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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City / Town / Province)

Josephine G. de Asis

Contact Person

(632) 7908-3000

Company Telephone Number

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Month Day
Fiscal Year

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FORM TYPE

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Month Day
Annual Meeting

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Secondary License Type, If Applicable

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings	
₱21.0 billion bonds	-
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

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AYALA CORPORATION

(Company's Full Name)

**37F to 39F, Ayala Triangle Gardens Tower 2
Paseo de Roxas corner Makati Avenue
Makati City**

(Company's Address)

(632) 7908-3000

(Telephone Number)

March 31, 2025

(Fiscal Year Ending)
(Month & Day)

SEC Form 17-Q Quarterly Report

(Form Type)

SECURITIES AND EXCHANGE COMMISSION (SEC)

SEC FORM 17-Q

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

1. For the quarterly period ended: **March 31, 2025**
2. SEC Identification No.: **34218**
3. BIR Tax Identification No.: **000-153-610-000**
4. Exact name of the registrant as specified in its charter: **AYALA CORPORATION**
5. Province, country or other jurisdiction of incorporation or organization: **Makati City, Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of principal office: **37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City** Postal Code: **1226**
8. Registrant's telephone number: **(632) 7908-3000**
9. Former name, former address, former fiscal year: Not applicable
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 issued and outstanding As of March 31, 2025
Preferred A	0*
Preferred A (reissued) (ACPAR)	5,244,515
Preferred B	0**
Preferred B Series 3 (ACPB3)	7,500,000
Voting Preferred	200,000,000
Common	623,596,776***

* net of 6,755,485 treasury shares

** net of 50,500,000 treasury shares

*** net of 12,174,701 treasury shares

Amount of debt outstanding as of March 31, 2025: **₱21.0 billion in bonds******

****amount represents only the debt of Ayala Corporation registered with the Philippine SEC. The debt of subsidiaries registered with the SEC are reported in their respective SEC 17-Q reports.

11. Are any or all of these securities listed in the Philippine Stock Exchange? Yes ☒ No ☐

As of March 31, 2025, a total of 628,905,481 common shares, 12,000,000 preferred A (Preferred A and "ACPAR") shares, 50,500,000 preferred B shares, and 7,500,000 preferred B series 3 ("ACPB3") shares are listed in the Philippine Stock Exchange ("PSE"). A total of 12,174,701 common shares, 6,755,485 Preferred A shares, and 50,500,000 Preferred B shares are held in Treasury by the Company.

12. Check whether the registrant:

- a. has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports): Yes ☒ No ☐
- b. has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

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The unaudited interim condensed consolidated financial statements and other parts of the entire SEC 17-Q Report as of March 31, 2025 makes reference to certain financial information and disclosures in the December 31, 2024* annual audited consolidated financial statements. This SEC 17-Q Report should be read in conjunction with that Group's financial statements*.

This SEC 17-Q Report also includes financial and operating data with respect to Ayala's material listed subsidiaries – Ayala Land, Inc. (ALI), Integrated Micro-Electronics, Inc. (IMI), and AC Energy and Infrastructure Corporation (ACEIC) with key subsidiary ACEN Corporation (ACEN), associates – Bank of the Philippine Islands (BPI), and joint venture – Globe Telecom, Inc. (Globe). This SEC 17-Q Report should be read in conjunction with the financial information and operating highlights of these investees contained in their respective December 31, 2024 audited financial statements and SEC 17-A reports and March 31, 2025 SEC 17-Q reports, as applicable.**

**The audited consolidated financial reports and SEC 17-A Report of Ayala Corporation and Subsidiaries (the Group) as of December 31, 2024 and the SEC 17-Q Report as of March 31, 2025 are available at the Parent Company's website www.ayala.com. Also, the Group's Sustainability Report is posted in the Parent Company's official website with the following link: https://ayala.com/app/uploads/2025/04/Ayala_IR2024_Full-Report_1004.pdf.*

***The audited consolidated financial reports and SEC 17-A Reports as of December 31, 2024 as well as SEC 17-Q report as of March 31, 2025, as applicable, of the following companies under the Group are available in the following websites: ALI www.ayalaland.com.ph, IMI www.global-imi.com, ACEIC/ACEN www.acenrenewables.com, BPI www.bpi.com.ph, and Globe www.globe.com.ph.*

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PART I - FINANCIAL INFORMATION

Section 1. Financial Statements

Ayala Corporation and Subsidiaries

**Unaudited Interim Condensed Consolidated Financial Statements
As at March 31, 2025 (with Comparative Audited Figures as at December 31, 2024)
and for the Three Months Ended March 31, 2025 and 2024**

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31, 2025 (with Comparative Audited Figures as at December 31, 2024)
(Amounts in Thousands)

	March 2025 (Unaudited)	December 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱75,326,185	₱75,501,736
Short-term investments (Note 5)	559,360	723,567
Accounts and notes receivable (Note 6)	151,666,085	158,358,122
Inventories (Note 7)	247,292,005	247,752,784
Other current assets (Note 8)	105,811,396	102,226,309
Total Current Assets	580,655,031	584,562,518
Noncurrent Assets		
Noncurrent accounts and notes receivable (Note 6)	161,508,132	151,065,379
Investments in associates and joint ventures (Note 10)	413,122,336	401,221,558
Investment properties (Note 12)	265,212,944	262,903,806
Property, plant and equipment (Note 12)	183,338,571	178,131,222
Right-of-use assets (Note 9)	23,082,996	24,562,118
Intangible assets (Note 11)	39,114,999	39,383,400
Deferred tax assets - net (Note 11)	20,110,315	20,220,095
Other noncurrent assets (Note 8)	88,663,949	87,275,626
Total Noncurrent Assets	1,194,154,242	1,164,763,204
Total Assets	₱1,774,809,273	₱1,749,325,722
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt (Note 15)	₱95,241,735	₱75,556,284
Accounts payable and accrued expenses (Note 13)	221,163,346	223,662,212
Income tax payable	1,500,797	820,441
Current portion of:		
Long-term debt (Note 15)	64,144,182	60,875,018
Lease liabilities (Note 9)	4,230,079	4,647,964
Other current liabilities (Note 14)	28,029,057	23,728,590
Total Current Liabilities	414,309,196	389,290,509
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 15)	519,993,420	530,327,828
Lease liabilities - net of current portion (Note 9)	27,891,158	28,794,012
Deferred tax liabilities - net	14,334,925	15,383,250
Pension liabilities	5,640,552	5,952,305
Other noncurrent liabilities (Note 14)	56,411,433	53,996,098
Total Noncurrent Liabilities	624,271,488	634,453,493
Total Liabilities	1,038,580,684	1,023,744,002
Equity		
Equity attributable to owners of the Parent Company:		
Paid-in capital (Note 16)	93,402,779	93,384,205
Other comprehensive income (loss):		
Remeasurement losses on defined benefit plans	(6,627,103)	(6,618,373)
Fair value reserve of financial assets at fair value through other comprehensive income (FVOCI)	(3,247,299)	(3,126,991)
Cumulative translation adjustments	5,118,478	4,411,444
Equity reserve (Note 3)	25,775,802	25,476,033
Retained earnings (Note 16)	347,275,178	335,194,299
Treasury stock	(14,220,992)	(14,220,992)
	447,476,843	434,499,625
Non-controlling interests (Note 3)	288,751,746	291,082,095
Total Equity	736,228,589	725,581,720
Total Liabilities and Equity	₱1,774,809,273	₱1,749,325,722

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, except Earnings per Share Figures)

	For the Periods Ended March 31	
	2025	2024
REVENUE (Note 18)		
Rendering of services	P40,153,005	P43,704,794
Sale of goods	40,741,888	32,022,752
Share in net profits of associates and joint ventures	12,085,864	11,542,648
	92,980,757	87,270,194
COSTS AND EXPENSES		
Costs of rendering services	31,993,182	34,687,797
Costs of goods sold	27,113,088	21,534,106
General and administrative expenses (Notes 6, 7, 11 and 12)	9,547,908	11,442,937
	68,654,178	67,664,840
OTHER INCOME (CHARGES) - net		
Interest income	3,076,946	3,033,275
Other income (Note 10)	2,349,661	4,369,644
Interest and other financing charges (Note 15)	(9,678,590)	(7,946,098)
	(4,251,983)	(543,179)
INCOME BEFORE INCOME TAX	20,074,596	19,062,175
PROVISION FOR INCOME TAX		
Current	2,767,884	1,876,496
Deferred	(466,985)	(188,849)
	2,300,899	1,687,647
NET INCOME	P17,773,697	P17,374,528
Net income attributable to:		
Owners of the Parent Company	P12,595,124	P13,072,786
Non-controlling interests	5,178,573	4,301,742
	P17,773,697	P17,374,528
EARNINGS PER SHARE (Note 17)		
Basic	P19.47	P20.44
Diluted	P19.47	P20.44

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	For the Periods Ended March 31	
	2025	2024
NET INCOME	P17,773,697	P17,374,528
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>		
Net exchange differences arising from translations of foreign investments	1,225,597	3,868,107
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>		
Net changes in fair values of financial assets at FVOCI	(1,168,441)	(83,635)
Net remeasurement gains (losses) on defined benefit plans	101,696	(321,212)
Tax effect relating to components of other comprehensive income	(25,424)	80,303
	133,428	3,543,563
SHARE IN OTHER COMPREHENSIVE INCOME (LOSS) OF ASSOCIATES AND JOINT VENTURES		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>		
Net exchange differences arising from translations of foreign investments	(295,586)	(619)
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>		
Net changes in fair values of financial assets at FVOCI - net	853,986	(213,637)
Net remeasurement gains (losses) on defined benefit plans	(93,513)	705,949
	464,887	491,693
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) NET OF TAX	598,315	4,035,256
TOTAL COMPREHENSIVE INCOME	P18,372,012	P21,409,784
Total comprehensive income attributable to:		
Owners of the Parent Company	P13,094,320	P17,132,791
Non-controlling interests	5,277,692	4,276,993
	P18,372,012	P21,409,784

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Periods Ended March 31, 2025 and 2024 (with Comparative Audited Figures for the Year Ended December 31, 2024)
(Amounts in Thousands)

	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY									
		Other Comprehensive Income								
	Paid-in Capital (Note 16)	Remeasur- ent Gains (Losses) on Defined Benefit Plans	Fair Value Reserve of Financial Assets at FVOCI	Cumulative Translation Adjustments	Equity Reserve (Note 3)	Retained Earnings (Note 16)	Treasury Stock	Total	Non- controlling Interests (Note 3)	Total Equity
As of January 1, 2025 (Audited)	₱93,384,205	(₱6,618,373)	(₱3,126,991)	₱4,411,444	₱25,476,033	₱335,194,299	(₱14,220,992)	₱434,499,625	₱291,082,095	₱725,581,720
Net income	-	-	-	-	-	12,595,124	-	12,595,124	5,178,573	17,773,697
Share in other comprehensive income (loss) of associates and joint ventures	-	(93,513)	853,986	(295,586)	-	-	-	464,887	-	464,887
Other comprehensive income (loss)	-	84,783	(1,053,095)	1,002,620	-	-	-	34,308	99,120	133,428
Reclassification of fair value loss of investment in equity securities at FVOCI	-	-	78,801	-	-	(78,801)	-	-	-	-
Total comprehensive income (loss)	-	(8,730)	(120,308)	707,034	-	12,516,323	-	13,094,319	5,277,693	18,372,012
Cost of reissuance of preferred shares	(4,428)	-	-	-	-	-	-	(4,428)	-	(4,428)
Cash dividends	-	-	-	-	-	(435,444)	-	(435,444)	(1,904,713)	(2,340,157)
Collection of subscription receivable	23,002	-	-	-	-	-	-	23,002	-	23,002
Change in non-controlling interests	-	-	-	-	299,769	-	-	299,769	(5,703,329)	(5,403,560)
At March 31, 2025 (Unaudited)	₱93,402,779	(₱6,627,103)	(₱3,247,299)	₱5,118,478	₱25,775,802	₱347,275,178	(₱14,220,992)	₱447,476,843	₱288,751,746	₱736,228,589

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY

	Other Comprehensive Income								Non-controlling	
	Paid-in	Remeasurment Gains (Losses) on Defined Benefit Plans	Fair Value Reserve of Financial Assets at FVOCI	Cumulative Translation Adjustments	Equity Reserve	Retained Earnings	Treasury Stock	Total	Interests	Total Equity
For the Period Ended March 31, 2024 (Unaudited)										
As of January 1, 2024 (Audited)	P91,233,753	(P6,611,128)	(P66,256)	P3,295,297	P25,350,330	P297,882,907	(P14,546,351)	P396,538,552	P278,402,809	P674,941,361
Effect of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	—	—	—	—	—	(58,252)	—	(58,252)	236,194	177,942
As of January 1, 2024 (as Restated)	91,233,753	(6,611,128)	(66,256)	3,295,297	25,350,330	297,824,655	(14,546,351)	396,480,300	278,639,003	675,119,303
Net income	—	—	—	—	—	13,072,786	—	13,072,786	4,301,742	17,374,528
Share in other comprehensive income (loss) of associates and joint ventures	—	705,949	(213,637)	(619)	—	—	—	491,693	—	491,693
Other comprehensive income (loss)	—	(239,854)	(97,762)	3,905,928	—	—	—	3,568,312	(24,749)	3,543,563
Reclassification of fair value loss of investment in equity securities at FVOCI	—	—	1,662	—	—	(1,662)	—	—	—	—
Total comprehensive income (loss)	—	466,095	(309,737)	3,905,309	—	13,071,124	—	17,132,791	4,276,993	21,409,784
Cash dividends	—	—	—	—	—	(389,229)	—	(389,229)	(1,500,567)	(1,889,796)
Collection of subscription receivable	15,207	—	—	—	—	—	—	15,207	—	15,207
Reclassification/Others	400	—	—	—	—	—	1	401	—	401
Change in non-controlling interests	—	—	—	—	304,992	—	—	304,992	1,604,915	1,909,907
At March 31, 2024 (Unaudited)	P91,249,360	(P6,145,033)	(P375,993)	P7,200,606	P25,655,322	P310,506,550	(P14,546,350)	P413,544,462	P283,020,344	P696,564,806

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY

	Other Comprehensive Income								Non-controlling	
	Paid-in Capital	Remeasurement Gains (Losses) on Defined Benefit Plans	Fair Value Reserve of Financial Assets at FVOCI	Cumulative Translation Adjustments	Equity Reserve	Retained Earnings	Treasury Stock	Total	Interests	Total Equity
For the year ended December 31, 2024 (Audited)										
As of January 1, 2024 (Audited)	P91,233,753	(P6,611,128)	(P66,256)	P3,295,297	P25,350,330	P297,882,907	(P14,546,351)	P396,538,552	P278,402,809	P674,941,361
Effect of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	—	—	—	—	—	539,022	—	539,022	809,766	1,348,788
As of January 1, 2024 (as Restated)	91,233,753	(6,611,128)	(66,256)	3,295,297	25,350,330	298,421,929	(14,546,351)	397,077,574	279,212,575	676,290,149
Net income	—	—	—	—	—	42,026,496	—	42,026,496	19,435,549	61,462,045
Share in other comprehensive income of associates and joint ventures	—	172,067	539,301	1,015,946	—	—	—	1,727,314	—	1,727,314
Other comprehensive income (loss)	—	(235,810)	(3,387,376)	1,692,114	—	—	—	(1,931,072)	279,462	(1,651,610)
Reclassification of fair value gain of investment in equity securities at FVOCI	—	—	(212,660)	(1,591,913)	—	1,804,573	—	—	—	—
Derecognition of remeasurement loss	—	56,498	—	—	—	(56,498)	—	—	—	—
Total comprehensive income (loss)	—	(7,245)	(3,060,735)	1,116,147	—	43,774,571	—	41,822,738	19,715,011	61,537,749
Exercise of ESOWN	128,071	—	—	—	—	—	—	128,071	—	128,071
Sale of treasury common shares	(379,882)	—	—	—	—	—	2,575,359	2,195,477	—	2,195,477
Reissuance of preferred shares	14,131,084	—	—	—	—	—	750,000	14,881,084	—	14,881,084
Redemption of preferred shares	(12,000,000)	—	—	—	—	—	(3,000,000)	(15,000,000)	—	(15,000,000)
Property dividends	—	—	—	—	—	—	—	—	847,290	847,290
Cash dividends	—	—	—	—	—	(7,002,201)	—	(7,002,201)	(3,416,688)	(10,418,889)
Collection of subscription receivables	271,179	—	—	—	—	—	—	271,179	—	271,179
Change in non-controlling interests	—	—	—	—	125,703	—	—	125,703	(5,276,093)	(5,150,390)
At December 31, 2024 (Audited)	P93,384,205	(P6,618,373)	(P3,126,991)	P4,411,444	P25,476,033	P335,194,299	(P14,220,992)	P434,499,625	P291,082,095	P725,581,720

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Periods Ended March 31, 2025 and 2024
(Amounts in Thousands)

	For the Periods Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱20,074,596	₱19,062,175
Adjustments for:		
Interest and other financing charges - net of amount capitalized	9,678,590	7,946,098
Depreciation and amortization	4,483,873	3,965,622
Provision for impairment/ losses on:		
Investments in equity (Note 10)	49,259	1,168,960
Receivables (Note 6)	547,718	665,432
Inventory obsolescence (Note 7)	75,291	406,559
Intangibles, property, plant and equipment and other provisions (Notes 3, 11 and 12)	160,907	920,205
Mark-to-market gain on financial assets at fair value through profit or loss (FVTPL) and derivative contracts	(20,200)	(381,781)
Dividend and other investment income	(1,466,125)	(2,431,885)
Gain on sale of:		
Investments	—	(360,812)
Other assets	(11,071)	(96,280)
Interest income	(3,076,946)	(3,033,275)
Share in net profit of associates and joint ventures	(12,085,864)	(11,542,648)
Operating income before changes in operating assets and liabilities	18,410,028	16,288,370
Decrease (increase) in:		
Accounts and notes receivable - trade	(4,583,504)	(3,244,787)
Inventories	385,488	1,721,556
Other current assets	(4,751,271)	(1,274,861)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,098,482)	385,423
Net pension liabilities	(29,019)	(397,910)
Other current liabilities	4,300,467	(4,326,118)
Cash generated from operations	12,633,707	9,151,673
Interest received	908,648	1,968,497
Interest paid	(6,937,942)	(5,880,008)
Income tax paid	(2,384,873)	(1,543,454)
Net cash provided by operating activities	4,219,540	3,696,708
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale/maturities of financial assets at FVTPL	5,127,475	824,306
Sale/maturities of financial assets at amortized cost	—	95,668
Sale/disposal of investments in associates and joint ventures	—	678,729
Collection of accounts and notes receivable - non-trade	3,241,402	—
Disposals of property, plant and equipment	133,455	558,961
Placements in/ roll-over of short-term investments	164,207	959,984
Additions to:		
Investments in associates and joint ventures	(36,481)	(3,168,652)
Property, plant and equipment	(5,422,187)	(10,092,472)
Investment properties	(3,652,148)	(7,122,245)
Financial assets at FVTPL (Note 8)	(4,251,095)	(2,524,274)
Financial assets at FVOCI (Note 8)	(256,743)	(34,948)
Financial assets at amortized cost (Note 8)	(220,342)	(391,376)
Accounts and notes receivable - non-trade	(2,347,706)	(4,616,308)
Intangible assets	(109,708)	—
Dividends received from associates, joint ventures and investments in equity securities	3,220,129	2,562,577
Decrease (increase) in other noncurrent assets	(2,161,874)	2,364,734
Net cash used in investing activities	(₱6,571,616)	(₱19,905,316)

	For the Periods Ended March 31	
	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from availments of short-term and long-term debt (Note 15)	P83,165,871	P77,600,517
Payments of short-term and long-term debt (Note 15)	(69,035,055)	(64,554,479)
Dividends paid	(4,798,468)	(4,198,861)
Payment of principal portion of lease liabilities	(1,382,061)	(795,933)
Collections of subscriptions receivable	23,002	15,207
Cost of issuance of preferred shares	(4,428)	400
Interest paid	(2,630,401)	(1,487,724)
Increase (decrease) in:		
Other noncurrent liabilities	2,085,489	1,925,098
Non-controlling interests in consolidated subsidiaries	(5,403,558)	2,146,100
Net cash provided by financing activities	2,020,391	10,650,325
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	156,134	271,307
NET DECREASE IN CASH AND CASH EQUIVALENTS	(175,551)	(5,286,976)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	75,501,736	74,784,222
CASH AND CASH EQUIVALENTS AT END OF PERIOD	P75,326,185	P69,497,246

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Ayala Corporation (the Parent Company, Ayala, or AC) is the holding company of one of the oldest and largest business groups in the Philippines that traces its history back to the establishment of the Casa Roxas business house in 1834. The Parent Company was incorporated on January 23, 1968, and its Class A Shares and Class B Shares were first listed on the Manila and Makati Stock Exchanges (the predecessors of the Philippine Stock Exchange or PSE) in 1976. In 1997, the Parent Company's Class A and Class B Shares were declassified and unified as Common Shares.

The Parent Company is a corporation having a perpetual corporate term pursuant to Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines. As of March 31, 2025, the Parent Company is 47.56% owned by Mermac, Inc. (Mermac) and the rest by the public. Mermac, a private holding company incorporated in the Philippines is the dominant shareholder of Ayala. Ayala's new registered office address and principal place of business is at the 37F to 39F Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City.

The Parent Company is organized as a holding company holding equity interests in the Ayala Group (the Group), one of the largest and most diversified groups in the Philippines. Ayala's business activities are divided into real estate and hotels, financial services, telecommunications, power, healthcare, logistics, industrial technologies and automotives, infrastructure, education, technology services, business process outsourcing, air charter, consulting services, and investment holdings.

Ayala's real estate business is primarily conducted through its subsidiary, Ayala Land, Inc. (Ayala Land or ALI), a diversified real estate company in the Philippines. Its involvement in financial services is through an affiliate, the Bank of the Philippine Islands (BPI), which, together with its subsidiaries (collectively, the BPI Group), form a universal banking group in the Philippines. Ayala's telecommunications business is carried out through joint venture, Globe Telecom, Inc. (Globe), a leading telecommunications company in the Philippines. Ayala's investments in the power sector are held under AC Energy and Infrastructure Corporation (ACEIC or AC Energy), which owns directly and indirectly 58.23%¹ of ACEN Corporation (ACEN), one of the fastest growing energy companies in the region and Ayala's main platform for its energy investments.

Ayala's emerging businesses in healthcare is conducted through Ayala Healthcare Holdings (AC Health), and logistics operations are housed under AC Logistics Holdings Corporation (AC Logistics).

In portfolio investments, Ayala's international business in electronics manufacturing services and vehicle distribution and retail are under AC Industrial Technology Holdings, Inc. (AC Industrials or ACI). Its investments in infrastructure are housed under AC Infrastructure Holdings Corporation (AC Infra). Ayala's interest in education is conducted through iPeople, Inc. (iPeople), where it owns a 33.5% stake while its investments in technology ventures are in AC Ventures Holding Corporation (AC Ventures).

Certain members of the Ayala Group, namely ALI, BPI, Globe, ACEN, iPeople, Integrated Micro-Electronics, Inc. (IMI), AREIT, Inc. (AREIT), AyalaLand Logistics Holdings Corp. (ALLHC or formerly known as Prime Orion Philippines, Inc. (POPI)) and ENEX Energy Corp. (ENEX or formerly known as ACE Enexor, Inc. (ACEX)) are likewise publicly listed corporations. Some of Ayala's subsidiaries, associates and joint ventures have holdings in the equity of other subsidiaries, associates and joint ventures.

¹ This includes the 116,234,418 ACEN shares that were declared by AC as property dividends but have yet to be distributed to its stockholders as disclosed under AC's PSE Edge Disclosure Report No. C00247-2023 dated January 10, 2023 (the "Entitled Stockholders") because the electronic Certificates Authorizing Registration covering said shares have not yet been issued. Said shares are being held in trust for the Entitled Stockholders.

On May 7, 2025, the Parent Company's Audit Committee of the Board of Directors (BOD) approved and authorized the release of the accompanying unaudited interim condensed consolidated financial statements of Ayala Corporation and Subsidiaries.

2. Material Accounting Policy Information

Basis of Preparation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*, as modified by the application of the reporting reliefs issued and approved by Securities and Exchange Commission (SEC) and discussed under Statement of Compliance. Accordingly, the unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the December 31, 2024 annual audited consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended December 31, 2024.

The accompanying unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), and derivative financial instruments that have been measured at fair value. The unaudited interim condensed consolidated financial statements include the accounts of the Parent Company and its subsidiaries and are presented in Philippine Peso (₱), and all amounts are rounded to the nearest thousand Pesos (₱000) except when otherwise indicated.

The unaudited interim condensed consolidated financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with PAS 34.

PFRSs Accounting Standards include Philippine Financial Reporting Standards (PFRS), PAS, and Interpretations issued by the Philippine Interpretations Committee (PIC).

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprise the statements of financial position of the Group as at March 31, 2025 with comparative audited figures as at December 31, 2024 and consolidated statements of income, comprehensive income, and cash flows for the periods ended March 31, 2025 and 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- b. Exposure, or rights, to variable returns from its involvement with the investee; and
- c. The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a. The contractual arrangement with the other vote holders of the investee;
- b. Rights arising from other contractual arrangements; and
- c. The Group's voting rights and potential voting rights.

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.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and recognizes a gain or loss, if any, in profit or loss (under “Other income”).

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 or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions, and dividends are eliminated in full.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly, to the Parent Company. Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions. The portion of profit or loss and net assets in subsidiaries not wholly owned are presented separately from the Parent Company’s equity in the unaudited interim condensed consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of financial position. Non-controlling interests are net of any outstanding subscription receivable.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

In accounting for call and put options over non-controlling interests, management determines whether it has present access to the returns associated with the non-controlling interests. If the options give the Group access to the returns over the non-controlling interests, the Group consolidates the acquiree as if it acquired a 100.0% interest.

If the options do not give the Group present access to the returns over the non-controlling interests, the Group takes the view that the non-controlling interests should be accounted for in accordance with PFRS 10, *Consolidated Financial Statements*, and must be presented within equity separate from the equity of the Parent Company, until the option is exercised.

For the periods ended March 31, 2025 and 2024, call options are accounted for in accordance with PFRS 9, *Financial Instruments*, as a derivative asset or liability carried at FVTPL.

The financial liability for the put option is accounted for under PFRS 9 like any other written put option on equity instruments. On initial recognition, the corresponding debit is made to a component of equity attributable to the Parent Company, not to the non-controlling interest. All subsequent changes in the carrying amount of the financial liability that result from the remeasurement of the present value payable on exercise are recognized in profit or loss also attributable to the Parent Company.

If the put option is exercised, the Group accounts for an increase in its ownership interest. At the same time, the Group derecognizes the financial liability and reverses the component of equity that was reduced on initial recognition. If the put option expires unexercised, the financial liability is reclassified to the same component of equity that was reduced on initial recognition.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity as “Equity reserve” and attributed to the owners of the Parent Company.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities of the subsidiary, non-controlling interest and the cumulative translation adjustments recorded in equity, recognizes the fair value of the consideration received and any investment retained, while the resulting gain or loss is recognized in profit or loss. It also reclassifies the

parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Material Accounting Policy Information

In addition to the Group's accounting policies detailed in the Group's annual audited consolidated financial statements as at and for the year ended December 31, 2024, the Group's inventories policy includes the application of the approach presented in the PIC Questions and Answers (PIC Q&A) No. 2020-05 wherein repossession is accounted as a modification of the contract and any previously recognized revenue is reversed and the related cost of real estate sales is recognized.

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements as at and for the year ended December 31, 2024 except for the new PFRS, amended PFRS, improvements to PFRS and interpretations which were adopted beginning January 1, 2025. Unless otherwise indicated, the adoption of these new pronouncements did not have a significant impact on the Group's unaudited interim condensed consolidated financial statements.

- *PFRS 17, Insurance Contracts*

PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the Financial Reporting Standards Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the International Accounting Standards Board (IASB).

Effective beginning on or after January 1, 2026

- *Amendments to PFRS 9 and PFRS 7, Classification and Measurement of Financial Instruments*

The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

- Annual Improvements to PFRS Accounting Standards—Volume 11
The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.
 - Amendments to PFRS 9
 - a.) Lessee Derecognition of Lease Liabilities
The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
 - b.) Transaction Price
The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15 *Revenue from Contracts with Customers*' with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.
 - Amendments to PAS 7, *Cost Method*
The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
The standard replaces PAS 1 Presentation of Financial Statements and responds to investors' demand for better information about companies' financial performance. The new requirements include:
 - Required totals, subtotals and new categories in the statement of profit or loss
 - Disclosure of management-defined performance measures
 - Guidance on aggregation and disaggregation
- PFRS 19, *Subsidiaries without Public Accountability*
The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities.

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*

The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the Financial and Sustainability Reporting Standards Council deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Group is currently assessing the impact of adopting these amendments.

3. Group Information

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Parent Company and the following subsidiaries of the Group:

Subsidiaries	Nature of Business	% of Economic Ownership Interest held by the Group	
		March 2025 (Unaudited)	December 2024 (Audited)
AC Energy and Infrastructure Corporation (ACEIC)	Power	100.0	100.0
AC Infrastructure Holdings Corporation (AC Infra)	Infrastructure	100.0	100.0
AC International Finance Limited (ACIFL) ¹	Investment Holding	100.0	100.0
ACX Holdings Corporation (ACX)	Consulting Services	100.0	100.0
AC Industrial Technology Holdings, Inc. (AC Industrials/ ACI)	Industrial Technology and Automotive	100.0	100.0
Ayala Aviation Corporation (AAC)	Air Charter	100.0	100.0
Ayala Land, Inc. (ALI)	Real Estate and Hotels	52.4	51.9
AYC Finance Limited (AYCFL) ¹	Investment Holding	100.0	100.0
Azalea International Venture Partners Limited (AIVPL) ²	Business Process Outsourcing	100.0	100.0
Ayala Healthcare Holdings, Inc. (AC Health)	Healthcare	100.0	100.0
Bestfull Holdings Limited (BHL) ³	Investment Holding - International	100.0	100.0
Integrated Microelectronics, Inc. (IMI)	Industrial Technologies	52.1	52.1
Michigan Holdings, Inc. (MHI)	Investment Holding	100.0	100.0
Philwater Holdings Company, Inc. (Philwater)	Investment Holding	100.0	100.0
Purefoods International Limited (PFIL) ²	Investment Holding	100.0	100.0
Technopark Land, Inc. (TLI) ⁴	Real Estate	78.8	78.8
AC Ventures Holding Corp. (AC Ventures)	Investment Holding	100.0	100.0
AC Logistics Holdings Corporation (AC Logistics)	Logistics	100.0	100.0

¹Incorporated in the Cayman Islands

²Incorporated in the British Virgin Islands

³Incorporated in Hong Kong

⁴On December 10, 2021, the BOD and stockholders of TLI approved the plan to shorten its corporate term to June 30, 2023. On December 23, 2021, the SEC approved the amendment of the Fourth Article of the Articles of Incorporation to shorten the corporate term to June 30, 2023. It is anticipated that it will not carry out any significant business operation or activity until approval of closure from other regulatory bodies.

Unless otherwise indicated, the principal place of business and country of incorporation of the Parent Company's investments in subsidiaries, associates and joint ventures is the Philippines.

Except as discussed below, the voting rights held by the Parent Company in its investments in subsidiaries are in proportion to its economic ownership interest.

The following are the highlights of significant transactions of the Parent Company and subsidiaries, part of which affected the Parent Company's investments in its subsidiaries:

Parent Company

1. *Capital infusions*

On March 17, 2025, the Parent Company infused into AC Logistics P1.27 billion to fund the closure of the Express business of Airfreight 2100 (AF2100)) in exchange for 1.27 billion redeemable preferred shares with a par value of P1.00 per share.

2. *AC and AP Møller Partnership*

On March 6, 2025, the Parent Company, through its wholly owned subsidiary, AC Logistics, and A.P. Møller Capital (AP Møller), through EMIF II Holding III B.V. (EMIF), entered into a Share Subscription Agreement for EMIF to acquire up to 40% of AC Logistics. AP Møller, with headquarters in Copenhagen, Denmark, is an infrastructure fund manager focused on scaling critical infrastructure needs, particularly in transport and logistics. The completion of the transaction is subject to finalization of subscription price and satisfaction of conditions precedent including but not limited to regulatory approvals and the achievement of certain business milestones.

3. *Ayala's 2024 earnings results*

On March 14, 2025, Ayala reported its net income for the full year of 2024. Ayala's core net income, which excludes one-off items, increased 10 percent to an all-time high of P45.0 billion. BPI, Ayala Land, Globe, and AC Energy & Infrastructure delivered strong performances, underpinning the Parent Company's results. Accounting for one-offs, Ayala's net income rose 10 percent to P42.0 billion.

ACEIC

1. *Acquisition of additional shares of Negros Island Solar Power, Inc. (ISLASOL)*

On March 6, 2025, ACEN executed a Share Purchase Agreement and Deed of Absolute Sale with AEIT, involving the sale by AEIT of 7,371 Redeemable Preferred Shares E (RPS E) of ISLASOL, a subsidiary of ACEN, in favor of ACEN with a total purchase price of P141.27 million. Upon the completion of the sale, subject to obtaining the requisite certificate authorizing registration from the Bureau of Internal Revenue (BIR), ACEN will acquire full ownership of ISLASOL. Simultaneous with ACEN's acquisition of shares from AEIT, ISLASOL redeemed 15,906 RPS E shares held by AEIT in ISLASOL with a total redemption price amounting to P488.73 million.

The acquisition was accounted for as involving entities under common control. As a result, ACEN's direct and indirect ownership in ISLASOL increased from 60.0% to 100.0% and ACEIC's direct and indirect ownership increased from 34.8% to 57.8%, both from December 31, 2024 (audited) to March 31, 2025 (unaudited). The preceding transactions resulted to an increase in equity reserve of P0.5 billion in the unaudited interim condensed statements of changes in equity for the period ended March 31, 2025.

2. *ACEN subscription agreements with Buendia Christiana Holdings Corp. (BCHC)*

On March 18, 2025, ACEN signed a subscription agreement with its subsidiary, BCHC, for ACEN's subscription to 660,000 common shares and 5,940,000 redeemable preferred shares, to be issued out of the authorized capital stock of BCHC.

This transaction was a non-event at AC consolidated level as this was a transaction within the ACEIC Group.

3. *Loan agreement with Amihan Renewable Energy Corp. (AREC)*

On March 28, 2025, ACEN (as lender) entered into a Facility Agreement with AREC (as borrower) for a P350.0 million term loan facility to fund AREC's working capital requirements. The loan is interest bearing and has a maturity date of five years from initial drawdown.

AREC is a wholly-owned subsidiary of North Luzon Renewable Energy Corp. (NLR). The ultimate parent of the AREC and NLR is Philippine Wind Holdings Corporation (Philwind) which is a joint venture investment of the ACEIC Group (see Note 10).

As of March 31, 2025, no drawdown has been made from the facility. As of May 6, 2025, P200.00 million has been drawn from the facility.

ALI

1. *Transactions within the ALI Group*

On February 20, 2025, ALI's BOD approved the subscription of ALI and its subsidiaries, Accendo Commercial Corporation (Accendo), Cagayan de Oro Gateway Corporation (CDOGC), and Central Bloc Hotel Ventures, Inc. to 505,890,177 primary common shares of AREIT, in exchange for eight (8) commercial properties with an aggregate value of P21.0 billion, as validated by a third-party fairness opinion.

2. *ALI Performance Shares (APS) and 2025 ALI Employee Stock Ownership (ESOWN) Plan*

Also on February 20, 2025, ALI's BOD approved the following:

- a. ALI Performance Shares (APS) Plan which is designed to propel the ALI Group's three-year strategy, strengthen key talent engagement and ensure alignment with shareholder interests. The APS supplements the ALI Group's existing Employee Stock Ownership Plan (ESOWN). Shares issued from the APS will form part of the 3% allocation of the ALI Group authorized common shares for stock options. The APS was approved by ALI's stockholders on April 24, 2025.
- b. The 2025 stock option program pursuant to the ESOWN which authorizes the grant to qualified executives, in accordance with the terms of the ESOWN Plan, of stock options covering up to a total of 8,051,731 common shares at a subscription price of P20.42 per share, which is the average price of our common shares at the PSE over the last 5-day average trading as of February 14, 2025, less a prescribed discount. A total of 12,000,000 shares is allocated for APS to vest over three years.

3. *Debt capital financing and retirement of treasury shares*

In addition, the BOD of ALI also approved on February 20, 2025 the following:

- a. The raising of up to P75.0 billion in debt capital to partially finance general corporate requirements and refinance maturing debt through the issuance of retail bonds and/or corporate notes for listing on the Philippine Dealing and Exchange Corporation, and/or execution of bilateral term loans.
- b. The amendment of Article Seventh of ALI's Articles of Incorporation to decrease the authorized capital stock from P21,437,602,946.401 to P20,437,602,946.40 through the retirement of 1.0 billion common shares held in treasury. This was approved by ALI's stockholders on April 24, 2025.

4. *Acquisition of ABS-CBN Corporation's (ABS-CBN) property*

On February 27, 2025, ALI signed a Memorandum of Agreement for the acquisition of a portion of ABS-CBN's property located in Quezon City, subject to conditions precedent, including clearance by the Philippine Competition Commission, among others.

5. *Acquisition of additional shares of Roxas Land Corp. (Roxas Land)*

On March 12, 2025, ALI acquired 2,880,000 shares of stocks constituting 40.0% of the total outstanding capital stock in Roxas Land from the existing investor for a consideration amounting to P127.0 million. The acquisition was accounted for as involving entities under common control. As a result, ALI's effective ownership of Roxas Land increased from 50.0% to 90.0%. This resulted to an increase in equity reserve of P0.7 million in the unaudited interim condensed statements of changes in equity for the period ended March 31, 2025.

6. *Conversion of voting preferred shares into common shares*

On March 14, 2025, ALI converted 43,777 voting preferred shares into common shares which were sourced from its existing listed treasury shares. This is in relation to ALI's Voting Preferred Shares Redemption Program which commenced on June 29, 2022. All of the converted voting preferred shares will be retired.

As a result of the conversion, ALI's issued shares were 15,731,420,304 common shares and 13,066,494,759 voting preferred shares while outstanding shares were 14,577,989,267 common shares and 12,442,448,754 voting preferred shares.

The voting preferred shareholders may continue to convert their shares into common shares at a conversion ratio of 1 voting preferred shares to 1 common share at a price which shall be the higher of (i) the average closing price for the immediately preceding 30 trading days less the par value of the voting preferred shares of ₱0.10 per share, and (ii) the closing price immediately preceding the conversion date less the par value of the voting preferred share of ₱0.10 per share.

7. *Changes in ALI group structure*

On March 31, 2025, ALI received the SEC's approval of the Articles and Plan of Merger dated March 13, 2025 with an effective date of April 1, 2025, involving 29 absorbed corporations with ALI as the surviving entity. The merger was approved by ALI's stockholders on April 25, 2024.

8. *Dividend declaration*

On February 20, 2025, ALI's BOD approved the declaration of a regular cash dividend of ₱0.2888 per common share for the first half of 2025 to stockholders of record on March 5, 2025, and paid on March 21, 2025.

The fair value of ALI shares held by the Parent Company amounted to ₱175.3 billion and ₱199.7 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The voting rights held by the Parent Company in ALI is 73.0% and 72.9% as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively.

AC Health

Sale of investment in Global Telehealth, Inc. (KMD)

On March 6, 2025, AC Health together with Globe Capital Ventures Holdings, Inc., a subsidiary of Globe, and Salud Interactiva S.A DE C.V., signed a share purchase agreement with Metro Pacific Health Tech Corporation to sell their collective stake in KMD composing of 54,046,831 common shares and 12,000,000 preferred shares, constituting one hundred percent (100%) of the outstanding capital stock of KMD, at the selling price of ₱375.00 million. The net proceeds attributable to each company are not yet final and may be subject to additional tax and holdouts that are not available for consideration as of the reporting date.

AC Logistics

Shareholder advances

AC Logistics infused non-interest-bearing shareholder advances to Air 21 Holdings, Inc. amounting to ₱250.0 million.

AC Ventures

Strategic partnership with Mitsubishi Corporation (MC)

On March 31, 2025, the Parent Company, AC Ventures, and Mitsubishi Corporation (MC) signed the Investment Agreement for MC's subscription to 18,033,946 common and redeemable preferred shares of AC Ventures for a subscription price of at least ₱18.4 billion. AC Ventures shall use the subscription proceeds to redeem AC's redeemable preferred shares in ACV and cover related costs. After the transactions, AC and MC shall each own a 50% ownership stake in ACV.

MC's investment will only be completed after satisfaction of conditions precedent, including the approval or deemed approval of the transaction by the Philippine Competition Commission.

ACX

Change in corporate name

On January 6, 2025, the SEC approved the amendment to AG Counselors Corporation's (AGCC) Articles of Incorporation including (1) the change of its corporate name to ACX Holdings Corporation, and (2) the change in its business from a business of advisory, consultancy assistance and other allied services, into a holding company with a principal business interest in the consumer retail space. ACX is currently in the process of changing its corporate name with the BIR.

IMI

1. *Strategic closure of Chengdu facility to optimize operations*

On January 24, 2025, IMI announced the strategic closure of its Chengdu, China facility. This move is part of the IMI Group's ongoing efforts to streamline operations and reduce costs, aligning with the company's strategy to consolidate its footprint into strategically located facilities.

Production at IMI Chengdu concluded in December 2024, with all customer commitments successfully met. The remaining customer projects have been seamlessly transferred to other IMI sites.

IMI is working diligently to comply with local government regulations and initiated a six-month winding up period. On February 10, 2025, IMI Chengdu made a liquidation notice and registered a liquidation team with the Chengdu government.

2. *Amendment of IMI's Articles of Incorporation and 2025 IMI Employee Stock Option Program*

On March 7, 2025, IMI's BOD approved the following:

- a. amendment to the Second Article of its Articles of Incorporation to include in the primary purpose the following activities:

"To provide warehousing/logistics support services, particularly importation/procurement, storage, deposit, inventory management of goods for subsequent sales, transfers or dispositions to clients, interested establishments, agencies and/or export enterprises".

- b. 2025 Employee Stock Option Program which may be in the form of a Stock Appreciation Rights Plan that grants cash settled and/or equity settled options (at the option of the company) to its key talents.

Both were ratified by IMI's stockholders on April 22, 2025. The SEC approved the amendment to IMI's Second Article of its Articles of Incorporation on May 7, 2025.

The fair value of the IMI shares held by the Group amounted to ₱1.8 billion and ₱1.7 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The voting rights held by the Group in IMI is 52.1% as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

Philwater

Dividend declaration

On February 11, 2025, Philwater's BOD approved the declaration and payment of cash dividends amounting to ₱2.13 billion to stockholders of record as of February 13, 2025 and paid on February 14, 2025.

Subsidiaries with material economic ownership interest

The summarized financial information of these subsidiaries provided below are based on amounts before inter-company eliminations:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
Ayala Land, Inc. and Subsidiaries		
Current assets	₱434,410	₱435,661
Non-current assets	498,482	483,094
Current liabilities	279,240	249,123
Non-current liabilities	295,455	311,136
Equity:		
Attributable to owners of the parent	298,526	299,396
Attributable to non-controlling interest	59,671	59,100
Revenue	42,631	40,117 *
Net income:		
Attributable to owners of the parent	6,946	6,292 *
Attributable to non-controlling interest	1,447	1,147 *
Other comprehensive income (loss)	(259)	(119) *

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
Integrated Microelectronics, Inc. and Subsidiaries		
Current assets	US\$590	US\$590
Non-current assets	199	203
Current liabilities	413	424
Non-current liabilities	142	146
Equity:		
Attributable to owners of the parent	229	219
Attributable to non-controlling interest	4	5
Revenue	248	290
Net income (loss):		
Attributable to owners of the parent	3	(4)
Attributable to non-controlling interest	—	(5)
Other comprehensive income (loss)	7	(6)
AC Energy and Infrastructure Corporation and Subsidiaries		
Current assets	P58,752	P62,374
Non-current assets	340,426	332,365
Current liabilities	32,768	30,369
Non-current liabilities	182,038	181,141
Equity		
Attributable to owners of the parent	92,173	90,297
Attributable to non-controlling interest	92,199	92,933
Revenue	9,065	11,952
Net income:	2,825	4,400
Attributable to owners of the parent	2,007	3,248
Attributable to non-controlling interest	818	1,152
Other comprehensive income (loss)	(570)	2,305

*Based on unaudited March 31, 2024

As of March 31, 2025 (unaudited), the proportion of economic ownership held by material non-controlling interest of ALI and IMI is 47.6% and 47.9%, respectively, while the voting rights held is 27.0% and 47.9%, respectively. While ACEIC is a wholly owned subsidiary of the Parent Company, the material non-controlling interests within the ACEIC Group is generally attributable to the 42.0% ownership of the non-controlling interest in ACEN.

4. Cash and Cash Equivalents

This account consists of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Cash on hand and in banks	P26,584,240	P26,849,019
Cash equivalents	48,741,945	48,652,717
	P75,326,185	P75,501,736

Cash in banks earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term rates.

The Group maintains cash and cash equivalents with Bank of the Philippine Islands (BPI), an associate of the Parent Company and related party of the Group, amounting to P20.9 billion and P24.0 billion, as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively (see Note 21).

5. Short-term Investments

This account consists of the following:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Money market placements	P559,360	P723,567

Short-term investments pertain to money market placements made for varying periods of more than three months but less than one year and earn interest at the respective short-term investment rates.

The Group maintains short-term investments with BPI amounting to P0.5 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited) (see Note 21).

6. Accounts and Notes Receivable

This account consists of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Trade:		
Real estate and hotels	P169,581,259	P163,974,220
Industrial technologies	12,508,510	13,463,413
Power	6,940,570	7,374,170
Logistics	3,396,574	3,457,096
Automotive	3,229,161	3,063,685
International and others	2,968,043	2,665,715
Outsourcing	490,045	580,387
Receivable from related parties (Note 21)	819,014	770,987
Non-trade:		
Receivable from related parties (Note 21)	39,023,703	37,668,909
Advances to other companies	30,621,568	32,130,313
Receivable from Power Partners Ltd. Co. (PPLC)	29,718,390	29,445,220
Accrued interest receivable	20,773,830	18,669,490
Receivable from officers and employees (Note 21)	2,307,729	2,080,209
Dividends receivable (Note 21)	—	761,517
Others (Note 21)	227,645	2,346,568
	322,606,041	318,451,899
Less allowance for expected credit losses	9,431,824	9,028,398
	313,174,217	309,423,501
Less noncurrent portion	161,508,132	151,065,379
	P151,666,085	P158,358,122

The aging analysis of accounts and notes receivables that are past due but not impaired as of March 31, 2025 (unaudited) and December 31, 2024 (audited) follows:

	Trade Receivable							
	Days Past Due							
	Current	<30 days	31-60 days	61-90 days	91-120 days	>120 days	Total	Total
	(in Thousands)							
March 31, 2025 (Unaudited)								
Expected credit loss rate	0.25%	0.02%	0.05%	0.16%	0.01%	15.65%	4.90%	1.31%
Trade:								
Real estate and hotels	₱136,388,240	₱5,385,436	₱2,217,734	₱2,377,522	₱13,225,979	₱9,986,349	₱33,193,020	₱169,581,260
Industrial technologies	10,699,190	990,957	253,155	98,045	56,072	411,091	1,809,320	12,508,510
Power	3,507,756	1,588,165	142,646	188,129	782,580	731,294	3,432,814	6,940,570
Logistics	68,201	270,882	264,480	254,727	189,197	2,349,087	3,328,373	3,396,574
Automotive	1,751,878	–	791,970	132,549	356,480	196,284	1,477,283	3,229,161
International and others	1,283,101	507,695	378,674	167,575	165,701	465,297	1,684,942	2,968,043
Receivable from related parties	173,863	192,724	136,719	53,521	127,060	135,127	645,151	819,014
Outsourcing	258,690	120,038	12,724	9,862	88,731	–	231,355	490,045
Total trade receivables	₱154,130,919	₱9,055,897	₱4,198,102	₱3,281,930	₱14,991,800	₱14,274,529	₱45,802,258	₱199,933,177
Allowance for expected credit loss	₱387,723	₱2,069	₱2,096	₱5,153	₱1,960	₱2,233,458	₱2,244,736	₱2,632,459

	Trade Receivable							Total
	Current	Days Past Due					Total	
		<30 days	31-60 days	61-90 days	91-120 days	>120 days		
December 31, 2024 (Audited)								
Total trade receivables	₱138,001,905	₱10,685,184	₱4,974,039	₱2,710,859	₱20,184,750	₱18,792,936	₱57,347,768	₱195,349,673
Allowance for expected credit loss	₱446,356	₱2,357	₱2,387	₱5,870	₱2,233	₱2,220,407	₱2,233,254	₱2,679,610

The classes of trade receivables of the Group are follows:

Real estate and hotels

Real estate receivables consist of:

- Residential, commercial, and office development – pertain to receivables from the sale of high-end, upper middle-income and affordable residential lots and units; economic and socialized housing units and sale of commercial lots; sale of office units; and leisure community developments.
- Corporate business – pertain to lease receivables from office and factory buildings and receivables from sale of industrial lots
- Shopping centers – pertain to lease receivables from retail spaces
- Construction contracts – pertain to receivables from third-party construction projects
- Management fees – pertain to receivables from facilities management services
- Others – pertain to receivables from hotel operations and other support services

Residential, commercial and office development receivables are collectible in monthly installments over a period of one (1) to ten (10) years. These are carried at amortized cost using the prevailing market rates. Titles to real estate properties are transferred to the buyers only once full payment has been made.

Receivables from corporate business, construction contracts, shopping centers and management fees are collectible based on various terms of payments either monthly or quarterly upon billing.

ALI Group, from time to time, sells its residential receivables on a without recourse basis to partner mortgage banks, which includes the BPI Group, a related party, amounting to ₱14.8 billion as of December 31, 2024 (audited). These were sold at a discount with total proceeds of ₱13.1 billion as of December 31, 2024 (audited). ALI Group recognized loss on sale, under “Interest and other financing charges” in the unaudited interim consolidated statements of income amounting to ₱1.7 billion for the full-year ended December 31, 2024 (audited). There were no sale of receivables during the first three months of 2025.

Industrial technologies

Industrial technologies receivables arose from manufacturing and other related services for electronic products and components and have credit terms averaging 70 days from invoice date.

Power

Power generation receivables pertain to the ACEIC Group’s receivable from Independent Electricity Market Operator of the Philippines, National Grid Corporation of the Philippines (NGCP), National Transmission Corporation (TransCo) for the Feed-in-Tariff (FIT) and from the ACEIC Group’s bilateral customers. Significant portion of outstanding balance pertains to receivables from MERALCO Baseload, Mid-Merit PSAs, and FIT system adjustments. It consists of both non-interest-bearing and interest-bearing receivables. The term is generally from 30 to 60 days.

Noncurrent trade receivables consist of refundable amounts from Philippine Electric Market Corporation (PEMC) and FIT system adjustments that are expected to be realized beyond 12 months after end of the reporting period. FIT system adjustments are discounted using the PHP BVAL reference rates for government securities with an imputed credit spread on top of the BVAL, based on the annual credit spread that was used to compute for the discounted net receivable as of the end of the reporting period. The PHP credit spread was derived as the difference between comparable government-owned and controlled companies’ rate less risk-free rate.

Logistics

Logistics receivables pertain to the AC Logistics’ Group trade receivables which are non-interest-bearing and generally have 30- to 120-day terms.

International and others

International and other receivables arose from investments in overseas property companies and projects, charter services, agri-business and others; and are generally on 30- to 60-day terms.

Automotive

Automotive receivables relate to sale of passenger cars, motorcycles and commercial vehicles and are collectible within 30 to 90 days from the date of sale.

Outsourcing

Outsourcing receivables arise from venture capital for technology businesses; provision of value-added content for wireless services, online business-to-business and business-to-consumer services; electronic commerce; technology infrastructure sales and technology services; and onshore- and offshore-outsourcing services and are normally collected within 30 to 60 days from invoice date.

The following outlines the nature of the Group's non-trade receivables, some of which are classified as noncurrent.

Advances to other companies

ACEIC

ACEIC receivables to other companies are interest-bearing and payable based on the respective terms of the loans.

- On December 22, 2020, ACEIC signed the Affiliated Subordinated Indebtedness (ASI) agreement with GN Power Kauswagan Ltd. Co. (GNPK) for US\$200.0 (P9,607.2 million). The ASI loan is subject to interest rate compounding semi-annually ranging from 5.00% to 12.50% which shall accrue starting January 1, 2021. The maturity date of the loan is the later of the (1) the final maturity date of the GNPK Senior Loans (due 2031); and (2) the full payment on, and redemption of the full interest of a partner in GNPK and in GNPK's parent company, KPHLC under the limited partnership agreements. GNPK's payment of the interest on the ASI loan and the principal shall follow the repayment waterfall stipulation in the ASI loan agreement. Any unpaid interest shall accrue interest.
- Bridge financing (previously referred to as debt replacement) are provided to related parties to fund investment requirements for renewable power plants while under construction and undergoing implementation or release of project financing from financial institutions.

Bridge financing bear interest ranging from 7.00% to 15.00% per annum.

- Development loans are provided by ACEIC, through ACEN, to third parties and related parties to fund the development of renewable energy projects in various locations. Development loans bear interest ranging from 4.00% to 15.00% per annum.

ALI

Advances to other companies includes ALI's advances to joint venture partners that have been made in consideration of project costs and purchases of land that are still subject to completion. The advances are non-interest-bearing and are liquidated when the proceeds from the sale of the related projects are applied. These advances to other companies are collectible over a fixed term or on demand.

Advances to other companies also includes receivables from MRT Development Corporation (MRTDC) shareholders which pertains to interest-bearing advances made by North Triangle Depot Commercial Corporation (NTDCC) to MRTDC equivalent to the Pre-2006 Development Rights Payment (DRP) Payables and the Residual Depot DRP which is due more than one year, in relation to the funding and repayment agreement.

On December 17, 2014, NTDCC and MRTDC shareholders executed a "funding and repayment agreement" wherein the latter agrees to repay NTDCC, for the account of MRTDC, its respective pro rata share in the Total Depot DRP Advances (the Pre-2006 DRP Payables and the Residual Depot DRP, including 15% interest rate accrued on such DRP payables). Commencing on January 1, 2015, the MRTDC Shareholders shall effect the repayment of their respective pro rata share in the Total Depot DRP Payables, through a set-off against their respective share in the

commercial center royalties to be received from ALI Group. Set off shall be effective as of the beginning of every calendar month, commencing January 30, 2015 and shall result in the settlement of the portion of the Total DRP Payables to the extent of the amount of the commercial center royalties then the balance will fall due to the relevant MRTDC Shareholders.

AC Industrials

In 2019, AC Industrials extended a loan to Roadworthy Cars, Inc. (RCI) amounting to ₱1,605.0 million which bears interest at the rate of 7.68% per annum. Nominal interest for the covering period of ten years shall accrue beginning April 1, 2022 and shall be paid by RCI beginning on the second anniversary of the commencement of business of KP Motors Corporation (KPMC). For the succeeding years until the repayment date, interest on the principal amount of the loan shall accrue with respect to the outstanding amount of the loan.

On December 17, 2024, AC Industrials and RCI executed a Share Purchase Agreement (SPA) for the sale of the 105,000 Preferred A shares of RCI in KP Motors Corporation (KPMC) amounting to ₱2,315.5 million to AC Industrials which shall be executed in tranches from December 2024 until December 2028.

Pursuant to the SPA, on December 17, 2024, AC Industrials and RCI signed a Deed of Absolute Sale for the sale of RCI's 18,900 Preferred A Shares amounting to ₱416.8 million to ACI. On the same date, an Irrevocable Proxy and Declaration of Trust over the 105,000 RCI shares in KPMC were executed. The proceeds from the sale of KPMC shares shall be applied in tranches of the same amount to the outstanding receivable from RCI from December 2024 until December 2028.

The remaining 86,100 Preferred A shares of RCI in KPMC shall be covered by separate Deeds of Absolute Sales to be executed from 2025 until 2028. While the BIR e-Certificate Authorizing Registration covering the sale of RCI's 18,900 Preferred A Shares to AC Industrials has already been issued, the certificate is still being revised to reflect the correct stock certificate number.

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), loans receivable from RCI amounted to ₱1.9 billion. The ₱104.0 million provision for expected credit losses provided in 2022 was reversed in 2024.

Receivable from PPLC

On March 5, 2021, ACEIC, PPLC and certain of their affiliated companies, signed a Divestment Agreement for the transfer by ACEIC of its indirect ownership interest in GNPk in favor of PPLC and its affiliates. The transfer was implemented in tranches with the purchase price to be paid on a deferred basis. On September 30, 2021, after all conditions precedent have been met, ACEIC executed the divestment. The receivables from PPLC and affiliates arising from the first tranche sale amounted to ₱9,638.6 million. The receivable from PPLC is subject to interest rate compounding semi-annually ranging from 5.00% to 12.50%. The maturity date of the loan is December 31, 2031. The amount and timing of collection is based on the priority payment waterfall provisions of the divestment agreement. Any unpaid interest shall accrue interest.

On June 30, 2023, the sale of 100% interest in ACE (BVI) D, Inc., ACE (BVI) F, Inc. and ACE (BVI) T, Inc. and 88.38% interest in ACE (BVI) PHILCO Corp. to PPLC and subsidiaries, equivalent to 47.1% (55% of the 85.7%) interest in GNPk (second tranche sale) was completed. The completion of the second tranche sale resulted in a gain of ₱1,261.91 million for the period ended December 31, 2023. Total proceeds for the second tranche sale amounted to ₱13,898.5 million and was included as part of Receivable from PPLC. As of June 30, 2023, the Parent Company, through ACEIC has fully divested its interest in GNPk.

On September 19, 2024, the ACEIC Group received payment amounting to US\$20.25 million (₱1,134.44 million).

Accrued interest receivable

This account represents ACEIC Group's interest receivable pertaining to redeemable preferred shares, convertible loans, bridge financing, development loans and certain trade accounts with related parties and other third parties.

Receivables from officers and employees

Receivable from officers and employees pertain to housing, car, salary, and other loans granted to the Group's officers and employees which are collectible through salary deduction, are interest-bearing (6.0% to 10.0% annum) and have various maturity dates.

Dividends receivable

Dividends receivable pertain to dividends due from associates and joint ventures. These receivables are non-interest-bearing and collectible within the year.

Others

Other receivables include the following:

- Receivable from the sale of MWC preferred shares in 2021 and 2024 amounted to ₱3.6 billion and ₱6.0 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively.
- Accrued interest receivable from cash in bank, cash equivalents, short-term investment; and other non-trade receivables from non-related entities which are non-interest-bearing and are due and demandable.

Impairment of financial assets

For trade receivables, the Group applies a simplified approach in calculating expected credit losses (ECL). 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 that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as non-trade receivables from related parties, receivables from officers and employees, and advances to other companies and financial assets at amortized cost (debt instruments), ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). As of March 31, 2025 (unaudited) and December 31, 2024 (audited), allowance for expected credit loss on non-trade receivables amounted to ₱6.8 billion and ₱6.3 billion, respectively.

Provisions for ECL amounted to ₱0.6 billion and ₱0.7 billion for the periods ended March 31, 2025 and 2024 (both unaudited), respectively, which form part of the Group's "General and administrative expenses" in the unaudited interim condensed consolidated statements of income.

7. Inventories

This account consists of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
At cost:		
Residential and commercial lots	₱131,367,586	₱117,722,517
Residential and condominium units and offices	95,387,908	108,837,561
Materials and supplies	10,520,127	11,444,726
Vehicles	4,574,082	3,767,887
Work-in-process	1,441,776	1,467,337
Finished goods	244,581	931,699
Others	596,285	468,344
	244,132,344	244,640,071

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
At NRV:		
Materials, supplies, and others	2,493,209	2,309,064
Work-in-process	374,453	365,604
Finished goods	292,000	438,045
	3,159,662	3,112,713
	P247,292,005	P247,752,784

The Group recognized P75.3 million and P406.6 million provision for inventory obsolescence, net of any reversals, for the periods ended March 31, 2025 and 2024 (both unaudited), respectively which includes the impact of VIA's impairment amounting to USD9.5 million or P0.5 billion for the period ended March 31, 2024.. The provision is included under "General and administrative expenses" in the unaudited interim condensed consolidated statements of income.

8. Other Current Assets and Other Noncurrent Assets

Other current assets consist of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Advances to contractors and suppliers	P26,709,162	P25,455,263
Prepaid expenses	25,280,274	23,756,356
Creditable withholding tax	18,840,513	17,805,306
Input VAT	15,003,397	14,581,198
Financial assets at FVTPL (Note 21)	10,327,161	11,313,625
Deposits in escrow	2,596,018	2,367,973
Contract assets	2,492,531	2,219,578
Derivative assets	56,175	389,630
Others	4,506,165	4,337,380
	P105,811,396	P102,226,309

Other noncurrent assets consist of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Investment in debt and equity securities	P32,859,060	P32,958,451
Deferred charges	21,719,598	22,446,159
Deposits - others	8,753,897	5,750,041
Advances to contractors and suppliers	7,262,348	8,640,107
Creditable withholding taxes	5,665,895	5,557,283
Deferred input VAT	4,899,063	4,921,647
Derivative assets	3,952,112	4,499,660
Pension assets	51,146	249,097
Others	3,500,830	2,253,181
	P88,663,949	P87,275,626

Other current assets include the following:

a) Advances to contractors and suppliers

Advances to contractors and suppliers represent prepayments for the construction of real estate inventories. These are recouped from billings which are expected to occur in a short period of time.

b) Prepaid expenses

Prepaid expenses mainly include prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance. In line with ALI Group's accounting policy, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgment 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.

c) Creditable withholding tax

The Group will be able to apply the creditable withholding taxes against income tax payable.

d) Input VAT

Input VAT is applied against output VAT. The remaining balance is recoverable in future periods.

e) Financial assets at FVTPL

The Group's financial assets at FVTPL pertain to investment securities which includes the Compulsory convertible debenture of Unit Investment Trust Fund (UITF) investments; ARCH Funds, Alibaba Group's New Retail Strategic Opportunities Fund; Indies Pelago Investments, L.P.; Ikhlas Capital Fund, L.P.; promissory notes issued by CLOUSE S.A-Class C ordinary shares in Ant International Co. Limited; among others.

Total net mark-to-market gain for FVTPL accounts amounted to P13.3 million and P382.3 million for the periods ended March 31, 2025 and 2024, respectively (both unaudited).

f) Deposits in escrow

Deposits in escrow pertain to the proceeds from the sale of ALI Group that have been only granted with a temporary License To Sell (LTS) by the Housing and Land Use Regulatory Board (HLURB). For projects with temporary LTS, all payments, inclusive of downpayments, reservation, and monthly amortization, among others, made by the buyer within the selling period shall be deposited in an escrow account.

g) Contract assets

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

h) Derivative assets

Derivative assets pertain to the coal and fuel commodity swaps contracts maturing within a 12-month period. The account also includes hedge transactions from ACEN Australia.

i) Others

Others mainly include deferred charges, accrued liquidated damages, and investment in bonds. Investment in bonds pertain to non-interest-bearing bonds of ALI Group. ALI Group recorded the investment as financial asset at fair value through other comprehensive income. The fair value of the investment in bonds is determined using the binomial lattice approach and categorized under Level 3.

Other noncurrent assets include the following:

a) Investments in debt and equity securities

This account consists of debt and equity investments, which are classified as financial assets at amortized cost, financial assets at FVOCI, and financial assets at FVTPL. These accounts are classified according to underlying conditions or terms of investments.

Financial assets at amortized cost are attributable to the ACEIC Group's investments in redeemable preferred shares, subscription deposits, and convertible loans which are held by ACEIC within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVOCI consist of the Group's unlisted preferred shares in public utility companies which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects, water utilities projects, and to its other operations. This account also includes unquoted equity investments from the ACEIC Group.

Financial assets at FVTPL include ACEIC and Bestfull's convertible loans with terms exceeding twelve months which were designated at initial recognition to be measured at FVTPL.

b) Deferred charges

Deferred charges include ALI's project costs incurred for unlaunched projects of the ALI Group, advance rental payments, and noncurrent prepaid management fees. This also includes the ALI's noncurrent portion of cost to obtain contracts which includes prepaid commissions and advances to brokers.

Deferred charges also include IMI's tooling items customized based on the specifications of the customers and to be repaid as part of the price of the manufactured items.

c) Deposits – others

This includes deposits and advances for projects which include escrow deposits and security deposits on land leases, electric and water meter deposits.

d) Advances to contractors and suppliers

Advances to contractors represent prepayments for the construction of investment properties and property and equipment.

e) Creditable withholding tax

The Group will be able to apply the creditable withholding taxes against income tax payable or can be claimed as tax refund from the BIR.

f) Deferred input VAT

Deferred input VAT pertains to unamortized VAT portion from purchases of capital goods.

g) Derivative asset

Noncurrent derivative asset pertains to the long-term energy service agreements for ACEN's solar project in Australia.

h) Others

Others pertain to prepayments for expenses that are amortized for more than one year, marketable securities, and customers and tenants deposits to affiliates.

9. Right-of-Use Assets and Lease Liabilities

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Right-of-use assets	P23,082,996	P24,562,118
Lease liabilities – current and noncurrent	P32,121,237	P33,441,976

10. Investments in Associates and Joint Ventures

Investments in associates and joint ventures are accounted for under the equity method of accounting. Major associates and joint ventures and the related percentages of economic ownership as of March 31, 2025 (unaudited) and December 31, 2024 (audited) are as follows:

	% of Economic Ownership		Carrying Amounts	
	March 2025 (Unaudited)	December 2024 (Audited)	March 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)			
Domestic:				
Bank of the Philippine Islands (BPI)	30.7	30.7	P156,660	P151,115
Liontide Holdings, Inc. (LHI)*	93.4	93.4	75,954	73,376
Globe Telecom, Inc. (Globe)*	30.7	30.7	47,822	46,629
Globe Fintech Innovations, Inc. (Mynt)	13.2	13.7	26,484	24,877
AA Thermal, Inc. (AA Thermal)	40.0	40.0	17,669	17,188
Ortigas Land Corporation (OLC)	21.0	21.0	11,067	10,815
ALI-ETON Property Development Corporation (ALI-ETON)*	50.0	50.0	10,056	10,025
Philippine Wind Holdings Corporation (PhilWind)*	40.5	40.5	5,878	5,698
iPeople, Inc. (IPO)	33.5	33.5	5,404	5,157
Emerging City Holdings, Inc. (ECHI)*	50.0	50.0	4,278	4,420
Light Rail Manila Holdings, Inc. (LRMHI)	50.0	50.0	3,927	4,276
North Luzon Renewable Energy Corp. (NLR)*	33.3	33.3	3,387	3,199
Berkshires Holdings, Inc. (BHI)*	50.0	50.0	2,087	2,151
Globe STT GDC Inc. (formerly KarmanEdge Inc.)*	10.0	10.0	1,846	1,832
Asiacom Philippines, Inc. (Asiacom)*	60.0	60.0	1,819	1,812
Bonifacio Land Corporation (BLC)	10.0	10.0	1,545	1,602
Ingrid Power Holdings, Inc. (Ingrid)	50.0	50.0	1,494	1,343
Alveo-Federal Land Communities, Inc. (Alveo-Federal)*	50.0	50.0	558	557
Foreign:				
ACEHI Netherlands B.V. (ACEHI Netherlands) (incorporated in the Netherlands)	75.8	75.8	13,167	13,037
BIM Energy Holding Corporation (BIMEH) (incorporated in Vietnam)	49.0	49.0	5,641	5,552
BrightNight India, B.V. (BrightNight) (incorporated in the Netherlands)	50.0	50.0	3,776	3,776
Solar NT Holdings Pte. Ltd. (SUPER) (incorporated in Singapore)	49.0	49.0	2,337	2,387
BIM Renewable Energy Joint Stock Company (BIMRE) (incorporated in Vietnam)*	30.0	30.0	1,988	1,953
UPC Power Solutions LLC (UPC Power) (incorporated in the USA)	83.3	83.3	1,757	1,804
Others (net of allowance for impairment)	Various	Various	6,521	6,641
			P413,122	P401,222

*Joint ventures

Unless otherwise indicated, the principal place of business and country of incorporation of the Group's investments in associates and joint ventures is in the Philippines.

Except as discussed in subsequent notes, the voting rights held by the Group in its investments in associates and joint ventures are in proportion to its economic ownership interest.

The following are financial highlights and significant transactions of associates and joint ventures, part of which affected the Parent Company's investments in its associate and joint venture:

BPI Group

	March 2025 (Unaudited)	December 2024 (Audited)	
	(in Millions)		
Total resources	P3,279,839	P3,318,813	
Total liabilities	2,828,906	2,886,123	
Equity:			
Attributable to owners of the parent	448,632	430,469	
Attributable to non-controlling interest	2,301	2,221	
Revenue	50,814	44,572	*
Net income:			
Attributable to owners of the parent	16,642	15,263	*
Attributable to non-controlling interest	79	84	*
Other comprehensive income (loss)	1,617	(1,989)	*

*Based on unaudited March 31, 2024

1. *US\$500 million and US\$300 million bond offering*

On March 27, 2025, BPI successfully tapped the international capital markets with a public USD bond offering of US\$500 million 5-year and US\$300 million 10-year Reg S senior unsecured fixed rate notes offering ("Notes").

The fair value of BPI shares held by the Parent Company amounted to ₱213.3 billion and ₱197.2 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Parent Company in BPI is 30.7% as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively.

LHI

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), LHI owns 823.2 million common shares of BPI representing a direct ownership interest in BPI of 15.6%. The Parent Company and RRHI, as joint venture partners, agreed to vote its BPI shares based on the common position reached jointly by them as shareholders.

The fair value of BPI shares held by LHI amounted to ₱108.7 billion and ₱100.4 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in LHI is equal to 95.5% as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

Globe Group

	March 2025 (Unaudited)	December 2024 (Audited)	
	(in Millions)		
Current assets	₱73,673	₱77,218	
Non-current assets	561,784	556,418	
Current liabilities	117,287	123,552	
Non-current liabilities	346,867	342,305	
Equity			
Attributable to owners of the parent	171,253	167,748	
Attributable to non-controlling interest	50	31	
Revenue	43,756	45,308	*
Net income			
Attributable to owners of the parent	6,978	6,809	*
Attributable to non-controlling interest	(3)	(13)	*
Other comprehensive income (loss)	90	(849)	*

*Based on unaudited March 31, 2024

1. *₱10 billion loan facilities with BDO Unibank, Inc. and Metropolitan Bank & Trust Company*

On March 14, 2025, Globe signed term loan facilities of ₱10 billion each with BDO Unibank, Inc. and Metropolitan Bank & Trust Company. The loans shall be used to finance Globe's capital expenditures, debt refinancing, and/or general corporate requirements.

2. *Joint venture with NCS Pte. Ltd. in Yondu Inc.*

In March 2025, Globe with the cooperation of NCS Pte. Ltd. (NCS), entered into an agreement with NCSI Holdings Pte. Ltd. (NCSI) to hold 51% ownership in Globe's subsidiary, Yondu, Inc. (Yondu), as well as Yondu's acquisition of NCSI Philippines (NCSI PH) from NCSI, making NCSI PH a fully owned subsidiary of Yondu. Upon closing, Globe will retain 49% ownership in Yondu and NCSI PH.

The resulting joint venture will have an enterprise value of ₱1,868 million.

NCS is a leading Pan-APAC technology services company, and the joint venture between NCSI and Globe is projected to expand the client base to include international clients, particularly in the telco and adjacent sectors.

Yondu's significant local footprint, combined with NCS' strengths in digital, cloud, data, and AI services and broad network across Asia Pacific are envisioned to transform the joint venture into a Pan-APAC player equipped with global expertise to develop customized digital solutions and advanced tools in accordance to customer specification and timeline.

The joint venture also aligns with Globe's strategy to develop responsive and compelling ICT capabilities for customers of all sizes.

3. *Sale or sale and leaseback of tower assets*

Globe completed the sale of tower assets as follows:

- a. on February 4, 2025 MIESCOR Infrastructure Development Corporation (MIDC) of 44 towers for ₱528 million;
- b. on February 21, 2025, to Phil-Tower Consortium, Inc. (PhilTower) of 12 towers for ₱178 million; and
- c. on March 27, 2025, to Unity Digital Infrastructure (Unity) of 121 towers for approximately ₱1.45 billion to which resulted in 100% completion of the 447 towers sale to Unity.

Globe has now officially turned over 6,849 out of the 7,506 towers included in its Sale and Leaseback portfolio, generating approximately ₱87.9 billion in proceeds. This represents 91.2% of the total tower deal, with 2,410 towers transferred in 2022, 2,057 in 2023, and 2,205 in 2024. As of March 2025, 177 towers have already been transferred, resulting in proceeds of around ₱2.16 billion.

4. *Dividends declaration*

On February 6, 2025, Globe's BOD approved the declaration of the first quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of February 20, 2025. Total dividends amounting to ₱3.6 billion was paid on March 7, 2025.

The dividends received by the Parent Company from Globe amounted to ₱1.1 billion for the periods ended March 31, 2025 and 2024 (both unaudited).

The fair value of Globe shares held by the Parent Company amounted to ₱99.3 billion and ₱96.7 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in Globe is 46.0% as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

IPO

The fair value of IPO shares held by the Parent Company amounted to ₱2.1 billion and ₱2.4 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in IPO is 33.5% as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

Mynt

On August 1, 2024, Mynt secured fresh strategic investments from AC, through its wholly-owned subsidiary, AC Ventures, and Mitsubishi UFJ Financial Group (MUFG), through its consolidated subsidiary, MUFG Bank Ltd. (see Note 3). The deal pushed Mynt's valuation to \$5 billion from the \$2 billion valuation in the 2021 funding round. The deal is subject to the execution of definitive transaction documents and satisfaction of customary closing conditions.

On February 12, 2025, MUFG and Mynt closed its transaction on MUFG's acquisition of Mynt shares, completing MUFG's 8% stake in Mynt. This resulted to the dilution of Globe's and AC Ventures' respective ownership in Mynt from 36% to 34% and from 13.7% to 13.2%, respectively. Globe and AC Ventures each recognized calculated dilution gains (net of related taxes) amounting to ₱2.2 billion (with AC's equity share amounting to ₱0.7 billion) and ₱1.0 billion for the period ended March 31, 2025, respectively (see Section 2.8).

Others

LRMC

On February 14, 2025, the Department of Transportation (DOTr) approved LRMC's petition for fare increase to be implemented effective April 12, 2025.

On March 31, 2025, LRMC submitted the invoices for its thirty-eight Balancing Payment amounting to ₱279.1 million. These include claims for fare deficit, EPC escalation costs, claims for delay in common station and other payments in CA, net of concession payments and KPI charges.

11. Intangible Assets and Deferred Tax Assets

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Intangible assets	P39,114,999	P39,383,400
Deferred tax assets - net	P20,110,315	P20,220,095

Intangible assets include goodwill, customer relationships, unpatented technology, intellectual properties, developed software, licenses, trademarks, project development cost, and leasehold and other rights. For the period ended March 31, 2024, this amount is net of impact of VIA's impairment amounting to USD15.6 million or P0.9 billion.

Deferred tax assets (DTA) include DTA on difference between tax and book basis of accounting for real estate transactions, lease liability, accrued expense, among others.

12. Investment Properties and Property, Plant and Equipment

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Investment properties ²	P265,212,944	P262,903,806
Property, plant and equipment - net ²	P183,338,571	P178,131,222

Investment properties

The account consists of investments in land, building, and construction-in-progress, net of accumulated depreciation and amortization and impairment loss:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Land	P73,170,900	P72,984,887
Building	120,137,704	121,302,797
Construction-in-progress	71,904,340	68,616,122
	P265,212,944	P262,903,806

- Certain parcels of land are leased to several individuals and corporations. Some of the lease contracts provide, among others, that within a certain period from the expiration of the contracts, the lessee will have to demolish and remove all improvements (such as buildings) introduced or built within the leased properties. Otherwise, the lessor will cause the demolition and removal thereof and charge the cost to the lessee unless the lessor occupies and appropriates the same for its own use and benefit.
- Construction in progress pertains to buildings under construction to be leased as retail and office spaces upon completion. The development and construction period normally ranges from three to five years and depends heavily on the size of the assets.

Property, plant and equipment

This account consists of:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Land, buildings and improvements	P17,238,070	P16,764,946
Plant, machinery and equipment	59,204,753	55,902,605
Hotel property and equipment	17,992,672	16,079,861

² The Group performs regular valuation of Investment Properties and Property, Plant and Equipment by professional independent appraiser namely: Cuervo Appraisers, Inc., Santos Knight Frank, Asian Appraisal, Colliers International and Aviso Valuation & Advisory Corp.

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Furniture, fixtures and equipment	15,896,972	14,452,531
Transportation equipment	2,215,395	2,167,014
Construction-in-progress	70,790,709	72,764,265
	P183,338,571	P178,131,222

Total additions to property, plant and equipment and investment properties amounted to ₱9,074.3 million for the period ended March 31, 2025. Meanwhile proceeds from disposal of property, plant and equipment and investment properties amounted to ₱133.5 million for the same period.

The Group's additions to property, plant and equipment include capitalization of eligible borrowing costs at various capitalization rates.

The Group recognized gains from disposal and retirement of certain machinery and facilities equipment, furniture and fixtures, and tools and instruments and booked under the "Other income" account. For the period ended March 31, 2024, the Group recognized impairment provisions for certain plant, machineries and equipment under "General and administrative expenses (GAE)" in the unaudited interim consolidated statements of income including the impact of VIA's impairment amounting to USD5.4 million or ₱0.3 billion.

Certain property, plant, and equipment of the Group have been pledged as security for its obligations which includes, among others, ACEIC's property, plant, and equipment with carrying value of ₱8.0 billion and ₱8.1 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively, were mortgaged as security for the long-term loan of the ACEIC Group (see Note 15).

13. Accounts Payable and Accrued Expenses

This account consists of the following:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Accounts payable	P156,535,277	P152,927,977
Taxes payable	27,039,391	25,560,837
Accrued expenses		
Personnel costs	7,041,748	7,046,081
Rental and utilities	2,649,259	2,301,142
Advertising and promotions	1,504,257	1,365,433
Professional and management fees	890,326	1,512,399
Repairs and maintenance	790,597	313,139
Various operating expenses	4,890,915	7,306,577
Interest payable	7,622,213	7,761,725
Liability for purchased land		4,963,944
Related parties (Note 21)	4,110,684	4,544,179
Retentions payable	3,075,576	5,120,029
Dividends payable (Note 16)	347,210	2,805,520
Property dividends payable (Note 16)	133,230	133,230
	P221,163,346	P223,662,212

Accounts payable and accrued expenses are non-interest bearing and are normally settled on 15- to 60-day terms. Other payables are non-interest-bearing and are normally settled within one year.

Accrued project costs are billings not yet received from suppliers for direct materials and services from subcontractors. These are accruals of project costs such as equipment charges, materials, labor, overhead and provision for repairs and maintenance. These are normally settled within one year and are part of "Accounts payable."

Taxes payable consists of output VAT, withholding taxes, business taxes, capital gains tax, and other statutory payables. These are normally settled within one year.

Accrued various operating expenses include accruals for supplies, commissions, transportation and travel, insurance, representation, dues and fees and others. These are normally settled within one year.

Interest payable pertains to interest incurred on bank loans and fixed bonds but not yet paid.

Liability for purchased land pertains to the current portion of unpaid unsubdivided land acquired payable during the year. These are normally payable in quarterly or annual installment payments or upon demand.

Retention payable pertains to the amount withheld by ALI Group on contractor's billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in the project.

Dividends payable pertains to cash dividends declared but not yet paid.

Property dividends pertain to the declaration of property dividends consisting of the ACEN shares acquired from ACEIC to the Parent Company's common shareholders at a ratio of three (3) ACEN shares per one (1) parent company common share. The SEC approved and issued the Certificate of Filing Notice of the Property Dividend declaration last October 24, 2022. The BIR released the Certificates Authorizing Registration (CAR) to stockholders who have met the BIR requirements last December 29, 2022, including of the submission of their Tax Identification Numbers. For stockholders who have not been issued a CAR, the payment date of the property dividend is on the 5th business day following their submission of a CAR to the Parent Company (see Note 16).

14. Other Current and Noncurrent Liabilities

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Other current liabilities	P28,029,057	P23,728,590
Other noncurrent liabilities	P56,411,433	P53,996,098

Other current liabilities include the following:

- a. Customer deposits pertain to security and customers' deposits. Security deposits are normally equivalent to three (3) to six (6) months' tenant's rent with cancellable lease contracts and whose lease term will end in the succeeding year. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. Customers' deposits consist of collections from real estate customers which have not reached the 10% threshold to qualify for revenue recognition and excess of collections over the recognized receivables based on percentage of completion.
- b. Nontrade payables pertain mainly to non-interest-bearing real estate-related payables to contractors and various non-trade suppliers which are due within one year.
- c. Others include derivative liability, contract liabilities, installment payable, and financial liabilities on put option. Contract liabilities include short-term advances received to render manufacturing services. Contract liabilities are recognized as revenue when the Group performs under the contract.

Other noncurrent liabilities include the following:

- a. Deposits and deferred credits
Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from sale of real estate properties. Security deposits are equivalent to three (3) to six (6) months' rent of long-term tenants with non-cancellable leases. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. This also includes customers' deposits which consist of excess of collections over the recognized receivables based on percentage of completion. Deferred credits pertain to advances from buyers of real estate properties to cover various processing fees including, but not limited to, fees related to transfer of title such as registration fees, documentary taxes and transfer taxes. Payments made by ALI Group for the processing of title are charged to this account.
- b. Retentions payable
Retentions payable pertains to amount withheld by the Group from the contractors' billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in projects requiring rework.
- c. Contractors payable
Contractors payable represents accrued costs incurred for property development that are not yet billed.
- d. Liability for purchased land
Liability for purchased land pertains to the portion of unpaid unsubdivided land acquired during the year. These are normally payable in quarterly or annual installment payments within three (3) or five (5) years.
- e. Deferred output VAT
Deferred output VAT pertains to output VAT on receivables for which sales recognition has been deferred based on sales collection threshold for VAT recognition purposes.
- f. Subscriptions payable
Subscription payable mainly pertains to ALLHC's investment in Cyber Bay.
- g. Others
Others include nontrade payables which are individually not material such as ACEIC's dismantling obligations for lease properties and contingent consideration related to acquisition of investment.

15. Short-term and Long-term Debt

These accounts consist of the following:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Short-term debt:		
Philippine Peso debt with various interest rates	P77,968,767	P64,425,377
Foreign currency debt with various interest rates	17,272,968	11,130,907
	P95,241,735	P75,556,284
Long-term debt:		
The Parent Company:		
Philippine Peso debt with various interest rates	P57,976,094	P52,813,071
Philippine Peso bonds	20,900,555	30,879,524
	78,876,649	83,692,595

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Subsidiaries:		
Loans from banks & other institutions:		
Philippine Peso with various interest rates	185,244,966	186,016,325
Foreign currency with various interest rates	81,998,135	82,273,644
Foreign currency bonds	114,433,395	115,686,944
Philippine Peso bonds	123,584,458	123,533,339
	505,260,954	507,510,252
	584,137,603	591,202,847
Less current portion	64,144,183	60,875,018
Noncurrent portion	P519,993,420	P530,327,829

For the period ended March 31, 2025 (unaudited), total proceeds from availments of short-term and long-term debt amounted to P83.2 billion which consists mainly of proceeds from loans of AC (P38.9 billion), ALI (P25.7 billion), ACEIC (P9.9 billion), AYCFL (P4.3 billion), AC Industrials (P2.2 billion), and IMI (P2.1 billion); while payments of short-term and long-term debt amounted to P69.0 billion which mainly pertains to loan payment of AC (P38.7 billion), ALI (P18.2 billion), ACEIC (P6.2 billion), IMI (P1.9 billion), and AC Industrials (P3.2 billion).

The Group has short-term and long-term debt payable to BPI amounting to P74.4 billion and P66.9 billion as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively (see Note 21). Interest expense incurred from these debts amounted to P1.0 billion and P0.6 billion for the periods ended March 31, 2025 and 2024 (both unaudited), respectively (see Note 21).

Loans availed during the period ended March 31, 2025 have varying interest rates and maturity dates. Proceeds of loans were used for operating requirements, capital expenditures and certain investment acquisitions (see Note 3).

Parent Company

The Parent Company positions its deals across various currencies, maturities, and product types to provide utmost flexibility in its financing transactions.

Generally, the Parent Company's long-term loans are unsecured. Due to certain regulatory constraints in the local banking system regarding loans to directors, officers, stockholders and related interest, some of the Parent Company's credit facilities with a local bank are secured by shares of stock of a subsidiary in accordance with BSP regulations. All credit facilities of the Parent Company outside of this local bank are unsecured, and their respective credit agreements provide for this exception.

Short-term and long-term debt availments and payments

On January 27, 2025, the Parent Company availed a long-term loan with a local bank amounting to P2,500.0 million maturing in 7 years at a fixed rate of 5.435% p.a.

On February 8, 2025, the Parent Company availed of short-term loans with a local bank amounting to P5.0 billion maturing in 3 months at a fixed rate of 5.5% p.a.

On February 11, 2025, the Parent Company fully paid various short-term loans with two local banks amounting to P11.5 billion. On the same day, it availed with a local bank short-term loans amounting to P11.5 billion maturing in 3 months at a fixed rate of 5.5% p.a.

On March 13, 2025, the Parent Company signed a Samurai Loan facility agreement with Mizuho Bank and Sumitomo Mitsui Banking Corporation of up to US\$200 million (equivalent) in Japanese Yen. The proceeds of this loan facility is intended to fund general corporate purposes (see Note 23).

On various dates in March 2025, the Parent Company availed P11.0 billion and P6.0 billion short-term loans with local banks, maturing in 35 to 89 days at a fixed rate of 5.4% to 5.5% per annum. During the same period, the Parent Company fully paid two of its short-term loans amounting to P6.0 billion and P11.0 billion. The Parent Company also made partial payment of a long-term loan amounting to P50.0 thousand.

For the period ended March 31, 2025, the Parent Company rolled over, at their respective maturity dates, foreign currency swaps with various local and foreign financial institutions which were designated to hedge USD foreign currency exchange exposures on its USD-denominated debts that was borrowed on a fixed interest rate. As of March 31, 2025, the Parent Company maintains total of USD100.00 million outstanding foreign currency swap hedges.

Below is the summary of the outstanding Peso bonds issued by the Parent Company:

Year Issued	Term	Interest Rate	Principal Amount	Carrying Value		Features
				March 2025 (Unaudited)	December 2024 (Audited)	
(in Thousands)						
2017	8 years	4.8200%	P–	P–	P9,989,859	Callable from the 6.5 th anniversary issue until every year thereafter.
2021	5 years	3.7874%	6,000,000	5,976,166	5,972,815	5-year fixed coupon Series B bond callable on the 12 th to 19 th interest payment date with a call option price of 101.0% on the 12 th to 15 th interest payment date and 100.5% on the 16 th to 19 th interest payment date.
2022	3 years	4.4542%	5,000,000	4,991,416	4,988,606	3-year fixed coupon Series C bond with no call option.
2022	5 years	5.6239%	7,500,000	7,453,819	7,450,002	5-year fixed coupon Series D bond callable on the 12 th to 19 th interest payment date with a call option price of 101.0% on the 12 th to 15 th interest payment date and 100.5% on the 16 th to 19 th interest payment date.
2022	7 years	6.1351%	2,500,000	2,479,154	2,478,241	7-year fixed coupon Series E bond callable on the 16 th to 27 th interest payment date with a call option price of 102.0% on the 16 th to 19 th interest payment date, a call option price of 101.0% on the 20 th to 23 rd interest payment date and 100.5% on the 24 th to 27 th interest payment date.
			P21,000,000	P20,900,555	P30,879,523	

The outstanding Peso bonds of the Parent Company have been rated “PRS Aaa” by PhilRatings.

The long-term debt of the Parent Company provides for certain restrictions and requirements with respect to maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Parent Company as of March 31, 2025 and December 31, 2024 (see Compliance with debt covenants portion). The Parent Company aims to maintain a debt-to-equity ratio not exceeding 3:1 in compliance with loan covenants of AYCFI.

Bond redemption

On February 10, 2025, the Parent Company’s P10.0 billion 4.82% Bonds Due 2025 (the “Bonds”) was fully paid. The payment was made through the Philippine Depository % Trust Corporation, the appointed registrar and paying agent of the Bonds (the “Paying Agent”).

ALI

In compliance with BSP rules on directors, officers, stockholders and related interests, certain short-term and long-term debt are secured by real estate mortgages dated September 2, 2014 and March 14, 2016 covering both land and building of the Greenbelt Mall. Net book value of the property amounted to P3,788.3 million and P3,796.1 million as of March 31, 2025 (unaudited) and December 31, 2024 (audited), respectively, which is accounted as part of the Investment properties account.

Philippine Peso 20-year Bonds due 2033

In October 2013, ALI issued a P2,000.0 million bond due 2033 at a fixed rate equivalent to 6.0% p.a. The Credit Rating and Investors Services Philippines, Inc. (CRISP) assigned a “AAA” rating on the bonds indicating that it has a minimal credit risk owing to ALI’s capacity to repay its debt obligations. AAA is the highest rating assigned by CRISP.

Philippine Peso 7-year and 10-year Bonds due 2026

In March 2016, ALI issued and listed on the PDEX a total of ₱8,000.0 million bonds due 2026 at a fixed rate equivalent to 4.85% p.a. This is the first tranche of debt securities issued under the ALI's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings. In May 2019, ALI issued and listed on the PDEX ₱8,000.0 million fixed rate bonds due 2026 at a rate equivalent to 6.37% p.a. The Bonds, the first tranche of ALI's 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 9-year and 6-month Bonds due 2025

In April 2016, ALI issued and listed on the PDEX a total of ₱7,000.0 million bonds due 2025 at a fixed rate equivalent to 4.75% p.a. The Bonds represent the second tranche of debt securities issued under ALI's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 7-year and 3-month and 10-year Bonds due 2027

In May 2017, ALI issued its ₱7,000.0 million fixed rate bond due 2027 at a rate equivalent to 5.26% p.a. The Bonds, the fourth tranche of ALI's 2016 Program, were listed on the PDEX and were rated PRS Aaa with a Stable Outlook by PhilRatings. In November 2019, ALI issued a ₱1,000.0 million fixed rate bond due 2027 at a rate equivalent to 4.99% p.a. The Bonds, the third tranche of bonds issued under ALI's 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-year Bonds due 2024

In September 2019, ALI issued and listed on the PDEX its ₱3,000.0 million bonds due 2024 at a fixed rate equivalent to 4.76% p.a. The Bonds represent the second tranche of debt securities issued under ALI's 2019 Program and were rated PRS Aaa with a Stable Outlook by PhilRatings. The bonds were fully paid on its maturity date.

Philippine Peso 5-year Bonds due 2025

In September 2020, ALI issued and listed on the PDEX its ₱6,250.0 million fixed rate bonds due 2025 at a rate equivalent to 3.86% p.a. The Bonds represent the fifth tranche of debt securities issued under ALI's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 4-year Bonds due 2025

In May 2021, ALI issued and listed on the PDEX its ₱10,000.0 million fixed rate bonds due 2025 at a rate equivalent to 3.63% p.a. The Bonds represent the sixth tranche of debt securities issued under ALI's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 6-year Bonds due 2028

In May 2022, ALI issued a total of ₱12,000.0 million bonds due 2028 at a fixed rate equivalent to 5.81% p.a. The offering is composed of ₱9,500.0 million as the second tranche of debt securities issued under ALI's ₱50,000.0 million Debt Securities Program registered and rendered effective by the SEC on October 11, 2021 (the "2021 Program") while ₱2,500.0 million represent the eighth and final tranche of debt securities that were issued under the 2019 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 2-Year, 5-Year and 7-year Bonds due 2024, 2027 and 2029

In July 2022, ALI issued a total of ₱33,000 million fixed rate bonds, broken down into ₱12,000.0 million bonds due 2024 at a rate equivalent to 4.40% p.a., ₱7,000.0 million bonds due 2027 at a rate equivalent to 6.21% p.a. and a ₱14,000.0 million bond due 2029 at a rate equivalent to 6.80% p.a. The offering is the third tranche of debt securities issued under ALI's 2021 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 5-Year and 10-year Bonds due 2028 and 2033

In June 2023, ALI issued a total of ₱15,000 million fixed rate bonds, broken down into ₱10,075.0 million bonds due 2028 at a rate equivalent to 6.03% p.a. and ₱4,925.0 million bond due 2033 at a rate equivalent to 6.29% p.a. The offering is composed of ₱4,750.0 million issued as the fourth and final tranche of ALI's 2021 Program while ₱10,250.0 million representing the first tranche of debt securities issued under its 2023 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 10-year ASEAN Sustainability-Linked Bonds due 2034

In July 2024, ALI issued a total of ₱6,000 million fixed rate Sustainability-Linked Bonds at a rate equivalent to 6.99% p.a. (see Note 3). The offering is the second tranche of debt securities issued under the ALI's 2023 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

The ALI Group is required to maintain a debt-to-equity ratio not exceeding 3:1. The ALI Group has complied with the debt covenant as of March 31, 2025 and December 31, 2024.

AYCFL

2017 AYCFL US\$400.0 Million Senior Unsecured and Guaranteed Fixed For Life Perpetual Notes (Fixed For Life)

On September 7, 2017, the Parent Company announced that AYCFL had successfully set the terms of a US dollar-denominated fixed-for-life senior perpetual issuance at an aggregate principal amount of US\$400 million (₱20,171.9 million) with an annual coupon of 5.13% for life with no reset and step-up. The issuer, AYCFL, may redeem the Notes in whole but not in part on September 13, 2022 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The Parent Company unconditionally guarantees the due and punctual payment of this note if, for any reason, AYCFL does not make timely payment of the amount due.

In September 2021, the aggregate principal amount of US\$100 million of this 5.13% Undated Notes was tendered and the aggregate amount of US\$300 million remained outstanding after payment.

On May 10, 2022, AYCFL made a tender offer settlement amounting to US\$40.12 million in aggregate principal amount of its 5.13% Undated Notes. Pursuant to the settlement of the Tender Offer, US\$40.12 million in aggregate principal amount of the Notes was repurchased and cancelled pursuant to the terms and conditions of the Notes. Following the cancellation, the aggregate principal amount of the Notes that will remain outstanding will be US\$259.88 million.

2019 AYCFL US\$400.0 Million Senior Unsecured and Guaranteed Fixed For Life Perpetual Notes (Fixed For Life)

On October 23, 2019, the Parent Company announced that AYCFL had successfully priced a similar US dollar denominated fixed-for-life senior perpetual issuance at an aggregate principal amount of US\$400 million (₱20,118.9 million) with an annual coupon of 4.85% for life with no reset and step-up. The issuer, AYCFL, may redeem the Notes in whole but not in part on October 30, 2024 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The Parent Company unconditionally guarantees the due and punctual payment of this note if, for any reason, AYCFL does not make timely payment of the amount due.

In September 2021, the aggregate principal amount of US\$35 million of this 4.85% Undated Notes was tendered and the aggregate amount of US\$365 million remained outstanding as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

2021 AYCFL US\$400 Million Senior Fixed-for-Life Perpetual Notes (the Notes)

On September 16, 2021, the Parent Company announced that it had successfully set the terms for a US dollar-denominated fixed-for-life (non-deferrable) senior perpetual issuance. The Notes have an aggregate principal amount of US\$400 million with a fixed coupon of 3.90% for life, with no step-up and no reset, payable semi-annually. The issuer, AYCFL, may redeem the Notes in whole but not in part on September 23, 2026 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The transaction was settled on September 23, 2021, and the Notes are unconditionally and irrevocably guaranteed by the Parent Company.

The Parent Company aims to maintain a debt-to-equity ratio not exceeding 3:1 in compliance with loan covenants of AYCFL.

ACEIC

Philippine Peso ₱10.0 Billion Fixed Rate Bonds due 2027

On September 22, 2022, ACEN issued an unsecured fixed-rate bonds with an aggregate principal of ₱10,000.00 million. The proceeds will be used to finance investments in various solar farms. There are no securities pledged as collateral for these bonds. The issue cost amounted to ₱126.28 million.

The offer is comprised of 5-year bonds due on September 22, 2027 with interest rate of 6.0526% per annum. This issuance is ACEN's first tranche offered out of the shelf registration of debt securities of ₱30,000.00 million to be offered within a period of three (3) years. Interest on the bonds is payable quarterly in arrears starting on December 22, 2022, for the first interest payment date and on March 22, June 22, September 22, and December 22 each year for each subsequent payment date.

FFL Bonds / Green Bonds

Green bonds

ACEFIL – Medium Term Note (MTN) Programme

On January 16, 2019, ACEFIL established its MTN Programme with an aggregate amount of US\$1,000.00 million (₱48,470.0 million). The proceeds from each issue under the MTN Programme will be used for general corporate purposes, including eligible green projects and other use of proceeds under ACEFIL's green bond framework.

On November 17, 2020, ACEFIL amended the MTN Programme to increase the aggregate amount to US\$2,000.0 million (₱94,960.0 million) and allow the issuance of senior undated guaranteed notes under the MTN Programme.

ACEFIL – Senior guaranteed notes due 2024 and 2029 and Senior undated guaranteed notes under the MTN Programme

On January 29, 2019, ACEFIL issued US\$225.0 million (₱11,417.4 million) senior guaranteed notes due 2024 guaranteed by ACEIC with a fixed coupon of 4.75%. The notes were priced at 99.45.

On July 9, 2020, ACEFIL issued US\$60.00 million (₱2,908.2 million) senior guaranteed notes due 2029 guaranteed by ACEIC with a fixed coupon of 4.75%. The notes were priced at 104.75.

On November 25, 2020, ACEFIL issued US\$300.0 million (₱14,541.0 million) senior undated guaranteed notes with a fixed coupon of 5.10% for life. The notes were priced at par. The new issue was used to finance the successful tender of US\$186.9 million (₱9,058.5 million) of the US\$400.0 million (₱19,388.0 million) 5.65% senior undated guaranteed notes at a tender price of US\$104.6.

On January 12, 2024, ACEFIL, a wholly owned subsidiary of ACEIC, entered to a loan agreement with a lender for US\$10.00 million with ACEIC acting as a guarantor of ACEFIL. This loan obtained by ACEFIL shall be used to redeem its maturing green bonds in January 2024.

On January 25, 2024, ACEFIL redeemed US\$360.0 million of the Senior guaranteed notes under the MTN Programme. Remaining outstanding guaranteed notes amounted to US\$410.0 million.

Redemption at the option of the issuer

At any time, ACEFIL may on any one or more occasions redeem all or part of the "notes under the MTN Programme", by giving notice, at redemption price equal to 100% of the principal amount of the "notes under the MTN Programme" redeemed, plus the applicable premium (as defined in the respective pricing supplements) as of date, and accrued and unpaid interest, if any, to the date of redemption, subject to the rights of the person in whose name the "notes under the MTN Programme" is registered on the relevant record date to receive interest due on the relevant interest payment date.

ACEN Finance – Medium Term Note (MTN) Programme

On August 31, 2021, ACEN Finance Limited (ACEN Finance) established its MTN Programme with an aggregate amount of US\$1,500.0 million. The proceeds from each issue under the MTN Programme will be used for general corporate purposes, including but not limited to, working capital, funding investment activities, development of projects, refinancing and/or repayment of indebtedness and on-lending activities within the ACEN Group. Notes to be issued out of the MTN

Programme designated as Green Bonds may be allocated towards the financing and/or refinancing of Eligible Green Projects in accordance with certain prescribed eligibility criteria described under ACEN's Green Bond Framework.

The Notes to be issued by ACEN Finance under its medium-term note program; may be distributed by way of private or public placement; and will be listed on the Singapore Exchange Securities Trading platform (SGX-ST).

ACEN Finance – Senior guaranteed undated FFL notes (Notes) under the MTN Programme

On September 8, 2021, ACEN Finance issued US\$400.0 million senior undated fixed-for-life (non-deferrable) Notes guaranteed by ACEN with a fixed coupon of 4% for life, with no step-up and no reset, priced at par. An amount equal to the net proceeds will be used to finance or refinance, in whole or in part, new or existing Eligible Green Projects in accordance with ACEN's Green Bond Framework. On September 9, 2021, the Notes were listed with the SGX-ST.

For as long as the senior guaranteed undated fixed-for-life notes remain outstanding, ACEN Finance Limited and ACEN are required to comply with certain covenants including the creation and permission to subsist only the liens created in respect of the limited recourse project financing of any project company and maintain a maximum net debt to equity ratio of 2.5:1.0 based on ACEN consolidated financials. These were complied as of March 31, 2025 and December 31, 2024.

The unsecured US dollar-denominated senior Green Bonds requires ACEIC Group to comply with certain covenants including among others, limitations on the incurrence or guarantee of additional indebtedness, creation or incurrence of certain liens, creation or permission of any restrictions on the payment of dividends to ACEIC Group by certain of ACEIC Group's subsidiaries, entering into unrelated businesses or engagement in certain activities, and limitations on the consolidation, merging or selling of all or substantially all of ACEIC Group's properties and assets with other entities if ACEIC is not the surviving entity. The incurrence test for additional debt requires the Group to maintain a net debt to total equity ratio not exceeding 2.5 to 1.0. These were complied with by ACEIC Group as of March 31, 2025 and December 31, 2024.

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), certain ACEIC property, plant, and equipment were mortgaged as security for the long-term debt of the ACEIC Group (see Note 12).

ACEN Corporate Guarantee for Australia projects

On February 26, 2024, ACEN, as Guarantor to its subsidiary ACEN Australia Pty Ltd. ("ACEN Australia"), executed Facility Agreements with ACEN Australia, and each of Australia and New Zealand Banking Group Limited (ANZ), and Westpac Banking Corporation (WBC). Each bank is providing a green term loan facility with a limit of AUD75.0 million. ANZ and WBC also entered into an Accession Letters to include ANZ and WBC as Lenders under the Common Provisions Agreement dated August 18, 2022, as amended through an Amending Deed on January 6, 2023 (with ACEN Australia, DBS Bank Ltd., Australia Branch, MUFG Bank, Ltd., Sydney Branch, Clean Energy Finance Corporation, Bank of China (Hong Kong) Limited, Bank of China (Hong Kong) Limited – Manila Branch, CTBC Bank Co., Ltd, Singapore Branch, CTBC Bank (Philippines) Corporation, Standard Chartered Bank, Australia Branch, and ACEN as Guarantor to ACEN Australia).

Guarantees

The Parent Company or its subsidiaries may act as guarantor on debt taken out by other subsidiaries within the Group. Both domestic and foreign loans of the Group may be subject to guarantees. Any guarantees as of March 31, 2025 (unaudited) and December 31, 2024 (audited) are discussed in those entities' SEC 17-Q or SEC 17-A reports and/or audited financial statements.

Compliance with debt covenants

The loan agreements on long-term debt of the Parent Company and some subsidiaries provide for certain restrictions and requirements with respect to, among others, declaration and/or payment of dividends, incurrence of additional liabilities, investment and guaranties, mergers or consolidations or other material changes in their ownership, corporate set-up or management, acquisition of treasury stock, disposition and mortgage of assets and maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Group as of March 31, 2025

and December 31, 2024. For the Parent Company, these covenants include, among others, certain ratios like:

- Debt to equity ratio of not to exceed 3:1
- Net debt to tangible net worth ratio of not to exceed 3:1
- Current ratio of not lower than 0.5:1

16. Equity

Details of the Parent Company's paid-in capital follow:

	Preferred Shares – A	Preferred Shares – B	Voting Preferred Shares	Common Shares	Subscribed Shares	Additional Paid-in Capital	Subscriptions Receivable	Total Paid-in Capital	Treasury Shares
					(in Thousands)				
At January 1, 2025 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,478,499	₱310,075	₱57,246,480	(₱2,850,849)	₱93,384,205	(₱14,220,992)
Cost of reissuance of preferred shares	–	–	–	–	–	(4,428)	–	(4,428)	–
Collection of subscription receivables	–	–	–	–	–	–	23,002	23,002	–
At March 31, 2025 (Unaudited)	₱1,200,000	₱5,800,000	₱200,000	₱31,478,499	₱310,075	₱57,242,052	(₱2,827,847)	₱93,402,779	(₱14,220,992)
	Preferred Shares – A	Preferred Shares – B	Voting Preferred Shares	Common Shares	Subscribed Shares	Additional Paid- in Capital	Subscriptions Receivable	Total Paid-in Capital	Treasury Shares
					(in Thousands)				
At January 1, 2024 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,475,111	₱277,503	₱54,980,070	(₱2,698,931)	₱91,233,753	(₱14,546,351)
Exercise/ cancellation/ subscription of ESOP/ESOWN	–	–	–	3,388	32,572	515,208	(423,097)	128,071	–
Collection of subscription receivables	–	–	–	–	–	–	271,179	271,179	–
Sale of treasury common shares	–	–	–	–	–	(379,882)	–	(379,882)	2,575,359
Redemption of preferred shares	–	–	–	–	–	(12,000,000)	–	(12,000,000)	(3,000,000)
Reissuance of preferred shares	–	–	–	–	–	14,131,084	–	14,131,084	750,000
At December 31, 2024 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,478,499	₱310,075	₱57,246,480	(₱2,850,849)	₱93,384,205	(₱14,220,992)

Preferred shares

Reissuance of Preferred “B” Shares

On January 20, 2025, the Parent Company has fully utilized the proceeds generated from the reissuance of Preferred Class “B” Series 3 Shares (ACPB3) with net proceeds amounting to ₱14.9 billion.

On March 13, 2025, the Parent Company’s BOD approved the issuance of Philippine Peso Preferred Shares with a base amount of ₱10.0 billion with an oversubscription option for up to an additional ₱10.0 billion, subject to regulatory requirements (see Note 23).

Retained earnings

In accordance with the Revised SRC Rule 68 and SEC Memorandum Circular No. 16-2023, the Parent Company’s retained earnings available for dividend declaration as of March 31, 2025 (unaudited) and December 31, 2024 (audited) amounted to ₱70.2 billion and ₱67.9 billion, respectively.

For further details, refer to Section 3 – Reconciliation of Retained Earnings Available for Dividend Declaration.

Cash dividends

The details on the cash dividends declared by the Parent Company for the periods ended March 31, 2025 and 2024 (both unaudited) are shown below.

	Per Share		Amount	
	March 2025 (Unaudited)	March 2024 (Unaudited)	March 2025 (Unaudited)	March 2024 (Unaudited)
Cash dividends				
Dividends to equity preferred shares declared during the period:			(In Thousands)	
Preferred A	₱39.741875	₱39.741875	₱208,427	₱208,427
Preferred B – Series 2	–	6.026750	–	180,803
Preferred B – Series 3	30.269000	–	227,018	–

Property dividends

The dividend distribution commenced in December 2022 and will continue as and when electronic Certificates Authorizing Registration (eCARs) are issued by BIR. The eCAR issuance is a prerequisite for the transfer of the properties of the Parent Company, i.e. the ACEN shares, to each entitled stockholder as of the record date and it is a process that entails the participation of both the Parent Company, as transferor, and the stockholders, as transferees.

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), the Parent Company has property dividend payable to common stockholders amounting to ₱133.2 million.

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), the Parent Company has significantly completed the distribution of property dividends. The BIR’s issuance of eCARs and subsequent distribution of ACEN shares are ongoing.

Transactions with non-controlling interests

As of March 31, 2025, the Group had various transactions with its non-controlling interests related to ACEIC’s and ALI’s acquisition of shares held by non-controlling shareholders in its investments in ISLASOL and Roxas Land (see Note 3).

Capital management

The primary objective of the Parent Company’s capital management policy is to ensure that it maintains a robust statement of financial position in order to support its business and maximize shareholder value.

The Parent Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Parent Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes for the periods ended March 31, 2025 and December 31, 2024.

The Parent Company monitors capital using a gearing ratio of debt to equity and net debt to equity. Debt consists of short-term and long-term debt of the Group. Net debt includes short-term and long-term debt less cash and cash equivalents, and short-term investments of the Group. The Parent Company considers as capital the total equity.

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Short-term debt	₱95,241,735	₱75,556,284
Long-term debt	584,137,602	591,202,846
Total debt	679,379,337	666,759,130
Less:		
Cash and cash equivalents	75,326,185	75,501,736
Short-term investments	559,360	723,567
Net debt	603,493,792	590,533,827
Total equity	₱736,228,589	₱725,581,720
Debt to equity	92.3%	91.9%
Net debt to equity	82.0%	81.4%

The loan agreements on long-term debt of the Parent Company and some subsidiaries provide for certain restrictions and requirements with respect to, among others, payment of dividends, incurrence of additional liabilities, investment and guaranties, mergers or consolidations or other material changes in their ownership, corporate set-up or management, acquisition of treasury stock, disposition and mortgage of assets and maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Group as of March 31, 2025 and December 31, 2024.

The Parent Company also monitors capital through return-to-common equity ratio. For this ratio, the Parent Company considers as capital the average amount of equity with the exclusion of accounts pertaining to preferred shares and the non-controlling interests.

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
Net income attributable to owners of the parent	₱12,595,124	₱13,072,786
Less: Dividends to equity preferred shares	435,444	389,229
Net income attributable to common shares owners of the parent	12,159,680	12,683,557
Average common equity attributable to owners of the parent	₱413,212,155	₱378,193,001
Return to common equity	2.9%	3.4%

17. Earnings Per Share

The following table presents information necessary to calculate earnings per share (EPS) on net income attributable to owners of the Parent Company:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands, except EPS figures)	
Net income attributable to the owners of the Parent Company	₱12,595,124	₱13,072,786
Less: Dividends on preferred stocks	(435,444)	(389,229)
	12,159,680	12,683,557
Less: Profit impact of assumed conversions of potential ordinary shares of investees	(17,433)	(17,077)
	₱12,142,246	₱12,666,480
Weighted average number of common shares	623,597	619,807
Dilutive shares arising from stock options	—	—
	623,597	619,807

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands, except EPS figures)	
EPS		
Basic	P19.47	P20.44
Diluted	P19.47	P20.44

The effect of the stock option in the earnings per share for the period ended March 31, 2025 is anti-dilutive.

18. Revenue

This account consists of:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
Revenue from contracts with customers:		
Real estate	P33,621,083	P30,168,968
Manufacturing services	14,428,009	16,502,648
Automotive	11,703,913	5,694,842
Power generation	7,630,764	9,457,653
Others	4,500,809	3,955,127
	71,884,578	65,779,238
Rental income	9,010,315	9,948,308
Sale of goods and rendering of services	80,894,893	75,727,546
Share in net profits of associates and joint ventures	12,085,864	11,542,648
	P92,980,757	P87,270,194

Disaggregated revenue information

Set out below is the disaggregation of revenue from contracts with customers of the material subsidiaries of the Group:

ALI Group

Revenue from contracts with customers of ALI Group consists of:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
Revenue from contracts with customers:		
Residential development	P27,839,148	P25,056,146
Construction	2,418,750	2,610,328
Hotels and resorts	3,363,186	2,502,494
	P33,621,083	P30,168,968

ALI Group derives revenue from the transfer of goods and services over time and at a point in time, in different product types. ALI Group's disaggregation of revenue from contracts with customers from residential development, the biggest revenue segment, are presented below:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
<i>Type of product</i>		
Middle income housing	P9,335,896	P8,587,390
Condominium	6,788,780	7,727,271
Coremid	5,983,800	4,303,656
Lot only	5,730,672	4,437,829
	P27,839,148	P25,056,146

All of ALI Group's real estate sales from residential development are revenue from contracts with customers recognized over time.

IMI Group

The following table presents revenue of IMI Group per market segment:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
Automotive	P9,606,321	P11,511,761
Industrial	4,012,529	4,262,424
Medical	308,143	292,962
Consumer	249,013	116,484
Multiple market/others	192,973	123,449
Telecommunication	59,030	195,568
	P14,428,009	P16,502,648

Translated using the weighted average exchange rate for the period (US\$1: P57.96 and P55.96 as of March 31, 2025 and 2024, respectively).

19. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the primary segment reporting format is by business segment.

For management purposes, the Group is organized into the following business units:

- Parent Company – represents operations of the Parent Company including its financing entities such as ACIFL, AYCFL, PFIL, and MHI.
- Real estate and hotels – planning and development of large-scale fully integrated mixed-used communities that become thriving economic centers in their respective regions. These include development and sale of residential, leisure and commercial lots and the development and leasing of retail and office space and land in these communities; construction and sale of residential condominiums and office buildings; development of industrial and business parks; development and sale of high-end, upper middle-income and affordable and economic housing; strategic land bank management; hotel, cinema and theater operations; and construction and property management.
- Financial services and insurance – commercial banking operations with expanded banking license. These include diverse services such as deposit taking and cash management (savings and time deposits in local and foreign currencies, payment services, card products, fund transfers, international trade settlement and remittances from overseas workers); lending (corporate, consumer, mortgage, leasing and agri-business loans); asset management (portfolio management, unit funds, trust administration and estate planning); securities brokerage (on-line stock trading); foreign exchange and capital markets investments (securities dealing); corporate services (corporate finance, consulting services); investment banking (trust and investment services); a fully integrated bancassurance operations (life, non-life, pre-need and reinsurance services); and other services (internet banking, foreign exchange and safety deposit facilities).
- Telecommunications (Telecoms) – provider of digital wireless communications services using a fully digital network; domestic and international long distance communication services or carrier services; broadband internet and wireline voice and data communication services; also licensed to establish, install, operate and maintain a nationwide local exchange carrier (LEC) service, particularly integrated local telephone service with public payphone facilities and public calling stations, and to render and provide international and domestic carrier and leased line services. In recent years, operations include developing, designing, administering, managing and operating software applications and systems, including systems designed for the operations of bill payment and money remittance, payment facilities through various telecommunications systems operated by telecommunications carriers in the Philippines and throughout the world and to supply software and hardware facilities for such purposes.

- Industrial Technologies – global provider of electronics manufacturing services (EMS) and power semiconductor assembly and test services with manufacturing facilities in Asia, Europe, and North America. It serves diversified markets that include those in the automotive, industrial, medical, telecommunications infrastructure, storage device, and consumer electronics industries. Committed to cost-development to manufacturing and order fulfillment, the company's comprehensive capabilities and global manufacturing presence allow it to take on specific outsourcing needs.
- Power – unit that will build a portfolio of power generation assets using renewable and conventional technologies which in turn will operate business of generating, transmission of electricity, distribution of electricity and supply of electricity, including the provision of related services.
- Automotive and Others – includes operations of the following:
 - Automotive/ Motors – business on manufacturing, distribution and sale plus providing repairs and services for passenger cars, commercial vehicles, motorcycles. Initiatives include industrial manufacturing activity for long-term synergy and integration with automotive business.
 - Healthcare – catering to accessible, affordable, and quality healthcare for all Filipinos by building, investing, and connecting various businesses into an integrated and seamless ecosystem of services across the continuum of care.
 - Infrastructure – development arm for various types of infrastructure
 - Logistics – business unit provides end-to-end logistics solutions to cater to all customers across the value chain.
 - Water – water delivery, sewerage, sanitation, distribution services, pipeworks, used water management and management services; also exclusively provides water services, facilities to all property development projects of major real estate companies.
 - Education – delivering accessible, quality education that enables significantly improved employability for our high school and college graduates; with mission to transform lives and society by innovating Philippine education and research.
 - Venture capital – platform for peeking into new technologies and business models that are relevant to the group; aims to be an enabler by investing in adjacent businesses that are complementary to Ayala's existing business units and a pathfinder by investing in new sectors, emerging trends, and innovative businesses.
 - International unit – strategic investments in overseas property companies and projects
 - Others – includes outsourcing services unit (onshore and offshore outsourcing services in the research, analytics, legal, electronic discovery, document management, finance and accounting); aviation (air-chartered services); consultancy, and other operating companies

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For the periods ended March 31, 2025 and 2024 and December 31, 2024, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

Intersegment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, segment expense and segment results include transfers between operating segments. Those transfers are eliminated in consolidation.

The various business segments in the Group are not affected by seasonality in operations.

The following tables regarding operating segments present revenue and income information for the periods ended March 31, 2025 and 2024 (both unaudited), and assets and liabilities as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

March 2025 (Unaudited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Revenue									
Sales to external customers	P825	P42,465166	P—	P—	P14,4199	P7,678—	P16,32588	P—(288)	P80,895—
Intersegment									
Share of profit of associates and joint ventures	—	533	7,472	2,161	—	1,624	296	—	12,086
	33	43,164	7,472	2,161	14,428	9,302	16,709	(288)	92,981
Costs and expenses									
Costs of sales and services	5	25,445	—	—	13,310	6,013	14,518	(185)	59,106
General and administrative expenses	1,038	3,026	—	—	1,035	1,937	2,601	(89)	9,548
	1,043	28,471	—	—	14,345	7,950	17,119	(274)	68,654
Other income (charges) - net									
Interest income	148	213	—	—	14	2,582	162	(42)	3,077
Other income**	13	177	—	—	65	(22)	2,124	(7)	2,350
Interest and other financing charges	(2,661)	(4,649)	—	—	(321)	(1,643)	(447)	42	(9,679)
	(2,500)	(4,259)	—	—	(242)	917	1,839	(7)	(4,252)
Net income (loss) before income tax	(3,510)	10,434	7,472	2,161	(159)	2,269	1,429	(21)	20,075
Provision for (benefit from) income tax	96	2,042	—	—	119	(40)	87	(3)	2,301
Net income (loss)*	(P3,606)	P8,392	P7,472	P2,161	(P278)	P2,309	P1,342	(P18)	P17,774
<i>*NIAT slightly different vs. the reported NIAT of certain business units due to cut-off adjustments taken up at AC consolidated FS. Along with other cut-off adjustments, the net effect to consolidated NIAT is less than 2%.</i>									
<i>**Refer to Section 2-Management's Discussion and Analysis and 2.8-Cause of any material variances.</i>									
Other information									
Segment assets	P65,577	P887,422	P—	P—	P44,933	P335,487	P78,141	(P69,983)	P1,341,577
Investments in associates and joint ventures	282,461	30,855	—	—	—	59,967	39,839	—	413,122
Deferred tax assets	151	15,161	—	—	199	3,423	958	218	20,110
Total assets	P348,189	P933,438	P—	P—	P45,132	P398,877	P118,938	(P69,765)	P1,774,809
Segment liabilities	P234,286	P564,157	P—	P—	P31,666	P212,904	P41,772	(P60,539)	P1,024,246
Deferred tax liabilities	150	10,305	—	—	56	1,915	2,367	(458)	14,335
Total liabilities	P234,436	P574,462	P—	P—	P31,722	P214,819	P44,139	(P60,997)	P1,038,581
Depreciation and amortization	P68	P2,602	P—	P—	P416	P938	P462	(P2)	P4,484
Non-cash expenses other than depreciation and amortization	P49	P112	P—	P—	P147	P526	(P1)	P—	P833
Segment additions to property, plant and equipment and investment properties	P34	P6,565	P—	P—	P90	P4,062	P306	(P1,983)	P9,074
Cash flows provided by (used in):									
Operating activities	(P4,296)	P8,191	P—	P—	P1,233	P2,013	(P2,137)	(P784)	P4,220
Investing activities	P4,727	(P7,366)	P—	P—	P72	(P4,341)	P2,174	(P1,838)	(P6,572)
Financing activities	P2,051	(P1,099)	P—	P—	(P34)	(P873)	(P653)	P2,628	P2,020

March 2024 (Unaudited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Revenue									
Sales to external customers	₱6	₱39,907	₱—	₱—	₱16,282	₱9,506	₱10,027	₱—	₱75,728
Intersegment	37	210	—	—	27	—	129	(403)	—
Share of profit of associates and joint ventures	—	412	6,863	2,114	—	1,229	924	—	11,542
	43	40,529	6,863	2,114	16,309	10,735	11,080	(403)	87,270
Costs and expenses									
Costs of sales and services	2	25,617	—	—	14,862	7,078	8,898	(235)	56,222
General and administrative expenses	2,194	2,383	—	—	2,956	1,839	2,222	(151)	11,443
	2,196	28,000	—	—	17,818	8,917	11,120	(386)	67,665
Other income (charges) - net									
Interest income	101	184	—	—	29	2,617	145	(42)	3,034
Other income	2,524	291	—	—	37	1,097	437	(16)	4,370
Interest and other financing charges	(2,325)	(3,780)	—	—	(302)	(1,249)	(364)	74	(7,946)
	300	(3,305)	—	—	(236)	2,465	218	16	(542)
Net income (loss) before income tax	(1,853)	9,224	6,863	2,114	(1,745)	4,283	178	(1)	19,063
Provision for (benefit from) income tax	11	1,786	—	—	(73)	(117)	81	—	1,688
Net income (loss)*	(₱1,864)	₱7,438	₱6,863	₱2,114	(₱1,672)	₱4,400	₱97	(₱1)	₱17,375
*NIAT slightly different vs. the reported NIAT of certain business units due to cut-off adjustments taken up at AC consolidated FS. Along with other cut-off adjustments, the net effect to consolidated NIAT is less than 1%.									
Other information									
Depreciation and amortization	₱63	₱2,568	₱—	₱—	₱470	₱452	₱455	(₱42)	₱3,966
Non-cash expenses other than depreciation and amortization	₱1,159	₱110	₱—	₱—	₱1,505	₱335	₱52	—	₱3,161
Segment additions to property, plant and equipment and investment properties	₱45	₱7,858	₱—	₱—	₱191	₱7,862	₱1,103	₱156	₱17,215
Cash flows provided by (used in):									
Operating activities	(₱2,797)	₱2,064	₱—	₱—	₱1,142	₱1,442	₱2,052	(₱206)	₱3,697
Investing activities	(₱3,267)	(₱7,238)	₱—	₱—	(₱218)	(₱13,192)	(₱640)	₱4,650	(₱19,905)
Financing activities	₱6,923	₱8,168	₱—	₱—	(₱912)	(₱1,095)	₱622	(₱3,056)	₱10,650

December 2024 (Audited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Assets and liabilities									
Segment assets	₱64,867	₱873,722	₱—	₱—	₱46,492	₱333,001	₱79,292	(₱69,490)	₱1,327,884
Investments in associates and joint ventures	272,925	30,734	—	—	—	58,917	38,646	—	401,222
Deferred tax assets	151	14,853	—	—	216	3,372	955	673	20,220
Total assets	₱337,943	₱919,309	₱—	₱—	₱46,708	₱395,290	₱118,893	(₱68,817)	₱1,749,326
Segment liabilities	₱234,197	₱549,559	₱—	₱—	₱33,587	₱209,292	42,197	(₱60,471)	₱1,008,361
Deferred tax liabilities	73	10,468	—	—	56	2,195	2,591	—	15,383
Total liabilities	₱234,270	₱560,027	₱—	₱—	₱33,643	₱211,487	44,788	(₱60,471)	₱1,023,744
Depreciation and amortization	₱261	₱10,275	₱—	₱—	₱1,885	₱2,658	₱2,271	(₱158)	₱17,192
Non-cash expenses other than depreciation and amortization	₱3,846	₱255	₱—	₱—	₱3,751	₱1,150	₱5,763	₱489	₱15,254
Segment additions to property, plant and equipment and investment properties	₱348	₱34,349	₱—	₱—	₱545	₱34,013	₱2,740	(₱4,141)	₱67,854
Cash flows provided by (used in):									
Operating activities	(₱10,377)	₱31,212	₱—	₱—	₱3,750	₱8,012	(₱5,031)	(₱20,197)	₱7,369
Investing activities	(₱2,111)	(₱54,683)	₱—	₱—	(₱34)	(₱40,752)	(₱23,391)	56,632	(₱64,339)
Financing activities	₱12,377	₱27,830	₱—	₱—	(₱4,101)	₱18,753	₱28,830	(₱26,980)	₱56,709

20. Fair Value Measurement and Derivative Instruments and Financial Instruments

A. Fair Value Measurement and Derivative Instruments

Fair Value of Financial and Nonfinancial Instruments

The carrying amounts approximate fair values for the Group's financial assets and financial liabilities due to their short-term maturities except for the following financial instruments as of March 31, 2025 (unaudited) and December 31, 2024 (audited):

	March 2025 (Unaudited)		December 2024 (Audited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
(in Thousands)				
FINANCIAL ASSETS AT FVTPL				
Held for trading – current	P10,327,161	P10,327,161	P11,313,625	P11,313,625
Convertible loans – noncurrent	3,098,023	3,098,023	3,111,352	3,111,352
Derivative assets – freestanding	4,008,287	4,008,288	4,889,291	4,889,291
Total financial assets at FVTPL	17,433,471	17,433,472	19,314,268	19,314,268
FINANCIAL ASSETS AT AMORTIZED COST				
Accounts and notes receivables	258,230,992	247,817,472	215,920,691	214,041,340
Financial assets at amortized cost	17,959,650	14,463,126	17,918,405	14,421,881
Total financial assets at amortized cost	276,190,642	262,280,598	233,839,096	228,463,221
FINANCIAL ASSETS AT FVOCI				
Quoted equity investments	1,748,874	1,748,874	1,751,874	1,751,874
Unquoted equity investments	10,052,514	10,052,514	10,176,821	10,176,821
Total financial assets at FVOCI	11,801,388	11,801,388	11,928,695	11,928,695
OTHER FINANCIAL ASSETS				
Deposits	14,737,470	14,737,470	11,647,652	11,647,652
Total other financial assets	14,737,470	14,737,470	11,647,652	11,647,652
Total financial assets	P320,162,971	P306,252,928	P276,729,711	P271,353,836
FINANCIAL LIABILITIES AT FVTPL				
Derivative liabilities	P414,430	P414,430	P257,918	P257,918
Total financial liabilities at FVTPL	414,430	414,430	257,918	257,918
OTHER FINANCIAL LIABILITIES				
Long-term debt	584,137,601	543,723,722	591,202,845	550,837,604
Deposits and other noncurrent liabilities	57,146,753	57,526,319	54,621,936	55,001,502
Total other financial liabilities	641,284,354	601,250,041	645,824,781	605,839,106
Total financial liabilities	P641,698,784	P601,664,471	P646,082,699	P606,097,024

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:

Financial assets at FVTPL – Fair values of investment securities are based on quoted prices as of the reporting date. For other investment securities such as FVTPL with no reliable measure of fair value, these are carried at their last transaction price. For convertible loans, the fair values of the investments are determined using the applicable discount rate for similar type of instruments.

The fair value of the investment in UITF is based on net asset values as of reporting dates.

The fair value of the investment in ARCH Capital Fund is determined using the discounted cash flow (DCF) method. Under the DCF method in fund fair valuation, it is estimated using assumptions regarding the benefits and liabilities of ownership over the underlying asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream, associated with the underlying asset. The exit yield is normally separately determined and differs from the discount rate. Significant inputs considered were rental, growth and discount rates. The higher the rental and growth rates, the higher the fair value. The higher the discount rates, the lower the fair value.

The fair value of other unquoted financial assets at FVTPL is determined using Weighted Average Cost of Capital using market comparables.

Derivative instrument – The fair value of the freestanding currency forwards is based on counterparty valuation.

Noncurrent trade and nontrade receivables – The fair values are based on the discounted value of future cash flows using the applicable rates for similar types of instruments taking into consideration the industry where the business units or subsidiaries belong.

Financial assets at amortized cost includes investments in redeemable preferred shares and convertible loans. For investment in redeemable preferred shares and convertible loan, the fair values of the investments are determined using the applicable discount rate for similar type of instruments.

Financial assets at FVOCI investment in bonds – fair value of the bonds is based on binomial lattice approach.

Financial assets at FVOCI quoted equity securities – fair values are based on quoted prices published in markets.

Financial assets at FVOCI unquoted equity securities – fair values are based on the latest selling price available.

Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from sale of real estate properties.

Derivative liability – the fair value of the derivative liability is determined using valuation techniques with inputs and assumptions that are based on market observable data and conditions and reflect appropriate risk adjustments that market participants would make for risks existing at the end of each reporting period.

Other financial liabilities – noncurrent – The fair values are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates for similar borrowings, with maturities consistent with those remaining for the liability being valued and taking into consideration the industry where the business units or subsidiaries belong.

For variable rate loans that reprice every three months, the carrying value approximates the fair value because of recent and regular repricing based on current market rates.

The following table shows the fair value hierarchy of the Group's assets and liabilities as at March 31, 2025 (unaudited) and December 31, 2024 (audited):

	March 2025 (Unaudited)			Total
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	(in Thousands)			
Recurring financial assets measured at fair value:				
Financial assets at FVTPL – current	P–	P984,903	P9,342,258	P10,327,161
Convertible loans – noncurrent	–	–	3,098,023	3,098,023
Derivative assets – Freestanding	–	4,008,287	–	4,008,287
Total financial assets at FVTPL	–	4,993,190	12,440,281	17,433,471
Financial assets at FVOCI				
Quoted equity investments	571,890	1,176,984	–	1,748,874
Unquoted equity investments	–	–	10,052,514	10,052,514
Total financial assets at FVOCI	571,890	1,176,984	10,052,514	11,801,388
	P571,890	P6,170,174	P22,492,795	P29,234,859
Recurring financial assets for which fair values are disclosed:				
Noncurrent trade and nontrade receivables	P–	P–	P80,294,403	P80,294,403
Financial assets at amortized cost	–	–	14,463,126	14,463,126
Deposits	–	–	14,737,470	14,737,470
	P–	P–	P109,494,999	P109,494,999

March 2025 (Unaudited)				
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Recurring financial liabilities measured at fair value				
Derivative liabilities	P–	P414,430	P–	P414,430
	P–	P414,430	P–	P414,430
Recurring financial liabilities for which fair values are disclosed:				
Long-term debt	P–	P–	P543,723,722	P543,723,722
Deposits and other noncurrent liabilities	–	–	57,526,319	57,526,319
	P–	P–	P601,250,041	P601,250,041
Nonfinancial assets for which fair values are disclosed:				
Investment properties	P–	P–	P694,884,827	P694,884,827
Investments in associates and joint ventures*	512,672,453	–	–	512,672,453
	P512,672,453	P–	P694,884,827	P1,207,557,280

*Fair value of investments in listed associates and joint ventures for which there are published price quotations

December 2024 (Audited)				
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(in Thousands)				
Recurring financial assets measured at fair value:				
Financial assets at FVTPL – current	P–	P471,010	P10,842,615	P11,313,625
Convertible loans – noncurrent	–	–	3,111,352	3,111,352
Derivative assets – Freestanding	–	4,889,291	–	4,889,291
Total financial assets at FVTPL	P–	P5,360,301	P13,953,967	P19,314,268
Financial assets at FVOCI				
Quoted equity investments	P568,690	P7,235,796	P–	P7,804,486
Unquoted equity investments	–	–	4,124,208	4,124,208
Total financial assets at FVOCI	P568,690	P7,235,796	P4,124,208	P11,928,694
	P568,690	P12,596,097	P18,078,175	P31,242,962
Recurring financial assets for which fair values are disclosed:				
Noncurrent trade and nontrade receivables	P–	P–	P80,093,930	P80,093,930
Financial assets at amortized cost	–	–	14,421,881	14,421,881
Deposits	–	–	11,647,652	11,647,652
	P–	P–	P106,163,463	P106,163,463
Recurring financial liabilities measured at fair value				
Derivative liabilities	P–	P257,918	P–	P257,918
	P–	P257,918	P–	P257,918
Recurring financial liabilities for which fair values are disclosed:				
Long-term debt	P–	P–	P550,837,604	P550,837,604
Deposits and other noncurrent liabilities	–	–	55,001,502	55,001,502
	P–	P–	P605,839,106	P605,839,106
Nonfinancial assets for which fair values are disclosed:				
Investment properties	P–	P3,496,869	P695,278,210	698,775,079
Investments in associates and joint ventures*	478,702,961	–	–	478,702,961
	P478,702,961	P3,496,869	P695,278,210	P1,177,478,040

*Fair value of material investments in listed associates and joint ventures for which there are published price quotations, including the BPI shares held by Liontide Holdings, Inc.

There was no change in the valuation techniques used by the Group in determining the fair market value of the assets and liabilities.

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.

ACEIC Group categorizes equity instruments at FVOCI, loans payable and notes payable under Level 3 valuation techniques:

Equity instruments at FVOCI

Estimated fair value is based on the discounted value of future cash flows using the applicable discount rates relevant to the industry of investee companies. This is a Level 3 valuation technique.

Loans and notes payable

Estimated fair values are based on the discounted value of future cash flows using the applicable rates for similar types of loans and liabilities. This is a Level 3 valuation technique.

ALI Group categorizes trade receivable, receivable from employees, long-term debt and deposits and other noncurrent liabilities under Level 3. The fair value of these financial instruments is determined by discounting future cash flows using the applicable rates of similar types of instruments plus a certain spread. This spread is the unobservable input and the effect of changes to this is that the higher the spread, the lower the fair value.

A reconciliation of the beginning and closing balances of Level 3 financial assets and liabilities at FVTPL are summarized below:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Financial assets at FVTPL		
Balance at beginning of period	P13,953,967	P10,890,853
Additions (disposals)	(1,642,262)	2,923,452
Recognized in consolidated statement of income	—	—
Exchange difference and others	128,576	139,662
Balance at end of period	P12,440,281	P13,953,967

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), financial liabilities at FVTPL are nil.

B. Derivatives

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Derivative assets		
Forward contract of the Parent Company, ACEIC, AIVPL, and IMI	P4,008,290	P4,889,291
Derivative liabilities		
Put option and forward contract of the Parent Company, ACEIC, and IMI	P414,430	P257,918

Fair value changes on derivatives

The net movements in fair values of the Group's derivative instruments for the periods ended March 31, 2025 (unaudited) and December 31, 2024 (audited) follow:

Derivative assets

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Balance at beginning of period	P4,889,291	P6,447,640
Additions (disposals) during the period	(881,001)	(1,558,349)
Balance at end of period	P4,008,290	P4,889,291

Derivative liabilities

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Balance at beginning of period	₱257,918	₱305,149
Net changes in fair value of derivatives	156,512	(47,231)
Balance at end of period	₱414,430	₱257,918

No other financial assets or liabilities are carried at fair value as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

Net changes in fair value of derivative assets and liabilities were recognized in the unaudited interim condensed consolidated statement of income under “Other income”. While the net changes in fair value of IMI Group’s freestanding currency forward are recognized in the consolidated income under “Foreign exchange gains (losses)”.

C. Financial Instruments

Financial Risk Management

General

Like any other risks, financial risks are inherent in the business activities and are typical of any large holding company. The financial risk management of the Parent Company seeks to effectively contribute to better decision making, enhance performance, and satisfy compliance demands.

The Parent Company defines financial risks as risk that relates to the Parent Company’s ability to meet financial obligations and mitigate funding risk, credit risk and exposure to broad market risks, including volatility in foreign currency exchange rates and interest rates. Funding risk refers to the potential inability to meet contractual or contingent financial obligations as they arise and could potentially impact the Parent Company’s financial condition or overall financial position. Credit risk is the risk of financial loss arising from a counterparty’s failure to meet its contractual obligations or non-payment of an investment. These exposures may result in unexpected losses and volatilities in the Parent Company’s profit and loss accounts.

The Parent Company maintains a strong focus on its funding strategy to help provide access to sufficient funding to meet its business needs and financial obligations throughout business cycles. The Parent Company’s plans are established within the context of our annual strategic and financial planning processes. The Parent Company also take into account capital allocations and growth objectives, including dividend pay-out. As a holding company, the Parent Company generates cash primarily on dividend payments of its subsidiaries, associates and joint ventures and other sources of funding.

The Parent Company also establishes credit policies in setting up limits for counterparties that are reviewed quarterly and monitoring of any changes in credit standing of counterparties.

The Parent Company has a formal foreign exchange and interest rate risk management policy. The Parent Company actively monitors foreign exchange exposure and interest rate changes. And in addition, the Parent Company ensures that all loan covenants and regulatory requirements are complied with.

The Ayala Group continues to monitor and manage its financial risk exposures in accordance with Board approved policies. The succeeding discussion focuses on Ayala Group’s financial risk management.

Financial Risk Management Objectives and Policies

The Group’s principal financial instruments comprise financial assets at amortized cost, FVTPL and FVOCI, bank loans, corporate notes and bonds. The financial debt instruments were issued primarily to raise financing for the Group’s operations. The Group has various financial assets such as cash

and cash equivalents, short-term investments, accounts and notes receivables, and accounts payable and accrued expenses which arise directly from its operations.

The Group's main risks arising from the use of financial instruments are interest rate risk, foreign exchange risk, price risk, liquidity risk, and credit risk.

The Group also uses hedging instruments, the purpose of which is to manage the currency and interest rate risks arising from its financial instruments.

The Group's risk management policies relevant to financial risks are summarized below:

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Parent Company's and its subsidiaries' obligations. The policy is to keep a certain level of the total obligations as fixed to minimize earnings volatility due to fluctuation in interest rates.

Foreign exchange risk

The Group's foreign exchange risk results primarily from movements of the PHP against other currencies. The Group's consolidated statements of income can be affected significantly by movements in the USD and other currencies versus the PHP. The Group entered into currency forward contracts to hedge its risks associated with foreign currency fluctuations.

The second and third columns of the table below summarize the Group's exposure to foreign exchange risk as of March 31, 2025 (unaudited) and December 31, 2024 (audited). The fourth and fifth columns of the table demonstrates the sensitivity to a reasonably possible change in the exchange rate, with all variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity as of March 31, 2025 (unaudited) and December 31, 2024 (audited).

March 2025 (Unaudited)				
Foreign Currency	Net Assets (Liabilities)	Peso Equivalent	Increase (Decrease) in Peso per Foreign Currency	Increase (Decrease) in Profit before Tax
	(in Thousands)			(in Thousands)
United States Dollar (USD)	USD30,020	P1,700,531	P1.00 (1.00)	P30,020 (30,020)
Japanese Yen (JPY)	(JPY504,080)	(P193,439)	1.00 (1.00)	(504,080) 504,080
Euro (EUR)	EUR21,593	P1,408,903	1.00 (1.00)	21,593 (21,593)
Chinese RMB (RMB)	(RMB249,273)	(P1,986,598)	1.00 (1.00)	(249,273) 249,273
Vietnam Dong (VND)	VND–	P–	1.00 (1.00)	– –
December 2024 (Audited)				
Foreign Currency	Net Assets (Liabilities)	Peso Equivalent	Increase (Decrease) in Peso per Foreign Currency	Increase (Decrease) in Profit before Tax
	(in Thousands)			(in Thousands)
United States Dollar (USD)	USD90,416	P5,241,824	P1.00 (1.00)	P90,416 (90,416)
Japanese Yen (JPY)	(JPY695,288)	(P254,729)	1.00 (1.00)	(695,288) 695,288
Euro (EUR)	EUR25,507	P1,530,872	1.00 (1.00)	25,507 (25,507)
Chinese RMB (RMB)	RMB12,015	P96,840	1.00 (1.00)	12,015 (12,015)
Vietnam Dong (VND)	(VND6,290,944)	(P14,276)	1.00 (1.00)	(6,290,944) 6,290,944

There is no other impact on the Group's equity other than those already affecting the profit before tax.

Equity price risk

Financial assets at FVTPL and FVOCI are acquired at certain prices in the market. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers, or factors affecting all instruments traded in the market. Depending on several factors such as interest rate movements, the country's economic performance, political stability, and domestic inflation rates, these prices change, reflecting how market participants view the developments. The Group's investment policy requires it to manage such risks by setting and monitoring objectives and constraints on investments; diversification plan; and limits on investment in each sector and market.

Liquidity risk

Liquidity risk is defined by the Group as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Group that make it difficult to raise the necessary funds or that forces the Group to raise funds at significantly higher interest rates than usual.

This is also the possibility of experiencing losses due to the inability to sell or convert marketable securities into cash immediately or in instances where conversion to cash is possible but at loss due to wider than normal bid-offer spreads.

The Group seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations. 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. Fund-raising activities may include bank loans and capital market issues, both on-shore and off-shore.

Credit risk

Credit risk is the risk that the Group's counterparties to its financial assets will fail to discharge their contractual obligations. The Group's holding of cash and cash equivalents and short-term investments and receivables from customers and other third parties exposes the Group to credit risk of the counterparty. Credit risk management involves dealing with institutions for which credit limits have been established. The Treasury and Financial Policies of the individual subsidiaries set credit limits for their counterparty. The Group trades only with recognized, creditworthy third parties and has a well-defined credit policy and established credit procedures.

The Group considers the probability default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

Given the Group's diverse base of counterparties, the Group is not exposed to large concentrations of credit risk.

The maximum exposure to credit risk for the components of the consolidated statement of financial position is equal to the carrying values.

Part of the policies is the performance of impairment analysis for the credit accounts.

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents, short-term investments, financial assets at FVTPL, quoted financial assets at FVOCI, financial assets at amortized cost, advances to other companies, and related party receivables

High grade pertains to cash and cash equivalents and short-term investments, quoted financial assets, financial assets at amortized cost, related party transactions and receivables with high probability of collection.

Medium grade pertains to unquoted financial assets other than cash and cash equivalents, FVTPL financial assets, and short-term investments with nonrelated counterparties and receivables from counterparties with average capacity to meet their obligation.

Low grade pertains to financial assets with the probability to be impaired based on the nature of the counterparty.

Trade receivables

Real estate, power, outsourcing and international and others –high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment in the past; and low grade pertains to receivables with more than 3 defaults in payment.

Industrial technologies – high grade pertains to receivable with favorable credit terms and can be offered with a credit term of 15 to 45 days; medium grade pertains to receivable with normal credit terms and can be offered with a credit term of 15 to 30 days; and low grade pertains to receivables under advance payment or confirmed irrevocable Stand-by Letter of Credit and subjected to semi-annual or quarterly review for possible upgrade or transaction should be under advance payment or confirmed and irrevocable Stand-By Letters of credit; subject to quarterly review for possible upgrade after one year.

Automotive – high grade pertains to receivables from corporate accounts and medium grade for receivables from noncorporate accounts.

Unquoted financial assets at FVOCI – the unquoted investments are unrated.

21. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates. Related parties may be individuals or corporate entities.

All publicly-listed and certain member companies of the Group have Material Related Party Transactions Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The Parent Company has an approval requirement such that material related party transactions (RPT) shall be reviewed by the Risk Management and Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. Material RPTs are those transactions that meet the Committee approved threshold value – of ₱50.0 million or five (5) percent of the total assets, whichever is lower. The Parent Company's Risk Management Unit, acting as the secretariat of the Committee, reviewed the RPTs before these were presented to the Committee for approval.

The Group, in its regular conduct of business, has entered into transactions with associates, joint ventures and other related parties principally consisting of deposits/placements, advances, loans and reimbursement of expenses, purchase and sale of real estate properties, various guarantees, construction contracts, and development, management, underwriting, marketing and administrative service agreements. Sales and purchases of goods and services as well as other income and expense to and from related parties are made at normal commercial prices and terms.

Highlights of related party transactions follow:

a. Transactions with BPI, an associate

As of March 31, 2025 (unaudited) and December 31, 2024 (audited), the Group maintains current and savings account, money market placements, other short-term investments and other current assets as well as short-term and long-term debt with BPI broken down as follows:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Cash on hand and in banks (Note 4)	₱6,126,947	₱6,986,671
Cash equivalents (Note 4)	14,764,155	16,972,959
Short-term investments (Note 5)	474,644	474,375
Financial assets at FVTPL (Note 8)	5,222,468	6,084,589
Short-term and long-term debt (Note 15)	74,415,623	66,894,221

Cash in banks earn interest at prevailing bank deposit rates while cash equivalents and short-term investment earn interest at the respective short-term placement rate. Investment in FVTPL pertain to MMF which earns interest depending on the duration of time invested in the fund.

The Group's short-term and long-term debts are interest bearing with varying rates, have various maturities starting 2025 and varying schedules of payments for interest (see Note 15).

Transactions with BPI will be settled in cash.

b. Outstanding balances of related party transactions follow:

	March 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Receivable from related parties (Note 6)	₱39,842,716	₱38,439,895
Dividend receivable (Note 6)	—	761,517
Payable to related parties (Note 13)	4,110,683	₱4,544,179

The March 2025 (unaudited) amounts represent 12.4% and 2.3% of the Group's total accounts and notes receivables and total accounts payable and accrued expenses, respectively.

The Group recognized provisions for ECL on receivable from related parties of ₱0.5 billion and ₱0.1 billion for the periods ended March 31, 2025 and 2024 (both unaudited), respectively.

Receivable from related parties

Receivable from related parties pertains mostly to interest and non-interest-bearing advances with various maturities. Advances include certain residential development projects which become due as soon as the projects are completed. The receivables also include ACEIC's receivables from associates and joint venture partners and AC Industrials' certain trade receivables arising from automotive and other sales (see Note 6). This account also includes other receivables relating to reimbursement of operating expenses like management fees, among others. The trade and other receivables are unsecured, will be settled in cash and are due and demandable.

Impairment assessment is undertaken at end of year or anytime during the year when there is a condition that would require such, through examining the financial position of the related parties and the markets in which the related parties operate.

Dividends receivable

Dividends receivable from related parties pertains to accrued dividend declarations from associates and joint ventures. These are non-interest-bearing and usually collectible within one year.

Payables to related parties

These payables include: (a) cost of lots for joint development projects; (b) purchased parts and accessories and vehicles and purchase of services; and (c) advances and reimbursements for operating costs. These are all unsecured, interest free, will be settled in cash and are due and demandable.

c. Revenue and expenses from related parties follow:

	March 2025 (Unaudited)	March 2024 (Unaudited)
	(in Thousands)	
Revenue from related parties	₱2,030,975	₱1,913,935
Expenses from related parties	3,273,250	2,615,806

The March 31, 2025 (unaudited) amounts represent 2.1% and 4.2% of the Group's total revenues and expenses, respectively. These consist of, among others, income from real estate, power generation, automotive sales, professional services and interest/financing as well as expenses on interest (see Note 15), water utilities, communications and professional fees.

22. Notes to Consolidated Statements of Cash Flows

Changes in liabilities arising from financing activities follow:

	December 2024 (Audited)	Cash Flows	Non-cash Changes *	Foreign Exchange Movement	March 2025 (Unaudited)
	(in Thousands)				
Short-term and long-term debt	₱666,759,130	₱14,130,816	₱28,025	(₱1,538,634)	₱679,379,337
Dividend payable	2,938,750	(4,798,468)	2,340,157	—	480,439
Other noncurrent liabilities	53,996,098	2,085,489	329,846	—	56,411,433
Lease liabilities	33,441,976	(1,382,061)	149,594	(88,272)	32,121,237
Total liabilities from financing activities	₱757,135,954	₱10,035,776	₱2,847,622	(₱1,626,906)	₱768,392,446

*Non-cash changes on dividends payable pertains to cash dividends declared during the period (see Note 16).

23. Events After the Reporting Period

Parent Company

1. *Bond redemption*

On April 11, 2025, the Parent Company announced that its ₱5.0 billion 4.4542% Series C Bonds Due 2025 (the "Bonds") will be fully redeemed on its maturity date, May 26, 2025, in accordance with the Prospectus and the Terms and Conditions of the Bonds annexed to the Trust Indenture dated May 5, 2022. The Bonds shall be redeemed by payment in cash of the redemption price set at 100% of the Issue Price plus all accrued and unpaid interest based on the coupon rate of 4.4542% per annum.

2. *Loan availments*

On April 11, 2025, the Parent Company drew JPY14.9 billion from Sumitomo Mitsui Banking Corporation Term Loan Facility with maturity date of March 14, 2030 (see Note 15).

On April 22, 2025, the Parent Company also availed of ₱11.0 billion from a local bank with a term of 5 years and will mature on April 22, 2030. The loan has a floating interest rate at 6.0633%(3-month BVAL at 5.4133+65bps).

3. *Issuance of preferred shares*

On April 15, 2025, the Parent Company filed a Registration Statement with the SEC with respect to its proposed offer and reissuance of Preferred "B" shares and has also simultaneously submitted the corresponding Application for Listing of Stocks with the PSE. The Registration Statement and Application for Listing are subject to the review of the relevant regulatory body and compliance with their corresponding requirements (see Note 16).

4. *ESOWN*

On April 25, 2025, the Parent Company's stockholders approved the amendment of the Parent Company's Employee Stock Ownership (ESOWN) Plan including provisions on the implementation of the Restricted Share Plan to complement the ESOWN Program as Long-Term Incentive Programs for the Corporation's employees, directors (excluding independent directors), and consultants of the Ayala Group, as approved and endorsed by its BOD.

On the same date, the Parent Company's BOD approved the 2025 stock option program pursuant to the Parent Company's ESOWN Plan. The 2025 stock option program authorizes the grant to 114 executives, in accordance with the terms of the ESOWN Plan, stock options covering up to a total of 812,000 common shares at a subscription price of ₱558.61 per share, which is the rounded off volume-weighted average prices of Ayala's common shares at the PSE over the last 5-day trading days from April 16 to April 24, 2025.

5. *Capital infusion*

On April 28, 2025, the Parent Company subscribed to 30.0 million AC Infra redeemable preferred shares, with a par value of ₱1.00 per share, for ₱30.0 million. The infusion will fund AC Infra's share in the capital call of AF Payments Inc.

6. *Dividend declaration*

On April 29, 2025, the Parent Company's BOD approved the declaration of the second quarter 2025 cash dividends on outstanding Preferred "A" Shares (ACPAR) amounting to $\frac{1}{4}$ of 6.3587% per annum, or ₱39.741875 per share, based on the issue price of the shares. The record date is May 14, 2025 and payable on May 29, 2025.

ACEIC

1. *Vietnam Project*

Starting April 2025, certain of the ACEIC Group's investees from Vietnam have not received full collections from the state electricity utility, Vietnam Electricity, EVN. Partial collections were received on some invoices dated January 2025. The issues are being discussed by the industry with the Vietnam government, aiming for an early resolution. Management continues to monitor the situation in Vietnam, including the overall financial impact to its investees.

2. *ACEN Australia secures AU\$750 million financing*

On April 15, 2025, ACEN Australia completed a AU\$750.00 million portfolio debt financing to support its near-complete 520 MWdc (400 MWac) Stubbo Solar project in New South Wales and to refinance New England Solar Farm 1 (NESF1) project finance and outstanding corporate facilities. The transaction was supported by a group of 11 leading Australian and international lenders.

3. *ACEN stock rights offering (SRO)*

On April 23, 2025, the BOD of ACEN approved the offer and issuance of primary common shares by way of a stock rights offer to eligible stockholders of record and the subsequent listing of said shares under the following terms:

- Target issue size: Up to ₱30.00 billion worth of common shares
- Indicative pricing: Minimum of ₱2.30 per offer share

The common shares to be issued will be taken from the current unissued common shares and the increase in the authorized capital stock of ACEN, which increase was approved by ACEN's BOD and stockholders on March 10, 2025 and April 23, 2025, respectively.

Determination of the final terms and conditions of the SRO, including but not limited to the final issues size, entitlement ratio, and offer price, will be made prior to the launch of the SRO and will be disclosed at the appropriate time and reflected in the final prospectus.

The increase in ACEN's authorized capital stock, the SRO, and the listing of the common shares to be issued pursuant to the SRO with the PSE are subject to relevant regulatory approvals. ACEN expects to launch the SRO after obtaining all relevant approvals and subject to suitable market conditions. ACEN will issue subsequent disclosures in this regard.

ACEIC and Arran Investment Pte Ltd, ACEN's principal shareholders, have both indicated their support for the SRO and plan to subscribe to their pro rata shares subject to the finalization of the terms of the SRO.

4. *ACEN International, Inc. term loan facility*

On May 9, 2025, ACEN International, Inc., and ING Bank, N.V., Manila Branch completed the signing of a term loan facility worth EUR50.0 million to be used to finance and/or refinance investment in and/or advances to existing and future renewable energy projects through its subsidiaries and joint ventures, and for general corporate purposes.

BPI

BPI SINAG Bonds

On April 28, 2025, BPI announced the upcoming BPI SINAG Bonds issuance.

BPI intends to offer and issue ₱5.0 billion Peso-denominated fixed-rate BPI Supporting Inclusion, Nature, and Growth Bonds due 2026 (the "BPI SINAG Bonds"), with an option to upsize, marking the inaugural tranche under BPI's ₱200.0 billion Bond and Commercial Paper Program approved by its BOD on October 16, 2024 (the "Offer"). The net proceeds of the Offer will be used for the financing or refinancing of eligible projects under BPI's Sustainable Funding Framework consistent with the ASEAN Sustainability Bond Standards. The BPI SINAG Bonds, which will have a tenor of one and one-half (1.5) years, will carry the "ASEAN Sustainability" label, as affirmed by the SEC on March 17, 2025.

Globe

Dividend declaration

On May 9, 2025, Globe's BOD approved the declaration of the second quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of May 26, 2025. Total dividends amounting to ₱3.6 billion will be payable on June 5, 2025.

Philwater

On April 6, 2025, Philwater's BOD approved the declaration and payment of cash dividends amounting to ₱698.0 million to stockholders of record as of April 9, 2025 and paid on April 10, 2025.

Section 2. Management's Discussion and Analysis (MD&A) of Financial Condition and Results of Operations

This section includes financial and operating data with respect to Ayala's subsidiaries (Ayala Land, Inc., Integrated Micro-Electronics, Inc., and AC Energy and Infrastructure Corporation with listed subsidiary ACEN Corporation (ACEN)), associate (Bank of the Philippine Islands), and joint venture (Globe Telecom, Inc.). This section should be read in conjunction with the financial highlights of these investees. The financial highlights as contained in their respective December 31, 2024 audited financial statements and SEC 17-A reports of these investees are available for viewing at the office of the Philippine Securities and Exchange Commission located at the 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City, 1209, or at these companies' official websites, as applicable.

This section also includes a discussion of financial ratios. These financial ratios are unaudited and are not measurements of profitability in accordance with PFRS Accounting Standards and should not be considered as an alternative to net income or any other measure of performance which are in accordance with PFRS Accounting Standards.

1Q25 vs 1Q24 Highlights

- Ayala Corporation's ("Ayala" or "the Company") core net income, which excludes one-off items, declined four percent to ₱11.3 billion as healthy contributions from BPI and Ayala Land cushioned lower earnings from Globe and AC Energy & Infrastructure Corporation ("ACEIC"). Including one-off items, Ayala's net income decreased four percent to ₱12.6 billion.
 - BPI's net income grew nine percent to ₱16.6 billion as loan growth and net interest margin ("NIM") continued to expand. Return on equity was at 15.4 percent.
 - Ayala Land's net income increased 10 percent to ₱6.9 billion driven by increased revenues from its property development, leasing and hospitality segments.
 - Globe's core net income, which excludes non-recurring charges, foreign exchange and mark-to-market charges, decreased 22 percent to ₱4.5 billion due to softer gross service revenues, higher financing costs, and higher depreciation expenses. Net income rose three percent to ₱7 billion due to higher equity earnings from affiliates and a ₱2.2 billion dilution gain from Globe's ownership in Mynt.
 - ACEN's reported net income declined 28 percent to ₱2 billion due to lower PH generation, weaker local spot market prices, and depreciation expenses from newly operationalized plants.
 - ACEIC, the parent company of ACEN, recorded a core net income of ₱1.7 billion, 46 percent lower owing to lower contributions from ACEN, higher depreciation and interest expenses, and forex losses.

Consolidated Sales of Goods and Rendering of Services

Sale of goods and rendering services increased seven percent to ₱80.9 billion driven by higher residential revenues and improved mall and hotel operations in ALI, and higher AC Mobility vehicle sales. These were partially offset by ACEIC's lower electricity sales and IMI's lower service revenue from EU and China. As a percentage of total revenues, this account was 87 percent for both periods ended March 31, 2025 and 2024.

Real Estate

- Ayala Land's net income was up 10 percent to ₱6.9 billion in the first quarter of 2025 as resilient property development bookings and healthy leasing and hospitality operations boosted revenues six percent to ₱43.6 billion.
- Property development revenues grew 11 percent to ₱27.8 billion.
 - Residential revenues increased three percent to ₱22 billion, anchored by the resilience of the premium segment.
 - Commercial and industrial lots revenues more than doubled to ₱5.7 billion led by lot sales at Arca South.
- Property Development sales reservation rose four percent to ₱36.2 billion led by premium residential sales which rose four percent to ₱20.7 billion and higher commercial and industrial lots take-up, which more than tripled to ₱4.9 billion.

- Residential sales were down six percent to ₱31.2 billion despite premium residential sales growth as take-up from the core segment contracted due to challenging market conditions. Sequentially, residential sales improved 17 percent quarter-on-quarter from higher take-up from both the premium and core segments.
- Four projects were launched in the first quarter totaling ₱12.6 billion, of which 90 percent were in the premium segment. All launches were horizontal projects located outside Metro Manila.
 - Notable developments include AyalaLand Premier's Virendo in Toril, Davao and a sequel phase of Ayala Westgrove Heights in Cavite.
- Leasing and hospitality revenues grew seven percent to ₱11.6 billion on stable occupancy, lease escalation, and higher room rates.
 - Despite ongoing renovation of its flagship malls, shopping center revenues increased four percent to ₱5.7 billion on the back of growing contributions from its core and emerging malls.
 - Office revenues grew four percent to ₱2.9 billion with lease escalation and sustained better-than-industry occupancy levels.
 - Hotels and resorts revenues expanded 10 percent to ₱2.6 billion on improved occupancy and higher room rates in spite of the closure of some hotels undergoing renovation.
 - Industrial real estate revenues grew 60 percent to ₱357 million driven by AREIT's industrial land and newly opened cold storage facilities.
- Revenues from the service business, comprised of construction and property management among others, declined 24 percent to ₱3.2 billion mainly due to the absence of airline revenues following Ayala Land's sale of AirSWIFT.
- Capital expenditures amounted to ₱20.6 billion. The company spent 46 percent towards the completion of residential projects, 30 percent on estate development, 16 percent for leasing and hospitality assets, and nine percent for land acquisition commitments.

Power

- ACEN's net income declined 28 percent to ₱2 billion in the first quarter of 2025 because of lower generation due to offline Philippine wind turbines caused by typhoons in 4Q24, softer local electricity spot market prices, and depreciation expenses from newly operationalized plants.
- Core attributable EBITDA, which includes ACEN's share of EBITDA from non-consolidated operating projects, went up seven percent to ₱5.6 billion driven by better performance from international plants which more than offset the reduced contribution from Philippine assets.
- Total attributable renewables output rose three percent to 1,680 gigawatt-hours (GWh).
 - Output from Philippine renewable plants fell 14 percent to 489 GWh as majority of wind turbines at Pagudpud Wind and Capa Wind in Ilocos Norte undergo repair.
 - Output from international renewable plants grew 13 percent to 1,191 GWh driven by strong wind and solar resources from all markets, supported by new capacity added in 2024.
- ACEN currently has 6,978 megawatts (MW) of attributable capacity, comprised of 3.6 GW in operation, 2.6 GW under construction, and 823 MW of committed projects. This year, ACEN will continue to focus on operationalizing over 800 MW across its portfolio, bringing plants under construction online and advancing its pipeline of projects under development.

Share in Net Profits of Associates and JV

Share in net profits of associates and joint ventures rose five percent to ₱12.1 billion due to higher equity in net earnings of ACEIC and ALI's AJVs, increased net interest and non-interest income despite higher expenses and provisions in BPI; higher earnings from Mynt; and Globe's lower expenses that offset softer revenues plus dilution gain in Mynt totaling ₱1.7 billion for AC - ₱0.7 billion reported under Share in Net Profits of Associates/ JV and ₱1.0 billion under Other Income. As a percentage of total revenue, this account was 13 percent for both periods ended March 31, 2025 and 2024.

Banking

- BPI reported a net income of ₱16.6 billion, up nine percent in the first quarter of 2025 driven by strong revenue growth which offset higher OPEX and provisions. Return on equity remained robust at 15.4 percent.
- Total revenues grew 13 percent to ₱44.7 billion, marking a new record quarterly revenue. The outperformance can be attributed to higher net interest income from strong loan growth and higher NIM.
 - Total loans increased 13 percent to ₱2.3 trillion as both institutional and non-institutional segments expanded. The non-institutional segment contributed 54 percent of total loan growth.
 - Institutional loans were up eight percent to ₱1.6 trillion.
 - Non-institutional loans jumped 28 percent to ₱664 billion as all segments exhibited robust expansion.
 - Of the total loan mix, non-institutional loans accounted for 29 percent, 326 basis points higher from last year.
 - NIM expanded 30 basis points to 4.49 percent, the highest in the past five quarters despite the reduction in policy rates.
 - Fee income was up 16 percent to ₱9.3 billion, backed by a larger customer base and higher volume, including a jump in digital transaction count.
- Total deposits increased six percent to ₱2.6 trillion mainly from the growth in time deposits.
- Asset quality remained healthy with adequate cover despite the rise in NPL ratio as a result of BPI's deliberate efforts to expand its non-institutional loan portfolio.
 - NPL ratio increased 14 basis points to 2.26 percent.
 - NPL cover went down 36 percentage points to 100.1 percent.
 - Total provisions amounted to ₱3 billion, double from last year.
- Operating expenses grew 13 percent to ₱20.3 billion on higher manpower, technology, and volume-related expenses. Cost-to-income ratio improved 16 basis points to 45 percent on solid revenue growth.

Telco

- Globe's core net income, which excludes non-recurring charges, foreign exchange, and mark-to-market charges, declined 22 percent to ₱4.5 billion in the first three months of 2025. The decline was on the back of lower gross service revenues, higher financing costs, and higher depreciation expenses.
 - Net income increased three percent to ₱7 billion driven by higher equity earnings from affiliates and a ₱2.2 billion dilution gain in Mynt.
- Gross service revenues dipped three percent to ₱39.9 billion due to lower home broadband and corporate data, and flat mobile data revenues.
 - Mobile data revenues were up one percent to ₱24.1 billion despite a five percent dip in mobile data traffic owing to increased monetization of mobile services.
 - Home broadband revenues decreased five percent to ₱5.8 billion as customers continued to migrate from fixed wireless to fiber. Globe's efforts to accelerate fiber adoption led to its GFiber Prepaid subscriber base to expand by 53 percent quarter-on-quarter. Total subscriber count reached 400,000.
 - The corporate data business dipped two percent to ₱4.9 billion mainly attributable to the slowdown in core data services despite the sustained momentum in ICT related services.
 - Non-telco revenues were nearly unchanged at ₱568 million as strong earnings from Asticom and Yondu offset the decline in AdSpark.
- EBITDA decreased three percent to ₱20.8 billion owing to lower revenues but prudent cost management resulted in an EBITDA margin of 52.1 percent, above its full-year guidance of 50 percent.
 - OPEX including subsidies declined four percent to ₱19.1 billion.
- Equity earnings from Mynt soared 86 percent to ₱1.8 billion, fueled by the expansion of its user base and profitability. Contributions from Mynt accounted for 22 percent of Globe's pre-tax net income, up from 11 percent last year.

- Total loan disbursements life-to-date surged 87 percent with unique borrowers accelerating 93 percent.
- Insurance policies sold life-to-date jumped 123 percent, with GInsure users increasing 131 percent.
- Capital expenditures declined 38 percent to ₱8.5 billion, aligned with Globe's strategy of optimizing capital allocation while maintaining strong network investments. This resulted in a 12-percentage point decrease in its CAPEX-to-revenue ratio, which ended at 21 percent.

Portfolio Updates

- AC Health narrowed net losses to ₱59 million from ₱191 million driven by better utilization of facilities and improved margins through prudent cost management, supported by the absence of KMD losses. EBITDA likewise jumped three times to ₱265 million from ₱92 million. The improved performance was anchored by stronger results from the provider group, which more than offset softness in the pharma segment. Revenues from the provider group were up 62 percent, driven by enhanced doctor engagement, increased usage of facilities, and opening of more functional beds. Revenues were further supported by higher contributions from FEU-NRMF and the Cancer Hospital. Meanwhile, revenues from the pharma group declined five percent mainly due to industry headwinds and delays in shipments.
- AC Logistics' core net loss narrowed to ₱303 million from ₱400 million on the back of cost savings and margin uplift from the closures of Entrego and the last mile arm of AIR21. Similarly, attributable EBIT losses narrowed to ₱153 million from ₱229 million as rationalization initiatives reduced OPEX by ₱500 million. GMAC Davao, an upcoming cold storage facility, reached 12 percent completion and is on track to open by January 2026. This will add 10,000 pallet positions to the Davao Facility into AC Logistics' fulfillment network of nodes.
- AC Industrials saw its core net loss narrow to ₱115 million from ₱331 million. IMI's continued turnaround and reduced stake in Merlin Solar more than offset wider losses in ACMobility. Including one-offs, reported net loss narrowed to ₱294 million from ₱932 million.
 - IMI reported a net income of US\$3.3 million, a turnaround from the US\$3.7 million net loss last year. Despite lower revenues, EBITDA more than doubled to US\$16.1 million from US\$7 million on the back of improved margins and cost savings from the restructuring activities.
 - ACMobility posted a net loss of ₱168 million from ₱35 million due to marketing and manpower expenses, mainly related to the ramp-up of BYD and its charging infrastructure network. Total unit sales more than doubled to 9,206, bringing total market share from 3.7 percent to 7.4 percent. Meanwhile, its new energy vehicles market share expanded from 59 percent to 90 percent. ACMobility has 170 electrified charging points out of 226 installed. EV users can access the charging points in 72 locations nationwide, with 16 more locations to be electrified.

Costs of Goods Sold and Rendering Services

Cost of sales and services increased 5 percent to ₱59.1 billion resulting from the improvement in sales and generally higher prices for direct costs and overhead across various BUs. As a percentage of total costs and expenses, these accounts were 86 percent and 83 percent for the periods ended March 31, 2025 and March 31, 2024, respectively.

General and Administrative Expenses

General and Administrative Expenses declined 17 percent to ₱9.5 billion primarily due to the impact of last year's impairment provisions. Meanwhile, normalized GAE without provisions increased 11 percent driven by higher personnel costs, professional fees, and advertising expenses. As a percentage of total costs and expenses, this account was at 14 percent and 17 percent for the periods ended March 31, 2025 and March 31, 2024, respectively.

Balance Sheet Highlights (1Q25 vs FY24)

- Total assets increased one percent to ₱1.8 trillion in March mainly due to higher investments in associates and joint ventures, accounts and notes receivables, and investment properties.

- Investments in associates and joint ventures rose three percent to ₱413.2 billion from equity earnings from BPI, Globe, Mynt, and ACEIC's investments in AA Thermal, PhilWind, ACEHI Netherlands, and NLR. Additionally, Globe and AC Ventures recognized dilution gains of ₱2.2 billion (₱0.7 billion AC share), and ₱1.0 billion, respectively, due to MUFG's entry into Mynt. These were partially offset by dividends from Globe. This account was 23 percent of total assets for both periods as of March 31, 2025 and December 31, 2024.
 - Accounts and notes receivables collectively increased one percent to ₱313.2 billion due to increased residential revenues in ALI and higher interest receivable on development loans and bridge financing in ACEIC. These were partially offset by Philwater's collection from sale of MWCI shares. These accounts were 18 percent of total assets for both periods as of March 31, 2025 and December 31, 2024.
 - Investment properties rose one percent primarily due to ongoing construction and renovation of mall buildings in ALI. This account was 15 percent of total assets for both periods as of March 31, 2025 and December 31, 2024.
- Ayala's balance sheet remains resilient with good access to credit from local and international banks, multilaterals, and capital markets.
 - Consolidated cash stood at ₱75.9 billion.
 - Consolidated net debt increased two percent to ₱603.5 billion.
 - Consolidated net debt-to-equity ratio was up one basis point to 0.82x, well within the Company's covenant of 3.0x.
 - Parent level cash increased 22 percent to ₱14.1 billion.
 - Parent net debt was up one percent to ₱168.3 billion.
 - Loan-to-value ratio, the ratio of its parent net debt (excluding the fixed-for-life perpetuals which have no maturity) to the total value of its assets, increased 70 basis points to 14.6 percent.
 - Parent net debt-to-equity ratio was at 1.06x.
 - Parent average cost of debt slightly increased to 5.34 percent from 5.33 percent in 2024.

Key performance indicators:

The Group maintains healthy financial ratios driven by strong operating performance of major subsidiaries and investees.

Refer to Section 3 – Financial Soundness Indicators for the key performance indicators (consolidated figures) monitored by the Group.

2.1 Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way. The following conditions shall be indicated: whether or not the registrant is having or anticipates having within the next twelve (12) months any cash flow or liquidity problems; whether or not the registrant is in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments; whether or not a significant amount of the registrant's trade payables have not been paid within the stated trade terms.

The Group does not expect any liquidity problems and is not in default of any financial obligations. The Group complied with the existing loan covenants and restrictions as of March 31, 2025.

2.2 Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:

- None

2.3 Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:

- None

2.4 Any material commitments for capital expenditures (CAPEX), the general purpose of such commitments, and the expected sources of funds for such expenditures.

Parent Company

For 2025, Ayala has budgeted a total of ₱230 billion in capital expenditures this year across the Group. Parent-only capital expenditures amounted to ₱1.3 billion as of the period ended March 31, 2025, mostly for additional investment in AC Logistics.

ACEIC

For the period ended March 31, 2025, ACEIC's capital expenditure amounted to ₱5.0 billion.

As of March 31, 2025 (unaudited), the completion status of ACEIC's significant capital expenditures follow:

- Philippines

Project Name	Capacity	Location	Completion	Estimated Annual Output (in GWh)	Target Completion
Palauig 2 Solar	300MW	Zambales	87%	453	H1 2026
San Marcelino	200MW	San Marcelino,	6%	298	H2 2027
Solar Phase 3		Zambales			
Quezon North	553MW	Real &	8%*	1,730	Phase 1 Q4 2026
Wind		Mauban, Quezon			Phase 2 Q4 2027

* Phase 1 only

- International

Project Name	Capacity	Location	Completion	Estimated Annual Output (in GWh)	Target Completion
Stubbo Solar	520MW	Australia	99%	1,075	H2 2025
New England	200MW	Australia	11%	--	H1 2027
Solar BESS					
Monsoon Wind	600MW	Sekong & Lao PDR	95%	~1,472	H2 2025
Maharashtra C&I Hybrid	153MW	Maharashtra, India	35%	290	Q3 2025
Solar-Wind					
Salak &	40MW	Java, Indonesia	3%	320	Q1 2027
Darajat Unit 7					
Solarscape &	80MW	Kedah, Malaysia	9%	320	2026
Dayasinar					
Sonagazi Solar	68MW	Chittagong Bangladesh	17%	96	2026

ALI

For the year 2025, ALI is budgeting ₱95 billion in capital expenditures. Of the total amount, ₱20.6 billion has been disbursed as of March 31, 2025. ALI will use the capital expenditure for the construction completion of launched residential projects and investment properties as well as land acquisition.

IMI

Capital expenditure remains disciplined with only US\$1.6 million spent in the first quarter of 2025 mainly maintenance CAPEX. For the full year of 2025, IMI expects to spend ~US\$16 million on capital expenditures for existing operations and upcoming projects.

Globe

In the first three months of 2025, Globe invested approximately ₱8.5 billion in capital expenditures, a 38% decrease compared to the same period in 2024. Bulk of this amount or 92% was allocated for the data requirements reinforcing Globe's commitment to expanding its digital infrastructure.

(Refer to Section – 2 MD&A portion for details).

- 2.5 Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described.

The Parent Company's and its subsidiaries' performance will continue to hinge on the overall economic performance of the Philippines and other countries where its subsidiaries operate. Key economic indicators, interest rate and foreign exchange rate movements will continue to impact the performance of the real estate, banking, telecom, water infrastructure, power generation, electronics manufacturing and automotive groups, including the Parent Company.

AC Group shall continue to align our key strategies and adjust our business models to be able to adapt to changing consumption patterns, consumer behaviors, business and regulatory environment as quickly as possible in order to remain relevant, manage execution and expansion risks and to preserve value in the midst of this pandemic.

- 2.6 Any significant elements of income or loss that did not arise from the registrant's continuing operations

- None

- 2.7 There were no material changes in estimates of amounts reported in prior interim period of the current financial year and interim period of the prior financial year, respectively.

- None

- 2.8 Causes for any material variances
(Increase or decrease of 5% or more in the financial statements)

Right-of-use assets – 6% decrease from ₱24,562 million to ₱23,083 million

Decrease due to Group's period depreciation and amortization of leased assets offset by AC Health's additional long-term lease with FEU. This account is 1% of total assets as of March 31, 2025 and December 31, 2024.

Short-term debt – 26% increase from ₱75,556 million to ₱95,242 million

Increase due to net borrowings of AC, ACEIC, ALI, AYCFL, and IMI; partly offset by net loan settlements of AC Industrials. This account is 9% and 7% of total liabilities as of March 31, 2025 and December 31, 2024, respectively.

Income tax payable – 83% increase from ₱820 million to ₱1,501 million

Increase mainly from ALI's provision for income tax during the period. This account is less than 1% of total liabilities as of March 31, 2025 and December 31, 2024.

Other current liabilities – 18% increase from ₱23,729 million to ₱28,029 million

Increase coming from ALI's additional customer deposits in the 1st quarter of the year and ACEIC's accruals for construction costs and payables per its joint venture agreements. This account is 3% and 2% of total liabilities as of March 31, 2025 and December 31, 2024, respectively.

Deferred tax liabilities – 7% decrease from ₱15,383 million to ₱14,335 million

Decrease from ALI's real estate transactions and Philwater's payment of deferred capital gains tax on the sale of its investment in MWC. This account is 1% and 2% of total liabilities as of March 31, 2025 and December 31, 2024, respectively.

Pension liabilities – 5% decrease from ₱5,952 million to ₱5,641 million

Decrease attributable AC's retirement fund contribution¹ offset by retirement expense and interest on defined benefit plans during the period. This account is below 1% of total liabilities as of March 31, 2025 and December 31, 2024.

Cumulative translation adjustments (CTA) – 16% increase from ₱4,411 million to ₱5,118 million

Increase due to forex translation (movement in forex) of the Ayala Group's business units with US Dollar functional currencies. Closing rate of PHP per USD1.00 was ₱57.21 vs. ₱57.85 as of March 31, 2025 and December 31, 2024, respectively. This account is below 1% of total equity as of March 31, 2025 and December 31, 2024.

Income Statement Items

For the Periods Ended March 31, 2025 and 2024 (Both Unaudited)

Sale of goods and rendering of services – 7% increase from ₱75,728 million to ₱80,895 million

Increase driven by ALI's higher revenues from residential business, improved mall and hotel operations, AC Health's improved revenues from the Healthway Medical Network, and AC Industrials' higher automotive sales driven by electric vehicles. These were offset by ACEIC's lower sale of electricity and IMI's lower service revenue from EU and China. As a percentage of total revenues, this account is at 87% for the periods ended March 31, 2025 and 2024.

Share in net profits of associates and joint ventures (AJVs) – 5% increase from ₱11,543 million to ₱12,086 million

Increase due to higher equity in net earnings of ACEIC and ALI's AJVs, BPI's higher net interest and non-interest income despite its higher expenses and provision for losses, Globe's ₱2.2 billion dilution gain (AC's equity share of ₱0.7 billion) on Mynt/GCash and lower expenses countering decline in revenues, and higher earnings from Mynt/GCash during the period. These were partially offset by the impact of last year's divestment of MWC in May 2024. As a percentage of total revenues, this account is at 13% for the periods ended March 31, 2025 and 2024.

Cost of goods sold and rendering services – 5% increase from ₱56,222 million to ₱59,106 million

Increase coinciding with improvements in sales, as explained above, resulting in positive gross profits for ALI, AC Health, and AC Industrials; also from impact of generally higher prices for direct costs and overhead of various BUs. As a percentage of total costs and expenses, this account is at 86% and 83% for the periods ended March 31, 2025 and March 31, 2024, respectively.

General and administrative expenses (GAE) – 17% decrease from ₱11,443 million to ₱9,548 million

Decrease mainly from last year's higher Group impairment provisions. Isolating the provisions for impairment taken up in both periods, normalized GAE increased by 11% due to higher personnel costs, professional fees, and advertising. As a percentage of total costs and expenses, this account is at 14% and 17% for the periods ended March 31, 2025 and March 31, 2024, respectively.

Other income – 46% decrease from ₱4,370 million to ₱2,350 million

Decrease due to the last year's one-off such as the ₱2.5 billion initially computed Group dilution gain arising from BPI and Robinsons Bank's merger (see Note 10), and ACEIC's gain on sale of shares in the joint ventures for Asian Wind Power 1 and 2. In addition, there was higher net foreign exchange and mark-to-market losses in the current period. These were offset by AC Ventures' ₱1.0 billion calculated dilution gain on its investment in Mynt/GCash arising from Mynt's issuance of primary shares to MUFG in February 2025, wherein AC Ventures did not participate, resulting in a change in AC Ventures' effective % ownership in Mynt from 13.67% to 13.22%.

Interest and other financing charges – 22% increase from ₱7,946 million to ₱9,679 million

¹ The Parent Company's pension fund is known as the AC Employees Retirement Fund (ACERF). Further details on ACERF are discussed in Note 27 of Ayala's 2024 Audited Consolidated Financial Statements.

Increase came from the Group's new borrowings and higher interest rates during the period partly offset by ACEIC's capitalization of financing costs related to its projects.

Provision for income tax (current and deferred) – 36% increase from ₱1,688 million to ₱2,301 million
Increase mainly from ALI's higher taxable income this period.

Income attributable to non-controlling interests – 20% increase from ₱4,302 million to ₱5,179 million
Increase came from the improvement in the current year performance of ALI and lower attributable net losses of IMI; offset by ACEIC's reduced share of non-controlling interests on its current period earnings. As a percentage of total net income, this account is at 29% and 25% for the periods ended March 31, 2025 and 2024, respectively.

2.9 Any seasonal aspects that had a material effect on the financial condition or results of operations.

A significant majority of the Group's revenues are derived from its real estate and financial services businesses. Traditionally, these industries have been subject to cyclical risks relating to the broader economic environment. As a result, the Group is subject to cyclical risks and its financial condition may be materially and adversely impacted as a result of any economic slowdown or stagnation in growth in the Philippines.

Furthermore, the receivables and inventories of Ayala Land, Ayala's largest subsidiary, have historically exhibited cyclical trends based on the timing and progress of its projects and their respective stages of development. Historically, such cyclical trends have in turn resulted in similar cyclical trends in the cash flows of Ayala. There is no assurance that Ayala Land's receivables and inventories will not continue to fluctuate in the future, which may adversely impact Ayala's financial condition.

The Investment and Finance Committees review the performance of each business unit at least twice a year: a general review, which covers Ayala's portfolio of businesses; and a specific business unit review. In the latter, the business unit's performance is measured against several metrics including the current budget, the latest medium-term plan and often, against competitors. The objective of these reviews is to refine capital allocation depending on performance, and if needed, suggest changes to the business plans or strategies.

3.0 Any material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

- Refer to Note 23 of the Notes to Unaudited Interim Condensed Consolidated Financial Statements.

3.1 Other material events or transactions during the interim period.

- Refer to Notes 3 and 10 of the Notes to Unaudited Interim Condensed Consolidated Financial Statements.

Section 3. Supplementary Schedules

Reconciliation of Retained Earnings Available for Dividend Declaration

March 31, 2025

(In Thousands)

In accordance with the Revised SRC Rule 68 and SEC Memorandum Circular No. 16-2023, the reconciliation of the Parent Company's retained earnings available for dividend declaration as of March 31, 2025 (audited) and December 31, 2024 (audited) follows:

	March 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Unappropriated retained earnings, beginning of reporting period*	₱67,898,508	₱61,589,700
Add: <u>Category A</u> : Items that are directly credited to unappropriated retained earnings		
Reversal of retained earnings appropriation/s	-	-
Effect of restatements or prior-period adjustments	-	-
Others (describe nature)	-	-
Subtotal	-	-
Less: <u>Category B</u> : Items that are directly debited to unappropriated retained earnings		
Dividend declaration during the reporting period	(435,444)	(7,002,201)
Retained earnings appropriated during the reporting period	-	-
Effect of restatements or prior-period adjustments	-	-
Others: Sale/retirement of investment in FVOCI	-	-
Subtotal	(435,444)	(7,002,201)
Unappropriated retained earnings, beginning as adjusted*	67,463,064	54,587,499
Add (less): Net Income (loss) for the current year	2,654,175	9,278,311
Less: <u>Category C.1</u> : Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	-
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	-
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	-
Unrealized fair value gain of investment property	-	-
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	-
Subtotal	-	-
Add: <u>Category C.2</u> : Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	-
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	-
Realized fair value gain of investment property	-	-
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	-
Subtotal	-	-

	March 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Add: <u>Category C.3</u> : 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 (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	-
Reversal of previously recorded fair value gain of investment property	-	-
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	-
Subtotal	-	-
Adjusted net income (loss)	70,117,239	63,865,810
Add: <u>Category D</u> : Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	-
Others (describe nature)	-	-
Subtotal	-	-
Add (less): <u>Category E</u> : Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	-
Total amount of reporting relief granted during the year	-	-
Others (describe nature)	-	-
Subtotal	-	-
Less: <u>Category F</u> : 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)	-	4,050,907
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	-
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, i.e., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable.	77,044	(18,209)
Adjustment due to deviation from PFRS/GAAP – gain (loss)	-	-
Others (describe nature)	-	-
Subtotal	77,044	4,032,698
Total retained earnings, end of the reporting period available for dividend	P70,194,283	P67,898,508

**Reconciliation of unappropriated retained earnings, beginning of reporting period:*

	March 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Unappropriated retained earnings, beginning (per audited FS)	P78,470,997	P76,194,886
Add (less):		
Treasury shares, beginning	(10,495,444)	(14,546,351)
Deferred tax asset, beginning	(77,044)	(58,835)
Unappropriated retained earnings, beginning of reporting period	P67,898,509	P61,589,700

Financial Soundness Indicators

Ratio	Formula	March 2025 (Unaudited)	December 2024 (Audited)/ March 2024 (Unaudited)
Liquidity Analysis Ratios			
Liquidity Ratio*	$\frac{\text{Cash and cash equivalents} + \text{Short-term investments}}{\text{Current liabilities}}$	0.18	0.20
Current Ratio*	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.40	1.50
Quick Ratio*	$\frac{\text{Quick assets}}{\text{Current liabilities}}$	0.74	0.80
Solvency Ratio*	$\frac{\text{Total assets}}{\text{Total liabilities}}$	1.71	1.71
Financial Leverage Ratios			
Assets- to-Equity Ratio*	$\frac{\text{Total assets}}{\text{Total stockholders' equity}}$	2.41	2.41
Interest Rate Coverage Ratio**	$\frac{\text{Earnings before interest and taxes (EBIT)}}{\text{Interest and other financing charges}}$	3.07	3.40
Debt Ratio*	$\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total assets}}$	0.38	0.38
Debt-to-Equity Ratio*	$\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total stockholders' equity}}$	92.3%	91.9%
Net Debt-to-Equity Ratio*	$\frac{\text{Net debt}}{\text{Total stockholders' equity}}$	82.0%	81.4%
Profitability Ratios			
Gross Profit Margin**	$\frac{\text{Sale of goods and rendering of services} - \text{Cost of sales and services}}{\text{Sale of goods and rendering of services}}$	0.27	0.26
Net Profit Margin**	$\frac{\text{Net profit}}{\text{Sale of goods and rendering of services}}$	0.15	0.11
Return on Equity**	$\frac{\text{Net income to owners of the Parent}}{\text{Total stockholders' equity}}$	1.7%	1.9%
Return on Common Equity***	$\frac{\text{Net income to owners of the Parent (Common)}}{\text{Common equity attributable to owners of the Parent (Average)}}$	2.9%	3.4%
Return on Assets**	$\frac{\text{Net income}}{\text{Total assets}}$	1.0%	1.1%
Price/Earnings Ratio**	$\frac{\text{Price per share}}{\text{Earnings per common share (Basic)}}$	30.35	31.32
Other Ratio			
Book Value per Share*	$\frac{\text{Common equity attributable to owners of the Parent}}{\text{Outstanding common shares}}$	673.04	652.22

*Based on "As at" March 31, 2025 and December 31, 2024 balances.

**Includes both "As at" and "Period ended" March 31, 2025 and 2024 balances.

***Includes both "As at" and "Period ended" March 31, 2025, December 31, 2024, March 31, 2024, and December 31, 2023 balances.

PART II - OTHER INFORMATION

Other major information about the Group are disclosed in the appropriate notes in the previously filed Audited Consolidated Financial Statements for December 31, 2024 or in the SEC 17-A/ SEC 17-Q and SEC 17-C reports for 2024.

In addition, the Group has the following other major information:

1. On March 13, 2025, the Parent Company's BOD, at its regular meeting, approved the following:
 - a. The issuance of Philippine Peso Preferred Shares with a base amount of Php10,000,000,000.00 with an oversubscription option for up to an additional Php10,000,000,000.00, as endorsed by our Finance Committee, subject to regulatory requirements. Appropriate disclosures shall be made once the final terms have been finalized.
 - b. The changes to the Enterprise Risk Management Policy, as endorsed by our Risk Management and Related Party Transactions Committee, which includes risk likelihood scale, risk impact scale, and risk assessment and reporting.
 - c. The promotion of Mr. Mark Robert H. Uy to Managing Director from Executive Director effective January 1, 2025, as endorsed by our Corporate Governance and Nomination Committee. Mr. Uy is our Head of Corporate Strategy and Business Development.
 - d. The ratification of the action of the Parent Company's Executive Committee approving the AC Samurai Loan with Mizuho Bank and Sumitomo Mitsui Banking Corporation of up to US\$200 Million (equivalent) in Japanese Yen.
2. On April 25, 2025, at the Parent Company's annual stockholders meeting, the stockholders approved the following resolutions:
 - a. Approval of minutes of previous meeting
Resolution No. S-01-2025: "RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 26, 2024."
 - b. Ratification of the acts of the Board of Directors and Management
Resolution No. S-02-2025: "RESOLVED, to ratify each and every act and resolution, from April 26, 2024 to April 25, 2025 (the "Period"), of the Board of Directors (the "Board") and the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act of the officers of the Corporation, during the Period, performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation."
 - c. Approval of the revised Employee Stock Ownership (ESOWN) Plan
Resolution No. S-03-2025: "RESOLVED, to approve the amendment of the Corporation's Employee Stock Ownership (ESOWN) Plan including provisions on the implementation of the Restricted Share Plan to complement the ESOWN Program as Long-Term Incentive Programs for the Corporation's employees, directors (excluding independent directors), and consultants of the Ayala Group, as approved and endorsed by the Board of Directors."
 - d. Election of directors (including the Independent Directors)
Resolution No. S-04-2025: "RESOLVED, to elect the following as directors of the Corporation to serve as such beginning April 25, 2025 until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Cezar P. Consing
Delfin L. Lazaro
Fernando Zobel de Ayala
Rizalina G. Mantaring (Independent Director)
Chua Sock Koong (Independent Director)
Emmanuel P. Maceda (Independent Director)"

- e. Election of external auditor and fixing of its remuneration
Resolution No. S-05-25: "RESOLVED, as endorsed by the Board of Directors, to approve the election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of Php11,681,280.00, exclusive of value-added tax."
- f. Approval of the Audited Financial Statements including noting of Annual Report
Resolution No. S-06-2025: "RESOLVED, to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation's external auditor, SyCip Gorres Velayo & Co., and to note the annual report of the Corporation."

At its organizational meeting held immediately after the stockholders' meeting, the Board of Directors considered and approved the following:

- a. Election of Mr. Jaime Augusto Zobel de Ayala and Mr. Fernando Zobel de Ayala as Chairman and Vice Chairman of the Board, respectively;
- b. Election of Chairpersons and Members of the Board and Board-appointed Committees:

Executive Committee

Jaime Augusto Zobel de Ayala	Chairman
Delfin L. Lazaro	Vice Chairman
Cezar P. Consing	Member

Audit Committee

Rizalina G. Mantaring	(independent director)	Chairman
Emmanuel P. Maceda	(independent director)	Member
Chua Sock Koong	(independent director)	Member

Risk Management and Related Party Transactions Committee

Cesar V. Purisima	(independent director)	Chairman
Rizalina G. Mantaring	(independent director)	Member
Fernando Zobel de Ayala		Member

Corporate Governance and Nomination Committee

Chua Sock Koong	(independent director)	Chairman
Rizalina G. Mantaring	(independent director)	Member
Emmanuel P. Maceda	(independent director)	Member

Personnel and Compensation Committee

Chua Sock Koong	(independent director)	Chairman
Fernando Zobel de Ayala		Member
Rizalina G. Mantaring	(independent director)	Member

Finance Committee

Delfin L. Lazaro	Chairman
Jaime Augusto Zobel de Ayala	Member
Cezar P. Consing	Member
Fernando Zobel de Ayala	Member

Sustainability Committee

<u>Sustainability Committee</u>		
Fernando Zobel de Ayala		Chairman
Emmanuel P. Maceda	(independent director)	Member
Chua Sock Koong	(independent director)	Member

Committee of Inspectors of Proxies and Ballots

Maria Franchette M. Acosta	Chairman
Catherine H. Ang	Member
Josephine G. De Asis	Member

- c. Election of Ms. Rizalina G. Mantaring as lead independent director;
- d. Election of key officers²:

² Excluding seconded officers

Cezar P. Consing	President and Chief Executive Officer
Alberto M. de Larrazabal	Senior Managing Director, Chief Finance Officer and Finance Group Head
Maria Franchette M. Acosta	Managing Director, Chief Legal Officer, Corporate Secretary, Compliance Officer, Data Protection Officer and Corporate Governance Group Head
Catherine H. Ang	Managing Director and Chief Audit Executive
Karl Kendrick T. Chua	Managing Director and Data Analytics and Artificial Intelligence Group Head
Francisco Romero Milan	Managing Director and Chief Human Resource Officer and Corporate Resources Group Head
Juan Carlos L. Syquia	Managing Director and Deputy Chief Finance Officer*
Mark Robert H. Uy	Managing Director and Corporate Strategy and Business Development Group Head
Estelito C. Biacora	Executive Director and Treasurer
Josephine G. De Asis	Executive Director and Controller
Jaime Z. Urquijo	Executive Director and Chief Sustainability and Risk Officer, Strategic Communications, State Affairs, Security Management, Risk and Crisis Management and Sustainability Group Head
Rosario Carmela G. Austria	Assistant Corporate Secretary
<i>*Effective May 1, 2025</i>	

- e. The 2025 stock option program³ pursuant to our Employee Stock Ownership Plan (the "Plan"). The program authorizes the grant to 114 executives, in accordance with the terms of the Plan, stock options covering up to a total of 812,000 common shares at a subscription price of Php558.61 per share, which is the rounded off volume-weighted average prices of our common shares at the Philippine Stock Exchange over the last 5-day trading days from April 16, 2025 to April 24, 2025.
- f. The following are the member of Ayala's Management Committee:

Cezar P. Consing
 Maria Franchette M. Acosta
 Karl Kendrick T. Chua
 Alberto M. de Larrazabal
 Francisco Romero Milan
 Juan Carlos L. Syquia*
 Jaime Z. Urquijo
 Mark Robert H. Uy
**effective May 1, 2025*

3. In its regular meeting last January 22, 2025, BPI's BOD approved the secondment of EVP Juan Carlos L. Syquia, Head of Institutional Banking, to Ayala Corporation (Ayala) effective May 1, 2025 to assume a senior role at Ayala, subject to approval of the BOD of Ayala.

On February 13, 2025, BPI approved the appointment of Senior Vice President (SVP) Luis Geminiano E. Cruz as Head of Institutional Banking, effective May 1, 2025, subject to regulatory approval. His appointment follows the secondment of Juan Carlos L. Syquia to Ayala Corporation.

4. On April 21, 2025, at BPI's annual stockholders meeting, its stockholders approved the following resolutions:
 - a. Approval of the minutes of the Annual Meeting of the Stockholders on April 23, 2024.
Resolution No. ASM-2025-01 - RESOLVED, to approve the minutes of the Annual Stockholders' Meeting held on April 23, 2024.
 - b. Ratification of the acts of the Board of Directors and Officers.
Resolution No. ASM-2025-02 - RESOLVED, to ratify all the acts and resolutions of the Board of Directors, Executive Committee, and other Board Committees, and all the acts of Management since the Annual Stockholders' Meeting on April 23, 2024 until April 21, 2025.

³ Subject to notification of and submission to the SEC of the revised Employee Stock Ownership Plan

c. Election of Directors (including the Independent Directors)

Resolution No. ASM-2025-03 - RESOLVED, to elect the following as directors of the Bank to serve as such beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Cezar P. Consing
Janet Guat Har Ang*
Jose Teodoro K. Limcaoco
Rizalina G. Mantaring*
Mario Antonio V. Paner*
Rene dC. Banez
Karl Kendrick T Chua Wilfred 1: Co
Restituto C. Cruz*
Emmanuel S. de Dias*
Cesar V. Purisima*
Jaime Z. Urquijo
Fernando Zobel de Ayala
Mariana Beatriz E. Zobel de Ayala

*Nominated as Independent Director

Note: Subject to confirmation by the BSP Monetary Board and other applicable regulatory confirmation/approvals.

d. Election of External Auditor and Fixing of its Remuneration

Resolution No. ASM-2025-04 -RESOLVED, to appoint Isla Lipan a & Co. as the external auditor of BPI and its major subsidiaries and affiliates for the year 2025 for an audit fee of PHP 30.843Mn.

e. Approval of the Audited Financial Statements and Noting of Annual Report

Resolution No. ASM-2025-05 -RESOLVED, to approve the audited financial statements of Bank of the Philippine Islands and Subsidiaries as of December 31, 2024.

5. On April 22, 2025, at Globe's annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of Minutes of the Stockholders' Meeting held on April 24, 2024

Resolution No. S-01, Series of 2025: "RESOLVED, to approve the minutes of the Annual Stockholders' Meeting held on 24 April 2024."

b. Ratification of the acts of the Board of Directors and Management

Resolution No. S-02, Series of 2025: "RESOLVED, to ratify all the acts and resolutions of the Board of Directors, Executive Committee and other Board Committees, and all the acts of Management since the Annual Stockholders' Meeting on 24 April 2024 until 22 April 2025."

c. Election of Directors (including the Independent Directors)

Resolution No. S-03, Series of 2025: "RESOLVED, to elect the following as directors of the Corporation for the ensuing year to serve as such, beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Tan Mee Ling Aileen
Jaime Alfonso Antonio Zobel de Ayala
Ng Kuo Pin
Delfin L. Lazaro
Cezar P. Consing
Cirilo P. Noel (Independent)
Natividad N. Alejo (Independent)
Ramon L. Jocson (Independent)
Antonio Jose U. Periquet, Jr. (Independent)

Carl Raymond R. Cruz”

d. Approval of the Offer, Issuance or Reissuance, and Listing of up to Forty Million Non-Voting Preferred Shares

Resolution No. S-04, Series of 2025: “RESOLVED, to approve the offer, issuance or re-issuance, and listing of up to Forty Million (40M) non-voting preferred shares (hereafter the “Offer, Issuance or Re-Issuance, and Listing of Non-Voting Preferred Shares”),

RESOLVED FURTHER, to (1) delegate (a) to the Board of Directors of the Corporation (the “Board”) full authority, solely on its discretion, to approve any offering, issuance or re-issuance (in case of redeemed Non-Voting Preferred Shares), and listing on an appropriate securities exchange of any class, series or tranche of the Non-Voting Preferred Shares from the authorized capital stock of the Corporation, from time to time, including the terms, denomination, and timing of such offer, issuance or re-issuance, and listing; and (b) to the Corporation’s Management and Attorneys-in-Fact full authority , solely on their discretion, to prepare, file and submit the appropriate application for any registration and/or listing with the relevant regulatory authority to implement any such transaction; and (2) to adopt as the resolution of the stockholders of the Corporation the resolutions of the Board for the Offer, Issuance or Re-Issuance, and Listing of Non-Voting Preferred Shares.”

e. Election of External Auditor and Fixing of its Remuneration

Resolution No. S-05, Series of 2025: “RESOLVED, to appoint Isla Lipana & Co./PwC Philippines (PwC) as the Corporation’s External Auditor for the year 2025 with a remuneration of Php18.19Mn.”

f. Approval of the Audited Financial Statements and Noting of Annual Report

Resolution No. S-06, Series of 2025: “RESOLVED, to approve the Consolidated Audited Financial Statements of the Corporation and its Subsidiaries as of 31 December 2024, as audited by the Corporation’s External Auditor Isla Lipana & Co./PwC Philippines (PwC).”

6. On April 22, 2025, at IMI’s annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of minutes of previous meeting

Resolution No. S-01-2025: “RESOLVED, to approve the minutes of the annual stockholders’ meeting held on 25 April 2024.”

b. Ratification of the acts of the Board of Directors and Management

Resolution No. S-02-2025: “RESOLVED, to ratify each and every act and resolution, from 25 April 2024 to 22 April 2025 (the “Period”), of the Board of Directors (the “Board”) and the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, during the Period, of the officers of the Corporation performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation.”

c. Approval of the Second Article of the Articles of Incorporation

Resolution No. S-03-2025: “RESOLVED, as endorsed by the Board of Directors, to approve the amendments to the Second Article of the Amended Articles of Incorporation to include in the primary purpose of the Corporation providing of warehousing and logistics services, and for this purpose, the Second Article of the Amended Articles of Incorporation shall henceforth read as follows:

xxx xxx

SECOND: The purposes for which this Corporation is formed are:

PRIMARY PURPOSE

xxx xxx

j) To provide warehousing/logistics support services, particularly

importation/procurement, storage, deposit, inventory management of goods for subsequent sales, transfers or dispositions to clients, interested establishments, agencies and/or export enterprises. (As amended on April 22, 2025)”

d. 2025 Employee Stock Option Program

Resolution No. S-04-2025: “RESOLVED, to approve the Corporation’s 2025 Employee Stock Option Program, which may be in the form of a Stock Appreciation Rights Plan that grants to key talents of the Corporation cash settled and/or equity settled options, at the option of the Corporation, of up to 5% of the Corporation’s authorized capital stock.”

e. Election of the directors (including the independent directors)

Resolution No. S-05-2025: “RESOLVED, to elect the following as directors of the Corporation to serve as such beginning 22 April 2025 until their successors are elected and qualified:

Alberto M. de Larrazabal
Louis Sylvester Hughes
Jaime Z. Urquijo
Mark Robert H. Uy
Jose Ignacio A. Carlos
Rafael C. Romualdez
Gilles Bernard
Roland Joseph L. Duchâtelet
Jesse O. Ang (independent director)
Sherisa P. Nuesa (independent director)
Hiroshi Nishimura (independent director)”

f. Election of external auditor and fixing of its remuneration

Resolution No. S-06-2025: “RESOLVED, as endorsed by the Board of Directors, to approve the election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of Php4,887,543, exclusive of value added tax.”

g. Approval of the Audited Financial Statements, including Noting of Annual Report

Resolution No. S-07-2025: “RESOLVED, to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation’s external auditor, SyCip Gorres Velayo & Co., and to note the annual report of the Corporation.”

7. On April 24, 2025, at ALI’s annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of minutes of previous meeting

Resolution No. S-01-25: “RESOLVED, to approve the minutes of the annual stockholders’ meeting held on April 25, 2024.”

b. Ratification of the acts and resolutions of the Board of Directors and Management during the preceding year

Resolution No. S-02-25: RESOLVED, to ratify each and every act and resolution, from April 25, 2024 to April 24, 2025 (the “Period”), of the Board of Directors (the “Board”), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, during the Period, of the officers of the Corporation performed pursuant to the resolutions of the Board, the Executive Committee and other Board committees as well as pursuant to the By-laws of the Corporation.”

c. Amendment to the Seventh Article of the Articles of Incorporation

Resolution No. S-03-25: “RESOLVED, to approve the amendment to the Seventh Article of the Articles of Incorporation to decrease the authorized capital stock of the Corporation from Php21,437,602,946.401 to Php20,437,602,946.00 through the retirement of 1 Bn common shares held in Treasury.”

d. ALI Performance Shares Plan

Resolution No. S-04-25: RESOLVED, to approve the Performance Share Plan, as forming part of the existing Employee Stock Ownership Plan of the Corporation, to be made available to qualified employees, consultants, and directors.”

e. Election of the directors (including the Independent Directors)

Resolution No. S-05-25: “RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Cezar P. Consing
Anna Ma. Margarita B. Dy
Fernando Zobel de Ayala
Mariana Beatriz Zobel de Ayala
Daniel Gabriel M. Montecillo (Independent Director)
Cesar V. Purisima (Independent Director)
Rex Ma. A. Mendoza (Independent Director)
Surendra M. Menon (Independent Director)”

f. Election of Isla Lipana & Co. as our external auditor for the year 2025 and fixing of its remuneration

Resolution No. S-06-25: “RESOLVED, as endorsed by the Board of Directors, to approve the election of Isla Lipana & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of Four Million Seven Hundred Ninety Three Thousand Pesos (₱4,793,000.00), exclusive of value-added tax and five percent (5%) out of pocket expenses.”

g. Audited Financial Statements, including noting of Annual Report

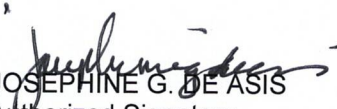
Resolution No. S-07-25: “RESOLVED, to note the Corporation’s Annual Report, which consists of the Message from the Chairman, the President’s Report, and the audio-visual presentations to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation’s external auditor, Isla Lipana & Co.”

SIGNATURES

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

Registrant: **AYALA CORPORATION**

By:


JOSEPHINE G. DE ASIS
Authorized Signatory
Comptroller
Ayala Corporation

Date: May 13, 2025

Begin forwarded message:

From: Philippine Stock Exchange <no-reply@pse.com.ph>

Date: May 14, 2025 at 10:47:10 AM GMT+8

To: "AC ACOSTA, Franchette M." <acosta.fm@ayala.com>, "AC DE ASIS, Josephine G." <deasis.jg@ayala.com>, "AC DE LARRAZABAL, Alberto M." <delarrazabal.am@ayala.com>, "AC LOPEZ, Jose Martin C." <lopez.jmc@ayala.com>, "AC QUIAZON, Johann-David Eduardo R." <quiazon.jder@ayala.com>, "AC VALBUENA, Michelle Marie T." <valbuena.mmt@ayala.com>, disclosure@pse.com.ph

Subject: Quarterly Report

Dear Sir/Madam:

Your disclosure was approved as Company Report. Details are as follows:

Company Name: Ayala Corporation

Reference Number: 0016020-2025

Date and Time: Wednesday, May 14, 2025 10:46 AM

Template Name: Quarterly Report

Report Number: CR03354-2025

Best Regards,
PSE EDGE

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