FLI applies for a development permit with the local government. If the land is designated agricultural land, FLI applies with the Department of Agrarian Reform (DAR) for a Certificate of Conversion or Exemption, as may be proper. A substantial majority of FLI’s existing landbank is subject to the DAR conversion process.

Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer’s financial, technical and administrative capabilities. Approvals must be obtained at both the national and local levels. Evidently, the Parent Company’s results of operations are expected to continue to be affected by the nature and extent of the regulation of its business, including the relative time and cost involved in procuring approvals for each new project, which can vary for each project.

The Parent Company is also subject to the application of the Maceda Law, which gives purchasers of real property on an installment basis certain right regarding cancellations of sales and obtaining refunds from developers.

FLI believes that it has complied with all applicable Philippine environmental laws and regulations. Compliance with such laws, in FLI's opinion, is not expected to have a material effect on FLI's capital expenditures, earning or competitive position.

1.13. Employees and Labor

As of December 31, 2024, the Company had a total of **1,028** full-time employees. This includes **60** executives, 212 managers, **177** supervisors and **579** rank and file employees. Management believes that FLI's current relationship with its employees is generally good and neither FLI nor any of its subsidiaries have experienced a work stoppage or any labor related disturbance as a result of labor disagreements. None of FLI's employees or any of its subsidiaries belongs to a union. FLI currently does not have an employee stock option plan.

FLI anticipates that there will be no significant change in the number of its employees in 2025.

FLI provides managers, supervisors and general staff the opportunity to participate in both in-house and external training and development programs which are designed to help increase efficiency and to prepare employees for future assignments. FLI has also provided a mechanism through which managers and staff are given feedback on their job performance, which FLI believes will help to ensure continuous development of its employees. FLI also offers employees benefits and salary packages that it believes are in line with industry standards in the Philippines and which are designed to help it compete in the marketplace for quality employees.

1.14. Risks

There are risk factors that may affect the Parent Company or its operations. The risks may relate to its business or may relate to the Philippines where substantially all of its business activities are conducted and all of its assets are located.

RISKS RELATING TO THE COMPANY'S BUSINESS

The Company's business, financial condition, and results of operations face risks from public health epidemics or outbreaks of disease that could have an adverse effect on economic activity in the Philippines.

The last health epidemic was COVID-19 in 2020. According to the Department of Health, the COVID-19 situation in the Philippines continues to improve four years after the pandemic struck. Latest data from the DOH shows that the average daily cases of COVID-19 are less than 40, compared to thousands at the height of the global health crisis, which caused countries, including the Philippines, to close borders and impose [mobility restrictions](#). There is a continuing risk of health epidemics that may affect the company's operations in the future.

The Company operates in a competitive industry, which could limit the Company's ability to maintain or increase its market share and maintain profitability.

The Company's business operations are subject to competition. Some competitors may have substantially greater financial and other resources, which may allow them to undertake more aggressive marketing and to react more quickly and effectively to changes in the markets. The entry of new competitors into the Company's business could reduce the Company's sales and profit margins. To address this, the Company continues to build housing products that appeal to its core market at the most competitive prices. It also focuses on after-sales service to maintain its reputation in the industry.

FLI is subject to significant competition in connection with the acquisition of land for residential real estate projects, investment properties and the leasing business. The Company's future growth and development are dependent, in part, on their ability to acquire or enter into agreements to develop additional tracts of land suitable for the types of residential real estate projects they have developed over the years. As the Company and its competitors attempt to locate sites for development, FLI may experience difficulty locating parcels of land of suitable size in locations and at prices acceptable to them, particularly parcels of land located in areas surrounding Metro Manila and in other urban areas throughout the Philippines. The Company may also have difficulty in attracting landowners to enter into joint venture agreements with them that will provide the Company with reasonable returns. In the event the Company is unable to acquire suitable land at acceptable prices, or at all, or to enter into agreements with joint venture partners to develop suitable land with reasonable returns, or at all, the Company's growth prospects could be limited and its business, financial condition and results of operations could be adversely affected. The Company continuously searches for suitable land for its projects especially in areas that it perceives will have significant demand.

The Company competes with a number of commercial developers, some of which have greater financial and other resources and may be perceived to have more attractive projects. Moreover, FLI's emphasis on medium-rise buildings ("MRBs") potentially exposes the Company to greater competition for real estate projects due to there being fewer barriers to entry in this segment as compared to larger developments. Competition from other developers, and in the cases of Festival Supermall, Fora Mall or Main Square Mall, Il Corso from neighboring shopping malls, may adversely affect the Company's ability to successfully operate their investment properties or attract and retain tenants, and continued development by these and other market participants could result in saturation of the market for office and retail space. The Company also faces competition with respect to its commercial office space properties, principally from Megaworld Corporation, Eton Properties Philippines, Robinsons Land Corporation, SM Prime Holdings, Inc. and Ayala Land, Inc., each of which has a large portfolio of commercial office space available for lease in Metro Manila's principal business districts. These competitors may have greater experience in commercial leasing operations and there can be no assurance that the Company will be able to successfully compete with larger and more experienced competitors. Consequently, the competition that FLI faces could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's increased leverage could create operating risks for its business.

The increase in debt of FLI may bring about certain undesirable results such as:

- constraints in the Company's ability to service its debt obligations
- limits in the Company's ability to attain new financing for working capital, capital expenditures, debt refinancing, and other purposes
- obligations from the Company to divert a portion of its cash flow to debt service
- a lessening of the Company's financial flexibility to take advantage of opportunities in the Philippine economy or property industry

As of December 31, 2024, FLI's consolidated interest-bearing debt (defined as the sum of consolidated loans payable and consolidated bonds payable) amounted to ₱77.89 billion of which current and non-current portions amounted to ₱21.69 billion and ₱56.20 billion, respectively. If the Company is unable to refinance or repay its debt, FLI would have to consider financing options such as the sale of its assets that may cause it to modify, delay, or abandon its future development plans. To mitigate this risk, the Company adopts stringent monitoring mechanisms designed to manage its debt levels and ensure that they are within sustainable limits. The Company's interest-bearing debt-to-equity ratio remains healthy at 0.83x as of December 31, 2024. The Company continues to manage its leverage by increasing its revenues and cost efficiencies to generate more cash from operations, thereby limiting the need to take on debt.

The Company's business is highly regulated and Government policies and regulations could adversely affect the Company's operations and profitability.

The Company's business operations are subject to a broad range of government laws and regulations, fiscal policies and zoning ordinances. The Company has incurred, and expects to continue to incur operating costs to comply with such laws and regulations, fiscal policies and zoning ordinances. Further changes to the applicable governmental laws and regulations, fiscal policies and zoning ordinances will result in additional costs of compliance for the Company.

The Company is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. Use of lands may be limited by zoning, comprehensive land use plans ("CLUP") and reclassification ordinances enacted and implemented by local government units ("LGU"), such as provinces, cities or municipalities. In addition, projects that are to be located on agricultural land must get a conversion or exemption clearance from the Philippine Department of Agrarian Reform ("DAR") so that the land can be converted to non-agricultural use or certified as exempt from the coverage of the Comprehensive Agrarian Reform Program pursuant to Republic Act No. 6657 or the "Comprehensive Agrarian Reform Law of 1988," as amended ("RA 6657"). In certain cases, tenants occupying agricultural land may have to be relocated at the Company's expense.

Presidential Decree No. 957, as amended, ("PD 957") and RA 4726, also known as The Condominium Act ("RA 4726"), and Republic Act No. 6552, also known as the "Realty Installment Buyer Protection Act," more commonly known as the "Maceda Law" ("RA 6552") are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision. PD 957 and RA 4726 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Department of Human Settlements and Urban Development ("DHSUD") is the administrative agency of the Government of the Philippines which, together with LGUs, enforces these statutes and has jurisdiction to regulate the real estate trade and business. RA 6552, on the other hand, confers certain rights to buyers and covers all transactions or contracts involving the sale or financing of real estate on installment payments, including residential condominiums, except industrial lots, commercial buildings and sales to tenants under Republic Act No. 3844, as amended, or the "Agricultural Land Reform Code" ("RA 3844").

Other regulations applicable to the Company include land registration laws and regulations, real property taxation, as well as standards regarding the suitability of the site, road access, necessary community facilities, open spaces, water supply, sewage systems, garbage disposal systems, electricity supply, lot sizes, easements, the length of the housing blocks, and house construction. All subdivision development plans are required to be filed with and approved by the DHSUD and LGU with jurisdiction over the area where the project is located. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government unit. There can be no assurance that the Company and its subsidiaries or associates or partners, will be able to obtain governmental approvals for their projects, or that these approvals can be secured without delay, or that when given, such approvals will not be revoked. In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing units. Project permits and any license to sell may be suspended, cancelled or revoked by the DHSUD based on its own findings or upon complaint from an interested party and there can be no assurance that the Company and its subsidiaries, associates or partners will in all circumstances, receive the requisite approvals, permits or licenses or that such permits, approvals or licenses will not be cancelled or suspended. Moreover, under Republic Act No. 7279 or the "Urban Development and Housing Act of 1992" ("RA 7279"), the Company may, in certain instances, be required to devote at least twenty percent (20%) of the total project area or cost for socialized housing. The price per unit that the Company is permitted to charge for socialized housing is subject to a pre-specified maximum, fixed by proper Government agencies and which could be reduced or increased at any time. Any of the foregoing circumstances or events could affect the Company's ability to complete projects on time, within budget, at a profit or any at all, and could have a material adverse effect on the Company's financial condition

and results of operations. The Company monitors government regulations to ensure compliance at all times and to anticipate its effects on operations.

The Company's business is subject to environmental regulations that could have a material adverse effect on its business, financial condition and results of operations.

In general, developers of real estate projects are required to submit project descriptions to regional offices of the Department of Environment and Natural Resources ("DENR"). For environmentally-sensitive projects or at the discretion of the regional office of the DENR, a detailed Environmental Impact Assessment may be required and the developer will be required to obtain an Environmental Compliance Certificate ("ECC") to signify the full responsibility of the proponent in implementing specified measures which are necessary to comply with existing environmental regulations or to operate within best environmental practices that are not currently covered by existing laws. There can be no assurance that current or future environmental laws and regulations applicable to the Company will not increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a violation of an ECC condition occurs or if environmental hazards on land where the Company's projects are located cause damage or injury to buyers or any third party, the Company may be required to pay a fine and incur costs in order to cure the violation and to compensate its buyers and any affected third parties. The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. The introduction or inconsistent application of, or changes in, laws and regulations applicable to the Company's real estate development could have a material adverse effect on the Company's business, financial condition and results of operations. The Company strives to ensure compliance to environmental regulations by strictly monitoring all its properties.

The Company relies heavily on automated systems to operate its business and the failure to maintain, upgrade and secure these systems could harm the Company's business.

The Company depends on a variety of automated systems to operate its business. Although the Company has implemented various IT-related improvements programs and installed new systems over the years, due to the continuously evolving nature of information technology systems, certain of the Company's automated systems are or may be relatively outdated and less integrated than those of some companies of similar scale in the Philippines and abroad. As a result, there can be no assurance that the Company's information systems will achieve their intended benefits within the anticipated time frame efficiently, or at all. Moreover, there can be no assurance that any new systems of the Company will not be rendered outdated in the near future due to rapid technological advancements.

Furthermore, the Company relies on systems developed and maintained by third parties. If these third parties experience difficulty meeting the Company's requirements or standards, it could damage the Company's reputation or make it difficult for the Company to operate some aspects of its businesses. In certain cases, the Company has developed, and intends to develop, automated systems to replace third-party systems that the Company has used, and uses, in its operations. There can be no assurance that the Company's in-house teams will be able to design, implement and maintain functional systems that adequately replace such third-party systems. In such cases, the Company generally does not have recourse to any third-party provider if the systems do not operate as intended. Any of the foregoing could have an adverse effect on the Company's business, financial condition and results of operations.

Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments could result in compromises or breaches of the applicable security systems and personal data stored in these systems. Anyone who circumvents the security measures on these systems could misappropriate the Company's confidential information or cause interruptions in its services or operations. The internet is a public network and data is sent over this network from many sources. In the past, computer viruses or software programs that disable or impair computers have been distributed and have rapidly spread over the internet. Computer viruses could be introduced into the Company's systems, or those of the third-party systems, which could disrupt the Company's operations or make its systems inaccessible to the third parties. The Company may be required to expend significant capital and other resources to protect against the threat of security breaches or to alleviate problems caused by breaches. The Company's security measures may be inadequate to prevent security breaches, and its business operations would be negatively impacted if security breaches are not prevented. The company implements information technology and security protocols to ensure that its systems are protected and functioning at all times.

The Company may not be able to successfully manage its growth.

The Company has acquired various new and diversified commercial assets in recent years, and the Company intends to continue to pursue an aggressive growth strategy for its business. There can be no assurance that, in the course of implementing its growth and diversification strategy, FLI will not experience capital constraints, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate expanded businesses. Any inability or failure to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that may not be recovered as quickly as anticipated, if at all. These problems could have a material adverse effect on the Company's reputation and on its business, financial condition and results of operations.

In the real estate business, the Company holds 53.9 hectares in the SRP, which is a reclaimed land project located in Cebu City. FLI has developed City di Mare, the Il Corso Mall on a 10.6-hectare portion it owns in SRP. In addition, FLI constructed MRBs known as San Remo and Amalfi under a 40-hectare joint venture and profit-sharing arrangement with the Cebu City Government. In 2019, the Filinvest group has fully paid an additional acquisition of 9.6 hectares of land in SRP where FLI owns 3.3 hectares as of December 2021. In September 2015, FLI won the bid for the right to own 55.0% of a joint venture company with the Bases Conversion Development Authority ("BCDA") tasked with the development, marketing, management and leasing of the first phase of Clark Green City that covers 288 hectares of land adjoining Clark Freeport Zone and the CIA in Northern Luzon. Further, in 2016, together with FLI and the Clark Development Corporation, FLI formed Filinvest Mimosa, Inc. ("FMI") which entered into a 50-year lease (renewable for another 25 years) with the Clark Development Corporation for the development of 200-hectare Mimosa Leisure Estate. These are just some of the land acquisitions of the company within the last few years. All these projects require significant manpower resources, including the contracting of suitable and reputable third-party contractors. If FLI cannot manage its growth, find suitable contractors or otherwise incur any delay or default on any of its development or construction obligations, business, results of operations and financial condition may be materially and adversely affected. The Company continuously reviews its expansion plans and implements measures to ensure execution of these plans.

The Company may be unable to continue to exploit opportunities to acquire or invest in new businesses and diversify its operations.

As part of the Company's business strategy, it intends to selectively explore acquisitions of, and investment opportunities that may enhance its revenue growth, operations and profitability. From time to time, the Company may publicly announce potential investments and acquisitions under consideration. If general economic and regulatory conditions or market and competitive conditions change, or if operations do not generate sufficient funds or other unexpected events occur, the Company may need to delay, modify or forego some aspects of its growth strategies, and its future growth prospects could be adversely affected.

The Company's ability to grow successfully and profitably through acquisitions will depend on numerous factors, including the availability of suitable acquisition or investment targets, competition for those acquisitions, particularly from those companies with larger and more geographically diverse operations and greater financial resources than the Company, the ability of the companies the Company acquires to perform operationally or financially in the manner expected, the Company's ability to successfully integrate and operate its acquisitions, the availability of expertise and financial resources to successfully manage such acquisitions on a regional scale, the availability of financing from internal or external sources for the Company to complete those acquisitions and the legal, regulatory, social, political and economic factors which prevail in the markets where those opportunities may exist.

To the extent the Company acquires or invests in areas that are outside of the Company's existing business, the Company will face challenges, including with respect to the Company's ability to develop the expertise required to successfully engage in the businesses it acquires or invests in and to make such businesses successful, the Company's ability to develop a reputation in industries into which it might expand, the Company's ability to attract and retain customers, suppliers and managers for new businesses; and competition from companies engaged in similar businesses in the markets that the Company has targeted for entry which is dependent, in part, upon the number, size, operating history, expertise, reputation and financial resources of those competitors. Furthermore, to the extent such investments are undertaken as joint ventures, there can be no assurance that the Company's public and private partners will meet their joint venture obligations in a timely manner or at all.

In addition, the Company may spend considerable management time and cost in evaluating potential acquisition targets or investments which may divert management attention from the Company's current business. As a result of any of these factors, the Company may be unable to grow its existing business in the manner it expects, which could have a material adverse effect on the Company's existing business, financial condition and results of operations. The Company's future acquisitions and investments, if any, may require it to use significant amounts of cash and incur substantial amounts of indebtedness, each of which could adversely affect the Company's business, financial condition and results of operations. To minimize this risk, the company regularly assesses market conditions and formulates plans as well as alternatives if market conditions change. This allows the company to be flexible and agile.

The businesses in which the Company currently operates and may in the future operate are capital-intensive. Failure to obtain financing or the inability to obtain financing on reasonable terms could affect the execution of the Company's operations and growth plans.

The business in which the Company currently operates and may in the future operate are capital-intensive. The real estate business requires significant capital expenditures to develop and implement new projects and complete existing projects. In 2022, the Company spent ₱16.5 billion on capital expenditures. For the year ended December 31, 2023, the Company spent ₱13 billion on capital expenditure for land acquisition, land development, housing and condominium construction and investment properties.

Historically, while the Company has funded a significant portion of its capital expenditure requirements internally from its real estate operations, it has periodically utilized external sources of financing. However, there can be no assurance that, to complete its planned projects or satisfy its other liquidity and capital resources requirements, the Company will be able to continue funding its capital expenditure requirements internally, or that it will be able to externally obtain sufficient funds for its capital expenditure budgets, at acceptable rates or at all. The Company's ability to raise additional equity financing from non-Philippine investors is subject to foreign ownership restrictions imposed by the Philippine Constitution and applicable laws. The Company's continued access to debt financing as a source of funding for new projects and acquisitions and for refinancing maturing debt is subject to many factors, many of which are outside of the Company's control. For example, political instability, an economic downturn, social unrest, changes in the Philippine regulatory environment or the bankruptcy of an unrelated company within a similar industry or industries in which the Company operates could increase the Company's cost of borrowing or restrict the Company's ability to obtain debt financing or comply with its debt financing covenants. In addition, disruptions in the capital and credit markets, which occurred in the past, may recur and such disruptions could adversely affect the Company's access to financing. The Company cannot guarantee that it will be able to arrange financing on acceptable terms, or at all. The

inability of the Company to obtain financing from banks and other financial institutions or on acceptable terms would adversely affect its ability to operate or execute its growth strategies. To manage this risk, the Company has established a wide range of possible financing options. The company is also flexible enough to adjust its plans depending on the financial resources.

The interests of the Company's joint venture partners may differ from those of the Company and such partners may take actions that adversely affect the Company or its subsidiaries.

A joint venture involves special risks where the venture partner may have economic or business interests or goals that are inconsistent with or different from those of the Company. The joint venture partner may also take actions contrary to the Company's instructions or requests, or in direct opposition to the Company's policies or objectives with respect to the underlying business or dispute the distribution of its joint venture share. The joint venture partner may also fail to perform its obligations under the joint venture arrangement. Disputes between the Company and its joint venture partners could arise after significant capital investments in a project have been made, which could result in the loss of some or all of the Company's investment in that project. The Company's reliance on its joint venture arrangements could therefore have a material adverse effect on the Company's business, financial condition and results of operations.

FLI also has current joint venture arrangements or partnerships with several government units. Although these projects/developments are covered by contracts and agreements that have been authorized by government legal protocols and proceedings, there might be circumstances in the future that such agreements may be subjected to review and audit which may affect the Company's ability to deliver on its obligations to its clients and might hamper the operations of the company as a whole to generate the revenues from the projects. Such joint venture arrangements are the ff: (i) 40-hectare joint venture project with Cebu City Government in SRP (ii) 4.1-hectare BTO (Build-Transfer-Operate) arrangement with Cebu Provincial Government for 7 office tower buildings and commercial centers in Lahug and Apas, Cebu. (iii) land lease agreement with Clark Development Corporation involving the 200-hectare Mimosa Plus estate in Clark Pampanga, together with FDC; and (iv) joint development partnership with BCDA on 288-hectare New Clark City in Tarlac. The Company maintains good relationships with its joint venture partners to ensure common objectives.

FLI is controlled by the Gotianun Family and their interests may differ significantly from the interests of other shareholders.

FLI is controlled by members of the Gotianun Family, who either individually or collectively have controlled FLI and its subsidiaries since the inception of FLI. As of December 2024, members of the Gotianun Family were the beneficial and record owner of approximately 60.20% of the Company's issued and outstanding Shares. Members of the Gotianun Family also serve as directors and executive officers in FLI. There is also no non-compete agreement or other formal arrangement in place to prevent other companies that are also controlled by the Gotianun Family from engaging in activities that compete directly with the Company's businesses or activities, which could have a negative impact on the Company. Neither can there be any assurance that the Gotianun Family will not take advantage of business opportunities that may otherwise be attractive to the Company. The interests of the Gotianun Family, as the Company's controlling shareholder, may therefore differ significantly from or compete with the Company's interests or the interests of other shareholders, and the Gotianun Family may vote their Shares in a manner that is contrary to the interests of the Company or the Company's other shareholders. There can be no assurance that the Gotianun Family will exercise influence over the Company in a manner that is in the best interests of the Company or its other shareholders. The Company has three (3) independent directors who are independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors of the Company. All major decisions are brought to the Board of Directors for approval.

The Company is highly dependent on certain directors and members of senior management.

The Company's directors and members of its senior management have been an integral part of the Company's success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart or take on reduced responsibilities could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. Members of the Gotianun Family also fill certain key executive positions and the Company may not be successful in attracting and retaining executive talent to replace these family members should they depart or take on reduced responsibilities. Such executives include: Jonathan T. Gotianun, Chairman; Lourdes Josephine Gotianun Yap, Vice-Chairperson; Michael Edward T. Gotianun, Vice President and Director; and Francis Nathaniel C. Gotianun, Director. While the Company has an active program for succession planning, which includes continued participation of retiring executives on key committees, if any such person departs or takes on reduced responsibilities or is otherwise unavailable to the Company and the Company is unable to fill any vacant key executive or management positions or responsibilities with qualified candidates, its business, financial condition and results of operations may be adversely affected. The Company does not carry insurance in respect of the loss of the services of any of the members of its management. The Company has put in place succession planning that will ensure stable management. The Company also has a roster of professional senior management with extensive experience in real estate.

The Company may be unable to attract and retain skilled professionals.

The Company believes there is significant demand for its skilled professionals not only from its competitors in the Philippines but also from companies outside of the Philippines, particularly companies operating in Asia and the Middle East. The Company's ability to retain and attract highly skilled personnel, particularly architects, engineers, hotel managers, hospitality professionals, and project and operation managers, will affect its ability to plan, design and execute current and future projects. In particular, any inability on the part of the Company to hire and, just as importantly, to retain qualified personnel could impair its ability to undertake project design, planning and execution activities in-house and could require FLI to incur additional costs by having to engage third parties to perform these activities. The Company has put in place succession planning in the event of difficulty in hiring professionals. The Company has also established a number of methods for recruiting professionals.

Ownership over certain land owned by the Company may only be evidenced by tax declarations or may be contested by third parties.

The Philippines has adopted the Torrens system of land registration, which is intended to conclusively confirm land ownership by providing a state guarantee of indefeasible title to those in the register, and which is binding on all persons (including the Government). However, in certain instances and for various reasons such as inadequate recordkeeping or delays in the processing of certificates of title, it is not uncommon for landowners to have their ownership evidenced only by tax declarations, and not the more common certificates of title. Although the Company may have conducted the requisite due diligence on its properties and is confident of its ownership over such properties, there can be no assurance that other parties will not assert their own claims of ownership and present similar or stronger documents of title over such properties.

Moreover, it is not uncommon for third parties to claim ownership of land which has already been registered and over which a title has been issued. There have been cases where third parties have produced false or forged title certificates over land and there are difficulties in obtaining title guarantees with respect to properties in the Philippines. Title to land is often fragmented and land may have multiple owners. Land may also have irregularities in title, such as non-execution or non-registration of conveyance deeds, which may be subject to encumbrances of which the Company, its subsidiaries and their respective joint venture partners may not be aware. The difficulty of obtaining title guarantees in the Philippines means that title records provide only for presumptive rather than guaranteed title. As each transfer in a chain of title may be subject to a variety of defects, the title and development rights of the Company, its

subsidiaries and their respective joint ventures may be subject to various defects of which they are not aware. For these and other reasons, title insurance is not readily available in the Philippines. Title defects may result in the loss by the Company or its subsidiaries or their respective joint ventures of the title over land.

From time to time the Company has had to and may continue to defend itself against third parties who claim to be the rightful owners of land which has been the subject of tax declarations in the name of the Company, titled in the name of the persons selling the land to the Company or which has already been titled in the name of the Company. Although historically these claims have not had a material adverse effect on the Company, in the event a greater number of similar third-party claims are brought against the Company in the future or any such claims involves land that is material to the residential and land development projects of the Company or its subsidiaries, the management of the Company or relevant subsidiary may be required to devote significant time and incur significant costs in defending itself against such claims. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material in the context of its land development or other business projects. Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition and results of operation, as well as on its business reputation. The Company follows strict processes and documentation standard to make sure that land purchase transactions are without issues.

Any future changes in PFRS and PAS may affect the financial reporting of the Company's business.

Developments in Accounting standards are being monitored to anticipate the effects on the Company's financial position.

FLI has a number of related party transactions with affiliated companies.

The companies controlled by the Gotianun Family have a number of commercial transactions with the Company. As of December 31, 2024, the Company had an outstanding net amount due from related parties (after deducting amounts due to related parties) of ₱190.29 million. These related party transactions, apart from outstanding compensation to directors, officers, stockholders, and related interests, also include non-interest-bearing cash advances and various charges to and from non-consolidating affiliates for management fees, rent, share of expenses and commission charges. The Company also applies this principle to contracts between different companies within the Company. See "*Related Party Transactions*" and the notes to the Company's consolidated financial statements.

The Company expects that it will continue to enter into transactions with companies directly or indirectly controlled by or associated with the Gotianun Family. These transactions may involve potential conflicts of interest which could be detrimental to the Company and/or its shareholders. Conflicts of interest may also arise between the Gotianun Family and the Company in a number of other areas relating to its business, including:

- major business combinations involving the Company;
- plans to develop the respective business of the Company; and
- business opportunities that may be attractive to the Gotianun Family and the Company.

The Company can provide no assurance that the Company's related party transactions will not have a material adverse effect on its business, financial condition and results of operations. All major related party transactions are subject to approval of the Board of Directors. The Company has three (3) independent directors who are independent of management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors of the Company.

The Company is involved in litigation, which could result in financial losses or harm its business.

The Company is subject to lawsuits and legal actions in the ordinary course of its real estate development and other allied activities. Litigation could result in substantial costs to, and a diversion of effort by, the Company and/or subject the Company to significant liabilities to third parties. There can be no assurance that the results of such legal proceedings will not materially harm the Company's business, reputation or standing in the market or that the Company will be able to recover any losses incurred from third parties, regardless of whether any company is at fault. There can be no assurance that losses relating to litigation would not have a material adverse effect on the Company's business, financial condition and results of operation, or that provisions made for litigation related losses will be sufficient to cover the Company's ultimate loss or expenditure. See "*Business—Legal Proceedings*." The Company continues to monitor all project implementations and contract commitments to ensure compliance with agreements as to minimize the probability of litigations against the Company.

Natural or other catastrophes, including severe weather conditions and earthquakes, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance.

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes. Natural catastrophes may disrupt the Company's business operations and impair the economic conditions in the affected areas, as well as the overall Philippine economy. These factors, which are not within the Company's control, could potentially have significant effects on its business operations and development projects, many of which are large, complex estates with infrastructure, such as buildings, roads and perimeter walls that are susceptible to damage. Damages resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from customers, for example for physical injury or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions, may adversely affect the Company's business, financial condition and results of operations. Further, although Company carries insurance for certain catastrophic events, of different types, in varying amounts and with deductibles and exclusions that the Company believes are in line with general industry practices in the Philippines, there are losses for which the Company cannot obtain insurance at a reasonable cost or at all. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project costs or other financial obligations related to the business. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations. The Company has planned for these events and have put in place a business continuity plan to ensure continuous operations.

The Company's real estate portfolio of residential property development projects exposes the Company to sector-specific risks.

Because the Company's real estate business is concentrated in the Philippine residential property market, reduced levels of economic growth, adverse changes in the country's political or security situation, or weaker performance of the country's property development market generally could materially adversely affect the Company's profitability. The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. The Company's results of operations are therefore dependent, and are expected to continue to be dependent, on the continued success of their residential and land development projects.

Additionally, the Philippine residential real estate industry is highly competitive. The Company's projects are largely dependent on the acceptance of their projects when compared to similar types of projects in their geographic areas, as well as on the ability of the Company to correctly gauge the market for their projects. Important factors that could affect the Company's ability to effectively compete include a project's relative location versus that of its competitors, particularly to transportation facilities and

commercial centers, as well as the quality of the residences and related facilities offered by the Company, pricing and the overall attractiveness of the project. The time and costs involved in completing the development and construction of residential projects can be affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, depreciation of the peso, natural disasters, labor disputes with contractors and subcontractors, and the occurrence of other unforeseeable circumstances. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. Moreover, failure by the Company to complete construction of a project to its planned specification or schedule may result in contractual liabilities to purchasers and lower returns, all of which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company follows a planning process taking into account all factors that affect the completion of projects. The Company is able to anticipate changes and accordingly adjust its plans and implementation should such adjustments become necessary.

The Company is exposed to risks associated with the operation of their investment properties and the development of their office space and retail leasing business and the integration of such investment properties with its core housing and land development business.

The operations of the Company's commercial real estate assets, which includes interests in leasable office space in PBCom Tower and the Northgate Cyberzone and other commercial properties in Filinvest City and elsewhere in the Philippines, as well as ownership of Festival Supermall and other malls, are subject to risks relating to their respective operations. The Company's ability to lease out their commercial and office properties in a timely manner and collect rent at profitable rates, or at all, is affected by each of the following factors, among others:

- the national and international economic climate;
- changes in demand caused by policies affecting call centers, POGOs and other BPO operations in the Philippines and worldwide, including the relative cost of operating BPOs and POGOs in the Philippines as compared to other markets (such as India), which depends in part on the continued favorable regulations and fiscal incentive regimes with respect to such industries and the Government's general policy with respect to investments and industries from China;
- trends in the Philippine retail industry, insofar as Filinvest Lifemalls are concerned;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, environment, taxes and government charges;
- the inability to collect rent due to bankruptcy of tenants or otherwise;
- competition for tenants;
- changes in market rental rates;
- the need to periodically renovate, repair and re-let space and the costs thereof;
- the quality and strategy of management; and
- the Company's ability to provide adequate maintenance and insurance coverage.

The Company could also be adversely affected by the failure of tenants to comply with the terms of their leases or commitments to lease, declining sales turnover of tenants at Filinvest Lifemalls or oversupply of or reduced demand for BPO services, office space and/or retail space. In particular, with respect to retail property leases, including those at Festival Supermall and other retail properties, it is generally the case that all or a portion of the rent to which the Company is entitled comprises a percentage of the tenant's sales, which percentage generally ranges from 1.5% to 15% depending on the tenant's merchandise. Accordingly, the Company is exposed to deterioration in the businesses of their tenants. If the Company is unable to lease their properties in a timely manner or collect rent at profitable rates or at

all, this could have a material adverse effect on the Company's operations and financial condition. Further, the success of the Company's investment properties will depend, in part, on their ability to realize the potential revenue and growth opportunities from these assets.

The Company is subject to risks incidental to the ownership and operation of commercial, office and related retail properties including, among other things, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, increased operating costs and the need to renovate, repair and re-let space periodically and to pay the associated costs. In particular, FLI's BPO properties rely on the growth of the BPO business as a source of revenue. If the BPO business does not grow as the Company expects or if the Company is not able to continue to attract BPO-based tenants to development projects that are targeted for BPO companies, FLI may not be able to lease its BPO office space in a timely manner or at satisfactory rents or at all, which could have a material adverse effect on the Company's operations and financial condition.

The Company is subject to the risk that government pronouncements, such as the Department of Finance's Fiscal Incentives Review Board Resolution (FIRB) No. 026-22, may affect the demand for office space leasing. This FIRB Resolution allows Information Technology and Business Process Management ("IT-BPM") companies to shift registration from the Philippine Economic Zone Authority ("PEZA") to the Board of Investments (BOI) to adopt up to 100% work from home arrangement. The Company targets a wide range of clients from the BPO sector as well as traditional offices. It also engages in marketing activities on a continuing basis to build up its client base.

The Company is also subject to risks arising from accidents at its commercial, office and related retail properties. Although the buildings and their facilities are subject to regular testing and maintenance, there is no assurance that facilities of the Company's properties will not malfunction and cause injuries.

The Company follows a planning process taking into account all factors that affect the profitability of projects. The Company is able to anticipate changes and accordingly adjust its plans and implementation should such adjustments become necessary.

The exit of POGOs from the Philippines may materially and adversely affect the Company's business and operations.

The Company's office tenants include POGOs. As of December 31, 2024, the Company's POGO tenants accounted for 3% of total GLA of its office properties.

The Philippine Department of Finance has indicated that they will continue to investigate and strictly require all POGOs to pay all applicable taxes, including franchise taxes, and that only POGOs that have paid their taxes and been cleared by PAGCOR may continue operations. Additionally, Philippine government officials have called for closure or increased taxation or regulation of POGO operations. Measures to increase government revenue from this sector have been included in the provisions of the Bayanihan 2 Act that was approved on September 11, 2020. Such provisions have reportedly caused some POGOs to close or consider reducing their operations in the Philippines. Any such governmental action may adversely affect the tenants of the Company's office properties.

Among the Bayanihan 2 Act's revenue raising measures include the imposition of a 5% franchise tax based on the higher of gross bets or turnovers or the agreed pre-determined minimum monthly revenues from POGO licensees, including gaming operators, gaming agents, service providers and gaming support providers. The Bayanihan 2 Act also sought to fund the government's subsidy and stimulus measures to address the COVID-19 pandemic from income tax, value added tax and other applicable taxes from non-gaming operations earned by offshore gaming licensees, operators, agents, service providers and support providers. Prior to the Bayanihan 2 Act, the 5% franchise tax was dependent on winnings, as the tax was imposed on the higher of gross gaming receipts or earnings, or the agreed or pre-determined minimum monthly revenues or income. Accordingly, basing the calculation of the 5% franchise tax on the higher of gross bets or turnovers is expected to effectively increase tax liabilities of covered businesses, as the

value of the bet itself considered as part of the tax base. The Bayanihan 2 Act further provides that all taxes currently imposed on POGOs must be computed based on the prevailing official exchange rate at the time of payment. The use of any other rate is considered fraudulent constituting under declaration, which is penalized by interest, fines and penalties under the National Internal Revenue Code. The Bayanihan 2 Act also directs the BIR to implement closure orders against POGOs who fail to pay such taxes. By its terms, the Bayanihan 2 Act revenue raising measures are effective (unless extended by Congress) until the earlier of the lapse of two years or upon a determination that COVID-19 has been successfully contained or abated.

In a proceeding before the Philippine Supreme Court recorded as *Marco Polo Enterprises Limited, et al vs. Secretary of Finance and Commissioner of Internal Revenue* (GR No. 254102), the petitioners questioned the constitutionality of the Bayanihan 2 Act and applied for and obtained a temporary restraining order that enjoins the Secretary of Finance and the Commissioner of Internal Revenue from implementing the provisions of the Bayanihan 2 Act referred to above. On January 5, 2021, the Philippine Supreme Court issued a temporary restraining order (with one Justice dissenting) that prevents the government from implementing the revenue measures in the Bayanihan 2 Act described above. The order was effective on the date of its issuance and continues in effect until further orders from the Supreme Court. The Supreme Court has yet to make a final ruling on the legality of the relevant provisions of the Bayanihan 2 Act.

The reduction, closure of or prohibition of the business of POGOs in or from the Philippines, may materially and negatively affect the demand for office property in Metro Manila. For example, in December 2020, news reports cited Colliers' fourth quarter property report which indicated that the net take-up of office space in 2020 decreased by 120%, and vacancy in Metro Manila reached 9.1%, primarily attributable to POGOs vacating 154,000 sq.m. of office space in aggregate during the same period, and the downsizing or pre-termination of co-working space providers over and above the expected new office supply of more than 886,000 sq.m. There is no certainty that any of such tenants may not be subject to increased or new governmental regulation, taxation or enforcement action in the future that may materially disrupt the Company's operations and materially and adversely affect its financial condition and results of operations.

To manage such risks, the Company's lease contracts with POGO tenants generally provide that such leases may be pre-terminated following a change in the laws or rules governing POGOs, which results in: (i) cancellation or suspension of the tenant's license; (ii) immediate stoppage of the operations or services the tenant is providing; (iii) contravening laws or interpretation and enforcement of law resulting in the inability of the tenant to operate its business and service in the Philippines. The Company also requires its POGO tenants to pay security deposits to cover three to six months of rent and to pay up to six-months' in advance rent (applied at the end of the lease term) payable upfront upon the handover of the leased premises and none of the Company's POGO tenants have been forced to close because of non-payment of taxes or accreditation fees. The Company believes that its office properties are well-suited to attract diverse tenants, including multinational BPOs and headquarters.

Fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on the Company and their customers' ability to obtain financing.

Interest rates, and factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on the Company, residential property development, and demand for their real estate projects. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance ongoing projects, obtain financing for new projects, or service existing debt with floating interest rates.
- Insofar as the Company's residential housing and land development business is concerned, because the Company believes that a substantial portion of their customers procure financing (either from banks or using the Company's in-house financing program) to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.
- In connection with the Company's in-house financing activities, from time to time the Company sells receivables from customers who obtain in-house financing to financial institutions on a "with recourse" basis, which requires the Company to pay interest to the financial institution purchasing the receivable and obligates the Company to repurchase the principal balance of the receivable plus accrued interest in certain circumstances. The difference between the interest rate the Company charges their customers and the interest rate they pay to these financial institutions contribute to the

Company's interest income. Higher interest rates charged by these financial institutions would reduce the Company's net interest income.

- The Company's access to capital and its cost of financing are also affected by restrictions, such as the single borrower limit ("SBL") imposed by the BSP on bank lending. If the Company were to reach the SBL with respect to any bank, the Company may have difficulty obtaining financing with reasonable rates of interest from other banks.
- If the Government significantly increases its borrowing levels in the domestic currency market, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Company.
- Increased inflation in the Philippines could result in an increase in raw materials costs, which the Company may not be able to pass onto its customers as increased prices.
- A further expansion in the budget deficit of the Government could also result in an increase in interest rates and inflation, which could in turn have a material effect on the ability of the Company to obtain financing at attractive terms, and on the ability of its customers to similarly obtain financing.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company has a wide range of funding sources, where it can avail of new borrowings to fund new projects or to refinance existing debt. It also has the ability to revise plans to conserve cash such as decreasing any intended capex levels.

A significant portion of the demand for the Company's residential real estate projects is from overseas Filipino workers ("OFWs") and expatriate Filipinos, which exposes the Company to risks relating to the performance of the economies of the countries where these potential customers are based.

The Company relies on OFWs and expatriate Filipinos to generate a significant portion of the demand for their residential projects, particularly for their affordable and middle-income projects. Approximately 31% of the Company's real estate sales for the year ended December 31, 2024 is attributed to sales to OFWs. A number of factors could lead to, among other effects, reduced remittances from OFWs, a reduction in the number of OFWs or a reduction in the purchasing power of expatriate Filipinos. These include a downturn in the economic performance of the countries and regions where a significant number of potential customers are located, such as the Middle East, Singapore, Japan, Italy and the United Kingdom, a change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines, the imposition of restrictions by the Government on the deployment of OFWs to particular countries or regions, such as the Middle East, and restrictions imposed by other countries on the entry or the continued employment of foreign workers. Any of these events could adversely affect demand for the Company's residential real estate projects from OFWs and expatriate Filipinos, which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company continues to offer affordable products and reasonable payment terms.

The Company faces certain risks related to the cancellation of sales involving their residential real estate projects and if the Company were to experience a material number of sales cancellations, the Company's historical revenues from real estate operations would be overstated.

As a developer and seller of residential real estate, the Company's business, financial condition and results of operations could be adversely affected in the event a material number of subdivision lot or residential sales are cancelled.

The Company is subject to RA 6552 (the “**Maceda Law**”), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential condominium units (but excluding industrial and commercial lots). Under the Maceda Law, buyers who have paid at least two (2) years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50.0% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90.0% of the total payments). Buyers who have paid less than two (2) years of installments and who default on installment payments are given a sixty (60)-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

While the Company has not experienced a material number of cancellations to which the Maceda Law has applied, there can be no assurance that it will not experience a material number of cancellations in the future, particularly during slowdowns or downturns in the Philippine economy, periods when interest rates are high or similar situations. In the event the Company experiences a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers or the Company may have to incur indebtedness in order to pay such cash refunds. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to resell the same property at an acceptable price or at all. Any of the foregoing events would have a material adverse effect on the Company’s business, financial condition and results of operations.

In the event the Company experiences a material number of sales cancellations, investors are cautioned that the Company’s historical revenue from its real estate operations could be overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Investors are also cautioned not to rely on the Company’s historical statements of income as indicators of its future revenues or profits.

For sales of residential units in the Company’s middle-income and high-end projects, from time to time the Company generally commences construction of a unit even before the full amount of the required down payment is made, and thus, before the sale is recorded as revenue. Therefore, the Company risks having spent cash to begin construction of a unit before being assured that the sale will eventually be booked as revenue, particularly, if the buyer is unable to complete the required down payment and the Company is unable to find another purchaser for such property.

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on the Company’s financial condition and results of operations. The Company continues to offer reasonable and affordable payment terms to buyers so as to minimize cancellations.

The Company faces risks relating to the management of their land bank, including area concentration within the land bank, which could adversely affect their margins.

The Company must continuously acquire land to replace and expand land inventory within their current markets. The risks inherent in purchasing and developing land increase as consumer demand for the Company's core property businesses, including residential, commercial and retail, decreases, and can be further affected by the concentration of land in a particular area within the land bank. The market value of land, subdivision lots, housing and condominium inventories, retail and leasing spaces, can all fluctuate significantly as a result of changing market conditions. An adverse change in the market value of land in those areas in which the concentration of the Company's land bank is highest would amplify the negative impact on the Company's business and financial condition. The Company cannot assure investors that the measures they employ to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may have to sell subdivision lots, residential units, lease retail spaces or rent rooms in their hospitality projects at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of its various real estate projects. This would require the Company to continue to carry the cost of acquired but undeveloped land on its statement of financial position, as well as reduce the amount of property available for sale or development. Any of the foregoing events could have a material adverse effect on the Company's business, financial condition and results of operations. To minimize the risks, the Company conducts comprehensive market studies on land and sets plans on the timely rollout of projects.

The Company faces risks relating to its real estate projects, including risks relating to project cost, completion time frame and development rights.

The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. In addition, obtaining required Government approvals and permits may take substantially more time and resources than anticipated or construction of projects may not be completed on schedule and within budget.

In addition, the time and the costs involved in completing the development and construction of real estate projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, peso depreciation, natural disasters, labor disputes with contractors and subcontractors, accidents, changes in laws or in Government priorities and other unforeseen problems or circumstances. Where land to be used for a project is occupied by tenants and/or squatters, the Company may have to take steps, and incur additional costs, to remove such occupants and, if required by law, to provide relocation facilities for them. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. This may also result in sales and resulting profits from a particular project not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in triggering contractual liabilities to purchasers or other counterparties, and lower returns. The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect the Company's business, results of operations or financial condition. The Company follows a planning process taking into account all factors that affect the profitability of projects. The Company is able to anticipate changes and able to adjust its plans and implementation.

The Company's reputation may be adversely affected if projects are not completed on time or if projects do not meet customers' requirements.

Over the years, the Company believes it has established in the Philippines an excellent reputation and brand name in the property development business, and in more recent years in the hospitality business. If any of the Company's real estate projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing property development projects. Any negative effect on the Company's reputation or its brand could also affect its ability to pre-sell their residential and land development projects. This would impair the Company's ability to reduce its capital investment requirements. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect the Company's business, results of operations or financial condition. To minimize risks, the Company makes sure that projects are constructed following the highest standards of quality and strives to adhere to project schedules.

Independent contractors may not always be available, and once hired by the Company, may not be able to meet quality standards and/or may not complete projects on time and within budget.

While the Company recently set up its own construction company subsidiary, Dreambuilders Pro, Inc. (DPI), to construct certain projects such as MRBs, the Company still relies on independent contractors to provide various services for its other real estate projects, including land clearing, various construction projects and building and property fitting-out works. The Company selects independent contractors principally by conducting tenders and taking into consideration factors such as the contractors' experience, their financial and construction resources, any previous relationship with the Company, their reputation for quality and their track record. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake a particular project within the Company's budget, which could result in costs increases and/or project delays. In particular, the Company may face difficulty engaging or finding available suitable independent contractors in areas outside Metro Manila or other metropolitan areas. Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of the independent contractors will always be satisfactory or match the Company's requirements for quality. Contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations. The Company maintains a large pool of contractors to ensure availability and subjects each one through a stringent selection process to meet the professional standards required by its projects.

The implementation of tax reforms may have negative impact on the results of operations of the company and the loss of certain tax exemptions and incentives will increase the Company's tax liability and decrease any profits the Company might have in the future.

Certain projects of the Company benefit from certain tax incentives and tax exemptions. In particular:

- Income from sales of subdivision lots and housing units in socialized housing projects (i.e., sales of a lot with a gross selling price of ₱180,000 or below or house and lot ("H&L") unit with a gross selling price of ₱850,000 or below) are currently exempt from taxation;
- Several of FLI's assets, such as the Filinvest Technology Park-Calamba, New Clark City and the Northgate Cyberzone, are registered with the Philippine Economic Zone Authority ("PEZA") as special economic zones ("Eco zones") and FLI's modified gross income generated from these assets is subject to a preferential income tax rate of 5%;

- Mimosa Plus estate in Clark Mimosa is in Clark Special Economic Zone and the modified gross income generated from the projects within this zone enjoys a preferential income tax rate of 5% as registered and granted by Clark Development Corp (CDC).

Several developments of FLI are registered with BOI and granted an income tax holiday for certain number of years.

On December 19, 2017, the President of the Philippines signed into law the Tax Reform for Acceleration and Inclusion or Republic Act No. 10963 (“**TRAIN Law**”) which took effect on January 1, 2018. The TRAIN Law amends certain provisions of the Tax Code and is the first package of the Comprehensive Tax Reform Program (“**CTRP**”) of the Duterte administration. -

Under the TRAIN Law, sales of residential lots with a gross selling price of ₱1,919,500 or less and sales of residential houses and lots or condominium units with a gross selling price of ₱3,199,200 or less are currently not subject to the value-added tax (“**VAT**”) of 12.0%, and beginning January 1, 2021, the VAT exemption shall only apply to socialized housing and to house and lots and residential dwellings with selling price of not more than ₱2.0 million. This may result in some of the Company’s sales becoming subject to VAT, leading to an increase in the selling price. This could adversely affect the Company’s sales. Taxes, such as VAT, are expected to have an indirect effect on the results of operations of the Company due to their effect on the levels of spending of consumers or buyers.

In January 2024, the Bureau of Internal Revenue issued Revenue Regulation 1-2024 where house and lots, as well as other residential properties priced at P3.6 million and below, to be exempt from 12% VAT. The threshold was raised from P3.199 million.

Package 2 under the CTRP is Republic Act No. 11534 otherwise known as the Corporate Recovery and Tax Incentives for Enterprise Act (previously the CITIRA bill or the TRABAHO bill) (“**CREATE Act**”). The CREATE Act intends to incentivize businesses by reducing corporate income tax and rationalizing incentives, among others. The CREATE Act was signed by the President on March 26, 2021 and became effective on April 11, 2021.

The CREATE Act rationalized the grant of certain tax incentives. Registered business enterprises with tax incentives granted prior to the effectivity of the CREATE Act shall be subject to the following rules:

1. Those that have been granted only the income tax holiday (“**ITH**”) may continue availing of the ITH for the remaining period of the ITH as specified in the terms and conditions of their registration;
2. Those that have been granted ITH but have not yet availed of the incentive may use the ITH for the period specified in the terms and conditions of their registration;
3. Those that have been granted ITH and are entitled to the 5% tax on gross income earned may avail of the 5% tax on gross income for 10 years; and
4. Those currently availing of the 5% tax on gross income earned may continue to avail of the said incentive for 10 years.

Therefore, BPO companies, which are PEZA-registered information technology enterprises, may lose the benefit of the 5% special tax on gross income earned (which is imposed in lieu of all national and local taxes, except real property taxes on machineries) after 10 years and may instead be subjected to the regular corporate income tax rate of regular corporations. As a result, BPO companies may find it less feasible to conduct their business in the Philippines, and this may adversely affect the demand for Grade A buildings.

Under package 4 of the CTRP, the Department of Finance reportedly proposes to lower the rate of transaction taxes on land, including documentary stamp tax (“**DST**”), transfer tax and registration fees, centralize and rationalize valuation of properties, increase valuation of properties closer to market prices, review property valuations every three (3) years and adjust accordingly. While package 4 aims to lower the rate of transaction taxes on land, the increase in valuation could lead to an increase in the taxes to be paid by the Company.

Moreover, the Department of Finance issued Revenue Regulations No. 9-2021 (“**RR 9-2021**”), which imposed 12% VAT on transactions which were previously taxed at 0% VAT. This covers, among others, those considered export sales under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1997, and other special laws under Section 106(A)(2)(a)(5) of the Tax Code, as well as the sale of services and the use or lease of properties under subparagraphs (1) and (5) of Section 108(B) of the Tax Code.

RR 9-2021 implements the imposition of 12% VAT on certain transactions that were previously taxed at 0% VAT after satisfaction of the conditions set forth in the TRAIN Law. Following the issuance of RR 9-2021, suppliers started imposing 12% VAT on their sale of goods and/or services to export-oriented enterprises such as BPO companies, including lease rentals and utilities. The PEZA issued a letter dated July 6, 2021 stating its position that RR 9-2021 is contrary to the provisions of the CREATE Act, as well as the separate customs territory principle provided under Republic Act No. 7916 or the PEZA Law and Philippine jurisprudence. The PEZA requested the Department of Finance and the BIR to defer the implementation of RR 9-2021. On July 21, 2021, the Department of Finance issued Revenue Regulations No. 15-2021, deferring the implementation of RR 9-2021 until the issuance of amendatory revenue regulations.

On December 7, 2021, the Department of Finance issued Revenue Regulations No. 21-2021 (“**RR 21-2021**”) to implement Sections 294 (E) and 295 (D) of the CREATE Act. RR 21-2021 provides that the VAT exemption on importation and VAT zero-rating on local purchases shall only apply to goods and services directly and exclusively used in the registered project or activity of a registered export enterprise, for a maximum period of 17 years from the date of registration, unless otherwise extended under the Strategic Investments Priority Plan. It also provides that sales to existing registered export enterprises located inside ecozones and freeport zones shall also be qualified for VAT zero-rating until the expiration of the transitory period.

On March 9, 2022, the BIR issued Revenue Memorandum Circular No. 24-2022 (“**RMC 24-2022**”) to clarify the transitory provisions under RR 21-2021 and certain issues pertaining to the effectivity and VAT treatment of transactions by registered business enterprises particularly the registered export enterprises. RMC 24-2022 clarified, among others, that sale of goods or services to existing registered non-export enterprises located inside the ecozones or freeport zones shall be subject to 12% VAT.

These tax reforms may affect the overall competitiveness of doing business in the Philippines, thereby affecting the number of prospective tenants or companies that wish to continue their operations in the country. Implementation of tax reforms may affect overall demand for leasing spaces in the Philippines, including that for the Company’s properties. It may also prompt existing BPO tenants to cease their operations in the Philippines, and terminate or not renew their leases with the Company. Any of these events may have a material and adverse effect on the Company’s business, results of operations and financial condition.

Under the REIT Law, REIT companies are allowed to claim the dividend distributions as deductible expense for income tax purposes, which can result to zero corporate income tax payable. FLI owns 63.3% of FILRT.

The Company continues to monitor all tax developments to anticipate their potential effects on operations and in order to be able to plan accordingly.

A domestic asset price bubble could adversely affect the Company’s business.

One of the risks inherent in any real estate property market is the possibility of an asset price bubble. This occurs when there is a gross imbalance between the supply and demand in the property market, causing an unusual increase in asset prices, followed by a drastic drop in prices when the bubble bursts. In the Philippines, the growth of the real estate sector is mainly driven by low interest rates, robust remittances from Overseas Filipino Workers, and the continued growth of the Business Process Outsourcing sector and Knowledge Process Outsourcing sector.

The Company believes that the Philippine property sector is adequately protected against a domestic asset price bubbleburst. The country has a very young demographic profile benefitting from rising disposable income. It likewise remains to be one of the fastest growing emerging economies in the Asia Pacific region, registering Gross Domestic Product growth rates of 5.6%% in 2021, 7.6% in 2022 , 5.6% in 2023 and 5.6% in 2024, and the growth in the property sector is largelysupported by infrastructure investments from both the public and private sectors and strong macroeconomic fundamentals.

There can be no assurance however, that the Philippines will achieve strong economic fundamentals in the future. Changes in the conditions of the Philippine economy could materially and adversely affect the Company's business,financial condition and results of operations. The Company has a planning process that provides for alternatives when conditions change that enables it to adjust its plans.

The Company is largely dependent on third-party brokers to sell their residential housing and landdevelopment projects and to lease their commercial and office properties.

While the Company has continuously grown its in-house sales team, FLI also relies on third-party brokers to market and sell their residential housing and land development projects and to lease their commercial and office properties topotential customers inside and outside of the Philippines. These brokers may also act as brokers for other developersin the same markets in which the Company operates, and there can be no assurance that they will not favor the interestsof their other clients over the interests of the Company in lease or sale opportunities, or otherwise act in the best interests of the Company. The Real Estate Service Act of the Philippines (“**RA 9646**”) was signed into law on June 29,2009. RA 9646 strictly regulates the practice of real estate brokers by requiring licensure examinations and attendance in continuing professional education programs. Thus, there is competition for the services of third-party brokers in the Philippines, and many of the Company’s competitors either use the same brokers as the Company or attempt to recruitbrokers away from the Company. If a large number of these third-party brokers were to terminate or breach their brokerage agreements, the Company would be required to seek other external brokers, and there can be no assurancethat the Company could do so quickly or in sufficient numbers. This could disrupt the Company’s business and negatively affect its financial condition, results of operations and prospects. To minimize this risk, the Company has a wide network of sellers including exclusive and non-exclusive brokers.

Infringement of the Company’s intellectual property rights in relation to its real property business could havea material adverse effect on the Company’s operations.

The Company has registered with the IPO a variety of marks including “FILINVEST LAND, INC,” and the Filinvest logo. Generally, the registrations of these marks and/or trademarks are effective for aperiod of ten years from the date of the original registrations and may be renewed for periods of ten years at their expiration upon the filing of appropriate requests with the IPO. There can be no assurance that any renewal applications or applications to register other marks will be approved or that the actions the Company has taken will be adequate to prevent third parties from using the “Filinvest” name or Filinvest Company corporate brands and logosor from naming their products using the same brands the Filinvest Company uses. In addition, there can be no assurance that third parties will not assert rights in, or ownership of, the Filinvest Company name, trademarks and other intellectual property rights. Because the Company believes that the reputation and track record it has established under the “Filinvest” and “FLI” names are key to its future growth, the Company’s business, financial condition andresults of operations may be materially and adversely affected by the unauthorized use of these names and of any associated trademarks by third parties or if the Company were restricted from using such marks.

Certain residential real estate customers of the Company rely on financing from Government-mandated funds, which may not always be available.

The residential housing industry in the Philippines has been and continues to be characterized by a significant shortage of mortgage financing, particularly in the low-cost housing sector. For example, a significant portion of the financing for purchases of socialized housing projects is provided by Government-sponsored housing funds such as the Pag- IBIG Fund, which is financed primarily through mandatory contributions from the gross wages of workers and the amount of funding available and the

level of mortgage financing from these sources is limited and may vary from year to year. The Company depends on the availability of mortgage financing provided by these Government-mandated funds for substantially all of its socialized housing sales, which represented 3.0% of the Company's total real estate sales for 2023 and 4.4% of the Company's total real estate sales for 2024. In the event potential buyers of socialized housing products are unable to obtain financing from these Government-mandated funds, this could result in reduced sales for these products and, in turn, could have a material adverse effect on the Company's business, financial condition and results of operations. The Company continues to tap banks to finance the purchases of buyers to ensure financing is always available.

RISKS RELATING TO THE PHILIPPINES

Substantially all of the Company's business activities are conducted in the Philippines and all of its assets are located in the Philippines, which exposes the Company to risks associated with the Philippines, including the performance of the Philippine economy.

Historically, the Company's results of operations have been influenced, and will continue to be influenced, to a significant degree by the general state of the Philippine economy and as a result, its income and results of operations depend, to a significant extent, on the performance of the Philippine economy. Although the Philippine economy has experienced strong GDP growth in recent years prior to 2020, the stronger U.S. dollar, rising global interest rates and higher commodity prices may cause domestic inflation to increase and have an adverse impact on the future growth of the Philippine economy, which has previously experienced periods of slow or negative growth, high inflation, significant depreciation of the peso and the imposition of exchange controls.

Demand for, and the prevailing prices of, developed land and house, lot and condominium units are directly related to the strength of the Philippine economy (including overall growth levels and interest rates), the overall levels of business activity in the Philippines and the amount of remittances received from OFWs. Demand for FLI's housing and land developments is also affected by social trends and changing spending patterns in the Philippines, which in turn are influenced by economic, political and security conditions in the Philippines. The Philippine residential housing industry is cyclical and is sensitive to changes in general economic conditions in the Philippines such as levels of employment, consumer confidence and income, availability of financing for property acquisitions, construction and mortgages, interest rate levels, inflation and demand for housing.

There is no assurance that the Philippines and other countries in Asia will not experience future economic downturns. The Philippine and Asian economies may be adversely affected by various factors, including:

- decreases in business, industrial, manufacturing or financial activity in the Philippines, in Asia or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines or in the Asian or global markets;
- exchange rate fluctuations;
- a prolonged period of inflation or increase in interest rates;
- changes in the taxation policies and laws; and
- other regulatory, political or economic developments in or affecting the Philippines and other Asian countries.

Any deterioration in economic and political conditions in the Philippines or elsewhere in Asia could materially and adversely affect the Company's business, prospects, financial condition and results of operations.

Volatility in the value of the Peso against the U.S. dollar and other currencies as well as in the global financial and capital markets could adversely affect the Company's businesses.

The Philippine economy has experienced volatility in the value of the Peso as well as limitations to the availability of foreign exchange. In July 1997, the BSP announced that the Peso can be traded and valued freely on the market. As a result, the value of the Peso underwent significant fluctuations between July 1997 and December 2004 and the Peso declined from approximately ₱29.00 to U.S.\$1.00 in July 1997 to ₱56.18 to U.S.\$1.00 by December 2004.

The valuation of the Peso may be adversely affected by certain events and circumstances such as the strengthening of the U.S. economy, the rise of the interest rates in the U.S. and other events affecting the global markets or the Philippines, causing investors to move their investment portfolios from the riskier emerging markets such as the Philippines to "safe havens."

Consequently, an outflow of funds and capital from the Philippines may occur and may result in increasing volatility in the value of the Peso against the U.S. Dollar and other currencies. As of February 18, 2025, according to BSP data, the Peso has depreciated 0.52% to ₱58.15 per U.S. \$1.00 from ₱57.85 per U.S. \$1.00 for the period ended December 31, 2024. As of the period ended December 31, 2024, the Peso has depreciated by 4.47% from ₱55.37 per U.S. \$1.00 at the end of 2023. ~~506~~ The Company's business may be disrupted by terrorist acts, crime, natural disasters and outbreaks of infectious diseases in the Philippines or fears of such occurrences.

The Company's hospitality business will depend substantially on revenues from local travelers and foreign visitors and may be disrupted by events that reduce local or foreign visitors' willingness to travel to or in the Philippines and raise substantial concerns about visitors' personal safety.

The Philippines has been subject to a number of terrorist attacks in recent years. The Philippine army has been in conflict with the Abu Sayyaf organization, which has ties to the al-Qaeda terrorist network, and has been identified as being responsible for certain kidnapping incidents and other terrorist activities particularly in the southern part of the Philippines. There have also been isolated bombings in the Philippines, mainly in regions in the southern part of the Philippines, such as the province of Maguindanao. In May 2017, members of the "Maute Company", a local terrorist Company with alleged allegiances to the Islamic State of Iraq and Syria, attacked Marawi City in Lanao del Sur, leading to clashes with Government troops. The attacks on Marawi City prompted President Duterte to declare martial law and suspend the writ of habeas corpus over the whole island of Mindanao. Based on news reports, up to 600,000 residents of Marawi City and nearby towns have been displaced as a result of the ongoing clashes between the Maute Company and Government troops. An increase in the frequency, severity or geographic reach of these terrorist acts could destabilize the Philippines, and adversely affect the country's economy and the Company's business.

Crimes also remain a serious risk in many parts of the Philippines with illegal drug trade, human trafficking, murder, theft, robberies and violent assaults occur sporadically. Kidnapping is likewise a real threat in the country, with kidnap-for-ransom companies targeting both locals and foreigners especially in the country's restive areas.

The Philippines has also experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes, including a 6.3 magnitude earthquake in April 2019, as well as outbreaks of infectious diseases, such as Severe Acute Respiratory Syndrome (SARS) in 2003 and the Coronavirus in 2019. In December 2019, an outbreak of the novel coronavirus ("COVID-19") occurred in China and spread to other countries, including the Philippines.

Political or social instability in the Philippines could destabilize the country and may have a negative effect on the Company.

The Philippines has from time to time experienced severe political and social instability. The Philippine Constitution provides that, in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. In the last few years, there were instances of political instability, including public and military protests arising from alleged misconduct by the previous administration.

On March 27, 2014, the Government and the Moro Islamic Liberation Front (“**MILF**”) signed a peace agreement, the Comprehensive Agreement on Bangsamoro. On September 10, 2014, the draft of the Bangsamoro Basic Law (“**BBL**”) was submitted by former President Aquino to Congress. The BBL is a draft law intended to establish the Bangsamoro political entity in the Philippines and provide for its basic structure of government, which will replace the existing Autonomous Region in Muslim Mindanao. Following the Mamasapano incident where high-profile terrorists clashed with armed members of the Bangsamoro Islamic Freedom Fighters and MILF leading to the deaths of members of the Special Action Force (“**SAF**”) of the Philippine National Police, MILF, the Bangsamoro Islamic Freedom Fighters, and several civilians, the Congress stalled deliberations on the BBL. Following the release of the full report on the Mamasapano incident by the Philippine National Police Board of Inquiry in March 2015, former President Aquino, on March 27, 2015, formed Peace Council consisting of five original members to study the draft BBL. Seventeen co-conveners were later named as part of the Peace Council. The Council examined the draft law and its constitutionality and social impact. The Council Members testified before the House of Representatives and the Senate, and submitted their report, which endorses the draft BBL but with some proposed amendments. On May 13 and 14, 2015, the Senate conducted public hearings on the BBL in Zamboanga and Jolo, Sulu, with the Zamboanga City government and sultanate of Sulu opposing their inclusion in the proposed Bangsamoro entity. On May 30 and 31, 2018, the House of Representatives and the Senate approved their own versions of the bill on the BBL and on July 18, the bicameral committee approved the final version. On July 26, 2018, President Duterte signed into law Republic Act No. 11054 or the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao (“**Bangsamoro Organic Law**”). The Bangsamoro Organic Law established an autonomous political entity known as the Bangsamoro Autonomous Region in Muslim Mindanao (“**Bangsamoro Autonomous Region**”), replacing the Autonomous Region in Muslim Mindanao (“**ARMM**”) created under Republic Act No. 6734. A plebiscite was held on January 21, 2019 and February 06, 2019, with majority of the residents in ARMM and Cotabato City voting in favor of the Bangsamoro Organic Law. As such, the law was deemed ratified and the Bangsamoro Autonomous Region was formally created. It is composed of Cotabato City which voted for its inclusion in the new region and the five provinces under ARMM: Basilan (except Isabela City), Lanao del Sur, Maguindanao, Tawi-Tawi and Sulu. The Bangsamoro Autonomous Region, unlike the unitary form of government under the ARMM, has a parliamentary-democratic government. The Bangsamoro parliament has the power to enact laws in the Bangsamoro Autonomous Region. Moreover, the Bangsamoro Autonomous Region enjoys fiscal autonomy (unlike ARMM).

In addition, the Company may be affected by political and social developments in the Philippines and changes in the political leadership and/or government policies in the Philippines. Such political or regulatory changes may include (but are not limited to) the introduction of new laws and regulations that could impact the Company’s business.

In addition, the Philippine legislature recently passed the Anti-Terrorism Act of 2020, which has drawn criticism from, and sparked protests by, various sectors because of its controversial provisions on warrantless arrests and its broad definition of terrorist acts, which may be used to target government critics. The said bill will pass into law upon approval by, or within 30 days of receipt upon inaction of, President Rodrigo Duterte.

Philippine National Elections were held on May 9, 2022 where President Ferdinand Marcos, Jr won.

There can be no assurance that the new administration will continue to implement the economic policies favored by the previous administration. Major deviations from the policies of the previous administration

or fundamental change of direction, including with respect to Philippine foreign policy, may lead to an increase in political or social uncertainty and instability. Any potential instability could have an adverse effect on the Philippine economy, which may impact the Company's business, prospects, financial condition and results of operations.

The Company's land and real property may be subject to compulsory acquisition or expropriation proceedings undertaken by the Government.

The Government, by virtue of the sovereign power of eminent domain, has the authority to acquire any private property in the Philippines for public benefit or use or any other public interest upon due process of law and payment of just compensation. Thus, the Company may be subject to a reduction or loss of property in its land holdings in the event that the Government undertakes expropriation proceedings. The payment of just compensation may also be less than the market value of the relevant property, and may thus adversely affect the Company's business.

Corporate governance and accounting and financial disclosure standards for public companies listed in the Philippines may differ from those in other countries.

There may be less publicly available information about Philippine public companies, including FLI, than is regularly made available by public companies in other countries. In addition, although the Company complies with the requirements of the SEC with respect to corporate governance standards, these standards may differ from those applicable in other jurisdictions. The SEC considers as best practice for public companies such as FLI, to have at least three (3) independent directors, or such number as to constitute one-third of the board whichever is higher. While FLI has adopted the recommended best practices of the SEC and is in compliance with Philippine laws, rules and regulations, a greater number of independent directors may be required in other jurisdictions.

Changes in foreign exchange control regulations in the Philippines may limit the Company's access to foreign currency.

Under BSP regulations, as a general rule, Philippine residents may freely dispose of their foreign exchange receipts and foreign currencies may be freely sold and purchased outside the Philippine banking system. There are restrictions on the sale and purchase of foreign currencies within the Philippine banking system. In particular, a foreign investment must be registered with the BSP if foreign exchange is needed to service the repatriation of capital and the remittance of dividends, profits and earnings which accrue thereon, and if such foreign currency is sourced from the Philippine banking system. See *"Philippine Foreign Exchange and Foreign Ownership Controls."*

The Government has, in the past, instituted restrictions on the conversion of Pesos into foreign currency and the use of foreign exchange received by Philippine residents to pay foreign currency-denominated obligations. The Monetary Board, with the approval of the President of the Philippines, has statutory authority during a foreign exchange crisis or in times of national emergency to suspend temporarily or restrict sales of foreign exchange, to require licensing of foreign exchange transactions or to require delivery of foreign exchange to BSP or its designee. The Company is not aware of any pending proposals by the Government relating to such restrictions. The Government has from time to time made public pronouncements of a policy not to impose restrictions on foreign exchange. Any restrictions imposed in the future pursuant to such statutory authority could adversely affect the ability of the Company to source foreign currency to comply with its foreign currency-denominated obligations.

The sovereign credit ratings of the Philippines may adversely affect the Company's business.

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**"), to BBB+ with stable outlook. Fitch Ratings ("**Fitch**"), and Moody's Investors Service ("**Moody's**"), affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. On February 28, 2020, Fitch revised its rating of Philippines long-term foreign currency-denominated debt to BBB, with a

positive outlook, following its expectation that sound macroeconomic management will continue to support high growth rates with stable inflation while ongoing tax reforms were expected to improve fiscal finances. On May 7, 2020, Fitch affirmed its rating of Philippines long-term foreign currency-denominated debt to BBB, but revised the outlook to stable, to reflect the deterioration in the Philippines' near-term macroeconomic and fiscal outlook as a result of the impact of the COVID-19 pandemic and domestic lockdown to contain the spread of the virus. In May 2020, S&P and Moody's affirmed its rating of BBB+ and Baa2, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. In February 2022, Fitch once again affirmed its credit rating for the Philippines but revised its outlook from stable to negative. In June 2024, Fitch Ratings affirmed the Philippines' rating of BBB with a stable outlook.

The Philippine Government's credit ratings directly affect companies domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. No assurance can be given that Fitch, Moody's, S&P, or any other international credit rating agency will not downgrade the credit ratings of the Philippine Government in the future and, therefore, Philippine companies. Any such downgrade could have a material adverse impact on the liquidity in the Philippine financial markets, the ability of the Philippine Government and Philippine companies, including the Company, to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

Territorial disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.

The Philippines, China and several Southeast Asian nations have been engaged in a series of long-standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognized principles of international law consistent with the United Nations Convention on the Law of the Sea ("UNCLOS"). The Philippines made several efforts during the course of 2011 and 2012 to establish a framework for resolving these disputes, calling for multilateral talks to delineate territorial rights and establish a framework for resolving disputes.

Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a company of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused each other of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal later that year. These actions threatened to disrupt trade and other ties between the two (2) countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China's presence there. In January 2013, the Philippines sent notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under UNCLOS. China has rejected and returned the notice sent by the Philippines to initiate arbitral proceedings.

In September 2013, the Permanent Court of Arbitration in The Hague, Netherlands issued rules of procedure and initial timetable for the arbitration in which it will act as a registry of the proceedings. Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the operations of the Company could be adversely affected as a result. In particular, further disputes between the Philippines and China may lead both countries to impose trade restrictions on the other's imports. On July 12, 2016, the five-member Arbitral Tribunal at the Permanent Court of Arbitration in The Hague, Netherlands (the "**Tribunal**"), unanimously ruled in favor of the Philippines on the maritime dispute over the West Philippine Sea. The Tribunal's landmark decision contained several rulings, foremost of which invalidated China's "nine-dash line", or China's alleged historical boundary covering about 85% of the South China Sea, including 80% of the Philippines Exclusive Economic Zone in the West Philippine Sea. China rejected the ruling, saying that it did not participate in the proceedings for the reason that the court had no jurisdiction over the case.

Notwithstanding the favorable decision of the Tribunal, tensions over the West Philippine Sea continue to run high. Should territorial dispute continue to escalate, the Philippines and its economy may be affected, which in turn

Any such impact from these disputes could adversely affect the Philippine economy, and materially and adversely affect the Company's business, financial condition and results of operations.

Item 2. PROPERTIES

2.1. Land Bank

Since its incorporation, the Parent Company has invested in properties situated in what the Parent Company believes are prime locations across the Philippines for existing and future housing and land development projects. It is important for the Parent Company to have access to a steady supply of land for future projects. In addition to directly acquiring land for future projects, the Parent Company has also adopted a strategy of entering into joint venture arrangements with landowners for the development of raw land into future project sites for housing and land development projects. This allows FLI to reduce its capital expenditures for land and substantially reduces the financial holding costs resulting from owning land for development.

Under the joint venture agreements, the joint venture partner contributes the land free from any lien, encumbrance, tenants or informal settlers and the Parent Company undertakes the development and marketing of the products. The joint venture partner is allocated either the developed lots or the proceeds from the sales of the units based on pre-agreed distribution ratio.

Potential land acquisitions and participation in joint venture projects are evaluated against a number of criteria, including the attractiveness of the acquisition price relative to the market, the suitability or the technical feasibility of the planned development. The Parent Company identifies land acquisitions and joint venture opportunities through active search and referrals.

As of December 31, 2024, the Parent Company had a land bank of approximately 1,826 hectares of raw land for the development of its various projects, including approximately 196.5 hectares of land under joint venture agreements, which the Parent Company's management believes is sufficient to sustain several years of development and sales.

Details of the Parent Company's raw land inventory as of December 31, 2024 are set out in the table below:

FLI Land Bank as of December 31, 2024				
In Hectares				
Location	Company Owned	Under Joint Venture	Total	% to Total
Luzon				
Metro Manila	30.8	-	30.8	1.7%
Rizal	692.7	9.2	701.9	38.4%
Bulacan	245.6	-	245.6	13.5%
Bataan	7.1	-	7.1	0.4%
Pampanga	-	24.9	24.9	1.4%
Camarines Sur	0.8	-	0.8	0.0%
Pangasinan	0.3	-	0.3	0.0%
Cavite	298.9	58.8	357.7	19.6%
Laguna	229.8	0.7	230.5	12.6%
Batangas	45.6	42.1	87.7	4.8%
	1,551.6	135.7	1,687.3	92.4%
Visayas				
Cebu	1.8	35.7	37.5	2.1%
Negros Occidental	0.2	-	0.2	0.0%
	2.0	35.7	37.7	2.1%
Mindanao				
Davao	6.3	25.1	31.4	1.7%
South Cotabato	69.6	-	69.6	3.8%
	75.9	25.1	101.0	5.5%
Total	1,629.5	196.5	1,826.0	100.0%

In addition to above, FLI has the ff land under a joint development or long-term leasing agreement available to FLI for development:

Location	Area in has.	Remarks
Filinvest Mimosa Plus	201.6	Being developed with FDC
New Clark City	288.0	Being developed with BCDA
Total	489.6	

2.2. Current Development Projects

The following are the most recently launched projects and projects with new phases and buildings:

PROJECT	LOCATION
HORIZONTAL	
Amarilyo Crest	Rizal
Pineview	Cavite
Sandia	Batangas
Tierra Vista	Bulacan
The Grove	Rizal
Savannah Place	Cavite
Futura Homes Palm Estates	Bacolod
Futura Homes Mactan	Cebu
Futura Homes Iloilo	Iloilo
Futura Homes Koronadal	South Cotabato
Anila Park Residences	Rizal
Aria at Serra Monte	Rizal
The Prominence	Quezon City
Futura Homes Davao	Davao
New Fields at Manna	Rizal
Meridian Place	Cavite
Valle Dulce	Laguna
Ventura Real	Rizal
Claremont Expansion	Pampanga
Southwinds	Laguna
Futura Zamboanga	Zamboanga
Enclave	Muntinlupa
New Leaf	Cavite
Mira Valley	Rizal
Hampton Orchard	Pampanga
Futura Mira	Calamba
Futura Plains	Rizal
Tropics 4	Cainta
New Fields 2 at Manna	Rizal
Alta Vida 4&5	Bulacan
Rosewood	Cavite
The Arborage C	Laguna
New Leaf Phase 2	Cavite
Celestia	Rizal
Futura Mira	Laguna
Futura Primo	Bataan

PROJECT	LOCATION
MRB	
One Oasis Cebu	Cebu
One Oasis Cagayan de Oro	Cagayan de Oro
Panglao Oasis	Taguig
One Spatial	Pasig
San Remo	Cebu
Centro Spatial	Davao
One Spatial Iloilo	Iloilo
Marina Spatial	Dumaguete
8 Spatial	Davao
Maui Oasis	Manila
Alta Spatial	Valenzuela City
Bali Oasis	Pasig
Maldives Oasis	Davao
Sorrento Oasis	Pasig
Veranda	Davao
Futura East	Cainta
Centro Spatial	Manila
Belize	Muntinlupa
Futura Vinta	Zamboanga
Futura Monte	Naga City
Futura One Fora Dagupan	Pangasinan
Futura Shores	Dumaguete
Sydney Oasis	Cavite
Futura Bay Gensan	South Cotabato
HRB	
Activa	Quezon City
Levels	Alabang
Studio City	Alabang
Studio N (Block 50)	Alabang
Walkup	
Futura Rise	Iloilo

On-going developments of the abovementioned projects are expected to require additional funds but FLI believes that it will have sufficient financial resources for these anticipated requirements, both from debt financing and generation from operations.

2.3. Investment Properties

FLI has the following operating strategic investment properties: Festival Supermall, Fora Mall, Main Square Molino, Il Corso, PBCom Tower, 100 West, Northgate Cyberzone, EDSA Wackwack Building, Cebu Cyberzone, Pasay Cyberzone (Bay Area) and Clark Mimosa Cyberzone.

FLI has currently several projects under development that will be rental assets when completed. Please refer to Section 1.5.2 for a detailed discussion of these properties.

2.4. Property and Equipment

FLI's corporate headquarters is located along EDSA, Mandaluyong City. FLI is also renting spaces for its sales offices in Quezon City, Rizal, Pampanga, Tarlac, Bulacan, Puerto Princesa City, Davao City, Butuan, Tagum, Cagayan de Oro, and Zamboanga City. The terms of the leases are usually for one year, and thereafter, the terms of the lease shall be on short term basis or upon the option of both parties, a new contract is drawn. The Parent Company does not intend to acquire properties for the next 12 months except as needed in the ordinary course of business.

Part of the PPE of the company are the tractor and equipment being used for construction works under supervision by DPI, and the plant for DCS as owned and operated by its subsidiary PDDC.

Item 3. LEGAL PROCEEDINGS

The Company is subject to lawsuits and legal actions in the ordinary course of its real estate development and other allied activities. However, the Company does not believe that any such lawsuits or legal actions will have a significant impact on its financial position or results of its operations. Noteworthy are the following cases involving the Company:

- a) *FLI vs. Abdul Backy Ngilay, et al.*,
G.R. No. 174715
Supreme Court

This is a civil action for the declaration of nullity of deeds of conditional and absolute sale of certain real properties located in Tambler, General Santos City, covered by free patents and executed between FLI and the plaintiff's patriarch, Hadiji Gulam Ngilay. The Regional Trial Court ("RTC") of Las Piñas City (Br. 253) decided the case in favor of FLI and upheld the sale of the properties. On appeal, the Court of Appeals ("CA") rendered a decision partly favorable to FLI but nullified the sale of some properties involved. FLI filed a petition for review on certiorari to question that portion of the decision declaring as void the deeds of sale of properties covered by patents issued in 1991. The Supreme Court ("SC") affirmed the decision of the CA but declared with finality that FLI's purchase of sales patents issued in 1991 was void and ordered the Ngilays to return P14,000,000.00 to FLI. The RTC issued a Writ of Execution dated 16 February 2015. To satisfy the monetary judgment in favor of FLI, four parcels of land owned by the Ngilays and covered by Transfer Certificates of Title ("TCT") Nos. P-6886, 147-201005034, 147-2014000465, and 147-2014000468, were levied on execution and sold at public auction to FLI as highest bidder. The Sheriff's Certificate of Sale over the properties was registered with the Registry of Deeds of General Santos City. FLI filed a motion for the surrender of the certificates of titles of the Ngilays so that FLI's affidavit of consolidation of ownership can be annotated on the titles and new certificates of title will be issued in FLI's name. This motion was partially granted; 3 titles, namely Transfer Certificates of Title ("TCT") Nos. 147-2014005034, 147-2014000465, and 147-2014000468, are surrendered to the Register of Deeds of General Santos City. But the sale by the Sheriff of the property covered by TCT No. P-6886 was declared invalid, because the sale of the property covered by said title was not one of the sales previously declared by the SC as invalid. The Sheriff was ordered to look for another property of Ngilay for execution and to issue an amended certificate of sale for the three (3) Ngilay properties in favor of FLI. We are awaiting the Court's issuance of an order approving the amended certificate of sale along with the resolution of the Court on Moner Ngilay's Motion to Exclude his property from execution, with FLI's opposition already filed. The court granted FLI's motions and

ordered the Deputy Sheriff of the Regional Trial Court, Branch 253 of Las Piñas City, to amend the Certificate of Sale in accordance with the Order dated June 1, 2018 while Moner Ngilay's Motion to Exclude his property from execution was denied.

*b) Republic of the Philippines vs. Rolando Pascual, et al.,
Civil Case No. 7059*

RTC General Santos Branch 36 (On appeal by the Republic to the Court of Appeals)

The Republic through the Office of the Solicitor General (OSG) filed suit against Rolando Pascual, Rogelio Pascual, and FLI for cancellation of title and reversion in favor of the Government of properties subject of a joint venture agreement between the said individuals and FLI. The Government claims that the subject properties covering about 73.33 hectares are not alienable and disposable for being forest land. The case was dismissed by the RTC Branch 36 of General Santos City on 16 November 2007 for lack of merit. On appeal by the Republic, the Court of Appeals reversed the Decision of the RTC and ordered the case to be remanded for a full-blown trial on the merits. FLI filed its Petition for Review with the SC, but the latter also affirmed the Decision of the CA remanding the case to the RTC for further proceedings.

When the case was remanded in the trial court, the RTC set the case for Judicial Dispute Resolution which was eventually terminated after the parties failed to arrive at an amicable settlement. After several re-settings that spanned over a decade in addition to the pandemic, the pre-trial originally set on 14 April 2020 was held on 17 May 2022 at 8:30am. Representatives and counsel of the Republic, particularly from the Department of Environment and Natural Resources (DENR) and the Office of the Solicitor General, still failed to attend. Hence, the RTC of General Santos City dismissed the case with prejudice upon motion of the defendants during the proceedings. The Republic filed its *Motion for Reconsideration* but the same was denied by the RTC which affirmed the dismissal of the case as stated in its Order dated 17 May 2022.

On 23 January 2023, the Republic filed a *Notice of Appeal*. On July 30, 2024, the Court of Appeals issued a *Resolution* acknowledging receipt of the transmittal of records of the RTC, with directive to cure the defects therein within ten (10) days from notice. On August 30, 2024, the RTC replied to the directive of the Court of Appeals and explained the deficiencies in the transmittal of records. On October 8, 2024, the Court of Appeals issued its *Resolution* noting the explanation of the RTC, directing the parties to comment and manifest to the court if they are willing to dispense with the deficiencies in the records, and decide the case only on the available records, and forward the *rollo* of the case to the records division of the Court of Appeals to determine its completeness, and if so, issue the notice to file brief to the parties.

As of November 25, 2024, the parties have made their respective manifestations to dispense with the deficiencies in the records noted by the Court of Appeals.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Except for the matters taken up during the 2024 Annual Meeting of Stockholders, there was no matter which was submitted to a vote of security holders in 2024.

Part II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. MARKET FOR ISSUER’S COMMON EQUITY & RELATED STOCKHOLDER MATTERS

The shares of the Company were listed on the Philippine Stock Exchange (PSE) in 1993 under the symbol “FLI”. The following table shows, for the periods indicated, the high, low, and period end closing prices of the shares as reported in the PSE.

Period		High	Low	End
2024	4th Quarter	0.83	0.66	0.73
	3rd Quarter	0.83	0.62	0.81
	2nd Quarter	0.74	0.65	0.68
	1st Quarter	0.72	0.60	0.68
2023	4th Quarter	0.64	0.54	0.59
	3rd Quarter	0.71	0.62	0.64
	2nd Quarter	0.81	0.66	0.70
	1st Quarter	0.92	0.70	0.75
2022	4th Quarter	0.93	0.73	0.90
	3rd Quarter	0.97	0.76	0.76
	2nd Quarter	1.10	0.84	0.88
	1st Quarter	1.12	1.01	1.08

On December 27, 2024, FLI's shares closed at the price of Php0.73 per share. The number of shareholders of record as of December 31, 2024 was 5,556. Common shares outstanding as of December 31, 2024 is 22,383,759,506.

The top 20 Stockholders of FLI's common shares as of 31 December 2024 are as follows:

<u>NAME</u>	<u>NO. OF SHARES</u>	<u>% OF TOTAL</u>
1. Filinvest Development Corporation	15,926,610,981	71.15%
2. PCD Nominee Corporation (Filipino)	4,271,225,727	19.08%
3. PCD Nominee Corporation (Non-Filipino)	1,909,182,584	8.53%
4. Philippines International Life Insurance Co. Inc.	60,000,000	0.27%
5. Michael Gotianun	11,235,913	0.05%
6. Lucio W. Yan &/or Clara Y. Yan	10,687,500	0.05%
7. Gillian Cindy T. Te	8,000,000	0.04%
8. Executive Optical Inc.	5,040,647	0.02%
9. Berck Y. Cheng or Alving Y. Cheng or Diana Y. Cheng or Cheryl Y. Cheng	5,000,000	0.02%
10. Jonathan Dee Co	5,000,000	0.02%
11. R Magdalena Bosch	4,877,928	0.02%
12. Luis L. Fernandez	4,064,940	0.02%
13. Luis Rodrigo P. Fernandez	4,064,940	0.02%
14. Enrique P. Fernandez	4,064,940	0.02%
15. Veronica P. Fernandez	4,064,940	0.02%
16. Carlo Bernardo P. Fernandez	4,064,940	0.02%
17. Marco Vicente P. Fernandez	4,064,940	0.02%
18. Team Gladiola Inc.	3,828,000	0.02%
19. Emily Benedicto	3,468,750	0.02%
20. Filinvest Capital Inc.	2,890,625	0.01%

Filinvest Development Corporation holds 8,000,000,000 preferred shares.

No securities were sold within the past three years which were not registered under the Revised Securities Act and/or the Securities Regulation Code (“Code”).

Recent Sale of Unregistered Securities

No securities were sold by FLI in the past three (3) years which were not registered under the Code.

Declaration of Dividends

On January 8, 2007, the Board of Directors approved an annual cash dividend payment ratio for the Company’s issued shares of 20% of its consolidated net income from the preceding fiscal year, subject to the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends, including, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company’s Board may, at any time, modify such dividend pay-out ratio depending upon the results of operations and future projects and plans of the Company.

In 2024, FLI declared cash dividends to all stockholders of record as of 13 May 2024 in the amount of ₱0.05 per common share and ₱0.0005 per preferred share. Payment date was set on 05 June 2024.

In 2023, FLI declared cash dividends to all stockholders of record as of 12 May 2023 in the amount of ₱0.036 per common share and ₱0.00036 per preferred share. Payment date was set on 06 June 2023.

In 2022, FLI declared cash dividends to all stockholders of record as of 11 May 2022 in the amount of ₱0.047 per common share and ₱0.0004 per preferred share. Payment date was set on 02 June 2022.

Item 6. BOND ISSUANCES

On December 1, 2023, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.43 billion which are 3.5-year fixed rate bonds due in 2027. The bonds carry a fixed rate of 6.9829% per annum. As of December 31, 2024, ₱11.43 billion of these bonds payable remain outstanding.

On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion comprising of ₱8.925 billion, 3-year fixed rate bonds due in 2025 and ₱2.975 billion, 5-year fixed rate bonds due in 2027. The 3-year bonds carry a fixed rate of 5.3455% per annum, while the 5-year bonds have a fixed rate of 6.4146% per annum. As of December 31, 2024, ₱11.90 billion of these bonds payable remain outstanding.

On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.0 billion comprising of ₱5.0 billion, 4-year fixed rate bonds due in 2025 and ₱5.0 billion, 6-year fixed rate bonds due in 2027. The 4-year bonds carry a fixed rate of 4.5300% per annum, while the 6-year bonds have a fixed rate of 5.2579% per annum. As of December 31, 2024, ₱10.0 billion of these bonds payable remain outstanding.

On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.1 billion comprising of ₱6.3 billion, 3-year fixed rate bonds due in 2023 and ₱1.8 billion, 5.5-year fixed rate bonds due in 2026. The 3-year bonds carry a fixed rate of 3.34% per annum, while the 5.5-year bonds have a fixed rate of 4.18% per annum. On November 18, 2023, the Parent Company paid ₱6.3 billion of the outstanding bonds payable. As of December 31, 2024, ₱1.8 billion of the related bonds payable remain outstanding.

On July 7, 2017, FILRT issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱6.00 billion and term of five and a half (5.5) years due in 2023. The bonds carry a fixed rate of 5.05% per annum, payable quarterly in arrears starting on October 7, 2017. On January 9, 2023, FILRT paid the outstanding bonds payable balance amounting to ₱6.00 billion.

On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum, while the 10-year bonds have a fixed rate of 5.71% per annum. The Parent Company paid the ₱7.0 billion bonds on August 20, 2022. As of December 31, 2024, ₱1.0 billion of the related bonds payable remain outstanding.

On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the 10-year bonds have a fixed interest rate of 5.64% per annum. As of December 31, 2024, ₱1.70 billion of the related bonds payable was paid.

On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014. On November 8, 2023, the Parent Company paid the remaining balance amounting to ₱2.70 billion.

The Group's bonds payable are unsecured and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio of 1.0x. As of December 31, 2024 and 2023, the Group is not in breach of these covenants and has not been cited in default on any of its outstanding obligations.

Item 7. MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

Plan of Operations for 2025

In terms of real property trading business segment, FLI's business strategy has placed emphasis on the development and sale of residential lots and housing units mainly to lower and middle-income markets which accounts for approximately 50% of total demand throughout the Philippines as its core. This business segment includes landed housing, medium-rise buildings (MRB) and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market.

For 2025, FLI intends to focus on selling inventory launched in 2024. FLI projects are geographically diversified and can be found in 22 provinces across the country. FLI also focuses on projects that have short construction periods to minimize construction risks. Home buyers are typically first-time homeowners and ultimate end-users.

As far as the leasing business is concerned, the Parent Company will continue to lease out office and retail spaces. The Company operates 1, "The Crib", its co-living space in Clark Mimosa and its industrial park in New Clark City.

Results of operations for the year ended December 31, 2024 compared to year ended December 31, 2023

	2024	2023	Change Increase (Decrease)	
REVENUE				
Real Estate Sales	₱15,392.76	₱14,486.51	₱906.26	6.26%
Rental and related services	7,848.09	7,200.95	647.14	8.99%
Total revenue	23,240.85	21,687.46	1,553.40	7.16%
EQUITY IN NET EARNINGS OF ASSOCIATES	359.04	242.01	117.03	48.36%
OTHER INCOME				
Interest Income	319.09	283.98	35.11	12.36%
Others	526.92	340.88	186.03	54.57%
	24,445.90	22,554.33	1,891.56	8.39%
COSTS				
Real Estate Sales	7,354.90	8,101.49	(746.59)	(9.22%)
Rental Services	3,583.37	3,122.34	461.03	14.77%
OPERATING EXPENSES				
General And Administrative Expenses	2,623.35	2,584.60	38.76	1.50%
Selling And Marketing Expenses	1,558.16	1,370.13	188.02	13.72%
INTEREST AND OTHER FINANCE CHARGES	3,685.75	2,434.39	1,251.35	51.40%
	18,805.53	17,612.95	1,192.58	6.77%
INCOME BEFORE INCOME TAX	5,640.37	4,941.38	698.99	14.15%
PROVISION FOR INCOME TAX				
Current	222.12	578.50	(356.38)	(61.60%)
Deferred	782.51	66.84	715.67	1070.67%
	1,004.63	645.34	359.30	55.68%
NET INCOME	₱4,635.74	₱4,296.04	₱339.69	7.91%

	2024	2023	Change Increase (Decrease)	
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱4,168.47	₱3,765.39	₱403.08	10.70%
Noncontrolling interest	467.27	530.65	(63.41)	(11.95%)
	₱4,635.74	₱4,296.04	₱339.69	7.91%

For the year ended December 31, 2024, FLI's net income from its business segments increased by ₱339.69 million or 7.91%, from ₱4,296.04 million in 2023 to ₱4,635.74 million in 2024 primarily due to the growth of the residential and leasing business segments.

Revenues and other income

Total consolidated revenues and other income increased by ₱1.89 billion or 8.39% year-on-year from ₱22.55 billion in 2023 to ₱24.45 billion in 2024 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱0.91 billion or 6.26% compared to prior year, from ₱14.49 billion in 2023 to ₱15.39 billion in 2024 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 73.6% (inclusive of MRB and HRB); Affordable and low affordable 12.1%; High-End and others 9.9%; Socialized 4.4%.

Rental and other services improved by ₱647.14 million or 8.99% vs. last year, from ₱7,200.95 million in 2023 to ₱7,848.09 million in 2024. Mall rentals revenue grew by ₱179.28 million or 8.17% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱149.29 million or 3.20% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. In 2023, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed ₱180.86 million in revenues which increased by ₱71.04 million or 38.44% to ₱255.85Mn in 2024.

Equity in net earnings of associates increased by ₱117.03 million or 48.36% year-on-year from ₱242.01 million in 2023 to ₱359.04 million in 2024 due to higher net income reported by FAI and the improvement in operations of Filinvest Mimosa, Pro-Excel, DPI and SPI.

Interest income improved by ₱35.11 million or 12.36% compared to prior year, from ₱283.98 million in 2023 to ₱319.09 million in 2024 due to interest income derived from installment contract receivables.

Other income increased by ₱186.03 million or 54.57% against last year, from ₱340.88 million in 2023 to ₱526.92 million in 2024 due to higher income generated from processing fees and management fees.

Costs and Expenses

Cost of real estate sales decreased by ₱746.59 million or 9.22%, year-on-year from ₱8,101.49 million in 2023 to ₱7,354.90 million in 2024 due to higher gross profit rate of 44% in 2023 to 52% in 2024.

Cost of rental services went up by ₱461.03 million or 14.77% compared to prior year from ₱3,122.34 million in 2023 to ₱3,583.37 million in 2024 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱38.76 million or 1.50% against last year from ₱2,584.60 million in 2023 to ₱2,623.35 million in 2024 primarily due to lower property and maintenance costs, information technology expenses, outside services and recovery of prior year provision for bad debts from increased efforts on collection of past due accounts.

Selling & marketing expenses increased by ₱188.02 million or 13.72% year-on-year from ₱1,370.13 million in 2023 to ₱1,558.16 million in 2024 on account of higher commissions, sales

generation activities such as exhibits and open houses, and salaries and wages and service fees to sellers to boost our sales force.

Interest and other finance charges

Interest and other finance charges increased by ₱1,251.35 million or 51.40% compared to prior year from ₱2,434.39 million in 2023 to ₱3,685.75 million in 2024 mainly from non-capitalization of borrowing costs due to the first time adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods, increase in the debt stock and average interest rates in 2024.

Provision for Income Tax

Total provision for income tax increase by ₱359.30 million or 55.68% against last year from ₱654.34 million in 2023 to ₱1,004.63 million in 2024, as the taxable income increased from the residential and office leasing segments.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2024 compared to as of December 31, 2023

	2024	2023	Change Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	₱3,984.19	₱5,732.01	(₱1,747.82)	(30.49%)
Contracts Receivable	2,178.28	1,837.83	340.45	18.52%
Contract Assets	5,785.98	4,745.83	1,040.15	21.92%
Other Receivables	3,563.39	3,465.06	98.34	2.84%
Real Estate Inventories	69,967.12	72,634.83	(2,667.72)	(3.67%)
Other Current Assets	8,263.85	7,192.43	1,071.42	14.9%
Total Current Assets	93,742.81	95,607.99	(1,865.18)	(1.95%)
Noncurrent Assets				
Contract Asset - Net of Current Portion	2,653.11	5,037.94	(2,384.83)	(47.34%)
Investment In Associates	5,321.21	5,219.90	101.31	1.94%
Investment Properties	85,041.04	79,659.34	5,381.70	6.76%
Property And Equipment	5,812.72	5,673.01	139.71	2.46%
Deferred Income Tax Assets	96.03	48.48	47.55	98.07%
Goodwill	4,567.24	4,567.24	-	0.00%
BTO Rights	6,329.16	6,387.60	(58.44)	(0.91%)
Other Noncurrent Assets	3,316.33	2,274.58	1,041.75	45.80%
Total Noncurrent Assets	113,136.84	108,868.09	4,268.75	3.92%
TOTAL ASSETS	₱206,879.65	₱204,476.08	₱2,403.57	1.18%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts Payable and Accrued Expenses	₱10,947.08	₱12,551.16	(₱1,604.08)	(12.78%)
Contract Liabilities	586.26	792.40	(206.14)	(26.02%)
Lease Liabilities - Current Portion	155.89	175.46	(19.57)	(11.15%)
Due To Related Parties	244.14	488.49	(244.35)	(50.02%)
Income Tax Payable	71.73	21.56	50.18	232.77%
Loans Payable - Current Portion	6,876.64	16,480.44	(9,603.80)	(58.27%)
Bonds Payable - Current Portion	14,815.94	1,697.35	13,118.60	772.89%
Total Current Liabilities	33,697.68	32,206.86	1,490.83	4.63%

(Forward)

	2024	2023	Change Increase (Decrease)	
Noncurrent Liabilities				
Loans Payable - Net of Current Portion	₱35,156.01	₱20,507.49	₱14,648.52	71.43%
Bonds Payable - Net of Current Portion	21,040.64	35,771.17	(14,730.52)	(41.18%)
Contract Liabilities - Net of Current Portion	24.16	149.95	(125.79)	(83.89%)
Lease Liabilities - Net of Current Portion	6,774.45	6,544.40	230.05	3.52%
Net Retirement Liabilities	398.74	437.19	(38.46)	(8.80%)
Deferred Income Tax Liabilities - Net	4,817.00	5,649.15	(832.15)	(14.73%)
Accounts Payable and Accrued Expenses - Net of Current Portion	11,635.46	8,938.00	2,697.46	30.18%
Total Noncurrent Liabilities	79,846.46	77,997.35	1,849.11	2.37%
Total Liabilities	113,544.14	110,204.21	3,339.93	3.03%
Equity				
Common Stock	24,470.71	24,470.71	0.00	0.00%
Preferred Stock	80.00	80.00	0.00	0.00%
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(2,078.08)	(221.04)	(1,857.04)	840.14%
Retained Earnings	62,116.01	62,061.53	54.49	0.09%
Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income	(2.62)	(2.62)	-	0.00%
Remeasurement Losses on Retirement Plan	47.52	47.52	-	0.00%
Share In Other Components of Equity of an Associate	372.45	372.45	-	0.00%
Equity Attributable to Equity Holders of the Parent	90,618.31	92,420.87	(1,802.55)	(1.95%)
Noncontrolling Interest	2,717.20	1,851.01	866.20	46.80%
Total Equity	93,335.51	94,271.87	(936.35)	(0.99%)
TOTAL LIABILITIES AND EQUITY	₱206,879.65	₱204,476.08	₱2,403.58	1.18%

As of December 31, 2024, FLI's total consolidated assets stood at ₱206.88 billion from ₱204.48 billion as of December 31, 2023, an increase of ₱2.40 billion or 1.18%. The following are the material changes in account balances:

30.49% Decrease in Cash and Cash Equivalents

Mainly from capital expenditures on residential projects, investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

8.64% Overall Decrease in Contract Receivables and Contract Assets

18.52% increase in contract receivables; 13.74% decrease in contract assets (21.92% increase in contract assets – current portion; 47.34% decrease in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

14.90% Increase in Other Current Assets

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

6.76% Increase in Investment Properties

Rise in investment properties is mainly due to construction of new buildings and transfers from real estate inventories, net of depreciation.

98.07% Increase in Deferred Income Tax Assets

Mainly from the deferred taxes attributable to net operating loss carry-over.

45.80% Increase in Other Noncurrent Assets

Significantly due to increase in advances to contractors and suppliers.

5.09% Overall Increase in Accounts Payable and Accrued Expenses

12.78% decrease in accounts payable and accrued expenses – current portion; 30.18 increase in accounts payable and accrued expenses – net of current portion

Primarily from unpaid capital expenditures to contractors and suppliers and advances and deposits from customers.

35.22% Overall Decrease in Contract Liabilities

26.02% decrease in contract liabilities – current portion; 83.89% decrease in contract liabilities – net of current portion

Mainly because of the construction progress for the accounts already qualified for revenue recognition.

50.02% Decrease in Due to Related Parties

Pertains to FILRT’s continuing quarterly payments to FDC for the purchase of land In Boracay, Aklan, as part of its asset infusion program and other shared expenses.

232.77% Increase in Income Tax Payable

Primarily due to higher 4th quarter income tax.

13.64% Increase in Loans Payable

58.27% decrease in Loans Payable – current portion; 71.43% increase in Loans Payable – net of current portion

Attributable to newly availed loans of ₱36.73 billion offset by ₱31.69 billion repayments.

4.30% Decrease in Bonds payable

772.89% increase in Bonds Payable – current portion; 41.18% decrease in Bonds Payable – net of current portion

Primarily due to the settlement of FLI’s bonds of ₱1.60 billion in 2024.

3.13% Increase in Lease Liabilities

11.15% decrease in Lease Liabilities – current portion; 3.52% increase in Lease Liabilities – net of current portion

Primarily due to new leases during the year, net of accretion.

8.80% Decrease in Retirement Liabilities

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

14.73% Decrease in Deferred Tax Liabilities – Net

Attributable to the reversal of capitalized borrowing costs on real estates inventories upon implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).

840.14% Increase in Treasury Stock

As a result of the Capped Voluntary Tender Offer (VTO) to all shareholders of the Company to acquire up to P1.866 billion of its own shares. The consideration was paid in shares of the Company in FILRT.

46.80% Increase in Non-controlling Interests

As a result of the VTO transaction resulting to a decrease in ownership of the Company in FILRT and share in net income, net of dividends declared.

Performance Indicators	2024	2023
Earnings per Share - Basic ¹	0.17	0.16
Earnings per Share - Diluted ²	0.17	0.16
Price Earnings Ratio ³	4.29	3.69
Interest-bearing Debt to Equity Ratio ⁴	0.83	0.79
Debt Ratio ⁵	0.55	0.54
EBITDA to Total Interest Paid ⁶	2.16	2.18

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2024 and 2023

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Results of operations for the year ended December 31, 2023 compared to year ended December 31, 2022

Pursuant to the adoption of PIC Q&A 2018-12-H, PFRS 15 - Accounting for Common Usage Service (CUSA) Charges, the figures for December 31, 2022 were restated for comparability to current period where chargeable collections / reimbursements i.e. CAMC/CUSA and aircon charges are presented as part of the rental services revenues while chargeable expenses are presented as part of the cost of rental services.

	2023	2022	Change	
		(As Restated)	Increase (Decrease)	
REVENUE				
Real Estate Sales	₱14,486.51	₱12,836.06	₱1,650.45	12.86%
Rental Services	7,200.95	6,350.41	850.54	13.39%
Total revenue	21,687.46	19,186.46	2,500.99	13.04%
EQUITY IN NET EARNINGS OF AN ASSOCIATE				
	242.01	78.96	163.05	206.50%
OTHER INCOME				
Interest Income	283.98	367.05	(83.07)	(22.63%)
Others	340.88	311.87	29.01	9.30%
	22,554.33	19,944.34	2,609.97	13.09%
COSTS				
Real Estate Sales	8,101.49	7,354.69	746.79	10.15%
Rental Services	3,122.34	2,583.49	538.85	20.86%
OPERATING EXPENSES				
General And Administrative Expenses	2,584.60	2,313.06	271.54	11.74%
Selling And Marketing Expenses	1,370.13	1,150.64	219.49	19.08%
INTEREST AND OTHER FINANCE CHARGES				
	2,434.39	2,294.24	140.15	6.11%
	17,612.95	15,696.13	1,916.82	12.21%
INCOME BEFORE INCOME TAX				
	4,941.38	4,248.21	693.17	16.32%
PROVISION FOR INCOME TAX				
Current	578.50	420.35	158.14	37.62%
Deferred	66.84	306.73	(239.88)	(78.21%)
	645.34	727.08	(81.74)	(11.24%)
NET INCOME				
	₱4,296.04	₱3,521.14	₱ 774.91	22.01%
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱3,765.39	₱2,889.91	₱875.47	30.29%
Noncontrolling interest	530.65	631.22	(100.57)	(15.93%)
	₱4,296.04	₱3,521.14	₱774.91	22.01%

For the year ended December 31, 2023, FLI's net income from its business segments increased by ₱774.91 million or 22.01%, from ₱3,521.14 million in 2022 to ₱4,296.04 million in 2023 primarily due to the growth of the residential and leasing business segments.

Revenues and other income

Total consolidated revenues and other income increased by ₱2.61 billion or 13.09% year-on-year from ₱19.94 billion in 2022 to ₱22.55 billion in 2023 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱1.65 billion or 12.86% compared to prior year, from ₱12.84 billion in 2022 to ₱14.49 billion in 2023 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 67.89% (inclusive of MRB and HRB); Affordable and low affordable 23.25%; High-End 5.9%; Socialized 2.96%.

Rental and other services improved by ₱850.54 million or 13.39% vs. last year, from ₱6,350.41 million in 2022 to ₱7,200.95 million in 2023. Mall rentals revenue grew by ₱534.44 million or 32% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱76.74 million or 2% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. During the year, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed to ₱180.86 million in revenues.

Equity in net earnings of associates increased by ₱163.05 million or 206.50% year-on-year from ₱78.96 million in 2022 to ₱242.01 million in 2023 due to higher net income reported by FAI and the improvement in operations of SPI, Pro-Excel and CTI.

Interest income declined by ₱83.07 million or 22.63% compared to prior year, from ₱367.05 million in 2022 to ₱283.98 million in 2023 due to lower interest income derived from installment contract receivables for in-house financing scheme as we are prioritizing bank financed loans.

Other income increased by ₱29.01 million or 9.30% against last year, from ₱311.87 million in 2022 to ₱340.88 million in 2023 due to higher income generated from processing fees.

Costs and Expenses

Cost of real estate sales increased by ₱746.79 million or 10.15%, year-on-year from ₱7,354.69 million in 2022 to ₱8,101.49 million in 2023 due to higher real estate revenues realized during the year.

Cost of rental services went up by ₱538.85 million or 20.86% compared to prior year from ₱2,583.49 million in 2022 to ₱3,122.34 million in 2023 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱271.54 million or 11.74% against last year from ₱2,313.06 million in 2022 to ₱2,584.60 million in 2023 primarily due to higher manpower costs, taxes and licenses and increased repairs and maintenance expenses for the managed projects.

Selling & marketing expenses increased by ₱219.49 million or 19.08% year-on-year from ₱1,150.64 million in 2022 to ₱1,370.13 million in 2023 on account of higher commissions, local and international branch sale offices and sales and marketing activities designed to generate sales.

Interest and other finance charges

Interest and other finance charges increased by ₱140.15 million or 6.11 % compared to prior year from ₱2,294.24 million in 2022 to ₱2,434.39 million in 2023 mainly from higher average interest rates.

Provision for Income Tax

Total provision for income tax decreased by ₱81.74 million or 11.24% against last year from ₱727.08 million in 2022 to ₱645.34 million in 2023, as the taxable income decreased due mainly to more projects enjoying special tax rates such as PEZA and BOI).

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2022 compared to as of December 31, 2021

	2023	2022	Change	
			Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	P6,619.13	P5,732.01	P(887.13)	(13.40%)
Contracts Receivable	2,128.88	1,837.83	(291.05)	(13.67%)
Contract Assets	5,399.79	4,745.83	(653.96)	(12.11%)
Other Receivables	2,902.01	3,465.06	563.05	19.40%
Real Estate Inventories	71,326.49	72,634.83	1,308.34	1.83%
Other Current Assets	6,380.77	7,192.43	811.67	12.72%
Total Current Assets	94,757.07	95,607.99	850.92	0.90%
Noncurrent Assets				
Contract Asset - Net of Current Portion	5,083.16	5,037.94	(45.22)	(0.89%)
Investment In Associates	5,135.02	5,219.90	84.88	1.65%
Investment Properties	77,021.40	79,659.34	2,637.94	3.42%
Property And Equipment	5,485.28	5,673.01	187.73	3.42%
Deferred Income Tax Assets	91.38	48.48	(42.90)	(46.95%)
Goodwill	4,567.24	4,567.24	-	0.00%
Other Noncurrent Assets	7,974.63	8,662.18	687.55	8.62%
Total Noncurrent Assets	105,358.11	108,868.09	3,509.98	3.33%
TOTAL ASSETS	P200,115.18	P204,476.08	P 4,360.90	2.18%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts Payable And Accrued Expenses	P11,948.85	P12,551.16	P602.31	5.04%
Contract Liabilities	1,012.29	792.40	(219.89)	(21.72%)
Lease Liabilities - Current Portion	246.05	175.46	(70.59)	(28.69%)
Due To Related Parties	754.26	488.49	(265.78)	(35.24%)
Income Tax Payable	19.55	21.56	2.01	10.25%
Loans Payable - Current Portion	8,446.97	16,480.44	8,033.46	95.10%
Bonds Payable - Current Portion	15,017.44	1,697.35	(13,320.09)	(88.70%)
Total Current Liabilities	37,445.43	32,206.86	(5,238.58)	(13.99%)
Noncurrent Liabilities				
Loans Payable - Net Of Current Portion	P24,402.51	P20,507.49	P(3,895.02)	(15.96%)
Bonds Payable - Net Of Current Portion	26,115.35	35,771.17	9,655.82	36.97%
Contract Liabilities - Net Of Current Portion	283.07	149.95	(133.12)	(47.03%)
Lease Liabilities - Net Of Current Portion	6,262.44	6,544.40	281.96	4.50%
Net Retirement Liabilities	431.31	437.19	5.89	1.36%
Deferred Income Tax Liabilities - Net	5,625.21	5,649.15	23.94	0.43%
Accounts Payable And Accrued Expenses - Net Of Current Portion	8,047.13	8,938.00	890.87	11.07%
Total Noncurrent Liabilities	71,167.01	77,997.35	6,830.35	9.60%
Total Liabilities	108,612.44	110,204.21	1,591.77	1.47%

Equity				
Common Stock	24,470.71	24,470.71	(0.00)	(0.00%)
Preferred Stock	80.00	80.00	(0.00)	(0.00%)
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(221.04)	(221.04)	-	0.00%
Retained Earnings	59,172.01	62,061.53	2,889.52	4.88%
Revaluation Reserve On Financial Assets At			-	0.00%
Fair Value Through Other Comprehensive	(2.62)	(2.62)		
Income				
Remeasurement Losses On Retirement Plan	68.19	47.52	(20.66)	(30.31%)
Share In Other Components Of Equity Of An	372.45	372.45	-	0.00%
Associate				
Equity attributable to equity holders of the parent	89,552.01	92,420.87	2,868.85	3.20%
Noncontrolling Interest	1,950.73	1,851.01	(99.73)	(5.11%)
Total Equity	91,502.74	94,271.87	2,769.13	3.03%
TOTAL LIABILITIES AND EQUITY	₱200,115.18	₱204,476.08	₱4,360.90	2.18%

As of December 31, 2023, FLI's total consolidated assets stood at ₱204.48 billion from ₱200.12 billion as of December 31, 2022, an increase by ₱4.36 billion or 2.18%. The following are the material changes in account balances:

13.40% Decrease in Cash and Cash Equivalents

Mainly from capital expenditures on investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

7.85% Overall Decrease in Contract Receivables and Contract Assets

13.67% decrease in contract receivables; 6.67% decrease in contract assets (12.11% decrease in contract assets – current portion; 0.89% decrease in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

19.40% Increase in Other Receivables

Mainly due to increase in receivables from leasing tenants.

12.72% Overall Increase in Other Current Assets

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

46.95% Decrease in Deferred Income Tax Assets

Mainly from the decrease in deferred taxes attributable to advance rentals .

8.62% Increase in Other Noncurrent Assets

Increase was largely due to additional construction costs of Filinvest Cebu Cyberzone (known as “BTO rights”) covered by the BTO agreement with the Provincial Government of Cebu and an investment in a 5-year, non-interest bearing, Class A Senior Notes issued by a third-party special purpose trust fund.

7.47% Overall Increase in Accounts Payable and Accrued Expenses

5.04% increase in Accounts Payable and Accrued Expenses – current portion; 11.07% increase in Accounts Payable and Accrued Expenses – net of current portion

Mainly from the unpaid balance of Niyog and Cajel acquisition, increase in deposit from tenants, and other operating payables of the Group.

27.25% Overall Decrease in Contract Liabilities

21.72% decrease in contract liabilities – current portion; 47.03% decrease in contract liabilities – net of current portion

Mainly because of the construction progress for the accounts already qualified for revenue recognition

35.24% Decrease in Due to Related Parties

Pertains to FILRT's continuing quarterly payments to FDC for the purchase of land in Boracay, Aklan, as part of its asset infusion program.

10.25% Increase in Income Tax Payable

Primarily due to higher 4th quarter income tax

12.60% Increase in Loans Payable

95.10% increase in Loans Payable – current portion; 15.96% decrease in Loans Payable – net of current portion

Attributable to newly availed loans of ₱24.66 billion offset by ₱20.53 billion repayments.

8.91% Decrease in Bonds payable

88.70% decrease in Bonds Payable – current portion; 36.97% increase in Bonds Payable – net of current portion

Primarily due to the settlement of FILRT's bonds of ₱6.00 billion in January 2023 and FLI's bonds of ₱9.04 billion in November 2023, partially offset by FLI's bond issuance amounting to ₱11.43 billion in December 2023.

1.36% Increase in Retirement Liabilities

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

30.31% Decrease on Remeasurement Losses on Retirement Plan

Mainly due to actuarial adjustments during the year.

5.74% Decrease in Non-controlling Interests

Mainly due to dividend distributions higher than the income share of NCI.

Performance Indicators	2023	2022
Earnings per Share - Basic ¹	0.16	0.12
Earnings per Share - Diluted ²	0.16	0.12
Price Earnings Ratio ³	3.69	7.50
Interest-bearing Debt to Equity Ratio ⁴	0.79	0.81
Debt Ratio ⁵	0.54	0.54
EBITDA to Total Interest Paid ⁶	2.18	2.27

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2022 and 2021

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Seasonality

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

Results of operations for the year ended December 31, 2022 compared to the year ended December 31, 2021

	2022 (As Restated)	2021 (As Restated)	Change Increase (Decrease)	
REVENUE				
Real Estate Sales	₱12,836.06	₱11,274.51	₱1,561.55	13.85%
Rental Services	6,350.41	5,591.80	758.61	13.57%
Total revenue	19,186.46	16,866.31	2,320.15	13.76%
EQUITY IN NET EARNINGS OF AN ASSOCIATE	78.96	112.02	(33.07)	(29.52%)
OTHER INCOME				
Interest Income	367.05	409.61	(42.56)	(10.39%)
Others	311.87	350.98	(39.10)	(11.14%)
	19,944.34	17,738.92	2,205.43	12.43%
COSTS				
Real Estate Sales	7,354.69	6,443.69	911.00	14.14%
Rental Services	2,583.49	2,430.62	152.87	6.29%
OPERATING EXPENSES				
General And Administrative Expenses	2,313.06	1,979.12	333.94	16.87%
Selling And Marketing Expenses	1,150.64	911.82	238.83	26.19%
INTEREST AND OTHER FINANCE CHARGES	2,294.24	2,426.79	(132.55)	(5.46%)
	15,696.13	14,192.04	1,504.09	10.60%
INCOME BEFORE INCOME TAX	4,248.21	3,546.88	701.34	19.77%
PROVISION FOR INCOME TAX				
Current	420.35	350.99	69.36	19.76%
Deferred	306.73	(1,109.34)	1,416.07	127.65%
	727.08	(758.35)	1,485.43	195.88%
NET INCOME	₱3,521.14	₱4,305.23	₱ (784.09)	(18.21%)
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱2,889.91	₱3,803.38	₱ (913.46)	(24.02%)
Noncontrolling interest	631.22	501.85	129.37	25.78%
	₱3,521.14	₱4,305.23	₱ (784.09)	(18.21%)

For the year ended December 31, 2022, FLI's net income from its business segments declined by ₱784.09 million or 18.21%, from ₱4,305.23 million in 2021 to ₱3,521.14 million in 2022 primarily due to ₱1.10 billion income tax benefit recognized last year due to CREATE law. Without the tax benefit, net income in 2021 will be at ₱3,183.95 million for a net income improvement of ₱337.19 million or 10.59% in 2022.

Revenues and other income

Total consolidated revenues and other income increased by ₱2,205.43 million or 12.43% year-on-year from ₱17,738.92 million in 2021 to ₱19,944.35 million in 2022 due to higher revenues generated from both residential and retail leasing businesses tempered by the slight decrease in the office leasing business.

Real estate sales grew by ₱1,561.55 million or by 13.85% compared to prior year, from ₱11,274.51 million in 2021 to ₱12,836.06 million in 2022 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 69.5% (inclusive of MRB and HRB); Affordable and low affordable 20.7%; High-End 8%; Socialized 1.8%.

Rental and related services increased by ₱758.61 million or by 13.57% vs. last year, from ₱5,591.80 million in 2021 to ₱6,350.41 million in 2022. Mall rentals more than doubled from year ago levels, from

₱796.10 million to ₱1,678.56 million or an increase of ₱882.46 million or 110.85% due to gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector continued to face challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants which resulted to lower occupancy.

Equity in net earnings of an associate decreased by ₱33.07 million or by 29.52% year-on-year from ₱112.02 million in 2021 to ₱78.96 million in 2022 due to lower net income reported by FAI and the share in net loss from operations of DPI and CTI.

Interest income decreased by ₱42.56 million or by 10.39% compared to prior year from ₱409.61 million in 2021 to ₱367.05 million in 2022 due to lower interest income derived from installment contract receivables for in-house financing scheme as we are prioritizing bank financed loans.

Other income lowered by ₱39.10 million or by 11.14% vs. last year from ₱350.98 million in 2021 to ₱311.87 million in 2022 due to lower income generated from processing fees.

Costs and Expenses

Cost of real estate sales increased by ₱911 million or by 14.14%, year-on-year from ₱6,443.69 million in 2021 to ₱7,354.69 million in 2022 due to higher real estate revenues realized during the year.

Cost of rental services increased by ₱152.87 million or by 6.29% compared to prior year from ₱2,430.62 million in 2021 to ₱2,583.49 million in 2022 due to higher direct operating expenses during the year on account of improving business activities in the retail segment.

General and administrative expenses increased by ₱333.94 million or by 16.87% vs. last year from ₱1,979.12 million in 2021 to ₱2,313.06 million in 2022 primarily due to higher manpower costs, taxes and licenses and increased repairs and maintenance expenses for the managed projects.

Selling & marketing expenses increased by ₱238.83 million or by 26.19% year-on-year from ₱911.82 million in 2021 to ₱1,150.64 million in 2022 due to higher commissions and sales generation activities which resulted to higher option sales for the year.

Interest and other finance charges

Interest and other finance charges decreased by ₱132.55 million or by 5.46% compared to prior year from ₱2,426.79 million in 2021 to ₱2,294.24 million in 2022 due to lower other finance charges coupled with higher capitalized interest during the year.

Provision for Income Tax

Total provision for income tax increased by ₱1,485.43 million or 195.88% vs. last year from a tax benefit of ₱758.35 million in 2021 to a tax expense of ₱727.08 million in primarily due to ₱1.10 billion income tax benefit recognized last year due to CREATE law.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2022 compared to as of December 31, 2021

	2022	2021	Change	
			Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	P6,619.13	P9,658.26	P (3,039.13)	(31.47%)
Contracts Receivable	2,128.88	5,337.93	(3,209.05)	(60.12%)
Contract Assets	5,399.79	4,177.82	1,221.97	29.25%
Other Receivables	2,902.01	2,710.46	191.54	7.07%
Real Estate Inventories	71,326.49	68,726.92	2,599.57	3.78%
Other Current Assets	6,380.77	4,933.31	1,447.45	29.34%
Total Current Assets	94,757.07	95,544.70	(787.64)	(0.82%)
Noncurrent Assets				
Contract Asset - Net of Current Portion	5,083.16	4,152.76	930.41	22.40%
Investment In Associates	5,135.02	5,045.09	89.93	1.78%
Investment Properties	77,021.40	72,077.99	4,943.41	6.86%
Property And Equipment	5,485.28	4,794.02	691.26	14.42%
Deferred Income Tax Assets	91.38	95.55	(4.17)	(4.36%)
Goodwill	4,567.24	4,567.24	0.00	0.00%
Other Noncurrent Assets	7,974.63	6,946.18	1,028.45	14.81%
Total Noncurrent Assets	105,358.11	97,678.83	7,679.29	7.86%
TOTAL ASSETS	P200,115.18	P193,223.53	P6,891.65	3.57%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts Payable And Accrued Expenses	P11,948.85	P11,738.49	P210.36	1.79%
Contract Liabilities	1,012.29	1,171.38	(159.09)	(13.58%)
Lease Liabilities - Current Portion	246.05	248.59	(2.54)	(1.02%)
Due To Related Parties	754.26	204.32	549.95	269.16%
Income Tax Payable	19.55	8.52	11.03	129.44%
Loans Payable - Current Portion	8,446.97	4,912.20	3,534.78	71.96%
Bonds Payable - Current Portion	15,017.44	6,991.75	8,025.69	114.79%
Total Current Liabilities	37,445.43	25,275.25	12,170.18	48.15%
Noncurrent Liabilities				
Loans Payable - Net Of Current Portion	P24,402.51	P27,270.55	P (2,868.04)	(10.52%)
Bonds Payable - Net Of Current Portion	26,115.35	29,297.17	(3,181.83)	(10.86%)
Contract Liabilities - Net Of Current Portion	283.07	774.21	(491.14)	(63.44%)
Lease Liabilities - Net Of Current Portion	6,262.44	6,099.43	163.01	2.67%
Net Retirement Liabilities	431.31	459.63	(28.32)	(6.16%)
Deferred Income Tax Liabilities - Net	5,625.21	5,317.27	307.94	5.79%
Accounts Payable And Accrued Expenses - Net Of Current Portion	8,047.13	8,939.80	(892.67)	(9.99%)
Total Noncurrent Liabilities	71,167.01	78,158.06	(6,991.05)	(8.94%)
Total Liabilities	108,612.44	103,433.31	5,179.13	5.01%

Equity				
Common Stock	24,470.71	24,470.71	0.00	0.00%
Preferred Stock	80.00	80.00	0.00	0.00%
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(221.04)	(221.04)	0.00	0.00%
Retained Earnings	59,172.01	57,425.03	1,746.98	3.04%
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income	(2.62)	(2.62)	0.00	0.00%
Remeasurement Losses On Retirement Plan Share In Other Components Of Equity Of An Associate	68.19	(16.17)	84.35	(521.71%)
	372.45	372.45	0.00	0.00%
Equity attributable to equity holders of the parent	89,552.01	87,720.68	1,831.33	2.09%
Noncontrolling Interest	1,950.73	2,069.54	(118.81)	(5.74%)
Total Equity	91,502.74	89,790.22	1,712.52	1.91%
TOTAL LIABILITIES AND EQUITY	₱200,115.18	₱193,223.53	₱6,891.65	3.57%

As of December 31, 2022, FLI's total consolidated assets stood at ₱200.12 billion from the ₱193.22 billion balance as of December 31, 2021, increased by ₱6.9 billion or by 3.57%. The following are the material changes in account balances:

31.47% Decrease in Cash and cash equivalents

Primarily due to additions to investment properties, property and equipment and BTO rights tempered by increased net cash provided by operating activities on account of increased collections. In addition, the company raised funds from the REIT in August 2021, which had to be reinvested within one year and was fully utilized in 2022.

7.73% Overall Decrease in Contract Receivables and Contract Assets

60.12% decrease in contract receivables; 25.84% increase in contract assets (29.25% increase in contract assets – current portion; 22.40% increase in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

7.07% Increase in Other receivables

Mainly due to increase in receivables from office tenants.

29.34% Overall Increase in Other Current Assets

Primarily due to additional input VAT and creditable withholding taxes.

6.86% Increase in Investment Properties

Substantially due to continued payments for construction activities for leasing projects located in Ortigas Center

and Filinvest Mimosa and the purchase of properties in Aklan and Bulacan intended to be used for leasing operations.

14.42% Increase in Property and Equipment

Major additions pertain to investment in a precast and concrete batching plant and related heavy equipment to provide stable ready-mixed concrete and precast concrete products to FLI's developments and the purchase of formworks and other construction equipment to be used primarily in residential developments aimed to accelerate construction completion.

14.81% Increase in Other Noncurrent Assets

Primarily due to additional construction costs of Filinvest Cebu Cyberzone (known as "BTO rights") covered by the BTO agreement with the Provincial Government of Cebu and an investment in a 5-year, non-interest bearing, Class A Senior Notes issued by a third-party special purpose trust fund.

9.99% Overall Decrease in Accounts Payable and Accrued Expenses – Net of Current Portion

Mainly due to the increased payments to contractors, vendors, and suppliers

33.42% Overall Decrease in Contract Liabilities

13.58% decrease in contract liabilities – current portion; 63.44% decrease in contract liabilities – net of current portion

Mainly due to the accounts already qualified for revenue recognition.

269.16% Increase in Due to Related Parties

Mostly due to the remaining unpaid portion pertaining to the purchase of land in Boracay, Aklan, from FDC by FILRT as part of its asset infusion program.

129.44% Increase in Income Tax Payable

Primarily due to higher taxable income for the year.

2.07% Increase in Loans Payable

71.96% increase in Loans Payable – current portion; 10.52% decrease in Loans Payable – net of current portion

Mainly due to newly availed loans of ₱12.81 billion offset by ₱12.16 billion repayments of existing loans.

13.35% Increase in Bonds payable

114.79% increase in Bonds Payable – current portion; 10.86% decrease in Bonds Payable – net of current portion

Mainly due to bond issuance amounting to ₱11.90 billion last June 2022. The proceeds were used to pay off maturing bonds in August 2022 amounting to ₱7.0 billion and refinance bank loans due for the rest of the year. Increase in current portion is to reclassify the bonds maturing in 2023.

6.16% Decrease in Retirement Liabilities

Mainly due to actuarial adjustments on the present value of defined benefit obligation.

5.79% Increase in Deferred Tax Liabilities - Net

The increase was mainly due to deferred tax assets on account of capitalized borrowing costs during the year.

521.71% Decrease on Remeasurement Losses on Retirement Plan

Mainly due to actuarial adjustments resulting from changes on actuarial assumptions.

5.74% Decrease in Non-controlling Interests

Largely due to higher dividends distributed over share in net earnings for the year.

Performance Indicators	2022	2021
Earnings per Share - Basic ¹	0.12	0.16
Earnings per Share - Diluted ²	0.12	0.16
Price Earnings Ratio ³	7.50	6.88
Interest-bearing Debt to Equity Ratio ⁴	0.81	0.76
Debt Ratio ⁵	0.54	0.54
EBITDA to Total Interest Paid ⁶	2.27	2.08

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2021 and 2020

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Seasonality

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

Significant Subsidiary

(Filinvest REIT Corp. (FILRT) *(formerly Cyberzone Properties, Inc. – CPI)*)

The table below presents FILRT's information on revenues, net income and financial soundness indicators, all before elimination of intercompany transactions, as of and for the years ended December 31, 2024, 2023, and 2022:

	FILRT		
	For the years ended December 31,		
	2022	2023	2024
	(millions)		
Gross Revenues	₱3,239.6	₱2,989.7	₱2,843.6
Net Income	1,305.3	925.2	854.1
<u>As a % of FLI Group's</u>			
Gross Revenues and Other Income	16.24%	13.40%	11.63%
Net Income	37.07%	21.54%	18.42%
	For the years ended December 31,		
	2022	2023	2024
Current Ratio ¹	0.36	1.28	1.06
Debt Ratio ²	0.63	0.64	0.64
Net Profit Margin ³	0.40	0.31	0.30
Return on Equity ⁴	0.25	0.19	0.19
Asset-to-Equity Ratio ⁵	2.67	2.78	2.81

1. Current Ratio = Current Assets divided by Current Liabilities
2. Debt Ratio = Total Liabilities divided by Total Assets
3. Net Profit Margin = Net Income divided by Revenue
4. Return on Equity = Annualized Net Income divided by Total Equity.
5. Asset-to-Equity Ratio = Total Assets divided by Total Equity

All other subsidiaries do not have significant contributions to the Group.

Other Disclosures

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from its continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships to the Parent Company with unconsolidated entities or other persons created during the reporting period, except those discussed.

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor does it have borrowings wherein properties were mortgaged to secure a loan.

Item 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANT ON ACCOUNTING AND FINANCIAL DISCLOSURE

SyCip, Gorres, Velayo & Co (SGV) has been the duly appointed independent auditors for the years covered by this report.

SGV has been recommended for election as external auditor for the year 2024. FLI, in compliance with SRC Rule 68(3)(b)(iv) relative to the seven-year rotation requirement of its external auditors, has designated Ms. Wanessa Salvador as its engagement partner for the Group starting CY 2019. Thus, Ms. Salvador is qualified to act as such until year 2025.¹ The representatives of SGV are expected to be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

There are no changes in and disagreements with FLI's independent accountants on accounting and financial disclosures during the past two years ended December 31, 2024.

¹ Ms. Salvador was appointed as engagement partner for FLI only on 2020, and thus should have until year 2026 within which to serve as such. However, given her appointment as engagement partner for FILRT on 2019, which is a material subsidiary of FLI, her seven-year limit for FLI will be reckoned from 2019.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. DIRECTORS AND PRINCIPAL OFFICERS

The following are the current directors and senior executive officers of FLI:

Jonathan T. Gotianun Chairman of the Board	Mr. Gotianun, 71, Filipino, was first elected as a Director of FLI on 17 June 1994. He also serves as the Chairman of the Board of Directors of Filinvest Development Corporation (“FDC”) and East West Banking Corporation (“EWBC”), both publicly-listed companies. He is also the Chairman of the Board of Davao Sugar Central Co., Inc. (“DSCC”), Cotabato Sugar Central Co. Inc. (“CSCC”) and FDC Utilities, Inc. (“FDCUI”) and their subsidiary power companies. He served as a Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master’s Degree in Business Administration from Northwestern University in 1976.
Lourdes Josephine Gotianun Yap Vice-Chairperson of the Board	Mrs. Yap, 69, Filipino, was first elected as a Director of FLI on 24 November 1989. Mrs. Yap was elected as the Vice-Chairperson of the Board of FLI on 24 April 2023. She served as the CEO of FLI from October 2012 to April 2023 and as its President from October 2012 to April 2022. She is also the Vice-Chairperson of the Board of FDC and a Director of EWBC, all publicly-listed companies. She is the Chairperson and CEO of Filinvest Alabang, Inc. (“FAI”), a Director of FDCUI and in other companies within the Filinvest Group. She obtained her Master’s Degree in Business Administration from the University of Chicago in 1977.
Tristaneil D. Las Marias Director, President and Chief Executive Officer	Mr. Las Marias, 50, Filipino, is the President and Chief Executive Officer of FLI. He also serves as a Director of FILRT, a publicly-listed company. He started in 1997 as the Head of Regional Projects and went on to hold a higher position as a Senior Vice-President and Cluster Head for Visayas and Mindanao projects, as well as Southwest and Central Luzon. He was appointed as President and Chief Strategy Officer of FLI in April 2022 before his concurrent appointment as CEO in April 2023. He obtained his Bachelor of Arts, Major in Management Economics degree from Ateneo de Manila University. He also obtained his Certificate from the Advanced Management Program of the Harvard Business School in 2022.
Michael Edward T. Gotianun Director	Mr. Gotianun, 67, Filipino, was first elected as a Director of FLI on 08 May 2015. He is also a Director of FDC, a publicly-listed company. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor’s Degree in Business Management from the University of San Francisco in 1979.
Francis Nathaniel C. Gotianun Director	Mr. Gotianun, 41, Filipino, was first elected as a Director of FLI on 22 April 2016. He is the First Senior Vice-President of Filinvest Hospitality Corporation, a subsidiary of FDC, the primary role of which is to evaluate, plan, develop and optimize potential and current hospitality investments of the Filinvest Group. He is also a director of FDC, a publicly-listed company. He serves as Chairman of ProOffice Work Services, Inc. (PWSI), a Director of Filinvest Mimosa, Inc. and as the President and CEO of The Palms County Club, Inc.

	(“TPCCI”). He obtained his Bachelor’s Degree in Commerce from the University of Virginia in 2005 and his Master’s in Business Administration degree in IESE Business School – University of Navarra in 2010.
Rhoda A. Huang Director	Ms. Huang, 62, Filipino, was first elected as a Director of FLI on 19 April 2024. She is currently a Director and the President and CEO of FDC. Prior to joining FDC, she was the President of BPI Capital Corporation. She was also the former Branch Head of Investment Banking for Credit Suisse Philippines and spent nineteen (19) years at JP Morgan Chase and its predecessor institutions. Ms. Huang bring more than thirty (30) years of experience in Philippine corporate, financial and government institutions. She has led various aspects of investment banking, including handling mergers and acquisitions, facilitating equity-linked transactions, managing equity and debt capital markets, overseeing structured products and lending, as well as handling risk management. She completed her Bachelor’s degree in Business Administration and Accountancy at the University of the Philippines and is a Certified Public Accountant.
Ephyro Luis B. Amatong Lead Independent Director	Atty. Amatong, 52, Filipino, was first elected as an Independent Director of FLI on 19 April 2024. He was the former Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine Securities and Exchange Commission (SEC) from May 2014 to March 2022. Before joining SEC, he was an Assistant Secretary of the Department of Finance (“DOF”) where he had an active role in a number of privatization projects among others. He also served in various capacities in the government. Before joining the government, he was an Associate with the Villaraza & Angangco Law Offices where he dealt with high profile litigation. Currently, he is a partner of MOSVELDTT Law Offices and a Consultant for the World Bank Group and the Asian Development Bank. He is a Professional Lecturer of the University of the Philippines – College of Law, a Trustee of the Andres Bonifacio College, an Independent Director of Asia Link Finance Corp.; Global Dominion Financing, Inc., and South Asialink Finance Corp. He is also an independent director of Citicore Renewable Energy Corp., a publicly-listed company, and an Advisor to the Board of Alternergy Holdings Corp.
Ernesto S. De Castro Independent Director	Mr. De Castro, 78, Filipino, was first elected as an Independent Director of FLI on 22 April 2019. He is the President of ESCA Incorporated since July 1993. He is not a Director of any other publicly-listed company. He graduated from the University of the Philippines Diliman in 1967 with a Bachelor’s Degree in Civil Engineering and obtained his Masters of Engineering in the same university in 1968. He obtained the degree of Doctor of Philosophy in Civil Engineering (Major in Structures) in Lehigh University, Bethlehem, Pennsylvania, USA in 1975.
Gemilo J. San Pedro Independent Director	Mr. San Pedro, 71, Filipino, was first elected as an Independent Director of FLI on 17 July 2019. He has 38 years of experience in public accounting and business advisory services. Prior to his retirement on 30 June 2015, he served various leadership roles at SyCip Gorres Velayo & Co. (SGV & Co.). He was a partner in SGV & Co. from 1991 to 2015 and a Professional Practice Director and a Quality and Risk Management Leader from 2004 to 2015. He finished his Bachelor of Science in Commerce, Major in Accounting

	degree at Rizal Memorial Colleges, Davao City. He obtained his Master of Business Administration, Concentration in Finance and International Business, at the Graduate School of Business, New York University, (now Stern Graduate School) USA in 1983.
Ana Venus A. Mejia Executive Vice President, Treasurer and Chief Finance Officer	Ms. Mejia, 59, Filipino, has been with the Filinvest Group for 28 years. She started in January 1996 as the Assistant Controller of FDC and has served the group in various capacities. She was appointed as the Treasurer of FLI in 2012. She also serves as the Treasurer and Chief Finance Officer of FILRT. Prior to joining Filinvest, she worked with Shoemart and SGV & Co. She is a Certified Public Accountant and a magna cum laude graduate of Pamantasan ng Lungsod ng Maynila. She obtained her Master's Degree from the Kellogg School of Management of Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology.
Maria Victoria Reyes-Beltran Senior Vice-President, General Counsel and Compliance Officer	Atty. Reyes-Beltran, 58, Filipino, is the General Counsel and Compliance Officer of FLI. She also serves as the Compliance Officer of FILRT. Prior to joining FLI, she served as the Director of the Office of Internal Legal Counsel of R.G. Manabat & Co., a professional partnership firm affiliated with KPMG International. She also served as the First Vice President - General Counsel of the Corporate Legal Unit of JG Summit Holdings, Inc. and Universal Robina Corporation, its subsidiaries, and regional operations in Southeast Asia, as well as the Corporate Secretary of the printed media unit of the group. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree, Major in Philosophy from the University of the Philippines and her Bachelor of Laws degree from San Beda College of Law. She completed her Master of Laws in International Commercial Law at the Ateneo School of Law and a Course on Structuring International Joint Venture at the University of California, Davis Campus.
Francis V. Ceballos Senior Vice President and Head of the Industrial, Warehousing and Logistics Business	Mr. Ceballos, 58, Filipino, joined FLI last 2010 and is currently the Senior Vice-President and Head of the Industrial/Logistics Business. He graduated from Ateneo de Manila University with a degree in Management Engineering and obtained his Masters in Business Administration from the Asian Institute of Management.
Winnifred H. Lim First Senior Vice President and Chief Technical Planning Officer	Engr. Lim, 60, Filipino, is the First Senior Vice-President and Chief Technical Planning Officer of FLI. He started as the Company's Engineering Head last 2000 and currently leads Engineering, Architecture, Planning and Design, Survey, and Special Projects. He obtained his Master's Degree in Structural Engineering at the University of the Philippines Diliman.
Edward Thomas V. Bernas Senior Vice President – Assistant Residential Business Unit Head	Mr. Bernas, 56 Filipino is the Senior Vice President – Assistant Residential Business Unit Head of FLI. Prior to joining FLI, he was the Business Unit General Manager for Robinsons Homes, the horizontal development arm of Robinsons Land Corporation (RLC). Mr. Bernas also held the position of Assistant Vice President of RLC for Infrastructure and Integrated Development until 2018 and was instrumental in its integrated township developments. Mr. Bernas spent years at Torre Lorenzo Devt. Corporation, where he was Business Development Director & Business Unit Head for Mixed Use Developments.

	Mr. Bernas graduated from the Ateneo de Manila University with a Bachelor of Arts degree in Economics.
Reynaldo Juanito S. Nieva II Senior Vice President and Operations Head	Mr. Nieva, 50, Filipino, is the head of the Operations Department of FLI. He has been with FLI for fifteen (15) years and significantly contributed to various systems and processes of the company. His customer-centric leadership introduced the Omni channel to FLI's customer service, efficient booking process, stability in risk management and digitalizing an array of FLI Operating systems. He graduated from the University of the Philippines Diliman with a degree in Hotel and Restaurant Administration
Luis L. Fernandez First Vice President and HOA & Water Systems Head	Fernandez, 78, Filipino, is the HOA & Water Systems Head of FLI. He has been with Filinvest for more than fifty (50) years. He served as Executive Vice-President of Family Savings Bank and held the same position in Family Bank & Trust Co. He also served as Vice-President of FDC. He obtained his Bachelor of Arts Degree Major in Business Management from the Ateneo De Manila University.
Alexis Avalone Ojeda First Vice President and Sales Channel Development Head	Mr. Ojeda, 52, Filipino, is the Sales Channel Development Head of FLI. Prior to joining FLI in 2019, he served as Sales Head of various corporations such as Federal Land, Inc., Ayala Land International Sales, Inc., and Robinsons Land Corp.. He graduated from the Ateneo De Manila University with a Bachelor of Arts Degree Major in Management Economics.
Wilbert B. Serrano First Vice President – Sales and Marketing Head	Mr. Serrano, 49, Filipino, is the Sales and Marketing Head of FLI. Prior to joining FLI, he is the Head of Commercial Excellence and Business Strategy at Sandoz-Novartis Philippines. He has been leading sales and marketing teams across different industries for over twenty (20) years. He has worked for Globe Telecom, Johnson & Johnson Philippines, and Samsung Electronics Philippines Corp. He has a Bachelor of Arts Degree in English and has completed the Executive MBA Program at the Asian Institute of Management ("AIM"). He is also a graduate of the Corporate Strategy and Execution Program and Management Development Program of AIM.
Harriet Joan C. Ducepec Corporate Planning and Market Research	Ms. Ducepec, 59, Filipino, is the First Vice President for Corporate Planning and Market Research. She has been with the Filinvest Group for 27 years, joining in October 1996 as the Assistant Vice President and Head of Corporate Planning and Market Research. She has over 30 years of experience in corporate planning in both real estate and banking industries. Prior to joining FLI she worked with ASB Realty, United Coconut Planters Bank, Union Bank of the Philippines and International Corporate Bank. She obtained her Bachelor of Arts degree in Economics, cum laude, from the University of the Philippines Diliman and completed the Strategic Business Economics Program from the University of Asia and the Pacific.
Mary Averose D. Valderrama	Ms. Valderrama, 44, Filipino, is the Brand/Product and Regional Projects Head for MRBs and Metro Manila and Luzon – MRB of

First Vice President – Brand/Product and Regional Projects Head for Mid-Rise Buildings (“MRB”) and Metro Manila and Luzon – MRB	FLI. Ms. Valderrama graduated as cum laude in 2002 with a degree in Business Economics at the University of the Philippines - Diliman. She took an MBA in Business Administration at the University of East Anglia in United Kingdom and graduated with distinction. When Ms. Valderrama joined FLI in 2013, she carried with her solid real estate experience gained from the various roles she held in business development, sales and marketing.
Sean Philip R. Imperial First Vice President - Land Acquisition and Disposition	Mr. Imperial, 46, Filipino, is the First Vice-President for Land Acquisition and Disposition of FLI. He has been with Filinvest for twenty-three (23) years. He is a homegrown talent, starting as a Project Analyst to an Executive role in Rawland Acquisition. He obtained his degree in Economics from the University of Santo Tomas.
Gerard C. Marcelo <i>First Vice President, Regional General Manager – North, Central and South Luzon, and Estate Business Head</i>	Mr. Marcelo, 52, Filipino, is the First Vice President, Regional General Manager – North, Central and South Luzon, and Estate Business Head. Mr. Marcelo has over 25 years of experience in planning, implementation and general management of general subdivision projects, as well as land acquisition and business development for condotels and hotel projects. He started his career with Landco Pacific Corporation earning his way to becoming its Vice President for Business Development and Market Research. Prior to joining FLI, he was a Business and Project Development Consultant of Ayala Land Estates, Inc. Mr. Marcelo graduated from Ateneo de Manila University with a Bachelor of Science in Management Engineering and attended the Strategic Business Economics Program at the University of Asia and the Pacific.
Melissa C. Ortiz <i>Investor Relations Officer</i>	Ms. Ortiz, 54, Filipino, is the Investor Relations Officer of FLI. She was previously the Head of Investor Relations for ABS-CBN Corporation, Head of Corporate and Financial Planning for Nutriasia Philippines and Head of Financial Planning and Investor Relations for MERALCO. She is a Certified Public Accountant and a Certified Management Accountant. She obtained her Bachelor’s Degree in Business Administration from the University of the Philippines and obtained her Master’s Degree in Business Administration and Master of Science degree in Computational Finance from De La Salle University. She completed the Chief Financial Officer, Strategic Finance Leadership, Business and Management Consulting and Enterprise Risk Management programs at the Asian Institute of Management. She also completed the Sustainable Real Estate: Creating a Better Built Environment program from the University of Cambridge Institute for Sustainability Leadership, the Sustainable Finance in Action program of the Singapore Management University and the Real Estate Economics and Finance program from the London School of Economics and Political Science.
Katrina O. Clemente-Lua	Ms. Clemente-Lua, 41, Filipino, was appointed as FLI’s Corporate Secretary on March 24, 2024 and Corporate Information Officer on 16 March 2022. Ms. Lua was previously appointed as FLI’s Assistant

<i>Corporate Secretary and Corporate Information Officer</i>	Corporate Secretary on 16 March 2022. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and the Executive Director of Stratbase ADR Institute. She was previously an Associate of Carag Jamora Somera & Villareal Law Offices, as well as the Senior Corporate Affairs Officer of Anchor Land Holdings. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.
Jennifer C. Lee <i>Assistant Corporate Secretary</i>	Ms. Lee, 40, Filipino, was appointed as FLI's Assistant Corporate Secretary on 24 March 2024. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and in Migallos & Luna Offices. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Juris Doctor degree in University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management in De La Salle University – Manila.
Michael R. Roxas <i>Chief Audit Executive</i>	Mr. Roxas, 45, Filipino, is the Chief Audit Executive of FLI. He has a dynamic 20-year management career in auditing, assurance and consultancy in real estate, retail, manufacturing and telecommunications companies. He performed financial, operations and compliance audits including business process, project management, continuous monitoring, process mapping, and fraud investigation. Prior to joining FLI, he was the Senior Assistant Vice President, Internal Audit and Risk Management of Global-Estate Resorts, Inc. (“GERI”). Before joining GERI, he was the head of Risk Management & Insurance Division of Makati Development Corporation (MDC), a wholly owned subsidiary and the construction arm of Ayala Land, Inc. During his time in MDC, he championed several initiatives for MDC such as documentation and improvement of MDC's systems and procedures, establishment of the Enterprise-wide Risk Management program, development of Business Continuity Management, and Lean Construction. He has a Master's Degree in Business Administration from the Pamantasan ng Lungsod ng Maynila. He is a Certified Lead Auditor for ISO 9001:2008 Quality Management System and ISO 14001:2004 Environmental Management System. Mr. Roxas is certified in Safety Program Audit, Loss Control Management and Construction Occupational Safety and Health (COSH). He also obtained the 186 Certified Internal Control Auditor (CICA) title in February 2019. He is a member of the Institute of Internal Auditors – Philippines (IIA-P) since 2009.
Raymond Wilfred L. Castañeda <i>Data Privacy Officer</i>	Mr. Castañeda, 47, Filipino, is the Data Privacy Officer (“DPO”) of FLI. He is also the DPO of FILRT. He concurrently serves as President of Filinvest Business Services Corporation (formerly, Corporate Technologies Incorporated). He has twenty-two (22) years combined experience in different areas covering sales and marketing, information technology, strategy and general management. He was previously the Chief Information Officer and Head of IT for

	Petron Corporation. Prior to his experience in the Oil and Gas industry, he was with the fast-moving consumer goods business where he was involved in the digital transformation of the multinational companies such as Unilever, Johnson and Johnson and SC Johnson. He graduated from the Ateneo de Manila University, with a degree in BS Management Information Systems in 1999.

The Audit and Risk Management Oversight Committee of FLI is composed of Gemilo S. San Pedro (Chair/Independent Director), Ephyro Luis B. Amatong (Independent Director), and Lourdes Josephine Gotianun Yap.

The directors of FLI are elected at the annual stockholders' meeting to hold office for one (1) year and until their respective successors have been duly appointed or elected and qualified. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

There is no person who is not an executive officer of the Parent Company who is expected to make a significant contribution to the business. The Parent Company, however, engages the regular services of consultants. At December 31, 2024, the Parent Company had 7 consultants in the area of business development, marketing, planning and design and construction management.

Except as discussed in section 1.10, there are no transactions or any proposed transactions during the last two years, to which the Parent Company was or is to be a party, in which any director or officer, any nominee for election as a director, any security holder or any member of the immediate family or any of the persons mentioned in the foregoing had or is to have a direct or indirect material interest.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

Except for the following cases, none of the members of FLI's Board nor its executive officers are involved in any major criminal, bankruptcy or insolvency investigations or proceedings for the past five (5) years and up to September 30, 2024, nor have they been found by judgment or decree to have violated securities or commodities laws and enjoined from engaging in any business, securities, commodities or banking activities: (a) the complaint for syndicated estafa and usurpation of real property filed by Manuel Tee and Michael Mendoza against certain directors and officers of FLI in 2018, docketed as NPS No. XV-08-INV-18K-01075, which was dismissed by the Office of the City Prosecutor ("OCP") for Muntinlupa City and for which complainants' Motion for Reconsideration was already denied on February 24, 2020; (b) the complaint for estafa filed by Manila Paper Mills International, Inc. ("MPMII") with the OCP of Dasmariñas, Cavite against certain directors and an officer of FLI, which was dismissed, although MPMII filed a Petition for Review before the Secretary of Justice; and (c) the complaint for Violations of Presidential Decree No. 957 ("PD 957") filed by Spouses Jonathan and Imelda Ordoña, docketed as I.S. No. XV-07-INV-24J-04402 before the OCP of City of Manila, which was dismissed in through Resolution dated 31 October 2024."

Item 10. EXECUTIVE COMPENSATION

The aggregate compensation paid or incurred during the last two fiscal years and the estimate for this year are as follows:

President and Four (4) Most Highly Compensated Executive Officers

In Million Pesos	Year	Annual Compensation	Other Annual Compensation
President and four (4) most highly compensated executive officers	2025 (estimate)	47.19Mn	-
	2024	47.62Mn	15.75Mn
	2023	44.68Mn	4.05Mn
Year	Name		Position/Title
2024	Tristaneil D. Las Marias		Director, President and CEO
	Ana Venus A. Mejia		Executive Vice-President, Chief Finance Officer, Treasurer
	Winnifred H. Lim		First Senior Vice-President, Chief Technical Planning Officer
	Francis V. Ceballos		Senior Vice-President
	Maria Victoria M. Reyes-Beltran		Senior Vice-President
2023	Tristaneil D. Las Marias		Director, President and CEO
	Ana Venus A. Mejia		Executive Vice-President, Chief Finance Officer, Treasurer
	Winnifred H. Lim		First Senior Vice-President, Chief Technical Planning Officer
	Francis V. Ceballos		Senior Vice-President
	Maria Victoria M. Reyes-Beltran		Senior Vice-President

Compensation of Directors and Officers as a Group

In Million Pesos	Year	Annual Compensation	Other Annual Compensation
All officers and directors as a group unnamed	2025 - Estimated	68.67Mn	0.00Mn
	2024	68.73Mn	6.58Mn

In Million Pesos	Year	Annual Compensation	Other Annual Compensation
	2023	49.73Mn	0.74Mn

Non - executive and independent directors receive a per diem of Php50,000.00 for every stockholder's, Board and Board Committee meeting attended. For the year 2024, the total per diem for each of the non-executive director and independent directors is as follows:

Name of Director	Amount (in Php)
Jonathan T. Gotianun*	Php--
Lourdes Josephine Gotianun-Yap*	--
Michael Edward T. Gotianun*	--
Francis Nathaniel C. Gotianun*	--
Rhoda A. Huang*	--
Tristaneil D. Las Marias*	--
Efren C. Gutierrez	250,000.00
Val Antonio B. Suarez (Independent Director)	350,000.00
Ernesto S. De Castro (Independent Director)	550,000.00
Gemilo J. San Pedro (Independent Director)	850,000.00
Ephyro Luis B. Amatong (Independent Director)	550,000.00
Total	Php2,550,000.00

* These directors do not receive per diem in their capacity as directors of the Company and members of certain committees.

Note: Efren C. Gutierrez and Val Antonio Suarez ceased to be directors of FLI on April 19, 2024, while Rhoda A. Huang and Ephyro Luis B. Amatong were elected as directors during the Annual Stockholders' Meeting held on April 19, 2024.

Other than as discussed in the foregoing, there are no other existing arrangements for the payment of compensation or remuneration to the directors in their capacity as such, but the Company may, without any obligation, grant additional compensation if certain performance driven goals are met, subject to such approvals as may be required by law.

There are no outstanding warrants or options held by the Company's CEO, the above-named executive officers, and all officers and directors as a group which are subject to the approval by the stockholders at the annual stockholders' meeting.

There is no action to be taken at the annual meeting of the stockholders on 24 April 2025 with respect to any bonus, profit sharing or other compensation plan, contract or arrangement, and pension or retirement plan, in which any director, nominee for election as a director, or executive officer of FLI will participate. Neither is there any proposed grant or extension to any such persons of any option, warrant or right to purchase any securities of FLI.

Item 11. Security Ownership of Certain Beneficial Owners and Management

11.1. Security Ownership of Certain Beneficial Owners as of December 31, 2024:

Title of Class of Securities	Name/ Address of Record Owner and Relationship with FLI	Name of Beneficial Owner/Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Preferred	Filinvest Development Corporation The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila	FDC ²	Filipino	8,000,000,000	100.00%
Common	Filinvest Development Corporation The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila	FDC ³	Filipino	15,926,610,981	71.15%
Common	PCD Nominee Corporation (Filipino) G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City	Same as Record Owner	Filipino	4,271,225,727	19.08%
Common	PCD Nominee Corporation (Non-Filipino) G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City	Please see footnote 4 below. ⁴	Non-Filipino	1,909,182,584	8.53%

² Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative, with authority to vote FDC's shares in stockholders' meetings of FLI

³ Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative, with authority to vote FDC's shares in stockholders' meetings of FLI

⁴ Based on the SEC Form 18-AS submitted by Dunross & Co. S.A. SICAV – SIF dated January 27, 2025, it holds 1,617,900,000 common shares of the Company or 6.67% of the outstanding capital stock of the Company (pre-voluntary tender offer). Moreover, based on the List of Participants provided by the Company's stock transfer agent, one participant holds 1,637,385,203 shares or 7.31%, namely, The Hongkong and Shanghai Banking Corp. Ltd.-Clients' Acct.

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as of the date of the annual report, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares or who has voting power or investment power with respect to shares comprising more than five percent (5%) of the Company's outstanding common stock. Ms. Josephine G. Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative with authority to vote FDC's shares in stockholders' meetings of FLI.

11.2. Security Ownership of Management as of December 31, 2024

As of **31 December 2024**, 1,914,426,878 or 6.30% of the total outstanding voting shares of FLI are owned by foreigners.

The names, citizenship, number of shares held and percentage to total outstanding shares of persons forming part of the Board of Directors and Management of the Company as of **31 December 2024** as shown in the Public Ownership Report are as follows:

Title of Class of Securities				Name	Amount and Nature of Ownership	Citizenship	Percentage of Ownership
Common				Lourdes Josephine Gotianun Yap	91 (D)* 38,716,303 (I)	Filipino	0.0000% (D) 0.1730% (I)
Common				Michael Edward T. Gotianun	11,235,928 (D)	Filipino	0.0502% (D)
Common				Jonathan T. Gotianun	61 (D) 3,140,376 (I)	Filipino	0.0000% (D) 0.0141% (I)
Common				Rhoda A. Huang	95,712 (D)	Filipino	0.0004% (D)
Common				Francis Nathaniel C. Gotianun	32,518 (D)	Filipino	0.0001% (D)
Common				Tristaneil D. Las Marias	1 (D)	Filipino	0.0000% (D)
Common				Ephyro Luis B. Amatong	1 (D)	Filipino	0.0000% (D)
Common				Ernesto S. De Castro	1 (D)	Filipino	0.0000% (D)
Common				Gemilo J. San Pedro	1 (D)	Filipino	0.0000% (D)
Common	Ana Venus A. Mejia	233,000 (I)	Filipino	0.0010% (I)			
Common				Maria Victoria M. Reyes-Beltran	200,000 (I)	~~Filipino~~ Filipino	0.0009% (I)
N.A.				Janeth B. de los Reyes**	0	Filipino	N.A.
				Winnifred H. Lim	1,026,563 (I)	Filipino	0.0046% (I)

Title of Class of Securities				Name	Amount and Nature of Ownership	Citizenship	Percentage of Ownership
N.A.				Francis V. Ceballos	0	Filipino	N.A.
N.A.				Reynaldo Juanito S. Nieva II	0	Filipino	N.A.
N.A.				Edward Thomas V. Bernas	0	Filipino	N.A.
Common	Luis L. Fernandez	4,064,940 (D)	Filipino	0.0182% (I)			
N.A.				Harriet Joan C. Ducepec Alexis Avalone Ojeda Alexis Avalone Ojeda	0	Filipino	N.A.
N.A.				Harriet Joan C. Ducepec	0	Filipino	N.A.
N.A.	Mary Averose D. Valderrama	0	Filipino	N.A.			
N.A.	Sean Philip R. Imperial	0	Filipino	N.A.			
N.A.	Gerard C. Marcelo	0	Filipino	N.A.			
N.A.				Katrina O. Clemente-Lua	0	Filipino	N.A.
N.A.				Jennifer C. Lee		Filipino	
N.A.				Melissa C. Ortiz	0	Filipino	N.A.
N.A.				Michael R. Roxas	0	Filipino	N.A.
N.A.				Raymond Wilfred L. Castañeda	0	Filipino	N.A.

* Includes shares of stock in Filinvest Land, Inc. under the name Joseph &/or Josephine Yap

** Ms. Janeth Delos Reyes resigned as Chief Risk Officer and Deputy Chief Finance Officer effective on February 28, 2025.

Total ownership of all directors and officers as a group as of 31 December 2024 is 0.26% of the total issued and outstanding common shares of stock.

11.3. Voting Trust Holders of 5% or more

There are no persons holding 5% or more of a class of shares under any voting trust or similar agreement.

11.4. Changes in Control

There are no arrangements which may result in a change in control of FLI. There has been no change in control of FLI since the beginning of the last fiscal year. There were no matters submitted to a vote of the security holders during the fourth quarter of the calendar year covered by this report.

Item 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Parent Company and its subsidiaries, in their normal course of business, have certain related party transactions with affiliates principally consisting of advances and intercompany charges.

Please refer to the Detailed Discussion on the Parent Company's Subsidiaries, Joint Ventures, Affiliate and Related Party Transactions in Section 1.3, 1.4, 1.5 and 1.10, respectively.

PART IV – COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

Item 13. CORPORATE GOVERNANCE

For the year 2024, FLI substantially complied with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) regulatory requirements. It is also in compliance with its Revised Manual for Corporate Governance. In particular, the Company wishes to highlight the following: (a) the election of three (3) independent directors to the Board; (b) the appointment of members of the Board Committees, namely the Executive Committee, the Audit & Risk Management Oversight Committee, the Compensation Committee, the Related-Party Transaction Committee, and the Corporate Governance Committee; (c) the conduct of regular quarterly board meetings and special meetings with the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the submission of Sustainability Report; (e) the timely submission to the SEC of reports and disclosures required under the Securities Regulation Code (SRC) and the PSE Listing and Disclosure Rules; (f) the submission of sustainability report, (g) adoption of the updated Enterprise Risk Management Policy; (h) appointment of its Chief Audit Executive; (i) adoption of the Internal Audit Charter; (j) FLI's adherence to national and local laws pertaining to its operations; (k) the observance of applicable accounting standards by FLI; (l) the conduct of annual corporate governance seminar attended to by its directors and officers; and (m) the continuous enhancement of FLI's website to provide our shareholders and stakeholders with ease of reference to our corporate governance policies.

In order to keep abreast of best practices in corporate governance, the Corporation requires the members of the Board, its officers and top-level management to attend and participate in seminars on corporate governance conducted by SEC-accredited institutions. In this connection, the directors and officers of FILRT attended the Annual Corporate Governance Training conducted by the Center for Global Best Practices last December 10, 2024. FLI constantly reviews its Corporate Governance practices and welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors (ICD), to improve corporate governance.

FLI was among the honorees at the Golden Arrow Awards presented on September 19, 2024 by the ICD. FLI was recognized as one of the top performing publicly-listed companies in the Philippines based on the ASEAN Corporate Governance Scorecard (ACGS) 2023 results. The ACGS is used to assess and rank the corporate governance performance of publicly listed companies in six participating ASEAN countries, namely: Indonesia, Philippines, Malaysia, Vietnam, Singapore and Thailand using publicly available information.

Board of Directors

Leading the practice of good Corporate Governance is the Board of Directors, which is firmly committed to the adoption of and compliance with the best practices in Corporate Governance as well as the observance of all relevant laws, regulations, and ethical business practices.

Nominations and Voting for the Board of Directors

The members of the Board are elected during the annual stockholders' meeting. The stockholders, minority or otherwise, of FLI may nominate individuals to be members of the Board of Directors.

The Corporate Governance Committee, acting as the Nomination Committee, receives nominations for directors as may be submitted by the stockholders. After the deadline for the submission thereof, the Corporate Governance Committee, acting as the Nomination Committee, meets to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in FLI's Revised Manual on Corporate Governance, SRC and related issuances of the SEC.

All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Corporate Governance Committee, acting as the Nomination Committee, shall then prepare a Final List of Candidates enumerating the nominees who passed the screening. The name of the person or group of persons who recommends nominees as independent directors shall be disclosed along with his or their relationship with such nominees.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed during the annual meeting.

It shall be the responsibility of the Chairman of the annual meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the annual meeting. Specific slots for independent directors shall not be filled up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit; Provided, that the total number of votes casted by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the number of directors to be elected.

The directors of FLI are elected at the annual stockholders' meeting, to hold office for one (1) year and until their respective successors have been duly appointed or elected and qualified. Vacancies in the Board occurring mid-term are filled as provided in the Revised Corporation Code (RCC) and FLI's Revised Manual on Corporate Governance. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

Independent Directors

Before the annual meeting, a stockholder of FLI may nominate individuals to be independent directors, taking into account the following guidelines:

- A. "Independent director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:
 - i. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
 - ii. Is not a relative of any director, officer, or substantial stockholder of FLI, any of its related companies or any of its substantial shareholders. For this purpose, "relative" includes spouse, parent, child, brother, sister, and the spouse of such child, brother, or sister;

- iii. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;
 - iv. Has not been employed in an executive capacity by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years;
 - v. Is not related as a professional adviser of FLI, any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm;
 - vi. Has not engaged and does not engage in any transaction with FLI or any of its related companies or any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.
- B. When used in relation to FLI, subject to the requirements above:
- i. “Related company” means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
 - ii. “Substantial shareholder” means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.
- C. An independent director of FLI shall have the following qualifications:
- i. He shall have at least one (1) share of stock of FLI;
 - ii. He shall be at least a college graduate or he shall have been engaged in or exposed to the business of FLI for at least five (5) years;
 - iii. He shall possess integrity/probity; and
 - iv. He shall be assiduous.
- D. No person enumerated under Part III, Item A, Par. 8 (on Disqualifications of Directors) of the Revised Manual of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:
- i. He becomes an officer or employee of FLI;
 - ii. His beneficial security ownership exceeds 2% of the outstanding capital stock of FLI;
 - iii. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member;
 - iv. If he becomes disqualified under any of the grounds stated in FLI’s Revised Manual on Corporate Governance.
- E. Pursuant to SEC MC No. 04, Series of 2017, the following additional guidelines shall be observed in the qualification of individuals to serve as independent directors:
- i. The independent director shall serve for a maximum cumulative term of nine (9) years;
 - ii. After which, the independent director shall be perpetually barred from re-election as such in the same company, but may continue to qualify as non-independent director;

- iii. In the instance that a company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting; and
- iv. The reckoning of the cumulative nine-year term is from 2012.

Members of the Board of Directors, Attendance and Committee Memberships

The following table lists down the members of the Board of Directors and their attendance in Board Meetings in 2024.

Board	Name	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Jonathan T. Gotianun	7	6	86%
Member	Lourdes Josephine Gotianun Yap	7	7	100%
Member	Michael Edward T. Gotianun	7	7	100%
Member	Francis Nathaniel C. Gotianun	7	5	71%
Member	Efren C. Gutierrez*	3	2	67%
Member	Rhoda A. Huang **	4	3	75%
Member	Tristaneil D. Las Marias	7	7	100%
Independent	Val Antonio B. Suarez*	3	3	100%
Independent	Ernesto S. De Castro	7	7	100%
Independent	Gemilo J. San Pedro	7	7	100%
Independent	Ephyro Luis B. Amatong**	4	4	100%

* Efren C. Gutierrez and Val Antonio B. Suarez ceased to be directors on April 19, 2024.

** Rhoda A. Huang and Ephyro Luis B. Amatong were elected as new directors during the 2024 Annual Stockholders' Meeting held on April 19, 2024.

Committee Membership	
Name	Position
Jonathan T. Gotianun	Member – Executive Committee Member – Corporate Governance Committee
Lourdes Josephine Gotianun -Yap	Chairperson – Executive Committee Member – Compensation Committee Member - Audit & Risk Management Oversight Committee
Tristaneil D. Las Marias	Member – Executive Committee
Michael Edward T. Gotianun	Member – Executive Committee
Francis Nathaniel C. Gotianun	Member – Executive Committee
Ephyro Luis B. Amatong	Member – Audit & Risk Management Oversight Committee Chairman – Compensation Committee Chairman – Related-Party Transaction Committee Chairman – Corporate Governance Committee
Ernesto S. De Castro	Member – Corporate Governance Committee Member – Compensation Committee Member – Related-Party Transaction Committee
Gemilo J. San Pedro	Chairman – Audit & Risk Management Oversight Committee Member – Compensation Committee Member – Related-Party Transaction Committee Member – Corporate Governance Committee

Duties and Responsibilities of the Different Board Committees

Executive Committee

Committee Members

Office	Name	No. of Meetings Held	No. of Meetings Attended	%
Chairperson	Lourdes Josephine Gotianun Yap	10	10	100%
Member	Jonathan T. Gotianun	10	9	90%
Member	Michael Edward T. Gotianun	10	10	100%
Member	Francis Nathaniel C. Gotianun	10	9	90%
Member	Tristaneil D. Las Marias	10	10	100%

The functions, duties and responsibilities of the Board of Directors may be delegated, to the fullest extent permitted by law, to an Executive Committee to be established by the Board of Directors. The Executive Committee shall consist of five (5) members, at least three (3) of whom shall be members of the Board of Directors. All members of the Executive Committee shall be appointed by and under the control of the Board of Directors.

The Executive Committee may act on such specific matters within the competence of the Board of Directors as may be delegated to it by a majority vote of the Board of Directors, except with respect to: (i) approval of any action for which shareholders' approval is also required; (ii) the filing of vacancies in the Board of Directors; (iii) the amendment or repeal of these By-Laws or the adoption of new by-laws; (iv) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; and (v) the distribution of cash dividends to shareholders.

The act of the Executive Committee on any matter within its competence shall be valid if (i) it is approved by the majority vote of all its members in attendance at a meeting duly called where a quorum is present and acting throughout, or (ii) it bears the written approval or conformity of all its incumbent members without necessity for a formal meeting.

The Executive Committee shall hold its regular meeting at least once a month or as often as it may determine, in the principal office of the Corporation or at such other place as may be designated in the notice, or through remote communication in accordance with relevant laws, rules and regulations. Any member of the Executive Committee may, likewise, call a meeting of the Executive Committee at any time. Notice of any meeting of the Executive Committee shall be given at least seven (7) business days prior to the meeting or such shorter notice period as may be mutually agreed. The notice shall be accompanied by (i) a proposed agenda or statement of purpose and (ii) where possible, copies of all documents, agreements and information to be considered at such meeting.

Audit & Risk Management Oversight Committee

Committee Members

Office	Name	No. of Meetings Held	No. of Meetings Attended	%
Chairman (ID)	Gemilo J. San Pedro	5	5	100%
Member (ID)	Ephyro Luis B. Amatong*	4	4	100%
Member	Lourdes Josephine Gotianun Yap	5	5	100%

*Ephyro Luis B. Amatong was appointed as new member of the Audit and Risk Management Oversight Committee during the Organizational Meeting of the Board held on April 19, 2024.

The Board shall constitute an Audit and Risk Management Committee to be composed of at least three (3) qualified non-executive directors, preferably with accounting and financial background, majority of which shall be independent and should have related audit experience.

The Chairman of this Committee should be an independent director. He should inculcate in the minds of Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

The Audit and Risk Management Committee shall have the following duties and responsibilities:

1. Internal Audit
 - i. Recommend the approval of the Internal Audit Charter ("IA Charter"), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
 - ii. Provide oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;
 - iii. Provide oversight of the Corporation's internal and external auditors;
 - iv. Review and approve audit scope and frequency, and the annual internal audit plan;

- v. Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one (1) audit firm is involved;
- vi. Set up an internal audit department and consider the appointment of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
- vii. Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
- viii. Receive and review reports of internal and external auditors and regulatory agencies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner, in addressing control and compliance functions with regulatory agencies;
- ix. Review the quarterly, half-year and annual financial statements before submission to the Board with particular focus on the following matters:
 - Any change/s in accounting policies and practices
 - Major judgmental areas
 - Significant adjustments resulting from the audit
 - Going concern assumptions
 - Compliance with accounting standards
 - Compliance with tax, legal and regulatory requirements
- x. Coordinate, monitor, and facilitate compliance with existing laws, rules, and regulations;
- xi. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report; and
- xii. Establish and identify the reporting line of the CAE so that the reporting level allows the internal audit activity to fulfill its responsibilities. The CAE shall report directly to the audit Committee functionally. The Audit committee shall ensure that the internal auditors shall have free and full access to the Corporation's records, properties and personnel relevant to the internal audit activity, and that the internal audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit Committee to review and approve the annual internal audit plan.

2. Risk Management

- i. Develop and oversee the Corporation's risk management program;
- ii. Oversee the system of limits to discretionary authority that the Board delegates to the Management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached;
- iii. Advise the Board on its risk appetite levels and risk tolerance limits;
- iv. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence;
- v. Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and

- vi. Report to the Board on a regular basis, or as deemed necessary, the Corporation's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary;
- vii. Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board; and
- viii. Other duties and responsibilities are provided in the Audit and Risk Management Committee Charter.

The Board of Directors, through the Audit and Risk Management Oversight Committee, periodically conducts a review of the company's internal controls, risk management, compliance and governance processes to ensure its adequacy and effectiveness.

Compensation Committee

Committee Members

Office	Name	No. of Meetings Held	No. of Meetings Attended	%
Chairman (ID)	Ephyro Luis B. Amatong	1	1	100%
Member	Lourdes Josephine Gotianun Yap	1	1	100%
Member (ID)	Ernesto S. De Castro	1	1	100%
Member (ID)	Gemilo J. San Pedro	1	1	100%

The Compensation Committee is composed of at least three (3) Director-members, two (2) of whom must be independent directors.

The Compensation Committee shall have the following duties and responsibilities:

- The Committee shall periodically review FLI's compensation philosophy, principles, and practices including Director and Key Executive compensation.
- The Committee shall ensure that the compensation program is appropriate for the job and ensure that it appropriately motivates employee and discourage excessive risk-taking.
- The Committee shall ensure that measurable standards align the performance-based remuneration of officers in key executive positions, regardless of their engagement agreement.
- The Committee shall disallow any director to decide on his/her own remuneration.
- The Committee, as needed, will review the overall remuneration policy covering all employees of the Company.
- The Committee shall make regular reports to the Board on any compensation related items that the Board should be apprised of.

Corporate Governance Committee

Committee Members

Office	Name	No. of Meetings Held	No. of Meetings Attended	%
Chairman (ID)	Ephyro Luis B. Amatong*	1	1	100%
Member	Jonathan T. Gotianun	2	1	50%
Member (ID)	Ernesto S. De Castro	2	2	100%
Member (ID)	Gemilo J. San Pedro	2	2	100%

*Ephyro Luis B. Amatong was appointed as new member of the Corporate Governance Committee during the Organizational Meeting of the Board held on April 19, 2024.

The Corporate Governance Committee shall assist the Board in fulfilling its corporate governance and compliance responsibilities. The Committee shall be composed of the Chairman of the Board and at least three (3) members of the Board, all of whom shall be independent directors. The Chairman of the Committee shall be an independent director.

The Corporate Governance Committee shall have the following duties and responsibilities:

1. Ensure the effectiveness and due observance of corporate governance principles and guidelines of the Board, its committees and executive management;
2. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
3. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
4. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
5. Make recommendations to the Board regarding the continuing education of directors, assignment to Board Committees and succession plan for the Board members and senior officers;
6. Determine the nomination and election process for the Corporation's directors and other positions requiring appointment by the Board, define the general profile of board members that the Corporation may need and ensure that appropriate knowledge, competencies and expertise will complement the existing skills of the Board;
7. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates;
8. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance;
9. Review with the Compliance Officer, at least on annual basis, any legal or regulatory matter that could have a significant impact on the Corporation's financial statements, compliance with

applicable laws and regulations, and inquiries received from regulators or governmental agencies; and

10. Obtain an annual report from the Compliance Officer regarding the adequacy of the Corporation's compliance program.

The Corporate Governance Committee shall also serve as the Nomination Committee. It shall review and evaluate the qualifications of all persons nominated to the board as well as those nominated to other positions requiring appointment by the Board and assess the effectiveness of the Board's process and procedures in the election or replacement of directors.

The Corporate Governance Committee, acting as the Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board members:

- The nature of the business of the Corporations in which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Corporate Governance Committee, acting as the Nomination Committee, may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the qualifications and the grounds for disqualifications as set forth in FLI's Revised Manual of Corporate Governance and the Securities Regulation Code.

The Corporate Governance Committee, acting as the Nomination Committee, promulgates the guidelines or criteria to govern the conduct of the nomination for members of the Board of Directors. The same shall be properly disclosed in the Company's information statement or such other reports required to be submitted to the Securities and Exchange Commission (SEC).

The review and evaluation of nominations for independent directors is conducted by the Committee before the stockholders' meeting.

The Committee pre-screens the qualifications and prepares a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors as set forth in the Company's Revised Manual on Corporate Governance.

After the review and evaluation, the Committee prepares a Final List of Candidates which contains all the information about all the nominees for independent directors, and is made available to the PSE, SEC and all stockholders through the filing and distribution of the Information Statement, or in such reports the Company is required to submit to the PSE and SEC. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report, including any relationship with the nominee.

Related-Party Transaction Committee

Committee Members

Office	Name	No. of Meetings Held	No. of Meetings Attended	%
Chairman (ID)	Ephyro Luis B. Amatong*	0	0	N/A
Member (ID)	Ernesto S. De Castro*	0	0	N/A
Member (ID)	Gemilo J. San Pedro	1	1	100%

*Ephyro Luis B. Amatong and Ernesto S. De Castro were appointed as new members of the Related-Party Transaction Committee during the Organizational Meeting of the Board held on April 19, 2024.

The Board constituted a Related-Party Transaction Committee to be composed of at least three (3) non-executive directors, two (2) of whom shall be independent, including the Chairman of the Committee.

The Related-Party Transaction Committee shall have the following duties and responsibilities:

1. Conduct continuous evaluation and monitoring of existing relations among counterparties to ensure that all related parties are identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and the SEC;
2. Evaluate all material RPTs to ensure that these are transacted on an arm's length basis and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions.

In evaluating RPTs, the Committee may take into account the following:

- The related party's relationship to the Corporation and interest in the transaction;
 - The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 - The benefits to the Corporation of the proposed RPT;
 - The availability of other sources of comparable products or services; and
 - An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs.
3. Ensure that appropriate disclosure is made to the regulating and supervising authorities relating to the Corporation's RPT exposures, and policies on conflicts of interest or potential conflicts of interest;
 4. Report to the Board on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
 5. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
 6. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures

Shareholders' Benefits

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. FLI strictly upholds the rights of its shareholders, which include but is not limited to:

A. Right to Nominate and Vote

- Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
- Cumulative voting shall be used in the election of directors.
- A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

B. Power of Inspection

- All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code, during business hours and upon prior written notice to the Corporation.
- All Shareholders shall be furnished with annual reports, including financial statements, without cost or restrictions.

C. Right to Information

- The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
- The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
- The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

D. Right to Dividends

- Shareholders shall have the right to receive dividends subject to the discretion of the Board.
- The SEC may direct the Corporation to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: i) when justified by definite corporate expansion projects or programs approved by the Board; or ii) when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

E. Appraisal Right

- The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:
 - a. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
 - b. In case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
 - c. In case of merger or consolidation.

F. Right to Attend and Participate in Shareholders' Meetings

- The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the Corporation. The shareholders should be encouraged to personally attend such meetings and shall be notified of the date and place of the meeting at least 28 days before the meeting. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.
- The results of the votes taken during the most recent annual or special stockholders' meetings shall be made publicly available within the next working day. The minutes of such meetings shall likewise be posted on the Corporation's website within five (5) business days from the date of the meeting.

It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

The shareholders shall have a right to participate in decisions concerning fundamental corporate changes, such as but not limited to the Company's Articles of Incorporation, By-laws, transfer of all or substantial all of the Company's Assets, and election of directors through voting. The shareholders are encouraged to attend FLI's annual shareholders' meetings.. The Company conducts continuous dialogue with its shareholders, including institutional investors and implements active measure to encourage active participation of shareholdings during the ASM, through quarterly corporate investor briefings, one-on-one discussions, conference calls and written platforms such as electronic mail. All shareholders, swhether minority or otherwise, shall be granted the right to the propose the holding of a meeting, the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes, and/or to request for general and special meetings, subject to the guidelines outlined in the Revised Corporation Code or as may be provided for in related issuances by the SEC. as may be issued by the SEC.

Annual Stockholders' Meeting and Procedures

Notice of Annual Stockholders' Meeting

On January 25, 2024, FLI disclosed to the Philippine Stock Exchange that its Board of Directors had fixed the date of the Annual Stockholders' Meeting on April 19, 2024 with the record date set on March 8, 2024. Stockholders were informed that the Annual Stockholders' Meeting for 2024 would be conducted virtually..

Procedures During the Annual Stockholders' Meeting

The following was the agenda of the Annual Stockholders' Meeting last April 19, 2024:

- I. Call to Order
- II. Proof of Notice of Meeting
- III. Certification of Quorum
- IV. Approval of the Minutes of the Annual Stockholders' Meeting held on 24 April 2023
- V. Presentation of the Management Report
- VI. Ratification of the Audited Financial Statements for the year ended 31 December 2023
- VII. Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Management from the Date of the Last Annual Stockholders' Meeting up to 19 April 2024
- VIII. Election of the Members of the Board of Directors, including three (3) Independent Directors, to serve for 2024-2025
- IX. Appointment of the External Auditor
- X. Other Matters
- XI. Adjournment

On the same day, right after the annual stockholders' meeting, FLI disclosed to the Philippine Stock Exchange the results of the meeting which included the following:

- (a) Approval of the Minutes of the Annual Stockholders' Meeting held on 24 April 2023;
- (b) Presentation of the Management Report and Ratification of the Audited Financial Statements for the year ended 31 December 2023;
- (c) Ratification of all the acts, resolutions and proceedings of the Board of Directors, Board Committees and Management from the date of the last annual stockholders' meeting up to 19 April 2024;
- (d) Appointment of SyCip Gorres Velayo & Co. as the independent external auditor of FLI for the year 2024.

FLI also disclosed that the following were elected as directors, to serve for the period 2024-2025 and until their successors shall have been duly elected and qualified:

1. MR. JONATHAN T. GOTIANUN
2. MS. LOURDES JOSEPHINE GOTIANUN YAP
3. MR. FRANCIS NATHANIEL C. GOTIANUN
4. MR. MICHAEL EDWARD T. GOTIANUN
5. MS. RHODA A. HUANG
6. MR. TRISTANEIL D. LAS MARIAS
7. DR. ERNESTO S. DE CASTRO (as independent director)
8. MR. GEMILLO J. SAN PEDRO (as independent director)
9. ATTY. EPHYRO LUIS B. AMATONG (as independent director)

FLI made another disclosure to the Philippine Stock Exchange regarding the Board approval of the following cash dividends declaration from the unrestricted retained earnings of FLI as of December 31, 2023:

a. Common Shares

Regular cash dividend: Php0.05 per share

Record Date: May 13, 2024

Payment Date: June 5, 2024

b. Preferred Shares

Amount of Dividend: Php0.0005 per share

Record Date: May 13, 2024

Payment Date: June 5, 2024

PART V – EXHIBITS AND SCHEDULES

Item 14. EXHIBITS AND REPORTS ON SEC Form 17-C

a) Exhibits

Exhibits as indicated in the Index to Exhibits are either not applicable to the Parent Company or require no answer.

b) Statutory Compliance

FLI fully complied with the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) regulatory requirements. Below is the Company's Reportorial Compliance Report for the year 2024:

Type of Report	Number of Filings
Financials	
Annual Report (17-A)	1
Quarterly Report (17-Q)	4
Audited Financial Statements	1
Ownership	
Annual List of Stockholders – for Annual Stockholders' Meeting	1
Foreign Ownership Monitoring Report	12
Public Ownership Report	5
Report on Number of Shareholders and Board Lot	12
Initial Statement of Beneficial Ownership of Securities (23-A)	6
Statement of Changes in Beneficial Ownership of Securities (23-B)	25
Top 100 Stockholders' List	4
Notices – Stockholders' Meetings/Briefings/Dividends	
Notice of Annual/Special Stockholders' Meeting	1
Dividend Notice (part of disclosure on Results of Stockholders' Meeting)	1
Notice of Analysts' Briefing	6
Other Disclosures	
Certification – Qualifications of Independent Directors	1
Clarifications of News Articles	0
Definitive Information Statement (20-IS)	1
General Information Sheet	4
Preliminary Information Statement (20-IS)	1
SEC Form 17-C (Current Report) Which includes the following:	
1. Results of Annual Stockholders' Meeting/Board Meetings	12
2. Press Releases	14
3. Other Matters	5

PART VI – SUSTAINABILITY REPORT

A copy of Filinvest Land, Inc.'s 2024 Sustainability Report can also be accessed via

https://filinvestland.com/sites/default/files/pdf_files/2023%20FLI%20Sustainability%20Report_041124.pdf

PART VII – REINVESTMENT PLAN PROGRESS REPORT

REINVESTMENT PLAN

As sponsor of FILRT, the REIT Law requires the Company to reinvest (a) any proceeds realized by it from the sale of FILRT shares or other securities issued in exchange for income-generating real estate transferred to the FILRT and (b) any money raised by the Company from the sale of any of its income generating real estate to FILRT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines within one (1) year of receipt of the proceeds.

Following current regulations, Filinvest Land intends to invest its net proceeds in the construction and development of its various office, retail and residential projects. Filinvest Land plans to invest the net proceeds in nine (9) office buildings, three (3) retail projects, five (5) mid-rise residential buildings as well as industrial lots. It also plans to use the funds for the purchase of land parcels for residential and commercial purposes and to expand the capacity of the District Cooling System in the Northgate Cyberzone. All disbursements for such projects are intended to be distributed within one year upon receipt of the proceeds from the secondary offer of FILRT shares. All of the projects for which the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines. Filinvest Land does not intend to reinvest the net proceeds from the Offer Shares in any infrastructure project.

Filinvest Land shall monitor the actual disbursements of projects proposed in the Reinvestment Plan on a quarterly basis. For purposes of monitoring, Filinvest Land prepares quarterly progress reports of actual disbursements on the projects covered by the Reinvestment Plan. In the event of changes in the actual disbursements of projects proposed in the Reinvestment Plan, Filinvest Land, shall inform the SEC, PSE, BIR or the appropriate government agency, by sending a written notice to that effect.

As of December 31, 2022, the proceeds from the FILRT IPO have been fully spent.

Gross Proceeds from IPO	Php	12,583,246,445
Purchase of shares during the stabilization period	-	2,281,800
Underwriters and IPO-related fees	-	316,945,306
Net Proceeds received		12,264,019,339
Disbursements for Transaction Costs, Aug. 12- Sept. 30	-	132,542,601
Disbursements for Transaction Costs, Oct. 1- Dec. 31	-	1,571,600
Available for Reinvestment		12,129,905,138
Disbursements for Reinvestment Aug 12- Sept 30	-	1,566,787,667
Disbursements for Reinvestment Oct 1-Dec. 31	-	872,622,139
Disbursements for Reinvestment Jan.1- March 31, 2022	-	2,016,678,604
Disbursements for Reinvestment April 1-June 30, 2022	-	2,725,572,490
Disbursements for Reinvestment July 1-August 11, 2022	-	4,948,244,238
Balance of IPO Proceeds as of August 11, 2022		0

A copy of Filinvest Land, Inc.'s REIT Reinvestment Plan Progress Report can be accessed via <https://filinvestland.com/investor-relations/reinvestment-plan>

On September 25, 2024, FLI announced that its Board has approved a capped voluntary tender offer to purchase or reacquire up to 1,866,000,000 common shares, equivalent to approximately 7.69% ownership of FLI's outstanding and listed stock, in exchange of FILRT shares owned by FLI, at an exchange ratio of 0.32 FILRT share for every 1 FLI share tendered (the "Transaction").

FLI engaged FTI Consulting to issue a valuation and fairness opinion to determine the reasonable and fair range of prices for both FLI and FILRT shares and the exchange ratio between them.

The Transaction provided FLI shareholders with the opportunity for their shares to be bought back in exchange for those of FILRT. FLI shareholders also stand to benefit from price appreciation and a stronger dividend yield from FILRT shares.

Upon the successful completion of the Transaction, public ownership of FILRT increased to 46.75%, broadening FILRT's shareholder base, and placing it comfortably above the 33.33% minimum public ownership requirement for real estate investment trusts ("REITs") as mandated by Republic Act No. 9856, otherwise known as "The Real Estate Investment Trust Act of 2009" ("REIT Act"), its implementing rules and regulations, the Amended Listing Rules for REITs of the Philippine Stock Exchange, Inc. ("PSE"), and related issuances.

The Transaction also provided FLI shareholders a compelling opportunity to participate in REITs, gaining exposure to a portfolio of income-generating properties with the potential for capital appreciation. FILRT's portfolio consists of 17 Grade A and LEED Gold-certified office buildings that feature green and sustainability-themed elements. With over 300,000 square meters of gross leasable area ("GLA"), 16 of the buildings are located in Northgate Cyberzone in Filinvest City, Alabang. Another building, Filinvest Cyberzone Cebu Tower 1, is situated at the gateway of Cebu IT Park in Lahug, Cebu City. Rounding out the portfolio is 2.9 hectares of land leased to the owner and operator of Crimson Resort & Spa Boracay, bringing the REIT's total GLA to over 330,400 square meters.

Pursuant to Securities and Exchange Commission ("SEC") Memorandum Circular No.1 series of 2020 and Bureau of Internal Revenue (BIR) – Revenue Regulation No. 3-2020, any sponsor or promoter of a REIT who contributes income-generating real estate to a REIT shall submit a sworn statement to the SEC, the PSE, and the BIR, a reinvestment plan undertaking to reinvest any proceeds realized by the sponsor or promoter from the sale of REIT shares or other securities issued in exchange for income-generating real estate to the REIT, in any real estate, including any redevelopment thereof, and/or

infrastructure projects in the Philippines, within one (1) year from the date of receipt of proceeds or money by the sponsor/promoter.

Following current regulations, FLI intends to invest the monetary equivalent of the net proceeds of the Transaction in the construction and development of retail and residential projects. In particular, FLI plans to invest the net proceeds in nine projects including two (2) retail projects, seven (7) mid-rise residential buildings, and two (2) high-rise residential buildings. . All disbursements for such projects are intended to be distributed within one (1) year from December 11, 2024. All the projects for which the monetary equivalent of the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines.

As of December 31,2024, FLI already disbursed the amount of One Hundred Seventy One Million Five Hundred Ninety Five Thousand Two Pesos and Thirty Eight Centavos (P171,595,002.38)

The details of the disbursements are as follows:

Equivalent Monetary Value of Proceeds ("Proceeds")	Php	1,857,043,200.00
Disbursements on Taxes and Transaction Charges		(15,985,359.50)
Net Proceeds		1,841,057,840.50
Disbursements from December 11-31, 2024		(171,595,002.38)
Balance of Proceeds as of December 31, 2024	Php	1,669,462,838.12

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

Form 17 A, Item 7

Consolidated Financial Statements

1. Statement of Management's Responsibility for Financial Statements
2. Independent Auditor's Report on Consolidated Financial Statements
3. Consolidated Statements of Financial Position as of December 31, 2024 and 2023
4. Consolidated Statements of Income for the years ended December 31, 2024, 2023, and 2022
5. Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023, and 2022
6. Notes to Consolidated Financial Statements

Supplementary Schedules

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

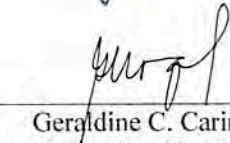
SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Mandaluyong, Metro Manila on 10 APR 2025

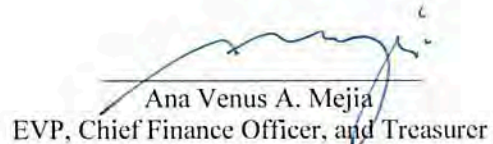
By:



Tristaneil D. Las Marias
President and CEO



Geraldine C. Caringal
Controllershship Head



Ana Venus A. Mejia
EVP, Chief Finance Officer, and Treasurer



Katrina O. Clemente-Lua
Corporate Secretary

APR 10 2025

SUBSCRIBED AND SWORN to before me this _____ day of _____ affiants exhibiting to me their Competent evidence of identity as follows:

Name	Competent evidence of Identity	Issue Date	Expiry Date	Place issued
Tristaneil Las Marias	Passport no.	24-Nov-21	23-Nov-31	DFA Manila
Ana Venus Mejia	Passport no.	30-Sep-19	29-Sep-29	DFA/NCR East
Geraldine C. Caringal	Driver's License	16-Nov-21	16-Nov-26	Paranaque City
Katrina O. Clemente-Lua	Passport no.	04-July-19	05-July-29	DFA/NCR South

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Book No. 14
Series of 2025

JOVEN G. SETILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026
ROLL NO. 53970 (53)
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
PTR NO. 5708102; 1-2-25; MANDALUYONG
MCLE EXEMPTION NO. VIII-ACAD004023 14 APRIL 2028
UG 03 CITYLAND SHAW TOWER
SHAW BOULEVARD, MANDALUYONG CITY

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **FILINVEST LAND, INC. and SUBSIDIARIES** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024, 2023 and 2022**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

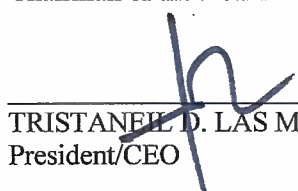
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

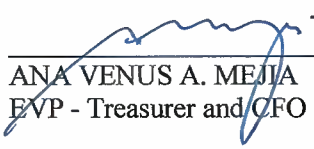
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor, appointed by the stockholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


JONATHAN T. GOTIANUN
Chairman of the Board


TRISTANEIL D. LAS MARIAS
President/CEO


ANA VENUS A. MEJIA
EVP - Treasurer and CFO

Name	Competent Evidence of Identity	Place of Issue/ Date Issued/ Date of Expiry
Jonathan T. Gotianun	Philippine Passport No.	DFA Manila / 03 January 2018 / valid until 02 January 2028
Tristaneil D. Las Marias	Driver's License No.	Land Transportation Office / valid until 27 March 2028
Ana Venus A. Mejia	Philippine Passport No.	DFA NCR East / 30 September 2019 / valid until 29 September 2029

Signed this 16th day of February, 2025

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ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2026
IBP No. 05729-Lifetime Member
MCLE Compliance No. VH-0022734
valid until April 14, 2025
Appointment No. M-007 (2025-2026)
PTR No. 10466005 Jan. 2, 2025/Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Ruada Bldg.
Brgy. Pio Del Pilar, Makati City

SUBSCRIBED AND SWORN to before me this FEB 26 2025 at Makati City, affiant exhibited to ID No. _____, of _____

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	7	0	9	5	7				

COMPANY NAME

F	I	L	I	N	V	E	S	T		L	A	N	D	,		I	N	C	.		A	N	D		S	U	B	S	I
D	I	A	R	I	E	S																							

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

F	i	l	i	n	v	e	s	t		B	u	i	l	d	i	n	g	,		7	9		E	D	S	A	,		B
r	g	y	.		H	i	g	h	w	a	y		H	i	l	l	s	,		M	a	n	d	a	l	u	y	o	n
g		C	i	t	y																								

Form Type

A	A	C	F	S

Department requiring the report

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

Company's Telephone Number

7918-8188

Mobile Number

No. of Stockholders

5,556

Annual Meeting (Month / Day)

Every 2nd to the last Friday of April Each Year

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestgroup.com

Telephone Number/s

7918-8188

Mobile Number

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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



INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

Opinion

We have audited the accompanying consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2024 and 2023, and its financial performance and its cash flows for the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures are significant to our audit because these involve application of significant judgment and estimation in the following areas: (1) assessment of the probability that the entity will collect the consideration from the buyer; (2) determination of the transaction price; and (3) application of the output method as the measure of progress in determining real estate revenue.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is also assessed by considering factors such as history with the buyer, age of residential development receivables and pricing of the property. Management regularly evaluates the historical sales cancellations and back-outs if it would still support its current threshold of buyer's equity before commencing revenue recognition.

Effective January 1, 2024, the Group adopted Philippine Interpretations Committee (PIC) Q&A 2018-12-D (as amended by PIC Q&A 2020-04) in assessing if the transaction price includes significant financing component. The Group applied the modified retrospective in its initial adoption.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's project engineers and third-party project managers.

The disclosures related to the real estate revenue are included in Note 6 to the consolidated financial statements.

Audit Response

For the buyers' equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold.

For the determination of the transaction price, we obtained an understanding of the Group's process in implementing PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04), including the determination of the population of contracts with customers related to real estate sale, the selection of the transition approach and election of available practical expedient. We obtained the financing component calculation of the management which includes an analysis whether the financing component of the Group's contract with customers is significant. We selected sample contracts from the sales contract database and trace these selected contracts to the calculation prepared by management. For selected contracts, we traced the underlying data and assumptions used in the financing component calculation such as contract price, cash discount, payment scheme, payment amortization table and percentage of completion to the contract provision and projected percentage of completion schedule. We also recomputed the financing component for each sample selected.



For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the percentage of completion (POC) and performed tests of the relevant controls. We inspected the certified POC reports prepared by the internal project engineers for mid-rise real estate development and third-party project managers for high-rise real estate development and assessed their competence, capabilities and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries and inspected the supporting details of POC reports showing the completion of the major activities of the project construction.

Other Information

Management is responsible for Other Information. Other Information comprises the information included in SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether such information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is
Wanessa G. Salvador.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION****(Amounts in Thousands of Pesos)**

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7 and 21)	₱3,984,191	₱5,732,008
Contracts receivables (Notes 6 and 8)	2,178,282	1,837,829
Contract assets (Notes 6)	5,785,979	4,745,827
Other receivables (Notes 9)	3,563,392	3,465,056
Real estate inventories (Note 10)	69,967,114	72,634,830
Other current assets (Notes 6 and 11)	8,263,851	7,192,434
Total Current Assets	93,742,809	95,607,984
Noncurrent Assets		
Contract assets - net of current portion (Notes 6)	2,653,114	5,037,942
Investments in associates (Note 12)	5,321,210	5,219,900
Investment properties (Note 13)	85,041,035	79,659,336
Property and equipment (Note 14)	5,812,719	5,673,012
Goodwill (Note 4)	4,567,242	4,567,242
Build-transfer-operate (BTO) rights (Note 16)	6,329,162	6,387,598
Deferred income tax assets (Note 29)	96,032	48,483
Other noncurrent assets (Note 17)	3,316,328	2,274,580
Total Noncurrent Assets	113,136,842	108,868,093
TOTAL ASSETS	₱206,879,651	₱204,476,077

LIABILITIES AND EQUITY**Current Liabilities**

Accounts payable and accrued expenses (Notes 18)	₱10,947,076	₱12,551,165
Contract liabilities (Note 6)	586,257	792,402
Current portion of lease liabilities (Note 15)	155,891	175,459
Due to related parties (Notes 21)	244,141	488,486
Income tax payable	71,732	21,557
Current portion of loans payable (Notes 19)	6,876,639	16,480,438
Current portion of bonds payable (Notes 20)	14,815,944	1,697,345
Total Current Liabilities	33,697,680	32,206,852

(Forward)

	December 31	
	2024	2023
Noncurrent Liabilities		
Loans payable - net of current portion (Notes 19)	₱35,156,005	₱20,507,489
Bonds payable - net of current portion (Notes 20)	21,040,644	35,771,167
Contract liabilities - net of current portion (Note 6)	24,156	149,949
Lease liabilities - net of current portion (Note 15)	6,774,447	6,544,402
Net retirement liabilities (Note 26)	398,736	437,193
Deferred income tax liabilities - net (Note 29)	4,817,004	5,649,153
Accounts payable and accrued expenses - net of current portion (Note 18)	11,635,467	8,938,003
Total Noncurrent Liabilities	79,846,459	77,997,356
Total Liabilities	113,544,139	110,204,208
Equity		
Common stock (Note 27)	24,470,708	24,470,708
Preferred stock (Note 27)	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock (Note 27)	(2,078,084)	(221,041)
Retained earnings (Note 27)		
Unappropriated	37,302,240	57,061,525
Appropriated	24,813,773	5,000,000
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement gains on retirement plan - net of tax (Note 26)	47,521	47,521
Share in other components of equity of associates (Note 12)	372,449	372,449
Equity attributable to equity holders of the parent	90,618,309	92,420,864
Noncontrolling interests (Notes 1 and 32)	2,717,203	1,851,005
Total Equity	93,335,512	94,271,869
TOTAL LIABILITIES AND EQUITY	₱206,879,651	₱204,476,077

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF INCOME****(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)**

	Years Ended December 31		
	2024	2023	2022
REVENUE			
Real estate sales (Note 6)	₱15,392,761	₱14,486,506	₱12,836,056
Rental and related services (Notes 6, 13, 15 and 16)	7,848,093	7,200,950	6,350,408
Total revenue	23,240,854	21,687,456	19,186,464
EQUITY IN NET EARNINGS OF ASSOCIATES (Note 12)	359,036	242,007	78,956
OTHER INCOME			
Interest income (Note 24)	319,088	283,978	367,052
Others - net (Notes 21 and 25)	526,920	340,893	311,874
	24,445,898	22,554,334	19,944,346
COSTS			
Real estate sales (Note 10)	7,354,898	8,101,485	7,354,689
Rental and related services (Notes 13 and 16)	3,583,370	3,122,342	2,583,493
OPERATING EXPENSES			
General and administrative expenses (Note 22)	2,623,353	2,584,596	2,313,062
Selling and marketing expenses (Note 23)	1,558,159	1,370,135	1,150,643
INTEREST AND OTHER FINANCE CHARGES (Note 24)	3,685,747	2,434,393	2,294,243
	18,805,527	17,612,951	15,696,130
INCOME BEFORE INCOME TAX	5,640,371	4,941,383	4,248,216
PROVISION FOR INCOME TAX (Note 29)	1,004,635	645,339	727,079
NET INCOME	₱4,635,736	₱4,296,044	₱3,521,137
Net income attributable to:			
Equity holders of the parent	₱4,168,468	₱3,765,388	₱2,889,915
Noncontrolling interest	467,268	530,656	631,222
	₱4,635,736	₱4,296,044	₱3,521,137
Basic/Diluted Earnings Per Share (Note 28)	₱0.17	₱0.16	₱0.12

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME****(Amounts in Thousands of Pesos)**

	Years Ended December 31		
	2024	2023	2022
NET INCOME	₱4,635,736	₱4,296,044	₱3,521,137
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income (loss) not to be reclassified to profit or loss			
Remeasurement gains (loss) on retirement plan, net of tax (Notes 26 and 29)	—	(20,664)	84,354
TOTAL COMPREHENSIVE INCOME	₱4,635,736	₱4,275,380	₱3,605,491
Total comprehensive income attributable to:			
Equity holders of the parent	₱4,168,468	₱3,744,724	₱2,974,269
Noncontrolling interest	467,268	530,656	631,222
	₱4,635,736	₱4,275,380	₱3,605,491

See accompanying Notes to Consolidated Financial Statements.

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

	Attributable to Equity Holders of the Parent											
	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 32)	Total Equity
For the Year Ended December 31, 2024												
Balances as at January 1, 2024, as previously stated	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱57,061,525	₱5,000,000	(₱2,619)	₱47,521	₱372,449	₱92,420,864	₱1,851,005	₱94,271,869
Effect of adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) (Note 2)	—	—	—	—	(3,720,934)	—	—	—	—	(3,720,934)	—	(3,720,934)
Balances as at January 1, 2024, as restated	24,470,708	80,000	5,612,321	(221,041)	53,340,591	5,000,000	(2,619)	₱47,521	372,449	88,699,930	1,851,005	90,550,935
Net income	—	—	—	—	4,168,468	—	—	—	—	4,168,468	467,268	4,635,736
Other comprehensive income	—	—	—	—	—	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	—	4,168,468	—	—	—	—	4,168,468	467,268	4,635,736
Reversal of appropriation (Note 27)	—	—	—	—	5,000,000	(5,000,000)	—	—	—	—	—	—
Appropriation during the year (Note 27)	—	—	—	—	(24,813,773)	24,813,773	—	—	—	—	—	—
Dividends declared (Note 27)	—	—	—	—	(1,216,488)	—	—	—	—	(1,216,488)	—	(1,216,488)
Change in noncontrolling interest (Note 27)	—	—	—	(1,857,043)	823,442	—	—	—	—	(1,033,601)	1,033,601	—
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(634,671)	(634,671)
Balances as at December 31, 2024	₱24,470,708	₱80,000	₱5,612,321	(₱2,078,084)	₱37,302,240	₱24,813,773	(₱2,619)	₱47,521	₱372,449	₱90,618,309	₱2,717,203	₱93,335,512

	Attributable to Equity Holders of the Parent											
	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 32)	Total Equity
	For the Year Ended December 31, 2023											
Balances as at January 1, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱54,172,008	₱5,000,000	(₱2,619)	₱68,185	₱372,449	₱89,552,011	₱1,950,730	₱91,502,741
Net income	—	—	—	—	3,765,388	—	—	—	—	3,765,388	530,656	4,296,044
Other comprehensive loss	—	—	—	—	—	—	—	(20,664)	—	(20,664)	—	(20,664)
Total comprehensive income	—	—	—	—	3,765,388	—	—	(20,664)	—	3,744,724	530,656	4,275,380
Dividends declared (Note 27)	—	—	—	—	(875,871)	—	—	—	—	(875,871)	—	(875,871)
Change in noncontrolling interest	—	—	—	—	—	—	—	—	—	—	30,000	30,000
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(660,381)	(660,381)
Balances as at December 31, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱57,061,525	₱5,000,000	(₱2,619)	₱47,521	₱372,449	₱92,420,864	₱1,851,005	₱94,271,869



Attributable to Equity Holders of the Parent

	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 32)	Total Equity
For the Year Ended December 31, 2022												
Balances as at January 1, 2022	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱52,425,032	₱5,000,000	(₱2,619)	(₱16,169)	₱372,449	₱87,720,681	₱2,069,543	₱89,790,224
Net income	—	—	—	—	2,889,915	—	—	—	—	2,889,915	631,222	3,521,137
Other comprehensive income	—	—	—	—	—	—	—	84,354	—	84,354	—	84,354
Total comprehensive income	—	—	—	—	2,889,915	—	—	84,354	—	2,974,269	631,222	3,605,491
Dividends declared (Note 27)	—	—	—	—	(1,142,939)	—	—	—	—	(1,142,939)	—	(1,142,939)
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(750,035)	(750,035)
Balances as at December 31, 2022	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱54,172,008	₱5,000,000	(₱2,619)	₱68,185	₱372,449	₱89,552,011	₱1,950,730	₱91,502,741

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱5,640,371	₱4,941,383	₱4,248,216
Adjustments for:			
Interest expense and amortization of transaction costs (Note 24)	3,598,138	2,294,148	2,272,368
Depreciation and amortization (Notes 13, 14 and 16)	2,143,097	1,593,382	1,630,038
Equity in net earnings of associates (Note 12)	(359,036)	(242,007)	(78,956)
Interest income (Note 24)	(319,088)	(283,978)	(367,052)
Pension expense, net of contribution and benefits paid (Note 26)	(38,457)	(21,667)	59,619
Operating income before changes in operating assets and liabilities	10,665,025	8,281,261	7,764,233
Changes in operating assets and liabilities			
Decrease (increase) in:			
Contracts receivable	(340,453)	291,052	3,209,050
Contract assets	1,344,676	699,187	(2,152,381)
Other receivables	(98,336)	(563,050)	(191,543)
Real estate inventories	(3,645,527)	(178,552)	(1,830,758)
Other assets	(2,113,165)	(620,751)	(1,180,817)
Increase (decrease) in:			
Accounts payable and accrued expense	1,237,644	1,929,113	1,209,113
Contract liabilities	(331,938)	(353,011)	(650,234)
Cash generated from operations	6,717,926	9,485,249	6,176,663
Income taxes paid, including creditable withholding taxes	(22,487)	(576,492)	(409,321)
Interest received	319,088	283,978	367,052
Net cash provided by operating activities	7,014,527	9,192,735	6,134,394
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Investment properties and property and equipment (Notes 13 and 14)	(5,026,191)	(3,645,532)	(7,618,103)
Build-transfer-operate (BTO) rights (Note 16)	(19,947)	(865,248)	(1,396,784)
Investment in associates (Note 12)	—	—	(10,972)
Investment in bonds (Note 17)	—	—	(150,000)
Dividends received from associate (Note 12)	257,726	167,125	—
Net cash used in investing activities	(4,788,412)	(4,343,655)	(9,175,859)

(Forward)



	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING			
ACTIVITIES (Note 36)			
Proceeds from availment of:			
Loans payable (Note 19)	₱38,095,000	₱24,660,100	₱12,814,900
Bonds payable (Note 20)	—	11,430,800	11,900,000
Increase in noncontrolling interest (Notes 1 and 32)	—	30,000	—
Payments of:			
Loans payable (Note 19)	(32,910,712)	(20,528,712)	(12,160,435)
Bonds payable (Note 20)	(1,699,995)	(15,035,400)	(7,000,000)
Cash dividend (Note 27)	(1,216,488)	(875,871)	(1,140,525)
Interest and transaction costs	(5,300,228)	(4,118,521)	(3,851,408)
Lease liabilities (Note 15)	(408,907)	(372,444)	(360,103)
Dividends paid to noncontrolling interest (Note 32)	(634,671)	(660,381)	(750,035)
Increase (decrease) in amounts due to related parties	102,069	(265,778)	549,946
Net cash provided by (used in) financing activities	(3,973,932)	(5,736,207)	2,340
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,747,817)	(887,127)	(3,039,125)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,732,008	6,619,135	9,658,260
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	₱3,984,191	₱5,732,008	₱6,619,135

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Filinvest Land, Inc. (the “Parent Company” or “FLI”) is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and is domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989 and later changed to its present name on July 12, 1993. The Parent Company and its subsidiaries (collectively referred to as “the Group”) offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, condotels, and condominium buildings. The Group also leases out commercial and office spaces in Muntinlupa City, Makati City, Pasay City, Cebu City, Tagaytay City, Cavite, and Clark Mimosa, its major locations for leasing.

The Group’s parent company is Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALG) is the Group’s ultimate parent company. FDC and ALG were incorporated in the Philippines.

The Parent Company’s registered business address is at Filinvest Building, 79 E. Delos Santos Ave. (EDSA), Brgy. Highway Hills, Mandaluyong City.

On July 14, 2023, FLI entered into a Share Purchase Agreement with Rizal Commercial Banking Corporation (RCBC) to purchase all outstanding shares of stock of Niyog Property Holdings, Inc. (NPHI) and Cajel Realty Corporation (CRC) for a total consideration of ₱633.26 million payable over until July 5, 2028, taking over the two latter companies’ joint land development activities in Bacoar City, Cavite.

On December 28, 2022, Filinvest Alabang, Inc. (FAI) entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-Excel Property Managers, Inc. (Pro-Excel) to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-Excel after the transfer is 47.5%. The primary purpose of Pro-Excel is to engage in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision projects (Note 12).

On December 14, 2022, FLI entered into a Deed of Assignment to purchase 100% ownership in SJR Developers, Inc. (SDI). Total acquisition price amounted to ₱0.60 million. The primary purpose of SDI is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartment and other structures. The acquisition of SDI has no material effect to the consolidated financial statements.

On May 26, 2022, OurSpace Solutions, Inc. (OSI), a wholly owned subsidiary of FLI, was incorporated with primary purpose of developing, operating, managing and maintaining commercial buildings to be used as coworking spaces. On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI.



On August 2, 2023, FLI subscribed to an additional 45 million common shares for a total consideration of ₱45.00 million. On the same date, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting in FLI's 70% ownership in OSI for a total consideration of ₱30.00 million. OSI has started commercial operations on November 1, 2023.

Approval of the Consolidated Financial Statements

The consolidated financial statements as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were approved and authorized for issue by the Board of Directors (BOD) on February 26, 2025.

2. **Material Accounting Policy Information**

Basis of Preparation

The consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that are measured at fair value. The Group's consolidated financial statements are presented in Philippine Peso (₱), which is also the functional currency of the Parent Company, its subsidiaries and associates. Amounts are in thousand ₱ except as otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

Statement of Compliance

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

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024. The nature of business and the corresponding percentages of ownership over these entities are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest where:

Subsidiaries	Nature of Business	2024	2023	2022
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%	100%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%	55%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%	100%
SJR Developers, Inc. (SDI)	Real estate developer	100%	100%	100%
Niyog Property Holdings, Inc. (NPHI) ²	Real estate developer	100%	100%	—
Cajel Realty Corporation (CRC) ²	Real estate developer	100%	100%	—
Crystal Ball Realty & Management, Inc. (CBRM) ³	Real estate developer	100%	100%	100%
Cloverleaf Holdings Corporation (CHC) ³	Real estate developer	100%	100%	100%

(Forward)



Subsidiaries	Nature of Business	2024	2023	2022
Filinvest REIT Corp. (FILRT) ⁴	Leasing	51%	63%	63%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%	100%
Filinvest Clark Mimosa, Inc. (FCMI)	Leasing	100%	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%	100%
ProOffice Works Services, Inc. (ProOffice)	Property management	100%	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%	100%
Co-Living Pro Managers Corp. (CPMC)	Property management	100%	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ⁵	Theater operator	60%	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	98%	98%	98%
Nature Specialists, Inc. (NSI)	Recreational Sports and Natures Club	75%	75%	75%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing	100%	100%	100%
Property Leaders International Limited (PLIL)	Marketing	100%	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing	100%	100%	100%
FREIT Fund Managers, Inc. (FFMI)	Fund Manager	100%	100%	100%
OurSpace Solutions, Inc. (OSI) ⁶	Coworking spaces	70%	70%	100%

Notes:

1. FBCI is owned indirectly through FCGCC.
2. NPHI and CRC were acquired in 2023 (see Note 1).
3. CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and not as business combination. Acquisition cost amounted to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively.
4. FLI's ownership interest in FILRT was reduced to 51% in 2024 mainly as a result of FLI's voluntary tender offer (see Note 27).
5. FSM Cinemas is owned indirectly through FSI.
6. On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting to FLI's 70% ownership in OSI (see Note 1).

Except PLIL which was incorporated in British Virgin Islands, all of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.



None of the foregoing subsidiaries has been a party to any bankruptcy, receivership or similar proceedings and has not undergone or entered into any material classification, merger, consolidation (except as disclosed elsewhere in this report), purchase or sale of a significant amount of assets outside the ordinary course of business.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognized the related assets (including goodwill), liabilities, noncontrolling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Noncontrolling Interest

Noncontrolling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Group. Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity under "Retained Earnings" of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

Business Combinations Involving Entities under Common Control

The Group elected to account for its common control business combination using acquisition method and this is applied consistently for similar transactions. However, where the acquisition method of accounting is selected, the transaction must have commercial substance from the perspective of the reporting entity. Common control business combination without commercial substance is accounted using "pooling of interests" method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination and adjustments made are only those adjustments to harmonize accounting policies. No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. The effects of intercompany transactions on current assets, current liabilities, revenues, and cost of sales for the periods presented and on retained earnings at the date of acquisition are eliminated to the extent possible.



New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- *Amendments to PAS 1, Classification of Liabilities as Current or Non-current*
The amendments clarify:
 - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- *Amendments to PFRS 16, Lease Liability in a Sale and Leaseback*
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- *Amendments to PAS 7 and PFRS 7, Disclosure: Supplier Finance Arrangements*
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
- *Adoption of the provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)*

On February 14, 2018, the Philippine Interpretations Committee (PIC) issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC Memorandum Circular (MC) No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the: (i) significant financing component, (ii) exclusion of land in the determination of percentage-of-completion (POC), and (iii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Group opted to adopt the changes using modified retrospective approach effective January 1, 2024 and the impact was recorded in the opening retained earnings. The comparative information is not restated.



The modified retrospective effects of the adoption of the above changes are detailed below:

- i. The Group's adoption of significant financing component did not result to any adjustment to the Group's beginning retained earnings and thus, has no effect on the Group's statement of financial position as at January 1, 2024.
- ii. The Group's adoption of the exclusion of land in the determination of POC did not have an impact as the Group does not consider land costs in the determination of its projects' POC.
- iii. The Group recognized the impact of the implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) as follows:

Consolidated Statements of Financial Position as of January 1, 2024

	As previously stated	Decrease (In Thousands)	As restated
Assets			
Current Assets			
Real estate inventories	₱72,634,830	(₱5,532,604)	₱67,102,226
Noncurrent Liabilities			
Deferred income tax liabilities - net	₱5,649,153	(₱1,811,670)	₱3,837,483
Equity			
Retained earnings	62,061,525	(3,720,934)	58,340,591
	₱67,710,678	(₱5,532,604)	₱62,178,074

Standards Issues but not yet Effective

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

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*



Deferred effectivity

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

Material Accounting Policies

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Instruments *(Date of recognition)*

Financial assets and liabilities are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery or assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of Financial Instruments

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at FVOCI, or at fair value through profit or loss (FVPL).



The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

As of December 31, 2024 and 2023, the Group's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group classified cash and cash equivalents, contracts receivables, other receivables, short-term deposits (included in other assets), and investment in bonds as financial assets at amortized cost.

Financial assets at FVOCI (equity instruments)

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading.

Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in "Revaluation reserve on financial assets at FVOCI" in the consolidated statement of financial position. Where the asset is disposed of, the cumulative gain or loss previously recognized in "Revaluation reserve on financial assets at FVOCI" is not reclassified to profit or loss, but is reclassified to Retained earnings.



Included under this category are the Group's investments in quoted and unquoted shares of stocks (included in other noncurrent assets; see Note 17).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Loans and borrowings (financial liabilities at amortized cost) is the category most relevant to the Group. Issued financial instruments or their components, which are not designated at FVPL, are classified as financial liabilities at amortized cost where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Amortized cost is calculated by taking into account any discount or premium on the issuance and fees that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of income.

As of December 31, 2024 and 2023, loans and borrowings consist primarily of accounts payable and accrued expenses, lease liabilities, loans payable, bonds payable and due to related parties (see Notes 15, 18, 19, 20 and 21).

Impairment of Financial Assets and Contract Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group applies a simplified approach in calculating ECLs for financial assets at amortized costs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix for other receivables and a vintage analysis for contracts receivable and contract assets that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.



A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets

A financial asset is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or,
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of an asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability expires, is discharged or cancelled.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income.

Real Estate Inventories

Lots, Condominium and Residential Units for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land acquisition costs and expenses directly related to acquisition
- Amounts paid to contractors for development and construction
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

In case of sales cancellation, the Group can repossess the properties and hold it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are accounted for as inventories and recognized at its fair value less cost to repossess at the time of cancellation. NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventory recognized in consolidated statement of income on disposal is determined with reference to the specific costs incurred on the property sold, including an allocation of any non-specific costs based on the relative size of the property sold.



Land and Land Development

Land and land development consists of properties with ongoing development that are intended for real estate projects for sale and are carried at the lower of cost or NRV. The cost of land and land development include the following: (a) land acquisition costs, (b) costs incurred relative to acquisition and transfer of land title in the name of the Group such as transfer taxes and registration fees, (c) costs incurred on initial development of the raw land in preparation for future projects, and (d) borrowing costs. They are transferred to lots, condominium and residential units for sale under “Real estate inventories” when the project plans, development and construction estimates are completed and the necessary permits are secured.

Investments in Associates

The Group’s investment in associates is accounted for under the equity method of accounting. Under the equity method, the investment in associates is carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group’s share of net assets of the associates. The consolidated statement of income reflects the share of the results of operations of the associates. The Group recognizes its share of the losses of the associate until its share of losses equals or exceeds its interest in the associate, at which point the Group discontinues recognizing its share of further losses.

Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity.

The reporting dates of the associates and the Group are identical and the associates’ accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on investment in an associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired.

If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in the associate and its carrying value and recognize the amount in the consolidated statement of income.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of income.

Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation and land held with undetermined future use. Investment properties also include right-of-use assets involving real properties that are subleased to other entities. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses, if any. Initial cost of investment properties consists of cash paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction and directly attributable costs of bringing the investment properties to its intended location and working condition, including borrowing costs.



Constructions-in-progress are carried at cost (including borrowing costs) and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete.

For those right-of-use assets that qualify as investment properties, i.e., those land that are subleased by the Group, these are classified under investment properties. Consistent with the Group's policy regarding the measurement of investment properties, these assets are subsequently measured at cost less amortization and impairment in value.

Investment properties built on rented properties are depreciated over their estimated useful lives or lease term, whichever is shorter.

Depreciation of investment properties is computed using the straight-line method over the estimated useful lives (EUL) of these assets as follows:

	Years
Buildings and improvement	20-50
Machinery and equipment	5-15

The EUL and the depreciation method is reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefit from items of investment properties.

Investment properties also include prepaid commission representing incremental costs that are directly attributable to negotiating and arranging a lease. These are initially recognized at cost and are amortized over the related lease term.

Investment property is derecognized when it is either disposed of or permanently withdrawn from use and there is no future economic benefit expected from its disposal or retirement. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sell.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and accumulated impairment losses, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use including borrowing cost.

Construction-in-progress, is stated at cost. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time as the relevant assets are completed and ready for operational use.



Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed on the straight-line basis over the EUL of the assets, as follows:

	Years
Buildings	20-50
Machinery and equipment	5-20
Transportation equipment	5
Furniture and fixtures	3-5

Leasehold improvements are amortized over the estimated useful lives of the improvements or the lease term, whichever is shorter.

The useful life and the depreciation and amortization method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When an item of property and equipment is derecognized, the cost of the related accumulated depreciation and amortization and accumulated impairment losses, if any, is removed from the account. Any gain or loss arising from derecognition of the asset is included in the consolidated statement of income in the year the asset is derecognized.

Intangible Assets

Intangible assets include goodwill and BTO rights (including the related right-of-use asset). Intangible assets acquired separately are measured on initial recognition at costs. The cost of intangible assets acquired in a business combination or contracted arrangements is their fair value at the date of acquisition. Following initial recognition, intangible assets, excluding goodwill, are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives (i.e., BTO rights) are amortized over the economic useful life (i.e., 25 years) and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of income.

Intangible assets with indefinite useful lives (i.e., goodwill) are not amortized, but are tested for impairment annually or more frequently, either individually or at the cash generating unit level.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of income when the asset is derecognized.



Other Assets

Other current and noncurrent assets are carried at cost. These pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable. When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable and payable from the taxation authority is included as part of “Other assets” and “Accounts payable and accrued expenses”, respectively, in the consolidated statement of financial position.

Impairment of Nonfinancial Assets

The carrying values of investments in associates, property and equipment, investment properties, and other nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less cost of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statement of income.

For nonfinancial assets, excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset’s or cash-generating unit’s recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually or more frequent if events or changes of circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating unit) is less than their carrying amount of cash-generating unit (or group of cash-generating unit) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statement of income. Impairment



losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods.

Revenue Recognition

Revenue from Contracts with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall retail spaces and office leasing activities, wherein it is acting as agent.

The Group recognize the difference between the consideration received from the customer and the transferred goods to the customer as contract assets in the consolidated statement of financial position.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of real estate projects under pre-completion stage are recognized over time during the construction period (or POC) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Starting January 1, 2024, in determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component.

In measuring the progress of its performance obligation over time, the Group uses output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the project accomplishment reports prepared by the third party project managers for high-rise real estate developments and internal project engineers for mid-rise real estate development. The project technical head integrates, reviews and approves the surveys of performance to date of the construction activities of subcontractors.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contract receivables is included in the "contract assets" account in the asset section of the consolidated statement of financial position.

Any excess of collections over the total of recognized installment contract receivables is included in the "contract liabilities" account in the liabilities section of the consolidated statement of financial position.

In case of sales cancellation, the difference between the fair value of the repossessed property less cost to repossess and the outstanding receivable and related accounts at the time of cancellation is recognized in profit or loss.



Common usage service area (CUSA) charges and air conditioning dues (included as part of 'Rental and related services')

CUSA charges are recognized when the related services are rendered. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, and electricity in its office leasing activities, wherein it is acting as agent. Income from common area and air conditioning dues is computed based on a fixed rate per square meter of the leasable area occupied by the tenant and are presented gross of related cost and expenses.

Other dues

For the administration fees, electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

Theater and parking sales and snack bar sales (included as part of 'Rental and related services')

Revenue from theater and parking sales is recognized over time using output method when theater services are rendered. Revenue from snack bar sales is recognized at a point in time when goods are actually sold to customers.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

In addition, the Group recognizes as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

Contract Balances

Contracts receivables

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

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

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

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.



Costs to obtain contract (Commission expenses)

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Selling and marketing expense" account in the consolidated statement of income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract fulfillment assets

Contract fulfillment assets are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable.

The Group's contract fulfillment assets pertain to land acquisition costs.

Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Group amortizes contract fulfillment assets and capitalized costs to obtain a contract over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within "Cost of real estate sales" and "Selling and marketing expense", respectively.

A contract fulfillment asset or capitalized costs to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract may be impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits.



Where a contract is anticipated to make a loss, the judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Other Revenue and Income Recognition

Rental income

Rental income arising from investment properties are recognized in the consolidated statement of income either on a straight-line basis over the lease term or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Leases under contingent rents are recognized as income in the period in which they are earned.

Income from forfeited reservations and collections

Income from forfeited reservation and collections is recognized when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest income

Interest is recognized as it accrues taking into account the effective yield on the underlying asset.

Other income

Other income, including service fees, processing fees, management fees, is recognized when services are rendered and when goods are delivered.

Cost and Expense Recognition

Costs and expenses are recognized in the consolidated statement of income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Cost and expenses are recognized in the consolidated statement of income as incurred based on the amounts paid or payable

Retirement Costs

The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method.

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.



Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs.

Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. These are capitalized if directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. Interest and other financing costs incurred during the construction period on borrowings used to finance property development are capitalized as part of development costs in the consolidated statement of financial position.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment of those borrowings.

For investment properties, interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

For "Land and land development" under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended sales, including but not limited to pre-construction activities such as permitting, design, planning and actual land development activities and are not ready to be sold in its current condition.



Prior to January 1, 2024, for “Lots, condominium and residential units for sale” under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended use. Subsequent to January 1, 2024, these are no longer considered as a qualifying asset and thus, the related borrowing cost are expensed as incurred.

Borrowings originally made to develop a specific qualifying asset are transferred to general borrowings (a) when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete, and (b) the entity chooses to use its funds on constructing other qualifying assets rather than repaying the loan.

Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended sale are completed. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

All other borrowing costs are expensed as incurred.

Foreign Currency-Denominated Transactions

The functional and presentation currency of the Parent Company and its subsidiaries and associate is the Philippine Peso. Transactions denominated in foreign currencies are recorded in Philippine Peso based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated to Philippine Peso at exchange rates prevailing at the reporting date. Foreign exchange differentials between rate at transaction date and rate at settlement date or reporting date of foreign currency denominated monetary assets or liabilities are credited to or charged against current operations.

Equity

Common and Preferred stock

The Group records common and preferred stock at par value and additional paid-in capital as the excess of the total contributions received over the aggregate par values of the equity shares.

The Group considers the underlying substance and economic reality of its own equity instrument and not merely its legal form in determining its proper classification. When any member of the Group purchases the Parent Company’s capital stock (treasury shares), the consideration paid, including any attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed of.

Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects is included in consolidated equity.

Treasury stock

Own equity instruments which are reacquired, are carried at cost and are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company’s own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid in capital when the shares were issued and to retained earnings for the remaining balance.

Retained earnings

Retained earnings represent accumulated net earnings of the Group, and any other adjustments to it as required by other standards, less dividends declared. The individual accumulated earnings of the subsidiaries and accumulated equity earnings from an associate included in the consolidated retained



earnings are available for dividend declaration when these are declared as dividends by the subsidiaries and associate as approved by their respective BOD.

The partial disposal or acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interests is liabilities in equity under "Retained Earnings" of the parent in transactions where the noncontrolling interests are acquired or sold without loss of control.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of common shares held in treasury.

Dividends on common and preferred shares are deducted from retained earnings when declared and approved by the BOD of the Parent Company. Dividends payable are recorded as liability until paid. Dividends for the year that are declared and approved after reporting date, if any, are dealt with as an event after reporting date and disclosed accordingly.

Earnings Per Share (EPS)

Basic EPS is computed by dividing net income applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

Where the effect of the assumed conversion of the preferred shares and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

Income Tax

Current income tax

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

Deferred income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except; (a) where deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefit of the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward of MCIT and unused NOLCO can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognized directly in other comprehensive income is recognized in consolidated statement of comprehensive income and not in the consolidated statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as Lessor

Leases where the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Group as Lessee

Except for short-term leases and lease of low-value assets, the Group applies a single recognition and measurement approach for all leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use-assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Group classifies its right-of-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned.



Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Useful life of right-of-use on land ranges from 20 to 50 years.

Right-of-use assets are subject to impairment. Refer to the accounting policies in section impairment of nonfinancial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects: (a) the nature of the products and services; (b) the nature of the production processes; (c) the type or class of customer for their products and services; (d) the methods used to distribute their products or provide their services; and, (e) if applicable, the nature of the regulatory environment. The Group's mall retail spaces and office leasing activities are treated as one segment. Financial information on business segments is presented in Note 5 to the consolidated financial statements.



Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

3. **Significant Accounting Judgments and Estimates**

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

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

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the consolidated financial statements.

Real Estate Revenue Recognition

a. Existence of a contract

The Group's primary document for a contract with a customer is a signed contract to sell. It has determined however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as purchase application form and official receipts evidencing collections from buyer, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price.

b. Collectability is also assessed by considering factors such as historical experience with customers, and pricing of the property. Management regularly evaluates the historical cancellations if it would still support its current threshold of customers' equity before commencing revenue recognition.



c. Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date.

The Group has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Accounting for the acquisition of NPHI and CRC

In determining whether a transaction or an event is a business combination, the Group assessed whether the assets acquired and liabilities assumed constitute a business. A business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants. Further, a business consists of inputs and processes applied to those inputs that have the ability to create outputs. Based on the provisions of the Share Purchase Agreement to acquire 100% shares of NPHI and CRC (see Note 1), the Parent Company assessed that the acquisition does not constitute a business. In making the judgment, the Parent Company considered that it lacks two (2) of the three (3) components required to meet the definition of a business (i.e., processes and output). While the Parent Company acquired inputs (i.e., land), FLI did not acquire any processes. As such, the transaction was accounted for as an acquisition of an asset and the entire consideration was recognized as part of land and land development costs in the consolidated statement of financial position (see Note 10).

Evaluation of impairment on nonfinancial assets

The Group reviews its investments in associates, property and equipment, investment properties, BTO rights and other assets (excluding short-term deposits) for impairment of value. This includes consideration of certain indicators of impairment such as significant change in asset usage, significant decline in asset's market value, obsolescence or physical damage of an asset, plans of discontinuing the real estate projects, and significant negative industry or economic trends.

If such indicators are present, and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to recoverable amount.

The recoverable amount is the asset's fair value less cost of disposal, except for investments in associates, which have recoverable value determined using value-in-use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction while value-in-use is the present value of estimated future cash flows expected to arise from the investments in associates. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

As of December 31, 2024 and 2023, management assessed that there are no impairment indicators on its non-financial assets that would lead to recognition of impairment losses.



Adoption of a 'no tax' regime for FILRT

As a Real Estate Investment Trust (REIT) entity, Filinvest REIT Corp. (FILRT) can choose to operate within one of two tax regimes (i.e., a 'full tax' regime or a 'no tax' regime). The REIT entity can effectively operate under a 'no tax' regime provided that it meets certain conditions (e.g., listing status, minimum required dividend payments). A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income tax-free entity.

As of December 31, 2024 and 2023, FILRT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. FILRT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a "no-tax" regime. FILRT did not recognize any deferred taxes in 2024 and 2023.

Contingencies

In the normal course of business, the Group is currently involved in various legal proceedings and assessments. The assessment of probability and estimate of the probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Group currently does not believe these proceedings will have material or adverse effect on the Group's financial position and results of operations (see Note 33).

Management's Use of Estimates

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

Revenue recognition and measure of progress for real estate sales

The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of physical completion of real estate project.

For the years ended December 31, 2024, 2023 and 2022, real estate sales amounted to ₱15.39 billion, ₱14.49 billion, and ₱12.84 billion, respectively (see Note 6).

Determining transaction price of sale of real estate

The Group determines whether a contract contains a significant financing component by considering (1) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or services; and (2) the effect of the expected length of time between when the entity transfer the promised goods or service to the customer and when the customer pays for those goods or services and the prevailing effective interest rate. The Group applied practical expedient by not adjusting the effect of financing component when the period when the entity transfers a promised good or service to a customer and when the customer pays for the good or service will be one year or less. The Group assessed that the significant financing component is not significant in determining the transaction price on sale of real estate.

Evaluation of impairment of contract receivables and contract assets

The Group uses the vintage analysis to calculate ECLs for contracts receivables and contract assets. The loss rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, market segment and collateral type).



The vintage analysis (the model) is initially based on the Group's historical observed default rates. The Group will calibrate the model to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions 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.

The information about the ECLs on the Group's contract receivables and contract assets is disclosed in Note 8.

The carrying values of contract receivables and contract assets are as follows:

	2024	2023
	(In Thousands)	
Contracts receivables (Note 8)	₱2,178,282	₱1,837,829
Contract assets (Note 6)	8,439,093	9,783,769

Estimating NRV of real estate inventories

The Group adjusts the cost of its real estate inventories to NRV based on its assessment of the recoverability of the inventories. In determining the recoverability of the inventories, management considers whether the selling prices of those inventories have significantly declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In evaluating NRV, recent market conditions and current market prices have been considered.

As of December 31, 2024 and 2023, the carrying amount of real estate inventories amounted to ₱69.97 billion and ₱72.63 billion, respectively (see Note 10). No impairment losses were recognized since the costs are lower than NRV for the years ended December 31, 2024, 2023 and 2022.

Evaluation of impairment on goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill on acquisition of FILRT, FAC and Festival Supermall structure is based on value-in-use calculation that uses a discounted cash flow model. The cash flows are derived from budget period of five (5) years and do not include restructuring activities that the Group is not yet committed to nor significant future investments that will enhance the asset base of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as revenue growth rates, gross margins and terminal growth rates used. The pre-tax discount rates used were 9.4% to 11% and 9.6% to 11.0% in 2024 and 2023, respectively. The growth rates used beyond the forecast period for different cash-generating units were 3.5% to 4.0% and 3.0% to 3.8% in 2024 and 2023, respectively.

As of December 31, 2024 and 2023, the Group has determined that its goodwill is not impaired. The carrying value of goodwill amounted to ₱4.57 billion as of December 31, 2024 and 2023 (see Note 4).



Recognition of deferred income tax assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of its deferred income tax assets to be utilized.

The Group's recognized deferred tax assets amounted to ₱2.07 billion and ₱1.88 billion as of December 31, 2024 and 2023, respectively (see Note 29).

4. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of December 31, 2024 and 2023 consists of (amounts in thousands):

Festival Supermall structure	₱3,745,945
FAC	494,744
FILRT	326,553
	<u>₱4,567,242</u>

In September 2006, the Group entered into a series of transactions pursuant to which it acquired: (1) 60% ownership interest in FAC from FDC; (2) 60% ownership interest in FILRT from FAI; and, (3) Festival Supermall structure from FAI. In exchange for acquiring these assets, the Group issued a total of 5.64 billion common shares to FDC and FAI and assumed ₱2.50 billion outstanding debts of FDC and FAI. The business combinations resulted in the recognition of goodwill amounting to ₱4.24 billion, which comprises the fair value of expected synergies arising from the acquisitions.

Subsequently in February 2010, the Parent Company acquired the remaining 40% interests in FILRT from Africa-Israel Properties (Phils.), Inc. to obtain full control of the then joint venture. The acquisition resulted in FILRT becoming wholly-owned subsidiary of the Parent Company. The acquisition of the joint venture partner's interests was accounted for as business combination and resulted in recognition of goodwill amounting to ₱326.55 million.

As of December 31, 2024 and 2023, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized.

5. Segment Reporting

For management purposes, the Group is organized into the following business units:

Real Estate

This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings.



Leasing

This involves the operations of Festival Supermall, Fora Tagaytay, Main Square and Il Corso, including its management and theater operations, and the leasing of commercial and office spaces in Makati City, Muntinlupa City, Pasay City, Bacoar City, Tagaytay City, Cebu City and Clark. This also includes the hotel operations of TSNC and NSI and the operations of PDDC of a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City.

Management monitors the operating results of each of its business units for purposes of resource allocation and performance assessment. Performance of each segment is evaluated based on their profit and loss or net income.

The chief operating decision-maker of the Group is the Executive Committee. The committee reviews internal reports to assess performance and allocate resources. Based on the reports, it is also able to determine both the operating and non-operating segments. Reporting by geographical segments does not apply as the Group currently operates in the Philippines only. The Group's revenues are earned in the Philippines.

Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered into with third parties.

For the years ended December 31, 2024, 2023, and 2022, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The financial information on the operations of these business segments as shown below are based on the measurement principles that are similar with those used in measuring the assets, liabilities, income and expenses in the consolidated financial statements which is in accordance with PFRS Accounting Standards, except for the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).

The information about the financial position and results of operations of these business segments as of and for the years ended December 31 are summarized below (amounts in thousands).

	2024				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P15,392,761	P7,848,093	P23,240,854	P-	P23,240,854
Inter-segment	229,632	-	229,632	(229,632)	-
	15,622,393	7,848,093	23,470,486	(229,632)	23,240,854
Equity in net earnings of associates	359,036	-	359,036	-	359,036
Other income	3,263,910	1,103,623	4,367,533	(3,521,525)	846,008
	P19,245,339	P8,951,716	P28,197,055	(P3,751,157)	P24,445,898
Net income	P5,437,301	P1,330,564	P6,767,865	(P2,132,129)	P4,635,736
EBITDA	P8,426,129	P4,847,174	P13,273,303	(P1,804,088)	P11,469,215
Segment assets	P100,016,795	P117,217,097	P217,233,892	(P10,354,241)	P206,879,651
Less net deferred tax assets	-	96,032	96,032	-	96,032
Net segment assets	P100,016,795	P117,121,065	P217,137,860	(P10,354,241)	P206,783,619
Segment liabilities	P56,063,647	P57,818,979	P113,882,626	(P338,487)	P113,544,139
Less net deferred tax liabilities	5,030,726	9,874	5,040,600	(223,596)	4,817,004
Net segment liabilities	P51,032,921	P57,809,105	P108,842,026	(P114,891)	P108,727,135
Cash flows provided by (used in):					
Operating activities	P3,062,854	P3,843,080	P6,905,934	P108,593	P7,014,527
Investing activities	(908,013)	(3,880,399)	(4,788,412)	-	(4,788,412)
Financing activities	(3,490,116)	(1,018,279)	(4,508,395)	534,463	(3,973,932)



2023					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P14,486,506	P7,200,950	P21,687,456	P–	P21,687,456
Inter-segment	40,039	–	40,039	(40,039)	–
	14,526,545	7,200,950	21,727,495	(40,039)	21,687,456
Equity in net earnings of associates	242,007	–	242,007	–	242,007
Other income	2,001,632	964,869	2,966,501	(2,341,630)	624,871
	P16,770,184	P8,165,819	P24,936,003	(P2,381,669)	P22,554,334
Net income	P3,603,769	P1,742,686	P5,346,455	(P1,050,411)	P4,296,044
EBITDA	P5,401,034	P4,797,774	P10,198,808	(P1,229,650)	P8,969,158
Segment assets	P110,882,971	P104,057,871	P214,940,842	(P10,464,765)	P204,476,077
Less net deferred tax assets	–	48,483	48,483	–	48,483
Net segment assets	P110,882,971	P104,009,388	P214,892,359	(P10,464,765)	P204,427,594
Segment liabilities	P63,140,179	P47,438,064	P110,578,243	(P374,035)	P110,204,208
Less net deferred tax liabilities	5,802,647	56,068	5,858,715	(209,562)	5,649,153
Net segment liabilities	P57,337,532	P47,381,996	P104,719,528	(P164,473)	P104,555,055
Cash flows provided by (used in):					
Operating activities	P5,368,606	P3,979,320	P9,347,926	(P155,191)	P9,192,735
Investing activities	(616,726)	(3,726,929)	(4,343,655)	–	(4,343,655)
Financing activities	(4,306,123)	(2,071,602)	(6,377,725)	641,518	(5,736,207)
2022					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P12,836,056	P6,350,408	P19,186,464	P–	P19,186,464
Inter-segment	340,942	–	340,942	(340,942)	–
	13,176,998	6,350,408	19,527,406	(340,942)	19,186,464
Equity in net earnings of associates	78,956	–	78,956	–	78,956
Other income	1,854,110	1,099,670	2,953,780	(2,274,854)	678,926
	P15,110,064	P7,450,078	P22,560,142	(P2,615,796)	P19,944,346
Net income	P3,522,460	P1,588,870	P5,111,330	(P1,590,193)	P3,521,137
EBITDA	P5,024,557	P4,466,521	P9,491,078	(P1,318,581)	P8,172,497
Segment assets	P113,610,862	P98,669,097	P212,279,959	(P12,164,780)	P200,115,179
Less net deferred tax assets	–	91,383	91,383	–	91,383
Net segment assets	P113,610,862	P98,577,714	P212,188,576	(P12,164,780)	P200,023,796
Segment liabilities	P69,622,905	P44,627,867	P114,250,772	(P5,638,334)	P108,612,438
Less net deferred tax liabilities	5,547,080	19,612	5,566,692	58,518	5,625,210
Net segment liabilities	P64,075,825	P44,608,255	P108,684,080	(P5,696,852)	P102,987,228
Cash flows provided by (used in):					
Operating activities	(P1,051,285)	P4,070,795	P3,019,510	P3,114,884	P6,134,394
Investing activities	(1,369,354)	(3,836,569)	(5,205,923)	(3,969,936)	(9,175,859)
Financing activities	(1,221,205)	962,387	(258,818)	261,158	2,340



The following table shows a reconciliation of the adjusted earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA), after adjustments and eliminations, to income before income tax in the consolidated statement of income for the year:

	2024	2023	2022
	(In Thousands)		
EBITDA	₱11,469,215	₱8,969,158	₱8,172,497
Depreciation and amortization (Notes 13, 14 and 16)	(2,143,097)	(1,593,382)	(1,630,038)
Operating profit	9,326,118	7,375,776	6,542,459
Interest and other finance charges (Note 24)	(3,685,747)	(2,434,393)	(2,294,243)
Income before income tax	₱5,640,371	₱4,941,383	₱4,248,216

6. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Group's disaggregation of each sources of revenue is presented below:

	2024	2023	2022
	(In Thousands)		
Real estate sales by market segment			
Medium income	₱11,336,019	₱9,835,600	₱8,915,046
Low affordable and affordable	1,863,213	3,367,527	2,661,307
High-end and others	1,524,605	855,169	1,026,177
Socialized	668,924	428,210	233,526
	15,392,761	14,486,506	12,836,056
Cinema operations by type of goods or services (included as part of rental and related services)			
Theater and parking sales	248,461	214,452	163,853
Snack bar sales	15,188	14,066	8,871
	263,649	228,518	172,724
Tenant dues			
Office leasing (Note 21)	1,176,240	1,149,383	1,158,229
Mall and other leasing operations	415,697	379,197	344,514
	1,591,937	1,528,580	1,502,743
Total revenue from contracts with customers	17,248,347	16,243,604	14,511,523
Rental revenues			
Office leasing (Note 21)	3,633,481	3,511,044	3,425,457
Mall operations	1,856,071	1,605,302	1,161,326
Others	502,955	327,506	88,158
	5,992,507	5,443,852	4,674,941
Total Revenue	₱23,240,854	₱21,687,456	₱19,186,464

The Group's real estate sales and theater sales are revenue from contracts with customers which are recognized over time while revenue from snack bar sales is recognized at a point in time.

Others from rental revenues includes rent from co-living units, industrial park, co-working spaces and hospitality business operations.



As of December 31, 2024, contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱2,178,282	₱—	₱2,178,282
Contract assets	5,785,979	2,653,114	8,439,093
Contract liabilities	586,257	24,156	610,413

As of December 31, 2023, contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱1,837,829	₱—	₱1,837,829
Contract assets	4,745,827	5,037,942	9,783,769
Contract liabilities	792,402	149,949	942,351

Real estate sales contracts are collectible in equal monthly principal installments in varying periods of two (2) to ten 10 years. Interest rates per annum range from 11.5% to 19.0%. Titles to the residential units sold transferred to customers upon full payment of the contract price.

Contract assets represent the right to consideration for assets already delivered by the Group in excess of the amount recognized as contracts receivable. Contract assets is reclassified to contracts receivable when monthly amortization of customer is due for collection.

In 2024 and 2023, the Parent Company entered into an Agreement for Purchase of Contract Assets with local banks. The banks agreed to buy the contract assets on a without recourse basis, and the Parent Company agreed to sell, assign, transfer and convey to the bank all its rights, titles, and interest in and to the contract assets. In 2024 and 2023, total proceeds from these transactions equivalent to the carrying value of the contract assets sold amounted to ₱11.69 billion and ₱5.43 billion, respectively.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred based on percentage of completion. The movement in contract liability arise mainly from revenue recognition of completed performance obligations. The amount of revenue recognized in 2024 and 2023 from amounts included in contract liabilities at the beginning of the year amounted to ₱450.27 million and ₱767.44 million, respectively.

Performance Obligation

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of a real estate unit may cover either (a) a lot; (b) house and lot or (c) condominium unit. There is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.



Payment commences upon signing of the purchase application form and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include downpayment of 20% to 30% of the contract price spread over a certain period (e.g., one to two years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to 10 years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results in either a contract asset or contract liability.

After the delivery of the completed real estate unit, the Group provides one year warranty to repair minor defects on the delivered house and lot and condominium unit. This is assessed by the Group as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2024 and 2023 amounted to ₱3.05 billion and ₱2.91 billion, respectively. Performance obligation for the transaction price amounting to ₱2.78 billion and ₱2.45 billion will be satisfied within one year as of December 31, 2024 and 2023, respectively.

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's mid-rise condominium units and high-rise condominium units are completed within three (3) and five (5) years, respectively, from start of construction while house and lots are expected to be completed within 12 months.

Rental agreements

The Group entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space; (b) provisioning of water and electricity; (c) provision of air conditioning and CUSA services presented as tenant dues; and, (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within seven (7) to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

Cost to Obtain Contracts and Contract Fulfillment Assets

The rollforward of the cost to obtain contract included in the other current assets is as follows:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱367,514	₱473,852
Additions	734,410	632,296
Amortization (Note 23)	(811,308)	(738,634)
Balance at end of year (Note 11)	₱290,616	₱367,514

Amortization of cost to obtain contract is recognized in the consolidated statements of comprehensive income under selling and marketing expenses.



For the years ended December 31, 2024 and 2023, additions of contract fulfillment assets amounted to ₱732.07 million and ₱648.65 million, respectively (see Note 10). Amortization of contract fulfillment costs amounted to ₱1.00 billion and ₱1.07 billion for the years ended December 31, 2024 and 2023, respectively. Contract fulfillment assets is included as part of real estate inventories.

The Group reviews its major contracts to identify indicators of impairment of contract fulfillment assets by comparing the carrying amount of the asset to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract.

In determining estimated amount of consideration, the Group uses the same principles in determining contract transaction price.

It is the Group's accounting policy, as set out in Note 2, that if a contract or specific performance obligation has exhibited marginal profitability or other indicators of impairment, judgement is applied to ascertain whether the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific key performance indicators that could trigger variable consideration, or service credits.

7. Cash and Cash Equivalents

This account consists of:

	2024	2023
	(In Thousands)	
Cash	₱3,011,408	₱4,604,987
Cash equivalents	972,783	1,127,021
	₱3,984,191	₱5,732,008

Cash includes cash on hand and in banks. Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and are subject to an insignificant risk of change in value.

Interest income earned on the Group's cash and cash equivalents amounted to ₱98.70 million, ₱80.39 million and ₱71.20 million in 2024, 2023 and 2022, respectively (see Note 24).

There is no restriction on the Group's cash and cash equivalents as at December 31, 2024 and 2023.



8. Contracts Receivables

This account consists of:

	2024	2023
	(In Thousands)	
Contracts receivable	₱1,932,985	₱1,582,486
Receivables from government and financial institutions	245,297	255,343
	₱2,178,282	₱1,837,829

Real estate sales contracts are collectible over varying periods within 2 to 10 years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold. The Group records any excess of progress work over the right to an amount of consideration that is unconditional (i.e., contracts receivable) as contract assets (see Note 6).

Receivables from government and financial institutions pertain to government and bank-financed real estate sales. Receivables from government and financial institutions are collectible within one (1) year.

Interest income recognized on contracts receivable amounted to ₱199.50 million, ₱174.03 million and ₱276.49 million in 2024, 2023 and 2022, respectively (see Note 24). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these years.

The Group has a mortgage insurance contract with Philippine Guarantee Corporation (PhilGuarantee), a government insurance company for a retail guaranty line. As of December 31, 2024 and 2023, the contracts (comprise of both contract receivables and contract assets) covered by the guaranty line amounted to ₱193.57 million and ₱361.45 million, respectively. As of December 31, 2024 and 2023, the remaining unutilized guaranty line amounted to ₱1.37 billion.

As of December 31, 2024 and 2023, no impairment losses were recognized from contracts receivables.

9. Other Receivables

This account consists of:

	2024	2023
	(In Thousands)	
Receivables from tenants	₱2,302,942	₱2,038,850
Due from related parties (Note 21)	434,428	695,344
Advances to officers and employees	418,147	422,954
Receivables from homeowners' associations (HOAs)	174,596	227,671
Others	292,037	139,383
	3,622,150	3,524,202
Less: Allowance for ECLs	58,758	59,146
	₱3,563,392	₱3,465,056

"Receivables from tenants" represent charges to tenants for rentals and utilities normally collectible within 15-20 days from billing date.



“Advances to officers and employees” represent advances for project costs, marketing activities, travel and other expenses arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

“Receivables from homeowners’ associations” represent claims from the homeowners’ association of the Group’s projects for the payment of the expenses on behalf of the association.

“Others” represent advances for selling, marketing, and administrative expenses of international sales offices, arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

Set out below is the movement of the allowance for ECLs of other receivables:

	2024		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱43,282	₱15,864	₱59,146
Reversal of ECLs	(388)	–	(388)
Balance at end of year	₱42,894	₱15,864	₱58,758

	2023		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱34,803	₱15,864	₱50,667
Provision for ECLs	8,479	–	8,479
Balance at end of year	₱43,282	₱15,864	₱59,146

10. Real Estate Inventories

This account consists of:

	2024	2023
	(In Thousands)	
Real estate inventories – at cost		
Lots, condominium and residential units for sale	₱43,991,685	₱45,642,483
Land and land development	25,975,429	26,992,347
	₱69,967,114	₱72,634,830

A summary of the movement in lots, condominium and residential units for sale is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱45,642,483	₱44,623,160
Effect of adoption of IFRIC Agenda Decision on PAS 23 (Note 2)	(5,532,604)	–
Balance as at January 1, as adjusted	40,109,879	44,623,160

(Forward)



	2024	2023
	(In Thousands)	
Construction/development costs incurred	₱10,461,681	₱7,319,735
Transferred from land and land development (Note 6)	732,071	648,649
Transfer from investment properties (Note 13)	42,952	—
Capitalized borrowing costs	—	699,846
Additions thru asset acquisition (Notes 1 and 3)	—	452,578
Cost of real estate sales	(7,354,898)	(8,101,485)
Balance at end of year	₱43,991,685	₱45,642,483

Capitalization rate for the capitalized borrowing costs is nil, 5.15% and 4.70% in 2024, 2023 and 2022, respectively.

A summary of the movement in land and land development is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱26,992,347	₱26,703,327
Site development and incidental costs	1,300,203	886,558
Land acquisitions (Notes 1 and 3)	4,745	51,111
Transferred to lots, condominium and residential units for sale	(732,071)	(648,649)
Transfer to investment properties (Note 13)	(1,589,795)	—
Balance at end of year	₱25,975,429	₱26,992,347

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is ongoing, amounted to ₱766.21 million, ₱620.18 million and ₱430.55 million for the years ended December 31, 2024, 2023 and 2022, respectively. Capitalization rate is 5.47%, 5.15% and 4.7% in 2024, 2023 and 2022, respectively.

11. Other Current Assets

This account consists of:

	2024	2023
	(In Thousands)	
Input taxes -net	₱3,921,006	₱3,842,624
Creditable withholding taxes	2,136,391	1,231,664
Prepaid expenses	829,717	807,382
Advances to contractors and suppliers	454,622	445,383
Construction materials and supplies	451,749	401,535
Cost to obtain contract (Note 6)	290,616	367,514
Short-term deposits	179,750	96,332
	₱8,263,851	₱7,192,434

“Input taxes” pertains to VAT passed on from purchases of goods or services which is applied against output VAT.



“Creditable withholding taxes” are the taxes withheld by the withholding agents from payments to the sellers which is creditable against the income tax payable.

“Prepaid expenses” consist of prepayments for commissions on leases, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

“Advances to contractors and suppliers” pertain to down payments made by the Group which are applied against future billings for development and construction contracts of real estate inventories.

“Construction materials and supplies” pertain to inventories to be used in the construction and maintenance of projects.

“Cost to obtain contract” includes accrued commissions net of amount paid to brokers relating to the sale of real estate inventories which qualify for revenue recognition.

12. Investments in Associates

This account consists of:

	2024	2023
	(In Thousands)	
At equity:		
Acquisition cost		
Balance at beginning of year	₱1,028,841	₱1,018,841
ProActive Professionals Corp. (ProActive)	—	10,000
Balance at end of year	1,028,841	1,028,841
Accumulated equity in net earnings:		
Balance at beginning of year	1,808,158	1,733,276
Equity in net earnings for the year	359,036	242,007
Dividend declaration	(257,726)	(167,125)
Balance at end of year	1,909,468	1,808,158
Share in revaluation increment on land at deemed cost	2,010,452	2,010,452
Share in other components of equity	372,449	372,449
	₱5,321,210	₱5,219,900

The carrying value of the Group’s investments in associates as of December 31 follows:

	2024	2023
	(In Thousands)	
FAI	₱4,969,569	₱4,908,516
Dreambuilders Pro, Inc. (DPI)	94,294	93,119
Filinvest Mimosa, Inc. (FMI)	84,228	81,629
SharePro, Inc. (SPI)	59,418	31,040
Corporate Technologies, Inc. (CTI)	53,958	52,190
Pro-Excel	49,743	43,406
ProActive	10,000	10,000
	₱5,321,210	₱5,219,900



FAI

The Parent Company has a 20% interest in FAI which is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate and marketing.

Dividends declared by FAI and the corresponding share of the Group for the year ended December 31, 2024 amounted to ₱1,253.00 million and ₱250.60 million, respectively, and for the year ended December 31, 2023 amounted to ₱800.00 million and ₱160.00 million, respectively.

Summarized financial information and reconciliation of investment in FAI is as follows:

	2024	2023
	(In Thousands)	
Current assets	₱16,185,757	₱15,185,721
Noncurrent assets	24,288,735	22,398,234
Total assets	40,474,492	37,583,955
Current liabilities	2,685,551	2,327,477
Noncurrent liabilities	9,636,696	7,233,433
Total liabilities	12,322,247	9,560,910
Equity	₱28,152,245	₱28,023,045
Proportion of the Group's ownership	20%	20%
Equity in net assets of associate	₱5,630,449	₱5,604,609
Less upstream sales	660,880	696,093
Carrying amount of the investment	₱4,969,569	₱4,908,516
Revenue and other income	₱4,724,114	₱3,633,405
Cost and other expenses	(2,253,671)	(1,933,204)
Depreciation	(217,601)	(218,825)
Interest expense	(96,278)	(67,134)
Interest income	24,019	17,592
Income before tax	2,180,583	1,431,834
Income tax expense	622,308	363,482
Net income for the year	₱1,558,275	₱1,068,352
Group's equity in net earnings of associate	₱311,655	₱213,670

Share in net earnings of FAI amounted to ₱72.70 million for the year ended December 31, 2022.

DPI

In 2020, the Parent Company's 45% interest in DPI was classified as investments in associate. Share in net earnings (losses) of DPI amounted to ₱1.17 million, (₱2.38 million) and (₱3.39 million) for the years ended December 31, 2024, 2023 and 2022, respectively.

FMI

In 2016, FMI was incorporated to enter into an agreement with Clark Development Corporation (CDC) for the lease of the Mimosa Leisure Estate. The Parent Company subscribed for 47.5% of FMI's capital stock amounting to ₱37.83 million. Share in net earnings of FMI amounted to ₱2.60 million, ₱1.28 million and ₱5.77 million for the years ended December 31, 2024, 2023 and 2022, respectively.



SPI

SPI was incorporated and operating in the Philippines and handles the technical and project management services for the Group. In December 2021, the Parent Company subscribed for 45.0% of SPI's capital stock amounting to ₱11.25 million. Share in net earnings of SPI amounted to ₱28.38 million, ₱16.99 million and ₱2.81 million for the years ended December 31, 2024, 2023 and 2022, respectively.

CTI

In 2019, the 30% interest in CTI of the Parent Company was classified as investments in associate. CTI is primarily involved in information technology service management. Share in net earnings (losses) of CTI amounted ₱1.77 million, ₱1.97 million and (₱2.94 million) for the years ended December 31, 2024, 2023 and 2022, respectively.

Pro-Excel

On December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-Excel to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-Excel after the transfer is 47.5%. Share in net earnings of Pro-Excel amounted to ₱13.46 million, ₱10.49 million and ₱4.01 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Dividends declared by Pro-Excel and the corresponding share of the Group amounted to ₱15.00 million and ₱7.13 million for both years ended December 31, 2024 and 2023.

ProActive

ProActive was incorporated to provide business process outsourcing services for the Group. On August 9, 2023, the Parent Company subscribed to 40.0% of ProActive's capital stock amounting to ₱10.00 million. ProActive has not started commercial operations as of December 31, 2024.

Aggregate financial information on the associates with immaterial interest (FMI, CTI, Pro-Excel, DPI, SPI and ProActive) follows:

	2024	2023
	(In Thousands)	
Carrying amount of investments	₱351,641	₱311,384
Share in net income/total comprehensive income	47,381	28,337

The Group does not restrict profit distribution of its associates. The associates have no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2024 and 2023.



13. Investment Properties

The rollforward analysis of this account as of December 31 follows:

	2024					Total
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 15)	
	(In Thousands)					
Cost						
Balances at beginning of year	₱16,575,680	₱32,104,793	₱407,782	₱35,545,897	₱5,376,136	₱90,010,288
Additions	287,535	1,356,651	42,171	3,749,956	—	5,436,313
Transfers (Note 10)	1,589,795	(82,995)	—	—	—	1,506,800
Balances at end of year	18,453,010	33,378,449	449,953	39,295,853	5,376,136	96,953,401
Accumulated Depreciation						
Balances at beginning of year	—	9,199,751	396,712	—	754,489	10,350,952
Depreciation (Note 22)	—	1,431,050	18,111	—	152,296	1,601,457
Transfers (Note 10)	—	(40,043)	—	—	—	(40,043)
Balances at end of year	—	10,590,758	414,823	—	906,785	11,912,366
Net Book Value	₱18,453,010	₱22,787,691	₱35,130	₱39,295,853	₱4,469,351	₱85,041,035
	2023					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 15)	Total
	(In Thousands)					
Cost						
Balances at beginning of year	₱16,533,276	₱29,538,271	₱382,015	₱34,327,269	₱5,376,136	₱86,156,967
Additions	42,404	2,566,522	25,767	1,218,628	—	3,853,321
Balances at end of year	16,575,680	32,104,793	407,782	35,545,897	5,376,136	90,010,288
Accumulated Depreciation						
Balances at beginning of year	—	8,150,458	377,477	—	607,636	9,135,571
Depreciation (Note 22)	—	1,049,293	19,235	—	146,853	1,215,381
Balances at end of year	—	9,199,751	396,712	—	754,489	10,350,952
Net Book Value	₱16,575,680	₱22,905,042	₱11,070	₱35,545,897	₱4,621,647	₱79,659,336

The additions to buildings and improvements are mainly due to improvements made for office and commercial buildings to be leased out.

Construction in progress pertain to buildings under construction to be leased as retail and office spaces upon completion.

Borrowing costs capitalized as part of investment properties amounted to ₱1.43 billion, ₱944.83 million and ₱812.02 million in 2024, 2023 and 2022, respectively. Capitalization rates used are 4.27% to 6.64%, 4.33% to 6.68% and 3.6% to 6.12% in 2024, 2023 and 2022, respectively.

The aggregate fair value of the Group's investment properties amounted to ₱215.34 billion and ₱214.64 billion as of December 31, 2024 and 2023, respectively, based on third party appraisals performed for certain assets by an SEC accredited independent appraiser and management appraisal updated using current and year-end values and assumptions. The fair value of buildings was determined using the income approach based on discounted cash flow analysis. The fair value of land was determined using the income approach based on discounted cash flow analysis.

Under the income approach, all expected cash flow from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations. The valuation of investment property is categorized as Level 3 in the fair value hierarchy since valuation is based on unobservable inputs. The significant unobservable inputs used in the valuation pertains to lease income growth rate and discount rate. Significant increases (decreases) in discount rate would result in a significantly lower (higher) fair value measurement while a change in the assumption used for the



lease income growth rate is accompanied by a directionally similar change in the fair value of the Group's investment properties.

The Group has no restrictions on the realizability of its investment properties.

Revenue from rental and related services from investment properties amounted to ₱7.38 billion, ₱6.75 billion and ₱6.06 billion in 2024, 2023 and 2022, respectively (see Note 6). Cost of rental and related services arising from investment properties is as follows:

	2024	2023	2022
	(In Thousands)		
Mall operations	₱2,141,178	₱1,822,415	₱1,410,754
Depreciation	1,282,590	1,201,601	993,133
Others	18,914	27,721	6,477
	₱3,442,682	₱3,051,737	₱2,410,364

“Others” pertain to cost of ticket sales and snack bar sales.

The Group classifies the depreciation of fit out cost and machinery and equipment related to the common area and air-conditioning as part of the maintenance and air-conditioning dues that are collected from the tenants. In 2024, 2023 and 2022, depreciation expense recognized as part of “Rental and related services” revenue amounted to ₱166.57 million, ₱179.20 million and ₱13.42 million, respectively.

14. Property and Equipment

The rollforward analysis of this account as of December 31 follows:

2024							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
(In Thousands)							
Cost							
Balances at beginning of year	₱3,699,958	₱3,340,297	₱223,602	₱190,607	₱322,297	₱277,210	₱8,053,971
Additions	54,830	394,541	15,708	47,595	13,861	11,659	538,194
Balances at end of year	3,754,788	3,734,838	239,310	238,202	336,158	288,869	8,592,165
Accumulated Depreciation and Amortization							
Balances at beginning of year	797,291	1,106,310	170,430	149,062	157,866	–	2,380,959
Depreciation and amortization (Note 22)	98,036	227,524	16,185	42,860	13,882	–	398,487
Balances at end of year	895,327	1,333,834	186,615	191,922	171,748	–	2,779,446
Net Book Value	₱2,859,461	₱2,401,004	₱52,695	₱46,280	₱164,410	₱288,869	₱5,812,719

2023							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
(In Thousands)							
Cost							
Balances at beginning of year	₱3,613,237	₱3,166,765	₱185,075	₱166,739	₱213,023	₱220,898	₱7,565,737
Additions	86,721	173,532	38,527	23,868	109,274	56,312	488,234
Balances at end of year	3,699,958	3,340,297	223,602	190,607	322,297	277,210	8,053,971
Accumulated Depreciation and Amortization							
Balances at beginning of year	699,238	966,089	155,299	123,207	136,625	–	2,080,458
Depreciation and amortization (Note 22)	98,053	140,221	15,131	25,855	21,241	–	300,501
Balances at end of year	797,291	1,106,310	170,430	149,062	157,866	–	2,380,959
Net Book Value	₱2,902,667	₱2,233,987	₱53,172	₱41,545	₱164,431	₱277,210	₱5,673,012



There are no property and equipment items pledged to secure the obligations of the Group as of December 31, 2024 and 2023.

15. Leases

Group as lessee

The Group has lease contracts on land where the buildings are situated. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group has entered into land lease arrangements with lease terms ranging from 25 and 50 years. Several leases include extension option to lease the assets for additional 25 years based on mutual agreement of the parties.

The rollforward analysis of right-of-use assets on land as of December 31 follows:

	2024		
	Investment Properties (Note 13)	BTO Rights (Note 16)	Total
	(In Thousands)		
Cost			
Balances at beginning and end of year	₱5,376,136	₱112,424	₱5,488,560
Accumulated Depreciation			
Balances at beginning of year	754,489	21,037	775,526
Depreciation (Note 22)	152,296	2,465	154,761
Balances at end of year	906,785	23,502	930,287
Net Book Value	₱4,469,351	₱88,922	₱4,558,273

	2023		
	Investment Properties (Note 13)	BTO Rights (Note 16)	Total
	(In Thousands)		
Cost			
Balances at beginning and end of year	₱5,376,136	₱112,424	₱5,488,560
Accumulated Depreciation			
Balances at beginning of year	607,636	14,142	621,778
Depreciation (Note 22)	146,853	6,895	153,748
Balances at end of year	754,489	21,037	775,526
Net Book Value	₱4,621,647	₱91,387	₱4,713,034

The rollforward analysis of lease liabilities as of December 31 follows:

	2024	2023
	(In Thousands)	
Balances at beginning of year	₱6,719,861	₱6,508,490
Interest expense (gross of related capitalized borrowing costs)	619,384	583,815
Payments	(408,907)	(372,444)
Balances at end of year	6,930,338	6,719,861
Lease liabilities - current portion	155,891	175,459
Lease liabilities - net of current portion	₱6,774,447	₱6,544,402



The Group also has certain lease of land with variable rental payments and lease of office space considered as 'low-value assets'. The Group applies the lease of 'low-value assets' recognition exemptions for these leases.

The following are the amounts recognized in the consolidated statement of income for the years ended December 31:

	2024	2023	2022
	(In Thousands)		
Interest and other finance charges on lease liabilities (Note 24)	₱520,667	₱487,174	₱425,148
General and administrative expenses (Note 22)			
Depreciation expense of right-of-use assets	154,761	153,748	158,424
Variable lease payments and expenses relating to leases of low-value assets (Note 22)	16,019	10,464	19,837
	₱691,447	₱651,386	₱603,409

Interest expense capitalized as part of investment properties and BTO Rights amounted to ₱98.72 million, ₱96.64 million and ₱95.43 million in 2024, 2023 and 2022, respectively.

Shown below is the maturity analysis of the undiscounted lease payments:

	2024	2023
	(In Thousands)	
1 year	₱478,337	₱456,582
more than 1 years to 2 years	496,959	478,337
more than 2 years to 3 years	520,292	496,959
more than 3 years to 4 years	540,138	520,292
more than 5 years	27,210,871	27,756,008

Group as lessor

Future minimum rental receivables under renewable operating leases as of December 31 are as follows:

	2024	2023
	(In Thousands)	
Within one year	₱4,220,818	₱4,172,360
After one year but not more than five years	10,500,606	9,252,477
After five years	5,011,914	2,165,805
	₱19,733,338	₱15,590,642

The Group entered into lease agreements with third parties covering real estate properties. These leases generally provide for either (a) fixed monthly rent (b) minimum rent or a certain percentage of gross revenue, whichever is higher. Most lease terms on commercial malls are renewable within one year, except for anchor tenants with lease ranging from five (5) to 15 years.



Rental income recognized based on a percentage of the gross revenue of mall tenants included in “Rental and related services” account in the consolidated statement of income amounted to ₱502.29 million, ₱457.26 million and ₱391.64 million in 2024, 2023 and 2022, respectively.

The Group granted rental concessions to its tenants which were affected by the community quarantine imposed by the government amounting to ₱70.76 million and ₱314.84 million in 2023 and 2022, respectively. These rent concessions did not qualify as a lease modification, thus, were accounted for as negative variable lease payments and reported as reduction of lease income in 2023 and 2022.

16. Build-Transfer-Operate (BTO) Rights

BTO rights pertain to the cost related to the BTO agreement with The Province of Cebu (Cebu Province) entered on March 26, 2012. The BTO project relates to the development, construction, and operation of the Business Process Outsourcing (BPO) Complex by the Group at the land properties owned by Cebu Province located at Salinas, Lahug, Cebu City.

The rollforward analysis of BTO rights is as follows:

	December 31, 2024		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱6,863,079	₱112,424	₱6,975,503
Additions	84,717	—	84,717
Balance at end of year	6,947,796	112,424	7,060,220
Accumulated Amortization			
Balance at beginning of year	566,868	21,037	587,905
Depreciation (Note 22)	140,688	2,465	143,153
Balance at end of year	707,556	23,502	731,058
Net Book Value	₱6,240,240	₱88,922	₱6,329,162

	December 31, 2023		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱5,997,831	₱112,424	₱6,110,255
Additions	865,248	—	865,248
Balance at end of year	6,863,079	112,424	6,975,503
Accumulated Amortization			
Balance at beginning of year	496,263	14,142	510,405
Depreciation	70,605	6,895	77,500
Balance at end of year	566,868	21,037	587,905
Net Book Value	₱6,296,211	₱91,387	₱6,387,598

“Right-of-use assets” pertain to the related lease payments required under land lease contracts and the BTO agreement for the land where the buildings were constructed.



Interest incurred capitalized amounted to ₱64.80 million, ₱90.71 million and ₱46.25 million in 2024, 2023 and 2022, respectively.

In 2024, 2023 and 2022, related amortization recognized as part of “Cost of rental and related services” amounted to ₱140.69 million, ₱70.61 million and ₱173.13 million, respectively. Rental income amounting to ₱466.11 million, ₱455.50 million and ₱290.56 million in 2024, 2023 and 2022, respectively, was recognized as part of “Revenue from rental and related services”.

17. Other Noncurrent Assets

This account consists of:

	2024	2023
	(In Thousands)	
Advances to contractors and suppliers (Note 11)	₱2,147,019	₱1,249,226
Advances to joint venture partners	258,718	311,157
Creditable withholding taxes - net of current portion (Note 11)	239,031	178,626
Input taxes - net of current portion	230,170	230,170
Deposits	223,616	72,057
Investment in bonds	150,000	150,000
Financial assets at FVOCI	15,535	15,535
Other assets	52,239	67,809
	₱3,316,328	₱2,274,580

“Advances to joint venture partners” are advances (e.g., property taxes and permits) which are normally applied against the share of the joint venture partners from sale of the joint venture properties reported under “Other receivables” in consolidated statements of financial position.

“Deposits” includes advances to sellers for the purchase of land prior to issuance of Contract to Sell. These also includes security deposits and rental deposits.

“Investment in bonds” consist of a 5-year, non-interest bearing, Class A Senior Notes with a face amount of ₱150.0 million issued by a third party special purpose trust fund duly registered with the Bangko Sentral ng Pilipinas invested by the Parent Company on December 19, 2022.

“Financial assets at FVOCI” consist of quoted and unquoted shares of stock (see Note 31). Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects. The Group did not receive dividends from unquoted shares in 2024, 2023 and 2022.

“Other assets” includes utility deposits such as electric meter deposit and water meter deposit.



18. Accounts Payable and Accrued Expenses

This account consists of:

	2024			2023		
	Current	Noncurrent	Total	Current	Noncurrent	Total
	(In Thousands)					
Accounts payable	₱2,855,109	₱7,094,749	₱9,949,858	₱5,579,664	₱5,017,658	₱10,597,322
Deposits from tenants	1,976,364	1,805,810	3,782,174	1,630,033	1,645,028	3,275,061
Retention fees payable	2,264,555	889,104	3,153,659	2,082,442	499,537	2,581,979
Deposits for registration	239,726	1,731,707	1,971,433	217,825	1,573,499	1,791,324
Accrued expenses	1,964,763	—	1,964,763	1,712,947	—	1,712,947
Accrued interest on bonds and loans (Notes 19 and 20)	535,049	—	535,049	674,345	—	674,345
Other payables (Note 21)	1,111,510	114,097	1,225,607	653,909	202,281	856,190
	₱10,947,076	₱11,635,467	₱22,582,543	₱12,551,165	₱8,938,003	₱21,489,168

“Accounts payable” includes the outstanding balance of the costs of land acquired by the Group and is payable on scheduled due dates or upon completion of certain requirements (see Notes 10, 13 and 14). This account also includes dividends payable and amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Group.

“Deposits from tenants” are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

“Retention fees payable” pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

“Deposits for registration” pertain to amounts collected from buyers for payment of registration of real estate properties. This account is charged for costs incurred related to transfer of title to buyers.

“Accrued expenses” pertain to various operating expenses incurred by the Group in the course of business such as salaries and wages, professional fees, unbilled construction cost related to ongoing projects, and utilities expense, among others. These are noninterest-bearing and are normally settled within one year.

Accrued expenses account consists of:

	2024	2023
	(In Thousands)	
Suppliers and contractors	₱1,907,970	₱1,658,604
Professional fees	39,077	35,975
Payroll	10,908	12,917
Utilities	1,860	4,355
Other accruals	4,948	1,096
	₱1,964,763	₱1,712,947

“Other payables” pertain mainly to withholding taxes, output VAT payables and deferred income which are generally settled/earned within 12 months.



19. Loans Payable

This account consists of:

	2024	2023
	(In Thousands)	
Short term loans	₱1,200,000	₱4,440,000
Long-term loans	41,069,337	32,645,048
Developmental loans from local banks	42,269,337	37,085,048
Less unamortized transaction costs	236,693	97,121
	42,032,644	36,987,927
Less current portion of loans payable	6,876,639	16,480,438
Long-term portion of loans payable	₱35,156,005	₱20,507,489

Developmental loans from local banks will mature on various dates up to 2028. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month, 6-month or 1-year Bloomberg Valuation (BVAL), or Reverse Repurchase Rate (RRP), plus margin, per annum.

The Group availed additional loans amounted to ₱38.10 billion, ₱24.66 billion and ₱12.81 billion in 2024, 2023, and 2022, respectively. These include availment of short-term loans payable amounting to ₱11.52 billion, ₱16.51 billion and ₱10.33 billion in 2024, 2023 and 2022, respectively.

Principal payments made amounted to ₱32.91 billion, ₱20.53 billion and ₱12.16 billion in 2024, 2023 and 2022, respectively.

As of December 31, 2024 and 2023, short term loans payable, presented under current portion of loans payable amounted to ₱1.2 billion and ₱4.44 billion, respectively.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱3.06 billion, ₱2.20 billion and ₱1.59 billion for the years ended December 31, 2024, 2023, and 2022, respectively.

Transactions costs capitalized amounted to ₱242.36 million and ₱102.49 million in 2024 and 2023, respectively. Amortization of transaction costs amounted to ₱102.79 million, ₱109.55 million and ₱54.92 million in 2024, 2023 and 2022, respectively, and included under “Interest and other finance charges” (see Note 24).

The Group’s loans payable is unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Group’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets other than in the ordinary course of business; restrictions on use of funds other than the purpose it was approved for; and entering into any partnership, merger, consolidation or reorganization except in the ordinary course of business and except when the Group maintains controlling interest. As of December 31, 2024 and 2023, the Group has not been cited in default on any of its outstanding obligations.



20. Bonds Payable

This account consists of:

	2024	2023
	(In Thousands)	
Bonds payable	₱36,095,400	₱37,795,395
Less unamortized transaction costs	238,812	326,883
	35,856,588	37,468,512
Less current portion of bonds payable	14,815,944	1,697,345
Long-term portion of bonds payable	₱21,040,644	₱35,771,167

- a. On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014. On November 8, 2023, the Parent Company paid the remaining balance amounting to ₱2.70 billion.

Unamortized debt issuance cost on bonds payable amounted to ₱2.16 million as of December 31, 2022 (nil as of December 31, 2023). Accretion in 2023 and 2022 included as part of 'Interest and other finance charges' amounted to ₱2.16 million and ₱2.53 million (nil as of December 31, 2024), respectively (see Note 24).

- b. On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the 10-year bonds have a fixed interest rate of 5.64% per annum. The Parent Company paid the ₱1.70 billion on December 4, 2024. As of December 31, 2023, ₱1.70 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.65 million as of December 31, 2023 (nil as of December 31, 2024). Accretion in 2024, 2023 and 2022 included as part of "Interest and other finance charges" amounted to ₱2.65 million, ₱0.29 million and ₱1.53 million, respectively (see Note 24).

- c. On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum, while the 10-year bonds have a fixed rate of 5.71% per annum. The Parent Company paid the ₱7.0 billion bonds on August 20, 2022. As of December 31, 2024 and 2023, ₱1.0 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.76 million and ₱3.07 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of "Interest and other finance charges" amounted to ₱0.31 million, ₱0.34 million and ₱9.54 million, respectively (see Note 24).

- d. On July 7, 2017, FILRT issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱6.00 billion and term of five and a half (5.5) years due in 2023. The bonds carry a fixed rate of 5.05% per annum, payable quarterly in arrears starting on October 7, 2017. On January 9, 2023, FILRT paid the outstanding bonds payable balance amounting to ₱6.00 billion.



Accretion in 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱0.24 million, and ₱12.71 million respectively (nil in 2024) (see Note 24).

- e. On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.10 billion comprising of ₱6.34 billion, 3-year fixed rate bonds due in 2023 and ₱1.76 billion, 5.5-year fixed rate bonds due in 2026. The 3-year bonds carry a fixed rate of 3.34% per annum, while the 5.5-year bonds have a fixed rate of 4.18% per annum. On November 18, 2023, the Parent Company paid ₱6.30 billion of the outstanding bonds payable. As of December 31, 2024 and 2023, ₱1.76 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱6.08 million and ₱7.44 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱1.36 million, ₱17.21 million and ₱20.32 million respectively (see Note 24).

- f. On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.0 billion comprising of ₱5.0 billion, 4-year fixed rate bonds due in 2025 and ₱5.0 billion, 6-year fixed rate bonds due in 2027. The 4-year bonds carry a fixed rate of 4.5300% per annum, while the 6-year bonds have a fixed rate of 5.2579% per annum. As of December 31, 2024 and 2023, ₱10.0 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱65.45 million and ₱82.26 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱16.81 million, ₱21.33 million and ₱27.44 million, respectively (see Note 24).

- g. On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion comprising of ₱8.925 billion, 3-year fixed rate bonds due in 2025 and ₱2.975 billion, 5-year fixed rate bonds due in 2027. The 3-year bonds carry a fixed rate of 5.3455% per annum, while the 5-year bonds have a fixed rate of 6.4146% per annum. As of December 31, 2024 and 2023, ₱11.90 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱64.60 million and ₱91.45 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱26.85 million, ₱38.76 million and ₱24.22 million, respectively (see Note 24).

- h. On December 1, 2023, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.43 billion which are 3.5-year fixed rate bonds due in 2027. The bonds carry a fixed rate of 6.9829% per annum. As of December 31, 2024 and 2023, ₱11.43 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱99.92 million and ₱140.01 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱40.10 million and ₱3.45 million, respectively (see Note 24).

Interest incurred on these bonds (gross of related capitalized borrowing costs) amounted to ₱2.11 billion, ₱1.77 billion and ₱1.97 billion for the years ended December 31, 2024, 2023 and 2022, respectively. Payments made on these bonds amounted to ₱1.7 billion, ₱15.04 billion and ₱7.0 billion in 2024, 2023 and 2022, respectively.



The Group's bonds payable are unsecured and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x ; and minimum debt service coverage ratio (DSCR) of 1.0x (except for FILRT bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x). As of December 31, 2024 and 2023, the Group has not been cited in default on any of its outstanding obligations.

21. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

All material Related Party Transactions ("RPT") with a transaction value that reaches ten percent (10%) of the Group's total consolidated assets shall be subject to the review by the RPT Committee.

Transactions that were entered into with an unrelated party that subsequently becomes a related party shall be excluded from the limits and approval of the Policy on Related Party Transactions ("Policy"). However, any renewal, change in the terms and conditions or increase in exposure level, related to these transactions after a non-related party becomes a related party, shall be subjected to the provisions of the Policy.

In the event wherein there are changes in the RPT classification from non-material to material, the material RPT shall be subject to the provisions of the Policy.

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. The transactions are made at terms and prices agreed upon by the parties. As of December 31, 2024 and 2023, the Group has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Significant related party transactions are as follows. Outstanding balances are unsecured and no impairment loss was recognized on any of the assets.

	2024		Terms	Conditions	Note
	Amount/ Volume	Due from / (Due to)			
	(In Thousands)				
Bank under common control of the ultimate parent					
Cash and cash equivalents	₱3,533,791	₱3,533,791	0.50% to 4.50%	No impairment	(a)
Interest income	40,964	—			
	₱3,574,755	₱3,533,791			
Ultimate Parent	₱268	₱866	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(b)
Parent	(3,123)	—	Noninterest-bearing, payable on demand	Unsecured, no impairment	(c)
Associate - CTI Share in other expenses	5,200	19,388	Due within 30 days	Unsecured, no impairment	(d)

(Forward)



2024					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
Associate - Pro-Excel Share in other expenses	(P1,347)	P15,096	Due within 30 days	Unsecured, no impairment	(d)
Associate – DPI Other income	(235,770)	236,542	Due within 30 days	Unsecured, no impairment	(d)
Associate – FMI Other income	(645)	463	Due within 30 days	Unsecured, no impairment	(d)
Associate – FAI Rent income	–	99	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(g)
Share in other expenses	22,838	30,412	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Affiliates Rental income	7,191	–	Noninterest-bearing	Unsecured, no impairment	(g)
Share in common expenses	(48,337)	131,562	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Due from related parties (Note 9)		P434,428			
Parent Share in Group expenses	(P20,067)	(P36,775)	Noninterest-bearing, payable on demand	Unsecured	(c)
Asset acquisition	346,414	–	Noninterest-bearing, collectible quarterly up to December 2024	Unsecured	(c)
Associate – SPI Share in other expenses	120,716	(139,587)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – ProActive Share in other expenses	–	(10,000)	Noninterest-bearing, payable on demand	Unsecured	(d)
Affiliates	(5,033)	(57,779)	Noninterest-bearing, payable on demand	Unsecured	(e)
Due to related parties		(P244,141)			

2023					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
(In Thousands)					
Bank under common control of the ultimate parent					
Cash and cash equivalents	P3,562,314	P3,562,314	0.50% to 4.50%	No impairment	(a)
Interest income	19,594	–			
	P3,581,908	P3,562,314			
Ultimate Parent	P132	P598	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(b)
Parent		3,123	Noninterest-bearing, payable on demand	Unsecured, no impairment	(c)
Associate – CTI Share in other expenses	1,142	14,188	Due within 30 days	Unsecured, no impairment	(d)
Associate - Pro-Excel Share in other expenses	512	16,443	Due within 30 days	Unsecured, no impairment	(d)
Associate – DPI Other Income	243	472,312	Due within 30 days	Unsecured, no impairment	(d)
Associate – FMI Other income	34	1,108	Due within 30 days	Unsecured, no impairment	(d)

(Forward)



	2023				
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
Associate – FAI					
Rent Income	₱–	₱99	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(g)
Share in other expenses	6,260	7,574	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Affiliates					
Rental income	7,191	–	Noninterest-bearing	Unsecured, no impairment	(g)
Share in common expenses	6,614	179,899	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Due from related parties (Note 9)		₱695,344			
Parent					
Share in Group expenses	(₱1,634)	(₱36,777)	Noninterest-bearing, payable on demand	Unsecured	(c)
Asset acquisition	274,862	(346,414)	Noninterest-bearing, collectible quarterly up to December 2024	Unsecured	(c)
Associate – SPI					
Share in other expenses	120,716	(42,549)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – FMI					
Share in other expenses	–	(848)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – FAI					
Share in other expenses	–	(11,511)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – DPI					
Share in other expenses	–	(2,648)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – ProActive					
Share in other expenses	–	(10,000)	Noninterest-bearing, payable on demand	Unsecured	(d)
Affiliates	(1,122)	(37,739)	Noninterest-bearing, payable on demand	Unsecured	(e)
Due to related parties		(₱488,486)			

a. *Transactions with bank under common control of the ultimate parent (EW)*

On January 3, 2012, the Group entered into a Receivable Purchase Agreement with East West Banking Corporation (EW), an entity under common control of the Group's parent company. The Group agreed to sell, assign, transfer and convey to EW all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EW will be serviced by the Group under an Accounts Servicing Agreement.

Under this agreement, the Group shall be responsible for the monitoring and collection of contracts receivables sold to EW, including safekeeping of the collections in trust until these are remitted to EW, 10 days after the beginning of each month.

For the performance of the said services, the Group charges EW a service fee equivalent to a certain percentage of the amounts actually received and collected. Although the Group retains the contractual rights to receive cash flows from the contracts receivables sold to EW, the same will be subsequently distributed to EW under a "pass-through arrangement".

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Group has no liability to EW for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements.



The Group's plan assets in the form of cash equivalents amounting to ₱196.60 million and ₱96.60 million as of December 31, 2024 and 2023, respectively, are maintained with EW (see Note 26). The Group also maintains cash and cash equivalents with EW.

As of December 31, 2021, the amounts payable to EW related to a purchase of land amounted to ₱2.14 billion and are presented as part of Accounts Payable under accounts payable and accrued expenses in the consolidated statement of financial position (see Note 18). The purchase was fully paid in 2022.

b. Transactions with Ultimate Parent (ALG)

Transactions with the Group's ultimate parent company relates to sharing of common expenses.

c. Transactions with the Group's parent company (FDC)

The Parent Company charged FDC certain common expenses paid by the Parent Company on its behalf.

On December 12, 2022, FILRT entered into a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sq.m. owned by FDC, located in Boracay, Aklan. The parties agreed to a total purchase price of ₱1,047.10 million, ₱314.10 million, representing 30% of purchase price, payable upon signing of the agreement and the remaining 70% amounting to ₱732.90 million payable in equal quarterly installment up to December 2024. The land and related liability were carried at present value of future cash flow amounting to ₱1,021.80 million and ₱683.30 million, respectively.

In 2009, Promax was appointed by FDC as the marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price (see Note 23).

d. Transactions with Associates

FAI

'Due from Associate' include noninterest-bearing cash advances and various charges for management fees, marketing fees, share of expenses and commission charges. FAI is also the provider of water services within the Filinvest City where majority of the office buildings of the Parent Company are located

FMI

Transactions with FMI relates to sharing of common expenses.

CTI

Transactions with CTI relates to sharing of common expenses and service fee for information and technology services.

Pro-Excel

Transactions from Pro-Excel relates to sharing of common expenses and management fee for managing the buildings of FLI.

DPI

Transactions from DPI relates to sharing of common expenses and noninterest-bearing cash advances.



SPI

Transactions with SPI relates to sharing of common expenses and service fees for technical, project management and procurement. This also includes retirement benefits of certain employees of FLI that were transferred to SPI and the corresponding payable to SPI was reported under “Due to related parties” (see Note 26).

Pro-Excel and DPI rents its office space from FLI while SPI rents its office space from FILRT. Revenue earned is recorded as part of Rental Revenues in the Statements of Comprehensive Income in 2024, 2023 and 2022 (see Note 6). Outstanding receivables are recorded as part of Other Receivables in the Statements of Financial position as of December 31, 2024 and 2023 (see Note 9).

ProActive

Transactions relates to subscription of ProActive’s capital stock amounting to ₱10.00 million.

e. Transactions with Affiliates

Transactions with affiliates relates to sharing of common expenses paid by the Parent Company on their behalf.

FILRT entered into a service agreement with FDC Retail Electricity Sales whereby FILRT shall engage and pay the services rendered by the latter to provide the electricity requirements of its facilities.

FILRT also entered into a service agreement with Professional Operations Maintenance Experts Incorporated whereby FILRT shall pay the services rendered by the latter to operate and maintain its equipment and premises.

FILRT and FLI also entered into a service agreement with its affiliate, Parking Pro, Inc., to operate and maintain the FILRT’s and FLI’s parking facilities.

- f.* The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱63.37 million, ₱48.74 million and ₱28.40 million in 2024, 2023 and 2022, respectively. Post-employment benefits of key management personnel amounted to ₱11.70 million, ₱8.26 million and ₱9.88 million in 2024, 2023 and 2022, respectively.

g. Leases with related parties - Group as lessor

Chroma Hospitality, Inc., Filinvest Hospitality Corp., Boracay Seascapes, Inc., FDC, CTI, SPI, and FAI lease its office spaces from FILRT. Pro-Excel and DPI lease its office spaces from FLI. The lease term is 10 years, renewable by another five (5) years upon mutual agreement by the parties. Revenue from rental and related services amounted to ₱303.49 million and ₱271.40 million in 2024 and 2023, respectively (see Note 6). The related outstanding receivables amounting to ₱26.39 million and ₱9.52 million as of December 31, 2024 and 2023, respectively, are presented as part of ‘Receivable from tenants’ under Other receivables line item in the statement of financial position (see Note 9).



h. Leases with related parties - Group as lessee

The Group has several land lease transactions with related parties:

1. Mall lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.

2. Land lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI for a portion of land area occupied by a third party lessee. The lease term will expire on December 31, 2034.

3. FCMI lease with FMI

FCMI, a wholly owned subsidiary of the Parent Company, subleases the Mimosa Leisure Estate from FMI, an associate of the Parent Company. The original lessor is CDC. The lease term is 50 years, renewable by another 25 years upon mutual agreement by parties.

4. PDDC lease with FAI

PDDC, a 60% owned subsidiary of the Parent Company, leases Block 50 Lot 3-B-2, Northgate District from FAI. The lease term is 20 years from the date on which the Chilled Water production plants starts supplying chilled water.

As of December 31, 2024 and 2023, the amount included in lease liabilities payable to related parties amounted to ₱6,260.0 million and ₱5,952.3 million, respectively (see Note 15).

22. General and Administrative Expenses

The account consists of:

	2024	2023	2022
	(In Thousands)		
Salaries, wages and employee benefits	₱973,947	₱787,916	₱638,921
Taxes and licenses	457,298	438,209	334,907
Depreciation and amortization (Notes 13, 14, 15 and 16)	272,172	264,988	388,694
Repairs and maintenance	238,525	401,137	357,447
Outside services	200,485	153,558	191,061
Transportation and travel	85,561	81,650	73,354
Entertainment, amusement and recreation	79,101	82,684	69,518
Electronic data processing charges	72,673	106,848	72,122
Communications, light and water	48,532	54,357	43,084
Insurance	39,779	38,675	45,933
Retirement costs (Note 26)	36,761	33,542	40,532
Office supplies	18,166	16,757	14,447
Rent (Notes 15 and 21)	16,019	10,464	19,837
Others	84,334	113,811	23,205
	₱2,623,353	₱2,584,596	₱2,313,062



“Others” mainly consists of postage and dues and subscription, parking operations, freight charges, provision for ECLs and other miscellaneous expenses.

23. Selling and Marketing Expenses

The account consists of:

	2024	2023	2022
	(In Thousands)		
Brokers' commissions (Note 6)	₱822,537	₱745,289	₱704,281
Selling, advertising and promotions	285,388	263,845	121,010
Service fees	239,895	180,031	192,163
Salaries and wages	144,696	116,533	117,599
Sales office direct costs	61,455	59,496	15,074
Others	4,188	4,941	516
	₱1,558,159	₱1,370,135	₱1,150,643

24. Interest and Other Finance Charges

The following table shows the component of interest income, interest expense and other financing charges recognized in the consolidated statements of income:

	2024	2023	2022
	(In Thousands)		
Interest income on:			
Contracts receivable (Note 8)	₱199,507	₱174,029	₱276,494
Cash and cash equivalents (Notes 7 and 21)	98,695	80,387	71,203
Others (Note 26)	20,886	29,562	19,355
	₱319,088	₱283,978	₱367,052

Interest and other finance charges:			
Loans and bonds payable, net of interest capitalized (Notes 19 and 20)	₱2,886,610	₱1,613,633	₱1,694,005
Lease liabilities, net of interest capitalized (Note 15)	520,667	487,174	425,148
Amortization of transaction costs of loans and bonds (Notes 19 and 20)	190,861	193,341	153,215
Other finance charges (Note 26)	87,609	140,245	21,875
	₱3,685,747	₱2,434,393	₱2,294,243

Other finance charges include bank charges, debt issue costs for short-term loans, and other miscellaneous bank fees.



25. Other Income

The account consists of:

	2024	2023	2022
	(In Thousands)		
Forfeited reservation and collections	₱206,591	₱92,854	₱114,937
Processing fees	166,844	94,748	107,013
Service fees (Note 21)	114,506	155,339	68,484
Management, leasing and other fees (Note 21)	32,945	1,588	6,809
Foreign currency exchange gain (loss)	1,053	(6,909)	10,644
Others	4,981	3,273	3,987
	₱526,920	₱340,893	₱311,874

26. Retirement Costs

The Group has a funded, noncontributory defined benefit retirement plan (the “Plan”) covering substantially all of its officers and regular employees. Under the Plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements.

The retirement plan provides retirement benefits equivalent to 70% to 125% of the final monthly salary for every year of service. The funds are administered by the Group’s Treasurer under the supervision of the Board of Trustees of the Plan and are responsible for investment strategy of the Plan.

The following tables summarize the components of retirement expense recognized in the consolidated statements of income and pension liability recognized in the consolidated statements of financial position for the existing retirement plan.

	2024		
	Present value of defined benefit obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱533,793	₱96,600	₱437,193
Net benefit costs in profit or loss			
Current service cost (Note 22)	36,761	—	36,761
Net interest (Note 24)	24,782	—	24,782
	61,543	—	61,543
Contribution	—	100,000	(100,000)
Balance as at end of year	₱595,336	₱196,600	₱398,736



	2023		
	Present value of defined benefit Obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱452,647	₱21,339	₱431,308
Net benefit costs in profit or loss			
Current service cost (Note 22)	33,542	—	33,542
Net interest (Note 24)	27,152	261	26,891
	60,694	261	60,433
Benefits paid	(7,100)	—	(7,100)
Contribution	—	75,000	(75,000)
Remeasurements loss in other comprehensive income	27,552	—	27,552
Balance as at end of year	₱533,793	₱96,600	₱437,193

The Group's plan assets comprise of cash equivalents with original maturities of three months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2024 and 2023, these placements are with EW (see Note 21). As of December 31, 2024 and 2023, the Group's plan assets are carried at fair value.

In 2022 and 2021, certain employees of FLI were transferred to SPI. The related retirement benefits of these employees were also transferred with a corresponding payable to SPI. As of December 31, 2024 and 2023, the outstanding balance of the transferred retirement benefits amounted to ₱144.11 million (see Note 21).

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The discount rate used in determining pension obligation for the defined benefit plan were 5.10% to 6.20% and 5.10% to 7.30% in 2024 and 2023, respectively. The future salary increases rate used is 6.00% in 2024 and 2023.

The sensitivity analysis that follows has been determined based on reasonably possible changes of the assumption occurring as of the end of the reporting period, assuming if all other assumptions were held constant. Management believes that as of the reporting date, it is only the decline in discount rate that could significantly affect the pension obligation.

Management believes that pension obligation will not be sensitive to the salary rate increases because it is expected to be at the same level throughout the remaining life of the obligation.

The sensitivity analyses below have been determined based on reasonably possible changes of the significant assumption on the DBO as of the end of the financial reporting period, assuming all other assumptions were held constant.

Assumption	Increase (Decrease)	Increase (decrease) on DBO	
		2024	2023
Salary rate	+1%	₱61,234	₱47,610
	-1%	(54,332)	(42,671)
Discount rate	+1%	(53,757)	(41,894)
	-1%	61,668	47,492



Shown below is the maturity analysis of the undiscounted benefit payments of the Group:

	2024	2023
	(In Thousands)	
Less than one year	₱97,060	₱32,253
More than one year and up to five years	177,794	160,957
More than five years and up to 10 years	350,342	307,553

The Group expects to contribute ₱100.0 million to its plan assets in the next 12 months.

The management does not perform a formal Asset-Liability Matching (ALM) Study. The overall investment policy and ALM strategy of the retirement plan is based on the client sustainability assessment, as provided by its trustee bank in compliance with the Bangko Sentral ng Pilipinas requirements.

27. Equity

The details of the Parent Company's common and preferred shares as of December 31, 2024 and 2023 follow:

	2024		2023	
	Common Shares	Preferred Shares	Common Shares	Preferred Shares
	(In Thousands, except par value figures)			
Authorized shares	33,000,000	8,000,000	33,000,000	8,000,000
Par value per share	1.00	0.01	1.00	0.01
Issued and subscribed shares	24,470,708	8,000,000	24,470,708	8,000,000
Treasury shares	2,086,949	—	220,949	—

In 2024 and 2023, there was no issuance of additional common shares.

The movement in the Parent Company's treasury shares follows:

	2024		2023	
	Shares	Amount	Shares	Amount
	(In Thousands)			
<i>Common</i>				
Balance at beginning of year	220,949	₱221,041	220,949	₱221,041
Additions	1,866,000	1,857,043	—	—
Balance at end of year	2,086,949	₱2,078,084	220,949	₱221,041

Preferred Shares

As stated in the Parent Company's Amended Articles of Incorporation, the preferred shares may be issued from time to time in one or more series as the BOD may determine, and authority is expressly granted to the BOD to establish and designate each particular series of preferred shares, to fix the number of shares to be included in each of such series, and to determine the dividend rate and the issue price and other terms and conditions for each such shares. Dividends shall be cumulative from and after the date of issue of the preferred shares. Preferred shares of each and any sub-series shall not be entitled to any participation or share in the retained earnings remaining after dividend payments shall have been made on the preferred shares. To the extent not set forth in the Articles of



Incorporation, the specific terms and restrictions of each series of preferred shares shall be specified in such resolutions as may be adopted by the BOD prior to the issuance of each of such series (the “Enabling Resolutions”), which resolutions shall thereupon be deemed a part of the Amended Articles of Incorporation.

In an Enabling Resolution approved and adopted by the BOD on October 6, 2006, it was clarified that the preferred shares are not convertible to common shares. In another Enabling Resolution approved and adopted by the BOD on January 5, 2007, the Board approved that preferred shares are entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares.

Thus, in a disclosure made by the Parent Company to the relevant government agency and regulatory body on January 18, 2007, it was clarified that the features of the issued and subscribed preferred shares, in addition to the features indicated in the Parent Company’s Amended Articles of Incorporation so long as these features are not inconsistent with the Enabling Resolutions, are as follows: (i) voting, cumulative, and non-redeemable, (ii) par value is one centavo (₱0.01), (iii) entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares, and (iv) not convertible to common shares.

Treasury Shares

On December 20, 2007, the Parent Company’s BOD approved the buy-back of some of the issued shares of stock of the Parent Company over a period of 12 months up to an aggregate amount of ₱1.50 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. There were no additional acquisitions in 2023 and 2022. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company’s interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion (Note 32).

Dividend Declarations

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.22 billion for all common stockholders and ₱0.0005 per share or a total of ₱4.00 million for all preferred stockholders of record as of May 13, 2024 payable on June 5, 2024.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.03600 per share or a total of ₱872.99 million for all common stockholders of record as of May 12, 2023 payable on June 6, 2023.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.00036 per share or a total of ₱2.88 million for all preferred stockholders of record as of May 12, 2023 payable on June 6, 2023.



On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.04700 per share or a total of ₱1.14 billion for all common stockholders of record as of May 11, 2022 payable on June 02, 2022.

On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.0004 per share or a total of ₱3.2 million for all preferred stockholders of record as of May 11, 2022 payable on June 02, 2022.

As of December 31, 2024 and 2023, the Group's total dividends payable amounted to ₱21.41 million.

Retained Earnings

Retained earnings include undistributed earnings amounting to ₱1.31 billion as of December 31, 2024 and 2023, representing accumulated equity in net earnings of subsidiaries, which are not available for dividend declaration until declared as dividends by the subsidiaries.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as of December 31, 2024 and 2023.

Retained earnings is being utilized to cover part of the annual expenditure requirements of the Parent Company for its expansion projects in the real estate and leasing segments. Furthermore, the retained earnings was also restricted for dividend declaration considering special circumstances as approved by the BOD.

On November 6, 2024, FLI's BOD approved appropriation of retained earnings amounting to ₱24.81 billion out of its unrestricted retained earnings as of December 31, 2023. The appropriations will cover the following:

(a) Appropriation for future capital expenditures:

Project	Phase/Building	Location	Segment	Amount (In Thousands)	Estimated Completion Date
Filinvest Innovation Park	Industrial	Laguna	Industrial	₱2,894,000	2029
Celestia	Phase 1	Rizal	Residential	2,042,500	2029
Panglao Oasis	Bldg. 2 - Elena	Taguig City	Residential	800,000	2029
Futura Rise Iloilo	Bldgs. A - E	Iloilo	Residential	223,300	2029
Cebu Ciudad	Hotel	Cebu	Hotel	1,969,300	2030
Cebu Ciudad	Office	Cebu	Office	1,523,600	2030
Belize Oasis	Bella	Quezon City	Residential	821,700	2030
Sydney Oasis	Bldg. A	Cavite	Residential	786,400	2030
Futura Shores	Bldg. A	Dumaguete	Residential	625,000	2030
Futura Monte	Bldg. B	Naga City	Residential	399,300	2030
				₱14,645,400	

(b) Appropriation under special circumstances:

	Project	Amount (In Thousands)
Under the required Reinvestment Plan	Various FLI Projects as to be contained in the Reinvestment Plan	₱1,866,000
Non-Distributable Capital Asset	Cebu SRP Lot, Filinvest Axis Towers 2, 3, and 4, Filinvest EDSA, IT School, Convergys and Filinvest Cebu Tower 2	8,302,300
		₱10,168,300



Capital Management

The Group monitors its capital and cash positions and manages its expenditures and disbursements. Furthermore, the Group may also, from time to time seek other sources of funding, which may include debt or equity issues depending on its financing needs and market conditions.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

No changes were made in capital management objectives, policies or processes for the years ended December 31, 2024, 2023 and 2022.

The Group monitors capital using interest-bearing debt-to-equity ratio, which is the long-term debt (loans payable, bonds payable) divided by total equity. The Group's policy is to keep the debt-to-equity ratio not to exceed 2:1. The following table shows how the Group computes for its interest-bearing debt-to-equity ratio:

	2024	2023
	(In Thousands)	
Loans payable (Note 19)	₱42,032,644	₱36,987,927
Bonds payable (Note 20)	35,856,588	37,468,512
Long-term debt	77,889,232	74,456,439
Total equity	93,335,512	94,271,869
Interest-bearing debt-to-equity ratio	0.83:1.00	0.79 : 1.00

The Group is subject to externally imposed capital requirements due to loan covenants (see Notes 19 and 20).

On August 12, 1993, SEC approved the registration of ₱2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, SEC approved the registration of ₱3.7 billion common shares with issue price of ₱1.60 per share.

Below is the summary of the outstanding number of common shares and holders of security:

Year	Number of Shares Registered (In Thousands)	Number of Holders of Securities
January 1, 2023	24,249,759	5,625
Add/(deduct) movement	—	(19)
December 31, 2023	24,249,759	5,606
Add/(deduct) movement	(1,866,000)	(50)
December 31, 2024	22,383,759	5,556

**Exclusive of 2,086,949 and 220,949 treasury shares as of December 31, 2024 and 2023, respectively.*



28. Earnings Per Share

	2024	2023	2022
	(In Thousands, Except EPS Figures)		
a. Net income attributable to the equity holder of the parent*	₱4,164,482	₱3,762,508	₱2,886,525
b. Weighted average number of outstanding common shares (after considering treasury shares)	24,094,259	24,249,759	24,249,759
Basic/Diluted EPS (a/b)	₱0.17	₱0.16	₱0.12

*After deducting the dividends for preferred shareholders (see Note 27) - 2024: ₱4.00 million, 2023: ₱2.90 million, 2022: ₱3.20 million.

There were no potential dilutive shares in 2024, 2023 and 2022.

29. Income Tax

Provision for income tax consists of:

	2024	2023	2022
	(In Thousands)		
Current	₱72,663	₱578,496	₱442,539
Deferred	931,972	66,843	284,540
	₱1,004,635	₱645,339	₱727,079

The components of the Group's deferred income tax assets follow:

	2024	2023
	(In Thousands)	
Advance rentals	₱49,359	₱1,089
Accrued retirement benefits	45,032	45,753
NOLCO	1,641	1,641
	₱96,032	₱48,483

The components of the Group's net deferred income tax liabilities follow:

	2024	2023
	(In Thousands)	
Deferred income tax liabilities on:		
Capitalized borrowing costs (Note 2)	₱3,120,527	₱4,525,162
Excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules	2,739,695	1,893,872
Right-of-use-assets	933,007	1,056,544
	6,793,229	7,475,578

(Forward)



	2024	2023
	(In Thousands)	
Deferred income tax assets on:		
Lease liabilities	(P1,094,074)	(P1,171,652)
NOLCO	(523,985)	(323,611)
MCIT	(152,573)	(149,457)
Accrued retirement benefits charged to profit or loss	(114,863)	(127,345)
Remeasurement losses on retirement plan	(25,287)	(25,287)
Advance rentals	(23,923)	(12,666)
Allowance for expected credit losses	(10,243)	(10,243)
Others	(31,277)	(6,164)
	(1,976,225)	(1,826,425)
	P4,817,004	P5,649,153

Provision for deferred income tax charged directly to other comprehensive income in 2023 and 2022 relating to remeasurement gain (loss) on defined benefit obligation amounted to (P6.89 million) and P5.48 million, respectively (nil in 2024).

The Group did not recognize deferred income tax assets on NOLCO of certain subsidiaries amounting to P877.15 million and P679.70 million as of December 31, 2024 and 2023, respectively, since management believes that their carryforward benefits may not be realized before they expire.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of the Bayanihan 2 Act which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. NOLCO incurred before taxable year 2020 can be claimed as deduction from the regular taxable income for the next three (3) years immediately following the year of such loss.

As of December 31, 2024, the MCIT recognized amounting to P152.57 million can be claimed as deduction from income tax due until December 31, 2027.

The carryforward benefits of the NOLCO, which can be claimed by the Group as credits against the RCIT, are as follows (amounts in thousands):

Year Incurred	Amount	Expiry Date
2024	P1,021,900	December 31, 2027
2023	451,559	December 31, 2026
2022	209,018	December 31, 2025
2021	301,509	December 31, 2026
2020	989,104	December 31, 2025
	P2,973,090	

The following are the movements in NOLCO:

	2024	2023
	(In Thousands)	
Balance as at beginning of year	P1,978,515	P1,614,042
Addition	1,021,900	451,559
Applied/expired	(27,325)	(87,086)
Balance as at end of year	P2,973,090	P1,978,515



The reconciliation of the provision for income tax at statutory tax rate to the actual provision for income tax follows:

	2024	2023	2022
	(In Thousands)		
Income tax at statutory tax rate	₱1,410,093	₱1,235,346	₱1,062,054
Adjustments for:			
Nondeductible interest expense	7,219	5,024	5,777
Deductible expense - Optional Standard Deduction	(228,851)	(168,833)	(38,537)
Equity in net earnings of associates	(89,579)	(60,502)	(19,739)
Income covered by PEZA (Note 34)	(44,674)	(287,678)	(136,828)
Income subjected to final tax	(19,739)	(16,054)	(16,082)
Interest on HGC-enrolled contracts receivables	(19,274)	(8,986)	(673)
Change in unrecognized deferred tax	(2,679)	21,771	(66,342)
Tax-exempt net income on socialized housing units	—	9,344	(10,761)
Income tax holiday incentive on sales of BOI-registered projects (Note 34)	—	(84,093)	(51,663)
Others - net	(7,881)	—	(127)
	₱1,004,635	₱645,339	₱727,079

30. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Group's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

	2024				
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets at FVOCI (Note 17)					
Quoted	₱6,458	₱6,458	₱6,458	₱—	₱—
Unquoted	9,077	9,077	—	—	9,077
	₱15,535	₱15,535	₱6,458	₱—	₱9,077



2024					
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses (Note 18)					
Accounts payable	₱9,949,858	₱9,250,532	₱—	₱—	₱9,250,532
Retention fees payable	3,153,659	2,983,339	—	—	2,983,339
Deposits for registration	1,971,433	1,836,831	—	—	1,836,831
	15,074,950	14,070,702	—	—	14,070,702
Lease liabilities (Note 15)	6,930,338	9,826,141	—	—	9,826,141
Loans payable (Note 19)	42,032,644	40,328,382	—	—	40,328,382
Bonds payable (Note 20)	35,856,588	34,125,491	—	—	34,125,491
	₱99,894,520	₱98,350,716	₱—	₱—	₱98,350,716
2023					
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets at FVOCI (Note 17)					
Quoted	₱6,458	₱6,458	₱6,458	₱—	₱—
Unquoted	9,077	9,077	—	—	9,077
	₱15,535	₱15,535	₱6,458	₱—	₱9,077
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses (Note 18)					
Accounts payable	₱10,597,322	₱9,942,407	₱—	₱—	₱9,942,407
Retention fees payable	2,581,979	2,422,413	—	—	2,422,413
Deposits for registration	1,791,324	1,680,620	—	—	1,680,620
	14,970,625	14,045,440	—	—	14,045,440
Lease liabilities (Note 15)	6,719,861	9,527,716	—	—	9,527,716
Loans payable (Note 19)	36,987,927	37,173,908	—	—	37,173,908
Bonds payable (Note 20)	37,468,512	35,426,365	—	—	35,426,365
	₱96,146,925	₱96,173,429	₱—	₱—	₱96,173,429

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other current assets:* Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.
- *Contract receivables:* Estimated fair value of contract receivables is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rates used was 11.5% - 19.0% in 2024 and 2023.

Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.

- *Financial assets at FVOCI:* Fair values were determined using quoted market prices at reporting date. Fair value of unquoted equity securities are based on the latest selling price available.



- *Accounts payable and accrued expenses:* On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rate used was 6.83% and 6.18% in 2024 and 2023, respectively.
- *Long-term debt (lease liabilities, loans payable and bonds payable):* Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date.

Long term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used range from 4.18% to 6.98% and 4.46% to 7.20% as of December 31, 2024 and 2023, respectively.

During the years ended December 31, 2024, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

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

The Group's finance and treasury functions operate as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Group. The Group's BOD reviews and approves the policies for managing each of these risks. The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Group's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. In order to cover its financing requirements, the Group uses both internally generated funds and available long-term and short-term credit facilities.



As of December 31, 2024 and 2023, the Group has undrawn short-term credit lines amounting ₱28.17 billion and ₱25.78 billion, respectively, and undrawn long-term credit facilities amounting ₱35.34 billion and ₱31.18 billion, respectively.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2024 and 2023 based on contractual undiscounted payments.

2024							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial liabilities at amortized cost							
Accounts payable and accrued expenses							
Accounts payable	₱1,805,567	₱678,331	₱371,211	₱3,529,903	₱3,564,846	₱–	₱9,949,858
Retention fees payable	1,022,650	1,022,064	219,841	12,243	558,867	317,994	3,153,659
Deposits for registration	–	581	239,145	878,104	345,867	507,736	1,971,433
Accrued expenses	1,964,763	–	–	–	–	–	1,964,763
Accrued interest on bonds and loans	535,049	–	–	–	–	–	535,049
	5,328,029	1,700,976	830,197	4,420,250	4,469,580	825,730	17,574,762
Other payables	1,111,510	–	–	114,097	–	–	1,225,607
Due to related parties	244,141	–	–	–	–	–	244,141
Loans payable	–	2,292,934	6,878,801	16,115,255	15,444,491	12,397,500	53,128,981
Bonds payable	–	4,190,002	12,570,006	23,156,497	–	–	39,916,505
Lease liabilities	–	119,584	358,753	1,017,251	540,138	27,210,871	29,246,597
	₱6,683,680	₱8,303,496	₱20,637,757	₱44,823,350	₱20,454,209	₱40,434,101	₱141,336,593

2023							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial liabilities at amortized cost							
Accounts payable and accrued expenses							
Accounts payable	₱3,528,570	₱1,325,645	₱725,449	₱2,496,472	₱2,521,186	₱–	₱10,597,322
Retention fees payable	940,410	939,871	202,161	6,879	313,996	178,662	2,581,979
Deposits for registration	–	528	217,297	797,881	314,269	461,349	1,791,324
Accrued expenses	1,712,947	–	–	–	–	–	1,712,947
Accrued interest on bonds and loans	674,345	–	–	–	–	–	674,345
	6,856,272	2,266,044	1,144,907	3,301,232	3,149,451	640,011	17,357,917
Other payables	–	–	–	202,281	–	–	202,281
Due to related parties	488,486	–	–	–	–	–	488,486
Loans payable	–	4,615,811	13,847,432	18,976,679	2,282,655	–	39,722,577
Bonds payable	–	977,953	2,933,860	18,524,610	20,094,336	–	42,530,759
Lease liabilities	–	114,146	342,436	975,296	520,292	27,756,008	29,708,178
	₱7,344,758	₱7,973,954	₱18,268,635	₱41,980,098	₱26,046,734	₱28,396,019	₱130,010,198

The tables below summarize the maturity profile of the Group's financial assets and contract assets held to manage liquidity as of December 31:

2024							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial assets at amortized cost							
Cash and cash equivalents							
Cash on hand and in banks	₱3,011,408	₱–	₱–	₱–	₱–	₱–	₱3,011,408
Cash equivalents	–	972,783	–	–	–	–	972,783

(Forward)



	2024						Total
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	
(In Thousands)							
Contracts receivable							
Contracts receivable	₱1,932,985	₱–	₱–	₱–	₱–	₱–	₱1,932,985
Receivables from government and financial institutions	245,297	–	–	–	–	–	245,297
Other receivables							
Receivable from tenants - net	2,302,942	–	–	–	–	–	2,302,942
Due from related parties	434,428	–	–	–	–	–	434,428
Investment in bonds	–	–	–	–	150,000	–	150,000
Receivable from homeowners' associations - net	174,596	–	–	–	–	–	174,596
Others	292,037						292,037
Short-term deposits	–	–	179,750	–	–	–	179,750
	8,393,693	972,783	179,750	–	150,000	–	9,696,226
Financial assets at FVOCI							
Investments in shares of stocks:							
Quoted	–	–	–	6,458	–	–	6,458
Unquoted	–	–	–	9,077	–	–	9,077
	–	–	–	15,535	–	–	15,535
Total financial assets	8,393,693	972,783	179,750	15,535	150,000	–	9,711,761
Contract assets	–	1,446,495	4,339,484	1,846,887	463,962	342,265	8,439,093
	₱8,393,693	₱2,419,278	₱4,519,234	₱1,862,422	₱613,962	₱342,265	₱18,150,854
	2023						Total
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	
(In Thousands)							
Financial assets at amortized cost							
Cash and cash equivalents							
Cash on hand and in banks	₱4,604,987	₱–	₱–	₱–	₱–	₱–	₱4,604,987
Cash equivalents	–	1,127,021	–	–	–	–	1,127,021
Contracts receivable							
Contracts receivable	1,582,486	–	–	–	–	–	1,582,486
Receivables from government and financial institutions	255,343	–	–	–	–	–	255,343
Other receivables							
Receivable from tenants - net	2,038,850	–	–	–	–	–	2,038,850
Due from related parties	695,344	–	–	–	–	–	695,344
Investment in bonds	–	–	–	–	150,000	–	150,000
Receivable from homeowners' associations - net	227,671	–	–	–	–	–	227,671
Others	139,383	–	–	–	–	–	139,383
Short-term deposits	–	–	96,332	–	–	–	96,332
	9,544,064	1,127,021	96,332	–	150,000	–	10,917,417
Financial assets at FVOCI							
Investments in shares of stocks:							
Quoted	–	6,458	–	–	–	–	6,458
Unquoted	–	9,077	–	–	–	–	9,077
	–	15,535	–	–	–	–	15,535
Total financial assets	9,544,065	1,142,556	367,514	–	150,000	–	11,204,135
Contract assets	–	1,186,457	3,559,370	991,671	440,571	3,605,700	9,783,769
	₱9,544,065	₱2,329,013	₱3,926,884	₱991,671	₱590,571	₱3,605,700	₱20,987,904



Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

It is the Group's policy that buyers who wish to avail the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 8, the Group has a mortgage insurance contract with Home Guaranty Corporation for a retail guaranty line.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Group, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossess of the real estate projects is higher than the exposure at default. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based groupings of various customer segments with similar loss patterns (i.e., by market segment and collateral type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contract receivables and contract assets using a provision matrix:

	2024					
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
				(In Thousands)		
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	₱10,617,375	₱998,096	₱927,492	₱3,333,568	₱4,364,922	₱993,297
	2023					
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
				(In Thousands)		
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	₱11,621,598	₱520,811	₱1,695,400	₱3,894,430	₱4,520,571	₱990,386

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.



Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

The following tables show the credit quality by class of asset as of December 31, 2024 and 2023. The Group's high-grade receivables pertain to receivables from related parties and third parties which, based on experience, are highly collectible or collectible on demand, and of which exposure to bad debt is not significant.

Receivables assessed to be of standard grade are those which had passed a certain set of credit criteria, and of which the Group has not noted any extraordinary exposure which calls for a substandard grade classification.

As at December 31, 2024 and 2023, the analysis of contracts receivable that were past due is as follows:

	Past due					Total
	Less than 30 days	30 to 60 days	61 days to 90 days	91 days to 120 days	Over 120 days	
	(In Thousands)					
2024	₱1,096,522	₱277,554	₱211,176	₱99,212	₱248,521	₱1,932,985
2023	384,811	171,577	250,029	106,180	669,889	1,582,486

No individually impaired and expected credit loss have been recognized for contracts receivables.

There is no concentration risk on the Group's financial assets as of December 31, 2024 and 2023.

Interest Rate Risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's loans from various financial institutions. To manage interest rate risk, the Group renegotiates the interest rates for certain long term debts to convert them from fixed-rate debt to floating-rate debt as the Group believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Group's other comprehensive income other than those already affecting the profit and loss.

	Increase (decrease) in basis points	Effect on income before income tax (In Thousands)
2024	+200	₱200,968
	-200	(200,968)
2023	+200	173,361
	-200	(173,361)

The assumed change in rate is based on the currently observable market environment. Effect on the Group's income before tax is computed on the carrying amount of the Group's floating rate loans payable as of December 31, 2024 and 2023.



The following tables set out the carrying amount, by maturity, of the Group's loans payable that are exposed to interest rate risk (amounts in thousands):

Variable interest rate	91-day Treasury bill plus 1% to 2% margin					Total
	Below 1 Year	1-2 Years	>2 years but <3 years	3 years to 4 years	Over 4 years	
As of December 31, 2024	₱200,000	₱-	₱1,160,000	₱50,100	₱8,875,000	₱10,285,100
As of December 31, 2023	4,731,667	3,000,000	–	1,160,000	50,100	8,941,767

32. Subsidiary with Material Noncontrolling Interest

The noncontrolling interest of FLI in its partially-owned subsidiaries as of December 31 follows:

	2024	2023
FILRT	48.9%	36.7%
FBCI	45.0%	45.0%
FAC	40.0%	40.0%
FSM Cinemas	40.0%	40.0%
PDDC	40.0%	40.0%
NSI	25.0%	25.0%
TSNC	2.0%	2.0%

The increase in the noncontrolling interest in FILRT in 2024 is mainly due to the Parent Company's voluntary tender offer where the Parent Company offered 0.32 FILRT shares for every 1.00 FLI shares (see Note 27).

Total dividends declared and paid to noncontrolling interest follows:

	Total Dividends Declared	Share of Noncontrolling Interest
	(In Thousands)	
FILRT		
2024	₱1,237,873	₱454,671
2023	1,389,549	510,381
2022	1,976,682	726,035
FAC		
2024	₱350,000	₱140,000
2023	375,000	150,000
2022	60,000	24,000
PDDC		
2024	₱100,000	₱40,000

The summarized financial information of FILRT as of and for the year December 31, 2024 and 2023 is provided below. This information is based on amounts consolidated to the Group under the same accounting policy (i.e., cost accounting for investment properties and intangible assets) before intercompany eliminations.



Summarized Statement of Financial Position:

	2024	2023
	(In Thousands)	
Current assets	₱1,660,729	₱2,345,208
Noncurrent assets	10,886,899	11,111,540
Total assets	12,547,628	13,456,748
Current liabilities	1,568,972	1,836,368
Noncurrent liabilities	6,514,655	6,772,555
Total liabilities	8,083,627	8,608,923
Equity	₱4,464,001	₱4,847,825

Statement of Comprehensive Income

	2024	2023
	(In Thousands)	
Revenues	₱2,843,627	₱3,040,837
Cost and other expenses	1,605,208	1,693,406
Other charges	384,371	422,253
Income before income tax	854,048	925,178
Net income for the year	854,048	925,178
Net income attributable to noncontrolling interest	₱319,195	₱339,818

Statement of Cash Flows

	2024	2023
	(In Thousands)	
Cash flows from (used in)		
Operating activities	₱1,145,565	₱1,236,828
Investing activities	(112,913)	185,992
Financing activities	(1,689,835)	(1,823,736)
Net increase in cash and cash equivalents	(₱657,184)	(₱400,916)

The entire proceeds from FILRT's listing and any subsequent sale thereafter, shall be used in accordance with its reinvestment plan. As a REIT entity, FILRT is subject to externally imposed capital requirements from its debt covenants and based on the requirements of the Aggregate Leverage Limit under the REIT Implementing Rules and Regulations. Per Section 8 of the REIT Implementing Rules and Regulations issued by the SEC, the total borrowings and deferred payments of a REIT should not exceed thirty-five percent (35%) of its Deposited Property; provided, however, that the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its Deposited Property. Provided, further, that in no case shall a Fund Manager, borrow for the REIT from any of the funds under its management.



33. Contingencies and Commitments

Contingencies

The Group is involved in various legal actions, claims, assessments and other contingencies incidental to its ordinary course of business. Management believes that any amount the Group may have to pay in connection with any of these matters would not have a material adverse effect on the consolidated financial position or operating results. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed as they may prejudice the outcome of the ongoing proceedings.

BTO Agreement with Cebu Province

In connection with the BTO Agreement with the Cebu Province, the Group is committed to develop and construct a BPO Complex on the properties owned by Cebu Province located at Salinas, Lahug, Cebu City and transfer the ownership of the BPO Complex to the Cebu Province upon completion in exchange for the right to operate and manage the BPO Complex for the entire term of the agreement and its renewal (see Note 16).

Capital Commitments and Obligations

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱6.30 billion and ₱6.39 billion as of December 31, 2024 and 2023, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

Assignment of Development Rights under a BTO Agreement

On June 26, 2015, the Parent Company and a third party entered into an agreement whereby the latter agreed to assign its project development rights and benefits under its BTO Agreement with Cebu Province to the Parent Company. In consideration of this assignment, the Parent Company paid upfront fee amounting to ₱50.0 million and ₱150.0 million in 2016 and 2015, respectively. On January 30, 2024, the Parent Company and the Province of Cebu entered into an Amendment Agreement to the BTO Agreement, recognizing the full assignment not only of the rights and benefits but also the obligations under the BTO Agreement in favor of the Parent Company as the successor proponent to the contemplated project development. As of December 31, 2024, project construction has not started due to pending approval from Cebu Province on the cleared site. Thus, the upfront fee is recorded as part of 'Other noncurrent assets' in the consolidated statement of financial position (see Note 17).

Development Agreement with Bases Conversion Development Authority (BCDA)

In 2015, the Parent Company won the contract to develop a 288-hectare area in Clark Green City in Tarlac and paid 10% of the bid premium as bid security amounted to ₱16.0 million. On January 8, 2016, the Joint Venture Agreement with BCDA was signed and pursuant to the terms of the development of the project, the Parent Company paid the ₱160.0 million bid premium representing the right to own 55% of the equity on the joint venture company to be formed with BCDA.

On February 11, 2016, the Parent Company incorporated FCGC Corporation, the entity that will handle the development of the New Clark City (NCC) Project, formerly Clark Green City Project. The bid premium is presented as part of investment properties in the consolidated financial statements (see Note 13). On March 16, 2016, FCGC and BCDA incorporated Filinvest BCDA Clark Inc. (FBCI).



FCGC subscribed 282,880,000 shares at par value amounting to ₱282,880,000. On the other hand, BCDA subscribed 231,000,000 shares amounting ₱231,000,000 and paid its subscription thru the assignment of a 50-year Development and Usufructuary Rights (DUR) over the parcel of land where the NCC project will be developed. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA.

34. Registration with PEZA

On February 13, 2002, the Parent Company, FAC and FILRT were registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of RA No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (Ecozone). The same shall be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone in lieu of the regular income tax rate.

On June 11, 2001, FAC was registered with PEZA as the developer/operator of PBCom Tower not entitled to any incentives. However, IT enterprises which shall locate in PBCom Tower shall be entitled to tax incentives pursuant to RA No. 7916.

On June 6, 2000, FILRT was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, it is also entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On December 15, 2015, PDDC was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, PDDC is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On July 3, 2019, FBCI was registered with PEZA as an ECOZONE developer/operator enterprise of New Clark City Phase I. As a registered enterprise, FBCI is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

The Group is also entitled to zero percent (0%) value-added tax for sales made to ECOZONE enterprises.

35. Notes to Statements of Cash Flows

The Group's noncash activities are as follows:

- a) Land and land developments previously presented under real estate inventories were reclassified to investment properties amounting to ₱1,589.80 million in 2024 (nil in 2023; see Notes 10 and 13).
- b) Investment properties were reclassified to real estate inventories amounting to ₱42.95 million in 2024 (nil in 2023).
- c) Investment properties and property and equipment which remain unpaid amounted to ₱3,082.14 million and ₱93.01 million as of December 31, 2024, respectively; and ₱2,943.85 million and ₱375.57 million as of December 31, 2023, respectively (see Notes 13 and 14).



- d) The Group has remaining unpaid cash dividend amounting to ₱21.41 million out of the dividends declared as of December 31, 2024 and 2023 (see Note 27).
- e) Total accretion of interest on loans and bonds payable amounted to ₱102.79 million and ₱88.08 million, respectively, in 2024; and ₱133.67 million and ₱59.67 million, respectively, in 2023 (see Notes 19 and 20).
- f) In 2024, the Group paid the outstanding balance amounting ₱346.41 million, pertaining to the acquisition of parcels of land (see Note 21). This was reported under "Due to related parties" line item in the statement of financial position as of December 31, 2023.

Changes in liabilities arising from financing activities for the years ended December 31 follows:

2024				
	January 1, 2024	Cash flows	Noncash movement	December 31, 2024
	(In Thousands)			
Loans payable	₱36,987,927	₱5,184,288	(₱139,571)	₱42,032,644
Bonds payable	37,468,512	(1,699,995)	88,071	35,856,588
Accrued interest	674,345	(5,300,228)	5,160,932	535,049
Dividends payable	21,413	(1,851,159)	1,851,159	21,413
Lease liabilities	6,719,861	(408,907)	619,384	6,930,338
Due to related parties	488,486	102,069	(346,414)	244,141
	₱82,360,544	(₱3,973,932)	₱7,233,561	₱85,620,173

2023				
	January 1, 2023	Cash flows	Noncash Movement	December 31, 2023
	(In Thousands)			
Loans payable	₱32,849,484	₱4,131,388	₱7,055	₱36,987,927
Bonds payable	41,132,786	(3,604,600)	(59,674)	37,468,512
Accrued interest	830,908	(4,118,521)	3,961,958	674,345
Dividends payable	21,413	(1,536,252)	1,536,252	21,413
Lease liabilities	6,508,490	(372,444)	583,815	6,719,861
Due to related parties	754,264	(265,778)	—	488,486
	₱82,097,345	(₱5,766,207)	₱6,029,406	₱82,360,544

2022				
	January 1, 2022	Cash flows	Noncash movement	December 31, 2022
	(In Thousands)			
Loans payable	₱32,182,744	₱654,465	₱12,275	₱32,849,484
Bonds payable	36,288,922	4,900,000	(56,136)	41,132,786
Accrued interest	704,994	(3,851,408)	3,977,322	830,908
Dividends payable	19,000	(1,890,560)	1,892,973	21,413
Lease liabilities	6,348,017	(360,103)	520,576	6,508,490
Due to related parties	204,318	549,946	—	754,264
	₱75,747,995	₱2,340	₱6,347,010	₱82,097,345

‘Noncash movement’ column includes amortization of debt issuance costs and interest expense for loans payable and bonds payable, dividend declaration and share in the net income of noncontrolling interest.



36. Subsequent Events

Property-for-Share Swap Transaction with FILRT

On January 24, 2025, FLI's BOD approved the sale of its real property to FILRT under a tax-free property-for-share swap transaction. FLI will transfer its ownership over Festival Mall-Main Mall in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, with a total value of ₱6.26 billion. The said transaction will allow FLI to increase its equity in FILRT from 51.06% to 63.27%. Upon the Securities and Exchange Commission's approval of the Transaction, FLI and FILRT shall execute a lease agreement for the Property.

Issuance of Certificate of Permit to Offer Securities

On February 18, 2025, FLI received from SEC the Certificate of Permit to Offer Securities for ₱9.0 billion with an over-subscription option of up to ₱3.0 billion worth of peso denominated fixed rate bonds for a maximum aggregate total of ₱12.0, consisting of 5-year bonds due 2030 with interest rate of 6.2916%, 7-year bonds due 2032 with interest rate of 6.6550%, and 10-year bonds due 2035 with interest rate of 6.8312% per annum . This latest bond issuance will be the second tranche out of its ₱35.0 bonds registered in 2023 under the shelf-registered program of the SEC.

Acquisition of Fora Services, Inc. (FOSI)

On September 16, 2024, FLI's Executive Committee, in the exercise of its delegated authority, approved the acquisition of 100% of the outstanding shares in FOSI from Filinvest Hospitality Corporation (FHC), a related party, for an aggregate purchase price of ₱399,800. As of February 26, 2025, the said transaction is yet to be finalized.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

FILINVEST LAND, INC.**SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION****DECEMBER 31, 2024**

(Amounts in Thousands of Pesos)

Unappropriated Retained Earnings, beginning of reporting period		₱51,893,299
Add: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of retained earnings appropriation	5,000,000	
Effect of restatements	—	
Others	—	5,000,000
Less: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	1,216,488	
Retained earnings appropriated during the reporting period	24,813,773	
Effect of restatements	3,720,934	
Others	221,041	(29,972,236)
Unappropriated Retained Earnings, as adjusted		26,921,063
Add/Less: Net income (loss) for the current year		5,416,725
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and equivalents	—	
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of investment property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	—	
Sub-total		—
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—	
Sub-total		—

(Forward)

Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	₱—	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	—	
Sub-total		—

Adjusted Net Income/Loss		5,416,725

Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)	—	
Sub-total		—

Add/Less: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others	—	
Sub-total		—

Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)	(1,857,043)	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(393,226)	
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	(69,001)	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others	—	
Sub-total	(2,319,270)	(2,319,270)

Total Retained Earnings, end of reporting period available for dividend		₱30,018,518

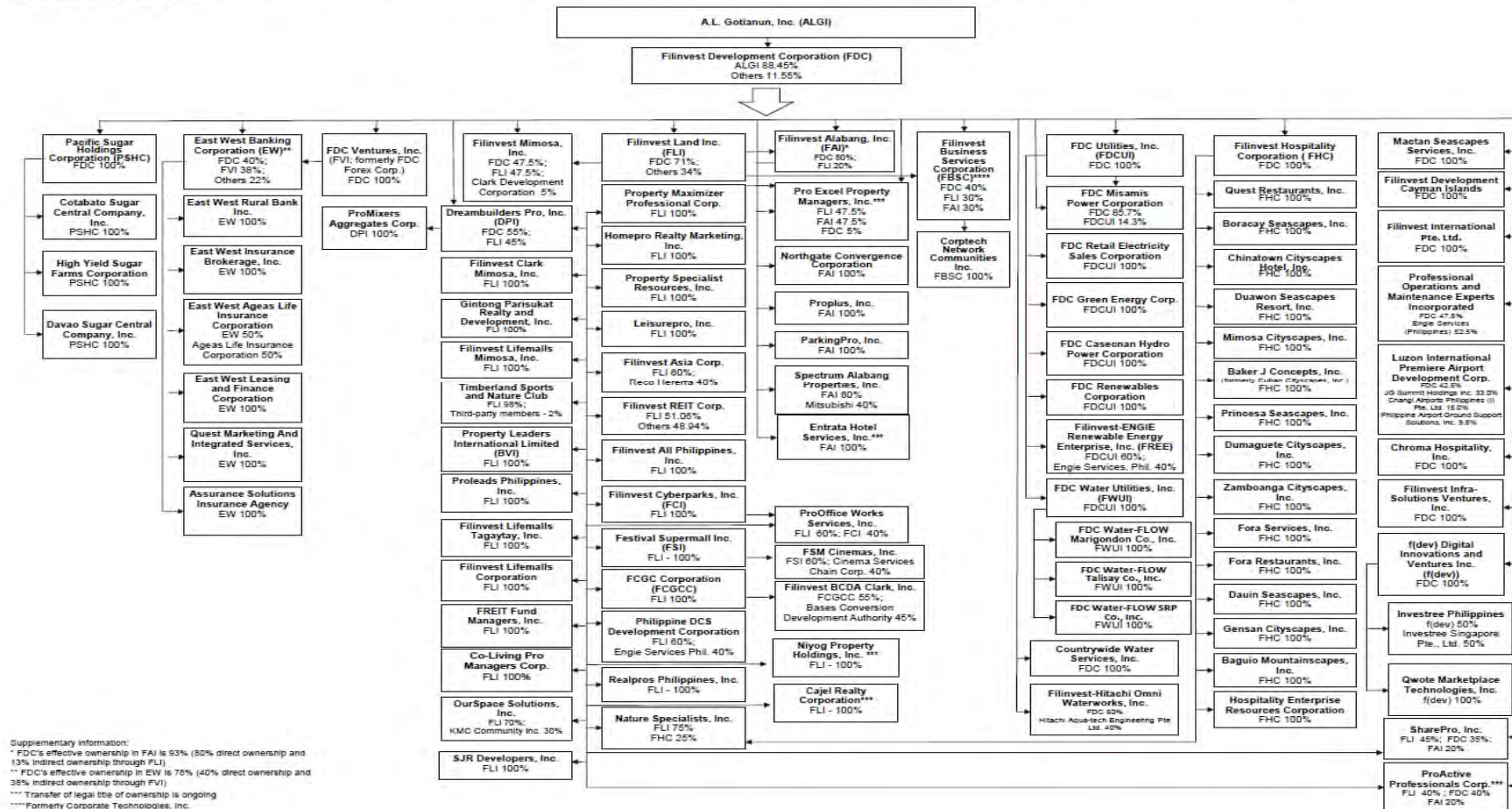


FILINVEST LAND, INC. AND SUBSIDIARIES

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES DECEMBER 31, 2024

A.L. GOTIANUN, INC.

MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES
(As of December 31, 2024)



SCHEDULE A

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

DECEMBER 31, 2024

Below is the detailed schedule of the Group's financial assets in equity securities as of December 31, 2024:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
(In Thousands Except Number of Shares)				
Financial assets at FVOCI				
Quoted:				
Philippine Long Distance Telephone Company	26,100	₱261	₱261	₱—
Manila Electric Company (MERALCO)	1,153,694	6,197	6,197	—
		6,458	6,458	—
Unquoted:				
The Palms Country Club, Inc.	1,000	3,060	3,060	—
Cebu Country Club	1	6,017	6,017	—
		9,077	9,077	—
		₱15,535	₱15,535	₱—

The Group's investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

SCHEDULE B

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) DECEMBER 31, 2024

As of December 31, 2024, there were no advances to employees of the Group with balances above ₱1.0 million.

All amounts receivable from related parties pertained to items arising in the ordinary course of business.

SCHEDULE C

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS DECEMBER 31, 2024

Below is the schedule of receivables with related parties which are eliminated in the consolidated financial statements as of December 31, 2024 (amounts in thousands):

		Volume of Transactions	Receivable
Filinvest Clark Mimosa, Inc. (FCMI)	Share in expenses	₱858,328	₱3,933,009
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	919,626	2,962,975
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Share in expenses	1,014,947	1,646,657
Homepro Realty Marketing, Inc. (Homepro)	Share in expenses	14,694	729,590
Filinvest REIT Corp. (FILRT)	Share in expenses	48,070	141,950
Filinvest REIT Corp. (FILRT)	Rent income	18,725	–
Property Maximizer Professional Corp. (Promax)	Share in expenses	(28,526)	123,032
Property Maximizer Professional Corp. (Promax)	Marketing fee expenses	1,503	–
Nature Specialists, Inc. (NSI)	Share in expenses	20,574	110,003
Filinvest BCDA Clark, Inc. (FBCI)	Share in expenses	500	94,902
SJR Developers, Inc. (SDI)	Share in expenses	1,164	45,423
FCGC Corporation (FCGCC)	Share in expenses	(16,811)	32,428
Gintong Parisukat Realty and Development Inc. (GPRDI)	Share in expenses	2,322	29,940
Proleads Philippines, Inc. (PPI)	Share in expenses	337	28,205
Timberland Sports and Nature Club, Inc. (TSNC)	Share in expenses	278	19,911
Filinvest AII Philippines, Inc. (FAPI)	Share in expenses	7,820	16,543
Realpros Philippines, Inc. (RPI)	Share in expenses	163	15,415
Co-Living Pro Managers Corp. (CPMC)	Share in expenses	877	12,204
Property Specialist Resources, Inc. (Prosper)	Share in expenses	305	8,307
Leisurepro, Inc. (Leisurepro)	Share in expenses	200	6,832
Niyog Property Holdings, Inc. (NPHI)	Share in expenses	2,527	5,693
Filinvest Lifemalls Corporation (FLC)	Share in expenses	2,306	2,394
OurSpace Solutions, Inc. (OSI)	Share in expenses	400	855
FREIT Fund Managers, Inc. (FFMI)	Share in expenses	630	853
Cajel Realty Corporation (CRC)	Share in expenses	255	704
Filinvest Asia Corporation (FAC)	Share in expenses	340	340
ProOffice Works Services, Inc. (ProOffice)	Share in expenses	224	319
Property Leaders International Limited (PLIL)	Share in expenses	178	289
Philippine DCS Development Corporation (PDDC)	Share in expenses	86	227
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Share in expenses	2	214
FSM Cinemas, Inc. (FSM Cinemas)	Share in expenses	125	140
Festival Supermall, Inc. (FSI)	Share in expenses	(376)	–
		₱2,871,793	₱9,969,354

The table below shows the movement of the receivables from related parties:

	Balance Beginning of Year	Additions	Collections	Balance at End of Year
Filinvest Clark Mimosa, Inc. (FCMI)	₱3,074,681	₱858,328	₱–	₱3,933,009
Filinvest Cyberparks, Inc. (FCI)	2,043,349	924,450	(4,824)	2,962,975
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	631,710	1,014,949	(2)	1,646,657
Homepro Realty Marketing, Inc. (Homepro)	714,896	14,694	–	729,590
Filinvest REIT Corp (FILRT)	75,155	68,922	(2,127)	141,950
Property Maximizer Professional Corp. (Promax)	150,055	(25,535)	(1,488)	123,032
Nature Specialists, Inc. (NSI)	89,429	20,574	–	110,003
Filinvest BCDA Clark, Inc. (FBCI)	94,402	1,788	(1,288)	94,902
SJR Developers, Inc. (SDI)	44,259	1,164	–	45,423
FCGC Corporation (FCGCC)	49,239	(16,811)	–	32,428
Gintong Parisukat Realty and Development Inc. (GPRDI)	27,618	2,322	–	29,940
Proleads Philippines, Inc. (PPI)	27,868	337	–	28,205
Timberland Sports and Nature Club, Inc. (TSNC)	19,633	278	–	19,911
Filinvest AII Philippines, Inc. (FAPI)	8,723	7,820	–	16,543
Realpros Philippines, Inc. (RPI)	15,252	163	–	15,415
Co-Living Pro Managers Corp. (CPMC)	11,327	877	–	12,204
Property Specialist Resources, Inc. (Prosper)	8,002	532	(227)	8,307
Leisurepro, Inc. (Leisurepro)	6,632	200	–	6,832
Niyog Property Holdings, Inc. (NPHI)	3,166	2,527	–	5,693
Filinvest Lifemalls Corporation (FLC)	88	2,306	–	2,394
OurSpace Solutions, Inc. (OSI)	455	400	–	855
FREIT Fund Managers, Inc. (FFMI)	223	630	–	853
Cajel Realty Corporation (CRC)	449	255	–	704
Filinvest Asia Corporation (FAC)	–	342	(2)	340
ProOffice Works Services, Inc. (ProOffice)	95	224	–	319
Property Leaders International Limited (PLIL)	111	178	–	289
Philippine DCS Development Corporation (PDDC)	141	99	(13)	227
Filinvest Lifemalls Mimosa, Inc. (FLMI)	212	2	–	214
FSM Cinemas, Inc. (FSM Cinemas)	15	125	–	140
Festival Supermall, Inc. (FSI)	376	–	(376)	–
	₱7,097,561	₱2,882,140	(₱10,347)	₱9,969,354

The intercompany transactions between FLI and the subsidiaries pertain to share in common expenses, rental charges, marketing fee and management fee. There were no amounts written off during the year and all amounts are expected to be settled within the year.

SCHEDULE D

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

DECEMBER 31, 2024

Below is the schedule of long-term debt of the Group:

Title of Issue & Type of Obligation	Amount Authorized by Indenture/Facility Agreement	Current Portion of Long-term Debt (In Thousands)	Long-term Debt (net of Current Portion) (In Thousands)	Interest Rate	No. of Periodic Installment	Maturity Date
Filinvest Land Inc.						
Bonds						
Philippine Peso	₱8,925,000	₱8,860,822	₱—	5.3500%	N/A, Bullet	June 23, 2025
Philippine Peso	1,000,000	994,802	—	5.7100%	N/A, Bullet	August 20, 2025
Philippine Peso	5,000,000	4,960,319	—	4.5300%	N/A, Bullet	December 21, 2025
Philippine Peso	1,764,600	—	1,761,556	4.1800%	N/A, Bullet	May 18, 2026
Philippine Peso	11,430,800	—	11,350,450	6.9829%	N/A, Bullet	June 1, 2027
Philippine Peso	2,975,000	—	2,957,983	6.4100%	N/A, Bullet	June 23, 2027
Philippine Peso	5,000,000	—	4,970,655	5.2600%	N/A, Bullet	December 21, 2027
Bank Loan- Peso						
Local Bank	6,005,000	198,760	5,771,830	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	12,763,000	3,330,464	9,366,153	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	200,000	198,987	—	Various fixed rates	Various	March 5, 2025
Local Bank	270,833	269,758	—	Various fixed rates	Various	January 24, 2025
Local Bank	2,000,000	—	1,994,584	Various fixed rates	Various	September 27, 2026
Local Bank	5,500,000	—	5,471,728	Various fixed / floating rates	Various	Various from 2026 to 2029
Local Bank	4,700,000	497,222	4,173,996	Various fixed / floating rates	Various	Various from 2025 to 2029
Local Bank	1,453,125	1,441,874	—	Various fixed rates	Various	Various within 2025
Sub-total	68,987,358	20,753,008	47,818,935			

Title of Issue & Type of Obligation	Amount Authorized by Indenture/Facility Agreement	Current Portion of Long-term Debt (In Thousands)	Long-term Debt (net of Current Portion) (In Thousands)	Interest Rate	No. of Periodic Installment	Maturity Date
Subsidiaries						
Bank Loan- Peso						
Local Bank	₱663,637	₱163,638	₱496,354	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	4,498,333	545,729	3,924,818	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	3,000,000	–	2,977,549	Various fixed rates	Various	December 27, 2029
Local Bank	985,200	–	978,993	Various fixed / floating rates	Various	Various from 2026 to 2029
Local Bank	230,208	230,208	–	Various fixed rates	Various	January 29, 2025
	₱78,364,736	₱21,692,583	₱56,196,649			

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month or 1-year Bloomberg Valuation (BVAL), or Reverse Repurchase Rate (RRP), plus margin, per annum.

Each bond balance is presented net of unamortized deferred costs. The agreements covering the abovementioned bonds require maintaining certain financial ratios including maximum debt-to-equity ratio ranging from 2.0x to 2.5x ; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x (except for FILRT bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x).

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the year ended December 31, 2024.

SCHEDULE E

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2024

This schedule is not applicable as there are no non-current indebtedness which exceed 5% of total assets as of December 31, 2024.

SCHEDULE F

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2024

The Group does not have guarantees of securities of other issuers as of December 31, 2024.

SCHEDULE G

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

DECEMBER 31, 2024

Title of issue	Number of shares authorized	As shown under related Statement of Financial Position caption		Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
		Number of shares issued and subscribed	Number of Treasury Shares				
		(In Thousands)					
Common Shares	33,000,000	24,470,708	2,086,949	—	16,407,414	58,745	5,917,600
Preferred Shares	8,000,000	8,000,000	—	—	8,000,000	—	—

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF BOND ISSUANCES - SECURITIES OFFERED TO THE PUBLIC DECEMBER 31, 2024

	2013	2014	2015	2017	2020	2021	2022	2023
	7.0 Billion Bond	7.0 Billion Bond	8.0 Billion Bond	6.0 Billion Bond	8.1 Billion Bond	10.0 Billion Bond	11.90 Billion Bond	11.43 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱9,000,000,000	₱10,000,000,000	₱11,900,000,000	₱12,000,000,000
Less: Expenses	67,594,379	82,327,087	85,330,750	68,308,996	118,002,625	131,785,030	154,432,780	149,808,155
Net Proceeds	₱6,932,405,621	₱6,917,672,913	₱7,914,669,250	₱5,931,691,004	₱8,881,997,375	₱9,868,214,970	₱11,745,567,220	₱11,850,191,845
Actual gross and net proceeds								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱8,100,000,000	₱10,000,000,000	₱11,900,000,000	₱11,430,800,000
Less: Expenses	82,906,997	77,906,937	86,811,468	96,582,653	165,450,548	137,330,244	156,399,197	143,059,814
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Expenditure items where the proceeds were used								
Land Acquisition	₱2,965,648,318	₱—	₱88,961,000	₱—	₱595,776,352	₱2,000,000,000	₱2,273,000,000	₱—
Project Development	1,185,554,209	2,422,093,063	2,888,760,022	—	693,494,229	532,498,565	597,600,803	6,072,085,559
Investment Property	2,765,890,476	—	4,935,467,510	5,903,417,347	2,104,200,033	1,753,544,108	273,000,000	1,215,654,627
Debt refinancing	—	4,500,000,000	—	—	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
General Corporate	—	—	—	—	184,456,880	268,000,000	—	—
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,453	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Balance of the proceeds as of December 31, 2023								
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Capital Expenses	6,917,093,003	2,422,093,063	7,913,188,532	5,903,417,347	3,577,927,493	4,554,042,673	3,143,600,803	7,287,740,186
Debt refinancing	—	4,500,000,000	—	—	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
Net Proceeds	₱—	₱—	₱—	₱—	₱—	₱—	₱—	₱—

FILINVEST LAND, INC. AND SUBSIDIARIES**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR****FEE-RELATED INFORMATION****DECEMBER 31, 2024**

	2024	2023
Total Audit Fees	₱4,883,078	₱4,301,812
Non-audit services fees:		
Other assurance services	2,356,798	4,313,320
Tax services	—	—
All other services	—	—
Total Non-audit Fees	2,356,798	4,313,320
Total Audit and Non-audit Fees	₱7,239,876	₱8,615,132

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024

(Amounts in Thousands of Pesos)

Ratio	Formula	2024	2023
Current Ratio ⁽¹⁾	Total Current Assets divided by Total Current Liabilities Total Current Assets93,742,809 Divide by: Total Current Liabilities33,697,680 Current Ratio2.78	2.78	2.97
Interest-bearing Debt-to-Equity ratio	Interest-bearing Debt (<i>Sum of Consolidated Loans Payable and Consolidated Bonds Payable</i>) divided by Total Equity Interest-bearing Debt77,889,232 Divide by: Equity93,335,512 Long-term Debt-to-Equity Ratio0.83	0.83	0.79
Debt Ratio	Total Liabilities divided by Total Assets Total Liabilities113,544,139 Divide by: Total Assets206,879,651 Debt Ratio0.55	0.55	0.54
EBITDA to Total Interest Paid	Earnings before Interests and Other Charges, Income Tax, Depreciation and Amortization - EBITDA (<i>net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization</i>) divided by Total Interest Paid EBITDA11,469,215 Divide by: Total Interest Paid5,300,228 EBITDA to Total Interest Paid2.16	2.16	2.18
Price Earnings Ratio	Closing price divided by Earnings per share Closing price ⁽²⁾0.73 Divide by: Earnings per share0.17 Price Earnings Ratio4.29	4.29	3.69
Quick Asset Ratio	Quick Assets (<i>total current assets less real estate inventories</i>) divided by Current Liabilities Total Current Assets93,742,809 Less: Inventories69,967,114 Quick Assets23,775,695 Divide by: Total Current Liabilities33,697,680 Quick Asset Ratio0.71	0.71	0.71
(Forward)			

Ratio	Formula	2024	2023
Solvency Ratio	Net Income before Depreciation and Amortization (<i>net income plus depreciation and amortization</i>) divided by Total Liabilities	0.06	0.05
	Net Income 4,635,736		
	Add: Depreciation and Amortization 2,143,097		
	Net Income before Depreciation and Amortization 6,778,833		
	Divide by: Total Liabilities 113,544,139		
Solvency Ratio 0.06			
Interest Coverage Ratio	Earnings before Interest and Other Finance Charges and Income Tax (EBIT) divided by Interest and Other Finance Charges	2.53	3.03
	EBIT 9,326,118		
	Divide by: Interest and Other Finance Charges 3,685,747		
	Interest Coverage Ratio 2.53		
Net Profit Margin	Net Income divided by Revenue	0.19	0.19
	Net Income 4,635,736		
	Divide by: Revenue 24,445,898		
Net Profit Margin 0.19			
Return on Equity	Net Income divided by Total Equity	0.05	0.05
	Net Income 4,635,736		
	Divide by: Total Equity 93,335,512		
Return on Equity 0.05			
Asset-to-Equity Ratio	Total Assets divided by Total Equity	2.22	2.17
	Total Assets 206,879,651		
	Divide by: Total Equity 93,335,512		
Return on Equity 2.22			

⁽¹⁾ In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, contract assets, other receivables, real estate inventories and other current assets and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable and current portion of loans payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

⁽²⁾ Closing price at December 31, 2024 and December 31, 2023 is ₱0.73 and ₱0.59, respectively.

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eafs@bir.gov.ph <eafs@bir.gov.ph>
To: fli.taxteam@gmail.com
Cc: fli.taxteam@gmail.com

Tue, Apr 8, 2025 at 1:46 PM

Hi FILINVEST LAND, INC,

Valid files

- EAFS000533224RPTTY122024.pdf
- EAFS000533224TCRTY122024-01.pdf
- EAFS000533224ITRTY122024.pdf
- EAFS000533224AFSTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-7LC657AF0Q33QVY13P2SXWYRZ0PR111PXR**
Submission Date/Time: **Apr 08, 2025 01:46 PM**
Company TIN: **000-533-224**

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- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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To FLI Tax Team <taxteam@filinvestland.com>

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 A. 00053322400001220241702.dat - VALID
 CONFIRMATION RECEIPT NUMBER - 2025-0000087160

VALIDATION REPORT:
1. Attachment : 00053322400001220241702.ZIP
 A. Attachment (zipped): 00053322400001220241702.dat
 TIN of Withholding Agent TIN: 000533224-0000
 Alphalist Form : 1702
 Taxable Month : 12/2024

LINE NUM	SCHEDULE	ERROR DESCRIPTION
0000000000		No Errors Encountered

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**“STATEMENT OF MANAGEMENT’S RESPONSIBILITY
FOR ANNUAL INCOME TAX RETURN”**

The Management of **FILINVEST LAND, INC.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended **December 31, 2024**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended **December 31, 2024** and the accompanying Annual Income Tax Return are in accordance with the books and records of **FILINVEST LAND, INC.**, complete and correct in all material respects. Management likewise affirms that:

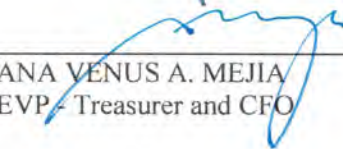
- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company’s books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) the **FILINVEST LAND, INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.



JONATHAN T. GOTIANUN
Chairman of the Board



TRISTANEIL D. LAS MARIAS
President/CEO

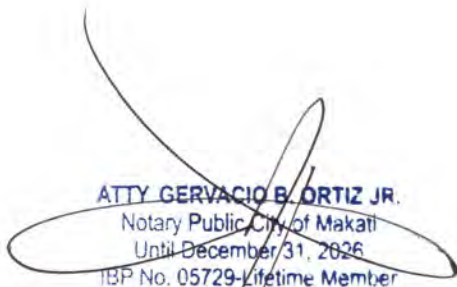


ANA VENUS A. MEJIA
EVP- Treasurer and CFO

Signed this 26th day of February, 2025

<u>Name</u>	<u>Competent Evidence of Identity</u>	<u>Place of Issue/ Date Issued/ Date of Expiry</u>
Jonathan T. Gotianun	Philippine Passport No.	DFA Manila / 03 January 2018 / valid until 02 January 2028
Tristaneil D. Las Marias	Driver's License No.	Land Transportation Office / valid until 27 March 2028
Ana Venus A. Mejia	Philippine Passport No.	DFA NCR East / 30 September 2019 / valid until 29 September 2029

Doc. No. 237
Page No. 44
Book No. 24
Series of 2025


ATTY. GERVACIO B. ORTIZ JR.
Notary Public, City of Makati
Until December 31, 2026
IBP No. 05729-Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-007 (2025-2026)
PTR No. 10466005 Jan. 2, 2025/Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

SUBSCRIBED AND SWORN to before me this FEB 26 day 2025 at Makati City, Philippines exhibited to ID No. _____ of _____



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

TIN	: 000-533-224-000
Name	: FILINVEST LAND INC
RDO	: 126
Form Type	: 1702_MX_2018
Reference No.	: 662500065111361
Amount Payable (Over Remittance)	: -2,209,891,717.00
Accounting Type	: C - Calendar
For Tax Period	: 12/31/2024
Date Filed	: 04/07/2025
Tax Type	: IT

[[BIR Main](#) | [eFPS Login](#) | [User Menu](#) | [Help](#)]



Republic of the Philippines
Department of Finance
Bureau of Internal Revenue

For BIR
Use Only BCS/
Item:

BIR Form No. 1702-MX January 2018 (ENCS) Page 1	Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE Enter all required information in CAPITAL LETTERS using BLACK ink. Mark applicable boxes with an "X". Two copies MUST be filed with the BIR and one held by the taxpayer.	 1702-MX 01/18ENCS P1							
1 For ☒ Calendar ☐ Fiscal 2 Year Ended (MM/20YY) /20	3 Amended Return? ☐ Yes ☒ No	4 Short Period Return? ☐ Yes ☒ No 5 Alphanumeric Tax Code (ATC) IC055 Minimum Corporate Income Tax (M IC010 ☒ DOMESTIC CORPORATION IN G ☒							
Part I - Background Information									
6 Taxpayer Identification Number (TIN) 000 - 533 - 224 - 000 7 RDO Code 126									
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) FILINVEST LAND INC									
9 Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905) 79 E DELOS SANTOS AVENUE, BARANGAY HIGHWAY HILLS, MANDALUYONG CITY									
		9A Zip Code 1550							
10 Date of Incorporation/Organization (MM/DD/YYYY)		11 Contact Number 7256321							
12 Email Address taxteam@filinvestland.com									
13 Method of Deduction ☒ Itemized Deduction [Section 34 (A-J), NIRC] ☐ Optional Standard Deduction (OSD)-40% of Gross Income [Section 34(L) NIRC, as amended]									
Part II - Total Tax Payable (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)									
14 Total Tax Due/(Overpayment) (From Part IV-Schedule 2 Item 19D)		152,572,612							
15 Less: Total Tax Credits/Payments (From Part IV-Schedule 3 Item 32D)		2,362,464,329							
16 Net Tax Payable / (Overpayment) (Item 14 Less Item 15) (From Part IV Item 33D)		(2,209,891,717)							
Add: Penalties									
17 Surcharge		0							
18 Interest		0							
19 Compromise		0							
20 Total Penalties (Sum of Items 17 to 19)		0							
21 TOTAL AMOUNT PAYABLE / (Overpayment) (Sum of Items 16 and 20)		(2,209,891,717)							
If Overpayment, mark (1) one box only (Once the choice is made, the same is irrevocable)									
☒ To be refunded ☐ To be issued a Tax Credit Certificate (TCC) ☐ To be carried over as a tax credit for next year/quarter									
We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter)		22 Number of attachments 0							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Signature over printed name of President/Principal Officer/Authorized Representative</td> <td colspan="2">Signature over printed name of Treasurer/Assistant Treasurer</td> </tr> <tr> <td>Title of Signatory</td> <td>TIN</td> <td>Title of Signatory</td> <td>TIN</td> </tr> </table>			Signature over printed name of President/Principal Officer/Authorized Representative		Signature over printed name of Treasurer/Assistant Treasurer		Title of Signatory	TIN	Title of Signatory
Signature over printed name of President/Principal Officer/Authorized Representative		Signature over printed name of Treasurer/Assistant Treasurer							
Title of Signatory	TIN	Title of Signatory	TIN						
Part III - Details of Payment									
Details of Payment	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount					
23 Cash/Bank Debit Memo									
24 Check									
25 Tax Debit Memo									
26 Others (Specify Below)									
Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank)			Stamp of Receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)						

BIR Form No. 1702-MX January 2018 (ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE	 1702-MX 01/18ENCS P2
Taxpayer Identification Number (TIN) 000 - 533 - 224 - 000		Registered Name FILINVEST LAND INC

Part IV - Schedules				
Instructions: ☒ A. Only one activity/project under EXEMPT and/or SPECIAL Tax Regimes, fill-out the applicable columns below. (mark appropriate box) ☐ B. Two or more activities/projects under EXEMPT and/or SPECIAL Tax Regimes, accomplish Part V-Mandatory Mandatory Attachments per activity and reflect consolidated amounts from Part V on the corresponding columns below.				
Schedule 1 - Basis of Tax Relief				
	A. Exempt	B. Special Rate	C. Special Tax Relief (Under Regular/Normal Rate)	
1 Investment Promotion Agency (IPA)/ Implementing Government Agency	SOCIALIZED	PEZA		
2 Legal Basis	RA 7279	RA 7916		
3 Registered Activity/Program (Reg. No.)	NA	NA		
4 Special Tax Rate		5 . 0		
5 Effectivity Date of Tax Relief/Exemption FROM (MM/DD/YYYY)	01/01/2024	01/01/2024		
6 Expiration Date of Tax Relief/Exemption TO (MM/DD/YYYY)	12/31/2024	12/31/2024		

Schedule 2 - Computation of Income Tax per Tax Regime (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)				
Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Sales/Receipt/Revenues/Fees (From all of Part V-Sched B Item 1, if letter B of instructions above is marked)	180,381,790	0	10,344,333,174	10,524,714,964
2 Less: Sales Returns, Allowances & Discounts (From all of Part V-Sched B Item 2, if letter B of instructions above is marked)	0	0	0	0
3 Net Sales/Revenues/Receipts/Fees (Item 1 Less Item 2)	180,381,790	0	10,344,333,174	10,524,714,964
4 Less: Cost of Sales/Services (From all of Part V-Sched B Item 4, if letter B of instructions above is marked)	165,224,315	0	3,967,719,513	4,132,943,828
5 Gross Income from Operation (Item 3 Less Item 4)	15,157,475	0	6,376,613,661	6,391,771,136
6 Add: Other Taxable Income not Subjected to Final Tax (From all of Part V-Sched B Item 6, if letter B of instructions above is marked)	0	0	1,252,016,939	1,252,016,939
7 Total Taxable Income (Sum of Items 5 and 6)	15,157,475	0	7,628,630,600	7,643,788,075
8 Ordinary Allowable Itemized Deductions (From Sched 5 Item 18) &/or (From all of Part V-Sched B Item 8, if letter B of instructions above is marked)	132,289,706	4,411,521	8,561,492,698	8,698,193,925
9 Special Allowable Itemized Deductions (From Sched 6 Item 5) &/or (From all of Part V-Sched B Item 9, if letter B of instructions above is marked)	0	0	0	0
10 NOLCO (Only for those taxable under Section 27 (A to C); Section 28(A)(1)(A)(6)(b) of the Tax Code, as amended) (For Special Rate: If w/ only 1 activity, From Schedule 8.1 Item 8; if with 2 or more activities, From all of Part V-Sched B Item 10; For Reg. Rate: From Sched 7.1 Item 8)		0	0	0
11 Total Itemized Deductions (Sum of Items 8 to 10) (OR in case taxable under Sec 27(A) & 28(A)(1))	132,289,706	4,411,521	8,561,492,698	8,698,193,925
12 Optional Standard (OSD) (40% of Item 7)			0	0
13 Net Taxable Income/(Loss) (If Itemized: Item 7 Less Item 11; If OSD: Item 7 Less Item 12)	(117,132,231)	(4,411,521)	(932,862,098)	(1,054,405,850)
14 Applicable Income Tax Rate (i.e. Special or Regular/Normal rate)	0 %	5.0 %	25% ▼	
15 Income Tax Due other than MCIT (For Special Rate: If with only 1 activity, (Item 3 OR Item 7) X Item 14; if with 2 or more activities, from all of Part V-Sched B Item 14; For Regular Rate Item 13 X Item 14)	0	0	0	0
16 Less: Share of Other Govt. Agencies, if remitted directly		0	0	0
17 Net Income Tax Due to National Government (Item 15 Less Item 16)		0	0	0
18 MCIT (2% of Gross Income in Item 7)			152,572,612	152,572,612
19 Total Income Tax Due / (Overpayment) (Item 19B = Item 17B) (Item 19C = Normal Income Tax in Item 15C OR MCIT in Item 18C, whichever is higher) (Item 18D = Sum of Items 19B and 19C) (Item 19D to Part II Item 14)		0	152,572,612	152,572,612

Schedule 3 - Tax Credits/Payments (attach proof)				
20 Prior Year's Excess Credits Other Than MCIT	0	0	1,742,537,833	1,742,537,833
21 Income Tax Payments under MCIT from Previous Quarter/s			0	0
22 Income Tax Payment under Regular Rate from Previous Qtr/s	0	0	0	0
23 Excess MCIT Applied this Current Taxable Year (From Schedule 9 Item 4)			0	0
24 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307	0	0	280,632,512	280,632,512

25 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter	0	0	339,293,984	339,293,984
26 Foreign Tax Credits, if applicable	0	0	0	0
27 Tax Paid in Return Previously Filed, if this is an Amended Return	0	0	0	0
28 Income Tax Payments under Special Rate from Previous Quarter/s	0	0	0	0
29 Special Tax Credits <i>(To Part IV-Schedule 4 Item 6)</i>	0	0	0	0
Other Credits/Payments (Specify Below):				
30	0	0	0	0
31	0	0	0	0
				
32 Total Tax Credits/Payments <i>(Sum of Items 20 to 31) (Item 32D to Part II Item 15)</i>	0	0	2,362,464,329	2,362,464,329
33 Net Tax Payable / (Overpayment) <i>(Item 19 Less Item 32) (Item 33D to Part II Item 16)</i>	0	0	(2,209,891,717)	(2,209,891,717)

BIR Form No. 1702-MX January 2018 (ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE	 1702-MX 01/18ENCS P3
Taxpayer Identification Number (TIN) 000 - 533 - 224 - 000		Registered Name FILINVEST LAND INC

Schedule 4 - Tax Relief Availment				
Description	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Regular Income Tax Otherwise Due (Item 13A/B of Part IV-Schedule 2 X applicable regular income tax rate)	0	0		0
2 Special Allowable Itemized Deductions (Item 9A/B/C of Part IV-Sched 2 X applicable regular income tax rate)	0	0	0	0
3 Sub-Total - Tax Relief (Sum of Items 1 and 2)	0	0	0	0
4 Less: Income Tax Due (From Part IV-Schedule 2 Item 15B)	0	0		0
5 Tax Relief Availment before Special Tax Credit (Item 3 Less Item 4)	0	0	0	0
6 Add: Special Tax Credits, if any (From Part IV-Schedule 3 Item 29)	0	0	0	0
7 Total Tax Relief Availment (Sum of Items 5 & 6)	0	0	0	0

Schedule 5 - Ordinary Allowable Itemized Deductions (attach additional sheet/s, if necessary)				
If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule D)				
1 Amortizations	0	0	0	0
2 Bad Debts	0	0	0	0
3 Charitable and Other Contributions	0	0	0	0
4 Depletion	0	0	0	0
5 Depreciation	141,784	43,452	1,038,825,328	1,039,010,564
6 Entertainment, Amusement, and Recreation	20,061	56,802	56,625,539	56,702,402
7 Fringe Benefits	0	0	0	0
8 Interest	40,862,884	14,615	4,188,564,967	4,229,442,466
9 Losses	0	0	0	0
10 Pension Trusts	0	0	0	0
11 Rental	40,867	0	8,385,113	8,425,980
12 Research and Development	0	0	0	0
13 Salaries, Wages and Allowances	49,932,431	3,286	672,278,878	722,214,595
14 SSS, GSIS, Philhealth, HDMF and Other Contributions	0	0	0	0
15 Taxes and Licenses	1,829,035	1,488,705	277,170,388	280,488,128
16 Transportation and Travels	327,780	151,358	79,784,830	80,263,968
17 Others (Deductions Subject to Withholding Tax and Other Expenses) (Specify below: Attach additional sheet(s), if necessary)				
a Janitorial and Messengerial Services	360	0	30,693,725	30,694,085
b Professional Fees	10,000	0	193,136,035	193,146,035
c Security Services	0	0	0	0
d ADVERTISING AND PROMOTIONS	1,707,627	239,933	597,341,822	599,289,382
e MISCELLANEOUS	395,949	20,758	38,611,149	39,027,856
f OFFICE SUPPLIES	9,606	3,575	21,596,139	21,609,320
g REPAIRS AND MAINTENANCE	16,584,331	2,373,100	261,918,825	280,876,256
h COMMUNICATION LIGHT AND WATER	82,465	15,937	41,913,232	42,011,634
i VARIOUS	20,344,526	0	1,054,646,728	1,074,991,254
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17i) (To Part IV-Schedule 2 Item 8)	132,289,706	4,411,521	8,561,492,698	8,698,193,925

Schedule 6 – Special Allowable Itemized Deductions (attach additional sheet/s, if necessary)					
If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule E)					
Description	Legal Basis	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1		0	0	0	0
2		0	0	0	0
3		0	0	0	0
4		0	0	0	0
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4) (To Part IV-Schedule 2 Item 9)		0	0	0	0

Schedule 7 - Computation of Net Operating Loss Carry Over (NOLCO) for Regular Rate (Attach Additional Sheet/s, if necessary)	
1 Gross Income (From Part IV-Schedule 2 Item 7C)	7,628,630,600
2 Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8C)	8,561,492,698
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 7.1, Item 7A)	(932,862,098)

BIR Form No. 1702-MX January 2018 (ENCS) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual with MIXED Income Subject to Multiple Income Tax Rates or with Income Subject to SPECIAL/PREFERENTIAL RATE	 1702-MX 01/18ENCS P4
Taxpayer Identification Number (TIN) 000 - 533 - 224 - 000		Registered Name FILINVEST LAND INC

Schedule 7.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Regular Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Net Operating Loss		B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E) = A - (B+C+D)]
Year Incurred	A. Amount				
4		0	0	0	0
5		0	0	0	0
6		0	0	0	0
7	2024 932,862,098	0	0	0	932,862,098
8	Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10C)				0

Schedule 8 - Computation of Net Operating Loss Carry Over (NOLCO) for Special Rate (except those availing fiscal incentives) (Attach Additional Sheet/s, if necessary)

1 Gross Income (From Part IV-Schedule 2 Item 7B)	0
2 Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8B)	4,411,521
3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 8.1 Item 7A)	(4,411,521)

Schedule 8.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Special Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

Net Operating Loss		B. NOLCO Applied Previous Year/s	C. NOLCO Expired	D. NOLCO Applied Current Year	E. Net Operating Loss (Unapplied) [(E) = A - (B+C+D)]
Year Incurred	A. Amount				
4		0	0	0	0
5		0	0	0	0
6		0	0	0	0
7		0	0	0	0
8	Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10B)				0

Schedule 9 - Computation of Minimum Corporate Income Tax (MCIT)

Year	A) Normal Income Tax as Adjusted	B) MCIT	C) Excess MCIT over Normal Income Tax
1	0	0	0
2	0	0	0
3	0	0	0

Continuation of Schedule 9 (Item numbers continue from table above)

D) Excess MCIT Applied/Used for Previous Years	E) Expired Portion of Excess MCIT	F) Excess MCIT Applied this Current Taxable Year	G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [G = C Less (D + E + F)]
1 0	0	0	0
2 0	0	0	0
3 0	0	0	0
4 Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV-Schedule 3 Item 23)		0	

Schedule 10 - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)

Particulars	A. Total Exempt	B. Total Special	C. Total Regular	D. Total All Columns
1 Net Income (Loss) per Books	8,226,554	(4,293,346)	6,366,003,477	6,369,936,685
Add: Non-deductible Expenses/Taxable Other Income (specify below)				
2 ACCRUED SALARIES	0	0	26,144,302	26,144,302
3 VARIOUS	0	0	625,587,952	625,587,952
4 Total (Sum of Items 1 to 3)	0	0	651,732,254	651,732,254
Less: A) Non-Taxable Income and Income Subjected to Final Tax (specify below)				
5 UNREALIZED GP	117,132,231	0	3,383,292,408	3,500,424,639
6 VARIOUS	8,226,554	118,175	4,567,305,421	4,575,650,150
7	0	0	0	0
8	0	0	0	0
9 Total (Sum of Items 5 to 8)	125,358,785	118,175	7,950,597,829	8,076,074,789
10 Net Taxable Income (Loss) (Item 4 Less Item 9)	(117,132,231)	(4,411,521)	(932,862,098)	(1,054,405,850)

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **FILINVEST LAND, INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

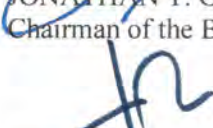
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor, appointed by the stockholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.


JONATHAN T. GOTIANUN
Chairman of the Board


TRISTANEIL D. LAS MARIAS
President/CEO


ANA VENUS A. MEJIA
EVP - Treasurer and CFO

Name	Competent Evidence of Identity	Place of Issue/ Date Issued/ Date of Expiry
Jonathan T. Gotianun	Philippine Passport No.	DFA Manila / 03 January 2018 / valid until 02 January 2028
Tristaneil D. Las Marias	Driver's License No.	Land Transportation Office / valid until 27 March 2028
Ana Venus A. Mejia	Philippine Passport No.	DFA NCR East / 30 September 2019 / valid until 29 September 2029

Signed this 16th day of February, 2025

Doc. No. 211
Page No. 44
Book No. XV
Series of 20 25


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2026
IBP No. 05729-Lifetime Member
MCLE Compliance No. VII-0022734
valid until April 14, 2025
Appointment No. M-007 (2025-2026)
PTR No. 10466005 Jan. 2, 2025/Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Rueda Bldg.
Brgy. Pio Del Pilar, Makati City

SUBSCRIBED AND SWORN to before me this 16 day of February, 2025 at Makati City, affiant exhibited to ID No. _____ of _____

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	7	0	9	5	7				

COMPANY NAME

F	I	L	I	N	V	E	S	T		L	A	N	D	,		I	N	C	.										

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

F	i	l	i	n	v	e	s	t		B	u	i	l	d	i	n	g	,		7	9		E	D	S	A	,		B
r	g	y	.		H	i	g	h	w	a	y		H	i	l	l	s	,		M	a	n	d	a	l	u	y	o	n
g		C	i	t	y																								

Form Type

A	A	F	S

Department requiring the report

S	E	C	

Secondary License Type, If Applicable

N	/	A	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
	7918-8188	
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
5,556	Every 2nd to the last Friday of April Each Year	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Ms. Venus A. Mejia	venus.mejia@filinvestgroup.com	7918-8188	

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

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

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



INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

Opinion

We have audited the accompanying parent company financial statements of Filinvest Land, Inc. (the Parent Company), which comprise the parent company statements of financial position as at December 31, 2024 and 2023, and the parent company statements of income, parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Parent Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Parent Company Financial Statements* section of our report. We are independent of the Parent Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the parent company financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of these parent company financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of parent company financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the parent company financial statements, management is responsible for assessing the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Parent Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company financial statements, including the disclosures, and whether the parent company financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

The supplementary information required under Revenue Regulation 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of the Filinvest Land, Inc. in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to parent company financial statements. Such information is not a required part of the basic financial statements. The information is also not required by Revised Securities Regulation Code Rule 68. Our opinion on the basic financial statements is not affected by the presentation of the information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is
Wanessa G. Salvador.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC.**PARENT COMPANY STATEMENTS OF FINANCIAL POSITION****(Amounts in Thousands of Pesos)**

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 6 and 20)	₱1,979,529	₱3,197,386
Contracts receivables (Notes 5 and 7)	2,178,282	1,837,829
Contract assets (Note 5)	5,770,069	4,741,729
Other receivables (Notes 8 and 20)	1,402,749	1,432,447
Real estate inventories (Note 9)	67,543,008	69,179,423
Other current assets (Note 5 and 10)	7,069,494	6,376,255
Total Current Assets	85,943,131	86,765,069
Noncurrent Assets		
Contract assets - net of current portion (Note 5)	2,648,397	5,037,942
Investments and advances in subsidiaries and associates (Notes 2, 11 and 20)	25,589,320	23,730,788
Investment properties (Note 12)	61,670,853	58,744,589
Property and equipment (Note 13)	2,556,176	2,670,288
Build-transfer-operate (BTO) rights (Note 15)	5,201,460	4,912,555
Other noncurrent assets (Note 16)	2,343,708	1,380,851
Total Noncurrent Assets	100,009,914	96,477,013
TOTAL ASSETS	₱185,953,045	₱183,242,082
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses (Note 17)	₱9,291,169	₱9,439,353
Contract liabilities (Note 5)	586,257	792,402
Current portion of lease liabilities (Note 14)	175,650	195,218
Due to related parties (Note 20)	238,355	144,760
Current portion of loans payable (Notes 18 and 27)	6,330,910	14,676,371
Current portion of bonds payable (Notes 19 and 27)	14,815,659	1,697,345
Total Current Liabilities	31,438,000	26,945,449
Noncurrent Liabilities		
Loans payable - net of current portion (Notes 18 and 27)	27,274,646	12,756,214
Bonds payable - net of current portion (Notes 19 and 27)	21,040,928	35,771,172
Contract liabilities - net of current portion (Note 5)	22,249	149,949
Lease liabilities - net of current portion (Note 14)	4,959,256	4,809,755
Net retirement liabilities (Note 26)	372,966	329,878
Deferred income tax liabilities - net (Note 28)	4,995,997	6,021,299
Accounts payable and accrued expenses - net of current portion (Note 17)	6,765,592	5,954,463
Total Noncurrent Liabilities	65,431,634	65,792,730
Total Liabilities	96,869,634	92,738,179

(Forward)

	December 31	
	2024	2023
Equity		
Common stock (Note 27)	₱24,470,708	₱24,470,708
Preferred stock (Note 27)	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock (Note 27)	(2,078,084)	(221,041)
Retained earnings (Note 27)	61,027,384	60,548,081
Remeasurement gains (losses) on retirement plan (Note 26)	(26,299)	16,453
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Total Equity	89,083,411	90,503,903
TOTAL LIABILITIES AND EQUITY	₱185,953,045	₱183,242,082

See accompanying Notes to Parent Company Financial Statements.



FILINVEST LAND, INC.**PARENT COMPANY STATEMENTS OF INCOME****(Amounts in Thousands of Pesos)**

	Years Ended December 31	
	2024	2023
REVENUE		
Real estate sales (Note 5)	₱15,328,275	₱14,474,588
Rental services (Notes 5, 12, 14 and 15)	3,486,260	3,259,249
	18,814,535	17,733,837
OTHER INCOME		
Dividend income (Notes 11 and 20)	1,506,886	1,421,247
Gain on voluntary tender offer (Note 11 and 27)	1,031,853	—
Interest income (Notes 6, 7, 20 and 24)	232,581	222,035
Others - net (Notes 20 and 25)	297,664	223,174
	21,883,519	19,600,293
COSTS		
Real estate sales (Note 9)	7,351,968	8,104,930
Rental services (Notes 12, 15 and 21)	1,654,149	1,326,893
OPERATING EXPENSES		
General and administrative expenses (Note 22)	2,331,081	2,149,529
Selling and marketing expenses (Note 23)	1,469,605	1,322,428
INTEREST AND OTHER FINANCE CHARGES (Notes 18, 19 and 24)	2,706,779	1,529,742
	15,513,582	14,433,522
INCOME BEFORE INCOME TAX	6,369,937	5,166,771
PROVISION FOR INCOME TAX (Note 28)	953,212	851,599
NET INCOME	₱5,416,725	₱4,315,172

See accompanying Notes to Parent Company Financial Statements.

FILINVEST LAND, INC.**PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME****(Amounts in Thousands of Pesos)**

	Years Ended December 31	
	2024	2023
NET INCOME	₱5,416,725	₱4,315,172
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss not to be reclassified to profit or loss		
Remeasurement loss on retirement plan, net of tax (Note 26)	(42,752)	—
TOTAL COMPREHENSIVE INCOME	₱5,373,973	₱4,315,172

See accompanying Notes to Parent Company Financial Statements.

FILINVEST LAND, INC.

PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Retained Earnings (Note 27)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Revaluation Reserve on Financial Assets at FVOCI (Note 16)	Total
For the Year Ended December 31, 2024								
Balance as January 1, 2024	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱60,548,081	₱16,453	(₱2,619)	₱90,503,903
Effect of adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) (Note 2)	—	—	—	—	(3,720,934)	—	—	(3,720,934)
Balances as at January 1, 2024, as restated	24,470,708	80,000	5,612,321	(221,041)	56,827,147	16,453	(2,619)	86,782,969
Net income	—	—	—	—	5,416,725	—	—	5,416,725
Other comprehensive loss	—	—	—	—	—	(42,752)	—	(42,752)
Total comprehensive income	—	—	—	—	5,416,725	(42,752)	—	5,373,973
Increase in treasury stock (Note 27)	—	—	—	(1,857,043)	—	—	—	(1,857,043)
Dividends (Note 27)	—	—	—	—	(1,216,488)	—	—	(1,216,488)
Balances as of December 31, 2024	₱24,470,708	₱80,000	₱5,612,321	(₱2,078,084)	₱61,027,384	(₱26,299)	(₱2,619)	₱89,083,411
For the Year Ended December 31, 2023								
Balance as January 1, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱57,108,780	₱16,453	(₱2,619)	₱87,064,602
Net income	—	—	—	—	4,315,172	—	—	4,315,172
Dividends (Note 27)	—	—	—	—	(875,871)	—	—	(875,871)
Balances as of December 31, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱60,548,081	₱16,453	(₱2,619)	₱90,503,903

See accompanying Notes to Parent Company Financial Statements.



FILINVEST LAND, INC.**PARENT COMPANY STATEMENTS OF CASH FLOWS****(Amounts in Thousands of Pesos)**

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱6,369,937	₱5,166,771
Adjustments for:		
Interest expense and amortization of transaction cost (Notes 18, 19 and 24)	2,627,490	1,377,585
Depreciation and amortization (Notes 12, 13, and 15)	1,311,622	1,130,146
Net pension expense, net of contribution and benefits paid (Note 26)	(13,915)	(23,917)
Interest income (Note 24)	(232,581)	(222,035)
Gain on voluntary tender offer (Note 27)	(1,031,853)	—
Dividend income (Note 11 and 20)	(1,506,886)	(1,421,247)
Operating income before changes in operating assets and liabilities	7,523,814	6,007,303
Changes in operating assets and liabilities		
Decrease (increase) in:		
Contracts receivable	(340,453)	282,957
Contract assets	1,361,205	703,284
Other receivables	29,698	(169,824)
Real estate inventories	(3,662,669)	(32,123)
Other assets	(1,656,096)	562,623
Increase (decrease) in:		
Accounts payable and accrued expenses	466,473	2,688,158
Due to related parties (Notes 20 and 30)	93,595	(436,800)
Contract liabilities	(333,845)	(353,010)
Net cash from operations	3,481,722	9,252,568
Income taxes paid	(152,593)	(715,127)
Interest received	232,581	222,035
Net cash provided by operating activities	3,561,710	8,759,476
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Investment properties and property and equipment (Notes 12 and 13)	(2,470,360)	(3,240,783)
Build-transfer-operate rights (Note 15)	(107,751)	(500,111)
Increase in investments and advances in subsidiaries and associates (Note 11)	(2,564,076)	(3,425,820)
Cash dividends received (Note 11 and 20)	1,506,886	1,421,247
Net cash used in investing activities	(3,635,301)	(5,745,467)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availment of:		
Loans payable (Notes 18 and 30)	31,020,000	17,555,000
Bonds payable (Note 19)	—	11,430,800
Payments of:		
Lease liabilities (Note 14)	(302,289)	(332,040)
Loans payable (Note 18)	(24,752,379)	(18,640,379)
Bonds payable (Note 19)	(1,700,000)	(9,035,400)
Interest and transaction costs	(4,193,110)	(3,123,873)
Cash dividend (Notes 27 and 30)	(1,216,488)	(875,871)
Net cash used in financing activities	(1,144,266)	(3,021,763)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,217,857)	(7,754)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,197,386	3,205,140
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)	₱1,979,529	₱3,197,386

See accompanying Notes to Parent Company Financial Statements.



FILINVEST LAND, INC.

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS

1. Corporate Information

Filinvest Land, Inc. (the Parent Company or “FLI”) is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and is domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989 and later changed to its present name on July 12, 1993. The Parent Company offers a range of products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects and condominium buildings. The Parent Company also leases out commercial spaces in a mall in Muntinlupa City, Cavite and Cebu City.

The Parent Company is a subsidiary of Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALGI) is its ultimate parent company. Both FDC and ALGI are domiciled in the Philippines.

The Parent Company’s registered business address is at 79 E. Delos Santos Ave. (EDSA), Brgy. Highway Hills, Mandaluyong City.

Approval of the Parent Company Financial Statements

The parent company financial statements were approved and authorized for issue by the Board of Directors (BOD) on February 26, 2025.

2. Material Accounting Policy Information

Basis of Preparation

The parent company financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that are measured at fair value. The parent company financial statements are presented in Philippine Peso (₱), which is also the Parent Company’s functional currency. Amounts are in thousand ₱ except as otherwise stated.

The parent company financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The parent company financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Parent Company financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2024. The Parent Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Unless otherwise indicated, adoption of these new standards did not have an impact on the financial statements of the Parent Company.



- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
The amendments clarify:
 - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- Amendments to PAS 7 and PFRS 7, *Disclosure: Supplier Finance Arrangements*
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
- Adoption of the provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)

On February 14, 2018, the Philippine Interpretations Committee (PIC) issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC Memorandum Circular (MC) No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Parent Company adopted the remaining provisions of PIC Q&A 2018-12, specifically on the: (i) significant financing component, (ii) exclusion of land in the determination of percentage-of-completion (POC), and (iii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Parent Company opted to adopt the changes using modified retrospective approach effective January 1, 2024 and the impact was recorded in the opening retained earnings. The comparative information is not restated.

The modified retrospective effects of the adoption of the above changes are detailed below:

- i. The Parent Company's adoption of significant financing component did not result to any adjustment to the Parent Company's beginning retained earnings and thus, has no effect on the parent company statement of financial position as at January 1, 2024.
- ii. The Parent Company's adoption of the exclusion of land in the determination of POC did not have an impact as the Parent Company does not consider land costs in the determination of its projects' POC.



- iii. The Parent Company recognized the impact of the implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) as follows:

Parent Company Statements of Financial Position as of January 1, 2024

	As previously stated	Decrease (In Thousands)	As restated
Assets			
Current Assets			
Real estate inventories	P69,179,423	(P5,532,604)	P63,646,819
Noncurrent Liabilities			
Deferred income tax liabilities - net	P6,021,299	(P1,811,670)	P4,209,629
Equity			
Retained earnings	60,548,081	(3,720,934)	56,827,147
	P66,569,380	(P5,532,604)	P61,036,776

Standards Issues but not yet Effective

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

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

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



Material Accounting Policies

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Parent Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Parent Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the parent company financial statements on a recurring basis, the Parent Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Instruments *(Date of recognition)*

Financial assets and liabilities are recognized in the parent company statement of financial position when, and only when, the Parent Company becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery or assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of Financial Instruments

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at FVOCI, or at fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Parent Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Parent Company has applied the practical expedient, the Parent Company initially measures a



financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Parent Company has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.

The Parent Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Parent Company commits to purchase or sell the asset.

As of December 31, 2024 and 2023, the Parent Company's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Parent Company classified cash and cash equivalents, contracts receivable, other receivables and deposits (included in other assets) as financial assets at amortized cost (see Note 29).

Financial assets at FVOCI (equity instruments)

At initial recognition, the Parent Company can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading.

Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in "Revaluation reserve on financial assets at FVOCI" in the parent company statement of financial position. Where the asset is disposed of, the cumulative gain or loss previously recognized in "Revaluation reserve on financial assets at FVOCI" is not reclassified to profit or loss, but is reclassified to Retained earnings.

Included under this category are the Parent Company's investments in quoted and unquoted shares of stocks (see Note 16).



Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Loans and borrowings (financial liabilities at amortized cost) is the category most relevant to the Parent Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the parent company statement of income.

As of December 31, 2024 and 2023, loans and borrowings consist primarily of accounts payable and accrued expenses, lease liabilities, loans payable, bonds payable and due to related parties (see Notes 14, 17, 18, 19 and 20).

Impairment of Financial Assets and Contract Assets

The Parent Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Parent Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Parent Company applies a simplified approach in calculating ECLs for financial assets at amortized costs. Therefore, the Parent Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Parent Company has established a provision matrix for other receivables and a vintage analysis for contracts receivable and contract assets that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Parent Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Parent Company may also consider a financial asset to be in default when internal or external information indicates that the Parent Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Parent Company.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



Derecognition of Financial Assets and Financial Liabilities

Financial Assets

A financial asset is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Parent Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or,
- the Parent Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Where the Parent Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of an asset nor transferred control of the asset, the asset is recognized to the extent of the Parent Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Parent Company could be required to repay.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability expires, is discharged or cancelled.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the parent company statement of income.

Real Estate Inventories

Lots, Condominium and Residential Units for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land acquisition costs and expenses directly related to acquisition
- Amounts paid to contractors for development and construction
- Planning and design costs, cost of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

In case of sales cancellation, the Parent Company can repossess the properties and hold it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are accounted for as inventories and recognized at its fair value less cost to repossess at the time of cancellation.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventory recognized in parent company statement of income on disposal is determined with



reference to the specific costs incurred on the property sold, including an allocation of any non-specific costs based on the relative size of the property sold.

Land and Land Development

Land and land development consists of properties with ongoing development that are intended for real estate projects for sale that are carried at the lower of cost or NRV. The cost of land and land development include the following: (a) land acquisition costs, (b) costs incurred relative to acquisition and transfer of land title in the name of the Parent Company such as transfer taxes and registration fees (c) costs incurred on initial development of the raw land in preparation for future projects, and (d) borrowing costs. These are reclassified to lots, condominium and residential units for sale under “Lots, condominium and residential units for sale” when the project plans, development and construction estimates are completed and the necessary permits are secured.

Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are accounted for using the cost method less accumulated provisions for impairment losses in the parent company financial statements.

The Parent Company’s investment in subsidiaries and associates, the related percentages of ownership and nature of business as at December 31, 2024 and 2023 are as follows:

Entity Name	Nature of Business	2024	2023
<i>Subsidiaries</i>			
Filinvest All Philippines, Inc. (FAPI)	Real estate developer	100%	100%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate development	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%
Niyog Property Holdings, Inc. (NPFI) ²	Real estate developer	100%	100%
Cajel Realty Corporation (CRC) ²	Real estate developer	100%	100%
SJR Developers, Inc. (SDI)	Real estate developer	100%	100%
Crystal Ball Realty & Management, Inc. (CBRM) ³	Real estate developer	100%	100%
Cloverleaf Holdings Corporation (CHC) ³	Real estate developer	100%	100%
Filinvest REIT Corp. (FILRT) ⁴	Leasing	51%	63%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%
Filinvest Clark Mimosa, Inc. (FCMI)	Leasing	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%
ProOffice Works Services, Inc. (ProOffice)	Property management	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ⁵	Theater operator	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational sports and nature club	98%	98%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing	100%	100%
Property Leaders International Limited (PLIL)	Marketing	100%	100%

(Forward)



Entity Name	Nature of Business	2024	2023
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing	100%	100%
Nature Specialists, Inc. (NSI)	Hospitality management	75%	75%
FREIT Fund Managers, Inc.	Fund Manager	100%	100%
Co-Living Pro Managers Corp. (CPMC)	Dormitels	100%	100%
OurSpace Solutions, Inc. (OSI) ⁶	Coworking spaces	100%	70%

1. FBCI is owned indirectly through FCGCC.

2. NPHI and CRC were acquired in 2023 (see Note 11).

3. CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and presented as part of real estate inventories. Acquisition cost amounting to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively, was reclassified to investment and advances in subsidiaries and associates in 2024.

4. FLI's ownership interest in FILRT was reduced to 51% in 2024 mainly as a result of FLI's voluntary tender offer (see Note 11 and 27).

5. FSM Cinemas is owned indirectly through FSI.

6. On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting to FLI's 70% ownership in OSI (see Note 11).

Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation and land held with undetermined future use. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses, if any.

Constructions-in-progress are carried at cost (including borrowing costs) and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete.

For those right-of-use assets that qualify as investment properties, i.e., those land that are subleased by the Parent Company, these are classified under investment properties. Consistent with the Parent Company's policy regarding the measurement of investment properties, these assets are subsequently measured at cost less amortization and impairment in value.

Investment properties built on rented properties are depreciated over their estimated useful lives or lease term, whichever is shorter.

Depreciation of investment properties is computed using the straight-line method over the estimated useful lives (EUL) of these assets as follows:

	Years
Buildings and improvement	20-50
Machinery and equipment	5-15

The EUL and the depreciation method is reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefit from items of investment properties.

Investment property is derecognized when it is either disposed of or permanently withdrawn from use and there is no future economic benefit expected from its disposal or retirement. Any gains or losses on the retirement or disposal of an investment property are recognized in the parent company statement of income in the year of retirement or disposal.



Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sell.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and accumulated impairment losses, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use including borrowing cost.

Construction-in-progress is stated at cost. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time as the relevant assets are completed and ready for operational use.

Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed on the straight-line basis over the EUL of the assets, as follows:

	Years
Buildings	20-50
Machinery and equipment	5
Transportation equipment	5
Furniture and fixtures	3-5

Leasehold improvements are amortized over the estimated useful lives of the improvements or the lease term, whichever is shorter.

The useful life and the depreciation and amortization method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When an item of property and equipment is derecognized, the cost of the related accumulated depreciation and amortization and accumulated impairment losses, if any, is removed from the account. Any gain or loss arising from derecognition of the asset is included in the parent company statement of income in the year the asset is derecognized.

Intangible Assets

Intangible assets include BTO rights (including the related right-of-use asset).



Intangible assets acquired separately are measured on initial recognition at costs. The cost of intangible assets acquired in a business combination or contracted arrangements is their fair value at the date of acquisition. Following initial recognition, intangible assets, excluding goodwill, are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives (i.e., BTO rights and developmental rights) are amortized over the economic useful life (i.e., 25 years) and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the parent company statement of income.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the parent company statement of income when the asset is derecognized.

Other Assets

Other current and noncurrent assets are carried at cost and pertain to resources controlled by the Parent Company as a result of past events and from which future economic benefits are expected to flow to the Parent Company.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the parent company statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the parent company statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable and payable from the taxation authority is included as part of “Other assets” and “Accounts payable and accrued expenses”, respectively, in the parent company statement of financial position, respectively.

Impairment of Nonfinancial Assets

The carrying values of investment in subsidiaries, associates, right-of-use assets, property and equipment, investment properties, development rights and other nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less cost of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.



For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the parent company statement of income.

For nonfinancial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Parent Company estimates the asset's or cash-generating unit's recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the parent company statement of income.

Revenue Recognition

Revenue from Contract with Customers

The Parent Company primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Parent Company expects to be entitled in exchange for those goods or services.

The Parent Company has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, electricity, air-conditioning and common use service area in its mall retail spaces and office leasing activities, wherein it is acting as agent.

The Parent Company recognize the difference between the consideration received from the customer and the transferred goods to the customer as contract asset in the parent company statement of financial position

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Real estate sales

The Parent Company derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Parent Company's performance does not create an asset with an alternative use and the Parent Company has an enforceable right to payment for performance completed to date.

Starting January 1, 2024, in determining the transaction price, the Parent Company considers whether the selling price of the real estate property includes significant financing component.

In measuring the progress of its performance obligation over time, the Parent Company uses output method. The Parent Company recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the project accomplishment reports prepared by the third party project managers for high-rise real estate developments and internal project engineers for mid-rise real estate development. The project technical head integrates, reviews and approves the surveys of performance to date of the construction activities of subcontractors.



Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contract receivables is included in the “contract asset” account in the asset section of the parent company statement of financial position.

Any excess of collections over the total of recognized installment contract receivables is included in the “contract liabilities” account in the liabilities section of the parent company statement of financial position.

In case of sales cancellation, the difference between the fair value of the repossessed property less cost to repossess and the outstanding receivable and related accounts at the time of cancellation is recognized in profit or loss.

Common usage service area charges and air conditioning dues (included as part of ‘Rental services’) CUSA charges are recognized when the related services are rendered. The Parent Company has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, and electricity in its office leasing activities, wherein it is acting as agent. Income from common area and air conditioning dues is computed based on a fixed rate per square meter of the leasable area occupied by the tenant and are presented gross of related cost and expenses.

Other dues

For the administration fees, electricity and water usage, the Parent Company determined that it is acting as an agent because the promise of the Parent Company to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Parent Company, are primarily responsible for the provisioning of the utilities while the Parent Company administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

Theater and parking sales and snack bar sales (included as part of ‘Rental and related services’) Revenue from theater and parking sales is recognized over time using output method when theater services are rendered. Revenue from snack bar sales is recognized at a point in time when goods are actually sold to customers.

Cost of real estate sales

The Parent Company recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

In addition, the Parent Company recognizes as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

Contract Balances

Contracts receivables

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



Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Parent Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

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

The contract liabilities also include payments received by the Parent Company from the customers for which revenue recognition has not yet commenced.

Costs to obtain contract (Commission expenses)

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Parent Company expects to recover them. The Parent Company has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Selling and marketing expense" account in the parent company statement of income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract fulfillment assets

Contract fulfillment costs are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Parent Company firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Parent Company applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of these criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable.

The Parent Company's contract fulfillment assets pertain to land acquisition costs.

Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Parent Company amortizes contract fulfillment assets and capitalized costs to obtain a contract over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within "Cost of real estate sales" and "Selling and marketing expense", respectively.



A contract fulfillment asset or capitalized costs to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Parent Company determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract maybe impaired. If such indication exists, the Parent Company makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Parent Company expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Parent Company uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, there judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Other Revenue and Income Recognition

Rental Income

Rental income arising from investment properties are recognized in the parent company statement of income either on a straight-line basis over the lease term or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Leases under contingent rents are recognized as income in the period in which they are earned.

Income from Forfeited Reservations and Collections

Income from forfeited reservation and collections is recognized when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest Income

Interest is recognized as it accrues taking into account the effective yield on the underlying asset.

Other Income

Other income, including service fees, processing fees, management fees, is recognized when services are rendered and when goods are delivered.

Cost and Expense Recognition

Costs and expenses are recognized in the parent company statement of income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized in the parent company statement of income as incurred based on the amounts paid or payable/



Retirement Costs

The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method.

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Parent Company, nor can they be paid directly to the Parent Company. Fair value of plan assets is based on market price information.

The Parent Company's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefit

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs.

Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.



Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. These are capitalized if directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. Interest and other financing costs incurred during the construction period on borrowings used to finance property development are capitalized as part of development costs in the parent company statement of financial position.

The interest capitalized is calculated using the Parent Company's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment of those borrowings.

For investment properties, interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

For "Land and land development" under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended sales, including but not limited to pre-construction activities such as permitting, design, planning and actual land development activities and are not ready to be sold in its current condition.

Prior to January 1, 2024, for "Lots, condominium and residential units for sale" under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended use. Subsequent to January 1, 2024, these are no longer considered as a qualifying asset and thus, the related borrowing cost are expensed as incurred.

Borrowings originally made to develop a specific qualifying asset are transferred to general borrowings (a) when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete, and (b) the entity chooses to use its funds on constructing other qualifying assets rather than repaying the loan.

Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended sale are completed. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

All other borrowing costs are expensed as incurred.

Foreign Currency-Denominated Transactions

The functional and presentation currency of the Parent Company is the Philippine Peso. Transactions denominated in foreign currencies are recorded in Philippine Peso based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated to Philippine Peso at exchange rates prevailing at the reporting date. Foreign exchange differentials between rate at transaction date and rate at settlement date or reporting date of foreign currency denominated monetary assets or liabilities are credited to or charged against current operations.



Equity

Common and Preferred Stock

The Parent Company records common and preferred stock at par value and additional paid-in capital as the excess of the total contributions received over the aggregate par values of the equity shares.

The Parent Company considers the underlying substance and economic reality of its own equity instrument and not merely its legal form in determining its proper classification. When any member of the Parent Company purchases its capital stock (treasury shares), the consideration paid, including any attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed of.

Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects is included in equity.

Treasury Stock

Own equity instruments which are reacquired are carried at cost and are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid in capital when the shares were issued and to retained earnings for the remaining balance.

Retained Earnings

Retained earnings represent accumulated earnings of the Parent Company, and any other adjustments to it as required by other standards, less dividends declared. Retained earnings are further restricted for the payment of dividends to the extent of the cost of common shares held in treasury.

Dividends on common and preferred shares are deducted from retained earnings when declared and approved by the BOD of the Parent Company. Dividends payable are recorded as liability until paid. Dividends for the year that are declared and approved after reporting date, if any, are dealt with as an event after reporting date and disclosed accordingly.

Income Tax

Current Income Tax

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

Deferred Income Tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except;

- (a) where deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefit of the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward of MCIT and unused NOLCO can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognized directly in other comprehensive income is recognized in parent company statement of comprehensive income and not in the parent company statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Leases

The Parent Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as Lessor

Leases where the Parent Company does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Company as Lessee

Except for short-term leases and lease of low-value assets, the Parent Company applies a single recognition and measurement approach for all leases. The Parent Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use-assets

The Parent Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.



Unless the Parent Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Useful life of right-of-use on land ranges from 20 to 50 years.

Right-of-use assets are subject to impairment. Refer to the accounting policies in section impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Parent Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Parent Company and payments of penalties for terminating a lease, if the lease term reflects the Parent Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Parent Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Parent Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Segment Reporting

The Parent Company's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects: (a) the nature of the products and services; (b) the nature of the production processes; (c) the type or class of customer for their products and services; (d) the methods used to distribute their products or provide their services; and, (e) if applicable, the nature of the regulatory environment. The Parent Company's mall retail spaces and office leasing activities are treated as one segment. Financial information on business segments is presented in Note 4 to the parent company financial statements.



Provisions

A provision is recognized when the Parent Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Parent Company expects part or all of provision to be reimbursed or recovered, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingencies

Contingent liabilities are not recognized in the parent company financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the parent company financial statements but are disclosed when an inflow of economic benefits is probable.

3. Significant Accounting Judgments Assumptions, and Estimates

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

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

Judgments

In the process of applying the Parent Company's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the parent company financial statements.

Real Estate Revenue Recognition

a. Existence of a contract

The Parent Company's primary document for a contract with a customer is a signed contract to sell. It has determined however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as purchase application form and official receipts evidencing collections from buyer, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Parent Company before revenue recognition is to assess the probability that the Parent Company will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price.

b. Collectability is also assessed by considering factors such as historical experience with customers, and pricing of the property. Management regularly evaluates the historical cancellations if it would still support its current threshold of customers' equity before commencing revenue recognition.



c. Revenue recognition method and measure of progress

The Parent Company concluded that revenue for real estate sales is to be recognized over time because (a) the Parent Company's performance does not create an asset with an alternative use and; (b) the Parent Company has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Parent Company's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date.

The Parent Company has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Parent Company's performance in transferring control of real estate development to the customers.

Evaluation of Impairment on Nonfinancial Assets

The Parent Company reviews its investments in subsidiaries and associates, property and equipment, investment properties, BTO rights and other assets (excluding short-term deposits) for impairment of value. This includes consideration of certain indicators of impairment such as significant change in asset usage, significant decline in asset's market value, obsolescence or physical damage of an asset, plans of discontinuing the real estate projects, and significant negative industry or economic trends.

If such indicators are present, and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to recoverable amount.

The recoverable amount is the asset's fair value less cost of disposal, except for investments in associates, which have recoverable value determined using value-in-use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction while value-in-use is the present value of estimated future cash flows expected to arise from the investments in associates. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

As of December 31, 2024 and 2023, management assessed that there are no impairment indicators on its nonfinancial assets that would lead to recognition of impairment losses.

Contingencies

In the normal course of business, the Parent Company is currently involved in various legal proceedings and assessments. The assessment of probability and estimate of the probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Parent Company currently does not believe these proceedings will have material or adverse effect on the Parent Company's financial position and results of operations (see Note 31).

Use of Estimates and Assumptions

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

Revenue Recognition and Measure of Progress for Real Estate Sales



The Parent Company's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Parent Company's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of physical completion of real estate project.

For the years ended December 31, 2024 and 2023, real estate sales amounted to ₱15.33 billion and ₱14.47 billion, respectively (see Note 5).

Determining transaction price of sale of real estate

The Parent Company determines whether a contract contains a significant financing component by considering (1) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or services; and (2) the effect of the expected length of time between when the entity transfer the promised goods or service to the customer and when the customer pays for those goods or services and the prevailing effective interest rate. The Parent Company applied practical expedient by not adjusting the effect of financing component when the period when the entity transfers a promised good or service to a customer and when the customer pays for the good or service will be one year or less. The Parent Company assessed that the significant financing component is not significant in determining the transaction price on sale of real estate.

Evaluation of Impairment of Contract Receivables and Contract Assets

The Parent Company uses the vintage analysis to calculate ECLs for contracts receivables and contract assets. The loss rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, market segment and collateral type).

The vintage analysis (the model) are initially based on the Parent Company's historical observed default rates. The Parent Company will calibrate the model to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (e.g., gross domestic product, inflation) 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 Parent Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECLs on the Parent Company's contract receivables and contract assets is disclosed in Note 7.



The carrying values of contract receivables and contract assets are as follows:

	2024	2023
	(In Thousands)	
Contracts receivables (Note 7)	₱2,178,282	₱1,837,829
Contract assets (Note 5)	8,418,466	9,779,671

Estimating NRV of Real Estate Inventories

The Parent Company adjusts the cost of its real estate inventories to NRV based on its assessment of the recoverability of the inventories. In determining the recoverability of the inventories, management considers whether the selling prices of those inventories have significantly declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In evaluating NRV, recent market conditions and current market prices have been considered.

As of December 31, 2024 and 2023, the carrying amount of real estate inventories amounted to ₱67.66 billion and ₱69.18 billion, respectively (see Note 9). No impairment adjustments were recognized in 2024 and 2023 since the costs are lower than NRV.

Recognition of Deferred Income Tax Assets

The Parent Company reviews the carrying amounts of deferred taxes at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Parent Company will generate sufficient future taxable profit to allow all or part of its deferred tax assets to be utilized.

As of December 31, 2024 and 2023, the Parent Company recognized gross deferred tax assets amounting to ₱1,850.73 million and ₱1,425.02 million, respectively (see Note 28).

4. Segment Reporting

For management purposes, the Parent Company is organized into the following business units:

Real Estate

This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects and condominium buildings.

Leasing

This involves the operations of commercial, offices and industrial spaces located in various cities and municipalities, namely, Muntinlupa, Cavite, Calamba, Makati, Quezon City, Mandaluyong, Dumaguete and Cebu.

Management monitors the operating results of each of its business units for purposes of resource allocation and performance assessment. Performance of each segment is evaluated based on profit or loss or net income.



The chief operating decision-maker of the Parent Company is the Executive Committee. The committee reviews internal reports in order to assess performance and allocate resources.

Based on the reports, it is also able to determine both the operating and non-operating segments. Reporting by geographical segments does not apply as the Parent Company currently operates in the Philippines only.

No operating segments have been aggregated to form the above reportable segments. Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered into with third parties.

For the years ended December 31, 2024 and 2023, there were no revenue transactions with a single external customer which accounted for 10% or more of the total revenue from external customers.

The financial information about the financial position and results of operations of these business segments for the years ended December 31, 2024 and 2023 are summarized below.

	2024		
	Real Estate Operations	Leasing Operations	Total
	(In Thousands)		
Revenue	₱15,328,275	₱3,486,260	₱18,814,535
Net income	₱5,296,428	₱120,297	₱5,416,725
EBITDA	₱8,595,947	₱1,792,391	₱10,388,338
Segment assets	₱108,274,126	₱77,678,919	₱185,953,045
Segment liabilities	₱84,594,138	₱12,275,496	₱96,869,634
Less deferred tax liabilities – net	4,934,104	61,893	4,995,997
Net segment liabilities	₱79,660,034	₱12,213,603	₱91,873,637
Cash flows from (used in):			
Operating activities	2,699,094	862,616	3,561,710
Investing activities	(901,357)	(2,733,944)	(3,635,301)
Financing activities	(3,433,072)	2,288,806	(1,144,266)
	2023		
	Real Estate Operations	Leasing Operations	Total
	(In Thousands)		
Revenue	₱14,474,588	₱3,259,249	₱17,733,837
Net income	₱3,729,290	₱585,882	₱4,315,172
EBITDA	₱5,505,466	₱2,321,193	₱7,826,659
Segment assets	₱110,331,712	₱72,910,370	₱183,242,082
Segment liabilities	₱80,551,022	₱12,187,157	₱92,738,179
Less deferred tax liabilities - net	5,990,746	30,553	6,021,299
Net segment liabilities	₱74,560,276	₱12,156,604	₱86,716,880
Cash flows from (used in):			
Operating activities	5,368,606	3,390,870	8,759,476
Investing activities	(616,726)	(5,128,741)	(5,745,467)
Financing activities	(4,306,123)	1,284,360	(3,021,763)



The following table shows a reconciliation of the total earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA) to total income before income tax in the parent company statements of income.

	2024	2023
	(In Thousands)	
EBITDA	₱10,388,338	₱7,826,659
Depreciation and amortization (Notes 12, 13 and 15)	(1,311,622)	(1,130,146)
Operating profit	9,076,716	6,696,513
Interest and other finance charges (Note 24)	(2,706,779)	(1,529,742)
Income before income tax	₱6,369,937	₱5,166,771

5. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Parent Company's disaggregation of each sources of revenue from contracts with customers are presented below:

	2024	2023
	(In Thousands)	
Real estate sales by market segment		
Medium income	₱11,336,019	₱9,823,683
Low affordable and affordable	1,863,213	3,367,527
High-end and others	1,460,119	855,169
Socialized	668,924	428,209
	15,328,275	14,474,588
Tenant dues		
Mall operations	397,110	360,561
Office leasing	179,347	164,687
	576,457	525,248
Rental and related services		
Mall operations	1,816,107	1,720,943
Office leasing	1,093,696	1,013,058
	2,909,803	2,734,001
Total Revenue	₱18,814,535	₱17,733,837

As of December 31, 2024, contract balances is as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱2,178,282	₱—	₱2,178,282
Contract asset	5,770,069	2,648,397	8,418,466
Contract liabilities	586,257	22,249	608,506



As of December 31, 2023, contract balances is as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱1,837,829	₱—	₱1,837,829
Contract asset	4,741,729	5,037,942	9,779,671
Contract liabilities	792,402	149,949	942,351

Real estate sales contracts are collectible in monthly principal installments with varying periods within two (2) to ten (10) years. Interest rates per annum range from 11.5% to 19.0%. Titles to the residential units sold transferred to customers upon full payment of the contract price.

Contract assets represent the right to consideration that was already delivered by the Parent Company in excess of the amount recognized as installment contracts receivable. This is reclassified as contracts receivable when the monthly amortization of the customer is already due for collection.

In 2024 and 2023, the Parent Company entered into an Agreement for Purchase of Contract Assets with local banks. The bank agreed to buy the contract assets on a without recourse basis, and the Parent Company agreed to sell, assign, transfer and convey to the bank all its rights, titles, and interest in and to the contract assets. In 2024 and 2023, total proceeds from these transactions equivalent to the carrying value of the contract assets sold amounted to ₱11.69 billion and ₱5.43 billion, respectively.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred by Parent Company based on percentage of completion. The movement in contract liability mainly due to revenue recognition of completed performance obligations. The amount of revenue recognized in 2024 and 2023 from amounts included in contract liabilities at the beginning of the year amounted to ₱450.27 million and ₱767.44 million, respectively.

Performance Obligation

Information about the Parent Company's performance obligations are summarized below:

Real estate sales

The Parent Company entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit may cover either the (a) lot; (b) house and lot and (c) condominium unit and the Parent Company concluded that there is one performance obligation in each of these contracts. The Parent Company recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the purchase application form and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include down payment of 20% to 30% of the contract price spread over a certain period (e.g., one to two years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the



period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to ten (10) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either a contract asset or contract liability.

After the delivery of the completed real estate unit, the Parent Company provides one-year warranty to repair minor defects on the delivered house and lot and condominium unit. This is assessed by the Parent Company as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2024 and 2023 amounted to ₱3.05 billion and ₱2.91 billion, respectively. Performance obligation for the transaction price amounting to ₱2.78 billion and ₱2.45 billion will be satisfied within one year as of December 31, 2024 and 2023, respectively.

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Parent Company's real estate projects. The Parent Company's mid-rise condominium units and high-rise condominium units are completed within three (3) and five (5) years, respectively, from start of construction while house and lots are expected to be completed within 12 months.

Rental agreements

The Parent Company entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space (b) provisioning of utilities and (c) provision of air conditioning and CUSA services presented as tenant dues (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within 7 to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

Cost to Obtain Contracts and Contract Fulfillment Assets

As at December 31, the rollforward of the cost to obtain contract included in the other current assets is as follows:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱367,514	₱473,852
Additions	734,410	632,296
Amortization (Note 23)	(811,308)	(738,634)
Balance at end of year (Note 10)	₱290,616	₱367,514

For the years ended December 31, 2024 and 2023, additions to contract fulfillment costs amounted to ₱732.01 million and ₱648.65 million, respectively. Amortization of contract fulfillment costs amounted to ₱1.00 billion and ₱1.07 billion for the years ended December 31, 2024 and 2023, respectively. Contract fulfillment assets is included as part of real estate inventories.

The Parent Company reviews its major contracts to identify indicators of impairment of contract fulfillment assets by comparing the carrying amount of the asset to the remaining amount of consideration that the Parent Company expects to receive less the costs that relate to providing services under the relevant contract.



In determining the estimated amount of consideration, the Parent Company used the same principles as it does to determine the contract transaction price.

In line with the Parent Company's accounting policy, as set out in Note 2, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgement was applied to ascertain whether or not the future economic benefits from these contracts were sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific key performance indicators that could trigger variable consideration, or service credits.

6. Cash and Cash Equivalents

This account consists of:

	2024	2023
	(In Thousands)	
Cash on hand and in banks	₱1,535,425	₱2,925,085
Cash equivalents	444,104	272,301
	₱1,979,529	₱3,197,386

Cash includes cash on hand and in banks. Cash in bank earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and are subject to an insignificant risk of change in value.

Interest income earned on the Parent Company's cash and cash equivalents amounted to ₱32.36 million and ₱22.09 million in 2024 and 2023, respectively (see Note 24).

There is no cash restriction on the Parent Company's cash and cash equivalents as at December 31, 2024 and 2023.

7. Contracts Receivable

This account consists of:

	2024	2023
	(In Thousands)	
Contracts receivable	₱1,932,985	₱1,582,485
Receivables from government and financial institutions	245,297	255,344
	₱2,178,282	₱1,837,829

Real estate sales contracts are collectible over varying periods within two (2) to 10 years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold. The Parent Company records any excess of progress work over the right to an amount of consideration that is unconditional (i.e., contracts receivable) as contract assets (see Note 5).



Receivables from government and financial institutions pertain to government and bank-financed real estate sales. Receivables from government and financial institutions are collectible within one (1) year.

Interest income recognized on contracts receivable amounted to ₱199.17 million and ₱173.47 million in 2024 and 2023, respectively (see Note 24). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these years.

The Parent Company has a mortgage insurance contract with Philippine Guarantee Corporation (PhilGuarantee), a government insurance company for a retail guaranty line. As of December 31, 2024 and 2023, the contracts (comprise of both contract receivables and contract assets) covered by the guaranty line amounted to ₱193.57 million and ₱361.45 million, respectively. As of December 31, 2024 and 2023, the remaining unutilized guaranty line amounts to ₱1.37 billion.

As of December 31, 2024 and 2023, no impairment losses were recognized from contract receivables.

8. Other Receivables

This account consists of:

	2024	2023
	(In Thousands)	
Receivable from tenants	₱717,309	₱701,575
Advances to officers and employees	361,578	368,232
Receivables from homeowners' associations	174,596	227,671
Due from related parties (Note 20)	128,912	144,408
Others	46,009	13,736
	1,428,404	1,455,622
Less: Allowance for expected credit losses	25,655	23,175
	₱1,402,749	₱1,432,447

“Receivables from tenants” represent charges to tenants for rentals and utilities normally collectible within 15-20 days from billing date.

“Advances to officers and employees” represent advances for project costs, marketing activities, travel and other expenses arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

“Receivables from homeowners' associations” represent claims from the homeowners' association of the Parent Company's projects for the payments of the expenses on behalf of the association.

“Others” represent advances for selling, marketing, and administrative expenses of international sales offices, arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.



Set out below is the movement of the allowance for ECLs of other receivables:

	2024		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱7,311	₱15,864	₱23,175
Provision for ECLs	2,480	—	2,480
Balance at end of year	₱9,791	₱15,864	₱25,655

	2023		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱5,231	₱15,864	₱21,095
Provision for ECLs	2,080	—	2,080
Balance at end of year	₱7,311	₱15,864	₱23,175

9. Real Estate Inventories

This account consists of:

	2024	2023
	(In Thousands)	
Real estate inventories - at cost		
Lots, condominium and residential units for sale	₱43,396,341	₱45,048,782
Land and land development	24,146,667	24,130,641
	₱67,543,008	₱69,179,423

A summary of the movement in lots, condominium and residential units is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱45,048,782	₱44,547,292
Effect of adoption of IFRIC Agenda Decision on PAS 23 (Note 2)	(5,532,604)	—
Balance as at January 1, as adjusted	39,516,178	44,547,292
Land costs transferred from land and land development	732,071	648,649
Net transfers (Note 12)	42,952	—
Construction/development costs incurred	10,457,108	7,257,925
Capitalized borrowing costs	—	699,846
Cost of real estate sales	(7,351,968)	(8,104,930)
Balance at end of year	₱43,396,341	₱45,048,782

Capitalization rate for the capitalized borrowing costs is nil and 5.1% in 2024 and 2023, respectively.



A summary of the movement in land and land development is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱24,130,641	₱23,883,127
Land acquisitions	4,745	22,379
Land cost transferred to real estate inventories	(732,071)	(648,649)
Net transfers (Notes 11 and 12)	(575,637)	
Site development and incidental costs	1,318,989	873,784
Balance at end of year	₱24,146,667	₱24,130,641

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is ongoing amounted to ₱766.21 million and ₱620.18 million in 2024 and 2023, respectively. Capitalization rate is 5.47% and 5.15% in 2024 and 2023, respectively.

10. Other Current Assets

This account consists of

	2024	2023
	(In Thousands)	
Input taxes - net	₱3,478,873	₱3,512,499
Creditable withholding taxes	1,860,456	1,261,505
Advances to contractors and suppliers	456,795	436,797
Prepaid expenses and others	449,456	349,391
Construction materials and supplies	405,656	356,983
Cost to obtain contract (Note 5)	290,616	367,514
Short-term deposits	127,642	91,566
	₱7,069,494	₱6,376,255

“Input taxes” pertains to VAT passed on from purchases of goods and services which is applied against output VAT.

“Creditable withholding taxes” are the taxes withheld by the withholding agents from payments to the sellers which are creditable against the income tax payable.

“Advances to contractors and suppliers” pertain to down payments made for real estate inventories by Parent Company which are applied against future billings for development and construction contracts.

“Prepaid expenses” consist of prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

“Construction materials and supplies” pertains to inventories to be used in the construction and maintenance of projects.

“Cost to obtain contract” includes commissions paid to brokers relating to the sale of real estate inventories which did not qualify for revenue recognition.



11. Investments and Advances in Subsidiaries and Associates

This account consists of:

	2024	2023
	(In Thousands)	
At cost		
Subsidiaries		
FILRT	₱3,452,636	₱4,277,826
FCMI	2,100,000	2,100,000
GPRDI	1,944,857	1,944,857
FCI	1,750,000	1,750,000
FLTI	871,250	871,250
FAPI	863,414	863,414
FAC	714,050	714,050
FCGC	765,550	685,550
NPHI	544,440	544,440
FLC	517,195	517,195
PDDC	210,000	210,000
Homepro	125,938	125,938
CRC	88,818	88,818
CBRM (Note 9)	80,058	—
OSI	70,000	70,000
FFMI	50,000	50,000
NSI	47,250	47,250
CHC (Note 9)	39,590	—
CPMC	25,000	25,000
PPI	20,000	20,000
Pro-Office	17,163	17,163
PLIL	14,854	14,854
RPI	10,000	10,000
FLMI	6,250	6,250
TSNC	2,994	2,994
FSI	1,250	1,250
SDI	1,000	1,000
Promax	400	400
Prosper	100	100
Leisurepro	100	100
Associates		
FAI	800,000	800,000
DPI	90,000	90,000
CTI	51,300	51,300
FMI	37,829	37,829
Pro-Excel	28,462	28,462
SharePro, Inc.	11,250	11,250
Pro-Active	10,000	10,000
	15,362,998	15,988,540
Advances to associates and subsidiaries (Note 20)	10,248,690	7,764,616
	25,611,688	23,753,156
Allowance for impairment loss	(22,368)	(22,368)
	₱25,589,320	₱23,730,788



FILRT

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company's interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion. The voluntary tender offer resulted in a gain amounting to ₱1.03 billion. (Note 27).

NPHI and CRC

On July 14, 2023, the Parent Company entered into a Share Purchase Agreement with Rizal Commercial Banking Corporation (RCBC) to purchase all outstanding shares of stock of Niyog Property Holdings, Inc. (NPHI) and Cajel Realty Corporation (CRC) for a total consideration of ₱633.26 million, taking over the two latter companies' joint land development activities in Bacoor City, Cavite.

FCMI

In 2023, The Parent Company paid the remaining subscription payable to FCMI amounting to ₱575 million divided into (a) 75 million common shares with a par value of ₱1.00 per share or an aggregate value of ₱75 million and (b) 500 million preferred shares with a par value of ₱1.00 per share or an aggregate value of ₱500 million.

FCGC

In 2024, the Parent Company paid the subscription payable to FCGC amounting to 80 million preferred shares with a par value of ₱1.00 per share or an aggregate value of ₱80 million.

In 2023, The Parent Company paid the subscription payable to FCGC amounting to ₱250 million divided into (a) 170 million common shares with a par value of ₱1.00 per share or an aggregate value of ₱170 million and (b) 80 million preferred shares with a par value of ₱1.00 per share or an aggregate value of ₱80 million.

OSI

On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI. On August 2, 2023, FLI subscribed to an additional 45 million common shares for a total consideration of ₱45.00 million. On the same date, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting in FLI's 70% ownership in OSI for a total consideration of ₱30.00 million.

FAI

The Parent Company has a 20% interest in FAI which is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate and marketing.

Pro-excel

The Parent Company has a 47.5% interest in Pro-excel which is operating in the Philippines. Pro-Excel is primarily involved in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision projects.



DPI

The Parent Company has a 45% interest in DPI which is operating in the Philippines and handles the project construction management for the Parent Company

CTI

The Parent Company has a 30% interest in CTI which is operating in the Philippines. CTI is primarily involved in information technology service management.

FMI

The Parent Company has a 47.5% interest in FMI which is operating in the Philippines and handles the lease of the Mimosa Leisure Estate.

Pro-Excel

The Parent Company has a 47.5%% interest in Pro-Excel which is operating in the Philippines and handles the management of real estate-controlled development projects and subdivision projects.

SPI

The Parent Company has a 45% interest in SPI which is operating in the Philippines and handles the technical and project management services for the Parent Company.

Pro-Active

On August 9, 2023, ProActive was incorporated in the Philippines to handle the business process outsourcing services of the Group. The Parent Company subscribed for 40.0% of ProActive's capital stock amounting to ₱10.00 million.

The associates have no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2024 and 2023.

Cash dividends

In 2024 and 2023, cash dividends received from FAC, FILRT, FCI, FLC and FAPI amounted to ₱1.51 billion and ₱1.42 billion, respectively.

12. Investment Properties

The rollforward analysis of this account as of December 31 follows:

	2024					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 14)	Total
(In Thousands)						
Cost						
Balances at beginning of year	₱14,373,412	₱24,147,949	₱341,584	₱20,227,859	₱4,330,546	₱63,421,350
Additions	170,520	479,593	37,740	2,799,172	—	3,487,025
Reclassification (Note 9)	455,989	(82,995)	—	—	—	372,994
Balances at end of year	14,999,921	24,544,547	379,324	23,027,031	4,330,546	67,281,369
Accumulated Depreciation						
Balances at beginning of year	—	3,744,948	270,983	—	660,830	4,676,761
Depreciation (Notes 21 and 22)	—	819,469	12,058	—	142,271	973,798
Reclassification (Note 9)	—	(40,043)	—	—	—	(40,043)
Balances at end of year	—	4,524,374	283,041	—	803,101	5,610,516
Net Book Value	₱14,999,921	₱20,020,173	₱96,283	₱23,027,031	₱3,527,445	₱61,670,853



	2023					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 14)	Total
	(In Thousands)					
Cost						
Balances at beginning of year	₱14,366,616	₱22,721,677	₱328,321	₱18,408,168	₱4,138,726	₱59,963,508
Additions	6,796	1,426,272	13,263	1,819,691	278,203	3,544,225
Reclassification (Note 15)	—	—	—	—	(86,383)	(86,383)
Balances at end of year	14,373,412	24,147,949	341,584	20,227,859	4,330,546	63,421,350
Accumulated Depreciation						
Balances at beginning of year	—	3,180,060	265,996	—	487,652	3,933,708
Depreciation (Notes 21 and 22)	—	564,888	4,987	—	179,823	749,698
Reclassification (Note 15)	—	—	—	—	(6,645)	(6,645)
Balances at end of year	—	3,744,948	270,983	—	660,830	4,676,761
Net Book Value	₱14,373,412	₱20,403,001	₱70,601	₱20,227,859	₱3,669,716	₱58,744,589

Construction in progress pertain to buildings under construction to be leased as retail and office spaces upon completion.

Borrowing costs capitalized as part of investment properties amounted to ₱1,160.29 million and ₱717.39 million in 2024 and 2023, respectively. The capitalization rate used is 5.46% and 5.10% in 2024 and 2023, respectively.

The aggregate fair value of the Parent Company's investment properties amounted to ₱110.20 billion and ₱113.20 billion as of December 31, 2024 and 2023, respectively based on management appraisal updated using current and year-end values and assumptions. The fair value of investment properties was determined using the Income Approach based on discounted cash flow analysis. Under the income approach, all expected cash flows from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations.

Rental income from investment properties amounted to ₱3,340.88 million and ₱3,109.02 billion in 2024 and 2023, respectively. Cost of rental services from investment properties amounted to ₱1,554.36 million and ₱1,134.23 million in 2024 and 2023, respectively (see Note 21).

13. Property and Equipment

The rollforward analysis of this account as of December 31 follows:

	2024						
	Land, Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
	(In Thousands)						
Cost							
Balances at beginning of year	₱724,269	₱2,821,713	₱217,913	₱103,474	₱80,396	₱21,586	₱3,969,351
Additions	498	76,522	17,767	18,498	1,135	5,708	120,128
Balances at end of year	724,767	2,898,235	235,680	121,972	81,531	27,294	4,089,479
Accumulated Depreciation							
Balances at beginning of year	232,436	745,337	166,593	74,614	80,083	—	1,299,063
Depreciation (Notes 21 and 22)	10,988	180,715	16,185	25,492	860	—	234,240
Balances at end of year	243,424	926,052	182,778	100,106	80,943	—	1,533,303
Net Book Value	₱481,343	₱1,972,183	₱52,902	₱21,866	₱588	₱27,294	₱2,556,176



	2023						
	Land, Buildings and Improvements	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
	(In Thousands)						
Cost							
Balances at beginning of year	₱722,875	₱2,605,023	₱179,386	₱90,973	₱63,476	₱21,227	₱3,682,960
Additions	1,394	216,690	38,527	12,501	16,920	359	286,391
Balances at end of year	724,269	2,821,713	217,913	103,474	80,396	21,586	3,969,351
Accumulated Depreciation							
Balances at beginning of year	220,644	616,862	151,510	62,936	63,117	–	1,115,069
Depreciation (Notes 21 and 22)	11,792	128,475	15,083	11,678	16,966	–	183,994
Balances at end of year	232,436	745,337	166,593	74,614	80,083	–	1,299,063
Net Book Value	₱491,833	₱2,076,376	₱51,320	₱28,860	₱313	₱21,586	₱2,670,288

14. Leases

The Parent Company entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space (b) provisioning of water and electricity and (c) provision of air conditioning and CUSA services (d) administration fee.

Revenue from lease of space is recognized on a straight line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within seven (7) to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

Company as lessee

The Parent Company has lease contracts for land. The Parent Company's obligations under its leases are secured by the lessor's title to the leased assets. The Parent Company has entered into land lease arrangements with lease terms of between 25 and 50 years. There are several leases that include extension option to lease the assets for additional 25 years based on mutual agreement of the parties.

As at December 31, 2024 and 2023, the rollforward analysis of right-of-use assets on land follows (see Note 12):

	2024		
	Investment Properties (Note 12)	BTO Rights (Note 15)	Total
	(In Thousands)		
Cost			
Balances at beginning and end of year	₱4,330,546	₱86,383	₱4,416,929
Accumulated Depreciation			
Balances at beginning of year	660,830	10,443	671,273
Depreciation (Note 22)	142,271	3,797	146,068
Balances at end of year	803,101	14,240	817,341
Net Book Value	₱3,527,445	₱72,143	₱3,599,588



	2023		
	Investment Properties (Note 12)	BTO Rights (Note 15)	Total
	(In Thousands)		
Cost			
Balances at beginning of year	₱4,138,726	₱—	₱4,138,726
Additions	278,203	—	278,203
Reclassification	(86,383)	86,383	—
Balances at end of year	4,330,546	86,383	4,416,929
Accumulated Depreciation			
Balances at beginning of year	487,652	—	487,652
Depreciation (Note 22)	179,823	3,798	183,621
Reclassification	(6,645)	6,645	—
Balances at end of year	660,830	10,443	671,273
Net Book Value	₱3,669,716	₱75,940	₱3,745,656

The Parent Company renewed its lease agreement with FILRT for the office space located in Alabang. The lease term is 10 years, renewable for another 5 years or 10 years upon mutual agreement by the parties.

The following are the amounts recognized in the parent company statement of income for the years ended December 31:

	2024	2023
	(In Thousands)	
Depreciation expense of right-of-use assets (included in cost of rental services) (Note 21)	₱146,068	₱183,621
Interest expense on lease liabilities (included in interest and other finance charges) (Note 24)	432,222	433,959
Rent expense on low value assets (included in general and administrative expense) (Note 22)	16,220	8,160
	₱594,510	₱625,740

As at December 31, the rollforward analysis of lease liabilities follows:

	2024	2023
	(In Thousands)	
Balances at beginning of year	₱5,004,973	₱4,624,851
Additions	—	278,203
Interest expense (Note 24)	432,222	433,959
Payments	(302,289)	(332,040)
Balances at end of year	5,134,906	5,004,973
Lease liabilities - current portion	175,650	195,218
Lease liabilities - net of current portion	₱4,959,256	₱4,809,755

The Parent Company also has certain lease of parking space considered as ‘low-value assets’. The Parent Company applies the lease of ‘low-value assets’ recognition exemptions for these leases.



Shown below is the maturity analysis of the undiscounted lease payments:

	2024	2023
	(In Thousands)	
1 year	₱260,457	₱248,054
more than 1 years to 2 years	273,480	260,457
more than 2 years to 3 years	287,154	273,480
more than 3 years to 4 years	301,512	287,154
more than 5 years	18,180,236	18,467,390

Company as lessor

As lessor, future minimum rental receivables under renewable operating leases as of December 31 are as follows:

	2024	2023
	(In Thousands)	
Within one year	₱954,910	₱1,464,973
After one year but not more than five years	2,325,220	2,247,030
After five years	1,087,594	436,007
	₱4,367,724	₱4,148,010

The Parent Company entered into lease agreements with third parties covering real estate properties. These leases generally provide for either (a) fixed monthly rent (b) minimum rent or a certain percentage of gross revenue, whichever is higher. Most lease terms on commercial malls are renewable within one year, except for anchor tenants with lease ranging from 5 to 15 years.

Rental income recognized based on a percentage of the gross revenue of mall tenants included in "Rental services" account in the parent company statement of income amounted to ₱465.21 million and ₱365.28 million in 2024 and 2023, respectively. In 2023, the Parent Company granted rental concessions to its tenants which were affected by the community quarantine imposed by the government amounting to ₱50.23 million. These rent concessions did not qualify as a lease modification, thus, were accounted for as negative variable lease payments and reported as reduction of lease income in 2023.

15. Build-Transfer-Operate (BTO) Rights

BTO rights pertain to the cost related to the BTO agreement with The Province of Cebu (Cebu Province) entered on March 26, 2012. The BTO project relates to the development, construction, and operation of the Business Process Outsourcing (BPO) Complex by the Parent Company at the land properties owned by Cebu Province located at Salinas, Lahug, Cebu City.



The rollforward analysis of BTO rights is as follows:

	December 31, 2024		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱5,213,490	₱86,383	₱5,299,873
Additions	392,489	—	392,489
Balance at end of year	5,605,979	86,383	5,692,362
Accumulated Amortization			
Balance at beginning of year	376,875	10,443	387,318
Depreciation (Note 22)	99,787	3,797	103,584
Balance at end of year	476,662	14,240	490,902
Net Book Value	₱5,129,317	₱72,143	₱5,201,460

	December 31, 2023		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱5,178,938	₱—	₱5,178,938
Additions and adjustments – net	34,552	—	34,552
Reclassification (Note 13)	—	86,383	86,383
Balance at end of year	5,213,490	86,383	5,299,873
Accumulated Amortization			
Balance at beginning of year	184,219	—	184,219
Reclassification (Note 13)	—	6,645	6,645
Depreciation	192,656	3,798	196,454
Balance at end of year	376,875	10,443	387,318
Net Book Value	₱4,836,615	₱75,940	₱4,912,555

As of December 31, 2024, the cost of completed portion pertaining to Cebu Tower 2 of the BTO project amounted to ₱1.44 billion.

“Right-of-use assets” pertain to the related lease payments required under land lease contracts and the BTO agreement for the land where the buildings were constructed.

Interest expense capitalized amounted to ₱64.77 million and ₱90.71 million in 2024 and 2023, respectively.

In 2024 and 2023, related amortization recognized as part of “Cost of rental services” amounted to ₱99.79 million and ₱192.66 million, respectively. Rental income amounting to ₱145.38 million and ₱150.22 million in 2024 and 2023, respectively, was recognized as part of “Revenue from rental and related services”. Tenant dues from BTO rights amounted to ₱55.56 million and ₱55.86 million in 2024 and 2023, respectively.



16. Other Noncurrent Assets

This account consists of:

	2024	2023
	(In Thousands)	
Advances to contractors and suppliers	₱1,677,273	₱843,662
Receivables from joint venture partners	256,914	309,352
Investment in bonds	150,000	150,000
Financial assets at FVOCI (Notes 29 and 30)	15,535	15,535
Other assets	243,986	62,302
	₱2,343,708	₱1,380,851

“Advances to contractors and suppliers” pertain to down payments made by the Parent Company which are applied against future billings for development and construction contracts of investment properties and property and equipment.

“Receivables from joint venture partners” are advances (e.g., property taxes and permits) which are normally applied against the share of the joint venture partners from sale of the joint venture properties reported under “Other receivables” in parent company statements of financial position.

“Investment in bonds” consist of a 5-year, non-interest bearing, Class A Senior Notes with a face amount of ₱150.0 million issued by a third party special purpose trust fund duly registered with the Bangko Sentral ng Pilipinas invested by the Parent Company on December 19, 2022.

“Financial assets at FVOCI” consists of quoted and unquoted shares of stocks. Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Parent Company will continue to carry out as part of the infrastructure that it provides for its real estate development projects.

“Other assets” include advances to sellers for the purchase of land prior to issuance of Contract to Sell. These also include utility and security deposits.

17. Accounts Payable and Accrued Expenses

This account consists of:

	2024			2023		
	Due Within One Year	Due After One Year	Total	Due Within One Year	Due After One Year	Total
	(In Thousands)					
Accounts payable	₱4,522,873	₱3,177,132	₱7,700,005	₱5,803,931	₱3,093,397	₱8,897,328
Retention fees payable	1,895,114	883,074	2,778,188	1,782,127	493,850	2,275,977
Deposits for registration	238,298	1,721,392	1,959,690	216,220	1,561,908	1,778,128
Deposits from tenants	423,332	840,911	1,264,243	455,547	805,308	1,260,855
Accrued expenses	1,054,044	—	1,054,044	780,939	—	780,939
Accrued interest on bonds and loans	298,881	—	298,881	87,359	—	87,359
Other payables	858,627	143,083	1,001,710	313,230	—	313,230
	₱9,291,169	₱6,765,592	₱16,056,761	₱9,439,353	₱5,954,463	₱15,393,816



“Accounts payable” includes the outstanding balance of the costs of land acquired by the Parent Company and is payable on scheduled due dates or upon completion of certain requirements (see Note 9, 12 and 13). This account also includes amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Parent Company.

“Retention fees payable” pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

“Deposits for registration” pertain to amounts collected from buyers for payment of registration of real estate properties.

“Deposits from tenants” are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

“Accrued expenses” pertain to various operating expenses incurred by the Parent Company in the course of business such as salaries and wages, unbilled construction cost related to ongoing projects, among others.

Accrued expenses account consists of:

	2024	2023
Suppliers and contractors	₱1,047,909	₱774,786
Payroll	5,172	5,752
Others	963	401
	₱1,054,044	₱780,939

“Other payables” pertain mainly to withholding taxes and liabilities to government agencies which are generally settled/earned within 12 months.

18. Loans Payable

This account consists of:

	2024	2023
	(In Thousands)	
Short term loans	₱1,200,000	₱3,865,000
Long-term loans	32,585,804	23,653,182
Developmental loans from local banks	33,785,804	27,518,182
Less unamortized transaction costs	180,248	85,597
	33,605,556	27,432,585
Less current portion of loans payable	6,330,910	14,676,371
Long-term portion of loans payable	₱27,274,646	₱12,756,214

Developmental loans from local banks will mature on various dates up to 2027. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month, 6-month or 1-year Bloomberg Valuation (BVAL), plus margin, per annum, or fixed rates.



Additional loans availed by the Parent Company in 2024 and 2023 amounted to ₱31.02 billion and ₱17.56 billion, respectively. These include availment of short-term loans payable amounting to ₱11.17 billion and ₱15.50 billion in 2024 and 2023, respectively. Principal payments made in 2024 and 2023 amounted to ₱24.75 billion and ₱18.64 billion, respectively.

As of December 31, 2024 and 2023, short term loans payable, presented under current portion of loans payable amounted to ₱1.20 billion and ₱3.87 billion, respectively.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱1.89 billion and ₱1.16 billion in 2024 and 2023, respectively.

Amortization of transaction costs amounted to ₱94.89 million and ₱59.76 million in 2024 and 2023, respectively and included under “Interest and other financing charges” (see Note 24). Deferred finance charges for new loans during the year amounted to ₱189.53 million and ₱51.96 million in 2024 and 2023, respectively.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Parent Company’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Parent Company’s loans payable are unsecured and no assets are held as collateral for these debts. As of December 31, 2024 and 2023, the Parent Company complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.

19. Bonds Payable

This account consists of:

	2024	2023
	(In Thousands)	
Bonds payable	₱36,095,400	₱37,795,400
Less unamortized transaction costs	238,813	326,883
	35,856,587	37,468,517
Less current portion of bonds payable	14,815,659	1,697,345
Long-term portion of bonds payable	₱21,040,928	₱35,771,172

- a. On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014. On November 8, 2023, the Parent Company paid the remaining balance amounting to ₱2.70 billion.

Unamortized debt issuance cost on bonds payable amounted to ₱2.16 million as of December 31, 2022 (nil as of December 31, 2023). Accretion in 2023 included as part of ‘Interest and other finance charges’ amounted to ₱2.16 million (nil as of December 31, 2024; see Note 24).



- b. On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the 10-year bonds have a fixed interest rate of 5.64% per annum. The Parent Company paid the ₱1.70 billion on December 4, 2024. As of December 31, 2023, ₱1.70 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.65 million as of December 31, 2023 (nil as of December 31, 2024). Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱2.65 million and ₱0.29 million, respectively (see Note 24).

- c. On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum while the 10-year bonds have a fixed rate of 5.71% per annum. The Parent Company paid the ₱7.00 billion bonds on August 20, 2022. As of December 31, 2024 and 2023, ₱1.0 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.76 million and ₱3.07 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱0.31 million and ₱0.34 million, respectively (see Note 24).

- d. On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.1 billion comprising of ₱6.3 billion, 3-year fixed rate bonds due in 2024 and ₱1.8 billion, 5.5-year fixed rate bonds due in 2026. The 3-year bonds carry a fixed rate of 3.34% per annum, while the 5.5-year bonds have a fixed rate of 4.18% per annum. As of December 31, 2024 and 2023, ₱1.76 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱6.08 million and ₱7.44 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱1.36 million and ₱17.21 million, respectively (see Note 24).

- e. On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.0 billion comprising of ₱5.0 billion, 4-year fixed rate bonds due in 2025 and ₱5.0 billion, 6-year fixed rate bonds due in 2027. The 4-year bonds carry a fixed rate of 4.5300% per annum, while the 6-year bonds have a fixed rate of 5.2579% per annum. As of December 31, 2024 and 2023, ₱10.0 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱65.45 million and ₱82.26 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱16.81 million and ₱21.33 million, respectively (see Note 24).

- f. On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion comprising of ₱8.925 billion, 3-year fixed rate bonds due in 2025 and ₱2.975 billion, 5-year fixed rate bonds due in 2027. The 3-year bonds carry a fixed rate of 5.3455% per annum, while the 5-year bonds have a fixed rate of 6.4146% per annum. As of December 31, 2024 and 2023, ₱11.90 billion of these bonds payable remain outstanding.



Unamortized debt issuance cost on bonds payable amounted to ₱64.60 million and ₱91.45 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱26.85 million and ₱38.76 million, respectively (see Note 24).

- g. On December 1, 2023, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.43 billion which are 3.5-year fixed rate bonds due in 2027. The bonds carry a fixed rate of 6.9829% per annum. As of December 31, 2024 and 2023, ₱11.43 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱99.92 million and ₱140.01 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱40.10 million and ₱3.45 million, respectively (see Note 24).

Interest incurred on these bonds (gross of related capitalized borrowing costs) amounted to ₱2.11 billion and ₱1.77 billion for the years ended December 31, 2024 and 2023, respectively. Payments made on these bonds amounted to ₱1.70 billion and ₱9.04 billion in 2024 and 2023, respectively.

The Parent Company’s loans payable are unsecured and no assets are held as collateral for these debts. These bonds require the Parent Company to maintain certain financial ratios including debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio of 1.0x; and minimum debt service coverage ratio (DSCR) of 1.0x. As of December 31, 2024 and 2023, the Parent Company is not in breach of these covenants and has not been cited in default on any of its outstanding obligations.

20. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the ultimate company (referred herein as “Affiliates”). Related parties may be individuals or corporate entities.

All material Related Party Transactions (“RPT”) with a transaction value that reaches ten percent (10%) of the Parent Company’s total assets shall be subject to the review by the RPT Committee. Transactions that were entered into with an unrelated party that subsequently becomes a related party shall be excluded from the limits and approval of the Policy on Related Party Transactions (“Policy”). However, any renewal, change in the terms and conditions or increase in exposure level, related to these transactions after a non-related party becomes a related party, shall subject it to the provisions of the Policy.

In the event wherein there are changes in the RPT classification from non-material to material, the material RPT shall be subject to the provisions of the Policy.

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. There have been no guarantees provided or received for any related party receivables or payables. As of December 31, 2024 and 2023 the Parent Company has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.



Significant related party transactions are as follows. Outstanding liabilities are unsecured and no impairment loss was recognized on any of the assets.

2024					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
(In Thousands)					
Bank under common control of the ultimate parent					
Cash and cash equivalents	₱1,577,058	₱1,577,058	0.50% to 4.50%	No impairment	(a)
Interest income	29,114	—			
		₱1,577,058			
Dividend income					
Dividend income	₱1,506,886	₱1,506,886	Non-interest	Unrestricted, no impairment	(d)
Ultimate Parent					
	₱268	₱866	Non-interest bearing collectible on demand	Unrestricted, no impairment	(b)
Subsidiaries					
Share in common expenses and others	1,674,161	7,583,496	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Development costs	1,014,947	1,646,657	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Payment for land acquisition	14,694	729,591	Interest-bearing, collectible on demand	Unsecured, no impairment	(d)
Rental income	282,648	—	Interest-bearing, collectible on demand	Unsecured, no impairment	(d)
Dividend income	1,249,161	—	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
		₱9,959,744			
Associates					
Service fee	₱3,836	₱34,467	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Rent income	1,297	—	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Share in common expenses and others	(223,563)	254,479	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
		288,946			
Affiliates					
Share in common expenses	14,431	105,348	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(f)
Development costs (Note 12)	(30,195)	22,698	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(f)
Due from related parties (Note 8 and Note 11)		₱10,377,602			
Parent					
Share in group expenses	(₱9,185)	(₱39,897)	Non-interest bearing payable on demand	Unrestricted, no Impairment	(c)
Subsidiaries					
Share in common expenses	7,572	(1,091)	Non-interest bearing payable on demand	Unrestricted, no Impairment	(d)
Associate					
Share in common expenses and others	(82,031)	(139,587)	Non-interest bearing payable on demand	Unrestricted, no Impairment	(e)
Affiliates					
Share in other expenses	(10,041)	(57,780)	Non-interest bearing payable on demand	Unrestricted, no impairment	(f)
Due to related parties		(₱238,355)			



2023					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
(In Thousands)					
Bank under common control of the ultimate parent					
Cash and cash equivalents	₱1,832,632	₱1,832,632	0.50% to 4.50%	No impairment	(a)
Interest income	16,526				
		₱1,832,632			
Dividend income					
Dividend income	₱1,421,247	₱1,421,247	Non-interest	Unrestricted, no impairment	(d)
Ultimate Parent	₱19	₱598	Non-interest bearing collectible on demand	Unrestricted, no impairment	(b)
Subsidiaries					
Share in common expenses and others	993,968	5,909,335	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Development costs	—	631,710	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Payment for land acquisition	8,490	714,897	Interest-bearing, collectible on demand	Unsecured, no impairment	(d)
Rental income	239,020	—	Interest-bearing, collectible on demand	Unsecured, no impairment	(d)
Dividend income	1,254,121	—	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
		₱7,255,942			
Associates					
Service fee	₱2,005	₱30,631	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Rent income	946	—	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Share in common expenses and others	6,537	478,043	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
		508,674			
Affiliates					
Share in common expenses	8,561	90,917	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(f)
Development costs (Note 12)	1,382	52,893	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(f)
Due from related parties (Note 8 and Note 11)		₱7,909,024			
Parent					
Share in group expenses	(₱9,664)	(₱30,802)	Non-interest bearing collectible on demand	Unrestricted, no impairment	(c)
Subsidiaries					
Share in common expenses	—	(8,663)	Non-interest bearing collectible on demand	Unrestricted, no impairment	(d)
Associate					
Share in common expenses and others	120,716	(57,556)	Non-interest bearing collectible on demand	Unrestricted, no impairment	(e)
Affiliates					
Share in other expenses	1,017	(47,739)	Non-interest bearing collectible on demand	Unrestricted, no impairment	(f)
Due to related parties		(₱144,760)			



Significant transactions with related parties follow:

a. Transactions with bank under common control of the ultimate parent (EW)

On January 3, 2012, the Parent Company entered into a Receivable Purchase Agreement with East West Banking Corporation (EW), an entity under common control of the ultimate parent. The Parent Company agreed to sell, assign, transfer and convey to EW all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EW will be serviced by the Parent Company under an Accounts Servicing Agreement.

Under this agreement, the Parent Company shall be responsible for the monitoring and collection of contracts receivables sold to EW, including safekeeping of the collections in trust until these are remitted to EW, 10 days after the beginning of each month.

For the performance of the said services, the Parent Company will charge EW a service fee equivalent to a certain percentage of amounts actually received and collected. Although the Parent Company retains the contractual rights to receive cash flows from the contracts receivables sold to EW, this will be subsequently distributed to EW under a 'pass-through arrangement'.

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Parent Company has no liability to EW for such events. Due to this, the Parent Company derecognized the contracts receivables sold and did not recognize any liability in its parent company financial statements.

The Parent Company's plan assets in the form of cash equivalents amounting to ₱196.6 million and ₱96.60 million as of December 31, 2024 and 2023, respectively, are maintained with EW (see Note 26). The Parent Company also maintains cash and cash equivalents with EW.

b. Transactions with ultimate parent (ALGI)

Transactions with the ultimate parent relates to sharing of common expenses.

c. Transactions with parent company (FDC)

The Parent Company charges FDC certain common and general administrative expenses paid by the Parent Company on its behalf.

d. Transactions with subsidiaries

Transactions with subsidiaries are as follows:

- Total payments made by the Parent Company in behalf of Homepro for land acquisition amounted to ₱14.45 million and ₱8.49 million in 2024 and 2023, respectively.
- The Parent Company also has a Marketing Agency Agreement (the Marketing Agreement) each with its subsidiaries, Promax and Prosper whereby the subsidiaries are appointed as marketing agents to act for and on behalf of the Parent Company in promoting the marketing and sale of its middle-income and high-end real estate property development projects. In return, the Parent Company pays each subsidiary a marketing fee of a certain percentage of the net selling price, exclusive of commissions, discounts, value added tax and other government-imposed taxes and fees on all sales transactions closed by each subsidiary in accordance with the terms and conditions of the Marketing Agreement.
- The Parent Company incurred service fees from PDDC for its district cooling system operations amounting to ₱23.02 million in 2024 (nil in 2023).



- The Parent Company also charged the subsidiaries (i.e., Proleads Philippines, Inc and Property Maximizer Professional Corp.) for advances for working capital and for certain common expenses (i.e., rent) being paid by the Parent Company on its behalf.
- The Parent Company charged FLTI for the development costs of Fora Mall.
- In 2024 and 2023, cash dividends received from FAC, FILRT, FAPI, FFMI, PDDC, Promax and Pro-Office amounted to ₱1,249.16 million and ₱1.254.12 million, respectively.

e. Transactions with Associates

Transactions with FAI include noninterest-bearing cash advances and various charges for rent, management fees, marketing fees, water services, share of expenses and commission charges.

The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.

The Parent Company entered into service agreement with CTI related to the management of the computer information system. Amount charged to the Parent Company in 2024 and 2023 amounted to ₱59.46 million and ₱98.80 million, respectively, was recognized as part of 'General and Administrative Expense' in the parent company statement of income (see Note 22).

Transactions with SPI relates to sharing of common expenses and service fees for technical, project management and procurement. This also includes retirement benefits of certain employees of FLI that were transferred to SPI and the corresponding payable to SPI was reported under "Due to related parties" (see Note 26).

Transactions with DPI is related to sharing of common expenses and non-interest bearing cash advances.

Pro-Excel and DPI leases its office space from FLI while SPI leases its office space from FILRT. Revenue earned is recorded as part of rental revenues in the Statements of Comprehensive Income in 2024 and 2023 (see Note 5). Outstanding receivables are recorded as part of other receivables in the parent company statements of financial position as of December 31, 2024 and 2023 (see Note 8).

f. Transactions with Affiliates

In 2017, the Parent Company and FDC Retail Electricity Sales (FDC RES) made a retail electricity supply agreement wherein the latter will supply the retail electricity to the former.

Effective May 17, 2023, the lease agreement between Fora Services, Inc.'s (FOSI) and the Parent Company for the lease of units in Quest Hotel was terminated. The termination came into effect as the participation agreement took precedence over the lease agreement. Under the participation agreement, new terms and conditions govern the relationship between the Parent Company and FOSI regarding the use of leased premises.

Other transactions with affiliate relate to sharing of common expenses paid by the Parent Company on their behalf.



g. *Leases with related parties*

The Parent Company has several land lease transactions with related parties:

- Mall lease with FAI (as lessee)
The Parent Company entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.
- Land lease with FAI (as lessee)
The Parent Company entered into a lease agreement with FAI for a portion of land area occupied by a third party lessee. The lease term will expire on December 31, 2034.
- Land lease with FILRT (as lessor)
The Parent Company entered into a lease agreement with FILRT on the location of the buildings currently leased to third parties by such subsidiary and on those still under construction. Rental is based on certain percentage of the subsidiary's gross rental income. On July 1, 2020, the Parent Company and FILRT amended their existing lease contract. The pertinent amendment provisions include the extension of the term of the lease for another 25 years and to set a minimum fixed rental rate.

On March 1, 2021, the Parent Company and FILRT amended their existing lease contract. The pertinent amended provisions include removal of the requirement to pay minimum lease and that rental rates shall be solely variable (i.e., 10% or 15% of gross lease income depending on the floor to area ratio). In case of redevelopment, the Parent Company and the FILRT shall mutually agree on the minimum monthly rent during construction period.

Key Management Personnel Compensation

The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱63.37 million and ₱48.74 million in 2024 and 2023, respectively. Post-employment benefits of key management personnel amounted to ₱11.70 million and ₱8.26 million in 2024 and 2023, respectively.

21. Cost of Rental Services

The account consists of:

	2024	2023
	(In Thousands)	
Mall operations	₱779,959	₱691,338
Depreciation (Notes 12, 13 and 14)	869,411	631,415
Rentals (Note 20)	4,779	4,140
	₱1,654,149	₱1,326,893



22. General and Administrative Expenses

The account consists of:

	2024	2023
	(In Thousands)	
Salaries, wages and employee benefits	₱698,795	₱584,710
Outside services	353,834	245,850
Repairs and maintenance	280,876	339,771
Taxes and licenses	280,488	241,623
Depreciation (Notes 12 and 13)	258,344	306,074
Transportation and travel	80,264	63,592
Entertainment, amusement and recreation	77,408	68,714
Electronic data processing charges (Note 20)	66,062	104,410
Retirement costs (Note 26)	54,234	26,301
Communications, light and water	45,336	48,675
Insurance	24,370	27,215
Rent (Note 14)	16,220	8,160
Office supplies	13,034	14,068
Others	81,816	70,366
	₱2,331,081	₱2,149,529

23. Selling and Marketing Expenses

The account consists of:

	2024	2023
	(In Thousands)	
Brokers' commissions (Note 5)	₱811,308	₱738,634
Selling, advertising and promotions	465,144	418,386
Salaries and wages	129,820	103,647
Sales office direct costs	59,180	56,848
Others	4,153	4,913
	₱1,469,605	₱1,322,428

24. Interest and Other Finance Charges

The following table shows the component of interest income and expense recognized in the parent company statement of income:

	2024	2023
	(In Thousands)	
Interest income on:		
Contracts receivable (Note 7)	₱199,170	₱173,470
Cash and cash equivalents (Note 6)	32,364	22,093
Others	1,047	26,472
	₱232,581	₱222,035



	2024	2023
	(In Thousands)	
Interest and other finance charges:		
Interest expense on loans and bonds payable, net of interest capitalized (Notes 18 and 19)	₱2,012,310	₱800,319
Interest expense on lease liabilities (Note 14)	432,222	433,959
Amortization of transaction costs of loans and bonds (Notes 18 and 19)	182,958	143,307
Other finance charges (Note 26)	79,289	152,157
	₱2,706,779	₱1,529,742

Other finance charges include bank charges, debt issue costs for short-term loans, and other miscellaneous bank fees.

25. Other Income - Net

The account consists of:

	2024	2023
	(In Thousands)	
Forfeited reservations and collections	₱117,610	₱102,107
Processing fees	114,864	56,786
Service fees	59,160	68,406
Foreign currency exchange gain (loss) - net	1,048	(6,914)
Others	4,982	2,789
	₱297,664	₱223,174

26. Retirement Costs

The Parent Company has a funded, noncontributory defined benefit retirement plan (the Plan) covering substantially all of its officers and regular employees. Under the Plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements.

The retirement plan provides retirement benefits equivalent to 70% to 125% of the final monthly salary for every year of service. The funds are administered by the Parent Company's Treasurer under the supervision of the Board of Trustees of the Plan and is responsible for investment strategy of the plan.



The following tables summarize the components of retirement expense recognized in the parent company statements of income and pension liability recognized in the parent company statements of financial position for the existing retirement plan.

	2024		
	Present value of defined benefit Obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱390,565	₱60,687	₱329,878
Net benefit costs in profit or loss			
Current service cost (Note 22)	48,334	(5,900)	54,234
Net interest (Note 24)	29,457	350	29,107
	77,791	(5,550)	83,341
Benefits paid	(9,758)	(13,463)	3,705
Contribution	—	101,200	(101,200)
Net transfer	239	—	239
Remeasurements in other comprehensive income:			
Actuarial changes arising from return on plan assets, excluding amounts included in interest income	60,658	3,655	57,003
Balance as at end of year	₱519,495	₱146,529	₱372,966

	2023		
	Present value of defined benefit Obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱339,482	(₱14,313)	₱353,795
Net benefit costs in profit or loss			
Current service cost (Note 22)	26,301	—	26,301
Net interest (Note 24)	24,782	—	24,782
	51,083	—	51,083
Contribution	—	75,000	(75,000)
Balance as at end of year	₱390,565	₱60,687	₱329,878

The Parent Company's plan assets comprise of cash equivalents with original maturities of 3 months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2024 and 2023, these placements are with EW (see Note 20). As of December 31, 2024 and 2023, the carrying amount of the plan assets are carried at fair value.

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The assumptions used in determining pension obligation for the defined benefit plan are as follows:

	2024	2023
Discount rate	6.20%	7.30%
Future salary increases	6.00%	6.00%



The sensitivity analysis that follow has been determined based on reasonably possible changes of the assumption occurring as of the end of the reporting period, assuming all other assumptions were held constant. Management believes that as of the reporting date, it is only the decline in discount rate that could significantly affect the pension obligation.

Management believes that pension obligation will not be sensitive to the salary rate increases because it is expected to be at the same level for the remaining life of the obligation. The sensitivity analyses below have been determined based on reasonably possible changes of the significant assumption on the DBO as of the end of the financial reporting period, assuming all other assumptions were held constant.

Assumption	Increase (Decrease)	Increase (decrease) on DBO	
		2024	2023
Salary rate	+1%	₱52,957	₱39,333
	-1%	(45,967)	(34,306)
Discount rate	+1%	(45,487)	(33,624)
	-1%	53,390	39,214

Shown below is the maturity analysis of the undiscounted benefit payments of the Parent Company:

	2024	2023
	(In Thousands)	
Less than one year	₱90,030	₱28,247
More than one year and up to five years	145,234	124,301
More than five years and up to 10 years	286,276	259,937
More than 10 years	2,990,733	1,889,406

The Parent Company expects to contribute ₱100.00 million to its plan assets in the next 12 months.

The management does not perform a formal Asset-Liability (ALM) Study. The overall investment policy and ALM strategy of the retirement plan is based on the client sustainability assessment, as provided by its trustee bank in compliance with the Bangko Sentral ng Pilipinas requirements.

27. Equity

Capital Stock

The Parent Company's common and preferred shares as of December 31, 2024 and 2023 follow (amounts in thousands, except for par value figures):

	2024		2023	
	Common Shares	Preferred Shares	Common Shares	Preferred Shared
	(In Thousands, except par value figures)			
Authorized shares	33,000,000	8,000,000	33,000,000	8,000,000
Par value per share	1.00	0.01	1.00	0.01
Issued and subscribed shares	24,470,708	8,000,000	24,470,708	8,000,000
Treasury shares	2,086,949	—	220,949	—

There were no issuances of additional common shares in 2024 and 2023.



The movement in the Parent Company's treasury shares follows:

	2024		2023	
	Shares	Amount	Shares	Amount
	(In Thousands)			
<i>Common</i>				
Balance at beginning of year	220,949	₱221,041	—	—
Additions	1,866,000	1,857,043	220,949	₱221,041
Balance at end of year	2,086,949	₱2,078,084	220,949	₱221,041

Preferred Shares

As stated in the Parent Company's Amended Articles of Incorporation, the preferred shares may be issued from time to time in one or more series as the Board of Directors (BOD) may determine, and authority is expressly granted to the BOD to establish and designate each particular series of preferred shares, to fix the number of shares to be included in each of such series, and to determine the dividend rate and the issue price and other terms and conditions for each such shares. Dividends shall be cumulative from and after the date of issue of the preferred shares. Preferred shares of each and any sub-series shall not be entitled to any participation or share in the retained earnings remaining after dividend payments shall have been made on the preferred shares. To the extent not set forth in the Articles of Incorporation, the specific terms and restrictions of each series of preferred shares shall be specified in such resolutions as may be adopted by the BOD prior to the issuance of each of such series (the "Enabling Resolutions"), which resolutions shall thereupon be deemed a part of the Amended Articles of Incorporation.

In an Enabling Resolution approved and adopted by the BOD on October 6, 2006, it was clarified that the preferred shares are not convertible to common shares. In another Enabling Resolution approved and adopted by the BOD on January 5, 2007, the Board approved that preferred shares are entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares.

Thus, in a disclosure made by the Parent Company to the relevant government agency and regulatory body on January 18, 2007, it was clarified that the features of the issued and subscribed preferred shares, in addition to the features indicated in the Parent Company's Amended Articles of Incorporation so long as these features are not inconsistent with the Enabling Resolutions, are as follows: (i) voting, cumulative, and non-redeemable, (ii) par value is one centavo (₱0.01), (iii) entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares, and (iv) not convertible to common shares.

Treasury Shares

On December 20, 2007, the Parent Company's BOD approved the buyback of some of the issued shares of stock of the Parent Company over a period of twelve (12) months up to an aggregate amount of ₱1.5 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. There were no additional acquisitions in 2023 and 2022. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.



On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company's interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion (see Note 11).

Dividend Declaration

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.22 billion for all common stockholders and ₱0.0005 per share or a total of ₱4.00 million for all preferred stockholders of record as of May 13, 2024 payable on June 5, 2024.

On April 24, 2023, the Parent Company's BOD approved the declaration and payment of cash dividends of ₱0.03600 per share or a total of ₱872.99 million for all common stockholders of record as of May 12, 2023 payable on June 06, 2023.

On April 24, 2023, the Parent Company's BOD approved the declaration and payment of cash dividends of ₱0.00036 per share or a total of ₱2.88 million for all preferred stockholders of record as of May 12, 2023 payable on June 06, 2023.

As of December 31, 2024 and 2023, the Parent Company's total dividends payable amounted to ₱21.41 million.

Retained Earnings

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury, unrealized fair value gains on investment properties and BTO rights received as dividends and deferred tax asset recognized in profit or loss as of December 31, 2024 and 2023

The retained earnings is being utilized to cover part of the annual expenditure requirements of the Parent Company for its expansion projects in the real estate and leasing segments.

On November 6, 2024, FLI's BOD approved appropriation of retained earnings amounting to ₱24.81 billion out of its unrestricted retained earnings as of December 31, 2023. The appropriations will cover the following:

(a) Appropriation for future capital expenditures:

Project	Phase/Building	Location	Segment	Amount (In Thousands)	Estimated Completion Date
Filinvest Innovation Park	Industrial	Laguna	Industrial	₱2,894,000	2029
Celestia	Phase 1	Rizal	Residential	2,042,500	2029
Panglao Oasis	Bldg. 2 - Elena	Taguig City	Residential	800,000	2029
Futura Rise Iloilo	Bldgs. A - E	Iloilo	Residential	223,300	2029
The Levels	Catalina	Muntinlupa Ciy	Residential	2,560,300	2030
Cebu Ciudad	Hotel	Cebu	Hotel	1,969,300	2030
Cebu Ciudad	Office	Cebu	Office	1,523,600	2030
Belize Oasis	Bella	Muntinlupa Ciy	Residential	821,700	2030
Sydney Oasis	Bldg. A	Cavite	Residential	786,400	2030
Futura Shores	Bldg. A	Dumaguete	Residential	625,000	2030
Futura Monte	Bldg. B	Naga City	Residential	399,300	2030
				₱14,645,400	



(b) Appropriation under special circumstances:

Project		Amount (In Thousands)
Under the required Reinvestment Plan	Various FLI Projects as to be contained in the Reinvestment Plan	₱1,866,000
Non-Distributable Capital Asset	Cebu SRP Lot, Filinvest Axis Towers 2, 3, and 4, Filinvest EDSA, IT School, Convergys and Filinvest Cebu Tower 2	8,302,300
		₱10,168,300

Capital Management

The Parent Company prudently monitors its capital and cash positions and cautiously manages its expenditures and disbursements. Furthermore, the Parent Company may also, from time to time, seek other sources of funding, which may include debt or equity issues depending on its financing needs and market conditions.

The primary objective of the Parent Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. No changes were made in capital management objectives, policies or processes for the years ended December 31, 2024 and 2023.

The Parent Company monitors capital using debt-to-equity ratio, which is the long-term debt (loans payable and bonds payable) divided by total equity. The Parent Company's policy is to keep the debt-to-equity ratio not to exceed 2:1.

The following table shows how the Parent Company computes for its debt-to-equity ratio:

	2024	2023
	(In Thousands)	
Loans payable (Note 18)	₱33,605,556	₱27,432,585
Bonds payable (Note 19)	35,856,587	37,468,517
Total long-term debt	69,462,143	64,901,102
Total equity	89,083,411	90,503,903
Debt-to-equity ratio	0.78 : 1.00	0.72 : 1.00

On August 12, 1993, the SEC approved the registration of 2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, the SEC approved the registration of 3.7 billion common shares with issue price of ₱1.60 per share.



Below is the summary of the outstanding number of shares and holders of security as of December 31, 2024:

Year	Number of Shares Registered (In Thousands)	Number of Holders of Securities as of Year End
January 1, 2023	24,249,759	5,625
Add (Deduct) Movement	—	(19)
December 31, 2023	24,249,759	5,606
Add (Deduct) Movement	(1,866,000)	(50)
December 31, 2024	22,383,759	5,556

**Exclusive of 2,086,949 and 220,949 treasury shares as of December 31, 2024 and 2023, respectively.*

28. Income Taxes

Provision for (benefit from) income tax consists of:

	2024	2023
	(In Thousands)	
Current	₱152,573	₱715,122
Deferred	800,619	136,472
Final	20	5
	₱953,212	₱851,599

The Parent Company's current income tax pertains to MCIT in 2024 and RCIT in 2023.

The components of the Parent Company's net deferred income tax liabilities are as follows:

	2024	2023
	(In Thousands)	
Deferred income tax liabilities on:		
Capitalized borrowing costs	₱3,040,846	₱4,487,977
Excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules	2,739,695	1,893,872
Right-of-use assets	899,897	936,414
Remeasurement gain on retirement plan	—	5,484
Others	166,288	122,571
	6,846,726	7,446,318
Deferred income tax assets on:		
Pension expense	(122,725)	(127,190)
Lease liabilities	(1,283,727)	(1,251,243)
Remeasurement loss on retirement plan	(8,767)	—
Provision for expected credit loss	(8,123)	(8,123)
MCIT	(152,573)	—
NOLCO	(233,216)	—
Others	(41,598)	(38,463)
	(1,850,729)	(1,425,019)
	₱4,995,997	₱6,021,299



Provision for deferred income tax charged directly to other comprehensive income in 2024 relating to remeasurement loss on defined benefit obligation amounted to ₱14.25 million (nil in 2023).

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of the Bayanihan 2 Act which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. NOLCO incurred before taxable year 2020 can be claimed as deduction from the regular taxable income for the next three (3) years immediately following the year of such loss.

The carryforward benefits of the NOLCO, which can be claimed by the Parent Company as credits against the RCIT, are as follows (amounts in thousands):

Year Incurred	Amount	Expiry Date
2024	₱932,862	December 31, 2027

As of December 31, 2024, the MCIT recognized amounting to ₱152.57 million can be claimed as deduction from income tax due until December 31, 2027.

In 2023, the Company's MCIT amounting to ₱143.36 million were claimed and offset against income tax due as follows:

The reconciliation of the income tax computed at the statutory tax rate to the actual provision for (benefit from) income tax follows:

	2024	2023
	(In Thousands)	
Income tax at statutory rate	₱1,592,484	₱1,291,692
Adjustments for the income tax effect of:		
Dividend income subjected to final tax	(376,722)	(355,312)
Gain on VTO	(257,963)	
Nondeductible expense and others	7,220	2,203
Interest subjected to final tax	(8,091)	(5,523)
Interest on HGC-enrolled contracts receivables	(4,819)	(8,986)
Income covered by PEZA (Note 32)	1,103	2,274
Income tax holiday incentive on sales of BOI-registered projects	—	(84,093)
Tax-exempt net income on socialized housing units	—	9,344
	₱953,212	₱851,599



29. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Parent Company's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

2024					
		Fair Value			
	Carrying Value	Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets at FVOCI					
Quoted	₱6,458	₱6,458	₱6,458	₱–	₱–
Unquoted	9,077	9,077	–	–	9,077
	15,535	15,535	6,458	–	9,077
Assets for which fair values are disclosed					
Non-financial assets					
Investment properties	58,143,408	110,203,814	–	–	110,203,814
Total assets	₱58,158,943	₱110,219,349	₱6,458	₱–	₱110,212,891
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses					
Accounts payable	₱7,700,005	₱7,174,280	₱–	₱–	₱7,174,280
Retention fee payable	2,778,188	2,588,504	–	–	2,588,504
Deposits for registration	1,959,690	1,825,890	–	–	1,825,890
	12,437,883	11,588,674	–	–	11,588,674
Lease liabilities (Note 14)	5,134,906	7,280,497	–	–	7,280,497
Loans payable (Note 18)	33,605,556	32,329,782	–	–	32,329,782
Bonds payable (Note 19)	35,856,587	34,125,491	–	–	34,125,491
	₱87,034,932	₱85,324,444	₱–	₱–	₱85,324,444
2023					
		Fair Value			
	Carrying Value	Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets at FVOCI					
Quoted	₱6,458	₱6,458	₱6,458	₱–	₱–
Unquoted	9,077	9,077	–	–	9,077
	15,535	15,535	6,458	₱–	9,077
Assets for which fair values are disclosed					
Non-financial assets					
Investment properties	55,074,873	113,197,067	–	–	113,197,067
Total assets	₱55,090,408	₱113,212,602	₱6,458	₱–	₱113,206,144
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses					
Accounts payable	₱8,897,328	₱8,295,210	₱–	₱–	₱8,295,210
Retention fee payable	2,275,977	1,175,528	–	–	1,175,528
Deposits for registration	1,778,128	728,090	–	–	728,090
	12,951,433	10,198,828	–	–	10,198,828
Lease liabilities (Note 14)	5,004,973	5,356,527	–	–	5,356,527
Loans payable (Note 18)	27,432,585	33,898,982	–	–	33,898,982
Bonds payable (Note 19)	37,468,517	35,426,364	–	–	35,426,364
	₱82,857,508	₱84,880,701	₱–	₱–	₱84,880,701



The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other assets:* Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.
- *Contract receivables:* Estimated fair value of contract receivables is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rate used was 11.5% to 19.0% in 2024 and 2023, respectively.

Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.

- *Financial assets at FVOCI:* Fair values were determined using quoted market prices at reporting date. Fair value of unquoted equity securities are based on the latest selling price available.
- *Accounts payable and accrued expenses:* On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rates used is 6.83% and 6.77% in 2024 and 2023.
- *Long-term debt:* Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used ranged from 4.21% to 5.50% and 4.21% to 5.50% as of December 31, 2024 and 2023.

During the years ended December 31, 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

30. Financial Risk Management Objectives and Policies

The Parent Company's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Parent Company's operations.

The main objectives of the Parent Company's financial risk management are as follows:

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

The Parent Company's finance and treasury function operates as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Parent Company. The Parent Company's BOD reviews and approves the policies for managing each of these risks.



The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Parent Company's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Parent Company's financial instruments are liquidity risk, credit risk and interest rate risk. The Parent Company also monitors the foreign currency arising from all financial instruments.

Liquidity Risk

Liquidity risk is defined as the risk that the Parent Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Parent Company seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Parent Company uses combination of internally generated funds and available long-term and short-term credit facilities.

As of December 31, 2024 and 2023, the Parent Company has ₱28.17 billion and ₱25.78 billion, respectively, of undrawn short-term credit lines, and ₱35.34 billion and ₱30.18 billion of undrawn long-term credit facilities, respectively.

As part of its liquidity risk management, the Parent Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Parent Company's other financial liabilities as of December 31, 2024 and 2023 based on contractual undiscounted payments.

	2024						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
	(In Thousands)						
Financial Liabilities at							
Amortized Cost							
Accounts payable and accrued expenses							
Accounts payable	₱2,860,258	₱1,074,567	₱588,048	₱1,580,741	₱1,596,391	₱–	₱7,700,005
Retention fees payable	855,814	855,324	183,976	12,160	555,077	315,837	2,778,188
Deposits for registration	–	577	237,721	872,874	343,807	504,711	1,959,690
Accrued expenses	1,054,044	–	–	–	–	–	1,054,044
Accrued interest	298,881	–	–	–	–	–	298,881
	5,068,997	1,930,468	1,009,745	2,465,775	2,495,275	820,548	13,790,808
Due to related parties	238,355	–	–	–	–	–	238,355
Loans payable	–	2,024,543	6,073,630	13,855,959	10,995,704	9,015,817	41,965,653
Bonds payable	–	4,190,002	12,570,006	23,156,497	–	–	39,916,505
Lease liabilities	–	65,114	195,343	560,634	301,512	18,180,236	19,302,839
	₱5,307,352	₱8,210,127	₱19,848,724	₱40,038,866	₱13,792,490	₱28,016,601	₱115,214,160



	2023						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
	(In Thousands)						
Financial Liabilities at Amortized Cost							
Accounts payable and accrued expenses							
Accounts payable	₱3,670,397	₱1,378,927	₱754,607	₱1,539,081	₱1,554,316	₱—	₱8,897,328
Retention fees payable	804,791	804,330	173,006	6,802	310,420	176,628	2,275,977
Deposits for registration	—	524	215,696	792,003	311,954	457,951	1,778,128
Accrued expenses	780,939	—	—	—	—	—	780,939
Accrued interest	87,359	—	—	—	—	—	87,359
	5,343,486	2,183,781	1,143,309	2,337,886	2,176,690	634,579	13,819,731
Due to related parties	144,760	—	—	—	—	—	144,760
Loans payable	—	4,066,000	12,198,001	12,227,098	1,927,437	—	30,418,536
Bonds payable	—	976,504	2,929,512	19,822,170	20,094,336	—	43,822,522
Lease liabilities	—	62,014	186,040	533,937	287,154	18,467,390	19,536,535
	₱5,488,246	₱7,288,299	₱16,456,862	₱34,921,091	₱24,485,617	₱19,101,969	₱107,742,084

The tables below summarize the maturity profile of the Parent Company's financial assets and contract assets held to manage liquidity as of December 31, 2024 and 2023:

	2024						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
	(In Thousands)						
Financial Assets at Amortized Cost							
Cash and cash equivalents							
Cash on hand and in banks	₱1,535,425	₱—	₱—	₱—	₱—	₱—	₱ 1,535,425
Cash equivalents	—	444,104	—	—	—	—	444,104
Contracts receivable							
Contracts receivable	1,932,985	—	—	—	—	—	1,932,985
Receivables from government and financial institutions	245,297	—	—	—	—	—	245,297
Investment and advances in associates and subsidiaries							
Advances to associates and subsidiaries	10,248,690	—	—	—	—	—	10,248,690
Other receivables							
Receivable from tenants-net	717,309	—	—	—	—	—	717,309
Due from related parties	128,912	—	—	—	—	—	128,912
Investment in Bonds	150,000	—	—	—	—	—	150,000
Receivable from homeowners' associations-net	174,596	—	—	—	—	—	174,596
Receivable from buyers	3,490	—	—	—	—	—	3,490
Others	46,009	—	—	—	—	—	46,009
Short-term deposits	—	—	127,642	—	—	—	127,642
	15,182,713	444,104	127,642	—	—	—	15,754,459
Financial Assets at FVOCI							
Investments in shares of stocks:							
Quoted	—	—	—	6,458	—	—	6,458
Unquoted	—	—	—	9,077	—	—	9,077
	—	—	—	15,535	—	—	15,535
Total financial assets	15,179,223	444,104	127,642	15,535	—	—	15,766,504
Contract assets	—	1,442,518	4,327,551	1,843,603	463,137	341,657	8,418,466
	₱15,179,223	₱1,886,622	₱4,455,193	₱1,859,138	₱463,137	₱341,657	₱24,184,970



	2023						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
	(In Thousands)						
Financial Assets at Amortized Cost							
Cash and cash equivalents							
Cash on hand and in banks	₱2,925,085	₱—	₱—	₱—	₱—	₱—	₱2,925,085
Cash equivalents	—	272,301	—	—	—	—	272,301
Contracts receivable							
Contracts receivable	1,582,485	—	—	—	—	—	1,582,485
Receivables from government and financial institutions	255,344	—	—	—	—	—	255,344
Investment and advances in associates and subsidiaries		—	—	—	—	—	
Advances to associates and subsidiaries	7,764,616	—	—	—	—	—	7,764,616
Other receivables							
Receivable from tenants-net	701,575	—	—	—	—	—	701,575
Due from related parties	144,408	—	—	—	—	—	144,408
Investment in Bonds	150,000	—	—	—	—	—	150,000
Receivable from homeowners' associations-net	227,671	—	—	—	—	—	227,671
Receivable from buyers	—	—	—	—	—	—	—
Others	13,736	—	—	—	—	—	13,736
Short-term deposits	—	—	91,566	—	—	—	91,566
	13,764,920	272,301	91,566	—	—	—	14,128,787
Financial Assets at FVOCI							
Investments in shares of stocks:							
Quoted	—	6,458	—	—	—	—	6,458
Unquoted	—	9,077	—	—	—	—	9,077
	—	15,535	—	—	—	—	15,535
Total financial assets	13,766,011	287,836	91,566	—	—	—	14,145,413
Contract assets	—	1,696,313	5,088,940	589,423	261,863	2,143,132	9,779,671
	₱13,766,011	₱1,984,149	₱5,180,506	₱589,423	₱261,863	₱2,143,132	₱23,925,084

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

It is the Parent Company's policy that buyers who wish to avail of the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 7, the Parent Company has a mortgage insurance contract with HGC for a retail guaranty line.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Parent Company has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Parent Company, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossess of the real estate projects is higher than the exposure at default. The Parent Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date using the vintage model to measure expected credit losses. The probability of default rates are based groupings of various customer segments with similar loss patterns (i.e., by market segment and collateral type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.



Set out below is the information about the credit risk exposure on the Parent Company's contract receivables and contract assets using a provision matrix:

	2024					
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
	(In Thousands)					
Expected credit loss	P-	P-	P-	P-	P-	P-
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	P10,596,748	P998,096	P927,492	P3,333,569	P4,345,773	P991,818

	2023					
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
	(In Thousands)					
Expected credit loss	P-	P-	P-	P-	P-	P-
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	P11,617,500	P520,811	P1,695,400	P3,894,429	P4,520,571	P986,289

With respect to credit risk arising from the other financial assets of the Parent Company, which comprise cash and cash equivalents and financial assets at FVOCI, the Parent Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Based on the Parent Company's experience, the said assets are highly collectible or collectible on demand. The Parent Company holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Parent Company can repossess the collateralized properties and resell them at the prevailing market price.

Receivables assessed to be of standard grade are those which had passed a certain set of credit criteria, and of which the Parent Company has not noted any extraordinary exposure which calls for a substandard grade classification.

As at December 31, 2024 and 2023, the analysis of contracts receivables that were past due follows:

	Past due					Total
	Less than 30 days	30 to 60 days	61 days to 90 days	91 days to 120 days	Over 120 days	
	(In Thousands)					
2024	P1,096,522	P277,554	P211,176	P99,212	P248,521	P1,932,985
2023	P384,811	P171,577	P250,029	P106,180	P669,888	P1,582,485

There is no concentration risk on the Parent Company's financial assets as of December 31, 2024 and 2023.

Interest Rate Risk

The Parent Company's exposure to market risk for changes in interest rates relates primarily to the Parent Company's loans from various financial institutions. To manage interest rate risk, the Parent Company renegotiates the interest rates for certain long-term debts to convert them from fixed-rate debt to floating-rate debt as the Parent Company believes that the current interest rate environment makes it more favorable to carry floating-rate debt.



The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Parent Company's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Parent Company's other comprehensive income other than those already affecting the profit and loss.

	Increase (decrease) in basis points	Effect on income before income tax (In Thousands)
2024	+200	(P184,395)
	-200	184,395
2023	+200	(P254,268)
	-200	254,268

The assumed change in rate is based on the currently observable market environment. Effect on the Parent Company's income before tax is computed on the carrying amount of the Parent Company's floating rate loans payable as of December 31, 2024 and 2023.

The following table sets out the carrying amount, by maturity, of the Parent Company's long-term debts that are exposed to interest rate risk (amounts in thousands):

	91-day Treasury bill plus 1% to 2% margin					
Variable interest rate	Below 1 Year	1-2 Years	2-3 Years	3-4 Years	Over 4 Years	Total
As of December 31, 2024	P200,000	P—	P1,000,000	P50,000	P8,150,000	P9,400,000
As of December 31, 2023	P4,156,667	P—	P—	P1,000,000	P50,000	P5,206,667

31. Commitments and Contingencies

Contingencies

The Parent Company is involved in various legal actions, claims, and contingencies incidental to the ordinary course of the business. Management believes that any amount the Parent Company may have to pay in connection with any of these matters would not have a material adverse effect on its financial position or operating results. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed as they may prejudice the outcome of the ongoing proceedings.

Capital Commitments and Obligations

The Parent Company has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating P3,074.50 million and P3,328.0 million as of December 31, 2024 and 2023, respectively. These will be recognized as liabilities in the Parent Company's financial statements when the related services are received.

Assignment of Development Rights under a Build, Transfer and Operate Agreement

On June 26, 2015, the Parent Company and a third party entered into an agreement whereby the latter agreed to assign its project development rights and benefits under its BTO Agreement with Cebu Province to the Parent Company. In consideration of this assignment, the Parent Company paid upfront fee amounting to P150.0 million. As of December 31, 2024, project construction has not started pending approval from the Province of Cebu on cleared site and this upfront fee is recorded as part of 'Other noncurrent assets' in the parent company statement of financial position (see Note 12).



Development Agreement with Bases Conversion Development Authority (BCDA)

In 2015, the Parent Company won the contract to develop a 288-hectare area in Clark Green City in Tarlac and paid 10% of the bid premium as bid security amounted to ₱16.0 million. On January 8, 2016, the Joint Venture Agreement with BCDA was signed and pursuant to the terms of the development of the project, the Parent Company paid the ₱160.0 million bid premium representing the right to own 55% of the equity on the joint venture company to be formed with BCDA.

On February 11, 2016, the Parent Company incorporated FCGC Corporation, the entity that will handle the development of the New Clark City (NCC) Project, formerly Clark Green City Project. The bid premium is presented as part of investment properties in the parent company financial statements (see Note 12).

32. Registration with PEZA

On February 13, 2002, the Parent Company was registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of the Republic Act (RA) No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (the “Ecozone”) to be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone in lieu of the regular income tax rate.

33. Notes to Statements of Cash Flows

Changes in liabilities arising from financing activities for the years ended December 31 follows:

2024				
	January 1, 2024	Cash flows	Noncash movement	December 31, 2024
	(In Thousands)			
Loans payable	₱27,432,585	₱6,267,621	(₱94,650)	₱33,605,556
Bonds payable	37,468,517	(1,700,000)	88,070	35,856,587
Accrued interest	87,359	(4,193,110)	4,404,632	298,881
Dividends payable*	21,413	(1,216,488)	1,216,488	21,413
Lease liabilities	5,004,973	(302,289)	432,222	5,134,906
	₱70,014,847	(₱1,144,266)	₱6,046,762	₱74,917,343

*Dividends payable is presented as part of “Accounts payable and accrued expenses” (see Note 17).

2023				
	January 1, 2023	Cash flows	Noncash movement	December 31, 2023
	(In Thousands)			
Loans payable	₱28,510,166	(₱1,085,379)	₱7,798	₱27,432,585
Bonds payable	35,133,029	2,395,400	(59,912)	37,468,517
Accrued interest	313,203	(3,123,873)	2,898,029	87,359
Dividends payable*	21,413	(875,871)	875,871	21,413
Lease liabilities	4,624,851	(332,040)	712,162	5,004,973
	₱68,602,662	(₱3,021,763)	₱4,433,948	₱70,014,847

*Dividends payable is presented as part of “Accounts payable and accrued expenses” (see Note 17).



The Parent Company's noncash activities are as follows:

- a. Land and land developments previously presented under real estate inventories were reclassified to investment properties amounting to ₱455.90 million in 2024 (nil in 2023; see Notes 9 and 12).
- b. Land and land developments previously presented under real estate inventories were reclassified to investment and advances in subsidiaries and associate amounting to ₱119.65 million in 2024 (nil in 2023; see Notes 9 and 11).
- c. Investment properties were reclassified to real estate inventories amounting to ₱42.95 million in 2024 (nil in 2023).
- d. Additions to both right-of-use assets and lease liabilities amounting to ₱278.20 million as of December 31, 2023 (nil in 2024; see Notes 12 and 14)
- e. Purchases of investment properties and property and equipment which remain unpaid amounted to ₱1,394.94 million, ₱34.78 million and ₱494.39 million, respectively, as of December 31, 2024 and ₱1,445.62 million, ₱7.61 million and ₱274.43 million, respectively, as of December 31, 2023 (see Notes 9, 12, 13 and 15).
- f. The Parent Company has remaining unpaid cash dividend amounting to ₱21.41 million as of December 31, 2024 and 2023 (see Note 27).

34. Subsequent Events

Property-for-Share Swap Transaction with FILRT

On January 24, 2025, FLI's BOD approved the sale of its real property to FILRT under a tax-free property-for-share swap transaction. FLI will transfer its ownership over Festival Mall-Main Mall in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, with a total value of ₱6.26 billion. The said transaction will allow FLI to increase its equity in FILRT from 51.06% to 63.27%. Upon the Securities and Exchange Commission's approval of the Transaction, FLI and FILRT shall execute a lease agreement for the Property.

Issuance of Certificate of Permit to Offer Securities

On February 18, 2025, FLI received from the SEC the Certificate of Permit to Offer Securities for ₱9.0 billion with an over-subscription option of up to ₱3.0 billion worth of peso denominated fixed rate bonds for a maximum aggregate total of ₱12.0, consisting of 5-year bonds due 2030 with interest rate of 6.2916%, 7-year bonds due 2032 with interest rate of 6.6550%, and 10-year bonds due 2035 with interest rate of 6.8312% per annum. This latest bond issuance will be the second tranche out of its ₱35.0 bonds registered in 2023 under the shelf-registered program of the SEC.

Acquisition of Fora Services, Inc. (FOSI)

On September 16, 2024, FLI's Executive Committee, in the exercise of its delegated authority, approved the acquisition of 100% of the outstanding shares in FOSI from Filinvest Hospitality Corporation (FHC), a related party, for an aggregate purchase price of ₱399,800. As of February 26, 2025, the said transaction is yet to be finalized.



2024 SUSTAINABILITY REPORT

This Annual and Sustainability Report presents Filinvest Land, Inc.'s (FLI) and Environmental, Social, and Governance (ESG) disclosures for the calendar year ending December 31, 2024.

The report includes forward-looking statements based on current assessments. However, these statements are subject to uncertainties and risks that may impact operational results. While FLI strives to ensure these expectations



are reasonable, it does not guarantee future performance, actions, or events.

The ESG disclosures are prepared in compliance with the sustainability reporting guidelines for publicly listed companies outlined in the Securities and Exchange Commission Memorandum Circular No. 4, Series of 2019 (SEC MC 2019-004). These disclosures are also referenced to the reporting principles and standards of the Global Reporting Initiative (GRI).

For feedback or inquiries regarding this Annual and Sustainability Report, please contact us at ir@filinvestland.com.

Filinvest Land EESG Highlights (as of end 2024)



ECONOMIC

- **1,888 affordable and low-cost housing and condo units** delivered under the Pabahay and Futura Brands, representing 72% of total units turned over.
- **623** housing and condo units ready for turnover
- **Launched 12 Projects** across Luzon, Visayas, and Mindanao, totaling 2,609 housing and condo units.
- **92% Customer Satisfaction**, indicating strong positive feedback with ongoing efforts to improve advocacy
- **25 Net Promoter Score (NPS)** from employees' willingness to recommend the company's products, suggesting confidence with potential to enhance brand loyalty



ENVIRONMENTAL

- **100% Renewable Energy** powers FILRT offices
- **25,263 Tonnes of CO2-e of GHG** avoided through Renewable Energy Sources
- **18 Green Building Certifications** (10 LEED + 8 EDGE), underscoring our commitment to Sustainable Building Practices



SOCIAL

- **90% Employee Engagement Score**, demonstrating a connected & involved workforce
- **20 Employer Net Promoter Score (NPS)** from employees indicating positive workplace sentiment with areas for enhancement
- **Reduced Voluntary Attrition by 8%** from the previous year
- **Maintained Zero Data Breaches**, ensuring robust information security
- **1,700 Families** assisted through **Pusong Filinvest** Relief Operations, providing support to the victims of typhoons, floods, and fire, including Typhoons Carina and Enteng.
- **Average of 46 training hours - Total of 89,249 learning hours**, fostering continuous professional development
- **Gender Diversity - 60%** of employees are women; **52%** of senior executives and managers are women
- **26,535,782 safe working man-hours achieved**, encompassing employees, service providers, and project contractors.
- **314 Safety Drills and Simulation exercises** conducted, emphasizing a proactive approach to workplace safety



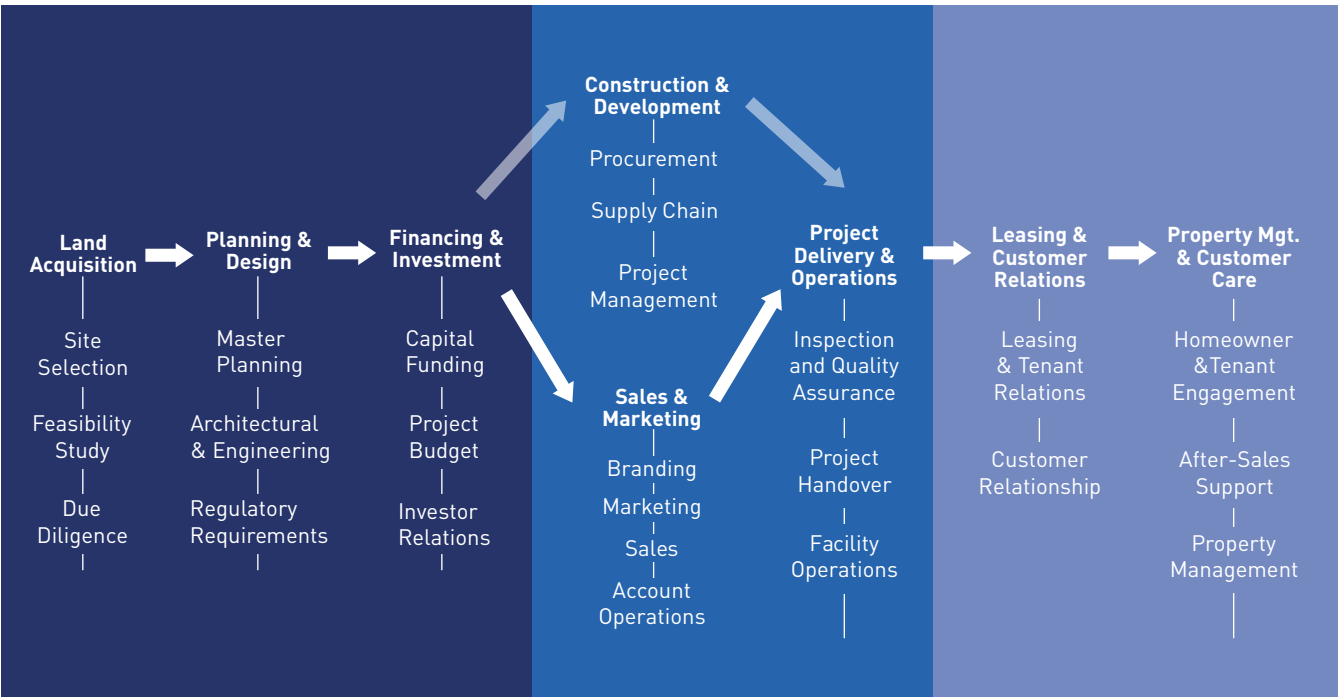
How Filinvest Land Creates Value



Sustainability Beyond Compliance
Aligning with Green Building Certifications and incorporating ESG principles with a strong commitment to Climate Resilience

Economic Enablement Through Real Estate
Focusing on job creation, business enablement, and sustainable communities

Long-Term Value for Creation
Prioritizing customer service and property management for efficiency and enduring impact.



Creating value through Filinvest Land's 5 Business Products / Segment

Residential

The residential projects have 4 brands from different income groups:

- Pabahay Brand - Socialized housing
- Futura Brand - Affordable housing
- Aspire Brand - Middle income
- Prestige Brand - High-end housing

These projects include housing, villages, and condominiums. FLI offerings also include townships, master-planned communities that are people-centric with reserved areas for basic services like schools, hospitals etc.

Co-living

Co-living spaces and Dormitel

- Room sharing with multiple beds and shared common areas for living, dining, wellness, and recreation.

Co-living units are also available for lease, which serve as temporary living accommodation for people on the go who move from one place to another.

Office

Commercial office spaces for lease to BPO and other locators. These office buildings are situated in strategic locations like Makati, Filinvest City in Alabang, Bay City in Pasay, EDSA Mandaluyong, Kamuning, Ortigas, Clark, and Cebu.

Key Features

- Grade A – IT/office buildings
- PEZA Registered
- Located in IT parks
- Green Building Certification
- Near Public Transport

Malls and Retail

Malls offer leasing spaces for Commercial and Retail.

Key Features

- Festival Mall in Alabang
- Fora Mall in Tagaytay
- Main Square Mall in Bacoor City
- Il Corso Mall in Cebu City
- Filinvest Mall in Dumaguete
- Mimosa Lifestyle Mall (ongoing construction)

Industrial

Industrial Parks: with Ready-built Factories that caters to light and medium manufacturing, logistics, warehousing, cold chain, and data centers which are critical sectors driving the country's industrial advancement.

2 Filinvest Innovation Parks located in:

- Filinvest New Clark City
- Ciudad de Calamba

Building Dreams: Evolving for Unstoppable Growth

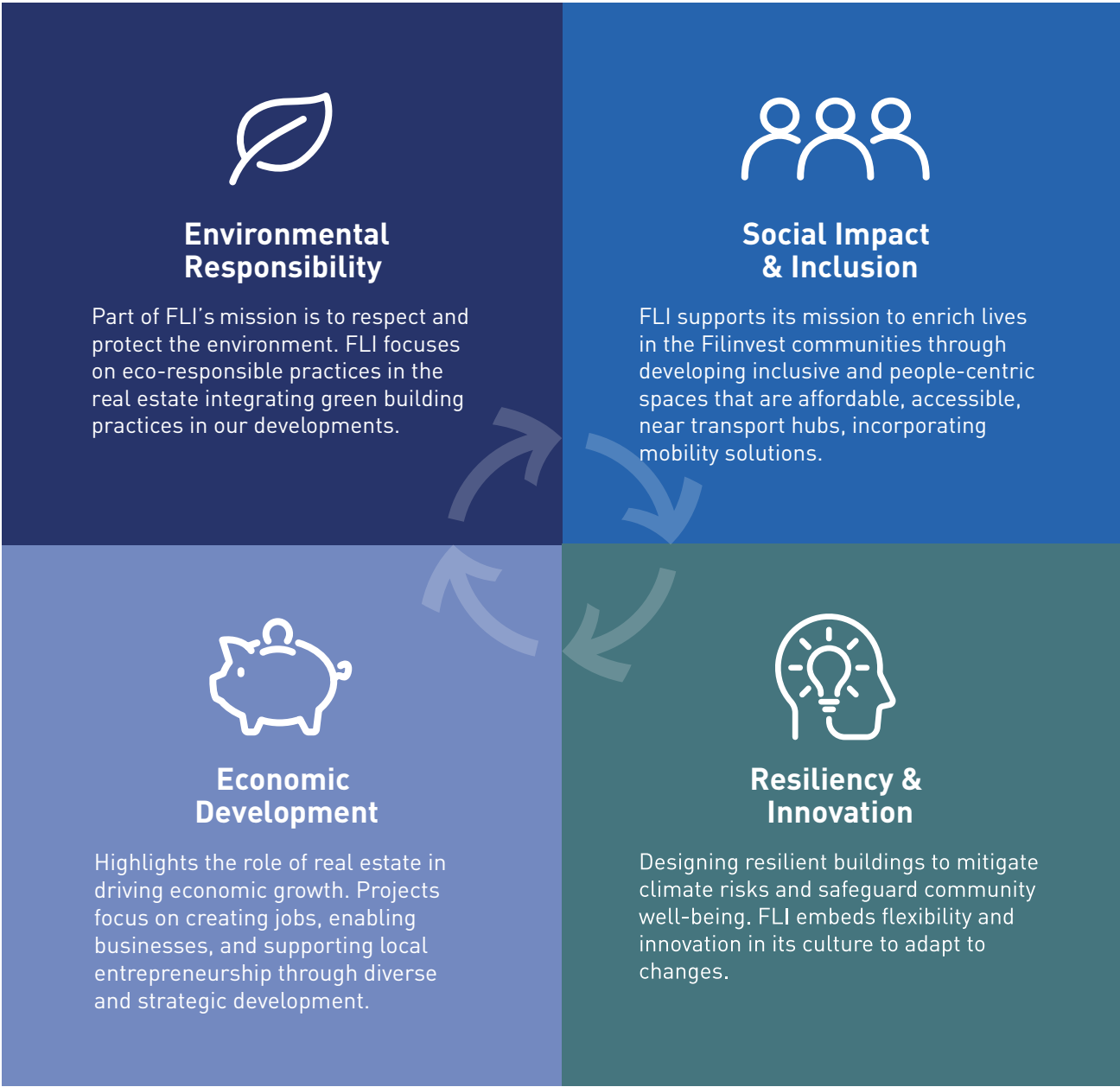
At Filinvest Land, Inc. (FLI), every project is a step toward building a better future. Anchored on our commitment to progress and innovation, we embrace sustainability as a catalyst for transformative growth. This means not only meeting today’s needs but creating opportunities that drive long-term value for our stakeholders.

Unstoppable growth requires the ability to adapt and evolve. By integrating forward-thinking solutions and sustainable practices into our developments, we aim to shape thriving communities while addressing the challenges of an ever-changing world.

Our focus goes beyond constructing spaces; it is about building dreams and empowering lives. As we move forward, FLI is dedicated to delivering impactful solutions that harmonize business success with social and environmental progress—ensuring that the dreams we build today fuel the unstoppable growth of tomorrow.

Filinvest Land Sustainability Framework

Filinvest Land, Inc. (FLI) sustainability framework is built on four key pillars:



Filinvest Land Sustainability Framework

Filinvest Land, Inc. (FLI) aligns its sustainability commitments with its Mission, Vision, and Values, focusing on creating long-term value for shareholders and stakeholders. Anchored on four (4) key pillars—Environment, Social, Resilience, and Economic—these commitments represent FLI’s priorities in building sustainable and thriving communities.

Under each pillar, three (3) focus areas guide the company’s initiatives and operations, ensuring alignment with global and national sustainability goals while addressing the unique needs of its communities and stakeholders. Through this framework, FLI emphasizes environmental responsibility, social inclusivity, resilience against disruptions, and economic development to drive long-term growth and impact.

Environmental	Social	Resilience	Economic
Eco-Responsible: Promoting use of Sustainable Construction Materials, Responsible Resource (Land, Power, Water, Fuel, Materials,) Use and Proper Waste Management, and Recycling	Affordable Housing: Expanding access to affordable and livable housing for underserved sectors.	Enterprise Risk Management: addressing evolving risks and uncertainties that could impact long term viability	Supporting and Enabling Businesses: supporting local businesses through job creation, & employment opportunities within Filinvest developments
Zero Carbon Goal: Reducing emissions through renewable energy adoption and green and energy efficient building design	People-Centric Developments: Designing accessible public spaces, walkable environments, and mixed-use communities that foster interaction & opportunity	Climate-Resilient Infrastructure: Developing systems that withstand climate change, and business risks.	Greening the Supply Chain: Advocating on responsible procurement and sustainable practices
Water Security: Enhancing water management through efficient water systems, wastewater treatment, water reuse, and rainwater harvesting	Transport Accessibility: Integrating Development near Transport Hubs, promoting sustainable mobility like EV Charging, Bike lanes, Walkways Organization Adaptability: Embedding flexibility and innovation into	Organization Adaptability: Embedding flexibility and innovation into company culture and business strategies to promote change	Good Governance: Upholding ethical business practices, transparency, and accountability to drive investor and stakeholder confidence.

Scope, Materiality and Stakeholder Engagement

This ESG report covers all operating assets and ongoing projects within Filinvest Land, Inc.’s (FLI) portfolio as of December 31, 2024. It includes key business segments such as residential, office, retail, commercial/industrial, co-living, townships, and mixed-use developments. The report also integrates relevant ESG information from the operations of Filinvest REIT (FILRT) assets and joint venture subsidiaries, including the Philippine District Cooling System Development Corp., which supports real estate assets in Alabang.

ESG performance data is consolidated based on the operational control approach, and excludes data from projects managed by Filinvest Alabang, Inc. (FAI). Since FLI owns only 20% of the shares of FAI, we have no direct control of FAI’s operations. FAI’s ESG data, which includes FLI-owned and FAI-managed projects, are consolidated in the Filinvest Development Corporation’s (FDC) Sustainability Report, having an 80% share of FAI.

Our reporting framework is shaped by meaningful engagement with key stakeholders, including employees, buyers, tenants, supply chain partners, and shareholders. Through these interactions, we identified material risks and sustainability topics that align with both business priorities and stakeholder concerns. These insights, aligned with the Filinvest Group’s sustainability framework and the regulatory disclosure requirements of the Securities and Exchange Commission (SEC), form the foundation of this report, highlighting our Environmental, Economic, Social, and Governance (EESG) achievements.

Materiality Assessment

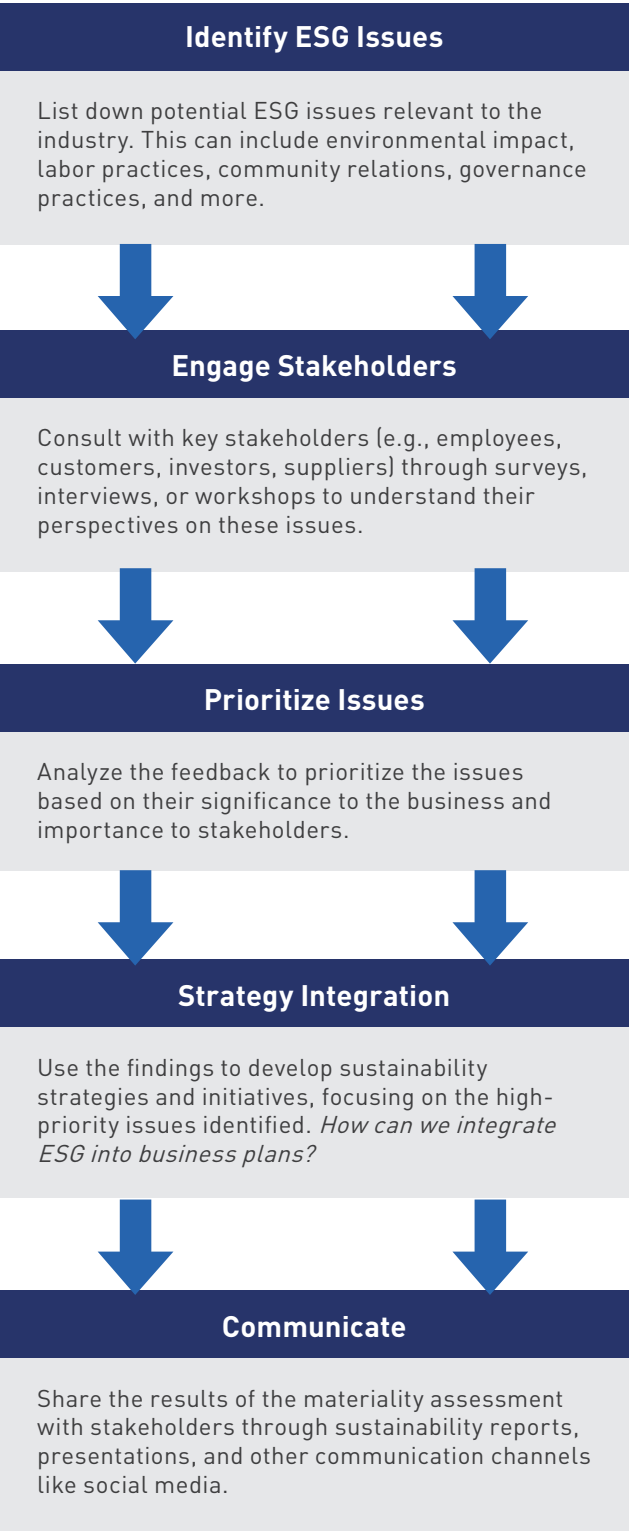
In the real estate sector, sustainability is increasingly becoming a fundamental aspect of business strategy, influencing investment decisions, operational efficiencies, and stakeholder engagement. The materiality assessment is a critical process that helps real estate companies identify and prioritize environmental, social, and governance (ESG) factors that significantly impact their business and stakeholders. This process ensures that sustainability initiatives are aligned with corporate objectives and market expectations.

In 2024, Filinvest Land revisited its material topics and updated them based on the current ESG issues and trends in the Real Estate Industry. We’ve benchmarked with our peers through a desktop exercise and market research. We also reviewed sustainability reports from peers and conducted

surveys and interviews of employees from different departments in the company to get their insights on significant ESG topics.

We’ve identified ESG issues through the 4 pillars of Filinvest Land’s Sustainability Framework and aligned with GRI standards and the guidelines from the Philippine Securities and Exchange Commission.

Materiality Assessment Process



Material Topics per Stakeholder Groups across Sustainability Pillars

Stakeholder	Environmental	Social	Economic	Governance
Employees		• Occupational Health and Safety, Wellness • Employee Benefits and Rewards • Organizational Culture and Engagement • Learning and Development • Diversity & Equal Opportunity • Labor Relations	• Jobs Creation (Direct)	
Cusstomers, Tenants, Home Buyers & Homeowners	• Management of Tenant’s ESG Goals	• Affordable housing • Livable development • Accessibility and Mobility	• Customer and Tenant Relations	• Customer Privacy / Data Security
Suppliers & Contractors		• Management of Tenant’s ESG Goals	• Jobs Creation (Indirect)	• Procurement Practices
Industry Peers		• Scope 3 GHG Emissions: (Steel & Cement)		• Sustainability Pledge and Commitment
Government Regulators	• Environmental Compliance		• Provision of Government Assistance	• Regulatory Compliance • Business Ethics & Anti-corruption
Shareholders, Capital Providers		• Technology and Innovation	• Economic Performance • Sustainable Finance	• Enterprise Risk Management • ESG Ratings and Evolving ESG Disclosures & Standards.

Stakeholder	Environmental	Social	Economic	Governance
General Public and Local Communities	• Pollution Control (Construction) • Climate Change • Disaster Preparedness and Relief Operations	• Human Rights / Indigenous People (IP) Rights • People Centric Design of Development	• Leasing Space for local businesses • Hiring from local communities	
Environment	• Resource and Energy Efficiency • Renewable Energy • Green & Resilient Building Design • GHG Emissions • Water Security • Waste & Effluents • Land Conversion & Biodiversity			

Stakeholder Engagement Channels and Concerns

Stakeholders	Concerns	Engagement Channels	FLI Response
Employees	• Occupational Health and Safety • Employee Wellbeing • Engagement and Culture • Workload and Benefits • Career Progression	• Meetings (virtual / in-person) • Email • Town halls and General Assembly • Webinars and Seminars • Coaching and Mentoring Sessions • Employee Engagement and Satisfaction Survey	• Safety Training and Audits • Review of employee compensation and benefits • Periodic Employee Engagement Programs • Training programs on core, leadership, and functional competencies
Customers, Tenants, Home Buyers & Homeowners	• Project Location • Lease Rates • Quality and Affordability • Timeliness of Project Delivery • Facilities and Utilities Support • Meet Client Sustainability Targets • EV Charging	• Meetings (virtual / in-person) • Email • Filinvest Land Website • Online Service Desk • FLI Offices and Branches Customer Care	• Different Projects located across the country • Housing brands aligned with buyers' financial capabilities • Project updates • Explore Green Mobility Solutions • Annual Tenant Feedback Survey • Property Maintenance Programs • Monthly touchpoints on Clients' EESG performance review

Stakeholders	Concerns	Engagement Channels	FLI Response
Suppliers & Contractors	• Jobs generation (indirect) • Accreditation and Performance Evaluation • Payments & Transaction	• Meetings (virtual/in-person) • Email • Online portal for payments	• Accreditation Requirements and Process • Service Level Agreements • Online payment scheme
Government Agencies Regulators	• Taxes • Regulatory Compliance • Good Governance • Disaster Readiness & Response	• Public consultations • Government Events, Conferences • Meetings	• Timely regulatory filings and permit renewals • Assignment of compliance officers • Updating internal policies and procedures based on new laws and regulations • Sustained PEZA accreditation
Shareholders, Capital Providers	• Financial stability and growth (Stock Price, Cash flow, Dividends, etc.) • Fund management and asset infusion (REIT) • Good governance, transparency in disclosures (incl. EESG)	• Filinvest Land Website • Philippine Stock Exchange Edge Portal • Philippine Securities and Exchange Commission i-View website	• Corporate Disclosures • Analyst Briefings • Press Releases • Promptly respond to queries regarding company performance
Environment	• Climate Change Mitigation and Adaptation • Resource Efficiency • Water Security • Green and Resilient Design • Waste management	• Meetings and Conferences • Training, Webinars, and Seminars • Forums and Events	• Compliance with environmental regulations • Renewable Energy Sourcing, use of District Cooling for energy efficiency • Wastewater treatment and reuse • Green Building Certifications and Resilient Building Designs • Partnerships on Circular Economy Solutions

ENVIRONMENTAL PERFORMANCE

Filinvest Land's commitment to environmental sustainability has become a core part of its identity. Sustainability is not just a goal, but a philosophy embedded throughout every stage of the project lifecycle—from design, based on green building principles, to operations, where performance is consistently compared to industry benchmarks. At every level, the company's guiding ethos of 'Building the Filipino Dream' drives its approach to continuously grow and improve. What was once considered best practice has now become the baseline. As sustainability challenges evolve, Filinvest Land must remain a leader by embracing the future of sustainability and Evolving for Unstoppable Growth.

Filinvest advances environmental sustainability by integrating it into every development, preserving nature, creating green spaces, and fostering resilient communities — ensuring that we continue Building Dreams for Unstoppable Growth for generations to come.



Filinvest Land and Filinvest REIT Recognized at the PCCI E3 Awards for Sustainability Excellence

Filinvest Land and Filinvest REIT were awarded by the Philippine Chamber of Commerce and Industry (PCCI) during the 50th Philippine Business and Conference Expo in October 2024, recognizing their commitment to sustainable development and economic growth.

Filinvest Land, Inc. (FLI), reaffirmed its leadership in sustainability by winning the 2024 Excellence in Ecology and Economy (E3) Award, and at the same time, Filinvest REIT (FILRT) was conferred the Environmental Stewardship Award for 2024 for Large Enterprise category.

The Excellence in Ecology and Economy (E3) Award honors businesses that go beyond regulatory



compliance to implement impactful environmental and sustainable initiatives. The winners were evaluated by a large panel of judges composed of technical experts from the governance, academe, and civil society and peers from the business sectors.

These awards serve as an inspiration for Filinvest to continue developing more programs that drive meaningful social impact, environmental stewardship, and economic benefits, reinforcing its commitment to building a more sustainable future.



Sustainable Spaces: Building a Greener Future

Filinvest Land continues to lead the way in shaping communities that embody the principles of sustainability and innovation. Through green design and a people-first approach, the company prioritizes environmental responsibility while addressing the needs of its residents and tenants.

Key environmental strategies include renewable energy sourcing and installation, energy and resource efficiency, and water conservation. These are driven by the dual goals of reducing operational costs and minimizing ecological impact. The company integrates these strategies through the use of improved material specifications, modern construction methodologies, and cost-effective electromechanical systems.

Filinvest Land's achievements in sustainable design are validated by prestigious third-party certifications. These include globally recognized standards such as Leadership in Energy and Environmental Design (LEED), WELL Building Standard, Excellence in Design for Greater Efficiencies (EDGE) by the International Finance Corporation, and Building for Ecologically Responsive Design Excellence (BERDE), the Philippines' green building rating system.

In 2024, Filinvest REIT, sponsored by Filinvest Land, made significant strides in its sustainability journey by transitioning 16 of its 17 office properties to operate on 100 percent renewable energy. The shift brings 94 percent of FILRT's total office portfolio by GLA under renewable energy sources, significantly reducing carbon emissions. For the remaining single property, we continuously encourage the tenant to shift to a Renewable Energy Source since it's not under direct management of FLI's property management arm.

Recently, Filinvest One has achieved the EDGE Zero Carbon Certification, the highest recognition from the International Finance Corporation (IFC). Seven (7) other office properties—Filinvest Two, Filinvest Three, Vector One, Vector Two, Plaza A, Plaza D and Plaza E—have also secured EDGE certifications.

FILRT is on its way to achieving more than 200,000 square meters of space EDGE Certified, to become an EDGE Champion.

This commitment underscores Filinvest Land's vision of creating sustainable spaces that balance environmental responsibility with community well-being, paving the way for a greener future.

Material Topics per Stakeholder Groups across Sustainability Pillars

Non-FILRT Project / Building	Green Certifications
Filinvest Cyberzone Bay City Phase 1	LEEDv3 Silver for Core and Shell
Filinvest Cyberzone Bay City Phase 2	LEEDv3 Silver for Core and Shell
Axis Tower Two	LEEDv3 Gold for Core and Shell & WELL
Axis Tower Three	LEEDv3 Gold for Core and Shell
Axis Tower Four	LEEDv3 Gold for Core and Shell
Activa - Mixed-Use	LEEDv3 Gold for Core and Shell**
IT Park - Building 1	LEEDv4 for Core and Shell*
IT Park - Building 2	LEEDv3 for Core and Shell*
One Filinvest	LEEDv3 Gold for Core and Shell
FILRT Project /Building	Green Certifications
Axis Tower One	LEEDv3 Gold for Core and Shell
Vector One	EDGE Level 1
Vector Two	EDGE Level 1
Vector Three	LEEDv3 Gold for Core and Shell
Filinvest One	EDGE Level 3– EDGE Zero Carbon
Filinvest Two	EDGE Level 1
Filinvest Three	EDGE Level 1
Plaza A	EDGE Level 1
Plaza D	EDGE Level 1

*Certification in progress

**Pre-certification

The buildings that secured EDGE certifications have a third party-verified savings in energy, water, and embodied carbon materials.

Building	EDGE* Certificate	Energy Savings	Water Savings	Less Embodied Carbon in Materials	Gross Floor Area (m²)
Filinvest One	Level Three EDGE Zero Carbon	48%	38%	50%	19,637
Filinvest Two	Level One	24%	51%	38%	23,784
Filinvest Three	Level One	25%	49%	36%	23,784
Vector One	Level One	25%	29%	66%	17,764
Vector Two	Level One	29%	29%	65%	17,889
Plaza A	Level One	25%	42%	65%	10,860
Plaza D	Level One	25%	33%	61%	10,860
Plaza E	Level One	27%	39%	100%	14,859

* EDGE Level 1 – requires 20% or more savings in energy, water, and embodied carbon in materials. EDGE Level 2 – requires 40% or more on-site energy savings. EDGE Zero Carbon – 100% renewables onsite or offsite, at least 1 year after EDGE Advanced Level certification with 75% occupancy.

Evolving for Growth: The Race to Zero Carbon

Filinvest is committed to aligning its operations and strategies with the global Zero Carbon Goal, empowering its customers, office tenants, and communities to achieve Net Zero by 2050.

In understanding how and where we can make an impact in reducing carbon emissions from our core operations, Filinvest enables its tenants to advance their Sustainability goals while addressing environmental impacts.

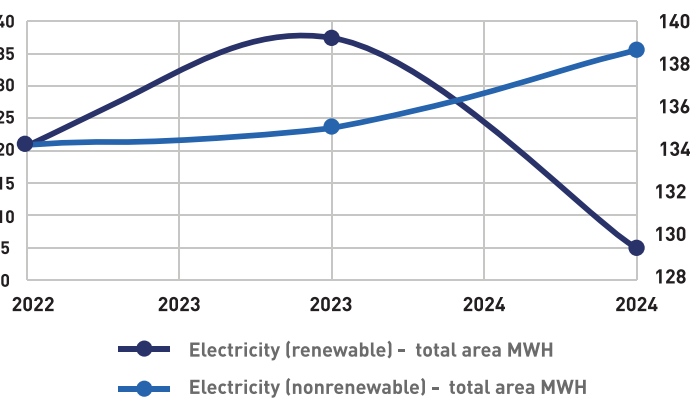
With the competitive landscape in the office leasing segment, our key focus is to provide sustainable solutions in reducing Scope 2 emissions from

purchased electricity. To support these goals, Filinvest’s office leasing business has accelerated its transition to renewable energy, having 94% of Filinvest REITs (FILRT) portfolio powered by 100% renewable energy.

Festival Mall also demonstrates Filinvest’s leadership in renewable energy, with its 2.8-megawatt rooftop solar installation, the largest in Metro Manila, providing clean energy to augment its electricity supply from the distribution utility. Through these initiatives, Filinvest is not only reducing its carbon footprint but also contributing to a sustainable future for its tenants, partners, and communities.

Energy Consumption (GRI 302-1)	Unit	2022	2023	2024
Gasoline – property operations	L	0	115,538	90,556
Diesel – property operations	L	164,830	209,932	214,220
Diesel – construction projects	L	611,924	840,207	695,908
Electricity (renewable) – common area	KWH	5,108,971	6,624,488	11,267,418
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Electricity (non-renewable) - total area	KWH	134,352,881	139,172,317	129,566,905
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Electricity (RE & non-RE) -- total area	KWH	154,987,183	162,634,485	165,038,760
Electricity – construction projects (non-RE)	KWH	2,315,796	3,381,122	2,608,336
Total Electricity – property ops (common) & projects	KWH	70,107,433	73,322,702	71,713,044

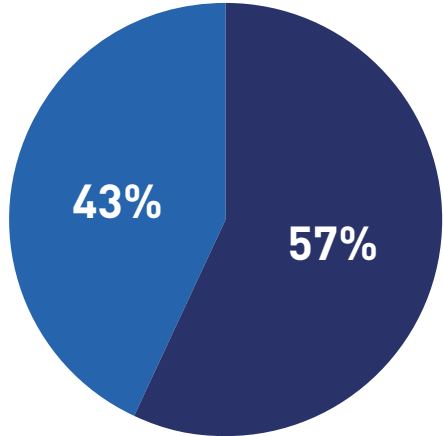
Note: Renewables consumption by FILRT and Non-FILRT Offices from (purchased electricity from renewables) and Festival Mall (rooftop solar) and other FLI residential properties.



In 2024, Renewable Energy increased by 51% from the previous year. This resulted in a decrease in non-renewable electricity consumption and avoided 25,263 Tonnes CO2-e of Greenhouse Gas

% Energy Consumption
Common Area + Leased Area = Total Area (3 year Ave.)

This chart shows the average Energy consumed for the leased areas compared with the common areas that can be managed by Filinvest. We have calculated our GHG emissions in two ways, reflecting both the common and the total areas.

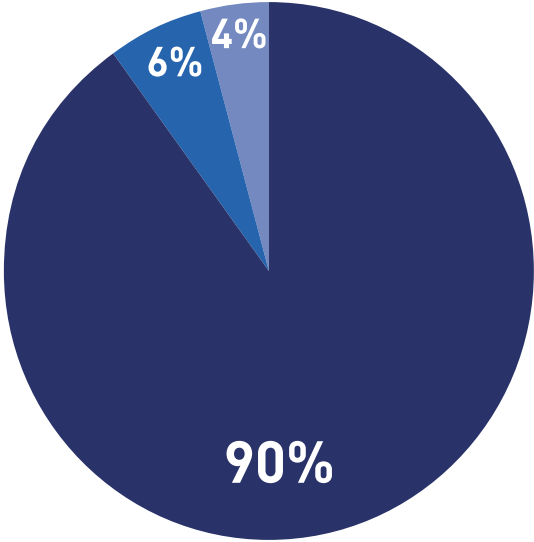


- Electricity (RE & non-RE) - leased area
- Electricity (RE & non-RE) - common area

Filinvest Land Emissions Profile

Scope 2 accounts for 90% of Filinvest Land’s emissions, which are Indirect Emissions from Electricity Consumption. The company’s decarbonization strategies are focused on finding Renewable Energy Sources and integrating Green Building Designs and Energy Efficiency measures to reduce Scope 2 emissions.

- Total Direct Emissions (Scope 1) (Tonnes CO₂-e)
- Indirect Emissions (Scope 2) – purchased electricity, common areas (Tonnes CO₂-e)
- Indirect Emissions (Scope 2) – purchased electricity, projects (Tonnes CO₂-e)



Greenhouse Gas Emissions (GRI 305-1, 305-2, 305-3, 305-6)	2022	2023	2024
Direct Emissions (Scope 1) –diesel and gasoline – property operations	446	837	831
Direct Emissions (Scope 1) –diesel – projects	1,656	2,274	2,025
Direct Emissions (Scope 1) –diesel – property operations & projects	2,102	2,842	2,649
Indirect Emissions (Scope 2) – purchased electricity, common areas	44,643	45,094	41,192
Indirect Emissions (Scope 2) – purchased electricity, total area	95,686	99,119	92,278
Indirect Emissions (Scope 2) – purchased electricity, projects	1,649	2,408	1,858
Total GHG Emissions (Scope 1 & 2) – property operations, common area	45,088	45,931	42,023
Total GHG Emissions (Scope 1 & 2 –property operations, total area	96,132	99,956	93,109
Total GHG Emissions (Scope 1 & 2) – projects	3,305	4,682	3,883
Total GHG Emissions (Scope 1 & 2) –property operations (common areas) and projects	48,393	50,613	45,906
Total GHG Emissions (Scope 1 & 2) –property operations (total areas) and projects	99,437	104,637	96,992
Avoided GHG emissions	14,696	16,710	25,263

Note: Energy and emissions data have been calculated in the context of real estate operations, distinguishing between total area consumption—covering tenants and unit owners—and common areas, which are directly managed by Filinvest.

Emission factor (EF) Source: GHG Protocol for Diesel and Gasoline; Department of Energy Philippines for Electricity https://ghgprotocol.org/sites/default/files/2024-05/Emission_Factors_for_Cross_Sector_Tools_V2.0_0.xlsx <https://doe.gov.ph/electric-power/2015-2017-national-grid-emission-factor-ngef>

The Race to Zero Carbon with the adoption of renewable energy has a long way to go. Immediate progress lies in harnessing energy efficiency. A key example is the District Cooling System (DCS) in Alabang, developed through Filinvest Land’s joint venture with ENGIE. For over eight years, the DCS has been a cornerstone of sustainable climate control for FILRT buildings, delivering substantial energy and water savings. Pre-DCS energy audits estimated that the system could reduce energy consumption by up to 40%, highlighting its transformative impact on operational sustainability.

Filinvest is also ensuring compliance with the Department of Energy (DOE) regulations by conducting regular energy audits across its properties. These audits are managed by property teams, with detailed reports submitted to the DOE, fostering transparency and accountability in energy management practices.

In 2024, Filinvest achieved a strong environmental compliance record, with no significant non-compliance risk events related to property development or operations. This reflects the company’s commitment to not only meet but exceed regulatory requirements on its Zero Carbon journey.

A Step Towards Climate-Resilient Development

Filinvest Land remains committed to embedding climate resilience into its developments, ensuring that its communities and properties are well-prepared to withstand the challenges posed by climate change. As part of this effort, Filinvest Land is collaborating with the International Finance Corporation (IFC) through its Building Resilience Index Initiative, which provides a globally recognized framework for integrating climate adaptation strategies into real estate projects.

In parallel, Filinvest Land, together with Filinvest Development Corporation, has also embarked on an enterprise-wide Climate Risk Assessment in partnership with a reputable climate risk consultancy. This assessment aligns with global best practices, including the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and leverages scenario analysis of climate and temperature targets to evaluate potential risks across the Filinvest Group’s entire property portfolio.

By integrating IFC’s Building Resilience Initiative with a comprehensive Climate Risk Assessment, Filinvest is taking a proactive stance in securing the future of its developments. **These resiliency**

efforts reinforce the company’s broader commitment to sustainable, climate-smart real estate under its guiding vision: “Building Dreams: Evolving for Unstoppable Growth.”

As climate risks continue to intensify, Filinvest Land remains steadfast in delivering safe, sustainable, and resilient communities, ensuring that its developments thrive amid evolving environmental challenges.



The Building Resilience Index (BRI) workshop was conducted on July 2024 by the International Finance Corporation (IFC) together with the Filinvest Group: Filinvest Development Corporation (FDC), Filinvest Land, Inc. (FLI), and Filinvest Subsidiaries. The focus was on enhancing the resilience of Filinvest projects to climate hazards. IFC’s Building Resilience Index enables building developers and owners to go beyond code compliance, raising companies’ climate ambitions and encouraging the industry to explore how to protect real estate assets from location-based hazards.

Filinvest has started the BRI self-assessment for selected FILRT offices and ready-built factories from FLI’s Industrial segment while waiting for an IFC-accredited BRI 3rd party verifier.

ECONOMIC PERFORMANCE

Filinvest Land operates as a full-range property developer, drawing from various sources of capital to create value. While financial capital from investors and lenders fuels capital expenditures, employees contribute human capital, benefiting from the company’s success. Suppliers support operations with goods and services, driving profits and job creation across the supply chain. The natural environment provides essential ecosystem services, and Filinvest is committed to preserving it. Governments foster a favorable business environment, receiving taxes that drive economic growth.



Economic Value Generated and Distributed

	2023	2024
GRI Economic Disclosure	Total (in '000 PHP)	Total (in '000 PHP)
Direct Economic Value Generated (revenue)	22,554,334	24,445,898
Direct Economic Value Distributed:		
a.) Operating costs	11,800,774	18,805,527
b.) Employee wages and benefits	1,683,280	1,977,941
c.) Payments to suppliers and other operating costs	11,222,827	10,938,268
d.) Dividends given to stockholders and interest payments to lenders	1,535,380	7,151,387
e.) Taxes paid to the government	576,492	22,487
f.) Community social investments	1,000	1,400

Local Economies and Supply Chain Value Creation

Filinvest Land's operations span the entire Philippines, with a predominant focus on Luzon and significant contributions from projects in the Visayas and Mindanao. Prioritizing local suppliers not only drives operational and cost efficiencies but also bolsters the local economy. In 2024, 81% of our procurement budget—amounting to 512 million pesos—was allocated to local suppliers, underscoring our commitment to community-centered growth.

Filinvest: Enabling a Low-Carbon Economy

Filinvest Innovation Parks (FIP) within New Clark City in Tarlac is envisioned to be a green and industrial hub designed to catalyze economic growth. The first phase of this development caters to light and medium manufacturing, logistics, warehousing, cold chain, and data centers which are critical sectors driving the country's industrial advancement.

As part of Filinvest Land's commitment to sustainability, our Ready-built Factories (RBFs) are designed to integrate the use of solar energy, providing cost savings and reducing carbon footprint for industrial and commercial tenants. Additionally, these facilities also incorporate rainwater harvesting systems, conserving water resources and enhancing operational efficiency.

FIP is also supporting the transition to a low-carbon economy by attracting innovative players in clean technology and circular economy. Among them is the StB Giga Factory, a pioneering

Electric Vehicle (EV) battery manufacturer. As the first Lithium Iron Phosphate (LFP) plant in the Philippines, it occupies two RBFs, further reinforcing the FIP role as a hub for green industries.

Beyond New Clark City, Filinvest Innovation Park (FIP) in Ciudad de Calamba continues to attract sustainability-driven businesses. Recently, ALPLA Philippines, a subsidiary of the global leader in plastic packaging solutions and recycling, signed a lease agreement with FIP. This expansion aligns with circular economy principles while creating new business opportunities, infrastructure investments, and jobs, underscoring Filinvest's role in fostering sustainable economic development.

“Prioritizing local suppliers not only drives operational and cost efficiencies but also bolsters the local economy.”

SOCIAL PERFORMANCE

Filinvest Land's commitment to social sustainability remains at the heart of our mission. In 2024, our focus continues to be on our key stakeholders—customers, employees, and the communities we serve—ensuring that every initiative reinforces our core purpose of enabling Filipinos to achieve their dreams of homeownership.

Filinvest Land Tackling the Philippine Housing Backlog

With a persistent housing backlog affecting millions of informal settlers and low-income earners, our affordable housing brands, Pabahay and Futura, remain vital to our social impact. In 2024, we built on last year's momentum by completing a record number of 1,888 affordable and low-cost housing units and launched 12 new projects across strategic regions. These efforts not only alleviate the national housing shortage but also empower first-time homeowners and strengthen community ties.

Customer Journey Highlights

92% Customer Satisfaction
9.2% Participation Rate
2,600 Respondents

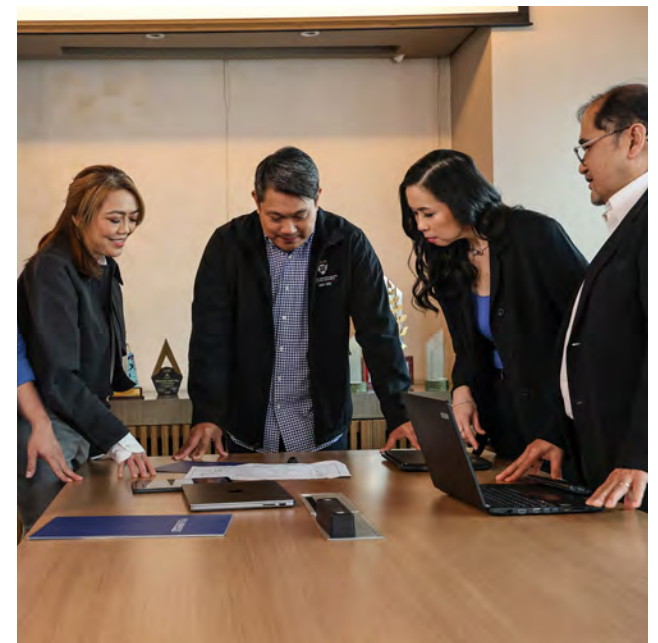
FLI Speaks

Meet Marvrin a proud resident owner of Panglao Oasis, who found the perfect balance between city life and peaceful living in this serene gated community:

“My first investment is very convinient, its located near my work and with the comfort of being close to my family - this makes it easy to make my dream home a reality”



Empowering Our People for Sustainable Growth



Employee breakdown by Rank



Note: The companies included in the headcount of FLI are from Real Estate Operations, which include subsidiaries from Leasing, Fund Management, Property and Office Management, Marketing, and Asset Operators under Filinvest Land.

Workforce Diversity Breakdown

Number of Employees by Age and Gender	Male	Female	Total
Under 30 years old	211	509	720
30 – 50 years old	489	594	1,083
Over 50 years old	76	81	157
Total %	776	1184	1960

Number of Employees by Rank and Gender	Male	Female	Total
Executive	47	41	88
Manager	211	244	455
Supervisor	247	215	462
Rank and File	271	684	955
Total	776	1,184	1,960

Diversity and Women in the Workplace

Filinvest Land has consistently maintained a high proportion of women across all employment categories, with women comprising of 60% of the workforce. This reflects the company’s strong commitment to gender-inclusive hiring and equal opportunities. At the senior leadership level, women hold 47% of executive positions, reinforcing the principle that leadership roles are earned based on merit, performance, and competency. Filinvest Land upholds a workplace culture where career progression is driven solely by skills, contributions, and potential, ensuring a truly equitable environment for all employees.

Investing in People: Performance, Learning and Engagement

At Filinvest Land, we remain committed to attracting and retaining top talent while continuously enhancing the employee experience. Through a culture of inclusivity and equal opportunity, we ensure that career growth is based on merit rather than social background. Our commitment to professional development aligns with our Shared Benefits corporate value, enabling employees to achieve their long-term career goals through structured learning, engagement programs, and leadership opportunities.

To support holistic growth, we implement a comprehensive Annual Performance Management system, ensuring employees receive clear feedback, career development pathways, and

structured goal-setting opportunities. Regular employee engagement activities foster a sense of belonging, collaboration, and shared purpose across teams.

Continuous learning remains a key priority. Through learning and training programs, e-learning platforms, and webinars, employees gain access to specialized knowledge, industry trends, and leadership skills. This empowers employees coupled with coaching and mentoring from seasoned professionals that enhance their competencies.

Filinvest Land offers a comprehensive range of training programs designed to enhance employee skills, leadership capabilities, and compliance awareness. These programs are categorized into five key areas:

Training Category	Description
Core Competencies	Focuses on strengthening company values, customer engagement, and strategic alignment through initiatives like the One Filinvest Core Values Series, Synergy Assembly, and Objectives & Key Results Writing.
Leadership Development	Equips employees with essential leadership skills, covering topics such as Emotional Intelligence, Effective Leadership Styles, Managing Conflict, and The Evolution of Leadership & Purpose
Functional Competencies	Provides specialized knowledge for operational and technical roles, including Incident Command Systems, Internal Audit Training, Sales Management, and Productivity Enhancement Programs.
Employee Empowerment	Enhances workplace culture and personal development with programs on Diversity & Inclusion, Psychological First Aid, Employee Retention, Stress Management, and Mental Health Awareness.
Regulatory Compliance	Ensures adherence to legal and corporate policies through mandatory training on the Safe Spaces Act, Data Privacy Act, Anti-Money Laundering, Cybercrime Prevention, and Occupational Health & Safety.

Through these initiatives, Filinvest Land continues to build a dynamic, engaged, and future-ready workforce, ensuring that every employee has the resources and opportunities to thrive.

2024 Training Hours

Employee Rank	Male		Female		Both	
	Total Hours	Average Training Hours	Total Hours	Average Training hours	Total Hours	Average Training hours
Executive	1,483	31.55	2,083	50.81	3,566	40.53
Manager	11,548	54.73	10,148	41.59	21,696	47.68
Supervisor	11,880	48.10	9,777	45.47	21,657	46.88
Rank & File	11,269	41.58	31,060	45.41	42,329	44.32
Total	36,181	46.62	53,068	44.82	89,249	45.54

Average Training Hours by Gend			
Gender	2022	2023	2024
Male	17.79	40.36	46.62
Female	21.12	44.02	44.82
Both	19.48	42.77	45.54

Filinvest Land provided employees with an **average of 46 training hours, totaling 89,249 learning hours**, fostering continuous professional development.

Employee Benefits

All full-time employees enjoy a comprehensive benefits package



Medical Care / HMO
(for regular employees)



Group Life and Accident Insurance
(for regular employees)



Paid Leaves
(Vacation, Illness, Maternity, Paternity, Change of Civil Status, Birthday, Bereavement, and Calamity Leaves)



Employee Home Discount and Assistance Program
(For Qualified Regular Employees)



Car Financing Plan
(for managers and up)



Emergency Load Fund
(Aid in Hospitalization, Home Repair After Natural Disaster or Fire)



Educational Loan
(to cover employee dependent/s tuition fees)



Rewards and Recognition
(Leadership Excellence Awards
Team Breakthrough Awards
Filinvest Service Awards)



Employee Engagement Programs

Employee Engagement

In 2024, we deepened our commitment to employee well-being by prioritizing meaningful engagement across all levels of the organization. We rolled out targeted programs that foster open communication, collaboration, and recognition, while refining our performance management systems to align with individual and team growth. Through inclusive activities, regular feedback loops, and enhanced benefits, we continue to build a culture where employees feel heard, valued, and motivated to contribute their best

Engagement Activities
Chinese New Year Celebration
FIL The Love – Valentine’s Celebration
Nutrition Program with Loaves and Fish Foundation
Earth Hour Participation from Property Management Team
Easter Celebration
Blood Donation Drive with Red Cross and National Kidney and Transplant Institute
Filinvest Land Bibot Cup Sports Festival - Including E-Sports
Team Building Activities
Mother’s Day and Father’s Day Celebrations
Costume Fridays
Leaders Assembly
Health, Well-being and Mind Wellness Activities
Cosplay Uprising: A Legendary Halloween Special
We are Unstoppable Townhall
Unstoppable in Every Era: Christmas Party

Employee Engagement Highlights

- The 2024 Eco Fun Run at Festival Mall Civic Drive had **600 registered runners and 50% attendance**. The sustainability-driven event promoted family bonding, health, wellness, and environmental responsibility.
- Attained a **90% Employee Engagement Score**, demonstrating a connected and involved workforce
- Recorded **20 Employer Net Promoter Score (NPS)** from employees indicating positive workplace sentiment with areas for enhancement
- **Reduced voluntary attrition by 8%** from previous years’ 25%, now down to 17%.



Our Commitment to Safety and Health

Filinvest Land remains committed to Occupational Safety and Health, ensuring strict adherence to safety protocols and prioritizing investments in health and safety measures. The company fosters a safe and healthy environment for employees, contractors, and the public, holding its business partners to the same high standards.

A comprehensive safety framework guides its initiatives, including the Safety Policy, Accident Prevention Program, OHS Program, and Code of Safe Practices. Regular fire and earthquake drills

are conducted with local authorities to enhance preparedness.

Building on its commitment to continuous improvement in occupational health and safety reporting, Filinvest Land continues to track safe man-hours for both employees and outsourced service providers. In 2024, the company reported zero fatalities across its operations and supply chain. This covers both FLI employees and the staff of its supply chain, which includes contractors, vendors, and service providers. The safe man-hours recorded below demonstrate the effectiveness of FLIs proactive safety measures.

Occupational Health and Safety by theNumbers

Safe Manhours	2022	2023	2024
Employees in property operations)	2,346,255	2,071,004	2,278,450
Employees in projects	4,763,510	6,804,401	6,147,557
Service providers	No disclosure	6,799,997	6,324,630
Contractors’ employees	12,873,670	19,826,204	11,785,145
Total Working Man-hours			26,535,782

Safe Manhours	2022	2023	2024
Work-related injuries	0	2	0
Work-related fatalities	0	0	0
Work-related illnesses	0	2	0



2024 Safety Drills & Simulation	No.#
Fire	83
Hazardous – material	2
Medical	64
Bomb Threat	11
Civil Disturbance	35
Workplace Violence	2
Hostage and Kidnapping	6
Suspicious Mail	1
Severe Weather	13
Power Outage	11
Earthquake	82
Volcanic Eruptions	4
Total Drills & Simulation	314

Corporate Social Responsibility

Beyond professional development, Filinvest Land strengthens its commitment to community involvement through various Corporate Social Responsibility (CSR) programs. Employees actively participate in outreach initiatives, reinforcing our mission to create a positive social impact while fostering a sense of purpose and shared responsibility.

- Disaster Relief Operations
- Medical Drive
- Coastal Clean Up
- Tree Planting
- Donations to Schools

- Assisted **1,700 Families** through **Pusong Filinvest** Relief Operations, providing support to the victims of typhoons, floods, and fire, including Typhoons Carina and Enteng.

Coastal Clean-up and Mangrove Tree Planting in Davao – planted 200 mangrove seedlings and donated 200 gardening and cleaning tools to 2 barangays in Kaputian District, Davao.



Safeguarding Data Privacy

Filinvest Land remains committed to protecting the personal information of customers, employees, and other data subjects by adhering to stringent data protection, privacy, and information security regulations. In full compliance with the Data Privacy Act of 2012 and guidelines set by the National Privacy Commission, the company continuously strengthens its data security measures.

In 2024, Filinvest Land had zero data breaches, which is a testament to its robust privacy safeguards and commitment to responsible data management.

Security tools in place:



Firewall



Endpoint Security (Anti-Virus)



Information, Education, and Communication (IEC) Awareness Advisory



Simulation and Testing

Together, these initiatives form the foundation of Filinvest Land’s mission: addressing critical societal challenges, fostering inclusivity, and creating lasting value for the communities we serve. As we move forward, we remain committed to building not just homes, but opportunities—empowering individuals, strengthening families, and shaping a future where every Filipino can thrive.

EESG PERFORMANCE METRICS

A. Economic Disclosures	2022	2023	2024
Economic Performance			
Direct Economic Value Generated and Distributed (GRI 201-1)	Total (in '000 PHP)	Total (in '000 PHP)	Total (in '000 PHP)
Direct economic value generated (revenue)	19,944,346	22,554,334	24,445,898
Direct economic value distributed			
a. Operating costs	15,696,130	11,800,774	18,805,527
b. Employee wages and benefits	1,398,808	1,683,280	1,977,941
c. Payments to suppliers and other operating costs	9,938,182	11,222,827	10,938,268
d. Dividends given to stockholders and interest payments to lenders (does not include principal debt payments)	5,741,968	1,535,380	7,151,387
e. Taxes paid to government	409,321	576,492	22,487
f. Community social investments (e.g. donations, CSR)	350	1,000	1,400
Procurement Practices			
Proportion of Spending on Local Suppliers (GRI 204-1)			
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	98%	99%	81%
Note: The geographic definition of 'local' is based on the region of the country where there are FLI operations.			
Anti-Corruption			
Trainings on Anti-corruption Policies and Procedures (GRI 205-2)			
Percentage of employees who have received written communication about corporate anti-corruption policies and procedures	0%	0%	0%
Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures	0%	0%	0%
Percentage of directors and management who have received anti-corruption training	100%	100%	100%
Percentage of employees who have received anti-corruption training	100%	100%	100%

Operating Results	2022	2023	2024
Anti-Corruption			
Incidents of corruption (GRI 205-3)			
Number of incidents in which directors were removed or disciplined for corruption	0	0	0
Number of incidents in which employees were dismissed or disciplined for corruption	0	0	0
Number of incidents when contracts with business partners were terminated due to corruption	0	0	0

B. Environment Disclosures	Unit	2022	2023	2024
Resource Management				
Energy Consumption (GRI 302-1)				
Gasoline – property operations	L	0	115,538	90,556
Diesel – property operations	L	164,830	209,932	214,220
Diesel – construction projects	L	611,924	840,207	695,908
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Electricity (renewable) – total area	KWH	20,634,302	23,462,168	35,471,855
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Electricity (RE & non-RE) – total area	KWH	154,987,183	162,634,485	165,038,760
Electricity – construction projects (non-RE)	KWH	2,315,796	3,381,122	2,608,336
Total Electricity – property ops (common) & projects	KWH	70,107,433	73,322,702	71,713,044

Note: Renewables consumption by FILRT and non-FILRT offices from (purchased electricity from renewables) Festival Mall (rooftop solar) and other FLI residential properties.

B. Environment Disclosures	Unit	2022	2023	2024
Resource Management				
Energy Consumption (GRI 302-1)				
Gasoline – property operations	L	0	3,951	3,097
Diesel – property operations	L	6,362	8,103	8,269
Diesel – construction projects	L	23,620	32,432	26,682
Electricity (renewable) – common area	KWH	18,932	23,848	40,563
Electricity (renewable) – total area	KWH	74,823	84,464	127,699
Electricity (non-renewable) – common area	KWH	225,658	227,942	208,214
Electricity (non-renewable) – total area	KWH	483,670	501,020	466,441
Electricity (RE & non-RE) – common areas	KWH	244,050	251,790	248,777
Electricity (RE & non-RE) – total area	KWH	557,954	585,484	594,140
Electricity – construction projects (non-RE)	KWH	8,337	12,172	9,390
Total Electricity – property ops (common) & projects KWH	KWH	252,387	263,962	258,167
Energy Density conversion: Gasoline –0.0342 GJ/L, Diesel –0.0386 GJ/L, Electricity – 0.0036 GJ/KWH				
Water Consumption (GRI 303-5)				
Water used – total area	m ³	3,034,671	3,379,141	2,922,847
Water recycled and reused	m ³	48,120	95,648	59,383
Note: Water used covers property management (2,722,016 m3) and construction projects (200,831 m3).				
Materials Used (GRI 301-1)				
Materials Used – steel	Tonnes	17,314	12,707	4,202
Materials Used – cement	Tonnes	25,296	35,388	27,236
Recycled waste for construction	Tonnes	12	Nil	11
Percentage of recycled input materials used to manufacture the organization's primary products and services	%	<1%	<1%	<1%

B. Environment Disclosures	Unit	2022	2023	2024
Resource Management				
Ecosystems and Biodiversity (GRI 304-1 & 304-3)				
Filinvest Land’s developments are mostly located in highly populated areas where there is no immediate threat of human activity on biodiversity.				
Operational sites owned, leased in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		The Timberland township is adjacent to but not within the boundaries or the buffer zone of the Upper Marikina Watershed Protected Landscape.		
		The existing land bank also does not contain parcels of land within protected areas classified under the NIPAS Act.		
Habitats protected or restored		None		
IUCN Red List species and national conservation list species with habitats in areas affected by operations		None		
Environmental Impact Management				
Greenhouse Gas Emissions (GRI 305-1 , 305-2, 305-3, 305-6)				
Direct Emissions (Scope 1) –diesel and gasoline – property operations	Tonnes CO2-e	446	837	831
Direct Emissions (Scope 1) –diesel – projects	Tonnes CO2-e	1,656	2,274	2,025
Direct Emissions (Scope 1) –diesel – property operations & projects	Tonnes CO2-e	2,102	2,842	2,649
Indirect Emissions (Scope 2) – purchased electricity, common areas only	Tonnes CO2-e	44,643	45,094	41,192
Indirect Emissions (Scope 2) – purchased electricity, total area	Tonnes CO2-e	95,686	99,119	92,278
Indirect Emissions (Scope 2) – purchased electricity, projects	Tonnes CO2-e	1,649	2,408	1,858
Total GHG Emissions (Scope 1 & 2) – property operations, common area	Tonnes CO2-e	45,088	45,931	42,023
Total GHG Emissions (Scope 1 & 2) – property operations, total area	Tonnes CO2-e	96,132	99,956	93,109
Total GHG Emissions (Scope 1 & 2) – projects	Tonnes CO2-e	3,305	4,682	3,883
Total GHG Emissions (Scope 1 & 2) – property operations (common areas) and projects	Tonnes CO2-e	48,393	50,613	45,906

AMOUNT		2022	2023	2024
Environmental Impact Management				
Greenhouse Gas Emissions (GRI 305-1 , 305-2, 305-3, 305-6)				
Total GHG Emissions (Scope 1 & 2) – property operations (total areas) and projects	Tonnes CO2-e	99,437	104,637	96,992
Avoided GHG emissions	Tonnes CO2-e	14,696	16,710	25,263
Emissions of ozone-depleting substances (ODS)	Tonnes	No disclosure	No disclosure	No disclosure

- Notes:
- Scope 2 applies only to non-RE KWH consumption. By July 2024, all office buildings under FILRT property management have all transitioned to electricity sourced from renewables.
 - FILRT buildings connected to the District Cooling System consumed 17,801,271 TRH, or 85.45% of the total DCS output of 20,831,680 TRH in 2024. DCS consumed 14,858,314 KWH of electricity, of which 12,696,858 KWH is indirectly attributable to FILRT. The corresponding GHG emissions of DCS on behalf of FILRT is a Scope 3 disclosure for FILRT but is covered as Scope 2 by FLI.
 - Diesel EF: 2.706 kg CO2 per liter
 - Luzon-Visayas Grid EF: 0.7122 tons CO2 per MWH

Air Pollutant Emissions (GRI 305-7)				
Nitrogen oxides (NOx)	Kg	Deemed immaterial. Standby gensets are operated only for a few minutes during preventive maintenance. There were no massive power failures in 2024 that necessitated the extended use of gensets in any of FLI's properties.		
Sulfur oxides (SOx)	Kg			
Persistent Organic Pollutants (POP)	Kg			
Volatile organic compounds (VOC)	Kg	The environmental regulator does not require testing and disclosure of air pollutant emissions if gensets are only run for periodic preventive maintenance.		
Hazardous air pollutants (HAP)	Kg			
Solid Wastes Generation (GRI 306-3, 306-4, 306-5)				
Reusable	Tonnes	0.29	Data not available	2.26
Recyclable	Tonnes		256	224
Composted	Tonnes	0	639	0
Residuals (landfilled)	Tonnes	10,224	10,266	17,512
Total	Tonnes	10,224	11,161	17,738

B. Environment Disclosures	UNIT	2022	2023	2024
Environmental Impact Management				
Hazardous Wastes (GRI 306-4, 306-5)				
Hazardous wastes generated	Kg	13,792	292,924	40,821
Hazardous wastes transported and treated	Kg	0	5,950	0
Effluent (GRI 303-4)				
Wastewater generated – total area	m³	1,032,858	2,043,877	1,847,830
Total volume of effluent discharge	m³	984,738	1,639,274	1,806,502
Total volume of effluent reused	m³	48,120	95,648	59,383
Percent of effluent recycled	m³	4.66%	4.68%	3.21.%

Notes: Wastewater generation attributable to FLI (incl. FILRT) property operations within Filinvest City are estimated as a fraction of the total influent measured in the centralized sewage treatment plant of the estate. This return factor changes from year to year. The same ratio applies to the estimation of effluent discharge and reuse. Recycled effluent is treated wastewater that is used internally in STP operations as well as irrigation of public spaces within Filinvest City.

Environmental Compliance				
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	PHP	0	0	0

C. Social Performance									
Employee Management	2022			2023			2024		
Employee Hiring and Benefits (GRI 401-1)	TOTAL	M	F	TOTAL	M	F	TOTAL	M	F
Total number of regular employees	1,639	611	1,028	1,796	734	1,062	1,960	776	1,184
Voluntary attrition rate	25%			25%			17%		
Ratio of lowest paid employee against minimum wage	1.07			1.04			1.03		
Employee Training and Development	2022			2023			2024		
Employee Training and Development (GRI 404-1)	TOTAL	M	F	TOTAL	M	F	TOTAL	M	F
Total training hours provided to employees	39,648	17,826	21,822	74,730	15,460	32,270	89,249	36,181	53,086
Average training hours provided to employees	19.48	17.79	21.12	42.77	40.36	44.02	45.54	46.62	44.82
Labor Management Relations	2022			2023			2024		
Labor Management Relations									
% of employees covered by Collective Bargaining Agreements	0			0			0		
Number of consultations conducted with employees concerning employee related policies	0			2			0		
Diversity and Equal Opportunity	2022			2023			2024		
Diversity and Equal Opportunity (GRI 405-1)	TOTAL	M	F	TOTAL	M	F	TOTAL	M	F
% of workers in the work-force by gender	100%	37%	63%	100%	41%	59%	100%	40%	60%
Number of employees from indigenous communities and/or vulnerable sector	0			0			0		

C. Social Performance			
Workplace Conditions and Occupational Health and Safety	2022	2023	2024
Occupational Health and Safety (GRI 403-9, 403-10)			
Safe manhours (Filinvest employees – property operations & HQ)	2,346,255	2,071,004	2,278,450
Safe manhours (Filinvest employees – projects)	4,763,510	6,804,401	6,147,557
Safe manhours (service providers)	No disclosure	6,799,997	6,324,630
Safe manhours (contractors)	12,873,670	19,826,204	11,785,145
Number of work-related injuries	0	2	0
Number of work-related fatalities	0	0	0
Number of work-related ill-health	0	2	0
Number of safety drills	26	838	314
Labor Standards and Human Rights	2022	2023	2024
Labor Laws and Human Rights			
Policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying in the workplace)	4	4	4
Number of legal actions or employee grievances involving forced or child labor	0	0	0

Note: These are policies and regulations adopted by FLI and its subsidiaries, as well as the FDC parent.

Relationship with Community	2022	2023	2024
Significant Impacts on Local Communities (GRI 413-1)			
For operations affecting IPs, total number of Free and Informed Prior Consent (FPIC) consultations and Certification Preconditions (CPs) secured	FLI's operations are not located in any sites which have the presence of indigenous communities.		

SEC CONTENT INDEX

C. Social Performance			
Customer Management	2022	2023	2024
Customer Satisfaction			
Customer Satisfaction Score	76%	81%	92%
Note: Filinvest Land undertakes customer satisfaction surveys annually.			
Product/Service Health and Safety (GRI 416-2)			
Number of substantiated complaints on product or service health and safety	615	0	0
Number of complaints addressed	418	0	0
Marketing and Labeling (GRI 417-2, 417-3)			
Number of substantiated complaints on product or service marketing and labeling	8	367	0
Number of complaints addressed	8	231	0
Customer Privacy (GRI 418-1)			
Number of substantiated complaints on customer privacy	0	0	0
Number of complaints addressed	0	0	0
Number of customers, users, and account holders whose information is used for secondary purposes	0	0	0
Data Security and Privacy	2022	2023	2024
Data Security (GRI 418-1)			
Number of data breaches, including leaks, thefts and loss of data	0	0	0

Disclosures		Reporting Location	Remarks / Explanation
Company details			
Name of Organization		About This Report	Filinvest Land, Inc.
Location of Headquarters			79 Epifanio de los Santos Ave, Mandaluyong City, Metro Manila 1550
Location of Operations			Philippines
Report Boundary: Legal entities included in this report			Filinvest Land, Inc.
Business Model			Property Development
Reporting Period			January 1 – December 31, 2024
Highest Ranking Person for this report			Head of Investor Relations
A. Economic disclosures		Reporting Location	Remarks / Explanation
Economic Performance			
Direct Economic Value Generated and Distributed			
General Disclosures	Management Approach	Economic Performance	
	The Impact and Where it Occurs		
	Stakeholders Affected	Materiality and Stakeholder Engagement	
KPIs	Direct economic value generated (Revenue)	EESG Performance Metrics – Economic Disclosures	
	Direct economic value distributed		
Climate-Related Risks and Opportunities			
General Disclosures	Governance	Environmental Performance	Ongoing assessment of assets through a partnership with a reputable 3rd party advisor
	Strategy	A Step Towards Climate-Resilient Development	
	Risk Management		
	Metrics and Targets		

A. Economic disclosures		Reporting Location	Remarks / Explanation
Procurement Practices			
Proportion of Spending on Local Suppliers			
General Disclosures	Management Approach	Economic Performance	All major procurement is undertaken by SharePro, a shared services company that serves the Filinvest Group, spun off from Filinvest Land
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	Procurement Practices	
Anti-Corruption			
Training on Anti-Corruption Policies and Procedures			
General Disclosures	Management Approach	Corporate Governance	More information can be found in the Corporate Governance disclosures in the Annual Report of FLI
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Percentage of employees who have received written communication about corporate anti-corruption policies and procedures		
	Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures		
	Percentage of directors and management who have received anti-corruption training		
	Percentage of employees who have received anti-corruption training		

A. Economic disclosures		Reporting Location	Remarks / Explanation	
Anti-Corruption				
Training on Anti-Corruption Policies and Procedures				
General Disclosures	Management Approach	Corporate Governance	More information can be found in the Corporate Governance disclosures in the Annual Report of FLI	
	The Impact and Where it Occurs			
	Stakeholders Affected			
KPIs	Percentage of employees who have received written communication about corporate anti-corruption policies and procedures			
	Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures			
	Percentage of directors and management who have received			
Incidents of Corruption				
General Disclosures	Management Approach	Corporate Governance & Economic Performance	More information can be found in the Corporate Governance disclosures in the Annual Report of FLI.	
	The Impact and Where it Occurs			
	Stakeholders Affected			
KPIs	Number of incidents in which directors were removed or disciplined for corruption			
	Number of incidents in which employees were dismissed or disciplined for corruption			
	Number of incidents when contracts with business partners were terminated due to corruption			

B. Environment Disclosures		Reporting Location	Remarks / Explanation
Resource Management			
Energy consumption within the organization and Reduction of Energy Consumption			
General Disclosures	Management Approach	Environmental Performance	
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Energy consumption - by fuel type		
	Energy reduction - by fuel type		
Water consumption within the organization			
General Disclosures	Management Approach	Environmental Performance	Water consumed by FLI communities and office spaces are sourced from public water utilities where possible, but standby deep wells may be resorted to if the public services are unavailable or unreliable. When public utilities do not have sewerage infrastructure, FLI sets up its own wastewater infrastructure and is operated by the Filinvest Group’s water utility operations subsidiary.
	The Impact and Where it Occurs		
	Stakeholders Affected		
	ESG Risks and Opportunities		
KPIs	Water consumption within the organization		
	Water withdrawal		
	Water consumption		
	Water recycled and reused		
Materials Used by the Organization			
General Disclosures	Management Approach	Environmental Performance	The main materials used in construction of FLI projects are steel and cement. Water consumption of projects is also tracked.
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Materials used by weight or volume		
	Percentage of recycled input materials used to manufacture the organization’s primary products and services		

B. Environment Disclosures		Reporting Location	Remarks / Explanation		
Resource Management					
Ecosystems and Biodiversity					
General Disclosures	Management Approach	Environmental Performance	Filinvest's projects are not located in any biodiversity hotspots. All developments are granted Environmental Compliance Certificates by the DENR.		
	The Impact and Where it Occurs				
	Stakeholders Affected				
KPIs	Operational sites owned, leased in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas				
	Habitats protected or restored				
	IUCN Red List species and national conservation list species with habitats in areas affected by operations				
Environmental Impact Management					
Air Emissions - Green House Gasses (GHG)					
General Disclosures	Management Approach	Environmental Performance	Scope 1 emissions are due to the consumption of diesel for gensets installed on properties.		
	The Impact and Where it Occurs				
	Stakeholders Affected				
KPIs	ESG Risks and Opportunities		Scope 2 emissions are due to electricity bought.		
	Direct (Scope 1) GHG Emissions		94% of FILRT assets buy 100% renewables via the Open Access scheme, and one mall has onsite solar		
	Energy indirect (Scope 2) GHG Emissions				
	Emissions of ozone-depleting substances (ODS)	--	Not material		

B. Environment Disclosures		Reporting Location	Remarks / Explanation
Environmental Impact Management			
Air Pollutants			
General Disclosures	Management Approach	Environmental Performance	Stationary gensets installed on properties are only used for short duration testing during maintenance calls. Emissions are tested in accordance with frequencies stipulated in the genset permit to operate issued by DENR. Quantities of air pollutants are deemed negligible as operations are not continuous.
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Nitrogen oxides (NOx)		
	Sulfur oxides (SOx)		
	Persistent organic pollutants (POPs)		
	Volatile organic compounds (VOCs)		
	Hazardous air pollutants (HAPs)		
Particulate matter (PM)			
Solid Waste			
General Disclosures	Management Approach	Environmental Performance	FLI employs accredited service providers for the hauling and disposal of solid wastes in instances where the LGU is unable to fulfill its duties under RA 9003. A partnership with a circular economy private entity was signed in 2023 to explore synergy opportunities.
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPs	Total solid waste generated - by type		
Hazardous Waste			
General Disclosures	Management Approach	Environmental Performance	FLI’s operating units have respective Hazwaste IDs with the DENR and chain of custody documentation is in place when DENR-accredited service providers are engaged to transport, treat and dispose of hazardous wastes.
	The Impact and Where it Occurs		
	Stakeholders Affected		
KPIs	Total weight of hazardous waste generated		
	Total weight of hazardous waste transported		

B. Environment Disclosures		Reporting Location	Remarks / Explanation		
Environmental Impact Management					
Effluents					
General Disclosures	Management Approach	Environmental Performance	FLI collects and treats wastewater in owned sewage treatment facilities where reliable sewerage services are not available from the local water utility.		
	The Impact and Where it Occurs				
	Stakeholders Affected				
KPIs	Total volume of water discharges				
	Percent of wastewater recycled				
Environmental Compliance					
Non-compliance with environmental laws and regulations					
General Disclosures	Management Approach	Environmental Performance	All of FLI’s operating properties and pollution control officers have updated environmental permits and consistently comply with regulatory thresholds and reportorial requirements.		
	The Impact and Where it Occurs				
	Stakeholders Affected				
KPIs	Total amount of monetary fines for non-compliance with environmental laws and/or regulations				
	Number of non-monetary sanctions for non-compliance with environmental laws and/or regulations				
	Number of cases resolved through a dispute resolution mechanism				

C. Social Disclosure		Reporting Location	Remarks / Explanation
Employee Management			
Employee Hiring and Benefits			
General Disclosures	Management Approach	Social Performance	Filinvest’s hiring philosophy is based on competency and merit, irrespective of gender, race, ethnicity, religion or social background.
	The Impact and Where it Occurs		
KPIs	Total number of employees		
	Attrition rate		
	Ratio of lowest paid employee against minimum wage	EESG Performance	
	List of employee benefits	Social Performance	
Employee Training and Development			
General Disclosures	Management Approach	Social Performance	All FLI employees are automatically granted access to the Filinvest Mentor online learning platform where courses are available. This augments the classroom-type trainings and mentorships provided employees.
	The Impact and Where it Occurs		
KPIs	"% of employees covered by Collective Bargaining Agreements		
	Number of consultations conducted with employees concerning employee-related policies		
Labor Management Relations			
General Disclosures	Management Approach	Social Performance	As of the end of 2024, there is no CBA in Filinvest Land or any of its subsidiaries
	The Impact and Where it Occurs		
KPIs	% of employees covered by Collective Bargaining Agreements		
	Number of consultations conducted with employees concerning employee-related policies		

C. Social Disclosures		Reporting Location	Remarks / Explanation
Employee Management			
Diversity and Equal Opportunity			
General Disclosures	Management Approach	Social Performance	Filinvest’s policy for career progression is based on meritocracy and competency, and not on any other criteria.
	The Impact and Where it Occurs		
KPIs	% of female workers in the workforce		
	% of male workers in the workforce		
	Number of employees from indigenous communities and/or vulnerable sector		
Workplace Conditions, Labor Standards, and Human Rights Occupational Health and Safety			
General Disclosures	Management Approach	Social Performance	A company-wide safety program is in place, complying with all DOLE requirements, incl. the creation of safety committees and the conduct of drills.
	The Impact and Where it Occurs		
KPIs	Safe Man-Hours		
	No. of work-related injuries		
	No. of work-related fatalities		
	No. of work-related ill-health		
	No. of safety drills		
Labor Laws and Human Rights			
General Disclosures	Management Approach	Social Performance	The Filinvest employee code of conduct has been communicated to all employees and is a required onboarding course.
	The Impact and Where it Occurs		
KPIs	Policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying) in the workplace		
	No. of legal actions or employee grievances involving forced or child labor		

C. Social Disclosures		Reporting Location	Remarks / Explanation		
Supply Chain Management					
Supplier Accreditation and Screening					
General Disclosures	Management Approach The Impact and Where it Occurs	Economic Performance	Supply Chain Management under SharePro has a vendor accreditation program in place which is linked to the business code of conduct of the company.		
KPIs	Supplier Accreditation Policy Sustainability Topics Considered When Selecting/Screening Suppliers				
Relationship with Community					
Significant Impacts on Local Communities					
General Disclosures	Management Approach	Social Performance	Filinvest projects are not located in areas where there is a certificate of ancestral domain title. There are operating units that do engage indigenous peoples in the course of everyday operations, e.g. within Clark Mimosa where Aetas are part of the workforce of business partners.		
KPIs	Operations with significant impacts on local communities (by location, vulnerable group/indigenous people (IPs)) Mitigating measures (if negative) or enhancement measures (if positive) For operations affecting IPs, total number of Free and Prior Informed Consent (FPIC) consultations and Certification Preconditions (CPs) secured				
Customer Management					
Customer Satisfaction					
General Disclosures	Management Approach The Impact and Where it Occurs	Social Performance	Filinvest Land undertakes annual customer satisfaction surveys.		
KPIs	Customer Satisfaction Score(s)				

C. Social Disclosures		Reporting Location	Remarks / Explanation
Customer Management			
Health and Safety			
General Disclosures	Management Approach	Social Performance	Filinvest’s Health and Safety practices are guided by existing regulations.
	The Impact and Where it Occurs		
KPIs	Number of substantiated complaints on product or service health and safety		
	Number of complaints addressed		
Marketing and Labelling			
General Disclosures	Management Approach	Social Performance	
	The Impact and Where it Occurs		
KPIs	Number of substantiated complaints on marketing and labelling		
	Number of complaints addressed		
Employee Management			
Customer Privacy			
General Disclosures	Management Approach	Social Performance	All data of FLI are governed by the Data Privacy Act’s provisions and has an Information Security program in place. There have been no reported data breaches or losses in 2024.
	The Impact and Where it Occurs		
KPIs	Number of substantiated complaints on customer privacy		
	Number of complaints addressed		
	Number of customers, users and account holders whose information is used for secondary purposes		
Data Security			
General Disclosures	Management Approach	Social Performance	All data of FLI are governed by the Data Privacy Act’s provisions and has an Information Security program in place. There have been no reported data breaches or losses in 2024.
	The Impact and Where it Occurs		
KPIs	No. of data breaches, including leaks, thefts and losses of data		

FILINVEST

LAND, INCORPORATED

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www.filinvestland.com

September 28, 2022

THE PHILIPPINE STOCK EXCHANGE

Philippine Stock Exchange Plaza 6th
Floor, PSE Tower
Bonifacio Global City, Taguig

Attention: Ms. Alexandra Tom Wong
OIC, Disclosure Department

Subject: Final Report on the Disbursement of Proceeds from the Initial Public Offering ("IPO") of Filinvest REIT Corp. ("FILRT")

Dear Ms. Tom Wong,

We are pleased to submit our Final Report on the Application of Proceeds for the IPO of FILRT, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On August 12, 2021, Filinvest Land, Inc received net proceeds from the IPO of FILRT amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

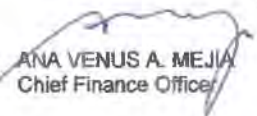
As of August 11, 2022, FLI already disbursed the total net proceeds amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

The details of the disbursements are as follows:

Gross Proceeds from IPO	Php	12,583,246,445
Purchase of shares during the stabilization period	-	2,281,800
Underwriters and IPO-related fees	-	316,945,306
Net Proceeds received		12,264,019,339
Disbursements for Transaction Costs, Aug. 12- Sept. 30	-	132,542,601
Disbursements for Transaction Costs, Oct. 1- Dec. 31	-	1,571,600
Available for Reinvestment		12,129,905,138
Disbursements for Reinvestment Aug 12- Sept 30	-	1,566,787,667
Disbursements for Reinvestment Oct 1-Dec. 31	-	872,622,139
Disbursements for Reinvestment Jan.1- March 31, 2022	-	2,016,678,604
Disbursements for Reinvestment April 1-June 30, 2022	-	2,725,572,490
Disbursements for Reinvestment July 1-August 11, 2022	-	4,948,244,238
Balance of IPO Proceeds as of August 11, 2022		0

Thank you.

Very truly yours,


ANA VENUS A. MEJIA
Chief Finance Officer

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)

CITY OF MANDALUYONG) S.S.

SEP 28 2022

I certify that on _____, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Competent Evidence of
Identity

Date / Place Issued

Filinvest Land, Inc.

TIN:

Represented by:

Ana Venus Mejia

Unified Multi Purpose ID CRN –

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 325;
Page No. 46;
Book No. 30;
Series of 2022.

JOVEN G. S. MALLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 4864924; 1-3-22; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1588
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ANNEX A- Disbursements for the period July 1, 2022 to August 11, 2022

Project Name	Disbursing Entity	July 1, 2022-Aug. 11, 2022
Axis Three	Filinvest Land, Inc.	6,012,172
Axis Four	Filinvest Land, Inc.	640,399
Cebu Tower 3	Filinvest Land, Inc.	74,097,795
Cebu Tower 4	Filinvest Land, Inc.	75,685,665
Marina Town	Filinvest Land, Inc.	16,075,999
Columna	Filinvest Land, Inc.	9,355,918
387 Gil Puyat	Filinvest Cyberparks Inc	19,883,453
4Workplus	Filinvest Clark Mimosa Inc	4,107,727
7 Workplus	Filinvest Clark Mimosa Inc	1,399,801
The Crib Clark	Filinvest Clark Mimosa Inc	70,247,339
PDDC	Phil. DCS Development Corp.	177,408
Filinvest Innovation Park	Filinvest BCDA Clark Inc.	26,347,543
Marina Town Mall	Filinvest Land, Inc.	40,448,458
Clark Lifestyle Mall	Filinvest Clark Mimosa Inc	139,815,812
Panglao Oasis	Filinvest Land, Inc.	80,653,940
Alta Spatial	Filinvest Land, Inc.	58,716,265
Verde Spatial	Filinvest Land, Inc.	14,925,915
Bali Oasis	Filinvest Land, Inc.	22,282,320
Belize Oasis	Filinvest Land, Inc.	27,907,521
Raw Land	Filinvest Land, Inc.	17,242,043
Dreambuilders capex	Filinvest Land, Inc.	348,014,356
Futura East	Filinvest Land, Inc.	281,108,503
The Levels 2	Filinvest Land, Inc.	324,873,755

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Studio Towers	Filinvest Land, Inc.	94,370,290
Activa- Residential	Filinvest Land, Inc.	255,018,115
Activa - Offices	Filinvest Land, Inc.	95,670,383
One Filinvest	Filinvest Land, Inc.	422,300,388
Studio 7	Filinvest Land, Inc.	153,941,286
Futura Centro	Filinvest Land, Inc.	174,101,942
Sorrento Oasis	Filinvest Land, Inc.	155,760,833
Asiana Oasis	Filinvest Land, Inc.	7,145,354
Claremont	Filinvest Land, Inc.	157,524,758
Maldives Oasis	Filinvest Land, Inc.	150,351,401
New Leaf	Filinvest Land, Inc.	171,018,715
Ciudad de Calamba	Filinvest Land, Inc.	321,963,183
Centro Spatial Davao	Filinvest Land, Inc.	215,980,687
Fora Dagupan	Filinvest Land, Inc.	168,013,945
Marina Spatial Dumaguete	Filinvest Land, Inc.	124,741,978
New Fields	Filinvest Land, Inc.	200,468,808
Savannah Fields	Filinvest Land, Inc.	138,492,662
Alta Vida	Filinvest Land, Inc.	23,036,888
Anila Park	Filinvest Land, Inc.	49,622,112
Eight Spatial Davao	Filinvest Land, Inc.	74,033,034
Teresa	Filinvest Land, Inc.	94,700,011
The Leaf	Filinvest Land, Inc.	39,967,358
TOTAL		4,948,244,238

AGREED-UPON PROCEDURES REPORT ON FINAL REPORT ON USE OF PROCEEDS FROM THE LISTING OF FILINVEST REIT CORP.

Ms. Ana Venus A. Mejia
Executive Vice President and Chief Finance Officer
Filinvest Land, Inc.
Filinvest Building, 79 EDSA, Highway Hills
Mandaluyong City 1550, Metro Manila

Purpose of this Agreed-upon Procedures Report

We have performed the procedures which were agreed to by Filinvest Land, Inc. (the "Company") solely to assist you in complying with the requirements of the Philippine Stock Exchange ("PSE") in relation to the Final Report on the use of proceeds from the initial public offering ("IPO") of the shares of Filinvest REIT Corp. ("FILRT") on August 12, 2022. This report covers additional disbursements for the period from July 1, 2022 to August 11, 2022 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

Restriction on Use

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

Responsibilities of the Company

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated April 13, 2022, on the Subject Matter.

1. We obtained the Final Report on Use of Proceeds from the IPO of FILRT for the period from August 12, 2021 to August 11, 2022 (the "Final Report") and checked the mathematical accuracy of the Final Report. No exceptions were noted.
2. We compared the "Disbursements for Reinvestment July 1, 2022 to August 11, 2022" in the Final Report to the list of disbursements for the period from July 1, 2022 to August 11, 2022 (the "Disbursement Schedule") and noted the amounts to be in agreement. Further, we noted that of the total disbursements reported for the period from July 1, 2022 to August 11, 2022 in the Disbursement Schedule, Php3,453.41 million and Php362.90 million pertain to disbursements made prior to July 1, 2022 and after August 11, 2022, respectively.
3. We compared the Disbursements Schedule with the schedule of Planned use of IPO proceeds as documented in the Amended Sponsor Reinvestment Plan dated July 22, 2022 (the "Amended Sponsor Reinvestment Plan") and noted that the projects in the Disbursement Schedule are included in the Amended Sponsor Reinvestment Plan and disbursements for each project are within the amount allocated in the Amended Sponsor Reinvestment Plan except for 21 projects as summarized in Appendix I.
4. We traced disbursements exceeding Php50 million to supporting documents such as bank statements and collection receipts. Differences in the amount per Disbursement Schedule samples selected and the related collection receipts pertain to withholding taxes.

Explanatory paragraph

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

The agreed-upon procedures do not constitute an audit or a review of financial statements or part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or part thereof.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador
Partner

September 28, 2022
Manila, Philippines

Appendix I – Projects which exceeded the allocation based on the Amended Sponsor Reinvestment Plan (in millions):

Project	Budget	Total Disbursements Aug 12, 2021 - Aug 11, 2022	Excess over Allocated Budget
Cebu Tower 4	Php230.00	Php255.27	(Php25.27)
Filinvest Innovation Park	21.00	26.35	(5.35)
Clark Lifestyle Mall	442.00	481.35	(39.35)
Futura East	200.00	281.11	(81.11)
The Levels 2	215.00	324.87	(109.87)
Activa- Residential	300.00	350.69	(50.69)
One Filinvest	237.00	422.30	(185.30)
Studio 7	100.00	153.94	(53.94)
Futura Centro	100.00	174.10	(74.10)
Sorrento Oasis	100.00	155.76	(55.76)
Claremont	132.00	157.52	(25.52)
Maldives Oasis	100.00	150.35	(50.35)
New Leaf	58.00	171.02	(113.02)
Ciudad de Calamba	58.00	321.96	(263.96)
Centro Spatial Davao	170.00	215.98	(45.98)
Fora Dagupan	80.00	168.01	(88.01)
Marina Spatial Dumaguete	120.00	124.74	(4.74)
New Fields	136.00	200.47	(64.47)
Savannah Fields	110.00	138.49	(28.49)
Eight Spatial Davao	49.00	74.03	(25.03)
Teresa	55.00	94.70	(39.70)
Total	Php3,013.00	Php4,443.03	(Php1,430.03)

SUBSCRIBED AND SWORN TO before me this 28th day of September 2022 in Mandaluyong City, Metro Manila, affiant exhibiting to me her Philippine Passport No. _____, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs Manila on 08 May 2019.

Doc. No. 343 ;
Page No. 70 ;
Book No. 30 ;
Series of 2022.

JOVEN G. SORILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 4864924; 1-3-22; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 7918-8188
Customer hotline: (632) 8588-1688
Fax number: (632) 7918-8189
www.filinvestland.com

January 15, 2025

SECURITIES AND EXCHANGE COMMISSION

7907 Makati Avenue
Salcedo Village, Bel-Air
Makati City, 1209

Attention: **ATTY. OLIVER O. LEONARDO**
Director, Market Securities Regulation Department

THE PHILIPPINE STOCK EXCHANGE

6th to 10th Floors, PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City 1634

Attention: **ATTY. STEFANIE ANN B. GO**
Officer-In-Charge, Disclosure Department

Subject: Filinvest Land Inc.'s ("FLI") Annual Report on the Use of the Equivalent Monetary Value of the Net Proceeds in connection with the disposal of 597,120,000 Filinvest REIT Corp. ("FILRT") common shares as consideration for the buyback of FLI shares

Gentlemen:

We are pleased to submit our Annual Report on the application of equivalent monetary value of the proceeds in connection with the disposal of 597,120,000 FILRT common shares as consideration for the buyback of FLI shares, which is approximately Php1.86 billion, exclusive of taxes and transaction charges. This value corresponds to the exchange of 597,120,000 FILRT common shares multiplied by 3.11, which represents the crossing price per share.

On December 11, 2024, FLI would have received net proceeds amounting to One Billion Eight Hundred Forty One Million Fifty Seven Thousand Eight Forty Pesos and Fifty Centavos (Php1,841,057,840.50).

As of December 31, 2024, FLI already disbursed the amount of One Hundred Seventy One Million Five Hundred Ninety Five Thousand Two Pesos and Thirty Eight Centavos (Php171,595,002.38).

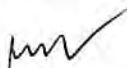
The details of the disbursements are as follows:

Equivalent Monetary Value of Proceeds	Php	1,857,043,200.00
("Proceeds")		
Disbursements on Taxes and Transaction Charges		(15,985,359.50)
Net Proceeds		1,841,057,840.50
Disbursements from December 11-31, 2024		(171,595,002.38)
Balance of Proceeds as of December 31, 2024	Php	1,669,462,838.12

This Annual Report is duly certified by our external auditor, in compliance with applicable laws, rules and regulations.

Thank you.

Very truly yours,


ANA VENUS A. MEJIA
Executive Vice-President, Treasurer &
Chief Finance Officer

REPUBLIC OF THE PHILIPPINES)
CITY OF MANDALUYONG) S.S.

I certify that on 15th day of January 2025, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Competent Evidence of
Identity

Date / Place Issued

Filinvest Land, Inc.
Represented by:

Unified Multi Purpose ID

Ana Venus A. Mejia

who was identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 254;
Page No. 577;
Book No. 2;
Series of 2025.

JOVEN G. SEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026
RUL. NO. 50174(3)
IBP LIFETIME NO. 03150212-23-12; RIZAL
PTR NO. 5708102; 1-2-25; MANDALUYONG
MCLE EXEMPTION NO. VII-ACAG000025 14 APRIL 2028
UG 63 CITYLAND SHAW TOWER
SHAW BOULEVARD, MANDALUYONG CITY

FILINVEST LAND, INC.

79 EDSA, Highway Hills
Mandaluyong City, Metro Manila
Trunk line: (632) 918-8188
Customer hotline: (632) 588-1688
Fax number: (632) 918-8189
www.filinvestland.com

ANNEX A- Disbursements for the period December 11-31, 2024

Project Name	Location	Product	Capex (Dec. 11-31, 2024)
Mimosa Lifestyle Mall The Levels	Filinvest Mimosa Plus Clark Alabang	Retail mall Mid-rise building	
Futura Monte	Camarines Sur	Mid-rise building	3,317,288.94
Futura Bay GenSan	Gen San	Mid-rise building	717,711.75
Futura One Fora Dagupan	Dagupan	Mid-rise building	22,630,526.98
Futura Vinta Zamboanga	Zamboanga	Mid-rise building	735,074.45
Mimosa Retail	Filinvest Mimosa Plus Clark	Retail mall	
Studio N	Alabang	High-rise building	78,128,905.41
Futura Centro	NCR	High-rise building	24,360,021.06
8 Spatial Davao	Davao	Mid-rise building	21,933,997.06
Mimosa Golfridge Residential	Filinvest Mimosa Plus Clark	Mid-rise building	19,771,476.73
TOTAL			171,595,002.38

**AGREED-UPON PROCEDURES REPORT ON
QUARTERLY PROGRESS/ANNUAL SUMMARY REPORT ON DISBURSEMENT OF
PROCEEDS FROM THE CAPPED VOLUNTARY TENDER OFFER AND SHARE
SWAP OF FILINVEST LAND, INC.'S SHARES FOR FILINVEST REIT CORP.
SHARES.**

Ms. Ana Venus A. Mejia
Executive Vice President and Chief Finance Officer
Filinvest Land, Inc.
Filinvest Building, 79 EDSA, Highway Hills
Mandaluyong City 1550, Metro Manila

Purpose of this Agreed-upon Procedures Report

We have performed the procedures which were agreed to by Filinvest Land, Inc. (the "Company" or FLI) solely to assist you in complying with the requirements of the Philippine Stock Exchange ("PSE") in relation to the Quarterly Progress/Annual Summary Report on the disbursement of proceeds from the capped voluntary tender offer and share swap of the Company's shares for Filinvest REIT Corp. ("FILRT") shares conducted from October 7, 2024 to November 27, 2024. This report covers disbursements for the period from December 11, 2024 to December 31, 2024 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

Restriction on Use

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

Responsibilities of the Company

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated January 13, 2025, on the Subject Matter.

1. We obtained the Quarterly Progress Summary Report on Disbursement of Proceeds from the Capped Voluntary Tender Offer and Share Swap of the Company's shares for FILRT shares for the period ended December 31, 2024 (the "Progress Report") and checked the mathematical accuracy of the Progress Report. No exceptions were noted.
2. We compared the number of FLI shares buyback and equivalent monetary amount of Php1,857,043,200 in the Reinvestment Plan and Letter of Instruction to BPI Securities Corporation. No exceptions were noted.
3. We obtained the Disbursement Schedule for the period ended December 31, 2024 (the "Disbursement Schedule") and checked the mathematical accuracy of the Disbursement Schedule. No exceptions were noted.
4. We compared the disbursement in the Progress Report to the list of disbursements for the period ended December 31, 2024 (the "Disbursement Schedule"). No exceptions noted.
5. We compared the Disbursements Schedule with the schedule of planned use of proceeds from the Capped Voluntary Tender Offer and Share Swap as documented in the Reinvestment Plan and noted that the projects in the Disbursement Schedule are included in the Reinvestment Plan and disbursements for each project are within the amount allocated in the Reinvestment Plan.
6. For transactions in the Disbursement Schedule above Php10 million, we traced the disbursements to supporting documents such as progress billing and invoices. No exceptions noted. Further, we noted that of the total disbursement reported for the period from December 11 to December 31, 2024 in the Disbursement Schedule, Php16,342,224 pertains to disbursements made prior to December 11, 2024.

7. For the period ended December 31, 2024, no Board of Directors and Stockholders' meetings were held and thus, we have not obtained any minutes of meetings of BOD and stockholders.

Explanatory paragraph

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

The agreed-upon procedures do not constitute an audit or a review of financial statements or part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or part thereof.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.

Wanessa G. Salvador

Wanessa G. Salvador
Partner

January 14, 2025
Manila, Philippines

SUBSCRIBED AND SWORN to before me this 15th day of January 2025 in Mandaluyong City, Metro Manila, affiant exhibiting to me her Philippine Passport No. _____ as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs

Doc. No. 262 ;
Page No. 54 ;
Book No. 2 ;
Series of 2025.

JOVEN G. SEVILLANO
NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026
RNL. NFI 58470(SB)
ISP LIFETIME NO. 011602; 12-28-12; RIZAL
PTR NO. 5706102; 1-2-25; MANDALUYONG
MCLE EXEMPTION NO. VHT-ACAD004623 14 APRIL 2028
UG 03 CITYLAND SHAW TOWER
SHAW BOULEVARD, MANDALUYONG CITY

COVER SHEET

			1	7	0	9	5	7		

S.E.C. Registration Number

F	I	L	I	N	V	E	S	T		L	A	N	D	,		I	N	C	.									

(Company's Full Name)

7	9			E	D	S	A	,		H	I	G	H	W	A	Y		H	I	L	L	S	,					

M	A	N	D	A	L	U	Y	O	N	G		C	I	T	Y													

(Business Address; No. Street City / Town / Province)

c/o Atty. Katrina O. Clemente-Lua

Contact Person

7918-8188

Company Telephone Number

Month

Day

Fiscal Year

1	7	-	C	

FORM TYPE

Month

Day

Annual Meeting

Secondary License Type; If Applicable

C	F	D

Dept. Requiring this Doc.

Amended Articles Number / Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = Pls. use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. December 11, 2024
Date of Report (Date of earliest event reported)
2. SEC Identification Number 170957 3. BIR Tax Identification No. 000-533-224
4. FILINVEST LAND, INC.
Exact name of issuer as specified in its charter
5. Philippines 6. (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. No. 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila 1550
Address of principal office Postal Code
8. (632) 7918-8188
Issuer's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Stock Outstanding
Common	24,249,759,506
Preferred	8,000,000,000

11. Indicate the item numbers reported herein: 9

SIGNATURES

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

FILINVEST LAND, INC.
Issuer

Date December 11, 2024


KATRINA O. CLEMENTE-LUA
Corporate Secretary and
Corporate Information Officer

**REINVESTMENT PLAN OF
Filinvest Land, Inc. ("FLI")**

In connection with the disposal of 597,120,000 Filinvest REIT Corp. ("FILRT") common shares as consideration for the buyback of shares by FLI in exchange for FILRT common shares at an exchange ratio of 0.32 FILRT share for every 1 FLI share in relation to FLI's capped voluntary tender offer

As of December 11, 2024

Table of Contents

- I. Executive Summary
- II. About the Sponsor
 - a. Company Background
 - b. Management and Organization
- III. Proceeds Received by the Sponsor
- IV. Reinvestment Plan
- V. Monitoring and Review
- VI. Reporting

I. EXECUTIVE SUMMARY

The Reinvestment Plan sets forth the planned uses of the equivalent value of the net proceeds from the capped voluntary tender offer of FLI shares in exchange for FILRT shares owned by FLI.

On September 25, 2024, FLI, one of the country's largest property developers, announced that its Board has approved a capped voluntary tender offer to purchase or reacquire up to 1,866,000,000 common shares, equivalent to approximately 7.69% ownership of FLI's outstanding and listed stock, in exchange of FILRT shares owned by FLI, at an exchange ratio of 0.32 FILRT share for every 1 FLI share tendered (the "Transaction").

FLI engaged FTI Consulting to issue a valuation and fairness opinion to determine the reasonable and fair range of prices for both FLI and FILRT shares and the exchange ratio between them.

The Transaction provided FLI shareholders with the opportunity for their shares to be bought back in exchange for those of FILRT. FLI shareholders also stand to benefit from price appreciation and a stronger dividend yield from FILRT shares.

Upon the successful completion of the Transaction, public ownership of FILRT increased to 46.68%, broadening FILRT's shareholder base, and placing it comfortably above the 33.33% minimum public ownership requirement for real estate investment trusts ("REITs") as mandated by Republic Act No. 9856, otherwise known as "The Real Estate Investment Trust Act of 2009" ("REIT Act"), its implementing rules and regulations, the Amended Listing Rules for REITs of the Philippine Stock Exchange, Inc. ("PSE"), and related issuances.

The Transaction also provided FLI shareholders a compelling opportunity to participate in REITs, gaining exposure to a portfolio of income-generating properties with the potential for capital appreciation. FILRT's portfolio consists of 17 Grade A and LEED Gold-certified office buildings that feature green and sustainability-themed elements. With over 300,000 square meters of gross leasable area ("GLA"), 16 of the buildings are located in Northgate Cyberzone in Filinvest City, Alabang. Another building, Filinvest Cyberzone Cebu Tower 1, is situated at the gateway of Cebu IT Park in Lahug, Cebu City. Rounding out the portfolio is 2.9 hectares of land leased to the owner and operator of Crimson Resort & Spa Boracay, bringing the REIT's total GLA to over 330,400 square meters.

Pursuant to Securities and Exchange Commission ("SEC") Memorandum Circular No.1 series of 2020 and Bureau of Internal Revenue (BIR) – Revenue Regulation No. 3-2020, any sponsor or promoter of a REIT who contributes income-generating real estate to a REIT shall submit a sworn statement to the SEC, the PSE, and the BIR, a reinvestment plan undertaking to reinvest any proceeds realized by the sponsor or promoter from the sale of REIT shares or other securities issued in exchange for income-generating real estate to the REIT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines, within one (1) year from the date of receipt of proceeds or money by the sponsor/promoter.

Following current regulations, FLI intends to invest the monetary equivalent of the net proceeds of the Transaction in the construction and development of retail and residential projects. In particular, FLI plans to invest the net proceeds in nine projects including two (2) retail projects, seven (7) mid-rise residential buildings, and two (2) high-rise residential buildings. . All disbursements for such projects are intended to be distributed within one (1) year from December 11, 2024. All the projects for which the

monetary equivalent of the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines.

II. ABOUT THE SPONSOR

a. Company Background

FLI is a public corporation organized under the laws of the Philippines. Incorporated on November 24, 1989, it began commercial operations in August 1993 after its parent company, Filinvest Development Corporation (“FDC”), spun off most of its real estate operations and transferred all related assets and liabilities to FLI. FLI’s shares were listed on the PSE on October 25, 1993. As of September 30, 2024, FLI’s common shares are 65.93% held by FDC.

FLI is one of the Philippines’ leading real estate developers. Together with its predecessors, FLI has over 50 years of real estate expertise having developed over 2,500 hectares of land and providing home/home sites for over 200,000 families through the years. FLI has an established brand name and reputation in real estate, combining sales of lots and other residential developments with a growing commercial and mall leasing portfolio. FLI was a pioneer in focusing on the incentive-laden business process outsourcing (“BPO”) industry. FLI has also accumulated a considerable land bank in strategic locations, comprising some of the largest contiguous areas of developable land in the country, laying a foundation for continued growth.

In its early days in the 1990s when most developers were still focused on the higher end of the market, FLI entered the affordable housing space, allowing it to benefit from the growth of Overseas Filipino Worker (“OFW”) remittances and a housing supply shortage. FLI primarily targets the affordable and middle-income residential markets, which FLI believes are the largest addressable markets in residential development in the Philippines. According to the Philippine Statistics Authority and the Housing and Land Use Regulatory Board, there is expected to be a housing backlog across the affordable and middle-income segments of about 3.2 million by 2030. FLI believes that it is well-positioned to take advantage of the housing backlog through its varied product offerings and geographic presence. FLI has residential developments in 55 cities and towns in 22 provinces in the Philippines and is one of the largest mid-rise building (“MRB”) developers in the country today.

FLI was one of the pioneers in providing projects and office space catering to the BPO industry, which started in 2000 and quickly became a key driver for the Philippines’ strong economic growth. As a result of this early entry into the BPO space and the reputation it has built, FLI has more than tripled its aggregate office GLA from 175,565 sq.m. in 2012 to 677,985 sq.m. as of September 30, 2024. Its existing portfolio of 38 office buildings are mainly located in business parks or in mixed-used complexes highly accessible to public transport. FLI believes its business park model, wherein it builds on areas specifically suited for business and industrial establishments supported, in certain cases, by incentives from the government, makes it a preferred site of major BPO tenants. FLI’s buildings are located primarily in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa, an 18.7-hectare PEZA-registered information technology park that enjoys developer incentives. This is also the site of its district cooling system, the largest district cooling system plant in the country. Other office developments are in Bay City, Pasay, EDSA near Ortigas MRT station, Clark Mimosa and Cebu IT Park. Meanwhile, among FLI’s standalone projects is the 52-storey Grade A, PEZA-registered PBCom Tower along Ayala Avenue in the Makati Central Business District (“CBD”).

FLI's retail development is carried out by its Filinvest Lifemalls brand. Filinvest Lifemalls are entertainment and lifestyle-oriented malls that complement the Filinvest Group's CBD and township developments. As of September 30, 2024, FLI has 256,830 sq.m. of GLA from retail developments, the flagship of which is the Festival Supermall located within the Filinvest City development in Alabang, Muntinlupa. Festival Supermall has approximately 1,500 local and global tenants.

FLI intends to continue building up its investment portfolio in office and retail which are among the key drivers of the Philippine economy. FLI also intends to expand its investment portfolio to include logistic warehouses and co-working/living products that could benefit from the acceleration of e-commerce and new office trends, respectively. FLI aims to take advantage of its strategically located land bank located in key regional centers across the Philippines, which will allow it to accelerate the growth of its recurring income portfolio in line with market demand. As of September 30, 2024, FLI owns a land bank of 1,667.6 hectares, has joint venture arrangements for another 196.5 hectares, and under joint development or long-term leasing agreement of 489.6 hectares, totaling 2,353.70 hectares under its control and management for sustainable future growth. FLI believes that this land bank is sufficient to sustain at least five (5) years of residential development and sales as well as commercial, office and retail leasing projects. Its existing landholdings in its three major hubs of Alabang, Clark and Cebu will be able to support the development of up to 5.3 million sq.m. of GLA.

b. Management and Organization

The following table provides information regarding the members of the senior management team of FLI.

Jonathan T. Gotianun <i>Chairman of the Board</i>	Mr. Gotianun, 71, Filipino, was first elected as a Director of FLI on 17 June 1994. He also serves as the Chairman of the Board of Directors of FDC and East West Banking Corporation (EWBC), both publicly-listed companies. He is also the Chairman of the Board of Davao Sugar Central Co., Inc. (DSCC), Cotabato Sugar Central Co. Inc. (CSCC) and FDC Utilities, Inc. (FDCUI) and their subsidiary power companies. He served as a Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master's Degree in Business Administration from Northwestern University in 1976.
Lourdes Josephine Gotianun Yap <i>Vice-Chairperson of the Board</i>	Mrs. Yap, 69, Filipino, was first elected as a Director of FLI on 24 November 1989. Mrs. Yap was elected as the Vice-Chairperson of the Board of FLI on 24 April 2023. She served as the CEO of FLI from October 2012 to April 2023 and as its President from October 2012 to April 2022. She is also the Vice-Chairperson of the Board of FDC and EWBC, all publicly-listed companies. She is the Chairperson and CEO of Filinvest Alabang, Inc. (FAI), a Director of FDCUI and in other companies within the Filinvest Group. She obtained her Master's Degree in Business Administration from the University of Chicago in 1977.

Tristaneil D. Las Marias <i>Director, President and Chief Executive Officer</i>	Mr. Las Marias, 50, Filipino, is the President and Chief Executive Officer of FLI. He also serves as a Director of FILRT, a publicly-listed company. He started in 1997 as the Head of Regional Projects and went on to hold a higher position as a Senior Vice-President and Cluster Head for Visayas and Mindanao projects, as well as Southwest and Central Luzon. He was appointed as President and Chief Strategy Officer of FLI in April 2022 before his concurrent appointment as CEO in April 2023. He obtained his Bachelor of Arts, Major in Management Economics degree from Ateneo de Manila University. He also obtained his Certificate from the Advanced Management Program of the Harvard Business School in 2022.
Michael Edward T. Gotianun <i>Director</i>	Mr. Gotianun, 67, Filipino, was first elected as a Director of FLI on 08 May 2015. He is also a Director of FDC, a publicly-listed company. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor's Degree in Business Management from the University of San Francisco in 1979.
Francis Nathaniel C. Gotianun <i>Director</i>	Mr. Gotianun, 41, Filipino, was first elected as a Director of FLI on 22 April 2016. He is the First Senior Vice-President of Filinvest Hospitality Corporation, a subsidiary of FDC, the primary role of which is to evaluate, plan, develop and optimize potential and current hospitality investments of the Filinvest Group. He serves as Chairman of ProOffice Work Services, Inc., a Director of Filinvest Mimosa, Inc. and as the President and CEO of The Palms County Club, Inc. (TPCCI). He obtained his Bachelor's Degree in Commerce from the University of Virginia in 2005 and his Master's in Business Administration degree in IESE Business School – University of Navarra in 2010.
Rhoda A. Huang <i>Director</i>	Ms. Huang, 62, Filipino, is currently a Director and the President and CEO of FDC. Prior to joining FDC, she was the President of BPI Capital Corporation. She was also the former Branch Head of Investment Banking for Credit Suisse Philippines and spent nineteen (19) years at JP Morgan Chase and its predecessor institutions. Ms. Huang brings more than thirty (30) years of experience in Philippine corporate, financial and government institutions. She has led various aspects of investment banking, including handling mergers and acquisitions, facilitating equity-linked transactions, managing equity and debt capital markets, overseeing structured products and lending, as well as handling risk

	management. She completed her Bachelor's degree in Business Administration and Accountancy at the University of the Philippines and is a Certified Public Accountant.
Ernesto S. De Castro <i>Independent Director</i>	Mr. De Castro, 78, Filipino, was first elected as an Independent Director of FLI on 22 April 2019. He is the President of ESCA Incorporated since July 1993. He is not a Director of any other publicly-listed company. He graduated from the University of the Philippines Diliman in 1967 with a Bachelor's Degree in Civil Engineering and obtained his Masters of Engineering in the same university in 1968. He obtained the degree of Doctor of Philosophy in Civil Engineering (Major in Structures) in Lehigh University, Bethlehem, Pennsylvania, USA in 1975.
Gemilo J. San Pedro <i>Independent Director</i>	Mr. San Pedro, 71, Filipino, was first elected as an Independent Director of FLI on 17 July 2019. He has 38 years of experience in public accounting and business advisory services. Prior to his retirement on 30 June 2015, he served various leadership roles at SyCip Gorres Velayo & Co. (SGV & Co.). He was a partner in SGV & Co. from 1991 to 2015 and a Professional Practice Director and a Quality and Risk Management Leader from 2004 to 2015. He finished his Bachelor of Science in Commerce, Major in Accounting degree at Rizal Memorial Colleges, Davao City. He obtained his Master of Business Administration, Concentration in Finance and International Business, at the Graduate School of Business, New York University, (now Stern Graduate School) USA in 1983.
Ephyro Luis B. Amatong <i>Independent Director</i>	Atty. Amatong, 52, Filipino, was the former Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine SEC from May 2014 to March 2022. Before joining SEC, he was an Assistant Secretary of the Department of Finance (DOF) where he had an active role in a number of privatization projects among others. He also served in various capacities in the government. Before joining the government, he was an Associate with the Villaraza & Angangco Law Offices where he dealt with high profile litigation. Currently, he is a partner of MOSVELDTT Law Offices and a Consultant for the World Bank Group and the Asian Development Bank. He is a Professional Lecturer of the University of the Philippines – College of Law, a Trustee of the Andres Bonifacio College, an Independent Director of Asia

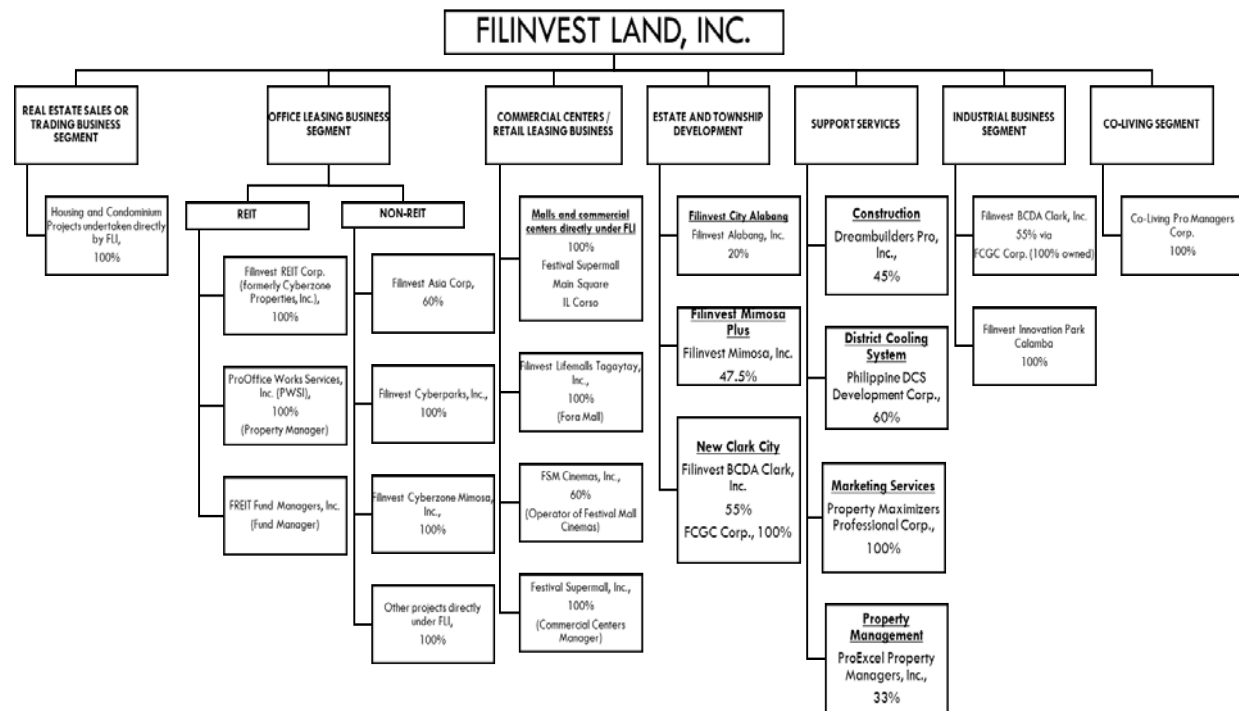
	Link Finance Corp.; Global Dominion Financing, Inc., South Asialink Finance Corp., and Citicore Renewable Energy Corp., and an Advisor to the Board of Alternergy Holdings Corp. Atty. Amatong was admitted to the Philippine Bar in 2002 and the New York Bar in 2007. He holds a Master of Laws degree with an International Finance Concentration from Harvard Law School. He also holds a Bachelor of Laws degree from the University of the Philippines and a Bachelor of Science in Business Economics from the same university.
Ana Venus A. Mejia <i>Executive Vice President, Treasurer and Chief Finance Officer</i>	Ms. Mejia, 58, Filipino, has been with the Filinvest Group for 27 years. She started in January 1996 as the Assistant Controller of FDC and has served the group in various capacities. She was appointed as the Treasurer of FLI in 2012. She also serves as the Treasurer and Chief Finance Officer of FILRT. Prior to joining Filinvest, she worked with Shoemart and SGV & Co. She is a Certified Public Accountant and a <i>magna cum laude</i> graduate of Pamantasan ng Lungsod ng Maynila. She obtained her Master's Degree from the Kellogg School of Management of Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology.
Winnifred H. Lim <i>First Senior Vice President and Chief Technical Planning Officer</i>	Engr. Lim, 60, Filipino, is the Senior Vice-President and Chief Technical Planning Officer of FLI. He started as the Company's Engineering Head last 2000 and currently leads Engineering, Architecture, Planning and Design, Survey, and Special Projects. He obtained his Master's Degree in Structural Engineering at the University of the Philippines Diliman.
Maria Victoria Reyes-Beltran <i>Senior Vice-President, General Counsel and Compliance Officer</i>	Atty. Reyes-Beltran, 58, Filipino, is the General Counsel and Compliance Officer of FLI. She also serves as the Compliance Officer of FILRT. Prior to joining FLI, she served as the Director of the Office of Internal Legal Counsel of R.G. Manabat & Co., a professional partnership firm affiliated with KPMG International. She also served as the First Vice President - General Counsel of the Corporate Legal Unit of JG Summit Holdings, Inc. and Universal Robina Corporation, its subsidiaries, and regional operations in Southeast Asia, as well as the Corporate Secretary of the printed media unit of the group. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree, Major in Philosophy from the University of the Philippines and her Bachelor of Laws degree from San Beda College of Law. She completed her Master of Laws in International Commercial Law at the Ateneo School of Law

	and a Course on Structuring International Joint Venture at the University of California, Davis Campus.
Francis V. Ceballos <i>Senior Vice President and Head of the Industrial, Warehousing and Logistics Business</i>	Mr. Ceballos, 58, Filipino, joined FLI last 2010 and is currently the Senior Vice-President and Head of the Industrial, Warehousing and Logistics Business of FLI. He graduated from Ateneo de Manila University with a degree in Management Engineering and obtained his Master's Degree in Business Administration from the Asian Institute of Management.
Janeth B. de los Reyes <i>Senior Vice President, Deputy Chief Finance Officer and Chief Risk Officer</i>	Ms. de los Reyes, 51, Filipino, is the Deputy Chief Finance Officer and Chief Risk Officer of FLI. Prior to joining FLI, she worked with Ortigas Land Group for more than three (3) years as its Chief Transformation Officer (CTO). Prior to her appointment as CTO, she served as the Ortigas Land Group's AVP and Head of Corporate Finance. She is an experienced Finance Professional with two (2) decades of experience in the Real Estate Industry. She has led finance teams, both at controllership and operations in financial reporting and analysis; tax compliance; billing and collection and treasury management; strategic planning, budgeting and forecasting; and procurement. She also worked for SGV & Co. in both Assurance and Business Advisory and Risk Consulting service lines. She obtained her Bachelor of Science in Accountancy degree in De La Salle University – Manila. Ms. de los Reyes then obtained her Master's Degree in Business Administration from the Ateneo Graduate School of Business – Makati. Ms. de los Reyes is a Certified Public Accountant, a licensed Real Estate Broker and has an NCII Certification in Organic Agriculture Production.
Edward Thomas V. Bernas <i>Senior Vice President – Assistant Residential Business Head</i>	Mr. Bernas, 56 Filipino is the Senior Vice President – Assistant Residential Business Head of FLI. Prior to joining FLI, he was the Business Unit General Manager for Robinsons Homes, the horizontal development arm of Robinsons Land Corporation (RLC). Mr. Bernas also held the position of Assistant Vice President of RLC for Infrastructure and Integrated Development until 2018 and was instrumental in its integrated township developments. Mr. Bernas spent years at Torre Lorenzo Devt. Corporation, where he was Business Development Director & Business Unit Head for Mixed Use Developments. Mr. Bernas graduated from the Ateneo de Manila University with a Bachelor of Arts degree Major in Economics.

Reynaldo Juanito S. Nieva II <i>Senior Vice President and Operations Head</i>	Mr. Nieva, 50, Filipino, is the head of the Operations Department of FLI. He has been with FLI for fifteen (15) years and significantly contributed to various systems and processes of the company. His customer-centric leadership introduced the Omni channel to FLI's customer service, efficient booking process, stability in risk management and digitalizing an array of FLI Operating systems. He graduated from the University of the Philippines Diliman with a degree in Hotel and Restaurant Administration
Michael R. Roxas <i>Chief Audit Executive</i>	Mr. Roxas, 45, Filipino, is the Chief Audit Executive of FLI. He has a dynamic 20-year management career in auditing, assurance and consultancy in real estate, retail, manufacturing and telecommunications companies. He performed financial, operations and compliance audits including business process, project management, continuous monitoring, process mapping, and fraud investigation. Prior to joining FLI, he was the Senior Assistant Vice President, Internal Audit and Risk Management of Global-Estate Resorts, Inc. (GERI). Before joining GERI, he was the head of Risk Management & Insurance Division of Makati Development Corporation (MDC), a wholly owned subsidiary and the construction arm of Ayala Land, Inc. During his time in MDC, he championed several initiatives for MDC such as documentation and improvement of MDC's systems and procedures, establishment of the Enterprise-wide Risk Management program, development of Business Continuity Management, and Lean Construction. He has a Master's Degree in Business Administration from the Pamantasan ng Lungsod ng Maynila. He is a Certified Lead Auditor for ISO 9001:2008 Quality Management System and ISO 14001:2004 Environmental Management System. Mr. Roxas is certified in Safety Program Audit, Loss Control Management and Construction Occupational Safety and Health (COSH). He also obtained the Certified Internal Control Auditor (CICA) title in February 2019. He is a member of the Institute of Internal Auditors – Philippines (IIA-P) since 2009
Melissa C. Ortiz <i>Investor Relations Officer</i>	Ms. Ortiz, 54, Filipino, is the Investor Relations Officer of FLI. She was previously the Head of Investor Relations for ABS-CBN Corporation, Head of Corporate and Financial Planning for Nutriasia Philippines and Head of Financial Planning and Investor Relations for MERALCO. She is a Certified Public Accountant. She obtained her Bachelor's Degree in Business Administration from the University of the Philippines and obtained her Master's Degree in Business Administration and Master of Science degree in Computational Finance from De

	La Salle University. She completed the Strategic Finance (CFO) Leadership Program, the Chief Financial Officer (CFO) Program and the Postgraduate Certificate on Business and Management Consulting Program at the Asian Institute of Management. She also completed the Real Estate Economics and Finance course of the London School of Economics and Political Science.
Katrina O. Clemente-Lua <i>Corporate Secretary and Corporate Information Officer</i>	Ms. Clemente-Lua, 41, Filipino, was appointed as FLI's Corporate Secretary on March 24, 2023 and Corporate Information Officer on 16 March 2022. Ms. Lua was previously appointed as FLI's Assistant Corporate Secretary on 16 March 2022. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and the Executive Director of Stratbase ADR Institute. She was previously an Associate of Carag Jamora Somera & Villareal Law Offices, as well as the Senior Corporate Affairs Officer of Anchor Land Holdings. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.
Jennifer C. Lee <i>Assistant Corporate Secretary</i>	Ms. Lee, 40, Filipino, was first appointed as FLI's Assistant Corporate Secretary on 24 March 2023. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and in Migallos & Luna Offices. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Juris Doctor degree in University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management in De La Salle University – Manila.

FLI's group structure as of September 30, 2024 is as follows:



III. PROCEEDS RECEIVED BY THE SPONSOR

The equivalent monetary value of the proceeds from the buyback of FLI shares is approximately PHP1.86 billion, exclusive of the taxes and Transaction charges. This value corresponds to the exchange of 597,120,000 FILRT common shares multiplied by 3.11¹.

III. REINVESTMENT PLAN

FLI intends to use the monetary equivalent of the net proceeds of the Transaction to fund ongoing and future investments in real estate properties in Metro Manila and other key regions in the Philippines, which FLI may undertake on its own or through its subsidiaries. The transfer of funding from FLI to the relevant FLI subsidiary may be through capital infusion or through shareholder financing. In either case, the applicable documentary stamp taxes will be paid by the proper party, subject to their agreement. This includes investment in commercial and residential buildings. The projected disbursements in connection with the proposed use of proceeds are provided in the succeeding table:

¹ Represents the crossing price per FILRT share.

ANNEX 1: REINVESTMENT PLAN (in P bln)

Project Name	Location	Product	Status	Percentage Completion	Target Completion Date	Total Capex Planned for 1 Year (P bln)	Capex (Pbln) 1Q2025	Capex (Pbln) 2Q2025	Capex (P bln) 3Q2025	Capex (P bln) 4Q2025	Ownership Land	Ownership Building	Disbursing Entity
Mimosa Lifestyle Mall The Levels	Filinvest Mimosa Plus Clark Alabang	Retail mall Mid-rise building	Ongoing construction Ongoing Construction	77% 0%	Apr-25 Mar-27	0.655 0.190	0.218 0.048	0.218 0.048	0.218 0.048	0.048	Clark Development Corp Filinvest Land, Inc.	Filinvest Clark Mimosa, Inc Filinvest Land, Inc.	Filinvest Clark Mimosa, Inc Filinvest Land, Inc.
Futura Monte	Camarines Sur	Mid-rise building	Ongoing Construction	53%	Dec-25	0.100	0.025	0.025	0.025	0.025	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Futura Bay GenSan	Gen San	Mid-rise building	Ongoing Construction	0%	Sep-26	0.100	0.025	0.025	0.025	0.025	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Futura One Fora Dagupan	Dagupan	Mid-rise building	Ongoing Construction	44%	Dec-25	0.100	0.025	0.025	0.025	0.025	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Futura Vinta Zamboanga	Zamboanga	Mid-rise building	Ongoing Construction	64%	Dec-25	0.100	0.025	0.025	0.025	0.025	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Mimosa Retail	Filinvest Mimosa Plus Clark	Retail mall	Ongoing Construction	90%	Dec-25	0.040	0.010	0.010	0.010	0.010	Clark Development Corp.	Filinvest Land, Inc.	Filinvest Land, Inc.
Studio N	Alabang	High-rise building	Ongoing Construction	55%	Dec-25	0.250	0.063	0.063	0.063	0.063	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Futura Centro	NCR	High-rise building	Ongoing Construction	64%	Dec-25	0.075	0.019	0.019	0.019	0.019	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
8 Spatial Davao	Davao	Mid-rise building	Ongoing Construction	81%	Dec-25	0.100	0.025	0.025	0.025	0.025	Filinvest Land, Inc.	Filinvest Land, Inc.	Filinvest Land, Inc.
Mimosa Golfridge Residential	Filinvest Mimosa Plus Clark	Mid-rise building	Ongoing Construction	40%	Dec-26	0.150	0.038	0.038	0.038	0.038	Clark Development Corp.	Filinvest Land, Inc.	Filinvest Clark Mimosa, Inc.
TOTAL						1.86	0.52	0.52	0.52	0.30			

FLI and its subsidiaries shall endeavor to cause the completion of the construction of the projects enumerated above within the projected timeframe. However, the exact completion dates and corresponding disbursements related to the projects specified above are subject to unforeseen events including but not limited to pandemic, fire, earthquake, other natural elements, acts of God, war, civil disturbance, and government and economic controls. Delays in the construction timetable and progress billings may also arise out of unforeseen site conditions or difficulty in obtaining the necessary labor or materials for the projects, or due to any other cause beyond the control FLI and its subsidiaries.

IV. MONITORING AND REVIEW

FLI shall monitor the actual disbursements of projects proposed in the Reinvestment Plan on a quarterly basis. For purposes of monitoring, FLI shall prepare quarterly progress reports of actual disbursements on the projects covered by this Reinvestment Plan.

In the event of changes in the actual disbursements of projects proposed in this Reinvestment Plan, FLI shall inform the SEC, PSE, BIR or any other appropriate government agency, by sending a written notice to that effect.

VI. REPORTING

FLI shall comply with reportorial and disclosure requirements prescribed by the SEC, PSE, BIR, or any other appropriate government agency.

FLI shall submit with the PSE a quarterly progress report and a final report on the implementation of the Reinvestment Plan that is duly certified by its Chief Finance Officer, Treasurer and External Auditor. The quarterly progress report shall be submitted to the PSE following the relevant PSE rules. FLI shall likewise submit a final report on the implementation of the REIT Plan and submit the same to the PSE.

The Reinvestment Plan and the status of its implementation shall be included in the appropriate structured reports of FLI to the SEC and the PSE. Any investment pursuant to the Reinvestment Plan shall also be disclosed by FLI via SEC Form 17-C, as may be necessary and as such investment is made. FLI shall likewise furnish the SEC with copies of the relevant documentary tax returns as may be applicable.

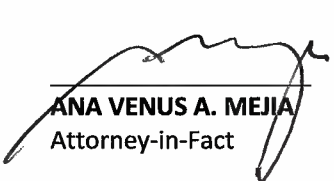
CERTIFICATION

The **REINVESTMENT PLAN** was prepared and assembled under our supervision in accordance with existing rules of the Securities and Exchange Commission, Philippine Stock Exchange, and the Bureau of Internal Revenue. The information and data provided herein are complete, true, and correct to the best of our knowledge and/ or based on authentic records.

By:

FILINVEST LAND, INC.

Sponsor


ANA VENUS A. MEJIA

Attorney-in-Fact

SUBSCRIBED AND SWORN TO before me this DEC 11 2024 in Mandaluyong City, Metro Manila, affiant exhibiting to me as competent evidence of her identity, Passport ID No. _____ bearing her photograph and signature, issued by the Department of Foreign Affairs – | _____

Doc. No. 96;

Page No. 21;

Book No. 40;

Series of 2024.

JOVEN G. SEVILLANO

NOTARY PUBLIC FOR CITY OF MANDALUYONG
COMMISSION NO. 0285-23 UNTIL DECEMBER 31, 2024
IBP LIFETIME NO. 011302; 12-28-12; RIZAL
ROLL NO. 53970
PTR NO. 5420812; 1-3-24; MANDALUYONG
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025
UG03 CITYLAND SHAW TOWER,
SHAW BLVD. MANDALUYONG CITY